41 Glorious Years

Annual Report
2016-2017

इरकॉन इन्टरनेशनल लिमिटेड

IRCON INTERNATIONAL LIMITED

VISION

To be recognised nationally and internationally as a construction organisation comparable with the best in the field covering the entire spectrum of construction activities and services in the infrastructure sector.

MISSION

i) To effectively position the Company so as to meet the construction needs of infrastructure development of the changing economic scenario in India and abroad.

ii) To earn global recognition by providing high quality products and services in time and in conformity with the best engineering practices.

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BOARD OF DIRECTORS

Chairman & Managing Director

S. K. Chaudhary
(w.e.f. 29.10.2016)

Whole-time Directors

M.K. Singh
Director Finance
(w.e.f. 01.05.2016)

Deepak Sabhlok
Director Projects

Hitesh Khanna
Director Works

Part-Time (Official) Directors

Rajiv Chaudhry
(w.e.f. 17.11.2016)

S. C. Jain
(w.e.f. 03.01.2017)

Independent Directors

S. K. Singh
(w.e.f. 05.04.2016)

Avineesh Matta
(w.e.f. 08.04.2016)

Prof. Vasudha V. Kamat
(w.e.f. 22.04.2016)

Dr. C.B. Venkataramana
(w.e.f. 28.09.2017)

Registered Office

C-4, District Centre, Saket, New Delhi-110017
Tel.: +91-11-29565666, Fax : +91-11-26522000 / 26854000
E-mail: info@ircon.org Website: www.ircon.org **CIN:** U45203DL1976GOI008171

Company Secretary

Sumita Sharma

Statutory Auditors

M/s. K. G. Somani & Co.
Chartered Accountants

Cost Auditor

M/s. Chandra Wadhwa & Co.
Cost Accountants

Secretarial Auditor

M/s. Vishal Agarwal & Associates
Company Secretaries

Main Bankers

Indian Overseas Bank
State Bank of India
HDFC Bank

Corporate Office Building of Ircon at Saket, New Delhi

CHAIRMAN'S ADDRESS

Distinguished Shareholders,

It is a great pleasure and privilege for me to welcome you all on the occasion of 41st Annual General Meeting of your Company. The year has witnessed improvement in the performance of your Company than that of the previous year which can be gauged from the audited annual accounts and other related reports for the year ended 31st March 2017 which are before you.

I would like to highlight some salient features.

Financial Profile

The operating income of your Company has registered an increase of 24% from Rs. 2419 crore in 2015-16 to Rs. 2995 crore in 2016-17, though profit before tax has decreased by 12% from Rs. 602 crore to Rs. 532 crore during the corresponding period. Indian projects have contributed 90% to the total income of Rs. 3254 crore.

Your Company has allotted bonus shares in January 2017 in the ratio of 4:1 i.e. four bonus (equity) shares for every one equity share held by the shareholders thereby increasing the paid-up capital from Rs. 19.796 crore to Rs. 98.98 crore.

The Company has already paid total interim dividend of Rs. 95.15 crore. The Company now proposes final dividend amounting to Rs. 97.25 crore which is 278% of the paid up share capital, including proportionate dividend on enhanced share capital. Thus, the total dividend for 2016-17 would sum up to Rs. 192.40 crore which is 550% of the paid-up share capital and 52.15% of the post-tax profits. After the proposed final dividend, the accumulated dividend to shareholders would amount to Rs. 1299.91 crore against the seed capital of Rs.5 crore (approx.).

The Company also proposes to buy-back its own shares from the existing shareholders, on proportionate basis, up to 5% of net worth amounting to Rs. 3822.21 crore in accordance with letter dated 23rd August 2017 from Department of Investment and Public Asset Management (DIPAM).

Listing of the shares of your company is also on the anvil, and for this purpose due diligence process and other formalities are underway through Legal Advisers and BRLMs appointed by DIPAM.

Operational Profile

During 2016-17, your Company completed four projects, two in India and one each in Bhutan and Bangladesh. Your Company is having pan India presence through more than 25 projects across various states of India. In addition, the Company is executing projects in Bangladesh, Algeria, and South Africa.

The product mix of your company is varied and includes signaling projects, electrical sub-stations, road over bridges, buildings, road projects from NHAI, apart from railway projects of track laying, upgradation, doubling, railway sidings, coal connectivity projects, re-development of stations, etc.

The mode of execution of some of these projects is EPC whereas road projects from NHAI are being executed through wholly owned subsidiary companies (WOS) formed for this purpose, and coal connectivity projects are being executed through joint venture companies formed as a strategic alliance with other PSUs, Ircon's equity stake in such JVs being 26%.

I feel delighted to share that Ministry of Railways has recently assigned a very challenging task of raising speed of existing New Delhi to Howrah route to 160/ 200 km per hour so as to reduce the time taken to travel between these two destinations to 12 hours.

Subsidiary and Joint Venture Companies

Ircon had four subsidiary companies viz. IrconISL, IRSDC, IrconPBTL, and IrconSGTL as on 31st March 2017. After the close of the year, one wholly owned subsidiary (WOS) company by the name IrconDHHL got incorporated on 11th May 2017, whereas IRSDC ceased to be a subsidiary company after transfer of 1% equity stake (out of 51% held by IRCON) to RLDA. The present status of IRSDC is joint venture company having 50:50 equity participation by IRCON and RLDA.

Your Company also holds 50% equity stake in ISTPL, another joint venture company with Soma Enterprise Limited. Your Company also holds 26% equity stake in five other joint venture companies viz. CERL, CEWRL, MCRL, JCRL, and BRPL, incorporated mainly for coal connectivity projects in the States of Chhattisgarh, Jharkhand, Odisha.

During the year, Ircon transferred its entire shareholding of 25% in the only joint venture company in Mozambique, CCFB, to Government of Mozambique in terms of Settlement Agreement executed in 21st October 2015.

Corporate Governance, CSR and Sustainability

Your Company is committed to good governance, and complies with the requirements of corporate governance under the DPE Corporate Governance Guidelines, and other legal requirements.

During the year, your Company has spent an amount of Rs. 5.89 crore towards Corporate Social Responsibility (CSR) initiatives. The CSR initiatives, aimed at conducting business in a sustainable manner, broadly comprise of activities in the field of health, sanitation, education, employment enhancing education including education for differently abled, environment, infrastructure development, etc.

To keep pace with new developments in the area of CSR, your Company has revised its CSR and Sustainability policy in May 2017.

Acknowledgement:

Before I conclude, I must express my sincere thanks to our esteemed shareholders, my colleagues on the Board of Directors, and to the Members and Officers of the Railway Board, for their valuable support, advice, and cooperation. I would like to record my gratitude to our esteemed clients both in India and abroad for their continued trust and confidence. I also place on record my appreciation of the good work done by all the employees of the Company.

An organization has to be alert and keep re-orienting itself to meet the future demands. Therefore, it is said that "it is not where we stand that's important, but in what direction we are moving". I am confident that IRCON with its progressive approach, perspective, and action will endeavor to reach highest echelons of glory and success.

(S.K. Chaudhary)
Chairman & Managing Director
(DIN: 00515672)

Date: 28th September 2017
Place: New Delhi

DIRECTORS' REPORT

DISTINGUISHED SHAREHOLDERS

The Directors of your Company have pleasure in presenting their 41st Report on the affairs of the Company for the financial year 2016-17.

PERFORMANCE HIGHLIGHTS

During the financial year 2016-17, your Company achieved a total operating income of Rs. 2994.80 crore and profit before tax of Rs. 531.72 crore as compared to operating income of Rs. 2418.51 crore and profit before tax of Rs. 602.36 crore achieved during the previous financial year.

The total turnover of your Company has increased by 14% and the operating turnover has registered an increase of 24%. However, the profit before tax has reduced by 12% and profit after tax has declined by 7% on account of substantial income recognized on settlement agreement with Government of Mozambique during 2015-16.

FINANCIAL HIGHLIGHTS

Some important indicators of financial performance of the Company for the year 2016-17 *vis-à-vis* 2015-16 are given below:

A. Financial Performance Indicators:

(Rs. in crore)

Sl. No.	Particulars	2016-17	2015-16	Increase / (Decrease) [in %]
1.	Total income / turnover	**3254**	2860	14
2.	Total Operating income/turnover	**2995**	2419	24%
3.	Operating income from Foreign Projects	**327**	409	(20%)
4.	Operating income from Indian Projects	**2668**	2010	33%
5.	Profit before tax	**532**	602	(12%)
6.	Profit after tax	**369**	395	(7%)
7.	Net worth	**3828**	3667	4%
8.	Dividend	**192.40***	168.26	14%

* Includes interim dividend of Rs. 95.15 crore for 2016-17 paid during the financial year 2016-17 and final dividend of Rs. 97.25 crore for 2016-17 which shall be paid in the year of its approval by AGM as per IndAS.

Operating income from domestic projects increased by 33% from Rs. 2009 crore in 2015-16 to Rs. 2668 crore in 2016-17. On the international front, operating income decreased by 20% from Rs. 409 crore in 2015-16 to Rs. 327 crore in 2016-17.

B. Foreign Exchange Earnings and Outgo

The Company has earned a foreign exchange of Rs. 265 crore during 2016-17 as compared to Rs. 550 crore earned during 2015-16. The foreign exchange outgo stood at Rs. 241 crore during 2016-17 as compared to Rs. 491 crore during 2015-16. Thus, the net foreign exchange earnings have decreased by 59% from Rs. 59 crore in 2015-16 to Rs. 24 crore in 2016-17 due to reduction in operating turnover from foreign projects.

C. Dividend

The Board of Directors (BoD) had declared an interim dividend of Rs. 79.059 crore (approx.) i.e. 226% on the paid-up share capital of Rs. 19.796 crore (for full year) and proportionately on the bonus share capital of Rs. 79.184 crore (for 70 days) in January 2017. The said interim dividend was paid to all the shareholders in February 2017.

The BoD had declared an additional interim dividend (over and above the interim dividend) of Rs. 16.092 crore i.e. 46% on the paid-up share capital of Rs. 19.796 crore (for full year) and proportionately on the bonus share capital of Rs. 79.184 crore (for 70 days) in March 2017. This additional interim dividend was paid to the shareholders in March 2017.

The BoD has recommended final dividend (over and above the interim dividend and the additional interim dividend) of Rs. 97.25 crore i.e. 278 % on the paid-up share capital of Rs. 19.796 crore (for full year) and proportionately on the bonus share capital of Rs. 79.184 crore (for 70 days), for declaration by the shareholders.

With this, the total dividend for the year 2016-17 would sum up to Rs. 192.40 crore i.e. 550 % of paid-up share capital) which works out to 52.15 % of the post-tax profits of Rs. 369 crore (approx.). After approval and payment of the proposed dividend, the cumulative dividend to shareholders up to 2016-17 will stand at Rs. 1299.91 crore.

D. Appropriations/ Tax Provisions/ Reserves

(Rs. in crore)

Sl. No.	Particulars	2016-17	2015-16
1	Interim Dividend (including additional interim dividend)	**95.15**	79.18
2	Dividend declared and paid	**89.08***	102.94**
3	Tax on Interim Dividend	**19.37**	16.12
4	Tax on dividend declared and paid	**18.14***	20.96**

* Pertains to 2015-16 paid in 2016-17

** Pertains to 2014-15 paid in 2015-16

E. Increase in Share capital

1. Authorised Share Capital

Your Company had increased its authorized share capital from Rs. 25 crore to Rs. 100 crore after approval by the shareholders in the Annual General Meeting (AGM) held on 22nd December 2015. The said increase in authorised share capital received assent from the President of India (through administrative ministry) on 13th April 2016.

After the close of the year, the authorized share capital has been further increased from Rs. 100 crore to Rs. 400 crore in terms of approval by the shareholders at the Extra-ordinary General Meeting held on 22nd May 2017. This increase was already approved, vide letter dated 3rd November 2016, by the President of India (through administrative ministry).

2. Paid-up Share capital through Issue of Bonus Shares

Your Company has issued bonus shares in the ratio of 4:1, i.e. four bonus (equity) shares for every one equity share held by the existing shareholders out of free reserves, after getting approval of the shareholders in the AGM held on 28th September 2016. Consequently, the paid-up share capital of the Company stands increased from Rs. 19.796 crore to Rs. 98.98 crore w.e.f. 5th January 2017.

F. Listing of Shares

The Government of India announced listing of shares of the Company in the budget for 2017-18. Accordingly, Department of Investment and Public Asset Management (DIPAM), Ministry of Finance, has appointed M/s. Crawford Bayley & Co. along with their International consortium partner M/s. Hogan Lovells as Legal Advisors and IDBI Capital Markets & Securities Limited, SBI Capital Markets Limited, and Axis Capital Limited as Book Running Lead Managers (BRLM) for disinvestment of paid-up equity share capital of the Company through Initial Public Offering (IPO) of shares by the Promoters (i.e. Government of India).

Your Company was earlier listed in 1992 at Delhi Stock Exchange (DSE) from 18th August 1992 and Bombay Stock Exchange (BSE) from 16th October 1992, consequent upon disinvestment of 0.27% of the total paid-up share capital of Company in May 1992. However, the Company got delisted at the instance of Ministry of Railways from BSE w.e.f. 3rd November 2011 and from DSE w.e.f. 15th March 2012. The shares of the Company were neither traded nor quoted during earlier listing.

ORDER BOOK

The Company secured works worth Rs. 6,030 crore during the year 2016-17. The work load as on 31st March 2017 stood at Rs. 18,878 crore as compared to Rs. 17,569 crore as on 31st March 2016. The work load as on 30th June 2017 is Rs. 20,010 crore (approx.).

OPERATIONAL PERFORMANCE

A. Foreign Projects Completed:

Your Company has completed two projects (one in Bhutan and another in Bangladesh) during the financial year 2016-17.

Bhutan

1. The turnkey project for dismantling of existing 66/33/11 KV sub-station and Design,

66 KV Substation at Paro, Bhutan

Engineering, Construction, Supply, Erection, Testing and Commissioning of New 2x20 MVA, 66/33 KV sub-station including all associated works at Paro in Bhutan by Bhutan Power Corporation Limited, at a value of Rs. 23 crore, has been completed in March 2017.

Bangladesh

2. The project for construction of 2nd Bhairab Railway Bridge with Approach Rail Lines (Lot-A) — being undertaken through unincorporated JV between your Company and AFCONS viz. IRCON-AFCONS JV, at a revised value of Rs. 265 crore (Ircon's share), has been completed in March 2017.

B. On-going Foreign projects:

Your Company is executing the following four projects in foreign countries:

Bangladesh

1. Design, Supply, Installation, Testing, and Commissioning of Computer based Interlocking Colour Light Signalling System on turnkey basis at 11 stations between Ishurdi-Darsana section of Bangladesh, at a value of Rs. 60 crore. Physical work has been completed in July 2017. The work is scheduled to be commissioned in September 2017.

2. Construction of Embankment, Track, all civil works, major & minor bridges (Except Rupsha) & culverts and implementation of EMP against Package WD1 under the project Construction of Khulna-Mongla Port Rail Line for Bangladesh Railway, at a value of Rs. 971 crore (USD 147.80 million). The physical progress up to July 2017 is 10%. The work was commenced in March 2016 and is scheduled to be completed in September 2019.

   The project is progressing slowly due to non-availability of encumbrance free land and non-issuance of drawings for bridges and buildings by the client.

Algeria

3. Installation of double track line (93 kms) in Algeria awarded by ANESRIF, Ministry of Transport, Government of Algeria, at a value of Rs. 1103 crore (converted in INR) involving construction of second line and upgradation of existing line from Oued-Sly to Yellel in Alger-Oran section of Algerian Railways. The value of contract including additional works for realization of double line has been revised to Rs. 1944 crore (converted in INR). Though the project was awarded in 2008, but it was suspended by the client in January 2009 and restarted in May 2010. The completion time has been extended by client up to 10th May 2018.

   The modalities of payment to the local sub-contractor were not spelled in the amendment and were later negotiated with the client, which hampered the cash flow and project progress. Eventually, the mode of payment to the local sub-contractors and revision of the price were negotiated by a high level committee in July 2016 paving the way for smooth progress of the project. Lack of sufficient funds with the client is likely to affect the completion period of the project.

South Africa

4. Procurement of Plant Design, Supply and Installation of Overhead Track Equipments, Traction Sub-stations, Auxiliary Power Supplies Substations, Bulk Power Supplies Switching Stations and Signalling Systems for Majuba Rail Project, South Africa, for Eskom Holdings SOC Limited, at a value of Rs. 346 crore (Rand 663 million, Rand 1 = 5.212). The work has been secured in November 2015. During the operation of contract, Foreign Currency issue arose which has been resolved. The work is in

progress and likely to be completed by 31st March 2018.

Railway Electrification work, South Africa

C. Likely Foreign projects:

Concerted efforts are being made to secure contracts in **Malaysia, Bangladesh, Tanzania, Sri Lanka, and Iran.**

Meeting with the delegation headed by
Hon'ble Najib Razak PM of Malaysia in New Delhi

Interaction on Railway Cooperation Opportunities Function organised by
Hon'ble Minster of Railways

D. Project Completed in India:

In March 2017, following two projects at a total value of Rs. 178 crore got completed in India for Delhi Metro Rail Corporation Limited (DMRC):

Ballastless Track Kochi Metro

- Contract KT-4: Design, Supply, Installation, Testing and Commissioning of Ballastless Track of Standard Gauge in elevated section of Aluva to Petta corridor, and

- Contract KT-5R1: Supply, installation, testing, and commissioning of standard gauge track work in Muttom Depot of Kochi Metro Rail Limited.

E. New Projects in India:

During 2016-17, your Company secured following projects in India:

1. Construction of Corridor-III of East-West Corridor between Gevra Road to Pendra Road approximately 135 km, feasibility study of East-West Corridor between Gevra Road to Pendra Road in the State of Chhattisgarh, for Chhattisgarh East-West Railway Limited (CEWRL), at an estimated project cost of Rs. 2840 crore as per approved Detailed Project Report (DPR).

2. a) Doubling projects for East Central Railway at (a) RDUM-TAL-RJO (Rampur Dumra Tal Rajendrapul) project at an estimated project

cost of Rs. 1491 crore, out of which Rs. 1369 crore has been considered for the year's order book; (b) Kiul-Gaya project at an estimated project cost of Rs. 1200 crore, out of which Rs. 455 crore has been considered for the year's order book; (c) Hajipur-Bachwara project at an estimated project cost of Rs. 679 crore, out of which Rs. 289 crore has been considered for the year's order book;

b) Doubling projects for West Central Railway at Katni-Singrauli project at an estimated project cost of Rs. 1763 crore with a contribution of Rs. 348 crore for the year's order book;

3. Survey, Feasibility study, Detailed Design and Construction of various identified Rail Coal Connectivity Project(s), for Jharkhand Central Railway Limited (JCRL), at an estimated project cost Rs. 1365 crore as per approved DPR.

4. Survey, Feasibility study, Detailed Design and Construction of various identified Rail Coal Connectivity Project(s), for Mahanadi Coal Railway Limited (MCRL), at an estimated project cost of Rs. 1075 crore.

5. Construction of New Block Station, Staff Quarters and associated P-Way, OHE and S&T works in connection with construction of Railway siding for the proposed 3.0 MTPA Integrated Steel Plant at Nagarnar, Chhattisgarh (Package No.- IV), for NMDC Limited, at a value of Rs. 79 crore.

6. Execution of rail connectivity projects identified by Bastar Railway Private Limited (BRPL), at an estimated project cost of Rs. 1406 crore.

7. Akhaura – Agartala Rail Link project, for North Frontier Railway, at an estimated project cost of Rs. 574 crore as per approved DPR, out of which Rs. 211 crore has been considered for the year's order book.

8. Civil, Building & Track Works of Western Dedicated Freight Corridor Contract package CTP-11 JNPT – Vaitarana Section (IRCON share 60%), for Dedicated Freight Corridor Corporation of India Limited (DFCCIL), at a value of Rs. 1716 crore.

9. Additional work of Design, Drawing and Construction of External Development works & External Services at National Institute of Technology (NIT), Mizoram, at a value of Rs. 330 crore.

10. Six-Laning of Davanagere-Haveri (from Km. 260+000 to Km. 338+923) of NH-48 in the State of Karnataka to be executed (through incorporation of a subsidiary) on Hybrid Annuity Project on DBOT Annuity under NHDP – Phase V – EPC Cost, for NHAI, at a value of Rs. 1095 crore.

11. Additional works for Construction of Road Over Bridges (RoB's) in the State of Bihar (New RoB's-12) for East Central Railway, at a value of Rs. 133 crore.

G. On-going major Projects in India:

A list of major on-going projects in India is given at **Appendix – A**.

H. New Projects secured after the close of the year:

After the close of the year 2016-17, your Company secured following projects in India:

1. Visakhapatnam (Diesel Loco shed) – Augmentation of shed for homing 100 HHP locomotives, for East Coast Railway, at a value of Rs. 61.75 crore.

2. Katni Grade Seperator / By pass line (21.50 Km) Project, for West Central Railway at an estimated cost of Rs. 582.13 crore.

Signing of MOU with RLDA

3. Re-development of Safdarjung Railway Station, for RLDA and Ministry of Railways at an estimated cost of Rs. 261.72 crore.

4. Railway electrification work for Katni-Singrauli, for East Central Railway, at an estimated cost of Rs. 258 crore.

5. Mathura-Kasganj-Kalyanpur Railway Electrification Project with Signalling, for East Central Railway at an estimated project cost of Rs. 305.90 crore

Signing of MOU

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

A brief background on the subsidiaries (including the newly formed wholly-owned subsidiary —Ircon Davanagere Haveri Highway Limited incorporated on 11th May 2017) and joint ventures companies of Ircon along with their financials and performance is given at **Appendix – B**. Details of equity investments, loans given, and guarantees extended under section 186 of the Companies Act, 2013, to the subsidiaries, joint ventures, and associate companies are given at para E (3) under the heading 'Compliances':

CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the provisions of Section 129(3) of the Companies Act, 2013, your Company has prepared its Consolidated Financial Statements [as per line by line method] with its four subsidiaries viz. IrconISL, IRSDC, IrconPBTL, and IrconSGTL; and [as per equity method] with seven joint venture companies viz. ISTPL, CERL, CEWRL, MCRL, JCRL, BRPL and CCFB (up to the date of transfer i.e. 22.09.2016). The accounts of five un-incorporated joint ventures viz. RICON, IMCC, MTG, IRCON-SPSCPL JV, and IRCON-AFCONS JV, that were being consolidated in the previous years, have been included in the standalone financial statements for the financial year 2016-17. The Board of Directors of your Company has, at its meeting held on 21st September 2017, approved the Financial Statements for 2016-17 (Standalone and Consolidated).

Your Company would make available audited financial statements (standalone and consolidated) and accounts / financial statements of its subsidiaries (IrconISL, IRSDC, IrconPBTL, and IrconSGTL) and joint venture companies (ISTPL, CERL, CEWRL, MCRL, JCRL and BRPL) in India at its website **(www.ircon.org)**.

Further, the above said accounts / financial statements of these subsidiaries and joint venture companies would also be made available upon request by any shareholder of the Company.

A statement containing the salient features of the financial statements of these subsidiaries and joint venture companies in Form AOC-1 is attached with the Financial Statements.

COMPLIANCES:

A. Presidential Directive:

One presidential directive was received from Railway Board vide letter dated 29th April 2016, regarding final dividend for 2015-16 and dividend for 2016-17. The same has been complied with for the year 2015-16, and would stand complied with for the year 2016-17 after the declaration of final dividend. Details of dividend are given in para C of this report under the heading 'Financial Highlights'.

B. Official language:

During the year, various novel and encouraging initiatives have been undertaken for pervasive use of Hindi in the office. Some of them are:

a) Pledge by all employees to work in Hindi completely on every last Monday of the month.

b) First ever "Rajbhasha Sanghosthi" was held in Corporate Office which is now planned to be conducted every quarter.

c) Birthday wishes to employees are being displayed in Hindi at the reception.

In addition, regular quarterly meetings of Official Language Implementation Committee and

workshops for effective use of the unicode system and official language are being conducted. Bilingual facility has been introduced for computer systems and mobile phones used by officials of the Company. Officers and staff are being encouraged through various incentive schemes for implementation of the annual program of the Official Language Department. Bilingual formats have been made available at Ircon's internal website for use by the employees. A thought and a word in Hindi is displayed at the reception which is contributed by different departments on rotational basis.

C. Right to Information Act, 2005:

As per the requirements of the RTI Act, necessary updated information including the names of Appellate Authority, Central Public Information Officer, State Level Public Information Officer and Assistant Public Information Officer are posted on Ircon's website. Queries received are replied within the stipulated time. The queries are usually in the nature of service matters, related to finance, contract, and projects. The details of RTI cases have been forwarded to the Ministry of Railways for publication on the website of Central Information Commission (CIC) website on quarterly as well as annual basis.

During the year, out of 204 applications / appeals received 191 applications (inclusive of 1st appeal) have been processed / disposed off.

D. Compliance of MSME Guidelines for implementation of Purchase Preference Policy:

Your Company has in place a comprehensive Purchase Preference Policy since June 2012 which is in line with the Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 notified by the Ministry of Micro, Small and Medium Enterprises (MSME) under section 11 of Micro, Small and Medium Enterprises Development Act, 2006. The e-procurement portal of Ircon i.e. www.tenderwizard.com/IRCON provides for facilitation of registration of MSEs firms registered with any statutory bodies specified by Ministry of MSME, and participation in e-tender by availing the benefits of exemption from payment of cost of tender fee and Earnest Money.

The achievement of procurement from MSEs (20% including a sub-target of 4% from MSEs owned by SC/ST entrepreneurs) during the financial year 2016-17 in compliance to Public Procurement Policy is as below:

(Amount in Rs. Crore)

Sl. No.	Particulars	2016-17
1.	Total annual procurement (in value)	321.04*
2.	Target %age of annual procurement (20%) (in value)	64.20
3.	Total value of goods and services procured from MSEs (including MSEs owned by SC/ST entrepreneurs) (in value)	54.29
4.	Total value of goods and services procured from only MSEs owned by SC/ST entrepreneurs	0.00
5.	% age of procurement from MSEs (including MSEs owned by SC/ST entrepreneurs) out of total procurement	16.91%
6.	% age of procurement from only MSEs owned by SC/ST entrepreneurs out of total procurement	-
7.	Total number of vendor development programme for MSEs	3

*The Company has requested Ministry of Micro, Small and Medium Enterprises (through Ministry of Railways) in terms of letter dated 20th September 2017 to exclude certain procurements amounting to Rs. 88.45 crore (which are beyond the scope of MSEs) from the value of total procurement (i.e. Rs. 321.04 crore) for the financial year 2016-17.

E. Companies Act, 2013:

1. Particulars of employees

In terms of the revised Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of top ten employees in terms of remuneration drawn and

employees who have drawn remuneration of Rs. 1.02 crore per annum or more (if employed throughout the financial year) or Rs. 8.50 lakhs per month or more (if employed for the part of the financial year) , during the year 2016-17, has been included in para 4.3 of the Corporate Governance report and Annexure E-1 thereof.

2. Deposits

Your Company did not accept any deposits from public during the year.

3. Particulars of investments, loans, and guarantees and securities under section 186 of the Companies Act, 2013

Investments made, loans granted, and guarantees extended by your Company in terms of section 186 of the Companies Act, 2013, up to 31st March 2017, are as under:

(Rs. in crore)

Sl. No.	Name of the Company	Committed	Actually invested / paid
Equity Investment:			
a)	Subsidiary Companies		
	i) IrconISL	65.00	65.00
	ii) IRSDC (See Note no. 1)	40.80	20.40
	iii) IrconPBTL	165.00	165.00
	iv) IrconSGTL	150.00	150.00
b)	Joint Venture companies		
	i) ISTPL	63.87	63.87*
	ii) CERL	104.00	83.58
	iii) CEWRL	131.30	131.17
	iv) MCRL	1.30	0.01
	v) JCRL	13.00	1.30
	vii) BRPL	1.30	1.18
	TOTAL (A)	**735.57**	**681.51**
Loan:			
a)	Subsidiary Companies		
	i) IrconISL (See Note no. 2)	22.92	22.92
	ii) IrconPBTL (See Note no. 3)	352.00	80
	iii) IrconSGTL (see note no. 4)	722.11	162.65
b)	Joint Venture Companies		
	i) CERL (See Note no. 5)	169.00	117.00
	ii) CEWRL (See Note no. 6)	39.00	39.00
c)	Unincorporated Joint Ventures		
	i) IRCON-AFCONS JV (See Note no. 7)	18.15	Nil
	TOTAL (B)	**1323.18**	**421.57**
Guarantee:			
a)	Subsidiary Companies		
	i) IrconISL [See Note no. 8(i)]	150.00	Nil
	ii) IrconPBTL [See Note no. 8(i)]		Nil
	iii) IrconSGTL [See Note no. 8(i)]		41.52
b)	Joint Venture Companies		
	i) ISTPL (See Note no. 9)	63.07	63.07
c)	Unincorporated Joint Ventures		
	i) IRCON-AFCONS JV [See Note no. 8 (ii)]	90.00	27.98
	TOTAL (C)	**303.07**	**132.57**
Investment in Securities of Body Corporate:			
a)	Investment in Securities of Body Corporate (See Note no. 10)	291.36	291.36
	TOTAL (D)	**291.36**	**291.36**
	GRAND TOTAL (E=A+B+C+D)	**2653.18**	**1527.01**

* A total amount of Rs. 64.15 crore considered in balance sheet including Rs. 0.28 crore being impact of financial guarantee contracts.

NOTES:

(a) Equity investment in Subsidiary and Joint Venture:

1. The Board of Directors of Ircon earlier in January 2013 had approved increase in equity participation in Indian Railway Stations Development Corporation Limited (IRSDC) by Rs. 10.20 crore amounting to total equity commitment of Rs. 20.40 crore for financial year 2012-13 and another Rs. 20.40 crore at any point of time after 31st March 2014, except after specific approval of BoD as per the Companies Act, 2013.

(b) Loan to Subsidiaries:

2. Loan extended to IrconISL for meeting capital expenditure on construction of multi-functional complexes (MFC). After part repayment, the outstanding loan as on 31st March 2017 is Rs. 22.92 crore.

3. Loan extended to IrconPBTL for execution of Bikaner – Phalodi Highway project in the State of Rajasthan. IrconPBTL has executed deed of hypothecation on 8th March 2017 for creating charge on its movable and immovable assets in favour of Ircon for the total loan amount of Rs. 352 crore.

4. Loan extended to IrconSGTL for execution of Shivpuri-Guna Highway project in the State of Madhya Pradesh. IrconSGTL has executed deed of hypothecation on 8th March 2017 for creating charge on its movable and immovable assets in favour of Ircon for the total loan amount of Rs. 722.11 crore.

(c) Loan to JVC:

5. Loan has been extended to CERL for construction of Rail line project from Kharsia to Dharamjaigarh in the State of Chhattisgarh, corresponding to Ircon's stake of 26% in the JVC.

6. Loan has been extended to CEWRL for payment of land compensation, consultancy fee, etc. before financial close pending decision on debt-equity structure and other aspects, corresponding to Ircon's stake of 26% in the JVC.

(d) Loan to Un-incorporated Joint Venture (UJV):

7. Loan has been sanctioned for working capital requirement in connection with construction of 2nd Bhairab Railway Bridge project in Bangladesh.

(e) Guarantee:

8. Your Company has extended following financial assistance to its wholly owned subsidiary (WOS) companies and unincorporated joint ventures (UJV):

i) Allocation of Rs. 150 crore (revolving) of Ircon's non-funded credit limits sanctioned by any Bank (which has sanctioned credit limits to Ircon) to be utilized by its three WOS viz. IrconISL, IrconPBTL, and IrconSGTL for facilitating issue of bank guarantees(s) by the Banker in favour of their client as may be required by them to carry on their business.

ii) Allocation of Rs. 90 crore (revolving) of Ircon's non-funded credit limits sanctioned by State Bank of India to be utilized by UJV viz. IRCON-AFCONS JV for facilitating issue of bank guarantees(s) by the Banker in favour of their client as may be required by them to carry on their business.

9. Details have been disclosed under the heading 'Ircon-Soma Tollway Private Limited' [under Para B (6) of Appendix – B] and also disclosed in note nos. 52 forming part of the Standalone Financial Statements.

(f) Investment in Securities of Body Corporate:

10. The Company has invested in the securities of body corporate like Bonds etc. etc. Further, the BoD had been according (since 2013-14) approval every year in July for further investment, up to Rs. 150 crore in bonds of public sector undertakings (like NHAI, IRFC), to be utilized on or before 31st July of next year. The cumulative details of investment are disclosed in note no. 7.1 forming part of the Standalone Financial Statements.

After the close of the financial year, your Company has committed / made further following investments and loan to its subsidiaries and proposed joint ventures companies against the commitments, up to 31st July 2017:

(Rs. in crore)

Sl. No.	Name of the Company	Committed	Actually invested
Equity Investment:			
a)	Subsidiary Companies		
	i) IrconDHHL	0.05	0.05
b)	Joint Venture Companies		
	i) JCRL	--	11.70
	TOTAL (F)	**0.05**	**11.75**
Loan:			
c)	Subsidiary Companies		
	i) IrconPBTL	--	73.75
	ii)IrconSGTL	--	127.83
	TOTAL (G)	**0.00**	**201.58**
	GRAND TOTAL (H = F+ G)	**0.05**	**213.33**

4. Related Party Transactions

The related party transactions entered during the year has been in the ordinary course of business and on arm's length basis. Details of Transactions entered with related parties in Form AOC-2 in terms of the Companies Act, 2013, is placed as **Appendix – H.**

5. Significant and material orders passed by the Regulators/ Courts/ Tribunals impacting the going concern status and Company's operations in future

No order has passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

6. Internal Control System and Risk Management

Details of the internal control system and risk management are provided in the Management Discussion and Analysis Report.

PERSONNEL DEVELOPMENT

Cordial and harmonious industrial relations prevailed in the Company during the year. The total manpower strength as on 31st March 2017 stood at 1495, which included 1183 regular employees, 47 deputationists, and 265 employees on contract (including service contract). 1004 employees of the Company were technically and professionally qualified. The total number of women employees was 68. There were a total of 241 scheduled caste / scheduled tribe employees as on 31st March 2017.

Your Company has been continuously taking steps for building capacity of its human resource through training in functional and general management areas, contract & arbitration, leadership, information technology, as well as soft skills. External faculty is arranged wherever required and officials are nominated for workshops, seminars, etc. with reputed institutes. During the year 2016-17, a total 912 man-days training was imparted to officials of Ircon through workshops, seminars, conferences, in-house trainings and training in external institutes, etc.

Your Company has various schemes for staff welfare like educational scholarships, one-time educational grant for admission to professional degrees and diploma courses, educational awards to meritorious children of employees, educational assistance to the wards of deceased employees, assistance for marriage of daughters and dependent sisters of group 'C' and 'D' employees, etc. An award was introduced for meritorious wards of Ircon employees who secured gold medal in professional courses. In addition to facility of homeopathy and allopathy treatment at Corporate office, yoga classes are also conducted for overall well-being of the employees. Other facilities like immediate financial assistance and guidance are being provided to employees and their family members in case of any medical exigency, lumpsum ex-gratia payment to family members in case of death of serving employee.

Your Company aims to provide congenial and safe working atmosphere to women employees. The Company has a complaints committee for prevention of sexual harassment at work place. Further, provision pertaining to prohibition of sexual harassment has also been incorporated in Ircon Conduct, Disciplinary, and Appeal Rules. No complaints relating to sexual harassment has been received by the Company during the year. The Company, on International Women's day, arranged one workshop during the year, exclusively for women employees for creating awareness on health related issues. Inter-project Quiz programmes and Debate competition were conducted for the employees of Ircon. Winning team and the runners up were awarded cash prize and certificate of commendation.

The 41st Annual Day of the Company was celebrated on 29th April 2017 with traditional fervor and gaiety. On this occasion, exemplary work done by employees in Indian as well as foreign projects and select projects were appreciated and rewarded. Educational awards to meritorious children of the employees were also given on this occasion.

QUALITY, ENVIRONMENT, AND HEALTH & SAFETY MANAGEMENT

Quality Management System (QMS) has been successfully sustained and continually improved since 1996 when the Company as a whole was first certified for ISO-9002-1994 by TUV Suddeutschland Private Limited (TUV). Your Company has continued the certification and sustained the system as per latest revised code ISO 9001:2015 (by periodical re-certification audit after expiry of every three years). Latest re-certification audit has been conducted in March 2017, whereby the Company has been re-certified by TUV for a period of another three years i.e. up to June 2020.

During the year, the Company has started working on development of mobile phone / web based video library, and for this purpose two topics have been identified viz. Construction of Embankment (Mechanised) in 3D format and Personal Safety & safety in construction in 2D format. The mobile / internet based application on personal safety and safety in construction has been released and is available on Ircon's internal website.

Your Company established an **Environment Management System (EMS),** and was certified for ISO 14001:2004 in October 2011. The latest re-certification audit for ISO 14001-2015 has been conducted in March 2017 whereby the Company has been re-certified for another three years i.e. up to May 2020.

The Company nominates Environment officers at major Indian projects to monitor EMS at their respective projects who complies with the environmental laws and monitor air quality. This is an ongoing process until completion of the project. Environmental checklists have been developed and maintained by all projects. In addition, the Company has a fully operational environmental lab in Jammu for study of impact on environment by the construction activities.

Environmental friendly equipment such as solar panels have been installed and are being installed at various offices / projects. Waste water is recycled at Corporate Office through Sewage Treatment Plant (STP), and the same is used for horticulture work. STPs are also being constructed at Noida, Gurgaon, and MFC buildings. LED lights, sensor lights and sensor taps are being used in Corporate Office to conserve electricity and water. Various environment friendly steps like use of fly ash brick instead of clay brick, rain water harvesting arrangements, sensor controlled Cromium Plate (CP) fittings, use of latest version of fecade glass (glass in building) to make the building sustainable etc. are being taken up across various offices / projects of the Company. Monitoring of water usage and waste water, ambient air quality and noise quality is also being carried out at various construction sites. The Company is emphasizing on providing clean environment by initiating indoor air quality monitoring in the Corporate Office building. Tree plantation is also undertaken by corporate office and project offices.

Your Company has also been certified for **Occupational Health & Safety Management System** (OHSAS – BS 18001:2007) in December 2012 by TUV SUD South Asia. The re-certification audit was conducted in October 2015, whereby the Company had been re-certified for another three years i.e. up to December 2018.

Corporate Quality Council and Project Quality Council meetings were conducted quarterly at Corporate Office and projects respectively to review the implementation of QMS, EMS, and OHSAS. The Quality objectives were measured and reviewed both at the Corporate and at the Project levels. Internal Quality Audit as well as Quality Assurance Audit were conducted in projects and corporate office. Reports of these audits not only contained details of non-conformities encountered during the audit but also the salient features, progress, positive points, if any, etc.

In addition, in-house trainings were imparted to 100 employees by a team of internal auditors of Quality Management Department at Indian Project sites on General Awareness on EMS, QMS & OHSAS, Reinforced Cement Concrete (RCC) Construction, Environment Ethics, Construction of Civil works in Electrical projects, Quality control at site etc.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND UPGRADATION

On energy conservation front, your Company has completed work of Design, Supply, Installation, Testing and Commissioning of grid connected solar power plant of 2MW capacity with all the electrical and associated equipment including civil works at Rail Coach Factory, Rae Bareli (U.P.), at a value of Rs. 15.60 crore. The plant is fully operational, and meets about 21% of electrical energy requirement for the factory. The Company has procured 1 MW additional Solar Power Plant at Rail Coach Factory, Rae Bareli in addition to earlier installed 2 MW Solar Power Plant.

Additional 10 KW Roof Top Grid Connected Solar Power Plant has been made operational as a step to conserve energy. This Solar Power Plant is in addition to existing capacity of 80 KW, and has been implemented after energy

audit contributing to environment through usage of Green Energy.

Further, additional capacitor banks have been installed at Corporate Office building to improve power factor which would further reduce the Electrical Energy consumption.

Technology absorption and upgradation

Supervisory Control and Data Acquisition System (SCADA) for energy management have been made operational at Rail Coach Factory, Rae Bareli. Further, the Company has constructed all sub-station buildings in DMRC with latest energy efficient and environmental friendly guidelines which includes LED lights, Rain Water harvesting.

For the first time in Indian Railways, Overhead Equipment (OHE) design for Railway Electrification Project is being carried out by using Drone camera for picking the coordinates and Geographical Information System (GIS). The OHE layout plans are then prepared with the help of Autocad. Ircon has also planned for use of Drone Camera for Katni Singrauli Doubling project.

Uncommon technique of launching of girder by cantilever method was used at 2nd Bhairab Bridge in Bangladesh by utilizing the benefit of river water. The barge of 250 tonne capacity was used to mount the road crane as well as the members of the truss. The whole barge was brought parallel to the working span and members were erected by the road crane when the barge was properly anchored. With this process of cantilever launching time cycle was reduced from 45 days to 30 days for erection of truss bridge of 102.4 meter in length. This also economized the cost by saving the extra material to be welded on the bottom chord.

Further, New Austria Tunnelling Method (NATM) is proposed to be adopted for construction of tunnels in Sivok–Rangpo project. This method is very useful in complex diversified geological condition where forecasting of the rock mass is difficult due to rapidly changing geology.

A concept paper on adoption of Semi High Speed on existing routes was presented in IPWE Seminary in January 2017.

RESEARCH & DEVELOPMENT (R&D)

Your Company does not undertake any pure research project but takes the help of consultants and firms to innovate and to develop methods and techniques to execute projects in a cost effective manner, with requisite quality, to enhance the technological competence and efficiency.

INFORMATION TECHNOLOGY AND DEVELOPMENT OF ERP

SAP ECC 6.0 based Finance-Controlling and HCM module had been successfully implemented and rolled-out on all project offices and corporate office. Updated and current data related to finance and human resources domain can be accessed from anywhere by employees of the Company.

With an objective to enable IT facility in all domain, efforts were directed towards enhancement of SAP ECC 6.0 based Finance-Controlling module to incorporate additional functionalities like fixed asset accounting for calculation of depreciation as per Indian Income Tax Act, Bank Reconciliation System, FOREX reporting in Functional currency, local currency and reporting currency, Implementation of IndAS functionality (age analysis and discounting of Financial Asset and liability), reports for quarterly and annual financial statements as per schedule III of the Companies Act, 2013; implementation of E-recruitment system on SAAS model with functionalities like on-line submission of application with payment gateway, generation of admit card and communication through SMS / e-mail with the applicants, conducting on-line written test, instant publication of results; installation of video conferencing system for conducting review meetings with Project Heads, training, promotion interviews etc.; hiring datacentre services for SAP ERP application to gain enhanced efficiency, security, and flexibility for capacity augmentation; revamping company's responsive internet website etc.

To reduce paper usage and transparent working, use of IT has been enhanced in all the functional domains.

VIGILANCE ACTIVITIES

Vigilance Department plays an advisory role to the top management in matters pertaining to vigilance. It is headed by a full time Chief Vigilance Officer (CVO) appointed by the Appointments Committee of the Cabinet (ACC) in consultation with Central Vigilance Commission (CVC). After sudden demise of Mr. Satish Tandon, CVO on 16th May 2017, appointment of new CVO by the Ministry of Railways is under process.

The Vigilance Department ensures implementation of laid down guidelines / procedures through preventive checks of tenders and contracts, execution of works, and other functions as well as carries out investigations into complaints. During the year, six inspections were carried out on various projects / units. Complaints received from various authorities (like CVC, Railway Board Vigilance), and

other sources were investigated to their logical conclusion. Based on the outcome of investigation, circulars on system improvements in the areas of tenders, contracts, HRM, finance, project management, etc. were issued to avoid recurrence of irregularities / procedural errors and to plug loopholes in system. Steps were also taken for closure of paras raised by the Chief Technical Examiner's Organisation (CTEO). Scrutiny of immovable property returns of employees; creating awareness on rules/procedures/ common irregularities in execution through workshops/trainings, debate, competitions, etc. have been the prime activities of the Department.

As a step towards 'leveraging technology' for better transparency, submission of online Immovable Property Returns by the officers was started in 2012-13 and the process is running successfully; online Vigilance Clearance started w.e.f. 1st April 2014 in the organization through intranet portal www.irconnet.com; vigilance section / portal on website www.ircon.org with a facility for online receipt of complaints is in place since December 2012; e-procurement has already been started w.e.f. 1st July 2013 in the organization in a comprehensive manner for achieving transparency for the works valuing more than Rs. 50 lakhs;

Vigilance department strives to achieve its objective of promoting an impartial, fearless, and transparent environment in functioning of the organisation by taking steps to prevent unethical practices.

INTEGRITY PACT

Your Company has signed a Memorandum of Understanding with Transparency International India (TII) in April 2014 for adoption and implementation of Integrity Pact, based on recommendation of CVC for its adoption in respect of major procurements in the Government Organisations.

The Company has implemented Integrity Pact for tenders / contract for works and supply valuing of Rs. 5 crore and above on all Indian Projects, and appointed one Independent External Monitor (IEM) to monitor the activities.

AWARDS

Your Company had received following awards during the year 2016-17:

1. India Pride Awards 2015-16 instituted by Dainik Bhaskar for 'Excellence in Public Sector Undertaking – Central in CSR/Environment Protection and Conservation'. The award was presented by Mr. Venkaiah Naidu, Hon'ble Union Minister for Urban Development to Mr. Mohan Tiwari, former Chairman & Managing Director, Ircon, at a function held in New Delhi on 4th April 2016.
2. Dun & Bradstreet Infra Awards 2016, in the category of "Best Infrastructure Project: Setting up of Rail Coach Factory, Rae Bareli at Lalganj (U.P.) Phase-I Project". The award was presented by Mr. Mansukh L. Mandaviya, Hon'ble Minister of State for Transport & Highways to Mr. M.K. Singh, Director Finance, Ircon, at a function held in New Delhi on 8th November 2016.

D&B Infra Awards 2016 in Construction & Infrastructure Development (Railways)

3. Governance Now 4th PSU Awards 2016 in the category of "HR Initiative (Miniratna I)". The award was presented by Mr. Ram Villas Paswan, Hon'ble Union Minister for Consumer Affairs, Food and Public Distribution, to Ms. Anupam Ban, General Manager/HRM, Ircon, at a function held in New Delhi on 23rd December 2016.
4. CIDC Vishwakarma Award 2017 from Construction Industry Development Council (CIDC) in the category of Best Construction Project for Railways Coach Factory, Rae bareli. The award was presented to

CIDC Vishwakarma Award 2017 for Best Construction Projects (Railways)

Mr. S.K. Chaudhary Chairman & Managing Director; Mr. Deepak Sabhlok, Director Projects; Mr. Dwarika Prasad, Executive Director (Rae Bareli);, and Mr. A.K. Goyal, Executive Director (Projects); at a function held in New Delhi on 7th March 2017.

5. As per Dun & Bradstreet India's Top PSUs 2016 Certificate released on 22nd August 2016, Ircon ranks 93 on the basis of Total Income.

INTEGRAL REPORTS

The following reports / documents along with relevant annexures form an integral part of this report, and have been placed as Appendices numbered herein:

(1) **"Report on CSR and Sustainability Activities"** provides a brief outline of the company's CSR and Sustainability policy, the composition of CSR & Sustainability Committee, average net profit of the Company for the last three financial years, prescribed CSR expenditure, and details of CSR spent on the activities / projects undertaken during the financial year etc. **[Appendix – C].**

(2) The **"Management Discussion and Analysis Report"** provides an overview of the affairs of the Company, its legal status and autonomy, business environment, vision and mission, sectoral and segment-wise operational performance, strengths, opportunities, constraints, strategy and risks and concerns, as well as human resource and internal control systems **[Appendix – D].**

(3) The "**Corporate Governance Report"** highlights the philosophy of Corporate Governance and Key Values of the Company, composition of Board of Directors and its Committees, their details including profile of directors who joined the Board during 2016-17, attendance and remuneration of directors etc., other relevant disclosures, CMD / DF Certification, and general information for shareholders, etc. **[Appendix–E].** It is supplemented by following compliance certificates:

1. Certificate signed by the Chairman & Managing Director affirming receipt of compliance with the Code of Conduct and Key Values from all Board members and Senior Management personnel during the year 2016-17 (placed at **Annexure–E2**);
2. Certificate from Chairman & Managing Director and Director Finance with respect to the truth and fairness of the Financial Statements, due compliances, and financial reporting (placed at **Annexure – E3**); and
3. Certificate of compliance of Corporate Governance provisions signed by a practising company secretary (placed at **Annexure – E4**).

(4) The Company has appointed M/s. Vishal Agarwal & Associates, Practising Company Secretary, to undertake the Secretarial Audit of the Company for the year 2016-17, pursuant to the provision of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report from the auditor is at **Appendix – F**.

(5) The **"Extract of Annual Return"** in Form MGT-9, pursuant to section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, placed at **Appendix – G**.

(6) The "**Disclosure of Related Party Transactions"** in Form AOC-2, pursuant to Section 134(3) (h) of the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014, is at **Appendix – H**.

(7) The replies of the Management on the comments given by way of Emphasis of Matter / qualifications contained in the Auditors' Report on stand-alone as well as consolidated financial statements are at **Appendix – I**.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

i. that in the preparation of the financial statements, the applicable accounting standards had been followed except as otherwise stated in the annual financial statements and there has been no material departure;

ii. that such accounting policies were selected and applied consistently and such judgments and estimates were made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for the financial year ended on 31st March 2017 and of the profit of the Company for the financial year 2016-17;

iii. that 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;

iv. that the financial statements have been prepared on a going concern basis; and

v. that proper systems had been devised to ensure compliances with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD OF DIRECTORS

During April 2016 to March 2017, seven meetings of the Board of Directors were held with three meetings in the quarter ended June 2016, one meeting each in the quarter ended on September 2016 and December 2016, and two meetings in the quarter ended on March 2017.

The details of the meetings are furnished in the Corporate Governance Report under heading 'Board Procedure' [Para 5.2].

As on 31st March 2017, the strength of Board of Directors was nine comprising four whole-time directors, two government nominated directors, and three independent directors. The details are as follows:

1	Mr. S.K. Chaudhary Chairman & Managing Director [DIN: 00515672]	w.e.f. 29.10.2016
2	Mr. M. K. Singh Director Finance [DIN: 06607392]	w.e.f. 01.05.2016
3	Mr. Deepak Sabhlok Director Projects* [DIN: 03056457]	w.e.f. 16.04.2010
4	Mr. Hitesh Khanna Director Works [DIN: 02789681]	w.e.f. 07.03.2011
5	Mr. Rajiv Chaudhry Part-time (Official) Director [DIN: 03146422]	w.e.f. 17.11.2016
6	Mr. S.C. Jain Part-time (Official) Director [DIN: 07564584]	w.e.f. 03.01.2017
7	Mr. S.K. Singh Independent Director [DIN: 00003695]	w.e.f. 05.04.2016
8	Mr. Avineesh Matta Independent Director [DIN: 00011749]	w.e.f. 08.04.2016
9	Prof (Ms.) Vasudha V. Kamat Independent Director [DIN: 07500096]	w.e.f. 22.04.2016

* Held additional charge of the post of Chairman & Managing Director w.e.f. 1st October 2016 till 29th October 2016 (FN), details in para 2.2 of the Corporate Governance Report.

The following Directors ceased to hold office during the year 2016-17:

1	Mr. Mohan Tiwari Chairman & Managing Director [DIN: 00191363]	w.e.f. 01.10.2016
2	Mr. K. K. Garg Director Finance [DIN: 01495050]	w.e.f. 01.05.2016
3	Mr. Anjum Pervez Part-time (official) Director [DIN: 06682287]	w.e.f. 10.12.2016
4	Mr. H.K. Kala Part-time (official) Director [DIN: 07200108]	w.e.f. 01.07.2016

AUDITORS

A. Statutory and Branch Auditors

The Auditors of the Company appointed by the Comptroller & Auditor General of India for 2016-17 are:-

Statutory Auditors:

K.G. Somani & Co.	For Company as a whole

Branch Auditors for projects in India:

Pravesh Jain & Co., Jammu	All projects at Jammu & Kashmir Region
KDS & Co., Mumbai	All projects under Mumbai Region
De Charaborty & Sen, Kolkata	All projects under Eastern Region
Jindal & Co., New Delhi	All projects under Northern Region
SK Jha & Associates, Patna	All projects under Patna Region

Branch Auditors for projects Abroad:

Kumpulan Naga	Malaysia
Cabinet de Audit et CAC	Algeria
BAKER TILLY Edirisinghe & Co.	Sri Lanka
MABS & J Partners	Bangladesh
S.N. Mukherji & Co.	Bhutan
Middel & Partners	South Africa

B. Cost Auditor

The Board of Directors have appointed M/s. Chandra Wadhwa & Co., Cost Accountants, as Cost Auditor of your Company for the financial year 2016-17 for conducting the audit of cost records maintained by the Company as per the applicable Rules / Guidance Note, etc.

C. Secretarial Auditor

The Board of Directors have appointed M/s. Vishal Agarwal & Associates, Practising Company Secretary as Secretarial Auditor for conducting Secretarial Audit of your Company for the financial year 2016-17.

D. Internal Auditors

The Board of Directors have appointed following Internal Auditors for 2016-17:

Auditors for Indian Projects

Baweja & Kaul, Jammu (For 2016-17)	J&K Region
Patro & Co., Bangalore (For 2016-17)	Mumbai Region
A. R. & Co., New Delhi (For a period of 4 months i.e. 01.12.2016 to 31.03.2017)	Northern Region
Gupta Sachdeva & Co., Patna (For a period of 4 months i.e. 01.12.2016 to 31.03.2017)	Patna Region
SBA Associates, Kolkata (For a period of 4 months i.e. 01.12.2016 to 31.03.2017)	Eastern Region
Raj K. Sri & Co., New Delhi (For a period of 4 months i.e. 01.12.2016 to 31.03.2017)	Corporate Office Region

Apart from this, Internal Audit for four audit circles viz. Eastern, Patna, Northern, and Corporate Office region was undertaken in-house by the officials of the Company for eight months period from 1st April 2016 to 30th November 2016.

Auditors for Foreign Projects

The Internal Audit for projects abroad viz. Bangladesh, Bhutan, Malaysia, Algeria, Sri Lanka, and South Africa was undertaken in-house by the officials of the Company for the financial year 2016-17.

ACKNOWLEDGEMENT

We record our appreciation and thanks to the Ministry of Railways, Ministry of External Affairs, Department of Investment and Public Asset Management (DIPAM) and other Ministries; various banks, Reserve Bank of India, EXIM Bank; Export Credit and Guarantee Corporation; Embassies; Protector of Immigration; Passport Authority; Doordarshan; and our esteemed clients both in India and abroad for their continued interest in and support to the Company.

We place on record our sincere appreciation for all the employees of the Company at all levels for their untiring efforts, dedication, and sincerity of purpose in improving the performance and profitability of the Company.

For and on behalf of the Board of Directors

(S.K. Chaudhary)
Chairman & Managing Director
(DIN: 00515672)

Date : 21st September 2017
Place : New Delhi

Appendix – A

ON-GOING MAJOR PROJECTS IN INDIA

(Rs. in crore)

Sl. No.	Name of the Project	Project/ Revised Value
1.	Katra-Qazigund section including Dharam-Qazigund section, Km 33.09 to 39.00 and Km 61.00 to 91.00, including additional works, for Northern Railway.	9521
2.	Setting up of new Rail Coach Factory at Rae Bareli, including additional works, for Ministry of Railways.	2973
3.	Design and Construction of Civil, Building and Track Works of Vaitarna-Sachin Section of Dedicated Freight Corridor Project, CTP-12, for Dedicated Freight Corridor Corporation of India Limited (DFCCIL)	2116
4.	Construction of Corridor-I of East Corridor between Kharsia to Dharamjaygarh and Spur Line in the State of Chhattisgarh, for Chhattisgarh East Railway Limited.	1424
5.	Sivok-Rangpo New Rail Line Project, for North Frontier Railway.	1339
6.	Construction of Road Over Bridges (RoBs) in the State of a) Bihar (Phase – I & II), for Ministry of Railways and Government of Bihar b) Rajasthan, for Ministry of Railways and Government of Rajasthan c) One RoB on State owned Road (other than NHs) in Bihar through its funds on 1st Km at Manpur by-pass in Gaya District, Bihar for Road Construction Department, Government of Bihar	1335 (Bihar), 618 (Rajasthan), 60 (one RoB)
7.	Implementation of PMGSY in Bihar State for Government of Bihar	1012
8.	RAPDRP – Part B Project under Jammu province (Cluster – I, Jammu left), (Cluster-II, Jammu Right), and (Cluster IV) (Akhnoor, Rajouri, Poonch, Udhampur, Doda, Kishtwar & Bhaderwah), for J&K Power Development Department.	682
9.	Widening and Strengthening of existing Bikaner-Phalodi section to Four-lane from Km. 4.200 to Km. 55.250 and Two-Lane with paved shoulder from Km. 55.250 to Km. 163.500 of NH-15 on BOT (Toll) basis in the State of Rajasthan, for Ircon PB Tollway Limited.	646

Bird eye view of Modern Coach Factory, Rae Bareli

Inspection by CMD at Tunnel T49 USBRL, J&K Rail Link Project

DBM Laying Bikaner - Phalodi Highway Project

Sl. No.	Name of the Project	Project/ Revised Value
10.	Four-laning of Shivpuri to Guna from Km 236.00 to Km 332.100 (Package-I) in the State of Madhya Pradesh to be executed on BOT (Toll) on DBFOT pattern under NHDP Phase-IV), for Ircon Shivpuri Guna Tollway Limited.	704
11.	Construction / upgradation of Rural roads and bridges in 5 districts of Jharkhand – PMGSY Project, for Ministry of Rural Development, Government of India and State Government of Jharkhand.	525
12.	Construction of rail link between Jayanagar (India) – Bijalpura (Nepal) (Gauge conversion) with extension up to Bardibas on India-Nepal Border, for East Central Railway.	447
13.	Construction of Rail Link between Jogbani (Bihar) India to Biratnagar (Nepal), for North Frontier Railway.	354
14.	The work of system improvement, strengthening and augmentation of distribution system to bring down AT&C losses and improve quality of consumer supply of Meerut town of Uttar Pradesh, to be carried out under RAPDRP Part-B scheme on turnkey basis including supply of material, for PVVNL.	329
15.	Construction of Railway Siding for proposed 3.0 MTPA Integrated Steel Plant at Nagarnar Near Jagdalpur, Chhattisgarh for NMDC Limited: a) Package I - Execution of Civil & Railway Allied works b) Package-II - Execution of Civil, Signalling & Telecommunication, Mechanical and Structural works	277 (Package-I) and 79 (Package-II)
16.	Design, supply, installation, testing & commissioning of receiving-cum-traction and auxiliary main sub-station including high voltage cabling from grid sub-station and augmentation works for existing receiving sub-station under CE-6, Lot-1, for DMRC, for Delhi MRTS project, Phase-III.	273
17.	Setting up of three electric loco sheds to home 200 three phase Locos one each at Bondamunda (for South Eastern Railway), Daund (for Central Railway), and Mughalsarai (for Northern Railway).	234
18.	Development of circulating area at Santragachi and essential passenger amenities and road connectivity to Kona Expressway, for South Eastern Railway.	210

Danapur ROB Bihar

Indoor Sports Complex at Behala, Kolkata

Sl. No.	Name of the Project	Project/ Revised Value
19.	Development of coaching terminal at Shalimar by provision of essential passenger amenities, for South Eastern Railway.	205
20.	Contract CT-1-A – Supply, Installation, Testing and Commissioning of Ballastless Track of Standard Gauge, Part-1 Corridor of sections of Mukundpur – Lajpat Nagar (excluding) Line-7 in elevated and underground sections along with ballasted / ballastless tracks in Mukundpur Depot for Delhi MRTS Project of Phase-III, for DMRC.	199
21.	Carrying out topographical and Geotechnical survey; Preparation of Master Plan, Planning, Designing and Construction of Boundary Wall and allied Preparatory works, for the National Institute of Technology, Mizoram	140
22.	Construction of New Indoor Sports Complex at Gholsapur (Behala) on Sealdah Division, for Eastern Railway	58
23.	Construction of New Howrah Divisional Railway Office Building, for Eastern Railway	33
24.	DPR and Detailed Engineering Project management & Construction of Coal Transportation System including Associated Electrical Package for Darlipali Super Thermal Power Project, Stage-I (2×800 MW) in the State of Orissa	23
25.	DPR and Detailed Engineering Project management and Construction of Coal Transportation System, for Nabinagar Super Thermal Power Project (3×660 MW)	16
26.	DPR & Detailed Engineering, Project Management and Construction of Railway Siding connecting MGR system of Dulanga mine-Darlipali STPP with Mahanadi Coal Limited's Siding, for Darlipali Super Thermal Power project, Stage-I (2x800 MW), for NTPC Limited	11

For and on behalf of the Board of Directors

(S.K. Chaudhary)
Chairman & Managing Director
(DIN: 00515672)

Date : 21st September 2017
Place : New Delhi

Appendix – B

SUBSIDIARIES AND JOINT VENTURES COMPANIES

A. Subsidiary Companies:

1. Ircon Infrastructure & Services Limited (IrconISL)

IrconISL, a wholly owned subsidiary of Ircon, was incorporated on 30th September 2009 and obtained a Certificate of Commencement of Business on 10th November 2009. The main object of IrconISL is to undertake infrastructure projects including planning, designing, development, improvement etc. in the field of construction of Multi Functional Complexes (MFCs), etc., to provide facilities and amenities to users of Indian Railway System, and to carry on the business of hire purchasing, leasing of all kinds of moveable and immoveable properties, to provide consultancy for all kinds of engineering projects including providing maintenance, support, and all kinds of services including social welfare measures, etc.

During the year 2016-17, IrconISL has executed consultancy project of Ministry of External Affairs (MEA) for preparation of feasibility report and Detailed Project Report (DPR) for Bridge Project in Myanmar, and preparation of DPR for road project in Rakhine state.

IrconISL secured (i) **two** consultancy projects **from MEA** viz. (a) Project Management Consultancy (PMC) for construction of Bridges along with Approach Road Projects in Myanmar (b) PMC for Construction of road project in Rakhine State; and (ii) **three other consultancy projects** viz. (a) PMC for construction of Barrack accommodation for security personnel at seven land ports, for Land Ports Authority of India (b) PMC for construction of Multi Modal Logistics Park near Kadakola Station, Mysore District, for Container Corporation of India Limited and (c) Supervision of construction of new two lane Road Over Bridges (RoBs) (only Railway portion) at Indore (1 RoB) and Surat (4 RoBs).

Out of 24 MFCs undertaken by IrconISL, 23 MFCs have been sub-leased to operators.

Financials of IrconISL:

The authorized, subscribed, and paid-up share capital of IrconISL is Rs. 65 crore, as on 31st March 2017.

During the year, IrconISL had achieved an operating income of Rs. 40.98 crore, and earned profit before tax of Rs. 20.81 crore and profit after tax of Rs. 12.36 crore.

2. Indian Railway Stations Development Corporation Limited (IRSDC)

IRSDC, a subsidiary company of Ircon and JV Company with Rail Land Development Authority (RLDA), was incorporated on 12th April 2012 and obtained a Certificate of Commencement of Business on 9th May 2012. The main objects of IRSDC is to develop / re-develop the existing / new railway station(s) which will consist of upgrading the level of passenger amenities by new constructions/ renovations including re-development of the station buildings, platform surfaces, circulating area, etc., to better standards so as to serve the need of the passengers in India, and commercial development of land/ air space. The equity participation of Ircon and RLDA in IRSDC is in the ratio of 51:49 respectively.

IRSDC has been entrusted with development of 13 stations located at Chandigarh, Habibganj (Bhopal), Shivaji Nagar (Pune), Bijwasan (New Delhi), Anand Vihar (Delhi), Surat and Gandhinagar (Gujarat), and SAS Nagar (Mohali) Punjab, Gandhinagar (Jaipur), Amritsar, Gwalior, Nagpur and Baiyappanhalli (Benguluru) for development/re-development. The status of re-development of railway station by IRSDC is as follows:

(i) Chandigarh Railway Station - proposal sent to Railway Board for taking up re-development work on EPC mode, decision awaited;

(ii) Habibganj Railway Station - contract for re-development of this station has been awarded, wherein the station will be modernized through commercial development of land and maintained through retail and advertising revenues, physical work has started;

(iii) Shivajinagar Railway Station - development is under approval by Pune Municipal Corporation;

(iv) Bijwasan and Anand Vihar Railway Station - bidding process is in advance stage;

Proposed Bijwasan Station

(v) Surat Railway Station - planned to be re-developed as a Multi Modal Transportation Hub through a Joint Venture Company and pooling of land by the Central, State, and Local Government;

(vi) Gandhinagar Railway Station - work taken up through a JV company between IRSDC (MoR) and Gujarat Industrial Development Board (GIDB) (GoG) on EPC mode;

(vii) SAS Nagar Mohali Railway Station - found to be unviable and has been proposed for de-entrustment.

(viii) Five stations namely Amritsar, Baiyappanhalli (Bengaluru), Gwalior, Gandhinagar (Jaipur), Nagpur have recently been entrusted to IRSDC. Finalisation of concept drawings through a design competition is in progress.

Financials of IRSDC

The authorized share capital of IRSDC is Rs. 100 crore. Its subscribed and paid-up share capital is Rs. 40 crore as on 31st March 2017 (51% held by Ircon). After the close of the year, in terms of letter dated 10th April 2017, the Ministry of Railways has decided to restructure and strengthen IRSDC. In the first stage of strengthening, it has been decided inter-alia to transfer 1% equity stake of IRSDC (out of 51% held by IRCON) to RLDA so as to make IRSDC a 50:50 JV Company. Accordingly, 1% of the present paid-up share capital of IRSDC [out of total Rs. 20.40 crore (51%) held by Ircon] would get transferred to RLDA [holding Rs. 19.60 crore (49%)].

During the year, IRSDC incurred a loss of Rs. 4.64 crore on account of charging all assets under development to Habibganj Railway Station.

2A. Joint Venture Company of IRSDC - **Gandhinagar Railway Urban Development Company (GARUD)**

GARUD, a joint venture company was incorporated on 5th January 2017 with equity participation by IRSDC and Gujarat Infrastructure Development Board (GIDB) (nominee of Government of Gujarat) in the ratio of 26:74 respectively. The main objects of GARUD is to carry on the project for re-development, financing, planning, operations and management, implementation of Gandhinagar Railway Station re-development project including development of Hotel above Railway track/ station by leveraging land, air space and other infrastructure available around the Gandhinagar Railway Station and also to undertake operations, maintenance, management of Mahatma Mandir and Exhibition Centre at Gandhinagar.

3. Ircon PB Tollway Limited (IrconPBTL)

IrconPBTL, a wholly owned subsidiary of Ircon, was incorporated as a Special Purpose Vehicle on 30th September 2014, and has obtained approval for commencement of business on 14th November 2014. The main object of IrconPBTL is to carry on the business of widening and strengthening of the existing Bikaner & Phalodi Section to four lane from 4.200 km to 55.250 km and Two Lane with paved shoulder from 55.250 km to 163.500 km of NH-15 on Build, Operate, and Transfer (BOT) (Toll) basis in the State of Rajasthan, in accordance with the terms of the Concession Agreement signed with National Highways Authority of India (NHAI) on 7th November 2014.

In terms of the concession agreement, IrconPBTL has attained financial close on 30th April 2015 i.e. the date of execution and signing of the loan agreement with Ircon for a value of Rs. 352 crore. IrconPBTL had executed Substitution Agreement (between NHAI, IrconPBTL, and Ircon) and Escrow Agreement (between IrconPBTL, Ircon, Indian Overseas Bank, and NHAI) on 16th July 2015 and 10th August 2015 respectively. These agreements were required in terms of concession agreement as conditions precedent to declaration of appointed date.

NHAI had declared 14th October 2015 as the appointed date for commencement of construction, with construction period of 910 days, for which Ircon has been appointed as EPC contractor. The Commercial Date of Operations would be notified after completion of construction (scheduled in April 2018) and issue of completion certificate by NHAI for operationalization of toll plaza and levy of toll fees. The construction work is progressing as per the schedule except for delay on account of non-availability of encumbrance free land.

Financials of IrconPBTL:

The authorised share capital of IrconPBTL is Rs. 175 crore and its subscribed and paid-up share capital is Rs. 165 crore as on 31st March 2017. During the year, IrconPBTL has made Rights issue of equity shares of Rs. 75 crore. Shares corresponding to additional share capital of Rs. 75 crore subscribed by Ircon have been allotted in two installments viz. Rs. 50 crore in July 2016, and Rs. 25 crore in September 2016.

During the year, IrconPBTL had achieved revenue from operations (operating turnover) of Rs. 177.89 crore, and earned profit before tax of Rs. 0.83 crore and profit after tax of Rs. 0.54 crore.

4. Ircon Shivpuri Guna Tollway Limited (IrconSGTL)

IrconSGTL, a wholly owned subsidiary of Ircon was incorporated as a Special Purpose Vehicle on 12th May 2015 and has obtained approval for commencement of business from the Registrar of Companies on 27th May 2015. The main objects of IrconSGTL is to carry on the business of four laning of Shivpuri-Guna section of NH-3 from 236.00 km to 332.1 km on Build, Operate, and Transfer (BOT) (Toll) basis on Design, Build, Finance, Operate and Transfer 'DBFOT' pattern under NHDP Phase-IV in the State of Madhya Pradesh and other ancillary works relating thereto, in accordance with the terms of the Concession Agreement, signed with the NHAI on 15th June 2015.

In terms of the concession agreement, IrconSGTL attained financial close on 23rd November 2015 i.e. date of execution and signing of the loan agreement with Ircon for a value of Rs. 722.11 crore. Other conditions set forth in the Concession Agreement as Conditions Precedent to Declaration of Appointed Date viz. signing of Escrow Agreement (between IrconSGTL, Ircon, Indian Overseas Bank, and NHAI) and Substitution Agreement (between NHAI, IrconSGTL, and Ircon) were completed on 4th December 2015.

NHAI had declared 25th January 2016 as the appointed date for commencement of construction, with construction period of 910 days, for which Ircon has been appointed as EPC contractor. The Commercial Date of Operations would be notified after completion of construction (scheduled in July 2018) and issue of completion certificate by NHAI for operationalization of toll plaza and levy of toll fees. The Construction work is progressing as per the schedule except for delay on account of non-availability of encumbrance free land.

Financials of IrconSGTL:

The authorised share capital of IrconSGTL is Rs. 150 crore and its subscribed and paid-up share capital is Rs. 150 crore as on 31st March 2017. During the year, IrconSGTL has made two Rights issue of equity shares of Rs. 80 crore subscribed by Ircon in July 2016 (Rs. 50 crore) and October 2016 (Rs. 30 crore).

During the year, IrconSGTL had achieved revenue from operations (operating turnover) of Rs. 294.12 crore, and earned profit before tax of Rs. 0.61 crore and profit after tax of Rs. 0.39 crore.

5. Ircon Davanagere Haveri Highway Limited (IrconDHHL)

After the close of the year, your Company has formed another wholly-owned subsidiary company by the name 'Ircon Davanagere Haveri Highway Limited' (IrconDHHL) on 11th May 2017, pursuant to conditions of award of Davanagere Haveri Project in the State of Karnataka by NHAI.

The main objects of IrconDHHL is to undertake the business of development, maintenance and management of National Highway No. 48 (Old NH-4) including the section from Km 260.00 to Km 338.923 (approx. 78.923 Km) on Davanagere – Haveri Section of National Highway No. 48 (Old NH-4) in the State of Karnataka by six-laning thereof on design, build, finance, operate and transfer basis.

IrconDHHL has signed the concession agreement with NHAI on 19th June 2017. IrconDHHL is yet to submit relevant documents to NHAI to achieve financial close. Execution of the project would be taken up after achieving financial close and intimation of appointed date by NHAI.

Financials of IrconDHHL:

The authorised share capital of IrconDHHL is Rs. 5 crore and its subscribed and paid-up share capital is Rs. 5 lakh as on 30th June 2017.

B. Joint Venture Companies (JVCs) — In India:

6. Ircon-Soma Tollway Private Limited (ISTPL)

A joint venture company called 'Ircon-Soma Tollway Private Limited' (ISTPL) was incorporated on 19th April 2005, with 50% equity participation by both Ircon and Soma Enterprise Limited (a construction company in private sector), for executing a BOT project for four laning of Pimpalgaon-Dhule section of NH-3 from km 380 to km 265 in Maharashtra for NHAI.

The BOT project for four laning of Pimpalgaon-Dhule section got completed in 2010-11 and accordingly, ISTPL is earning toll on the entire stretch of 118.158 km.

Financials of ISTPL:

The authorized share capital of ISTPL is Rs. 130 crore and its subscribed and paid-up share capital is Rs. 127.74 crore (Ircon's share being Rs. 63.87 crore) as on 31st March 2017.

During the year, ISTPL has achieved operating turnover of Rs. 153.34 crore as compared to Rs. 157.23 crore achieved during the previous year, and earned profit after tax of Rs. 11.69 crore against profit of Rs. 5.91 crore incurred during the previous year.

Your Company had entered into a tripartite pledge agreement with ISTPL and PNB to pledge 30% of its shareholding in ISTPL, in favour of Punjab National Bank (PNB); a non-disposal undertaking with respect to 21% of its shareholding; and to make good 50% of any shortfall in dues, if any, to PNB in the event of the termination of the Concession Agreement. The said pledge agreement and non-disposal undertaking had been, executed as 50% equity partner in ISTPL, in connection with a loan of Rs. 521.53 crore availed by ISTPL in 2011-12. The outstanding balance of this loan as on 31st March 2017 is Rs. 126.14 crore. Accordingly, Ircon's obligation for 50% of shortfall in dues i.e. balance amount of loan comes to Rs. 63.07 crores as on 31st March 2017. The details regarding this loan and related undertakings have also been disclosed in Note no. 52 forming part of the Standalone Financial Statements.

7. Chhattisgarh East Railway Limited (CERL)

A joint venture company called 'Chhattisgarh East Railway Limited' (CERL) was incorporated on 12th March 2013, with equity participation by South Eastern Coalfields Limited, Ircon, and Chhattisgarh State Industrial Development Corporation Limited (nominee of Government of Chhattisgarh) in the ratio of 64:26:10 respectively, for development of coal connectivity corridor i.e. East Corridor (length 180 Km) in the State of Chhattisgarh. CERL had obtained Certificate for Commencement of Business on 7th May 2013.

CERL has signed concession agreement on 12th June 2015 with Ministry of Railways, for Chhattisgarh East Railway Corridor - Phase I in the State of Chhattisgarh (Total 104.157 km). Phase I of the project is being implemented for Build, Own, Operate, and Transfer (BOOT) model for PPP projects. Detailed Project Report (DPR) has been approved on 3rd May 2016 by Zonal Railways viz. South Eastern Central Railway with inflated mileage proposed by the Ministry of Railways. Financial closure is in progress and likely to be completed by 30th September 2017. The project progress is infringing due to stay by National Green Tribunal (NGT) payment of compensation on account of Rehabilitation and Resettlement to land holders. So far only 67% disbursement has been completed by State Revenue officials and balance as committed by State Government would be completed by August 2017.

Financials of CERL:

The authorized share capital of CERL is Rs. 400 crore and its subscribed and paid-up share capital is Rs. 306 crores (Ircon's share being Rs. 139.06 crore) as on 31st March 2017. CERL is yet to start commercial operations.

8. Chhattisgarh East-West Railway Limited (CEWRL)

A joint venture company called 'Chhattisgarh East-West Railway Limited' (CEWRL) was incorporated on 25th March 2013, with equity participation by South Eastern Coalfields Limited, Ircon, and Chhattisgarh State Industrial Development Corporation Limited (nominee of Government of Chhattisgarh) in the ratio of 64:26:10 respectively, for development of coal connectivity corridor i.e. East-West Corridor (length 135 Km) in the State of Chhattisgarh. CEWRL had obtained the Certificate for Commencement of Business on 7th May 2013.

Detailed Project Report (DPR) was approved by Zonal Railways viz. South Eastern Central Railway in July 2015. Land acquisition proceedings are in process. Concession Agreement is yet to be signed between CEWRL and Ministry of Railways. Approval of inflated mileage obtained from Ministry of Railways. Financial closure of the project is expected by 31st March 2018.

Financials of CEWRL:

The authorized share capital of CEWRL is Rs. 1110 crore and its subscribed and paid-up share capital is Rs. 504 crore (Ircon's share being Rs. 131.30 crore) as on 31st March 2017. CEWRL is yet to start commercial operations.

9. Mahanadi Coal Railway Limited (MCRL)

A joint venture company called 'Mahanadi Coal Railway Limited' (MCRL) was incorporated on 31st August 2015, with equity participation by Mahanadi Coalfields Limited, Ircon, and Odisha Industrial Infrastructure Development Corporation (nominee of Govt. of Odisha) in the ratio of 64:26:10 respectively, with the main object to build, construct, operate, and maintain identified rail corridor projects that are critical for evacuation of coal from mines in the State of Odisha.

MCRL has signed project execution agreement with Ircon on 19th April 2016. Angul-Balram-Jharpada new rail corridor has been identified by the Company for implementation. Feasibility Report has been submitted to East Coast Railway (ECoR) on 8th August 2016 and DPR has been submitted to ECoR on 18th July 2017 and forwarded to Railway Board on 20th July 2017 for approval. Land acquisition process is in progress.

Financials of MCRL:

The authorized, subscribed, and paid-up share capital of MCRL is Rs. 5 lakhs as on 31st March 2017.

10. Jharkhand Central Railway Limited (JCRL)

A joint venture company called 'Jharkhand Central Railway Limited' (JCRL) was incorporated on 31st August 2015, with equity participation by Central Coalfields Limited, Ircon, and Govt. of Jharkhand in the ratio of 64:26:10 respectively, with the main object to build, construct, operate, and maintain identified rail corridor projects that are critical for evacuation of coal from mines, in the State of Jharkhand.

JCRL had signed project execution agreement with Ircon on 28th March 2016. Railway Board on 6th April 2016 has granted in-principle approval for project transferring Broad Gauge Single Railway Line connecting Shivpur to Kathautia from km 41.5 to km 90.7 in the State of Jharkhand, having a total route length of 49.2 km and track length of 68.7 km to JCRL. The construction of the project is expected to be started by March 2018 at an estimated cost of Rs. 1400 crore. Orders for acquisition of private and Government land acquisition have been issued and environmental clearances are under process. Feasibility / initial viability estimation and Detailed Project Report (DPR) are in the process of finalization.

Financials of JCRL:

The authorized share capital of JCRL is Rs. 100 crore and its subscribed and paid-up share capital is Rs. 50 crore as on 31st March 2017.

11. Bastar Railway Private Limited (BRPL)

During the year 2016-17, a joint venture company called 'Bastar Railway Private Limited' (BRPL) was incorporated on 5th May 2016, with equity participation by NMDC Limited, Ircon, Steel Authority of India Limited and Chhattisgarh Mineral Development Corporation (nominee of Government of Chhattisgarh) in the ratio of 43:26:21:10 respectively, with the main object to build, construct, operate and maintain Rowghat to Jagdalpur (via Narayanpur, Kondagaon) new railway line, in the

State of Chhattisgarh. The authorized share capital of BRPL is Rs. 5 crore.

Shareholders Agreement for BRPL has been signed on 20th January 2016. As per the Articles of Association of the Company, Ircon is the implementation agency for the project and project execution agreement was signed on 19th July 2017. Detailed Project Report (DPR) has been submitted to South East Central Railway in July 2017 for approval.

Financials of BRPL:

The authorized share capital of BRPL is Rs. 5 crore and its subscribed and paid-up share capital is Rs. 4.55 crore (Ircon's share being Rs. 1.18 crore) as on 31st March 2017.

C. Joint Venture Companies (JVCs) – Outside India:

12. Companhia Dos Caminhos De Ferro Da Beira (CCFB)

A joint venture company "Companhia Dos Caminhos De Ferro Da Beira (CCFB)" was incorporated in Mozambique during 2004 to execute Beira Rail Concession Project. Your Company was having 25% equity stake in CCFB, RITES was having 26% and CFM, a railway undertaking of Mozambique was having 49% equity stake. Your Company's equity stake of 25% in CCFB was represented by USD 1.25 million (Rs 5.53 crore). Further, CCFB had been granted loan of USD 5.083 million (Rs. 22.48 crore), Conditional shareholders loan 15.042 million (Rs. 66.53 crore), and Shareholders loan of USD 1.947 million (Rs. 12.83 crore)], all totaling to an amount of USD 22.171 million.

Although the project was complete, the Government of Mozambique had terminated the concession in November 2011 and taken over the project in December 2011. CCFB had initiated arbitration proceedings against Government of Mozambique under ICC Rules and filed request for Arbitration with International Court of Arbitration in May 2013.

Subsequently, a settlement agreement was signed with Government of Mozambique on 21st October 2015. As per the settlement agreement, Ircon will get in installments an amount of USD 40.31 Million (including USD 4 Million against IRCON's claims as a contractor). First installment of USD 17.93 Million (equivalent to INR 121.71 crore) for Ircon's share has been received in January 2016. Government of Mozambique have opened the confirmed Letter of Credit against balance due payment after 31st March 2016 (Confirmation received on 31st May 2016). During the year, second installment of USD 5.959 Million (Rs. 37.27 crore) was received in October 2016. Balance three installments of USD 5.595 Million each are due on 18th October 2017, 18th October 2018 and 18th October 2019. The aforesaid payments are towards equity contribution by the company, shareholder loans, interest accrued up to the date of settlement agreement, dues towards management and other services/charges. In addition to this, reimbursement of arbitration expenses will be made subject to actual as per agreement within overall ceiling of USD 5 million to strategic shareholders i.e. RITES Limited and Ircon International Limited.

After receipt of upfront payment and establishment of Letter of Credit, Ircon has (on 22nd September 2016) transferred its shareholding in CCFB to CFM, Mozambique Ports & Railway Company representing the Government of Republic of Mozambique. Accordingly, equity investment of USD 1.25 Million has been transferred and USD 10.64 Million (Rs. 73.69 crore) has been recognized as Profit on sale of investment in the statement of profit & loss for the financial year 2016-17.

For and on behalf of the Board of Directors

(S.K. Chaudhary)
Chairman & Managing Director
(DIN: 00515672)

Date :21st September 2017
Place: New Delhi

Appendix – C

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY ACTIVITIES

1. A brief outline of the Company's CSR & Sustainability Policy, including overview of projects or programs undertaken and its web-link:

Your Company is committed to its stakeholders to conduct business in an economically, socially, and environmentally sustainable manner that is transparent and ethical.

Your Company is having a policy on CSR & Sustainability since 2011 which has been revised in April 2014 and January 2015 in line with the requirements of new Companies Act, 2013 and revised DPE Guidelines, 2014 on the subject.

The objective of the CSR & Sustainability Policy is to focus on the CSR initiatives which impacts society, economy and environment. It aims to bring qualitative social changes to empower the society in all aspects through its social impact. The policy gives the opportunity to work in diversified fields of social sector to meet the basic necessary requirements of the community and tries to build and enhance social security in terms of better livelihood, employment, education, health, sanitation etc. of the various strata of the society, through its CSR efforts.

The policy also supports to implement various CSR activities in and around the project sites for the welfare of the people, environment and other stakeholders concern that are affected by our construction activities. The CSR activities planned for the project sites not only benefit the localities but also offer resources for better execution and implementation of the activity to reach out maximum beneficiaries. Thus, IRCON being a socially responsible organization understands the social needs and attempts to bring social changes through its CSR activities in lieu of the resources used at the project sites.

The CSR activities are implemented to attain social development in various social domains like capacity building, empowerment of communities, inclusive socio-economic growth, environment protection through promotion of green and energy efficient technologies, development of backward regions and upliftment of the marginalized and under-privileged groups. Your Company continues to undertake the CSR and Sustainability activities in the field of Health, Education, Skill Development, Rural Infrastructure Development, Environment, Sanitation and Cleanliness, and Socio-economic Development.

Furthermore, IRCON has implemented various CSR activities related to Health care through medical camps, provision of Health equipment, up gradation

Skilled Development Training Programme for Backward Class Youths, Bilaspur (Chhattisgarh)

of passenger amenities etc. It also includes the ceaseless activity of providing medical facilities through Public Health Centers (PHCs) at Ramban, J&K; Sivok Rangpo, West Bengal; and Raebareli, Uttar Pradesh. IRCON has also taken initiatives in promoting better quality education to the students of Government Schools. Adding above, various Skills cum Employment Enhancement Programs were taken up to cater the needs of unemployed sector of the society which includes special drive for Women Jail inmates, PWDs and OBCs. IRCON has taken its step forward towards Rural Development, aiming to improve the quality of life of the rural people and thus, have taken various developmental works in the villages of J&K. Besides above, IRCON believes in conservation of environment and has supported through its plantation activities.

IRCON has also been supporting National Campaigns run by Government of India like Clean India Mission (Swachh Bharat Abhiyan) and Clean Ganga Mission as a responsible corporate citizen.

After the close of the year, the said CSR & Sustainability policy has been revised in May 2017 to incorporate new developments in the areas of CSR during last two years.

The revised CSR & Sustainability Policy 2017 along with the status of CSR & Sustainability projects in last 7 financial years, etc. are available at following **web-link – http://www.ircon.org/index.php?option=com_content&view=article&id=52&Itemid=424&lang=en**

2. Composition of CSR Committee:

Your Company has constituted a Board level CSR & Sustainability Committee (headed by an Independent Director) in terms of provisions of the Companies Act, 2013 and DPE Guidelines on CSR & Sustainability, 2014. The said Committee is being assisted by a Nodal Officer (not below the rank of General Manager) and his team.

a) **CSR & Sustainability Committee** - The Committee monitors and ensures implementation of CSR & Sustainability agenda of the Company. A brief background on the constitution of Committee, its mandate, along with details of meetings held during 2016-17 is given in para 7.3 of the Corporate Governance Report.

Presently, the Committee is headed by Prof. (Ms.) Vasudha V. Kamat, Independent Director; along with Mr. Avineesh Matta, Independent Director; Mr. Rajiv Chaudhry, Part-time (Official) Director; and Mr. Deepak Sabhlok, Director Projects; as its members.

b) Nodal Officer (viz. Mr. A. K. Goyal, Executive Director / Projects) and his team assisted the Committee in selection and approval of the CSR and Sustainability activities/ projects; facilitated coordination of CSR and Sustainability initiatives; and submitted the progress report of implementation of the activities to the CSR and Sustainability Committee during the year.

After the close of the year, Ms. Anupam Ban, General Manager / HRM, has been nominated as the nodal officer w.e.f. 23rd May 2017.

3. The average net profit of the Company (from Indian projects) in the last three financial years is Rs. 339.91 crore.

4. The CSR & Sustainability Budget for the financial year 2016-17 has been Rs. 6.80 crore which is 2% of the average of the net profits of the Company (from its Indian projects) during the last three financial years.

5. Details of expenditure incurred on CSR & Sustainability activities during 2016-17:

a)	**Total amount to be spent during financial year (Allocated CSR & Sustainability budget)**	**- Rs. 6.80 crore**
b)	**Amount spent**	**- Rs. 5.89 crore**
c)	**Amount unspent / shortfall [i.e. a – b]**	**- Rs. 0.91 crore**

The shortfall (of Rs. 0.91 crore) will not lapse and will be carried forward to next financial year 2017-18, and spent along with allocated budget for 2017-18.

Details of CSR & Sustainability projects undertaken during 2016-17 are as under:

(Rs. in lakhs)

Sl. No.	CSR Project / Activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) State and District where projects or programs was undertaken	Amount outlay (Budget)		Amount Spent on the Projects or Programs during 2016-17			Cumulative expen-diture up to 2016-17	Amount Spent through Direct or implementing agency
				Total	During 2016-17	(1) Direct expen-diture on projects or programs	(2) Overheads	(3) Total		
1	Provision of drinking water facilities in different places by installing tube wells	**Health** [S. No. (i) of Sch VII]	(1) Local (2) Bihar, Purnia	20.00	14.96	10.47	-	10.47	10.47	Through M/s SATHEE (an NGO)
2	Cancer Screening and Awareness Camps in poor localities of Santragachi, Shalimar, Behala, Sonagachi, Khidripur, Chetla and nearby localities for women	**Health** [S. No. (i) of Sch VII]	(1) Local (2) West Bengal, Kolkata and Howrah	4.50	3.38	3.38	-	3.38	3.38	Through M/s Global Cancer Concern India (an NGO)
3	Medical Camps in Jammu & Kashmir by Arogya Foundation of India	**Health** [S. No. (i) of Sch VII]	(1) Local (2) Jammu & Kashmir, Udhampur and Jammu	7.00	7.00	7.00	-	7.00	7.00	Through M/s Arogya Foundation of India (an NGO)
4	Providing Ambulances to Bikaner & Ajmer Divisions under Passenger Amenities	**Health** [S. No. (i) of Sch VII]	(1) Local (2) Rajasthan, Bikaner, Ajmer	30.00	30.00	24.29	-	24.29	24.29	Direct
5	Providing sports cum health equipment's to Shri Kailash Prakash Stadium, Meerut under CSR	**Health** [S. No. (i) of Sch VII]	(1) Local (2) Uttar Pradesh, Meerut	3.00	3.00	2.95	-	2.95	2.95	Direct
6	Running and maintenance cost of the 3 health units existing at Banihal, Lalganj, Sivok.	**Health** [S. No. (i) of Sch VII]	(1) Local (2) Jammu & Kashmir, Ramban; Uttar Pradesh, Raebareli; and West Bengal, Sivok	30.00	30.00	18.89	-	18.89	18.89	Direct
7	Providing medical facilities with necessary free medicines to the pilgrims at Ramdevra Near Phalodi	**Health** [S. No. (i) of Sch VII]	(1) Local (2) Rajasthan, Jodhpur	1.85	1.85	1.84	-	1.84	1.84	Direct
8	Supply of Artificial Limbs to differently abled persons through ALIMCO (govt. undertaking).	**Health** [S. No. (i) of Sch VII]	(1) Local (2) Jammu & Kashmir, Jammu	30.00	8.82	0.03	-	0.03	31.35	Through M/s Artificial Limbs Manu-facturing Corporation of India (a registered company)
9	Improvement of water supply system in villages adjacent to the project site.	**Health** [S. No. (i) of Sch VII]	(1) Local (2) Jammu & Kashmir, Ramban	20.00	20.00	9.45	-	9.45	9.45	Direct

Sl. No.	CSR Project / Activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) State and District where projects or programs was undertaken	Amount outlay (Budget)		Amount Spent on the Projects or Programs during 2016-17			Cumulative expen-diture up to 2016-17	Amount Spent through Direct or implementing agency
				Total	During 2016-17	(1) Direct expen-diture on projects or programs	(2) Overheads	(3) Total		
10	Construction of two community toilets at Dullhapur railway station building and railway crossing near station of district Ghazipur, Uttar Pradesh	**Health & Sanitation** [S. No. (i) of Sch VII]	(1) Local (2) Uttar Pradesh, Ghazipur	50.00	25.00	13.25	-	13.25	13.25	Through M/s Sulabh International Social Service Organisation
11	Contribution to Swachh Bharat Kosh [S. No. (i) of Sch VII]	**Health & Sanitation** (Min. of Finance)	Swachh Bharat Kosh, Deptt. Of Expenditure	180.00	180.00	180.00	-	180.00	180.00	Direct
12	Infrastructure improvement in Govt. high school at Gurha Mundian, Tehsil - Hiranagar, Distt- Kathua, Jammu & Kashmir	**Education** [S. No. (ii) of Sch VII]	(1) Local (2) Jammu & Kashmir, Kathua	20.00	10.00	11.16	-	11.16	21.16	Direct
13	Contribution to GODHULI for promoting the education for street children in Delhi	**Education** [S. No. (ii) of Sch VII]	(1) Local (2) Delhi	4.90	3.40	3.40	-	3.40	3.40	Direct
14	Providing for EKAL Vidyalaya in rural India (100 villages for 3 years)	**Education** [S. No. (ii) of Sch VII]	(1) Local (2) Chhattisgarh, Raigarh & Korba	20.00	20.00	20.00	-	20.00	20.00	Through Bharat Lok Shiksha Parishad (an NGO)
15	Providing furniture in schools in village in the project area districts of Ramban and Reasi	**Education** [S. No. (ii) of Sch VII]	(1) Local (2) Jammu & Kashmir, Ramban & Reasi	15.00	15.00	13.48	-	13.48	13.48	Direct
16	Setting up of libraries in schools/villages of Jammu & Kashmir	**Education** [S. No. (ii) of Sch VII]	(1) Local (2) Jammu & Kashmir, Reasi	10.00	10.00	3.57	-	3.57	3.57	Direct
17	Setting up of Vocational training centers for women at Bankoot (Banihal) and in Ashar, Jammu and Kashmir for tailoring and embroidery	**Employment Enhancing Education** [S. No. (ii) of Sch VII]	(1) Local (2) Jammu & Kashmir, Ramban	5.00	5.00	1.59	-	1.59	1.59	Direct
18	Skill Entrepreneurship Development Programmes in the state of Jammu & Kashmir through NITCON	**Employment Enhancing Education** [S. No. (ii) of Sch VII]	(1) Local (2) Jammu & Kashmir, Ramban	30.00	12.66	12.68	-	12.68	18.73	Through M/s North India Technical Consultancy Organisation Limited (a registered company)

Sl. No.	CSR Project / Activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) State and District where projects or programs was undertaken	Amount outlay (Budget)		Amount Spent on the Projects or Programs during 2016-17			Cumulative expen-diture up to 2016-17	Amount Spent through Direct or implementing agency
				Total	During 2016-17	(1) Direct expen-diture on projects or programs	(2) Overheads	(3) Total		
19	Contribution to NBCFDC for skilled development training programmes for backward classes youths	**Employment Enhancing Education** [S. No. (ii) of Sch VII]	(1) Local (2) Chhattisgarh, Bilaspur	33.60	10.08	10.08	-	10.08	10.08	Through M/s National Backward Class Finance and Development Corporation
20	Up skill- Training in Tailoring, Dress making & Beautification to 53 Women Inmates of District Jail Gautam Budh Nagar at Kasna, Greater Noida	**Employment Enhancing Education** [S.No. (ii) of SchVII]	(1) Local (2) Uttar Pradesh, Gautam Budh Nagar	2.44	2.44	2.44	-	2.44	2.44	Through M/s Serving Human Foundation (an NGO)
21	Imparting skill development training through NHFDC	**Employment Enhancing Education for Differently abled** [S.No. (ii) of SchVII]	(1) Local (2) Madhya Pradesh, Shivpuri & Guna	18.00	2.01	2.01	-	2.01	2.01	Through M/s National Handicapped Finance & Development Corporation
22	Provision of Mokshda cremation system two units location of Mokshda Green Cremation system of (Mokshda PEVSS) at Raebareli, UP	**Environment** [S. No. (iv) of Sch VII]	(1) Local (2) Uttar Pradesh, Raebareli	79.04	15.61	15.32	-	15.32	91.93	Through M/s Mokshda Paryavaran Evam Van Suraksha Samiti
23	Plantation of fruit tress and other trees at Raebareli project site	**Environment** [S. No. (iv) of Sch VII]	(1) Local (2) Uttar Pradesh, Raebareli	8.60	1.20	1.20	-	1.20	1.20	Direct
24	Environment Sustainability works for implementation in railway premises	**Environment** [S. No. (iv) of Sch VII]	(1) Other (2) Haryana, Ambala (1) Local (2) Bihar, Hajipur; West Bengal, Kolkata	50.00	50.00	49.95	-	49.95	49.95	Through Northern Railway, East Central Railway and South Eastern Railway
25	Plantation of fruit trees in various places	**Environment** [S. No. (iv) of Sch VII]	(1) Other (2) Uttar Pradesh, Bareilly & Haryana, Sonipat	35.00	35.00	21.50	-	21.50	21.50	Through M/s Khushhali Foundation (an NGO)
26	Contribution to Clean Ganga Mission	**Environment** [S.No. (iv) of SchVII]	National Mission for Clean Ganga	50.00	50.00	50.00	-	50.00	50.00	Direct
27	Pathways to various schools/health centers/ Places of common interest in the hilly area adjacent to the project site.	**Infrastructure Development** [S. No. (x) of Sch VII]	(1) Local (2) Jammu & Kashmir, Ramban and Reasi	15.00	15.00	10.12	-	10.12	10.12	Direct

Sl. No.	CSR Project / Activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) State and District where projects or programs was undertaken	Amount outlay (Budget)		Amount Spent on the Projects or Programs during 2016-17			Cumulative expen-diture up to 2016-17	Amount Spent through Direct or implementing agency
				Total	During 2016-17	(1) Direct expen-diture on projects or programs	(2) Overheads	(3) Total		
28	Community improvement works in the vicinity of the project area in villages such as Khari area, Sangladan, Sumber, Dharam, Barala, Guni etc.	**Infrastructure Development** [S. No. (x) of Sch VII]	(1) Local (2) Jammu & Kashmir, Ramban and Reasi	50.00	50.00	36.05	-	36.05	36.05	Direct
29	Up-gradation of passenger amenities under CSR at stations Patna and Guwahati	**As per Sch. VII**	(1) Local (2) Assam, Guwahati; Bihar, Patna	203.00	58.19	51.70	-	51.70	196.51	Through respective railways i.e. EC Railway and NF Railway
30	Evaluation for CSR Works for FY 2015-16 and Survey, printing compendium etc.	**Health, Education, Sanitation, Skill Development and support for differently abled persons**	(1) Local (2) Bihar, Patna;Delhi; Jammu & Kashmir, Banihal and Jammu.	2.00	2.00	-	1.31	1.31	1.31	Direct
	Total			**1,027.93**	**691.60**			**589.11**	**857.90**	

6. **The shortfall of Rs. 0.91 crore was due to the fact that implementation could not take place in some of the approved projects and also few implemented projects got completed well within the sanctioned cost resulting in the saving of the fund. However, your Company would make every possible effort to utilize its complete CSR proficiency and resources next year in order to achieve the allocated CSR & Sustainability budget for the year 2017-18 including the unspent amount of 2016-17 carried forward to 2017-18.**

7. **The CSR & Sustainability Committee confirms that the implementation and monitoring of the CSR & Sustainability Policy (pre-revised and revised) is in compliance with the CSR objectives and policy of the Company.**

For and on behalf of the Board of Directors

(Deepak Sabhlok)
Director Projects & Member,
CSR & Sustainability Committee
(DIN: 03056457)

(Prof. Vasudha V Kamat)
Independent Director & Chairperson,
CSR & Sustainability Committee
(DIN: 07500096)

(S.K. Chaudhary)
Chairman &
Managing Director
(DIN: 00515672)

Date : 21st September 2017
Place : New Delhi

Appendix – D

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

AN OVERVIEW

The Company has a long standing reputation as a sectoral leader in Transportation Infrastructure amongst the public sector construction companies in the Country with specialization in execution of Railway Projects on turnkey basis or otherwise. Your Company is known for its quality, commitment and consistency in terms of its performance. After commencing business as a railway construction company it diversified progressively since 1985 to roads, buildings, electrical sub-station and distribution, airport construction, commercial complexes, as well as to metro works. It has been one of the few construction companies in the public sector to have earned substantial foreign exchange for the Country and paid dividend without fail every year to the Government.

As a construction organization, the Company operates in the entire spectrum of construction activities and infrastructure services; Railways and Highway Construction, Tunnels & Bridges, Railway Workshops, EHP sub-station (engineering and constructions) and MRTS being the core competence areas.

The Company has executed many landmark construction projects in the last 41 years both in India and abroad. In India, in particular, it has also been undertaking projects even in difficult terrains and disturbed regions. The Company has so far completed more than 120 projects in more than 24 countries across the globe, and 376 projects in India.

The Company is an ISO certified Company for Quality, Environment, and Occupational Health and Safety Management Systems, a Schedule 'A' public sector company, and a Mini Ratna – Category I.

LEGAL STATUS AND AUTONOMY

The Company, a legal entity separate from the Government, is legally, functionally, and financially autonomous, operates under the corporate laws as an independent commercial enterprise, does not receive any budgetary or financial support from the Government, nor is it a dependent agency of the Government. However, the Government of India through the Ministry of Railways and the Department of Public Enterprises under the Ministry of Heavy Industries and Public Enterprises, monitors its performance through a system of Memorandum of Understanding (MOU) as regards targets to be achieved every year as part of accountability to the Parliament in respect of all government companies. Government can issue and does issue guidelines to regulate and bring about some uniform pattern in the functioning of the Company as a public sector company. However, no Government department has any supervisory authority to exercise control over the Company which is managed and run under the superintendence, control, and direction of its Board of Directors as per the Companies Act.

BUSINESS ENVIRONMENT

India is not only among the world's fastest growing major economies, but also one of the few economies enacting major structural reforms. Indian economy registered a growth of 7.1% for the financial year 2016-17 in the backdrop of two major domestic development viz. demonetization of two highest denomination notes in November 2016, and subsequently implementation of Goods & Service Tax (GST) in July 2017.

To make this growth rate consistent and enduring, the government continues with its initiatives on economic reforms, increase in public investment in infrastructure and development projects, export growth etc. A total allocation of Rs. 3,96,135 crore for infrastructure development in 2017-18 would afford business opportunities for your Company. The historic step of merger of the Railways Budget with the General Budget would facilitate multi-modal transport planning between railways, highways, and inland waterways.

Some of the initiatives of infrastructure development which may yield business opportunities to your Company are given below:

Railways:

The total capital and development expenditure of Railways for the year 2017-18 has been pegged at Rs. 1,31,000 crore which includes allocation of Rs. 55,000 crore by the Government. The main focus area of Railways would be modernization and up-gradation of identified corridors, commissioning of new railway lines doubling of

about 3500 km, re-development of about 400 railway stations, feeding of about 700 railway stations with solar power, etc.

To enhance the competitiveness of railways, end to end integrated transport solutions for select commodities (eg. coal) will be, inter-alia, implemented through partnership with logistics players.

Proposed new law on metro rail coupled with allocation of Rs. 18000 crore would facilitate greater participation and investment in construction and operation of metro projects.

High Speed Rail Corporation set up by Indian Railways for implementing Mumbai-Ahmedabad high speed rail corridor under Japanese funding may also afford business opportunities in railway sector in addition to continuing works on western dedicated freight corridor by DFCCIL.

Roads:

An allocation of Rs. 64,900 crore to the Ministry of Road Transport and Highways (MORTH) would give impetus to construction & development of roads and highways.

In addition to already continuing initiatives like development of national highways under NHDP, improvement of road connectivity in left wing extremism affected areas, special accelerated Road Development Programme for North-Eastern Region (SARDP-NE), National Highway Inter-connectivity Improvement Programme (NHIIP), improvement in the efficiency of National Corridors development of economic corridors/ feeder routes, rural roads under PMGSY, Bharatmala programme to develop road connectivity to Border areas, the emphasis would also be on development of roads for coastal connectivity including road connectivity for non-major ports.

The Government has initiated 'Setu Bharatam' in 2016 for construction, rehabilitation and widening of 1500 major bridges and 208 railway over bridges (RoBs)/ railway under bridges (RUBs) on National Highways.

The preferred mode of execution of projects in highway sector remains EPC (Engineering, Procurement, and Construction); DBFOT (Design, Build, Finance, Operate, and Transfer); and HAM (Hybrid Annuity Model).Projects by Indian Railways are also likely to be bid out on EPC and DBFOT basis. Your Company may need to form strategic alliances for bagging the projects being offered on EPC, DBFOT, and HAM basis.

One of the recent trend in mode of execution of construction and development of railway works is through setting up of joint ventures with State Governments. Railways have already set up 9 such joint ventures with State Government for execution of 70 identified projects.

Electrical Projects:

Indian Railways has decided to electrify 24,400 km track by 2020-21 under 'Mission Electrification'. Ircon has also been awarded the electrification work of 'Mathura-Kasganj -Kalyanpur' and 'Katni-Singrauli' at an estimated cost of Rs. 305.90 crore and Rs. 258.36 crore respectively.

In addition to the railway electrification work, IT enablement and strengthening of power distribution network in urban areas at an estimated cost of Rs. 32,612 crore is in the offing under Integrated Power Development Scheme (IPDS) of Ministry of Power.

In **International arena opportunities exist** in countries like Malaysia, Bangladesh, Bhutan, Sri Lanka and Iran.

Present Project Profile:

Presently, Ircon is executing construction of railway line in J&K, Sivok-Rangpo, Jayanagar (India) to Bijalpura (Nepal),Jogbani to Biratnagar, etc.; setting of new rail coach factory at Rae Bareli; doubling projects for Katni Singrauli; Rampur Dumra Tal Rajendrapul, Kiul-Gaya and Hajipur Bachwara; Akhaura-Agartala Rail Link projects; setting up of three electric loco sheds at Bondamunda, Daund and Mughalsarai; Road over Bridges in Jharkhand under Pradhan Mantri Gram Sadak Yojna (PMGSY); Design and Construction of Civil, Building and Track Works of Vaitarna-Sachin section and JNPT Vaitrana Section of DFC project; Construction of Railway Siding at Nagarnar, in Chhattisgarh and for Darlipali Super Thermal Power project; electrical works under RAPDRP-Part B Project in the State of Jammu & Kashmir and Uttar Pradesh; Design, Supply, Installation etc. of receiving-cum-traction and auxiliary main sub-station; Metro works for Delhi; development work at NIT, Mizoram; etc.

Your Company has secured road projects from NHAI in the last two years (i.e. 2014-15 to 2015-16) for which two wholly owned subsidiary companies as Special Purpose

Vehicles (SPVs) have been incorporated viz. Ircon PB Tollway Limited [for widening and strengthening of the existing Bikaner - Phalodi section of NH-15 on BOT (Toll) basis in the State of Rajasthan] and Ircon Shivpuri Guna Tollway Limited [for four laning of Shivpuri-Guna section of NH-3 on BOT (Toll) basis on DBFOT pattern under NHDP Phase-IV in the State of Madhya Pradesh]. Your Company further secured road project viz. Davanagere Haveri Highway project from NHAI during the year 2016-17, for which another wholly owned subsidiary company has been incorporated viz. Ircon Davanagere Haveri Highway Limited, after the close of the year.

Additionally, the Company is a stakeholder in five SPVs to undertake rail connectivity projects for coal movement. Three such SPVs viz. 'Chhattisgarh East Railway Limited', 'Chhattisgarh East-West Railway Limited' and 'Bastar Railway Private Limited' are in the State of Chhattisgarh; and one each in the State of Odisha and Jharkhand viz. 'Mahanadi Coal Railway Limited' and 'Jharkhand Central Railway Limited' respectively.

Your Company is having active presence in Sri Lanka, Malaysia, Bangladesh, Algeria, Bhutan, South Africa, and Nepal.

OUTLOOK

The Vision and Mission of the Company are as follows:

A. Vision

To be recognised nationally and internationally as a construction organisation comparable with the best in the field covering the entire spectrum of construction activities and services in the infrastructure sector.

B. Mission

i) To effectively position the Company so as to meet the construction needs of infrastructure development of the changing economic scene in India and abroad.

ii) To earn global recognition by providing high quality products and services in time and in conformity with the best engineering practices.

FINANCIAL PERFORMANCE

The total income of the Company during 2016-17 stood at Rs. 3254 crore as compared to Rs. 2860 crore in 2015-16. About 92% of the total income i.e. Rs. 2995 crore, has arisen from operations, out of which about 10.92%i.e. Rs.327 crore has been contributed by foreign projects.

Operating income from foreign projects has decreased by 20% over the previous year. The main reason being completion of foreign projects in Sri Lanka and Malaysia and in previous years, Company had received certain claims from clients against projects in Malaysia and Mozambique. There had been a corresponding decrease of 11.63% in Profit before tax from Rs. 602 crore in 2015-16 to Rs. 532 crore in 2016-17.Profit after Tax has also decreased by 6.58% from Rs. 395 crore in 2015-16 to Rs. 369 crore in 2016-17. Net Worth has increased by 4.39% during the year, whereas earnings per share have decreased by 6.59% from Rs. 39.91 in 2015-16 to Rs. 37.28 in 2016-17.

Turnover of the Company is showing increasing trend and the Company has secured new projects whereby the order book stands increased to Rs. 18878 crore approx.

The details of interim dividend paid and dividend proposed for consideration and declaration by the shareholders, over and above the interim dividend, at the forthcoming AGM is given in Directors' Report under Para C of 'Financial Highlights'.

OPERATIONAL PERFORMANCE

A. Sectoral Performance:

Railways continued to be the primary sector of interest contributing highest to the operating income, though its portion has reduced. Highways and Electrical have been the other two important sectors contributing 19.67% and 8.45% respectively to total operating income during 2016-17. A sector-wise comparative position for the last three years is given below:

(Rs. in crore)

Sectors	2014-15		2015-16		2016-17	
	Operating Income	%	Operating Income	%	Operating Income	%
Railways	2688	91.12	1914	79.12	2074	69.25
Highways	228	7.72	237	9.80	589	19.67
Electrical	13	0.45	199	8.23	253	8.45
Buildings	19	0.63	67	2.77	78	2.60
Others	2	0.08	2	0.08	1	0.03
Total	**2950**	**100**	**2419**	**100**	**2995**	**100**

B. Segment-wise Performance:

Contribution of foreign projects to total income has decreased from 28% in 2014-15 to 10% in 2016-17. A comparative position for the last three years is given below:

(Rs.in crore)

Sectors	2014-15		2015-16		2016-17	
	Total Income	%	Total Income	%	Total Income	%
Foreign	868	28	506	18	339	10
Domestic	2254	72	2354	82	2915	90
Total	**3122**	**100**	**2860**	**100**	**3254**	**100**

STRENGTHS

The Company has rich experience of timely execution of a large number of international projects, especially in developing countries. Its key strengths continue to be impressive financials (reflected in the consistent profitability and healthy balance sheet of the Company), established credentials, and competent manpower. The Company has a track record ofquality performance in time to the satisfaction of its customers.

Your Company has developed some of the best processes and methodologies to provide economic solutions and quality output while meeting tight schedules on the most challenging projects. With its expertise and professional approach to work, your Company has not only widened its horizons of work, but also propelled itself to traverse the physical boundaries of the country.

Your Company's continued good relations with Railways and the expertise available for execution of various railway projects like doubling works, construction of new railway lines and rehabilitation works, has resulted in award of new projects on East Central Railway and West Central Railway.

OPPORTUNITIES

A number of macro level and sectoral initiatives undertaken to improve economic growth coupled with revival of interest in the development of infrastructure sector in the last few years in India as well as abroad, particularly in Railway sector, has opened up several opportunities for securing more business. Continuous efforts to develop maximum number of other related and remunerative projects in States of Chhattisgarh, Odisha, and Jharkhand, shall continue to bring more business in the coming years

As a result of sustained marketing efforts in open market, your Company has succeeded in securing three packages on DFCCIL project on Western Dedicated Freight Corridor, and had signed a MoU with Construction and Development of Transportation Infrastructure Company (CDTIC), a company owned by Government of Iran, for the financing and execution of Chabahar-Zaheden Railway project.

A large number of projects are coming up in the Highways sector on EPC, DBFOT, and HAM basis. A dedicated team has been developed to focus on such projects. Further, Ministry of Transport, Malaysia is being pursued to secure a Turnkey Railway contract for the Company on Government to Government (G2G) basis. Also, projects on Indian Railways are also likely to be bid out on EPC and DBFOT basis in future.

The commitment of Government of India for new lines of credit amounting to USD 10 billion for Africa, would afford opportunities of securing works in countries like Tanzania, Ghana, Kenya, Ethiopia etc. in addition to projects under multilateral funding.

Adoption of Information Technology to expedite data and information sharing will ensure improvement of Operational Efficiency of the Company. Further, adoption of e-tendering system shall cut time and effort for expeditious project, delivery, besides ensuring transparency in all processes.

CONSTRAINTS

Although every organization has to work within a certain legal framework, the Company as a public sector company faces more constraints (not applicable to private sector companies) which puts it at a disadvantage in a competitive market. The structural changes in the construction industry in the last few years whereby all construction and financial risks are being transferred to the Contractors from the employers poses fresh challenge to the Company. These higher risks are willingly taken up by private sector companies to capture a sizeable portion of the market.

Ircon being a domain player in the railway infrastructure segment, has been able to secure a fair share of railway business for the Company in the past. However, entry of a

large number of players in the highways sector has made it difficult for the Company to compete in Item Rate Contracts. Further, with the Employer(s) diluting the qualification requirement, a sizeable number of contractor are diversifying in Railway segment thereby increasing the competition for Ircon.

Most of the upcoming private organizations in the infrastructure sector are willing to take higher risk and work at low profits to increase their order book position and capture a wider share of the market, which poses fresh challenges for the Company.

The Company is operating in a highly competitive and price cutting environment of the construction industry where profit margin is diminishing due to increased market competition in the traditional areas of operation. With the changes in the Government policy as well as proposed disinvestment of shares by the Government to be offered to private parties, there is likelihood of reduction of new work orders coming on nomination basis from Indian Railways and other government agencies. Hence, the Company has to prepare itself to expand its footprint in high technology and high value projects like High Speed Railway projects and PPP investment projects.

STRATEGY

The Company is focused towards strategic business development to sustain and improve its order book position by giving a thrust to its areas of core competence and international business. Core competence of the Company namely, Railways, Highways, Electric sub-stations, S&T, and Railway Electrification, is being further consolidated.

There is need to revise Ircon's strategy in bidding for contracts in the infrastructure sector in view of the challenges being posed by the above constraints. The revised strategy should take into account the Company's strength in terms of its large and trained manpower, credentials to execute mega projects and financial resources and its weaknesses on account of being a government entity limiting its ability to take risk and work on lower margins, to secure projects in a higher competitive environment. The Company also needs to increase its efforts to secure contracts through strategic tie ups with Indian and International companies both in domestic and the foreign markets. To remain competitive in the business, the Company plans to participate in more tenders in Joint Venture/ Consortium with other good companies.

RISKS AND CONCERNS

A. <u>Project Risk Management:</u>

The Company has a Risk Management Committee of Whole-time Directors, a Rapid Action Group at General Manager / Executive Director (below board) level, business group, and internal audit to ensure its implementation. Risk Management Policy, Risk Management Processes, and MIS reports formats including MIS reports on Risk Management have been evolved in accordance with the Framework. Reports from Rapid Action Group and internal audit are required to be submitted through the Risk Management Committee to the Audit Committee for review.

In India, a major concern in execution of projects is non-availability of encumbrance free land, and delayed approval of drawings and estimate due to which there is a risk of time and cost overruns which are seldom compensated by the client.

B. <u>Treasury Risk Management</u>

Your Company was assigned a 'CARE AAA' rating by Credit Analysis & Research Limited (CARE) for long-term non-fund based credit facilities and an 'A1+' rating for short-term non-fund based credit facilities in 2008-09 based on BASEL II norms of the Reserve Bank of India. These rating have been re-affirmed in an annual surveillance review by CARE in November 2016.

Ircon conducts its business in various countries and, therefore, has to deal in foreign currencies. Execution of projects abroad necessitates investing some funds in foreign banks in order to take care of any exigency arising on account of temporary cash flow mismatch. However, dealing in foreign currencies involves foreign exchange risk and the exchange rate may change unfavorably before the currency is exchanged. In order to minimize or eliminate foreign exchange risk, these exchange rate fluctuations are monitored constantly and surplus funds are exchanged / repatriated to India at the appropriate time, and in accordance with the laws. Efforts are made to provide a natural hedge by matching foreign currency inflows and outflows from various foreign projects. Investment guidelines for foreign projects have been formulated to ensure placement of funds with foreign banks in a fair and transparent manner.

INTERNAL CONTROL SYSTEM

Your Company has adequate internal control mechanism and an Internal Audit System commensurating with its size and nature of business. During the year, a revised internal audit framework has been approved and adopted in the Company. The said framework provides scope of Internal Audit covering areas from tendering to statutory compliances. The same has been issued for implementation to internal auditors so as to make the internal audit system more effective and project specific. Projects are closely monitored through online/offline reporting formats and the key performance indices are monitored by the Management on monthly basis.

The Company has in place an organizational chart and a system of delegation of powers. This coupled with robust internal MIS systems, ensures appropriate information flow to facilitate effective monitoring. Adherence to these processes is monitored through internal audits. The frequency of the Internal Audit is linked with the turnover and percentage of completion of the each project.

The Company has an internal audit system that requires the Internal Auditors to comment on the existence of adequate internal control systems and compliance therewith in addition to the opinion on existence of proper risk assessment and mitigation mechanism. The Internal Auditors are experienced chartered accountant firms which are selected through a transparent selection process, and upon appointment directly report to the Management. This ensures Internal Auditors' independence. Reports of the Internal Auditors are reviewed, compliances are ensured, and synopses of Audit Reports along with compliance are put up by Internal Audit Department for consideration of the Audit Committee.

The internal control and audit system are being reviewed periodically by the Management as well as by the Audit Committee, followed up by corrective action, whenever necessary as a part of continuous improvement. A study by a professional agency is in place for further strengthening the Internal Financial Control in Ircon. The recommendations of the study will be implemented for strengthening the Internal Financial Control. A structured Fraud Prevention, Detection, and Control Policy (FPDC Policy) along with a Whistle Blower Policy duly approved by the Board of Directors is in place with facility to make e-complaints in confidence.

HUMAN RESOURCE

The Company aims to achieve the right size and right mix of human resource/ employees for the organization. Since your Company is a project based company, there are fluctuations in the manpower requirements which are being taken care by recruiting employees on deputation, contract, and service contract. Recruitment strategies have been re-engineered to tune them with the overall strategy of the Company to keep cost of supervision and establishment at optimum level. Training programmes are designed so as to enhance both technical and managerial skills of employees.

The Company offers post superannuation benefits of Contributory Provident Fund, Gratuity, and Post retirement indoor medical benefits through a Medical Trust to all its employees. During the year, your Company organized 2nd Corporate Ircon Inter Project Quiz covering a wide range of topics, as a tool for employee learning and engagement. Further, Ircon started Ircon Corporate Quiz which focused only on Quality and OHSAS compliances and other aspects of the Company.

The total manpower strength as on 31st March 2017 was 1495 employees. The attrition rate during 2016-17 was 1.27%, with 15 employees leaving the organization.

With an aim to build competency based framework for managing human resources, training programmes are being designed to align the skills of organisation's human resources with that of the company's present and future needs. Under succession planning policy of the Company, steps are being taken to identify a potential pool of likely leaders to take up critical roles in future. To groom this pool of potential leaders, organization aims to train them with regard to future job requirements by involving them in cross-functional activities and through mentorship and stretch assignments.

For and on behalf of the Board of Directors

(S.K. Chaudhary)
Chairman & Managing Director
(DIN: 00515672)

Date : 21st September 2017 & 28th September 2017
Place : New Delhi

Appendix – E

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE & KEY VALUES

1.1 The **Code of Corporate Governance** of the Company is "To Be Professional, Profitable, Transparent, and Accountable with excellence in every sphere of activity of the Company."

1.2 The **Key Values of the Company** formally adopted by the Board of Directors are:

a) Constructive approach

b) Working as a team

c) Excellence in performance

d) Probity in work and dealings

e) Being responsible and accountable

2. BOARD OF DIRECTORS

2.1 Composition of Board of Directors:

Three independent directors joined the Board of Ircon in April 2016 in terms of order dated 1st April 2016 from the Ministry of Railways. The present strength of the Board of Directors of Ircon is nine comprising of four whole-time directors (Chairman & Managing Director, Director Finance, Director Projects, and Director Works), two government nominated [part-time (official)] directors, and three independent directors (including one woman director).

2.2 BOARD OF DIRECTORS AND THEIR MEMBERSHIPS OF BOD / COMMITTEES

(As on the date of this report)

Directors	Whole-time / Part-time (Official)/ Independent	Directorships held in Companies/ Body Corporates (excluding Ircon)	Committee Memberships held in Companies / Body Corporates (including Ircon)	
			As Chairman	As Member
S.K. Chaudhary [DIN: 00515672] [w.e.f. 29.10.2016]	Chairman & Managing Director– Whole-time	NIL	NIL	NIL
Deepak Sabhlok* [DIN: 03056457]	Director Projects –Whole-time	7 [ISTPL, IrconPBTL, IrconSGTL, IrconDHHL, CERL, CEWRL, and MCRL]	1	3
Hitesh Khanna [DIN: 02789681]	Director Works – Whole-time	2 [IrconISL and JCRL]	NIL	1
M. K. Singh [DIN: 06607392] [w.e.f. 01.05.2016]	Director Finance – Whole-time	1 [IRSDC]	1	NIL
Rajiv Chaudhry [DIN: 03146422] [w.e.f. 17.11.2016]	Part-time (Official)	1 [KRCL]	NIL	4
S. K. Singh [DIN: 00003695] [w.e.f. 05.04.2016]	Independent	12 [See note (i)]	2	5
Avineesh Matta [DIN: 00011749] [w.e.f. 08.04.2016]	Independent	2 [see note (j)]	2	2
Vasudha V. Kamat [DIN: 07500096] [w.e.f. 22.04.2016]	Independent	NIL	1	3
S.C. Jain [DIN: 07564584] [w.e.f. 03.01.2017]	Part-time (Official)	5 [PRCL, RIDC, KRC, MRVC and RVNL]	NIL	1

*Mr. Deepak Sabhlok had assumed the additional charge of the post of Chairman & Managing Director of Ircon for a period of 3 months from 01.10.2016 or till a regularly selected candidate joined the post of CMD.

Mr. S.K. Chaudhary joined the Board of Ircon as CMD on 29.10.2016 (FN) accordingly, Mr. Sabhlok relinquished the additional charge of the post of CMD on 29.10.2016 (FN), but continues to hold the charge of the post of DP / Ircon.

DIRECTORS WHO CEASED TO HOLD OFFICE
(During 2016-17 and thereafter till the date of this report)

Directors	Whole-time / Part-time (Official)/ Independent	Directorships held in Companies/ Body Corporates (excluding Ircon)	Committee Memberships held in Companies / Body Corporates (including Ircon)	
			As Chairman	As Member
Mr. K.K. Garg [DIN: 01495050] [Held Office from 03.11.2009 (FN) to 30.04.2016 (AN). Ceased to hold office on superannuation].	Director Finance – Whole -time	1 [CCFB]	1	1
H. K. Kala [DIN: 07200108] [Held Office from 02.06.2015 (FN) to 30.06.2016 (AN). Ceased to hold office on superannuation from the post of Addl. Member (Planning), Railway Board].	Part-time (Official)	1 [MRVC]	NIL	2
Mohan Tiwari [DIN: 00191363] [Held Office from 08.08.2003 (FN) to 30.09.2016 (AN). Ceased to hold office on superannuation].	Chairman & Managing Director– Whole-time	1 [IRSDC]	NIL	NIL
Anjum Pervez [DIN: 06682287] [Held Office from 15.07.2013 (FN) to 09.12.2016 (AN). Ceased to hold office upon relinquishment of charge of the post of ED/ Project Monitoring, Railway Board, so as to take up another assignment].	Part-Time (Official)	1 [RVNL]	Nil	5

Notes:

a) The number of Directorships is within the maximum limit of 10 public companies (within the overall maximum limit of 20 Companies) in accordance with the Companies Act, 2013.

b) The Committees covered under the last two columns are Audit Committee, Nomination & Remuneration Committee, Independent Directors Committee, CSR & Sustainability Committee, and Committee for Issue of Renewed / Duplicate Share Certificates.

c) The number of committee memberships of directors is within the maximum limit of ten including the permitted limit of five chairmanships under the DPE Corporate Governance Guidelines, 2010 (DPE CG Guidelines). Only Audit Committee has been counted for the said limit.

d) The term 'whole-time director' used in this report refers to functional / executive directors.

e) The term 'part-time director' used in this report refers to non-executive directors.

f) The term 'official' indicates part-time Government nominated directors who hold office in the Government.

g) The term 'independent' indicates part-time directors who hold no office in the Government and are independent.

h) Apart from the remuneration to directors as per the terms and conditions of their appointment and entitled sitting fee to independent directors, as detailed in para 4 of this Report, none of the directors has any material or pecuniary relationship with the Company which can affect their independence of judgment.

i) Mr. S. K. Singh, Independent Director, is director on the Board of:

   i) Ganesh Realty and Mall Development Private Limited [CIN U45200WB2007PTC112423]

   ii) Likhami Commercial Company Limited [CIN U51109WB1982PLC034623]

   iii) Distant Horizon Orchard Private Limited [CIN U74899WB1991PTC117430]

   iv) Ambuja Educational Institute [CIN U80302WB1991GAP052586]

v) Ashika Stock Broking Limited
[CIN U65921WB1994PLC217071]

vi) Fourfold Agents Private Limited
[CIN U51909WB2009PTC133868]

vii) Utkarsh Sfatik Limited
[CIN U45100WB1992PLC195097]

viii) Ashika Credit Capital Limited
[CIN L67120WB1994PLC062159]

ix) Ashika Capital Limited
[CIN U30009WB2000PLC091674]

x) Vantage Vanijya LLP[LLPIN: AAI-9810]

xi) Maddhurya Vanijya LLP[LLPIN: AAI-0687]

xii) Alishan Dealtrade LLP[LLPIN: AAI-1621]

j) Mr. Avineesh Matta, Independent Director, is director on the Board of following companies:

i) Explico Consulting Private Limited
[CIN U93000DL2010PTC205167]

ii) InQUANT Consulting Private Limited
[CIN U74140DL2009PTC186611]

k) Full name of companies referred:

i)	IrconISL	–	Ircon Infrastructure & Services Limited,a wholly owned subsidiary company of Ircon at New Delhi (India) [CIN U45400DL2009GOI194792]
ii)	IrconPBTL	–	Ircon PB Tollway Limited,a wholly owned subsidiary company of Ircon at New Delhi (India) [CIN U45400DL2014GOI272220]
iii)	IrconSGTL	–	Ircon Shivpuri Guna Tollway Limited,a wholly owned subsidiary company of Ircon at New Delhi (India) [CIN U45400DL2015GOI280017]
iv)	IrconDHHL	–	Ircon Davanagere Haveri Highway Limited,a wholly owned subsdiary company of Ircon at New Delhi(India) [CIN U45500DL2017GOI317401]
v)	IRSDC	–	Indian Railway Stations Development Corporation Limited, a JV and a subsidiary company of Ircon (51% equity) at New Delhi (India) [CIN U45204DL2012GOI234292]
vi)	ISTPL	–	Ircon-Soma Tollway Private Limited, a JV Company at New Delhi (India) in which Ircon has 50% equity participation [CIN U74999DL2005PTC135055]
vii)	JCRL	–	Jharkhand Central Railway Limited, a JV Company in Jharkhand (India) in which Ircon has 26% equity participation [CIN U45201JH2015GOI003139]
viii)	KRCL	–	Konkan Railway Corporation Limited [CIN U35201MH1990GOI223738]
ix)	PRCL	–	Pipavav Railway Corporation Limited [CIN U45200DL2000PLC151199]
x)	RIDC	–	Rail Infrastructure Development Company (Karnataka) Limited [CIN U60100KA2000PLC028171]
xi)	KRC	–	Kutch Railway Company Limited [CIN U45202DL2004PLC124267]
xii)	MRVC	–	Mumbai Railway Vikas Corporation Limited [CIN U45203MH1999GOI120765]
xiii)	RVNL	–	Rail Vikas Nigam Limited[CIN U74999DL2003GOI118633]
xiv)	CCFB	–	Companhia Dos Ferro Da Beira,a JV Company in Mozambique in which Ircon had 25% equity participation. During the year, the shares of CCFB were transferred to CFM in terms of the Settlement Agreement dated 15th October 2015. Details pertaining to CCFB have been given in sl. no. 12 of Appendix – B (i.e. Subsidiaries and Joint Ventures Companies).

3. DISCLOSURES ABOUT DIRECTORS

As per the disclosures made by the directors in terms of section 184 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, no relationship exists between directors inter-se. Two nominee directors (part-time official) who are officials from the Ministry of Railways, and thus related to the promoter.

Ministry of Corporate Affairs (MCA) has exempted unlisted government companies (wherein at least 51% paid-up share capital is held by the government) from the requirement of retirement of its directors by rotation vide notification dated 13th July 2017 amending earlier notification dated 5th June 2015. Accordingly, no agenda item has been proposed in the notice of AGM for appointment of directors as per section 152 of the Companies Act, 2013, which require determining not less than 2/3rd of the directors as persons whose period of office is liable to determination by retirement of directors by rotation at a general meeting.

The performance evaluation of functional directors as well as the Company is done through system of Annual Performance Appraisal Report (APAR) by Ministry of Railways and Memorandum of Understanding entered with Ministry of Railways respectively, and the said evaluation is submitted to Department of Public Enterprises through the Administrative Ministry.

3.1 Brief Resume of seven new Directors who joined the Company during 2016-17:

a) **Mr. Sanjay Kumar Singh (S. K. Singh)** (DIN 00003695), Practising Chartered Accountant, has joined the Board of Ircon as Independent [Part-time (Non-Official)] Director w.e.f. 5thApril 2016 in terms of Presidential Order dated 1st April 2016 issued by the Ministry of Railways.

Born on 3rdNovember 1964, Mr. Singh's qualifications are B.Com (Hons.) and fellow member of the Institute of Chartered Accountants of India (ICAI).

He has 31 years of rich experience in finance, taxation, and business operation. He had worked for more than 26 years with Ambuja-Neotia Group (erstwhile owner & promoter of Ambuja Cements Limited). Before starting his own practice in 2012, he was holding the post of President (Corporate Affairs) in the said Ambuja Group.

Mr. Singh is also a council member of National Youth Development Fund under the aegis of Ministry of Youth Affairs and Sports and examiner in ICAI for last more than 20 years.

b) **Mr. Avineesh Matta** (DIN 00011749), Practising Chartered Accountant, has joined the Board of Ircon as Independent [Part-time (Non-Official)] Director w.e.f. 8thApril 2016 in terms of Presidential Order dated 1stApril 2016 issued by the Ministry of Railways.

Born on 28thApril 1959, Mr. Matta's qualifications are B.Com (Hons.), LLB, Advanced Diploma in Management, Certificate in Environmental Economics, Certificate in Business Valuation, Diploma in Information Systems Audit, and fellow member of the Institute of Chartered Accountants of India (ICAI).

He has more than 34 years of rich experience in finance, audit, taxation, etc. His professional exposure to multifarious industries and service segments has provided him extensive business knowledge and understanding of strategic and policy issues and processes. He has been giving consultation on merger & amalgamation, foreign exchange issues, due diligence, project financing, feasibility studies, investment banking, credit ratings, corporate restructuring, strategic & legal consulting, valuation of business & assets in addition to consultancy on Engineering-Procurement-Construction, Operate-Maintain-Transfer, Built-Operate-Transfer, and similar projects in road transport and highway sector.

He has been associated with monitoring, review, and evaluation of internationally aided projects in social sector and urban support programs. He has also been associated with various committees of ICAI, along with being an active member of various non-governmental organisation working in the field of health, education and skill development. He carries deep interest in business ethics and governance.

c) **Prof. (Ms.) Vasudha Vasant Kamat** (DIN 07500096), has joined the Board of Ircon as Independent [Part-time (Non-Official)] Director w.e.f. 22ndApril 2016 in

terms of Presidential Order dated 1st April 2016 issued by the Ministry of Railways.

Born on 26th June 1952, Ms. Kamat's qualifications are B.Sc (Chemistry), B.Ed., M.Ed., M.A. (Sociology), and Ph.D. (Education).

Prof. Kamat started her career as teacher in 1971. Prior to joining SNDT Women's University in 1983, she was lecturer for 4 years in College of Education. She held various posts in her career span of 29 years with SNDT University. At the time of her retirement from SNDT University in 2016, she has been holding the post of Vice-Chancellor for the last 5 years. She also had a brief tenure as Joint Director at CIET, NCERT from 2007 to 2011.

She has more than 46 years of rich experience in the field of school education, higher education, teacher education, women's education, open and distance education. During her tenure at SNDT University, she introduced various new ideas/ procedures like online admissions, Choice Based Credit System at master level, new strategies for evaluation, use of Information & Communication Technology (ICT) in teaching-learning Process, Faculty Development Programmes, Development of ICT infrastructure such as virtual classrooms, computer labs for students, training labs for teachers as well as Language labs on campuses.

A strong advocate of internationalization of higher education, she has linkages with various foreign universities in Canada, Mauritius, Malaysia, etc. She also has close association with Open Universities and National Institute of Open School.

As a social activist, she has been working for Society for Rural Reconstruction and Education (Narayan Ashram) since 1992. She is recipient of Best Teacher Award from Maharashtra State Government (2005-06), Fulbright Senior Research Fellowship (2005-06), and Rotary International Fellowship (2004-05).

d) Mr. Mukesh Kumar Singh (M. K. Singh) (DIN 06607392), has joined the Board of Ircon as Director Finance w.e.f. 1st May 2016 in terms of Presidential Order dated 26th April 2016 issued by the Ministry of Railways.

Born on 25th September 1961, Mr. Singh's qualifications are B.A. (Hons.), M.A. (Mathematics), M.Phil (Mathematics), and Post Graduate Diploma in Financial Management from IGNOU. He is an Indian Railway Accounts Service (IRAS) Officer of 1990 batch. Prior to joining Indian Railways, he worked as lecturer for 5 years in the University of Delhi.

He joined Indian Railways in 1991 and worked in various capacities for 25 years. He has gained rich experience in various branches of Railway Accounts and Finance including exposure of working in multi-departmental set up of Indian Railways. As Director Finance (Accounts) & Director Finance (PPP), Railway Board, he has worked in the area of financial scrutiny and appraisal of PPP projects in Indian Railways, compilation and preparation of accounts of Indian Railways, dealing with statutory audit (C&AG), etc. Further, he played a pivotal role in implementing a pan-railway online accounting package system and other Relational Database Management System (RDBMS) packages of Accounting and Finance in zonal headquarters and divisions in the railway system along with being a member of the team computerizing the Railway Finance and Accounts in two major divisions.

Prior to joining Ircon as Director Finance, he was working as General Manager/ Finance in Rail Vikas Nigam Limited (on deputation) for about 4 years where he was responsible for commercial accounting, financing along with handling financial matters of construction issues of rail infrastructure pertaining to SPVs, tender finalisation under quality and cost based selection (QCBS) and other systems, and handling ERP project, etc.

He has undergone trainings on Public Private Partnership mode of project finance from IIM Ahmadabad, freight business marketing course from Railway Staff College, Management Development program in Canada from Rottman School of Management, University of Toronto, Canada. He had also received various awards like Minister of Railways Award (in 1998), General Manager Award (2004), Efficiency Shield to Finance Department of Bhopal division (2007-08) during his tenure.

e) Mr. Sunil Kumar Chaudhary (S.K. Chaudhary) (DIN 00515672), has joined the Board of Ircon as Chairman

& Managing Director w.e.f. 29th October 2016 in terms of Presidential Order dated 27th October 2016 issued by the Ministry of Railways.

Born on 3rd April 1961, Mr. Chaudhary's qualifications are B.Sc. Engg. (Civil), M.Tech (Management & System) and P.G. Diploma in Alternate Dispute Resolution. He has **35 years of rich and varied experience** of handling various aspects of project management, project financing and business development in infrastructure industry.

He has **worked with** National Buildings Construction Corporation Limited **(NBCC)** as Director (Projects) for a period of 3 years, prior to joining Ircon. He was overseeing the implementation/execution and monitoring of projects in various segments of operation [viz Project Management Consultancy (PMC), EPC Contracts, and Real Estate market] including operation and maintenance of projects after commissioning, induction and incorporation of new technologies in civil construction, business development in Indian and Overseas market.

He had earlier **worked in HUDCO** as Sr. Executive Director (Project) and Executive Director (Projects) for period of **about 7 years**. He was involved in financing, appraisal and monitoring of Housing and Infrastructure Projects including projects sponsored by Government of India viz.JNNURM, RAY, etc. He has also undertaken appraisal of affordable housing schemes on PPP basis and PPP road and power projects on consortium basis. He has executed engineering consultancy assignments for project management services as well as Consultancy assignments for Environmental Engineering projects. He has also been closely associated with conceptualization of joint venture proposals.

He **started his career with Ircon and worked for about 23 years** in various capacities. He has handled National & International tendering works having funding from World Bank, ADB etc. along with construction projects involving flyovers, roads, MGR Railway line etc.

He has extensive knowledge in the field of construction of Highways, Railways, Airports, flyovers and Bridges etc. as well as experience in global tendering project finance and feasibility study etc.

f) **Mr. Rajiv Chaudhry** (DIN 03146422), Adviser, Station Development, Ministry of Railways, has joined the Board of Ircon as Part-time (Official) Director w.e.f. 17th November 2016, in terms of Presidential Order dated 16th November 2016 issued by the Ministry of Railways.

Born on 27th December 1960, Mr. Chaudhry's qualification is B.E. (Civil Engineering). He is an Indian Railway Service of Engineers (IRSE) officer of 1981 batch. He has more than 34 years of extensive and varied experience in all sectors of rail transport including its operation and maintenance, planning, designing, execution, as well as maintenance of large civil engineering projects in the railway/ metro sector, formulation, launching and monitoring of policy implementation initiatives.

He has also been associated with several important assignments like track maintenance and track relaying with the help of modern machines; rebuilding and maintenance of steel and concrete bridges; renovation, and maintenance of service and residential buildings; planning and controlling train operations; upkeep of throughput critical infrastructure. These assignments involved working / supervision / control of large teams of multiskilled, multilingual and multinational staff and officers.

He has been involved at a very senior level in the construction and commissioning of the first underground section of the Delhi Metro from 2001 to 2006 i.e. from Kashmiri Gate to Central Secretariat section as well as in framing of several policies and procedures for paving the way for rapid spread of the metro railways in the entire country.His earlier assignments included Divisional Railway Manager at Bhopal Division, Chief Vigilance Officer of South East Central Railway, Principal Chief Engineer, North Central Railway, etc. He has been one of the key officials for engagement of a developer on PPP project of redevelopment of Habibganj Railway Station.

His present assignment as Adviser/Station Development, Railway Board, entails redevelopment

of railway stations on PPP basis, which is the present focus areas of Indian Railways and a flagship program of the Government of India.

g) **Mr. Sukhmal Chand Jain (S. C. Jain)** (DIN 07564584), has joined the Board of Ircon as Part-time (Official) Director w.e.f. 3rd January 2017 in terms of Presidential Order dated 3rd January 2017 issued by the Ministry of Railways.

Born on 1st January 1967, Mr. Jain's qualification's are B.Tech (Civil) and M. Tech. He belongs to Indian Railway Service Engineers (IRSE) officer of 1988 batch and has over 27 years of rich and varied experience in Railways. His earlier assignments included Sr DEN/Lucknow, Sr DEN/ Moradabad, Director/B&S RDSO, and Chief Engineer/C/Spl NR.

He was instrumental in commissioning of Abohar Fazilka new line Project. He had participated in various trainings in India and abroad and has represented Indian Railways as a part of some delegations abroad.

His present assignment as Executive Director/ Works, Railway Board, entails handling of issues related to New Lines, Gauge Conversion and Doubling Projects.

4. REMUNERATION OF DIRECTORS

Being a government company, the whole-time directors are appointed by the President of India through the Ministry of Railways and draw remuneration as per Industrial Dearness Allowance (IDA) pay scales pre-determined by the Government and as per the terms and conditions of their appointment issued by the Government.

The part-time official director nominated on the Board do not draw any remuneration from the Company for their role as director but draw their remuneration under Central Dearness Allowance (CDA) pay scales from the Government as government officials.

The Shareholders, at their 31st Annual General Meeting held on 26th September 2007, had authorized the Board of Directors to fix remuneration payable to independent directors by way of sitting fees within the ceiling prescribed by Rule 10-B of the Companies (Central Government's) General Rules and Forms. Accordingly, the Board of Directors, at its 215th meeting held on 28th January 2015, has fixed the sitting fee for independent directors at Rs. 12,000/- for every meeting of the Board of Directors and its Committee(s) thereof.

4.1 Disclosure on Remuneration package of Whole-time Directors during 2016-17:

(in Rs.)

Sl. No.	Name of the Directors***	Salary & Allowances	Other Benefits & Perks	Performance Linked Incentive	Retirements Benefits	Bonus/ Commission/ Ex-gratia	Stock Option during the year	Total
1	S.K. Chaudhary, CMD (w.e.f. 29.10.2016)	11,43,916	1,63,117	-	1,93,150	-	-	15,00,183
2	Deepak Sabhlok, Director Projects (throughout 2016-17)	28,03,151	6,05,985	5,82,803	2,79,237	-	-	42,71,176
3	Hitesh Khanna, Director Works (throughout 2016-17)	27,58,408	5,65,565	5,73,608	2,74,818	-	-	41,72,399
4	M. K. Singh, Director Finance (w.e.f. 01.05.2016)	23,29,871	1,80,525	-	2,32,402	-	-	27,42,798

(in Rs.)

Sl. No.	Name of the Directors***	Salary & Allowances	Other Benefits & Perks	Performance Linked Incentive	Retirements Benefits	Bonus/ Commission/ Ex-gratia	Stock Option during the year	Total
5	Mohan Tiwari, CMD (Up to 30.09.2016)	15,67,605	16,60,460*	12,36,225	1,55,052	-	-	46,19,342
6	K.K. Garg, Director Finance (Up to 30.04.2016)	2,29,982	4,72,949**	5,90,729	39,001	-	-	13,32,658

* Including leave encashment amounting to Rs. 9,20,809/-

** Including leave encashment amounting to Rs. 19,025/-

*** Details regarding qualification, experience, etc. of whole-time directors drawing remuneration of Rs. 8.5 lakh p.m. or more (if employed for a part of the financial year) and Rs. 1.02 crore p.a.or more (if employed throughout the financial year) during 2016-17 are contained in Annexure – E1.

4.2 Details of payments made to Independent Directors/ Part-time (Non-official)

(in Rs.)

Sl. No.	Name of the Independent Directors / Part-time (Non-official) Directors	Sitting Fee		Total
		Board Meetings	Committee Meetings	
1	Sanjay Kumar Singh (w.e.f. 05.04.2016)	72,000	1,56,000	2,28,000
2	Avineesh Matta (w.e.f. 08.04.2016)	84,000	1,80,000	2,64,000
3	Vasudha Vasant Kamat (w.e.f. 22.04.2016)	60,000	1,68,000	2,28,000

4.3 Details of top ten employees of the Company in terms of remuneration drawn and details of employees drawing remuneration of Rs. 1.02 crore or more (if employed throughout the financial year) and Rs. 8.5 lakh p.m. or more (if employed for a part of the financial year) during 2016-17 is placed at Annexure E1.

5. BOARD PROCEDURE

5.1 BoD Charter:

a) The Company has in place a BoD approved Formal Board Charter with Corporate Governance objectives & approach and Role & Responsibility of BoD (including Whole-time Directors, Independent Directors, Government Directors), and Management (Senior Management) since 2012. The same would be revised in line with the new Companies Act, 2013.

b) This BoD Charter sets out essentially the composition & structure and role & responsibilities of the Board of Directors of the Company keeping the Corporate Governance objectives and approach in perspective.

c) To facilitate the independent directors and part-time (official) directors to discharge their responsibilities, one independent office room each has been earmarked at the registered office of the Company.

5.2 BoD Meetings and Attendance during 2016-17:

a) The Board of Directors met 7 times during the financial year 2016-17 on:

19th April 2016, 29th April 2016, 23rd June 2016, 2nd September 2016, 7th October 2016, 5th January 2017, and 23rd March 2017.

b) Leave of absence was granted in terms of section 167(1)(b) of the Companies Act, 2013.

c) Details of attendance of the Directors and Company Secretary during 2016-17:

Directors	No. of Board Meetings		Attended last Annual General Meeting
	Held (during their respective tenures)	Attended	
S.K. Chaudhary	2	2	NA
Deepak Sabhlok	7	7	YES
Hitesh Khanna	7	6	YES
M.K. Singh	5	5	YES
S.K. Singh	7	6	YES
Avineesh Matta	7	7	YES
Vasudha V. Kamat	7	5	YES
Rajiv Chaudhry	2	2	NA
S.C. Jain	2	1	NA*
K. K. Garg	2	2	NA
H. K. Kala	3	1	NA
Mohan Tiwari	4	4	YES
Anjum Pervez	5	3	YES

NA- Not Applicable

* However, Mr. S.C. Jain had attended the AGM of the Company held during 2016-17 as representative of the President of India in terms of section 112 of the Companies Act, 2013.

Ms. Sumita Sharma, Company Secretary, attended all the seven board meetings and AGM held during the year 2016-17.

6. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY AND KEY VALUES FOR ENTIRE ORGANIZATION

The Company has in place a Code of Conduct for Board Members and for Senior Management (i.e. Directors, Chief Vigilance Officer, Additional General Managers and above, and Project / Functional Heads) and also Key Values for the Company as a whole. Both the Code of Conduct and Key Values came into effect from 1st April 2005, and have been posted on the website of the Company.

The declaration signed by Chairman & Managing Director affirming receipt of compliance with the Code of Conduct and Key Values from Board of Directors and Members of Senior Management team during 2016-17 is placed as **Annexure – E2**.

7. COMMITTEES OF BOD

7.1 Audit Committee:

7.1.1 Terms of Reference:

The Board has approved terms of reference for Audit Committee, in April 2014, in line with the Companies Act, 2013; DPE CG Guidelines, 2010; and the then clause 49 of the Listing Agreement. The core areas in the said terms of reference for Audit Committee inter-alia includes the following:

a) Recommending remuneration of statutory auditors including payment of fees for any other services rendered by the auditors except the services covered under section 144 of the Companies Act, 2013.

b) Review and monitor the auditor's independence and performance, and effectiveness of audit process.

c) Approval or any subsequent modification of transactions of the company with related parties and to review the statement of related party transactions submitted by management.

d) Scrutiny of inter-corporate loans and investments.

e) Evaluation of internal financial controls and risk management systems.

f) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible.

g) Reviewing, with the management, the annual financial statements and Auditors report thereon before submission to the Board for approval, with particular reference to:

i) Matters required to be included in the Director's Responsibility Statement to be included in the Board report in terms of clause (c) of section 134(3) of the Companies Act, 2013;

ii) Changes, if any, in accounting policies and practices and reasons for the same;

iii) Major accounting entries involving estimates based on the exercise of judgment by management;

iv) Significant adjustments made in the financial statements arising out of audit findings;

v) Compliance with legal requirements relating to financial statements;

vi) Disclosure of any related party transactions; and

vii) Qualifications in the draft audit report.

h) Reviewing, with the management, the quarterly financial statements and Auditors report thereon before submission to the Board for approval.

i) Discussion with the auditors -- both internal and statutory auditors – to address significant issues and areas of concern.

j) Reviewing with the Management, the performance of statutory and internal auditors, adequacy of internal control systems and functions including the structure and working of internal audit department, and internal audit reports.

k) Considering such other item/ matters as may be decided by the Board / Audit Committee.

The Audit Committee had reviewed the matters as per the said Terms of Reference including the financial reporting process, the Financial Statements for 2016-17, the declaration of due compliance by Chairman & Managing Director and Director Finance, internal control systems, etc. before recommending the Financial Statements for 2016-17 for approval by the Board of Directors. The Audit Committee had also reviewed the consolidated financial statements of Ircon and its subsidiary / joint venture companies.

7.1.2 Composition and Attendance:

The Audit Committee of the Board, consisting of four part-time non-official (independent) Directors of the Company, was originally set up on 28th April 2000 with the approval of Board of Directors pursuant to the then Clause 49 of the Listing Agreement and as per the conditions for a Mini Ratna public sector company. This has been reconstituted as and when there has been a change in independent directors.

Consequent upon the appointment of independent directors on the Board of Ircon during 2016-17, the Audit Committee wasre-constituted in April 2016 with all the Independent Directors of the Company, as under:

Avineesh Matta, Independent Director – Chairman

Vasudha V. Kamat, Independent Director– Member

S. K. Singh, Independent Director – Member

The Audit Committee met 11 times during the financial year 2016-17 on:

29th April 2016, 17th May 2016, 22nd June 2016, 11th August 2016, 1st September 2016, 28th September 2016, 2nd December 2016, 4th January 2017, 20th January 2017, 4th March 2017, and 22nd March 2017. The attendance details of said meetings are:

Member	Status	Meetings held (during their respective tenures)	Meetings attended
Avineesh Matta	Chairman (w.e.f. 22.04.2016)	11	11
S. K. Singh	Member (w.e.f. 22.04.2016)	11	10
Vasudha V. Kamat	Member (w.e.f. 22.04.2016)	11	9
K K.Garg, Director Finance	Invitee (up to 30.04.2016)	1	1
M.K.Singh, Director Finance	Invitee (w.e.f. 01.05.2016)	10	9

Ms. Sumita Sharma, Company Secretary, is the Secretary of this Committee and attended all the meetings held during 2016-17.

7.2 Nomination & Remuneration Committee

During 2015-16, the Board renamed its existing

Remuneration Committee as Nomination & Remuneration Committee (NRC) and widened its terms of reference so as to include areas specified by section 178 of the Companies Act, 2013, along with existing terms of reference under DPE-OM dated 26th November 2008. In brief, the scope / terms of reference of NRC are:

1. To continue with the existing scope of deciding the annual bonus/ variable pay pool and policy for its distribution across executives and non-unionized supervisors within the limits prescribed in the DPE OM dated 26th November 2008.

2. To review the policies for selection and removal of persons in senior management (one level below the Director) and other employees as per DPE and other Government Guidelines, and recommend the same for approval to the Board.

3. Any other work as may be included by Companies Act or DPE Guidelines from time to time.

This has been reconstituted as and when there has been a change in directors. The NRC was last re-constituted in December 2016, as under:

S. K. Singh, Independent Director – Chairman

Vasudha V. Kamat, Independent Director – Member

Rajiv Chaudhry, Part-time (Official) Director – Member

The Committee met 2 times during 2016-17 on 7th October 2016 and 23rd March 2017.The attendance details of said meetings are:

Member	Status	Meetings held (during their respective tenures)	Meetings attended
S.K. Singh	Chairman (w.e.f. 22.04.2016)	2	2
Vasudha V. Kamat	Member (w.e.f. 22.04.2016)	2	1
Rajiv Chaudhry	Member (w.e.f. 23.12.2016)	1	1
Anjum Pervez	Member (Up to 09.12.2016)	1	1

Ms. Sumita Sharma, Company Secretary, is the Secretary of this Committee and attended both the meetings held during 2016-17.

7.3 CSR & Sustainability Committee

During 2014-15, the Board had renamed its existing CSR Committee as 'CSR & Sustainability Committee' and widened its terms of reference so as to include areas as specified by section 135 of the Companies Act, 2013, and DPE Guidelines on CSR and Sustainability, 2014. In brief, the scope of the said Committee is to oversee the implementation of CSR and Sustainability Policy of the Company and to assist the BoD to formulate suitable policies and strategies to take the CSR and Sustainability agenda of the Company forward in the desired direction.

The Committee has been reconstituted as and when there has been a change in directors. The CSR & Sustainability Committee was last re-constituted in December 2016 as under:

Vasudha V. Kamat, Independent Director – Chairperson

Avineesh Matta, Independent Director – Member

Rajiv Chaudhry, Part-time (Official) Director – Member

Deepak Sabhlok, Director Projects – Member

The Committee met 3 times during 2016-17 on: 22nd June 2016, 20th August 2016, and 4th January 2017. The attendance details for said meetings are:

Member	Status	Meetings held (during their respective tenures)	Meetings attended
Vasudha V. Kamat	Chairman (w.e.f. 22.04.2016)	3	3
Rajiv Chaudhry	Member (w.e.f. 23.12.2016)	1	1
Deepak Sabhlok	Member	3	3
Avineesh Matta	Member (w.e.f. 22.04.2016)	3	3
Anjum Pervez	Member (from 22.04.2016 to 09.12.2016)	2	1

Ms. Sumita Sharma, Company Secretary, is the Secretary of this Committee and has attended all the meetings held during 2016-17.

7.4 Independent Directors Committee

Consequent upon the appointment of independent directors on the Board of Ircon in April 2016, the Board has re-constituted its Independent Directors Committee (known as 'ID Committee') in September 2016 as under:

Avineesh Matta, Independent Director – Chairman

Vasudha V. Kamat, Independent Director – Member

S. K. Singh, Independent Director – Member

The terms of reference of said ID Committee are as per Schedule IV of the Companies Act, 2013 and DPE-OM dated 28th December 2012 (as amended vide DPE-OM dated 20th June 2013).

During 2016-17, one meeting of the ID Committee was held on 23rd March 2017 which was attended by all the Independent Directors.

7.5 Committee for Issue of Renewed/ Duplicate Share Certificates.

During 2015-16, the Board had constituted a Committee for Issue of Renewed/ Duplicate Share Certificates in terms of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, for issue of duplicate shares in replacement of those which are lost or destroyed, mutilated, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been utilized.

The Committee was last re-constituted in December 2016 as under:

M. K. Singh, Director Finance – Chairman

Rajiv Chaudhry, Part-time (Official) Director – Member

Deepak Sabhlok, Director Projects – Member

Ms. Sumita Sharma, Company Secretary, is the Secretary of this Committee. No meeting of the Committee was required to be held during 2016-17.

7.6 Project Review Committee

After the close of the year, the Board had constituted a Project Review Committee (known as 'PR Committee') so as to review all projects of the Company (including closed projects) and to address possible roadblocks in the smooth execution of project.

The Committee was constituted with following members:

Rajiv Chaudhry, Part-time (Official) Director – Member

S.C. Jain, Part-time (Official) Director – Member

Avineesh Matta, Independent Director – Member

S. K. Singh, Independent Director – Member

Deepak Sabhlok, Director Projects – Member

Hitesh Khanna, Director Works – Member

The Committee is assisted by concerned Executive Director level officials associated with the whole-time Director.

8. COMPLIANCE OF PROVISIONS RELATING TO SUBSIDIARY (IES)

Presently, Ircon has following five subsidiaries:

a) Ircon Infrastructure & Services Limited (IrconISL) is a 100% subsidiary company of Ircon.

b) Indian Railway Stations Development Corporation Limited (IRSDC) is a subsidiary of Ircon and also a joint venture between Ircon and Rail Land Development Authority (RLDA) in which Ircon has 51% equity.

After the close of the year, the Company has approved transfer of 1% equity stake of IRSDC (out of 51% held by IRCON) to RLDA in terms of the Railway Board's letter dated 10th April 2017 and the process for transfer is underway. After the said transfer, IRSDC would cease to be a subsidiary of IRCON and will be a 50:50 JV company with RLDA.

c) Ircon PB Tollway Limited (IrconPBTL) is a 100% subsidiary company of Ircon.

d) Ircon Shivpuri Guna Tollway Limited (IrconSGTL) is a 100% subsidiary company of Ircon.

e) Ircon Davanagere Haveri Highway Limited (IrconDHHL) is a 100% subsidiary company of Ircon (incorporated after the close of the year on 11th May 2017).

None of the aforesaid subsidiary companies are listed.

Turnover / Net Worth of IrconISL, IRSDC, IrconPBTL, and IrconSGTL did not exceed 20% of the turnover or net worth of Ircon (holding company) during 2016-17. Therefore, none of the above said subsidiary companies are 'material subsidiary' under the Listing Agreement or a 'subsidiary' as per the DPE Corporate Governance Guidelines.

9. GENERAL BODY MEETINGS

9.1 The details of last three Annual General Meetings are as under:

Financial Year	Date of holding meeting	Time	Location/ Venue
2015-16	28th September 2016	5 P.M.	Railway Board, Rail Bhawan, New Delhi
2014-15	22nd December 2015	5 P.M.	Company's Registered Office, Delhi
2013-14	25th September 2014	5 P.M.	Company's Registered Office, Delhi

After the close of the year, two special resolutions were passed in the Extra-ordinary General Meeting (EGM) held on 22nd May 2017 for amendment in Memorandum and Articles of Association of the Company so as to increase the authorized share capital of the Company from Rs. 100 crore to Rs. 400 crore.

9.2 Special Resolution(s):

a) One special resolution was passed in the AGM (for the year 2013-14) held on 25th September 2014 for amendment in borrowing powers of the Company.

b) Two special resolutions were passed in the AGM (for the year 2014-15) held on 22nd December 2015 for amendment in Memorandum and Articles of Association of the Company so as to increase the authorized share capital of the Company from Rs. 25 crore to Rs. 100 crore.

c) No special resolution is proposed to be conducted through Postal Ballot in the ensuing AGM of Ircon.

10. DISCLOSURES

10.1 During the year, there was no transaction of material nature with the directors or their relative(s) that had potential conflict with the interest of the Company.

However,the Company has engaged Arogya Foundation of India and Bharat Lok Shiksha Parishad (both associate of Ekal Abhiyan Trust) for execution of two CSR Activities of the Company during 2016-17 [viz. organizing medical camps for general public at 28 identified locations in the State of J&K and providing financial contribution for arranging one unit of Ekal on wheels to the schools in Raigarh and Korba districts of Chhattisgarh].

One of the independent director (i.e. Mr. Avineesh Matta) was associated with Arogya Foundation of India as its Joint Secretary and had disclosed this fact in his disclosure of interest as well as at the time of approval of the said transactions during respective meetings, and recused himself from participating / voting on the said agenda item.

Further, the particulars of the contract have also been entered into the Register of Contracts maintained pursuant to section 189 of the Companies Act, 2013.

10.2 The Company has followed the Accounting Standards including IndAS issued by the Institute of Chartered Accountants of India in the preparation of Financial Statements.

10.3 During 2016-17, there are no items of expenditure debited in books of accounts, other than for the business purposes of the Company. Also, no expenses have been incurred by the Company which are personal in nature for the Directors and Top Management except for the remuneration paid to Directors, which is as per Government approved pay and perks (Details given in para 4 of this report and also disclosed in Note no.41 forming part of the Stand-alone Financial Statements).

10.4 Other Expenses (Administrative) and office expenses as a percentage of total expenses vis-a-vis financial expenses are given below:

Particulars	2016-17	2015-16	Remarks
Other Expenses (Administrative) (Rs.in crore)	**32.50**	**24.74**	
Bank & Other Finance Charges (Rs. in crore)	**8.34**	**8.82**	
Total Expenses (Rs. in crore)	**2796.40**	**2257.73**	**Nil**
Administration expenses/ Total expenses (in %)	**1.16%**	**1.10%**	
Bank & Financial Charges/ Total expenses (in %)	**0.30%**	**0.39%**	

10.5 The Company periodically informs the Board about the foreign exchange management. Details pertaining to risk management have been given in Management Discussion & Analysis Report under the heading 'Risks and Concerns'.

10.6 The Company has in place a BoD approved Fraud Prevention, Detection, and Control Policy so as to provide a system for detection and prevention of fraud, reporting of any fraud that is detected or suspected and fair dealing of matters pertaining to fraud.

10.7 The Company has in place a BoD approved Whistle Blower Policy under which there is a mechanism for employees to report to the Management, concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of conduct. The Policy also provides for adequate safeguards against victimization of employees who avail the mechanism. It provides for direct access to the Chairman of the Audit Committee in exceptional cases.

Both the policies are available on the website of the Company.

10.8 Question of denying access to any of the personnel to Audit Committee has not arisen so far.

10.9 i) The Company made no public issue of shares nor issued any prospectus or letter of offer during 2016-17

ii) After the close of the year, DIPAM has appointed Legal Advisors and Book Running Lead Managers (BRLM) on 17th May 2017 for the purpose of disinvestment / listing of paid-up equity share capital of Ircon (as announced in the Budget speech on 01.02.2017). Accordingly, request has been made to the Ministry of Railways for appointment of three more independent directors on the Board of Ircon in terms of SEBI guidelines, so as to make the strength of the independent directors at least 50% of the actual strength of the Board.

10.10 There has been no instance of non-compliance of any statutory regulation or government guidelines nor there has been any penalties or strictures imposed on the Company on any matter related to the capital market and guidelines issued by Government.

10.11 The transactions with related party are in the ordinary course of business on arms' length basis and the disclosure of the same has been made as per requirement of Companies Act, 2013 (i.e. Form AOC-2) and relevant Accounting Standard (in notes to Financial Statement of the Company).

10.12 DPE has awarded 'Excellent' grading to Ircon for compliance of DPE Corporate Governance Guidelines during 2015-16.

10.13 Ircon has secured, based on self-evaluation, an annual score of '98.73' out of 100 which falls under 'Excellent' grade for compliance of DPE Corporate Governance Guidelines for the year 2016-17.

10.14 The Company informs/ reports to the Board about the compliances of laws in the areas -- Company and Related Laws; Tax Laws; Labour & Employee Welfare Laws; RTI; Contract Laws; Environmental Laws; and also compliance of various laws as applicable to projects (Indian and Foreign); etc. every six months.

11. CEO / CFO CERTIFICATION

The Chairman & Managing Director (CEO) and Director Finance (CFO) have certified in writing with respect to the truth and fairness of the financial statements, due compliances, and financial reporting which was placed before the Audit Committee and the Board of Directors (placed as **Annexure – E3** to this Report).

12. GENERAL INFORMATION FOR SHAREHOLDERS

12.1 Means of communication

a) Apart from the annual report, etc., being sent to the shareholders before the Annual General Meeting, periodical reports on the progress of projects of the Company including financial performance vis-a-vis the targets are being sent to the Administrative Ministry, Government of India.

b) The Annual Report including the audited financial statements for the year 2016-17 of Ircon and its subsidiaries and Joint Venture Companies would be available on the website of the Company.

c) The following have also been displayed on the Company's website:

i) Shareholding pattern of the Company.

ii) Important corporate governance policies like Fraud Prevention and Detection Policy; and Whistle Blower Policy along with confidential e-mail-ids of nodal officers/ CMD/ Chairman Audit Committee.

iii) CSR & Sustainability Policy; Sustainability Report for last 3 years; Status of CSR Activities for last seven years; etc.

iv) Code of Conduct for Board Members and Senior Management and Key Values of the Company.

v) Model letter regarding appointment of Independent Director.

d) E - mail ID of the Company Secretary exclusively for the purpose of registering complaints by investors has been displayed on the website under the head "Transparency → Investor Corner".

12.2 Annual General Meeting of the Current Year

Date : 28th September 2017

Day : Thursday

Time : 1200 Hours

Venue : 2nd Floor, Rail Bhawan, Ministry of Railways, New Delhi - 110001

12.3 Record Date for payment of Dividend

Dividend would be paid for the year 2016-17 to all such shareholders whose name appear in the Register of Members as on the date of Annual General Meeting i.e. 28th September 2017, the record date.

12.4 Distribution of Shareholding (As on the date of this report)

Category	No. of shares held (Rs. 10/- each)	Percentage of shareholding
Central Government in the name of the President of India and his ten nominees	9,87,12,000	99.729
Indian Railway Finance Corporation Limited	2,44,000	0.247
Bank of India	24,000	0.024
Total	**9,89,80,000**	**100**

Transfer of shares is normally technical in nature, from one Government nominee shareholder to another consequent upon change of officials, as the Government holds 99.729% of the shares. To effect this transfer, Company Secretary is the authorized officer, and no transfer is pending.

12.5 Plant Locations/ Operating Units

The Company does not have plant locations, but is

widespread with operating units/ offices in 14 different States of the Country and in 6 foreign countries. A list of the operating units/ offices is available on the website of the Company.

12.6 Address for correspondence with the Registered Office (Regarding Corporate Governance matters covered under this report)

Company Secretary,
Ircon International Limited,
C-4, District Centre, Saket, New Delhi - 110 017
Telephone: 91-11-26530456;
Fax: 91-11-26522000 / 26854000
E-Mail: cosecy@ircon.org;
Website : www.ircon.org

13. TRAINING OF BOARD MEMBERS

13.1 The Company has a Board approved Training Policy for Board Members. According to the Policy, the Company has a practice of imparting introductory training to new Board Members. They are also given documents about the Company which includes Memorandum and Articles of Association; Brochure; Annual Report; unaudited financial results; Corporate Plan, MoU targets and achievements; Board approved policies; DPE Guidelines on Corporate Governance and CSR & Sustainability; Terms of reference of all Committees of Board; Provisions on duties, responsibilities, disqualification, etc. of Directors under Companies Act, 2013, and DPE Guidelines; etc.

13.2 The Board members, based on their requirement attended various seminars, conferences, training programs from time to time. During 2016-17, Ircon's Directors were nominated/had attended various training programs/ seminars organized by SCOPE, ASSOCHAM, DPE, IREE, Institute of Permanent Way Engineers, Ministry of Railways & World Bank, etc.

14. COMPLIANCE ON CORPORATE GOVERNANCE

This Report duly complies with the legal requirements in respect of data that should be disclosed in a Corporate Governance Report for the year 2016-17.

Certificate obtained from a Practising Company Secretary regarding compliance of the conditions of Corporate Governance is placed as **Annexure – E4** to this Report.

For and on behalf of the Board of Directors

(S. K. Chaudhary)
Chairman & Managing Director
(DIN : 00515672)

Date : 21st September 2017
Place : New Delhi

Annexure – E1

4.3(A) Details of top 10 employees in terms of remuneration drawn during 2016-17:

Sl. No	Name & age of Employee	Designation	Remune-ration received (Gross) (in Rs.)	Qualification	Experience	Date of commencement of employment and Nature of employment	last employment held before joining the company
1	Mohan Tiwari (60 yr)	CMD (up to 30.09.2016)	46,19,342	BE (Civil), M. Tech (Structure), PGDIM	Over 38 years of rich experience in infrastructure sector	25.06.1998*	Indian Railways
2	Deepak Sabhlok (58 yr)	DP	42,71,176	B.E. (Civil) (Hons)	35 years of rich experience in various fields of infrastructure, railway construction, contract management, and track maintenance and ancillary works.	16.04.2010**	Indian Railways
3	Hitesh Khanna (58 yr)	DW	41,72,399	B.Sc. (Civil Engineering) with Honours	36 yearsof rich experience in track maintenance, renewal, and construction including modern track technology.	31.03.2003***	Indian Railways
4	Satish Tandon (55 years)	CVO	38,34,224	B.Sc, B. Tech.	32 years	20.01.2016	Head of Vigilance dept. of MTNL
5	Rajesh Agarwal (54 years)	ED/J&K	38,14,539	M.Tech / Civil	30 years in planning & organizing & monitoring the project execution of J&K, preparation of railway infrastructure maintenance, design checks, etc.	27.10.2015	KRCL
6	Dwarika Prasad (59 years)	ED/Civil	35,70,524	BE, MBA	33 years in mechanical field	10.12.2012	CPM, COFMOW in Indian Railways
7	A.K. Goyal (54 years)	ED/P	35,08,577	B.E.(Civil)	32 years in railways, highways, buildings, bridges	19.04.2008	Chief Engineer/ Civil/ East-Coast Railways

Sl. No	Name & age of Employee	Designation	Remune-ration received (Gross) (in Rs.)	Qualification	Experience	Date of commencement of employment and Nature of employment	last employment held before joining the company
8	Randhir Gupta (59 years)	GM/Mech.	32,51,476	B.Tech (Mech. Engg.), PGDM	34 years	05.05.1986	Asst. Plant Superinten-dent of Sriram Foods & Fertilizers Industries (from July 1983 to April 1986)
9	Basant Kumar (57 years)	GM/C&A	32,44,651	B.E. (Civil)	31 years in project Management, Contracts & techno-legal matters, and execution of critical and large value infrastructure, highways, & railways projects both in national & international arena.	14.05.1986	Not applicable
10	Surajit Dutta (55 years)	GM/Fin.	32,36,353	B.Sc., MBA (Finance), fellow member of Institute of Cost Accountants of India	34 years in finance and accounts	28.05.2007	NHPC Limited

* Mr. Mohan Tiwari, born on 1st October 1956, joined Ircon on 25th June 1998 on deputation from Ministry of Railways and got absorbed in 2002 as General Manager. He was Director (Projects) from 8th August 2003 to 31st January 2009. He assumed tenure post as Managing Director on 1st February 2009, based on Presidential appointment conveyed through Ministry of Railways, for a period of 5 years or up to the age of superannuation, whichever is earlier. He had been re-designated by the Ministry of Railways as Chairman & Managing Director w.e.f. 5th March 2013. His tenure of appointment has been extended (ad-hoc) for a period of three months beyond 31st January 2014, vide order 6th January 2014. Further vide Ministry of Railways letter dated 30th April 2014, his tenure was further extended beyond 30th April 2014 up to 30th September 2016, i.e. the date of his superannuation.

** Mr. Deepak Sabhlok, born on 31st October 1959, joined Ircon on 16.04.2010 as Director Projects, based on a presidential appointment conveyed through Ministry of Railways, for a period of 5 years or up to the age of superannuation, whichever is earlier. His tenure of appointment has been extended beyond 15.04.2015 for another period of 5 years or up to the age of superannuation, whichever is earlier, vide order dated 02.12.2014 by Ministry of Railways.

*** Mr. Hitesh Khanna, born on 7th October 1959, joined Ircon on deputation in March 2003 as General Manager till November 2007. He took absorption in Ircon in February 2007 and was elevated as Executive Director in November 2007. He assumed office as Director Works on 07.03.2011, based on a presidential appointment conveyed through Ministry of Railways, for a period of 5 years or up to the age of superannuation, whichever is earlier. His tenure of appointment has been extended for a period of two years w.e.f. 07.03.2016 up to 06.03.2018, vide order dated 21.03.2016 by Ministry of Railways.

(B) Details of employees drawing remuneration of not less than Rs. 8.5 lakh p.m. (if employed for a part of the financial year) and Rs. 1.02 crore p.a. (if employed throughout the financial year) during 2016-17:

Sl. No	Name & age of Employee	Designation / Nature of employment (contractual or otherwise)	Remune-ration received (Gross) (in Rs.)*	Qualification	Experience (in Years)	Date of commencement of current employment	last employment held before joining the company
1	K.K. Garg** (61 yr)	DF (super-annuated on 30.04.2016)	13,32,658	B.Com and a fellow member of the Institute of Chartered Accountants of India	36 years of rich experience in various fields of finance viz. corporate taxation, corporate MIS and budgetary control, commercial due-diligence, etc.	Tenure post from 03.11.2009 up to superannuation on 30.04.2016	Director Finance of Satluj Jal Vidyut Nigam Limited (now called SJVN Limited) for about 2 years and six months (i.e. from 07.05.2007 to 03.11.2009)
2	Mohan Tiwari (60 yr)	CMD (super-annuated on 30.09.2016)	46,19,342	B.E. Civil (Hons.), M.Tech (Structures) and PGDIM	37 years of rich experience in infrastructure sector.	Tenure post from 01.02.2009 to superannuation on 30.09.2016	Indian Railways

* Different components of remuneration are given at para 4.1 of Corporate Governance Report.

** Mr. K.K. Garg, born on 15th April 1956, joined Ircon on 3rd November 2009 as Director Finance. His tenure of appointment was extended beyond 3rd November 2014 till 30th April 2016, i.e. the date of his superannuation, vide order dated 22nd June 2016 by Ministry of Railways.

Note:

1. No equity share of the Company was held by any of the above

2. None of the above is the relative of any director / manager of the Company.

Annexure – E2

DECLARATION BY CHAIRMAN & MANAGING DIRECTOR REGARDING COMPLIANCE WITH THE CODE OF CONDUCT BY BOD MEMBERS AND SENIOR MANAGEMENT DURING THE FINANCIAL YEAR 2016-17.

I, S.K. Chaudhary, Chairman & Managing Director, Ircon International Limited, do hereby declare that all the members of the Board of Directors and the Senior Management Team of the Company have affirmed their compliance of the Code of Conduct and Key Values of the Company during 2016-17.

(S.K. Chaudhary)
Chairman & Managing Director
(DIN : 00515672)

Date: 25th August 2017
Place:New Delhi

Annexure – E3

CHAIRMAN & MANAGING DIRECTOR AND FINANCE HEAD CERTIFICATION

We have reviewed the Financial Statements [i.e. the Balance Sheet, Statement of Profit & Loss, Cash Flow Statement, Statement of Changes in Equity and Notes thereto] for the financial year 2016-17 and to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) 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;

(iii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's code of conduct;

(iv) 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. We have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;

(v) We have indicated to Auditors and the Audit Committee changes in Accounting Policies during the year, and that the same have been disclosed in the Notes to the Financial Statements; and

(vi) There was no instance of fraud of which we are aware nor there has been involvement of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

(M. K. Singh)
Director Finance
(DIN: 06607392)

(S.K. Chaudhary)
Chairman & Managing Director
(DIN: 00515672)

Date : 21st September 2017
Place : New Delhi

M. Bangia & Associates
Company Secretaries

Annexure – E4
B-152 Dayanand Colony, Lajpat Nagar-IV
New Delhi-110 024, Tel. No. : 011-41625462
Mobile: 9873426246
E-mail: manojbangia.mb@gmail.com

CERTIFICATE on COMPLIANCE WITH THE CONDITIONS of CORPORATE GOVERNANCE UNDER CORPORATE GOVERNANCE GUIDELINES of DPE

To
THE MEMBERS OF
IRCON INTERNATIONAL LIMITED
NEW DELHI

In respect of the compliance of the conditions of Corporate Governance for the year ended 31st March, 2017, by IRCON INTERNATIONAL LIMITED, a Government Company under section 2(45) of the Companies Act, 2013, as required by the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE):

We have studied the Corporate Governance Report of the said Company as approved by its Board of Directors. We have also examined the relevant records and documents maintained by the Company and furnished to us for our review in this regard.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

We state that there has been no investor grievance during the year against the Company as per the records maintained by the Company.

We further comment 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.

In our opinion and to the best of our information and on the basis of our review and according to the information and explanations given to us, we certify that the Company has complied with the mandatory requirements of Corporate Governance in all material respects, in conformity with the requirements of the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE) in respect of corporate governance norms for a mini-ratna Public Sector Company.

FOR M. BANGIA & ASSOCIATES
COMPANY SECRETARIES

MANOJ BANGIA
Proprietor
FCS-5607, CP NO.3655

Date : 21st September 2017
Place : New Delhi

CS Vishal Agarwal & Associates
Company Secretaries

Appendix – F
39/2068, Naiwala, 315, Dakha Chambers
Karol Bagh, New Delhi - 110 005
Tel: 45065638, 28755638, Mob: 9313835638
E-mail: info@csvishal.com, csvishal21@gmail.com
Website: www.csvishal.com

Form No. MR-3
Secretarial Audit Report

(For the Financial year ended on 31st March 2017)

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

To,
The Members
IRCON INTERNATIONAL LIMITED
CIN: U45203DL1976GOI008171
Plot No. C-4, District Centre, Saket
New Delhi-110017

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

Based on our verification of the Company 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 do hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017, 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 **IRCON INTERNATIONAL LIMITED** (**"The Company"**) for the period ended on March 2017 according to the provisions of:

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

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

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

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

(v) The following Regulations and Guidelines prescribed under the Securities 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, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (effective

28th October 2014);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(vi) Following laws and rules made thereunder have been identified as specifically applicable to the company by the Management:

(a) Department of Public Enterprises Guidelines are issued by Ministry of Heavy Industries and public Enterprises dated 14th May 2010.

(b) Income Tax Act, 1961

(c) Service Tax Law

(d) VAT/Central Sales Tax Act/WCT

(e) The Customs Act, 1962

(f) Central Excise Act, 1944

(g) Air Prevention and Control of Pollution Act, 1981

(h) Environment Protection Act, 1986

(i) Water Prevention & Control of Pollution Act, 1974

(j) Information Technology Act, 2000 and the rules made thereunder

(k) Indian Stamp Act, 1999

(l) Right to Information Act, 2005

(m) Negotiable Instrument Act 1881

(n) MSME Act 2006

(o) Other Labour Laws and rules made thereunder:

- Apprentice Act, 1961
- Child Labour (Prohibition and Regulation) Act, 1986
- Contract Labour (Regulation and Abolition) Act, 1970
- Workmen Compensation Act, 1923
- Employees Provident Fund and Miscellaneous Provisions Act, 1952
- Construction Workers (Regulation of Employment and condition of Service) Act, 1996
- Inter-State Migrant Workmen (Regulation of Employment & condition of Service) act, 1979
- Employment Exchange (Compulsory Notification of vacancies) Act, 1959
- Equal Remuneration Act, 1976
- Factory Act, 1948
- Industrial Dispute Act,1947
- Industrial employment Standing Order Act, 1946
- Trade Union act, 1926
- Electricity Act, 2003
- Maternity Benefits Act, 1961
- Payment of Minimum Wages Act, 1948
- Employee State Insurance Act, 1948
- Payment of Wages Act, 1936
- Payment of Gratuity Act, 1972
- Payment of Bonus Act, 1965
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- Commercial Shops and Establishment Act

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

(i) The Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Central Government with respect to Board and General Meeting has been complied by the company without any material non-compliances.

We further report that no observation in respect of compliances by the Company with the following is required:

(ii) No Listing Agreement was entered into by the company with any of stock exchange(s) as the company is not listed with any of stock exchange and therefor no observation in respect of compliance is required.

We further report that during the period under

review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above without any material non-compliances and subject to the following observations:

1. The Acts, Rules, Regulations, Agreements and Guidelines mention in clause(s) (ii), and (v) above do not require any observation as the company is an unlisted entity and hence these are not applicable.

2. The Acts, Rules and Regulations mention in clause (iii) and (iv) above does not require any observation as no such event has occurred during the period under consideration.

3. In respect of other laws specifically applicable to the company mentioned in clause (vi) above we observed that systems and processes are based on certifications from various divisional/regional heads in the company who are responsible to monitor and ensure compliances with all applicable laws, rules, regulations and guidelines.

We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the shorter notice where requisite compliance has been made, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Company has obtained all necessary approvals under the various provisions of the Act; and the Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

For Vishal Agarwal & Associates
Company Secretaries

Date : 21st September 2017 **(CS Vishal Agarwal)**
Place : New Delhi FCS No.: 7242
C P No. : 7710

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

CS Vishal Agarwal & Associates
Company Secretaries

Annexure – A

To,
The Members
IRCON INTERNATIONAL LIMITED
CIN: U45203DL1976GOI008171
Plot No. C-4, District Centre, Saket
New Delhi-110017

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3. We have relied on report of Statutory Auditors, Tax auditors and Cost Auditors for compliances of the applicable Financial Laws including Direct and Indirect Tax Laws, Accounting Standards, the correctness and appropriateness of Financial Records, Cost Records and Books of Accounts of the company since the same have been subject to review by respective Auditors and other designated professionals.

4. Wherever required, we have relied upon the Management representation to the Board of Directors about the compliance of laws, rules, regulations and happening of events etc. and no separate representations have been obtained.

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 Vishal Agarwal & Associates
Company Secretaries

Date : 21st September 2017
Place : New Delhi

(CS Vishal Agarwal)
FCS No.: 7242
C P No. : 7710

Appendix - G

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

[As on 31.03.2017]

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

I. REGISTRATION AND OTHER DETAILS

1	Corporate Identity Number (CIN)	:	**U45203DL1976GOI008171**
2	Registration Date	:	**28th April 1976**
3	Name of the Company	:	**Ircon International Limited**
4a)	Category of the Company	:	**Public Company**
4b)	Sub-category of the Company		**Government Company, Limited by Shares, and Company having share capital.**
5	Address of the Registered office & contact details	:	**Plot No. C-4, District Centre, Saket, New Delhi - 110017** **Ph. No.: 011-26530456** **Fax No. : 011-26522000** **Email id: cosecy@ircon.org**
6	Whether Listed Company (Yes/ No)	:	**No [Delisted since March 2012] ***
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	:	**Not Applicable****

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are:

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product/service	% to total turnover of the Company
1	Railways	4210	69.24%

* After the close of the year, DIPAM has appointed Legal Advisors and Book Running Lead Managers (BRLM) on 19th May 2017 for the purpose of disinvestment / listing of paid-up equity share capital of Ircon (as announced in the Budget speech on 01.02.2017).

** In the process of being appointed by DIPAM in view of proposed listing of the Company.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

[No. of Companies for which information is being filled - 11 Companies]

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable section
1	Ircon Infrastructure & Services Limited Plot No. C-4, District Centre, Saket, New Delhi - 110017.	U45400DL2009GOI194792	Wholly owned subsidiary	100%	2(87)
2	Ircon PB Tollway Limited C-4, District Centre, Saket, New Delhi -110017	U45400DL2014GOI272220	Wholly owned subsidiary	100%	2(87)
3	Ircon Shivpuri Guna Tollway Limited C-4, District Centre, Saket, New Delhi -110017	U45400DL2015GOI280017	Wholly owned subsidiary	100%	2(87)
4	Indian Railway Stations Development Corporation Limited 4th Floor, Palika Bhawan, Sector-XIII, R. K. Puram, New Delhi- 110066.	U45204DL2012GOI234292	Subsidiary	51% [Refer Note 1]	2(87)
5	Ircon-Soma Tollway Private Limited C-4, District Centre, Saket, New Delhi-110017.	U74999DL2005PTC135055	Associate	50%	2(6)
6	Chhattisgarh East Railway Limited Mahadev Ghat Road, Raipura Chowk, Raipur-492013, Chhattisgarh.	U45203CT2013GOI000729	Associate	26%	2(6)
7	Chhattisgarh East-West Railway Limited Mahadev Ghat Road, Raipura Chowk, Raipur-492013, Chhattisgarh.	U45203CT2013GOI000768	Associate	26%	2(6)
8	Mahanadi Coal Railway Limited Corporate Office, MCL HQ, MDF Room, Jagriti Vihar, Burla, Samblpur - 768020 (Odisha)	U60100OR2015GOI019349	Associate	26%	2(6)
9	Jharkhand Central Railway Limited CCL, Darbhannga House, Ranchi – 834029 (Jharkhand)	U45201JH2015GOI003139	Associate	26%	2(6)
10	Bastar Railway Private Limited Global Exploration Centre, NMDC Green Valley City, Housing Board Colony, Borlyakala Raipur, Chhattisgarh - 492201	U74900CT2016PTC007251	Associate	26%	2(6)
11	Companhia Dos Caminhos De Ferro Da Beira, SARL, [Refer Note 2] Largo do CFM, edificio da Estacao Central, Beira, Mozambique	Foreign Company	Associate	25%	2(6)

Note:

1 For details pertaining to IRSDC, please refer sl. no. 2 of Appendix - B (i.e. Subsidiaries and Joint Ventures Companies)

2 For details pertaining to CCFB, please refer sl. no. 12 of Appendix - B (i.e. Subsidiaries and Joint Ventures Companies)

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

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat[1]	Physical	Total	% of Total Shares	Demat[1]	Physical	Total	% of Total Shares	
A.	**Promoters**	Not Applicable				Not Applicable				
(1)	**Indian**									
a)	Individual/ HUF		-	-			-			
b)	Central Government[2]		**1,97,42,400**	**1,97,42,400**	**99.729**		**9,87,12,000**	**9,87,12,000**	**99.729**	**Nil**
c)	State Government(s)		-	-			-			
d)	Bodies Corporate		-	-			-			
e)	Banks / Financial Institution(s) [FI(s)]		-	-			-			
f)	Any Other		-	-			-			
	Sub-total (A) (1)		**1,97,42,400**	**1,97,42,400**	**99.729**		**9,87,12,000**	**9,87,12,000**	**99.729**	**Nil**
(2)	**Foreign**									
a)	NRIs - Individuals		-	-			-	-		
b)	Other- Individuals		-	-			-	-		
c)	Bodies Corporate		-	-			-	-		
d)	Banks / FI(s)		-	-			-	-		
e)	Any Other		-	-			-	-		
	Sub-total (A) (2)		-	-			-	-		
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)		**1,97,42,400**	**1,97,42,400**	**99.729**		**9,87,12,000**	**9,87,12,000**	**99.729**	**Nil**
B.	**Public Shareholding**	Not Applicable				Not Applicable				
(1)	**Institutions**									
a)	Mutual Funds		-	-			-	-		
b)	Banks/ FI(s) --									
	Bank - Bank of India		**4,800**	**4,800**	**0.024**		**24,000**	**24,000**	**0.024**	**Nil**
	FI(s) - Indian Railway Finance Corporation Limited		**48,800**	**48,800**	**0.247**		**2,44,000**	**2,44,000**	**0.247**	**Nil**
c)	Central Government		-	-			-	-		
d)	State Government		-	-			-	-		
e)	Venture Capital Funds		-	-			-	-		
f)	Insurance Companies		-	-			-	-		
g)	FIIs		-	-			-	-		
h)	Foreign Venture Capital Funds		-	-			-	-		
i)	Others (specify)		-	-			-	-		
	Sub-total (B)(1):		**53,600**	**53,600**	**0.271**		**2,68,000**	**2,68,000**	**0.271**	**Nil**
(2)	**Non- Institutions**	Not Applicable				Not Applicable				
a)	Bodies Corporate:									
i)	Indian		-	-			-	-		
ii)	Overseas		-	-			-	-		
b)	Individuals		-	-			-	-		
i)	Individual shareholders holding nominal share capital up to Rs. 1 lakh		-	-			-	-		

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat[1]	Physical	Total	% of Total Shares	Demat[1]	Physical	Total	% of Total Shares	
ii)	Individual shareholders holding nominal share capital in excess of Rs 1 lakh.		-	-			-	-		
c)	Others (specify)		-	-			-	-		
	Sub-total (B)(2):		-	-			-	-		
	Total Public Shareholding (B) = (B)(1) + (B)(2)		**53,600**	**53,600**	**0.271**		**2,68,000**	**2,68,000**	**0.271**	**Nil**
C.	**Shares held by Custodian for GDRs & ADRs**	**Not Applicable**				**Not Applicable**				
	Grand Total (A + B + C)	**Not Applicable**	**1,97,96,000**	**1,97,96,000**	**100**	**Not Applicable**	**9,89,80,000**	**9,89,80,000**	**100**	**NIL**

Note:

1. Shares of the Company are held in physical form. However, on account of on-going listing process, the shares would be dematerialised.
2. 9,86,92,000 equity shares of Rs. 10/- each are held in the name of President of India, and 2000 shares of Rs. 10/- each are held by each of the ten nominees (who are Government Officials) of the President of India.

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	President of India and his nominees*	**1,97,42,400**	**99.729**	**Nil**	**9,87,12,000**	**99.729**	**Nil**	**Nil**
	Total	**1,97,42,400**	**99.729**		**9,87,12,000**	**99.729**		

* List of shareholdings by President of India and his nominees, as on 31st March 2017, are attached as **Annexure G1.**

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	**1,97,42,400**	**99.729**	**9,87,12,000**	**99.729**
2	Date wise Increase / (Decrease) in Promoters Share holding during the year specifying the reasons for increase / (decrease) (e.g. allotment / transfer / bonus/ sweat equity etc):	**Nil**		**Allotment of Bonus Shares on 05.01.2017 in the ratio of 1:4 to the existing members of the Company.**	**Nil**
3	At the End of the year	**1,97,42,400**	**99.729**	**9,87,12,000**	**99.729**

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the top 10 Shareholders				
1	**Indian Railway Finance Corporation Limited**				
a)	At the beginning of the year	**48,800**	**0.247**	**2,44,000**	**0.247**
b)	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / (decrease) (e.g. allotment / transfer / bonus/ sweat equity etc):	**Nil**		**Allotment of Bonus Shares on 05.01.2017 in the ratio of 1:4 to the existing members of the Company.**	**Nil**
c)	At the End of the year	**48,800**	**0.247**	**2,44,000**	**0.247**
2	**Bank of India**				
a)	At the beginning of the year	**4,800**	**0.024**	**24,000**	**0.024**
b)	Date wise Increase / (Decrease) in Share holding during the year specifying the reasons for increase / (decrease) (e.g. allotment / transfer / bonus/ sweat equity etc):	**Nil**		**Allotment of Bonus Shares on 05.01.2017 in the ratio of 1:4 to the existing members of the Company.**	**Nil**
c)	At the End of the year	**4,800**	**0.024**	**24,000**	**0.024**

v) Shareholding of Directors and Key Managerial Personnel (KMP):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	For each of the Directors and KMP	**Not Applicable[3]**		**Not Applicable[3]**	
1	At the beginning of the year				
2	Date wise Increase / (Decrease) in Promoters Share holding during the year specifying the reasons for increase / (decrease) (e.g. allotment / transfer / bonus/ sweat equity etc):				
3	At the End of the year				

Note:

3. All the shares of Ircon are held by Central Government in the name of the President of India and his 10 nominees (99.729%), Indian Railway Finance Corporation Limited (0.247%), and Bank of India (0.024%).

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				
Change in Indebtedness during the financial year				
- Addition		**NIL**		
- Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of Whole-time Director						Total Amount
		S.K. Chaudhary, CMD (w.e.f. 29.10.2016)	Deepak Sabhlok Director Projects (through out 2016-17)	Hitesh Khanna, Director Works (through out 2016-17)	M.K. Singh, Director Finance (w.e.f. 01.05.2016)	Mohan Tiwari, CMD (Up to 30.09.2016)	K.K. Garg, Director Finance (Up to 30.04.2016)	
1	Gross salary							
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,143,916	2,803,151	2,758,408	2,329,871	2,488,414	249,007	11,772,767
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961	163,117	605,985	565,565	180,525	739,651	453,921	2,708,764
c)	Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	-	-	-	-	-	-	-
2	Stock option	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-	-
5	Others, please specify :							
	- Performance Linked Incentive	-	582,803	573,608	-	1,236,225	590,729	2,983,365
	- Retirement Benefits	193,150	279,237	274,818	232,402	155,052	39,001	1,173,660
	Total	**1,500,183**	**4,271,176**	**4,172,399**	**2,742,798**	**4,619,342**	**1,332,658**	**18,638,556**
							Total (A)	**18,638,556**
	Ceiling as per the Act - Not Applicable [4]							

B. Remuneration to other directors :

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	**Independent Directors**	**Avineesh Matta (w.e.f. 08.04.2016)**	**Vasudha Vasant Kamat (w.e.f. 22.04.2016)**		**Sanjay Kumar Singh (w.e.f. 05.04.2016)**	
a)	Fee for attending board/ committee meetings	2,64,000	2,28,000		2,28,000	7,20,000
b)	Commission	-	-		-	-
c)	Others (please specify)	-	-		-	
	Total (B1)	**2,64,000**	**2,28,000**		**2,28,000**	**7,20,000**
2	**Other Non-executive Directors**	**Rajiv Chaudhry (w.e.f. 17.11.2016)**	**S.C. Jain (w.e.f. 03.01.2017)**	**Anjum Pervez (up to 09.12.2016)**	**H.K. Kala (w.e.f. 30.06.2016)**	**Nil**
a)	Fee for attending board/ committee meetings	**Nil**				
b)	Commission					
c)	Others (please specify)					
	Total (B2)					
					Total [B= B1 + B2]	**7,20,000**
					Total Managerial Remuneration [A + B]	**1,93,58,556**
	Overall ceiling as per the Act - Not Applicable [4]					

C. Remuneration to Key Managerial Personnel other than CMD/ Manager/ WTD

(in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO*	Sumita Sharma (through out 2016-17)	CFO*	
1	Gross salary				
a)	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		1,208,124		1,208,124
b)	Value of perquisites u/s 17(2) of the Income-tax Act, 1961		40,246		40,246
c)	Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961		-		-
2	Stock option		-		-
3	Sweat Equity		-		-
4	Commission		-		-
5	Others, please specify:				
	- Performance Linked Incentive		49,073		49,073
	- Retirement Benefits		189,447		189,447
	Total (C)		**1,486,890**		**1,486,890**
	Ceiling as per the Act - Not Applicable [4]				

* CMD, Ircon, is deemed to be CEO of the Company; and DF, Ircon, is declared as CFO of the Company and their remuneration is mentioned in Sl. No. VI (A) above.

Note :

4. Section 197 of the Companies Act, 2013, is exempt for government companies in terms of notification dated 5th June 2015 of the Ministry of Corporate Affairs.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type		Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal if any (give Details)
A.	**COMPANY**	--- NIL ---				
	Penalty					
	Punishment					
	Compounding					
B.	**DIRECTORS**	--- NIL ---				
	Penalty					
	Punishment					
	Compounding					
C.	**OTHER OFFICERS IN DEFAULT**	--- NIL ---				
	Penalty					
	Punishment					
	Compounding					

Annexure - G1

List of Shareholding by President of India and his ten nominees
(As on 31st March 2017)

Name of the Company: IRCON INTERNATIONAL LIMITED

Sl. No.	Holders Name	No. of Shares Held	% of Shareholding
1	President of India	98,692,000	99.709
2	Mr. A. K. Mital* Chairman, Railway Board	2000	0.002
3	Mr. K.B. Nanda* Addl. Member/ Finance [L/A the charge to the post of Financial Commissioner (Railways)], Railway Board	2000	0.002
4	Mr. A.K. Mittal* Member Engineering, Railway Board	2000	0.002
5	Mr. Mohd. Jamshed* Member Traffic, Railway Board	2000	0.002
6	Mr. A.K. Kapoor* Member Traction, Railway Board	2000	0.002
7	Mr. Hemant Kumar* Member Rolling Stock, Railway Board	2000	0.002
8	Mr. Pradeep Kumar* Member Staff, Railway Board	2000	0.002
9	Mr. Shahzad Shah* Addl. Member (Budget), Railway Board	2000	0.002
10	Mr. Tarun Beniwal* Director (PSU), Railway Board	2000	0.002
11	Mr. A. P. Dwivedi* Executive Director (PSU & HS), Railway Board	2000	0.002
	TOTAL	9,87,12,000	99.729

* 2000 shares each are held (for and on behalf of the President of India) by his ten nominees who are Government officials from the Ministry of Railways.

Appendix - H

FORM NO. AOC 2

Form for Disclosure of particulars of contracts / arrangements entered by the Company with related parties referred in section 188 (1) of the Companies Act, 2013, including certain arms-length transactions under third proviso thereto.

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

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

2 Details of material contracts or arrangements or transactions at arm's length basis : **As follows**

Sl. No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts / arrangements / transactions, including the value, if any	Date of approval by the BoD, if any	Amount received as advances by Ircon, if any
1	**Mahanadi Coal Railway Limited (MCRL)** A Joint Venture Company	Work for preparation of feasibility report, Detailed Project Report, Design, and construction of identified project lines and Sidings. *	Date: Project Execution Agreement dated 19.04.2016. Duration: Up to Commissioning of all identified project	Ircon would be paid a percentage of cost of project for FR & DPR and actual cost of work plus specified percentage of contract addition towards overheads and profit for construction.	Not Applicable	Rs. 1.45 crore is yet to be received
2	**Jharkhand Central Railway Limited (JCRL)** A Joint Venture Company	Work for preparation of feasibility report, Detailed Project Report, Design, and construction of identified project lines and Sidings. *	Date: Project Execution Agreement dated 28.03.2016. Duration: Up to Commissioning of all identified project.	Ircon would be paid a percentage of cost of project for FR & DPR and actual cost of work plus specified percentage of contract addition towards overheads and profit for construction.	Not Applicable	Rs. 5 crore
3	**Bastar Railway Private Limited (BRPL)** A Joint Venture Company	Work for preparation of feasibility report, Detailed Project Report, Design, and construction of identified project lines and Sidings. *	Date: Project Execution Agreement is yet to be entered. Duration: Up to Commissioning of all identified project.	Ircon would be paid a percentage of cost of project for FR & DPR and actual cost of work plus specified percentage of contract addition towards overheads and profit for construction.	Not Applicable	Rs. 9.78 crore (i.e. Rs.6.5 crore from NMDC and Rs. 3.28 crore from SAIL)
4	**Ircon Infrastructure & Services Limited (IrconISL)** A wholly owned subsidiary Company.	Leasing of office premises at C-4, District Centre, Saket, New Delhi – 110017.	Date: Lease Agreement dated 11.05.2016. Duration : 3 years from 01.04.2014	Inadvertently extra area was taken in calculation for lease rent which has not been occupied by IrconISL staff. Accordingly, Rs. 1,34,238.60/- p.m. (approx.) would be charged instead of Rs. 4,24,591.20/- p.m.	Not Applicable	NIL

Sl. No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts / arrangements / transactions, including the value, if any	Date of approval by the BoD, if any	Amount received as advances by Ircon, if any
5	**Indian Railway Stations Development Corporation Limited (IRSDC)** A Subsidiary and Joint Venture Company.	a) Sub-Leasing of office premises at Palika Bhawan,Sector - XIII, R.K. Puram, New Delhi – 110066.	Lease Agreement dated 24.02.2016. Duration: 11 months from 01.02.2016	Arrangement is on reimbursement of actual expenditure basis.	Not Applicable	NIL
		b) Sub-Leasing of office premises at Palika Bhawan,Sector - XIII, R.K. Puram, New Delhi – 110066.	Lease Agreement dated 14.02.2017. Duration: 11 months from 01.01.2017	Arrangement is on reimbursement of actual expenditure basis.	Not Applicable	NIL
6	**Ircon Infrastructure & Services Limited (IrconISL)** A wholly owned subsidiary Company.	Leasing of office premises at C-4, District Centre, Saket, New Delhi – 110017.	Date: Lease Agreement dated 17.08.2017. Duration : 2 years from 01.04.2017	Arrangement is on reimbursement of actual expenditure basis.	Not Applicable	NIL
7	**Ircon-Soma Tollway Private Limited** A Joint Venture Company	Leasing of office premises at C-4, District Centre, Saket, New Delhi – 110017.	Date: Lease Agreement dated 17.08.2017. Duration : 2 years from 01.04.2017.	Arrangement is on reimbursement of actual expenditure basis.	Not Applicable	NIL
8	**Ircon Davanagere Haveri Highway Limited (IrconDHHL)** A wholly owned subsidiary Company.	a) Proposed to execute Engineering Procurement Construction (EPC) contract of Davanagere Haveri Highway Project for IrconDHHL, subject to the receiving of its competitive offer.	Date: EPC Agreement is yet to be entered. Duration: Completion period is 30 months.	Not applicable as agreement would be entered after award of EPC contract.	Not Applicable	Nil
		b) Leasing of office premises at C-4, District Centre, Saket, New Delhi – 110017.	Lease Agreement is yet to be entered.	Arrangement is on reimbursement of actual expenditure basis.	Not Applicable	NIL

Sl. No.	Name of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of contracts/ arrangements / transactions	Salient terms of contracts / arrangements / transactions, including the value, if any	Date of approval by the BoD, if any	Amount received as advances by Ircon, if any
9	**Ircon PB Tollway Limited (IrconPBTL)** A wholly owned subsidiary Company.	Execution to four Addendums to EPC Agreement (These addendums would be forming part of orginal EPC agreement)	EPC Agreement dated 18.01.2014. Duration: EPC Work is 30 months from the appointed date intimated by NHAI or handing over of land by IrconPBTL.	For incorporation of revised payment schedule retaining the orginal total cost of the project of Rs. 646 crore.	Not Applicable	NIL
10	**Ircon Shivpuri Guna Tollway Limited (IrconSGTL)** A wholly owned subsidiary Company.	Execution to two Addendums to EPC Agreement (These addendums would be forming part of orginal EPC agreement)	EPC Agreement dated 30.11.2015. Duration: EPC Work is 30 months from the appointed date intimated by NHAI or handing over of land by IrconSGTL.	For incorporation of revised payment schedule retaining the orginal total cost of the project of Rs. 642 crore.	Not Applicable	NIL

* Ircon will be undertaking Feasibility Study and preparation for DPR for projects assigned to it rates 1% and 2% of project cost respectively. All expenses like in consultancy, for feasibility study & DPR and miscellaneous expenses in the nature of advertisement being incurred by Ircon will be within the specified charges.

Note:

1. Apart from above said transactions, other transactions, etc. entered with related parties are as follows:

(i) The Company has also deputed its employees to wholly owned subsidiary company (viz. IrconPBTL, IrconSGTL, and IrconDHHL), joint venture companies [viz. MCRL, JCRL, CERL, and CEWRL]. Deputation of employees is on actual cost (CTC) basis.

(ii) The salary, benefits (like PF, GIS, Society deduction, related payments, etc.) and other miscellaneous payment in nature of travelling / ticket cost etc. paid to such deputed employees as per Ircon's policy are reimbursed on actual basis.

(iii) Miscellaneous expenses such as advertisement cost, travelling cost, etc. incurred on behalf of subsidiaries [viz. IrconPBTL and IrconSGTL] and joint venture companies [viz. MCRL, JCRL, CERL, CEWRL, and ISTPL] are reimbursed on actual basis.

2 All the above said transactions have been approved by the Audit Committee of Ircon.

3 Details of shareholding of JV companies are given at **Appendix - B** of Directors Report.

For and on behalf of the Board of Directors

(S.K. Chaudhary)
Chairman & Managing Director
(DIN : 00515672)

Date : 21st September 2017
Place : New Delhi

Appendix - I

ANNEXURE TO DIRECTORS' REPORT

(Replies to Comments in Auditors' Report on Standalone Financial Statements)

Auditors' Report
(Under Emphasis of Matter)

Para	Management Replies
5(i) a.	Full tax has been accounted for by IRCON assuming that there would be no benefit from deductions underSection 80IA. It is stated that IRCON has won an appeal in ITAT wherein benefits of section 80IA has been provided for the year 2000-01. Based on similar pleadings, IT Dept. has given benefits of 80IA for the years 2012-13 and 2013-14. Ircon is confident of similar success for other years as well. The position is explained in Note No. 33 to the Standalone Financial Statements.
5(i) b.	Full tax has been paid considering that the contention of Ircon may not be agreed to by tax authorities, as a matter of abundant precaution. Appeals have been filed with appropriate authorities for considering Ircon's viewpoint. The position is explained in Note No. 33 to the standalone Financial Statement.
5(ii)	The position is explained in Note No. 50 to the standalone Financial Statement

Annexure B to Auditor's Report
(Under Internal Financial Controls over Financial Reporting)

Para	Management Replies
(a)	The ERP system has been updated with all the financial transactions and the financial statements of Ircon generated from SAP are in sync with the financial statements submitted to Audit. Ircon had a parallel system for the FY 2016-17 so as to be sure above the correctness of financial transactions captured in SAP. From the FY 2017-18 all financial transactions are being captured ab-initio into SAP system and system like FoxPro, Tally, etc. are being discontinued.
(b)	Necessary steps have been initiated to strengthen the Internal Audit system in Ircon.
(c)	The capture of inventory records in SAP is under consideration and will be taken up by the management in right earnest.
1.	The position is explained in note no. 51 to the Standalone Financial Statements.
2.	A system involving close monitoring and proper record maintenance for reductions being effected by the Client will be put in place.

For and on behalf of the Board of Directors

(S.K. Chaudhary)
Chairman & Managing Director
(DIN : 00515672)

Date : 21st September 2017
Place : New Delhi

ANNEXURE TO DIRECTORS' REPORT

(Replies to Comments in Auditors' Report on Consolidated Financial Statements)

Auditors' Report
(Under Emphasis of Matter)

Para	Management Replies
(i) a.	Full tax has been accounted for by IRCON assuming that there would be no benefit from deductions underSection 80IA. It is stated that IRCON has won an appeal in ITAT wherein benefits of section 80IA has been provided for the year 2000-01. Based on similar pleadings, IT Dept. has given benefits of 80IA for the years 2012-13 and 2013-14. Ircon is confident of similar success for other years as well. The position is explained in Note No. 34 to the Consolidated Financial Statements.
(i) b.	Full tax has been paid considering that the contention of Ircon may not be agreed to by tax authorities, as a matter of abundant precaution. Appeals have been filed with appropriate authorities for considering Ircon's viewpoint. The position is explained in Note No. 34 to the Consolidated Financial Statement.
(ii)	The position is explained in Note No. 52 to the Consolidated Financial Statement.

Annexure A to Auditor's Report
(Under Internal Financial Controls over Financial Reporting)

Para	Management Replies
(a)	The ERP system has been updated with all the financial transactions and the financial statements of Ircon generated from SAP are in sync with the financial statements submitted to Audit. Ircon had a parallel system for the FY 2016-17 so as to be sure above the correctness of financial transactions captured in SAP. From the FY 2017-18 all financial transactions are being captured ab-initio into SAP system and system like FoxPro, Tally etc. are being discontinued.
(b)	Necessary steps have been initiated to strengthen the Internal Audit system in Ircon.
(c)	The capture of inventory records in SAP is under consideration and will be taken up by the management in right earnest.
1.	The position is explained in note no. 53 to the Consolidated Financial Statements.
2.	A system involving close monitoring and proper record maintenance for reductions being effected by the Client will be put in place.

For and on behalf of the Board of Directors

(S.K. Chaudhary)
Chairman & Managing Director
(DIN : 00515672)

Date : 21st September 2017 & 28th September 2017
Place : New Delhi

AWARDS AND CERTIFICATES

Awarding Authority	Nature of Award		Years
Ministry of Commerce Government of India Ministry of Programme Implementation, Department of Public Enterprises	i)	National Export Award *(Received from the President of India)	1983, 1984, 1991 & 1993*
	ii)	"Award for Excellence" in performance as leading international Railway and Road construction company	1988
EEPC India previously known as Engineering Export Promotion Council (EEPC) (26 Awards in all since inception)	i)	All India Top Exporters Shield for Export Excellence	1986 to 1993, 1995 & 1996
	ii)	Regional Top Exporters shield-civil engg. Contractors	1994, 1997
	iii)	All India Special Shield in the field of export	1997
	iv)	All India Trophy for Highest Exports (Turnkey Industrial Project Exporters NON-SSI)	1998
	v)	All India Trophy for Top Exporters in the category of "Merchant Exporters"	1999 to 2002, 2004 & 2007
	vi)	All India Shield for Star performer as Large Enterprise in the field of Project Exports	2005
	vii)	Silver Trophy for Top Exporters as Medium Enterprises	2006
	viii)	Gold Trophy for Top Exporters in the category of "Top Exporters as Merchant Exporters"	2008
	ix)	All India Export Award	2009
	x)	Silver Trophy in the category of Top Merchant Exporter for 2010-11 and 2011-12	2011 & 2013
	xi)	Gold Trophy for Export Excellence in the category of Top Merchant Exporter for 2012-13	2014
Project Export Promotion Council of India (PEPC) {previously known as Overseas Construction Council of India (OCCI)} (45 Awards in all since inception)	i)	Maximum foreign exchange earned and repatriated to India	1985, 1989 to 1993, 1995, 1997, 2000 to 2004
	ii)	Second Best Performance in maximum foreign exchange earned and repatriated in India	1994, 2001, 2003 & 2005 to 2007
	iii)	Maximum turnover in overseas construction projects	1985 to 1989, 1992 to 1994, 1996, 1999, 2001 & 2002
	iv)	Second Best performance in turnover from overseas projects	1990, 1991, 1995 & 2000
	v)	Maximum foreign works secured in new areas in construction contracts	1995, 1996, 2000 & 2001
	vi)	Maximum foreign business attempted	1995 to 1998, 2002 & 2004
Construction World	One of India's most admired construction companies		2009
Essar Steel & E-18 and CNBC TV-18	Infrastructure Excellence Award in Railway category		2009

Awarding Authority	Nature of Award		Years
'India Pride Awards' by Dainik Bhaskar and Daily News & Analysis (DNA)	i)	Silver Trophy for Excellence in Central PSUs in Transport	2010
	ii)	Gold Trophy for excellence in Central PSUs in Infrastructure Development	2011
	iii)	Excellence in Central PSUs in India Image Enhancement	2013
	iv)	Excellence in Public Sector Undertaking-Central in Infrastructure Development	2015
	v)	Excellence CSR / Environment Protection and Conservation	2016
Construction Industry Development Council (CIDC)	i)	CIDC Vishwakarma Award in the categories of: i) Best professionally managed company with a turnover of over Rs. 1000 crore	2012, 2014, & 2015
	ii)	"Best Construction Project for: a) Pir Panjal Railway Tunnel, J&K b) Rail-cum road Bridge across rive Ganga, Patna c) Modern Coach Factory Rae Bareli	 2014 2016 2017
Dun & Bradstreet	i)	India's Top PSU Award: a) Engineering & Construction b) Contract & Construction sector c) Certificate for being ranked 93rd as per Total Income	 2012 2015 2016
	ii)	Silver Trophy for Top Infrastructure Company under the category Construction - Infrastructure Development - Mid	2013
	iii)	Best Project under the category 'Railway' for Qazigund -Banihal section of J&K rail link Project	2013
	iv)	Infra Awards, in the category of 'Construction and Infrastructure Development (Railways)	2014 & 2015
	v)	Best Infrastructure Project for Rail cum Road Bridge across river Ganga at Patna	2015
	vi)	Best Infrastructure Project for Setting up of Rail Coach Factory , Rae Bareli at Lalganj (U.P) Phase-I Project	2016
Institute of Public Enterprises	i)	"Global HR Excellence" Award for "CEO with HR Orientation presented to Mr. Mohan Tiwari, CMD, Ircon	2013
	ii)	"Asia Pacific HRM Congress Award 2013" for "CEO with HR Orientation" presented to Mr. Mohan Tiwari, CMD, Ircon	2013
	iii)	Asia Pacific HRM Congress Awards for Organisation with innovative HR practices	2014
SCOPE Meritorious Award	Corporate Social Responsibility & Responsiveness for the year 2012-13		2014
Institute of Cost Accountants of India (ICAI)	Excellence in Cost Management 2013 - Public Service Sector (large)		2014
Governance Now	4th PSU awards in the Category of 'HR Initiative (Miniratna-I)		2016

Financial Highlights (Stand-alone)

Rs. in crore

Sl. No.	Particulars	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
1	**Operating Income**	**2,995**	**2,418**	**2,950**	**4,067**	**4,232**	**3,601**	**3,182**	**3,153**	**2,654**	**1,968**
2	Less: Company Share of Turnover in Integrated JVs			**89**	**(9)**	**(13)**	**(23)**	**(7)**	**(13)**	**(27)**	**(65)**
3	Add: Company Share of Profit/(loss)in Integrated JVs			**2**	**(1)**	**1**	**2**	**7**	**2**	**7**	**(7)**
4	**Net Operating Income**	**2,995**	**2,418**	**2,864**	**4,057**	**4,220**	**3,580**	**3,182**	**3,142**	**2,634**	**1,896**
5	Other Income	259	442	258	250	251	181	72	64	85	81
6	**Total Income**	3,254	2,860	3,122	4,307	4,471	3,761	3,254	3,206	2,719	1,977
7	Expenditure (Incl.increase/decrease in stock)	2,766	2,222	2,267	3,024	3,412	3,102	2,816	2,901	2,487	1,776
8	Operating Margin (PBDIT)	488	638	854	1,283	1,059	659	438	305	232	201
9	Interest Expenses	12	8	-	-	-	-	-	-	-	-
10	Depreciation	18	28	10	34	44	57	37	41	44	41
11	Exceptional items	(74)	-	-	-	-	-	-	-	-	-
12	**Profit Before Tax**	**532**	**602**	**844**	**1,249**	**1,015**	**602**	**401**	**264**	**188**	**160**
13	**Profit After Tax**	**369**	**395**	**579**	**907**	**730**	**470**	**241**	**182**	**140**	**114**
14	Dividend for the Year	192	168	182	182	148	94	49	37	30	30
15	General Reserve	3,334	3,334	3,334	2,971	2,277	1,733	1,372	1,181	1,012	903
16	Retained Earnings	390	318								
17	Other Comprehensive Income	5	(5)								
18	Foreign Project Reserve	-	-	-	-	-	-	-	3	28	30
19	Other Reserves	-	-	-	2	3	-	-	5	25	6
20	Total Reserves & Surplus	3,729	3,647	3,334	2,973	2,280	1,733	1,372	1,189	1,065	939
21	Net Fixed Assets	138	149	163	170	180	196	244	236	260	279
22	Inventories	139	141	114	119	125	135	165	373	430	159
23	Foreign Exchange Earnings (net)	24	59	418	1,042	822	444	428	264	96	37
24	Share Capital	98.980	19.796	19.796	19.796	19.796	9.898	9.898	9.898	9.898	9.898
25	Capital Employed	3,828	3,667	3,354	2,993	2,300	1,743	1,382	1,205	1,078	951
26	Government Investments	-	-	-	-	-	-	-	-	-	-
27	**Net Worth**	**3,828**	**3,667**	**3,354**	**2,993**	**2,300**	**1,743**	**1,382**	**1,199**	**1,075**	**949**
28	Profit Before Tax to Capital Employed (%)	14	16	25	42	44	35	29	22	17	17
29	Operating Margin to Capital Employed (%)	13	17	26	43	46	38	32	25	22	21
30	Profit After Tax to Share Capital (%)	373	1,995	2,924	4,578	3,687	4,747	2,429	1,841	1,416	1,150
31	Expenditure to Income (%)	85	78	73	70	76	82	87	90	91	90
32	Number of Employees	1,496	1,499	1,472	1,579	1,704	1,703	1,678	1,751	1,964	1,978
33	Income per Employee	2.18	1.91	2.12	2.73	2.62	2.21	1.94	1.83	1.39	1.00
34	Foreign Exchange Earning per Employee	0.02	0.04	0.28	0.66	0.48	0.26	0.25	0.15	0.05	0.02
35	Current Ratio	2.02	1.99	1.72	1.81	1.61	1.47	1.53	1.31	1.24	1.21
36	Debt/Equity Ratio	-	-	-	-	-	-	-	-	-	-
37	Investments	1,223	743	737	494	295	208	185	130	234	246

Notes :

* Financial Highlights for FY 2016-17 & FY 2015-16 are as per Ind AS.

** 28 to 31 are in percentage

*** 32, 35 & 36 are not in crore rupees

Standalone

Financial Statements

2016-17

KG SOMANI & COMPANY
Chartered Accountants
www.kgsomani.com, office@kgsomani.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

1. Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of IRCON INTERNATIONAL LIMITED ("the Company") which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss (including Other Comprehensive Income), the Cash Flow statement & the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information in which are incorporated the Returns for the year ended on that date audited by branch auditors of the company's branches at Northern Region, Eastern Region, Southern region, J&K region, Algeria, Bangladesh, Sri-Lanka, Malaysia, Bhutan, Patna & Mumbai Region.

2. Management's Responsibility for the Standalone Ind AS Financial Statements

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 Ind AS financial statements that give a true and fair view of the State of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS)prescribed under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements.

We believe that the audit evidence obtained by us & other auditors in terms of their reports referred to in others matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2017, and its Profit (financial performance including other comprehensive income), its Cash Flow and the changes in equity for the year ended on that date.

5. Emphasis of Matters

i) We draw attention to Note No. 33 to the standalone Ind AS financial statements

a. The Company has made provision for tax without considering the deduction under Section 80-IA of Income Tax Act, 1961.However, the ITAT has disposed pending appeal for FY 2000-01 allowing deduction u/s 80IA and subsequently CIT(A) has allowed deduction for AY 2012-13 and 2013-14. The matters for other assessment years are contested by the company with the concerned authorities.

b. The company is offering global income for tax in India after excluding the income earned by its permanent establishments in foreign countries having Double Taxation Avoidance Agreements (DTAA) with India. CIT (A) denied the treatment of excluding such foreign income. Accordingly,the company has subsequently paid taxes, however the matteris contested by the company with the concerned authorities.

ii) We draw attention to Note No. 50 to the standalone Ind AS financial statements regarding non-provision of Rs.3.80 crores towards foreign agency commission/ consultancy charges in respect of projects in three foreign countries pending assessment of the performance.

Our report is not qualified in respect of the above matters.

6. Other Matters

i) We did not audit the financial statements/ information of eleven branches included in the standalone Ind AS financial statement of the company whose financial statements/financial information reflect Total Assets of Rs. 5,676.83 Crores as at 31stMarch 2017, Total Revenues of Rs. 2,889.57Crores for the year ended on that date, as considered in the standalone Ind AS financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosure included in respect of these branches, is based solely on the reports of such branch auditors.

ii) The comparative financial information of the Company for the year ended 31st March 2016 and the transition date opening balance sheet as at 1stApril 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) rules, 2006 audited by the predecessor auditors whose report for the year ended 31st March 2016, and 31st March 2015 dated 2nd September 2016 and 13th October2015 respectively expressed an unmodified opinion& Qualified opinion respectively on those standalone Ind AS financial statements. The adjustments to those financial statements for the difference in accounting principles adopted by the company on transition to the Ind AS have been audited by us.

iii) The financial statements include the company's share in Profit/Loss of unincorporated Joint Venture (JVs) accounts out of which four JVs accounts have been certified by other firms of chartered

Accountants and one JV (IRCON-SPSCPL) has been certified by the management.

Our opinion is not modified in respect of these matters.

7. Report on Other Legal and Regulatory Requirements

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

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

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purpose of our Audit has been received from branches not visited by us.

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

d) The Balance Sheet, the Statement of Profit & Loss including Other Comprehensive Income, the statement of cash flows and Statement of Changes in Equity dealt with by this report are in agreement with the books of account.

e) Being a government company, provision of section 164(2) of the Act are not applicable pursuant to the notification No. G.S.R.463(E) dated 5th June, 2015, issued by the Central Government of India.

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 B".**

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 information and according to the explanation given to us:

i. The Company has disclosed the impact of pending litigations on itsfinancial position in its standalone Ind AS financial statements-Refer Note No.30 ofthe standalone Ind AS financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts -Refer Note No.16.3to the standalone Ind AS financial statements. The Company did not have any derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has provided requisite disclosures in its Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8thNovember, 2016 of the Ministry of Finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the relevant books of account maintained by the Company as produced before us and other auditor by the management. Refer Note No 48 of the standalone Ind AS financial statements

(3) As required by Section 143(5) of the Act and as per directions issued by comptroller and Auditor General of India, we report that:

Sl. No.	Directions	Auditor's Replies
(i)	Whether the company has clear title/ lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	Yes, the Company has clear title/ lease deed for freehold and leasehold land respectively except as reported in Mumbai region i.e. one lease hold building on railway land for 30years in Pali hill Mumbai for which agreement is yet to be finalized.

Sl. No.	Directions	Auditor's Replies
(ii)	Whether there are any cases of waiver/write off of debts/loans/ interestetc., if yes, the reasons thereof and the amount involved.	a) The Company has written-off bad debts Rs.0.60Crores, advances of Rs. 1.99 Crores and old assets of Rs. 0.11 Crores during the Financial Year 2016-17. b) As reported in Patna region Audit Report, 'the management has remitted dues recovered /recoverable amounting to Rs. 7.15 crore as supervision charges, liquidated damages and other charges from various agencies and approvals were obtained presuming the same to be "deviation from contract". This has resulted in unauthorized remission to that extent not categorized as such. The details are given above in Part-A of paragraph 4 of this Audit Report'. However, the above-amount of Rs. 7.15 crores is not in the nature of waiver/write off since it was not accounted in the books by the company.
(iii)	Whether proper records are maintained for inventories lying with third parties & assets received as gift/ grants(s) from Govt. or other authorities.	Yes, proper records are being maintained for the inventories lying with third parties. No assets have been received as gift /grants(s) from Govt. or other authorities during the Financial Year2016-17

For K.G SOMANI & CO.
Chartered Accountants
FRN 006591N

(Anuj Somani)
Partner
Membership No.511267

Place of Signature: New Delhi
Date: 21-09-2017

"Annexure A" to the Independent Auditors' Report of even date on the Standalone Ind AS Financial Statements of Company for the year ended 31st March, 2017

i.

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. In Mumbai Region, Tagging/ Numbering to be done on certain assets and assets with third parties needs to be confirmed from third party.

b) The fixed assets were physically verified by the management during the year. There is a regular program of verification, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verifications.

c) The title deeds of immovable properties are held in the name of the Company, except one lease hold building at Pall Hill, documents for the same are yet to be executed in Mumbai Region.

ii. The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on comparison of physical verification with book records were not material and have been properly dealt with in the books of account.

iii. According to the information and explanation given to us by the management and records produced, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.Therefore, paragraph 3(iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security; the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

v. According to the information and explanations given to us, and as per our examination of records, the Company has not accepted any deposits from public and therefore, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013, and rules framed there under, are not applicable.

vi. The Company has maintained cost records as required under section 148(1) of the Companies Act, 2013. However, we are neither required to carry out, nor have carried Out any detailed examination of such accounts and records.

vii. a. The Company is generally regular in depositing undisputed statutory dues including provident fund, income tax, sales tax, service-tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable with the appropriate authorities. Employees' State Insurance is not applicable to the Company. According to the information and explanation given to us, there are no undisputed statutory dues which were outstanding as on 31.03.2017 for a period of more than six months from the date the same become payable.

b. According to information and explanation given to us, and as per our examination of records of the Company, following are the particulars of dues on account of sales tax, service tax, entry tax, trade tax, income tax, duty of customs, royalty, provident fund, duty of excise and cess matters that have not been deposited on account of dispute as on 31.3.2017.

Name of the statute	Nature of disputed Dues	Amount outstanding (in Rs. Crores)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs Duty levied for work executed in IA-Hanger, Bombay.	5.81	1989-90	Dy. Commissioner (Custom), Mumbai
Income Tax Act, 1961	Disallowance of deduction u/s 80-IA, taxing of foreign income& provision for maintenance etc.	127.77	2011-12 to 2012-13	Commissioner of Income tax (Appeals), New Delhi
Sales Tax	Sales Tax 1995-96 & 1996-97-MRO	3.51	1995-96 to 1996-97	Bombay High Court
Sales Tax	Sales Tax 2011-12 -MRO	1.32	2011-12	Sales Tax office, Mumbai
Karnataka Vat	Difference in rate of tax and levy of interest thereon	0.50	2009-10	Deputy Commissioner – (appeals), Trivandrum
Sales Tax	Sales tax-AGRP	2.28	2007-08 to 2012-13	The Additional Commissioner, Commercial taxes, Ghaziabad
Sales Tax	Entry tax-AGRP	0.027	2008-09 to 2012-13	The Additional Commissioner, Commercial taxes, Ghaziabad
Sales Tax	UP TRADE TAX – UP 01	0.40	2004-05 to 2007-08	The Assessing Authority
Sales Tax	UP VAT ACT – UP 01	1.36	2007-08 (1-01-2008-31-03-2008)	The Assessing Authority
Sales Tax	UP VAT ACT – UP 01 (Entry Tax)	0.15	2008-09	The Appellate Authority
Sales Tax	UP TRADE TAX – UP 01	0.09	2009-10	The Additional Commissioner Appeal
Sales Tax	UP VAT ACT – UP 01 (Entry Tax)	0.005	2009-10	The Appellate Authority
Sales Tax	UP VAT ACT – UP 01	0.011	2010-11	The Deputy Commissioner
Sales Tax	Sales Tax-BE-08	1.17	2008-09 to 2009-10	The Additional Commissioner, Appeal Noida
Sales Tax	Sales Tax-BE-08 Entry Tax	0.004	2008-09	The Additional Commissioner, Appeal Noida
Sales Tax	UPTT-UP-05	0.01	2005-06	High Court Allahabad
Sales Tax	UPTT-UP-05	1.31	2006-07 to 2007-08 (9 months)	Tribunal Jhansi Branch
Sales Tax	UP VAT-UP-05	3.28	2007-08 to 2009-10	Tribunal Jhansi Branch

Name of the statute	Nature of disputed Dues	Amount outstanding (in Rs. Crores)	Period to which the amount relates	Forum where dispute is pending
Sales Tax	UP VAT-UP-05	0.42	2011-12	1st Appeal
Sales Tax	UP TRADE TAX-UP-04	0.06	2003-04 to 2004-05	Tribunal
Sales Tax	Sales Tax 2003-04 to 2005-06- Godhra	1.35	2003-04 to 2005-06	Dy. Commissioner Sales Tax authority Vadodara
Sales Tax	Sales Tax 2010-11-GED	0.05	2010-11	Asst Commercial Tax Officer, Margo
Uttar Pradesh VAT Act,2008	Demand Raised for Sales Tax	0.08	1982-83 & 1989-90	Appellate Authority, Jhansi
State Sales Tax/ VAT Act	Sales Tax	0.99	2002-03	Commissioner Sales Tax, Orissa
State Sales Tax/ VAT Act	Sales Tax	0.28	1998-1999	Sr.Jt. Commissioner (Appeals) Sales Tax, West Bengal
State Sales Tax/ VAT Act	VAT	0.71	2004-05	Asst Commissioner of Sales Tax, College St.Charge Kolkata
State Sales Tax/ VAT Act	Sales Tax	1.75	1987-88 and 1994-95	Bihar Sales Tax Tribunal-Kahalgaon
State Sales Tax/ VAT Act	VAT	0.31	2009-10	Dy. Commissioner of Sales Tax West Bengal College Street Charge
State Sales Tax/ VAT Act	VAT	0.82	2005-06 to 2006-07	WB Commercial, Taxes Appellate & Revisional Board
Jammu and Kashmir GST Act, 1962	Sales tax	19.33	1999-00 to 2010-11	J&K High Court, Jammu and Deputy Commissioner Commercial Taxes (Appeals) Srinagar.
Service Tax	Service Tax on agency fees	12.91	2010-11 to 2014-15	CESTAT
VAT	VAT TDS	5.93	2005-06 & 2006-07	Sales Tax Department, West Circle Patna
Finance Act, 1994	Service Tax	19.95	2001-02 to 2006-07	CESTAT, New Delhi
UP VAT Act, 2008	VAT	1.19	2010-11	The Addi Commissioner, Sales Tax, Lucknow.
UP VAT Act, 2008	VAT TDS	60.17	2011-12 to 2013-14	The Additional Commissioner, Sales Tax, Lucknow.
Central Excise Act, 1944	Levy of Excise Duty on bracket/cantilever assemblies	0.66	1998-99	CESTAT (DEPT. Appeal)

viii. The Company has not defaulted in the repayment of loans or borrowings to any financial institution, banks, Government or dues to debenture holders during the year. Accordingly, the clause 3(viii) of the order is not applicable.

ix. The Company has neither made any public offer (including debts instruments) during the year nor has taken any term loan during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.

x. According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. In view of the Government Notification No. GSR 463 (E) dated 5th June, 2015, government companies are exempt from the applicability of section 197 of the Companies Act,2013. Accordingly, clause 3(xi) of the order is not applicable to the Company.

xii. The Company is not a Nidhi Company as specified in the Nidhi Rules, 2014.Thus, the requirements under para 3(xii) of the Companies (Auditor's Report) Order 2016 are not applicable to the Company.

xiii. According to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

xv. According to the information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him, within the provisions of section 192 of the Companies Act, 2013.

xvi. The Company is not a Non-banking finance company, hence registration under section 45-IA of the Reserve Bank of India Act, 1934 does not arise.

For K.G SOMANI & CO.
Chartered Accountants
FRN 006591N

(Anuj Somani)
Partner
Membership No.511267

Place of Signature: New Delhi
Date: 21-09-2017

“Annexure B” to the Independent Auditors’ Report of even date on the Standalone Ind AS Financial Statements of Ircon International Limited for the year ended 31st March, 2017

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

We have audited the internal financial controls over financial reporting of Ircon International Limited “the Company” as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on,“the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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.

Qualified Opinion

According to the information and explanations given to us and based on our audit and branch auditor's audit report, the following material weaknesses have been identified as at March 31, 2017.

(a) The Company has an integrated ERP system which was not used at its full potential. During the financial year, different software packages like Tally and Fox Pro were used by the company through software links or manual intervention for the preparation of financial statements. This has resulted into weak internal control over financial reporting.

(b) The internal audit system needs to be strengthen since time lines of the internal audit programme were not followed during the financial year and delayed reporting in internal audit of the Indian region/foreign branches were noticed. Also, the mechanism to review of internal audit report is not robust.

(c) The Inventory records at some units is maintained manually and the inventory manual in SAP is under consideration. Further continuous identification system of surplus/obsolete/broken assets and material/stores is inadequate and needs to be strengthened.

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

In our opinion, except for the effects/ possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, "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".

Emphasis of Matter

1. Attention is invited to note no. 51 to the financial statements regarding supervision charges on unreturned steel at reduced rate and waiver/release of liquidation damages, escalation claims & other charges in respect of one of the contract of Patna region.

2. Few cases of reduction of bills by the client and accepted by the project without noting therein full reasons/justifications have been observed In Northern region

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to a branches/Region, is based on the corresponding report of other auditors.

For K.G SOMANI & CO.
Chartered Accountants
FRN 006591N

(Anuj Somani)
Partner
Membership No.511267

Place of Signature: New Delhi
Date: 21-09-2017

IRCON INTERNATIONAL LIMITED

BALANCE SHEET

As at 31st MARCH 2017

(Rs. in Crore)

Particulars		Note No.	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
I.	**ASSETS**							
1	**Non-current assets**							
	(a) Property, Plant and Equipment	3	137.08		146.40		165.47	
	(b) Capital work-in-progress	4	-		1.50		0.38	
	(c) Investment Property	5	307.34		278.19		270.40	
	(d) Other Intangible assets	6	1.21		0.10		0.03	
	(e) Intangible assets under development	6	-		1.01		1.01	
	(f) Financial Assets	7						
	(i) Investments	7.1	973.15		605.28		408.09	
	(ii) Trade Receivables	7.2	23.12		2.54		44.71	
	(iii) Loans	7.3	339.84		85.73		134.31	
	(iv) Others	7.4	77.21		84.23		4.87	
	(g) Deferred tax assets (Net)	8	161.05		222.31		268.55	
	(h) Other non-current assets	9	403.64		249.40		248.42	
	Total Non-current assets			**2,423.64**		**1,676.69**		**1,546.24**
2	**Current assets**							
	(a) Inventories	10	139.34		140.61		114.43	
	(b) Financial Assets	11						
	(i) Investments	11.1	249.91		138.02		68.39	
	(ii) Trade Receivables	11.2	543.34		696.69		571.50	
	(iii) Cash and cash equivalents	11.3	1,394.70		2,457.02		1,188.95	
	(iv) Other Bank Balances	11.4	3,262.83		2,096.08		2,032.43	
	(v) Loans	11.5	84.77		3.95		20.41	
	(vi) Others	11.6	258.09		207.44		148.47	
	(c) Current Tax Assets (Net)		1.72		18.98		12.87	
	(d) Other current assets	12	809.28		701.31		807.05	
	Total Current assets			**6,743.98**		**6,460.10**		**4,964.50**
	Total Assets			**9,167.62**		**8,136.79**		**6,510.74**
II.	**EQUITY AND LIABILITIES**							
1	**Equity**							
	(a) Equity Share Capital	13	98.98		19.80		19.80	
	(b) Other Equity	14	3,729.04		3,647.21		3,502.02	
	Total Equity			**3,828.02**		**3,667.01**		**3,521.82**
2	**Liabilities**							
(i)	**Non-current liabilities**							
	(a) Financial Liabilities	15						
	(i) Trade Payables	15.1	0.45		5.63		7.90	
	(ii) Other financial liabilities	15.2	129.23		110.90		80.90	
	(b) Provisions	16	76.18		149.78		339.76	
	(c) Other Non-Current Liabilities	17	1,792.64		956.61		85.08	
	Total Non-current liabilities			**1,998.50**		**1,222.92**		**513.64**

(ii)	**Current liabilities**						
	(a) Financial Liabilities	18					
	(i) Trade payables	18.1	363.01		405.85		447.70
	(ii) Other financial liabilities	18.2	546.88		508.66		525.32
	(b) Other current liabilities	19	2,108.93		1,916.96		1,067.44
	(c) Provisions	16	298.45		354.14		318.40
	(d) Current Tax liability (Net)		23.83		61.25		116.42
	Total Current liabilities			**3,341.10**		**3,246.86**	**2,475.28**
	Total Equity and Liabilities			**9,167.62**		**8,136.79**	**6,510.74**
III.	Summary of Significant Accounting policies	1 - 2					
IV.	Notes forming part of financial statements	3 - 55					

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21.09.2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

IRCON INTERNATIONAL LIMITED

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st MARCH 2017

(Rs. in Crore)

	Particulars	Note No.	For the year ended 31st March 2017	For the year ended 31st March 2016
I.	**Revenue :**			
	Revenue from operations	20	2,904.90	2,314.59
	Add :- Company share of turnover in Integrated Joint operations		89.90	103.92
			2,994.80	2,418.51
II.	Other income	21	259.63	441.58
III.	**Total Income (I + II)**		3,254.43	2,860.09
IV.	**Expenses :**			
	Operating Expenses	22	2,478.65	1,888.07
	Employee benefits expenses	23	150.38	176.27
	Finance costs	24	60.60	43.19
	Depreciation, amortization and impairment	25	17.88	28.22
	Other Expenses (Administrative)	22	32.50	24.74
	Proportionate share of expenses in Integrated Joint operations		56.39	97.24
	Total Expenses (IV).		2,796.40	2,257.73
V.	**Profit Before exceptional items and Tax (III - IV)**		458.03	602.36
VI.	Exceptional items	27A	73.69	-
VII.	Profit before tax (V + VI)		531.72	602.36
VIII.	Tax expenses :			
	(1) Current tax	8		
	- For the year		118.64	150.05
	- For earlier years (net)		(17.21)	4.98
	(2) Deferred tax (net)		61.26	52.29
	Total Tax Expense		162.69	207.32
IX	**Profit for the year from continuing operation (VII - VIII)**		**369.03**	**395.04**
X	**Other Comprehensive Income**	26		
	A. (i) Items that will not be reclassified to profit or loss		4.82	1.32
	(ii) Income Tax relating to Items that will not be reclassified to profit or loss		(1.67)	(0.46)
	B. (i) Items that will be reclassified to profit or loss		16.16	(57.46)
	(ii) Income Tax relating to Items that will be reclassified to profit or loss		**(5.59)**	**25.94**
			13.72	(30.66)
XI	**Total Comprehensive Income for the year (IX +X) (Comprising profit and other comprehensive income for the year)**		**382.75**	**364.38**
XII	Earnings Per Equity Share: (For Continuing Operation)			
	(1) Basic	47	37.28	39.91
	(2) Diluted		37.28	39.91
XIII	Summary of Significant Accounting policies	1 - 2		
XIV	Notes forming part of financial statements	3 - 55		

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21.09.2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

IRCON INTERNATIONAL LIMITED

Cash Flow Statement

For the Year Ended 31st March 2017

(Rs. in Crore)

		31 March 2017	31 March 2016
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before taxation		531.72	602.36
Adjustment for :			
Items of Other Comprehensive Income		20.98	(56.14)
Depreciation, amortization and impairment		17.88	28.22
Profit on sale of assets (net)		(0.32)	(0.86)
Profit on Sale of Investments		(73.69)	-
Interest Income		(196.71)	(231.06)
Dividend Income		(3.37)	(5.54)
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents		38.35	(134.17)
Operating Profit before working capital changes	**(1)**	**334.84**	**202.81**
Adjustment for :			
Decrease / (Increase) in Trade Receivables/ Financial Assets - Loans		153.99	(149.69)
Decrease / (Increase) in Inventories		1.28	(26.18)
Decrease / (Increase) in Other Assets & Financial Assets		(247.95)	35.69
(Decrease) / Increase in Trade Payables		(42.84)	(41.85)
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		876.85	1,488.55
	(2)	**741.33**	**1,306.51**
Cash generated from operation	**(1+2)**	**1,076.17**	**1,509.32**
Income Tax Paid		(55.60)	(107.54)
NET CASH FROM OPERATING ACTIVITIES	**(A)**	**1,020.57**	**1,401.78**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment including CWIP		(12.50)	(13.09)
Purchase of Intangible Assets		(0.33)	(0.12)
Purchase / Proceeds of Investment Property		(29.20)	(7.84)
Sale of Property, Plant and Equipments & Intangible Assets		6.03	3.78
Sale of Investments		79.23	-
Investments in Mutual Funds		(117.43)	(69.62)
Loan to Subsidiaries & Joint Ventures		(340.15)	(28.50)
Repayment of Loan from Subsidiaries & Joint Ventures		4.58	118.04
Interest Received		118.21	203.97
Dividend Received		3.37	5.54
Investment in Equity Shares		(367.86)	(72.01)
Investment in Bonds		-	(125.18)
(Investment) / Maturity of Bank Deposits (having maturity of more than 3 months)		(1,166.75)	(63.65)
NET CASH FROM INVESTING ACTIVITIES	**(B)**	**(1,822.80)**	**(48.68)**
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend (including Dividend Distribution Tax) paid		(221.74)	(219.20)
NET CASH FROM FINANCING ACTIVITIES	**(C)**	**(221.74)**	**(219.20)**
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	**(D)**	**(38.35)**	**134.17**
NET DECREASE IN CASH & CASH EQUIVALENT	**(A+B+C+D)**	**(1,062.32)**	**1,268.07**
CASH AND CASH EQUIVALENT (OPENING)	**(E)**	**2,457.02**	**1,188.95**
CASH AND CASH EQUIVALENT (CLOSING)	**(F)**	**1,394.70**	**2,457.02**
NET DECREASE IN CASH & CASH EQUIVALENT	**(F - E)**	**(1,062.32)**	**1,268.07**

Note: 1. Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statements)
2. Figures in brackets represent outflow of cash.

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21.09.2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

IRCON INTERNATIONAL LIMITED

Statement of Changes in Equity

as at 31 March 2016

(Rs. in Crore)

A. Equity share capital

Balance as at April 01, 2015	Shares issued during the year	Balance as at March 31, 2016
19.80	-	19.80

B. Other Equity

Particulars	Reserve & Surplus		Items of Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Exchange differences on translating the financial statement of a foreign operation	
Balance as at April 01, 2015	**3,333.71**	**121.66**	**26.52**	**3,481.89**
Changes in accounting policy or prior period errors		20.13		20.13
Restated balance at the beginning of the reporting period	**3,333.71**	**141.79**	**26.52**	**3,502.02**
Profit for the year		395.04		395.04
Other Comprehensive Income				
Remeasurment of Defined Benefit Plans		0.86		0.86
Foreign Exchange translation difference			(31.52)	(31.52)
Total Comprehensive Income for the year	**-**	**395.91**	**(31.52)**	**364.39**
Dividends Paid		(182.12)		(182.12)
Dividend Distribution Tax		(37.08)		(37.08)
Balance as at March 31, 2016	**3,333.71**	**318.50**	**(5.00)**	**3,647.21**

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21.09.2017

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IRCON INTERNATIONAL LIMITED

Statement of Changes in Equity

as at 31 March 2017

(Rs. in Crore)

A. Equity share capital

Balance as at March 31, 2016	Shares issued during the year	Balance as at March 31, 2017
19.80	79.18	98.98

B. Other Equity

Particulars	Reserve & Surplus		Items of Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Exchange differences on translating the financial statement of a foreign operation	
Balance as at April 01, 2016	**3,333.71**	**291.34**	**(5.00)**	**3,620.04**
Changes in accounting policy or prior period errors		27.17		27.17
Restated balance at the beginning of the reporting period	**3,333.71**	**318.50**	**(5.00)**	**3,647.21**
Profit for the year		369.03		369.03
Other Comprehensive Income				
Remeasurment of Defined Benefit Plans		3.15		3.15
Foreign Exchange translation difference			10.57	10.57
Total Comprehensive Income for the year	**-**	**372.19**	**10.57**	**382.75**
Dividends Paid		(184.23)		(184.23)
Dividend Distribution Tax		(37.51)		(37.51)
Bonus Issue		(79.18)		(79.18)
Balance as at March 31, 2017	**3,333.71**	**389.76**	**5.56**	**3,729.04**

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21.09.2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

1. Corporate Information

Ircon International Limited is a public sector construction company domiciled in India (CIN :U45203DL1976GOI008171) and is incorporated under the provisions of the Companies Act applicable in India with specialization in execution of Railway projects on turnkey basis and otherwise. After commencing business as a railway construction company it diversified progressively to roads, buildings, electrical substation and distribution, airport construction, commercial complexes, as well as metrorail works. The Company caters to both domestic and international markets. The Company is an ISO certified Company for Quality, Environment and Occupational Health and Safety Management systems; a Schedule'A' public sector company and a Mini Ratna-Category I. The registered office of the company is located at C-4, District Centre, Saket, New Delhi- 110017.

The financial statements were authorized for issue in accordance with a resolution of the Board of directors on Dated 21.09.2017.

2. Significant Accounting Policy under Ind AS (Standalone)

(i). Basis of Preparation

a) Statement of Compliance

The financial statements as at and for year ended March 31, 2017 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016.

For all periods up to and including the year ended 31 March 2016, the company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are company's first IND AS financial statements.

Refer to separate note no.29 for information on how the company has adopted Ind AS.

b) Basis of Measurement

The financial statements have been prepared under the historical cost convention and on an accrual basis, except for the following item that have been measured at fair value as required by relevant Ind-AS.

i. Defined benefit Plan and other long term employee benefits

ii. Certain financial assets and liabilities measured at fair value.

iii. Provisions as per para (x) (D) below, where time value of money is material.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenue and expenses. Actual results may differ from these estimates.

Key accounting estimates:

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Provisions – At each balance sheet date on the basis of the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Revenue – The Company recognises revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scope, claims (compensation, rebates etc.) and other

payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the company used the available contractual and historical information.

Property, Plant and Equipment– Property, Plant and Equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognized in the period in which the results are known /materialize.

d) All financial information presented in Indian rupees and all values are rounded to the nearest crore rupees with two decimal points except where otherwise stated.

(ii). Statement of Cash flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(iii). Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. (i.e Functional Currency). The financial statements are presented in Indian rupees, which is the presentation as well as Functional currency of company.

(a) ***Transactions Of Indian Operations:***

i. All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.

ii. Property, plant and equipment, intangibles, investment property, prepaid expenses, inventory and non-monetary items are translated at the rate on the date of initial transaction.

iii. Monetary items (Trade receivables, trade payables, Cash and Bank, Loans and Borrowings and other receivables & payables) and contingent assets & liabilities denominated in foreign currency are translated at the prevailing closing selling rates for Liabilities and closing buying rate for Assets, at each reporting date.

iv. Foreign Exchange Gains or Losses in respect of above transactions are recognized in Statement of profit and loss.

(b) ***Transactions of Foreign operations:***

i. All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.

ii. Property, Plant and Equipment, intangibles, investment property, prepaid expenses, inventory and non-monetary items are translated at the rate on the date of initial transaction.

iii. Monetary items (Trade receivables, trade payables, Cash and Bank, Loans and Borrowings and other receivables & payables) and contingent assets & liabilities denominated in foreign currency are translated at the prevailing closing selling rates for Liabilities and closing buying rate for Assets, at each reporting date.

iv. Foreign Exchange Gain or Losses in respect of above transactions are recognized in profit and loss account

The result and financial position of foreign operation that have a functional currency different from the presentation currency are translated in to presentation currency as follows.

i. Assets/Liabilities - Closing selling rates for Liabilities

and closing buying rate for Assets on the reporting date.

ii. Income/Expenses – Average exchange rate during the year.

iii. Exchange differences on translation of functional currency to presentation currency are – recognised in OCI (Other comprehensive income)

iv. On disposal of Foreign Operation (on realization of complete receivables from client) transfer the component of OCI (Other comprehensive income) to profit or loss relating to respective foreign operation.

(IV). Property, Plant and Equipment

1. Freehold land is carried at historical cost. Property, Plant and Equipment are measured at cost less accumulated depreciation and impairment losses, if any.

2. The machinery spares which can be used only in connection with an item of Property, Plant and Equipment and whose use is expected to be irregular are capitalized & depreciated/amortized over the balance life of such Property, Plant and Equipment.

3. Subsequent cost relating to Property, Plant & Equipment shall be recognized as an asset if:

a) it is probable that future economic benefits associated with the items will flow to the entity; and

b) the cost of the item can be measured reliably.

4. Cost of asset includes the following

i. Cost directly attributable to the acquisition of the assets

ii. Incidental expenditure during the construction period is capitalized as part of the indirect construction cost to the extent the expenditure is directly related to construction or is incidental thereto.

iii. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

5. Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalized if the recognition criteria are met.

6. An item of Property, Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement.

7. Amounts paid towards the acquisition of Property, Plant and Equipment outstanding as of each reporting date and the cost of Property, Plant and Equipment not ready for intended use before such date are disclosed under capital work- in-progress. Expenses directly attributable to project, prior to commencement of commercial operation, are considered as project development expenditure and shown under Capital Work-in-Progress.

Transition to Ind AS

On transition to Ind AS, the company has opted to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and equipment.

Depreciation

(a) Depreciation on Property, Plant and Equipment is provided on Straight Line basis (SLM) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

(b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

(c) The estimated useful life of assets for current period of significant items of Property Plant and Equipment are as follows:

Particulars	Useful Life (yrs.)
Building/flats residential/ non-residential	60
Plant and Machinery	8-15
Survey instruments	10
Computers	3-6
Office Equipment's	5
Furniture and fixtures	10
Caravanas, Camps and temporary shed	3-5
Vehicles	8-10

(d) Leasehold land and improvements are amortized over the lower of estimated useful life and lease term.

(e) Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

(f) Property Plant and Equipment acquired during the year, individually costing up to Rs. 5000/- are fully depreciated, by keeping Re. 1 as token value for identification. However, Mobile phones provided to employees are charged to revenue irrespective of its value.

(v). Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

Amortization of Intangible Assets

(a) Intangible assets are amortized over their respective estimated useful lives on a straight- line basis from the date that they are available for use.

The estimated useful life of intangibles is as follows:

Intangible Assets	Useful Life	Internally generated or self-generated
Software	Finite (36 months)	Acquired

(b) Amortization methods, useful lives and residual values are reviewed at each reporting date.

(c) Software cost up to Rs. 1 Lakhs in each case is fully amortized in the year of purchase, by keeping Rs. 1 as token value for identification.

Transition to Ind AS

On transition to Ind AS the company has opted to continue with the carrying value of all of its Intangible assets recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as deemed cost of intangible assets.

(vi). Investment properties

a) Investment property comprises completed property, property under construction and property held under a finance lease that is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

b) Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

c) The company depreciates building component of investment property over 60years from the date of original purchase/completion of construction.

d) Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

(vii). Investments in subsidiaries and Joint Arrangements

a) Investment in Subsidiaries

Investments in subsidiaries are accounted for at cost.

b) Joint Arrangement

Investment in joint arrangement are classified as either Jointly controlled operations under work sharing arrangement (joint operation) or Contracts executed by jointly controlled entity (joint ventures). The classification depends on the contractual rights and obligations of each JV partner rather than the legal structure of the joint arrangement. Company has both joint ventures and joint operations.

i) Joint Operations

Company recognises its direct right to the assets, liabilities, revenue and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses.

ii) Joint Venture

Income on investments is recognized when the right to receive the same is established.

Investment in such joint ventures is carried at cost in separate financial statements.

Transition to Ind AS

On transition to Ind AS, the company has opted to continue with the carrying value of all its investments in subsidiaries, and Joint ventures recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as deemed cost of investment in subsidiaries, and Joint ventures.

(viii). Inventories

(a) **Construction Work in Progress**

Construction work-in-progress is valued at cost till such time the outcome of the job cannot be ascertained reliably and at realizable value thereafter. Site mobilization expenditure to the extent not written off valued at cost.

(b) **Others**

(i) In Cost Plus contracts, the cost of all materials, spares and stores not reimbursable as per the terms of the contract is shown as inventory valued as per (III) below.

(ii) In Item Rate and Lump Sum Turnkey contracts, the cost of all materials, spares (other than capitalized) and stores are charged to Statement of Profit and Loss in the year of use.

(iii) Inventories are valued at lower of the cost arrived at on First in First out (FIFO) basis and net realizable value.

(iv) Loose tools are expensed in the year of purchase.

(ix). Cash and Cash Equivalents

Cash and cash equivalent in the Balance sheet comprise of cash at bank, cash in hand, other short term deposits with banks with an original maturity of three months or less and highly liquid investments, that are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value and Bank overdraft.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short term bank deposits etc., as defined above, net of outstanding bank overdrafts since they are considered integral part of the company's cash management.

(x). Provisions

A- Provision for Maintenance

a) In Cost Plus contract, no provision for maintenance is required to be made where cost is reimbursable.

b) Item Rate and Lump Sum turnkey contracts, provision is made for maintenance to cover company's liability during defect liability period keeping into consideration the contractual obligations, the obligations of the sub- contractors, operating turnover and other relevant factors.

c) Provision for unforeseen expenditure during design guarantee period is made based on risk perception of management in each contract assessed at the end of each financial year. This shall, however, be subject to a minimum of Rs. 50 lakhs and maximum

of the amount of Design guarantee specified in Contract Agreement with the Client.

B- Provision for Demobilization

Provision for demobilizationto meet the expenditure towards demobilisationof Manpower and Plant &Equipment is made in foreign projects.

C- Others

Provision is recognized when:

i) The Company has a present obligation as a result of a past event,

ii) A probable outflow of resources is expected to settle the obligation and

iii) A reliable estimate of the amount of the obligation can be made.

Reimbursement of the expenditure required to settle a provision is recognised as per contract provisions or when it is virtually certain that reimbursement will be received. Provisions are reviewed at each Balance Sheet date.

D- Discounting of Provisions

Provision recognised as per above point a, b and c which expected to be settled beyond 12 months are measured at the present value by using pretax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

(xi). Revenue Recognition

(a) Contract Revenue Recognition

Contract revenue is measured at the fair value of the consideration received or receivable recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Depending on the nature of contract, revenue is recognized as under-

i) In cost plus contracts, revenue is worked out by including eligible items of expenditure in the bills raised on the clients and charging specified margin thereon.

ii) In fixed price contracts, revenue is recognized using the percentage of completion method. The percentage of completion is determined as a proportion of cost incurred of work certified up to the reporting date to the total estimated cost of the contract.

iii) When it is probable that total contract cost exceeds total contract revenue, the expected loss shall be recognized as an expense immediately.Claims/ Arbitration Awards (including interest thereon) which are granted in favour of the Company, being in the nature of additional compensation under the terms of the contract are accounted as contract revenue when they are granted and where it is certain to realize the collection of such claims/awards.

Revenue does not include Sales Tax/VAT/WCT/ Service Tax etc.

b) Other Revenue Recognition

i) Dividend income is recognized when the right to receive payment is established.

ii) Interest income is recognized taking into account the amount outstanding and the interest rate applicable using Effective Interest rate Method.

(xii). Leases

a) Company as a lessee

Finance Lease:-

(i) that transfers substantially all the risks and rewards incidental to ownership of an asset

(ii) are capitalised at lease inception at lower of fair value or present value of minimum lease payment

(iii) payment sare apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

(iv) Finance charges are recognised in finance costs in the statement of profit and loss.

(v) Depreciated over the useful life of the asset. However, if there is no reasonable certainty to

obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease:-

(i) is classified as operating lease when significant portion of the risk and rewards are not transferred to the company.

(ii) payment are charged to profit and loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

b) Company as a lessor

Finance Lease

(i) is recognised when substantially all of the risks and rewards of ownership transfer from the company to the lessee.

(ii) Payment due are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating Lease

(i) are the leases in which the company does not transfer substantially all the risks and rewards of ownership to the lessee.

(ii) incomes are recognized as income in the statement of profit & loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

(xiii). Liquidated Damages and Escalations

(i) Liquidated damages/penalties (LD) due to delays arising out of the contractual obligations and provisionally withheld from contractors/under dispute are adjusted against contract cost only on final decision in this regard. However, LD recovered/withheld by client is accounted for on recovery/withholding & adjusted against contract revenue. Possible Liquidated Damages in cases where extension is granted by the client subject to their right for levy of penalty is shown as contingent liability.

(ii) Escalation receivable/payable is accounted for as per the provisions of the contract. Escalation receivable but not certified before close of project accounts is included in work- in- progress.

(xiv).Research and development Expenses

1. Research costs are expensed as incurred.

2. Development expenditures on an individual project are recognised as an intangible asset when the company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

(xv). Mobilization Expenses

The initial contract expenses on new projects for mobilisation will be recognised as construction work in progress in the year of incidence, and pro

rata charged off to the project over the years at the same percentage as the stage of completion of the contract as at the end of financial year.

(XVI). Impairment of non-financial assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. At each reporting date company assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss. . For the purpose of assessing impairment, assets that cannot be tested individually are grouped in to the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash infows from other assets or group of assets (the cash-generating units).

(xvii). Borrowing Cost

Borrowing cost in ordinary course of business are recognized as expense of the period in which they are incurred. Borrowing cost that is directly attributable to acquisition, construction or production of a qualifying asset is capitalized as part of the cost of such assets upto the commencement of commercial operations

(xviii). Employee Benefits

a) Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid for the services rendered are recognized as an expense during the period when the employees render the services.

b) Post-employment benefits & other Long Term Employee Benefits

(i) Retirement benefits in the form of provident fund and pension fund are defined contribution schemes. The contributions to the provident fund trust and pension trust are charged to the statement to the Profit and loss for the year when the contributions are due.

(ii) The company has Defined benefit plans like Gratuity, LTC and other retirement benefits.

(iii) The Company has created a Trust for Gratuity. The cost of providing benefit is determined on the basis of actuarial valuation using the projected unit credit method at each year-end and is charged to the Statement of Profit & Loss.

(iv) Provision for Defined benefit plans is made based on actuarial valuation at the year end and Actuarial gains or losses are recognized through Other Comprehensive income.

(v) Post-retirement Medical benefits are made based on Actuarial valuation or amount available for contribution, whichever is less.

(vi) Other long term employee benefit includes leave encashment. Actuarial gains or losses on other long term employee benefitsare recognized through statement of profit & loss.

(vii) Re-measurements of the net defined benefit liability (asset) recognized in other comprehensive income shall not be reclassified to profit or loss in a subsequent period.

(xix). Taxes

a) Current Income Tax

(i) Taxes including current income-tax are computed using the applicable tax rates and tax laws.

(ii) The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

(iii) Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.

(iv) Current tax related to OCI Items is recognized in

Other Comprehensive Income (OCI).

b) Deferred Tax

(i) Deferred income tax is recognized using balance sheet approach.

(ii) Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

(iii) Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

(iv) The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

(v) Deferred tax related to OCI Item is recognized in Other Comprehensive Income (OCI).

(xx). Operating Segment

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

Accordingly, the Company has identified two reporting segments viz. Domestic & International.

(xxi). Earning Per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

(xxii). Contingent Liabilities and Contingent Assets

(a) Contingent Liabilities are disclosed in either of the following cases:

i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or

ii) A reliable estimate of the present obligation cannot be made; or

iii) A possible obligation, unless the probability of outflow of resource is remote.

(b) Contingent Assets is disclosed where an inflow of economic benefits is probable.

(c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

(d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

(xxiii). Fair Value Measurement

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

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and Liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Company also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(xxiv). Dividend to equity holders

Dividend paid/payable shall be recognized in the year in which the related dividends are approved by shareholders or board of directors as appropriates.

(xxv). Financial instruments

A. Initial recognition and measurement

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

B. SUBSEQUENT MEASUREMENT

B.1 Financial Assets

Financial assets are classified in following categories:

a). Debt instruments at Amortised Cost

Debt instrument shall be measured at amortised cost if both of the following conditions are met:

(a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and

(b) The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are measured at amortised cost using effective interest rate method less impairment, if any. The EIR amortisation is included in finance income in the statement of profit and loss.

Following financial assets are measured at amortised cost:-

(i) Trade receivable

(ii) Security deposit

(iii) Retention money

(iv) Money held with client

(v) Cash and cash equivalent

(vi) Loan and advances

(vii) Investment in Tax free bonds

b). Debt instruments at Fair value through Other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the Fair value through other comprehensive income if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent solely payment of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

c) Debt Instruments at Fair Value Through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instruments, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instruments, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of P&L.

B.2 Financial liabilities

a) Financial liabilities at Amortised Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

b) Financial liabilities at FVTPL

The company has not designated any financial liabilities at FVTPL.

C. De-recognition

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of Profit & Loss.

D. Impairment of financial assets:

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies

on whether there has been significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

(xxvi). Non-current Assets (or disposal groups) held for Sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets classified as held for sale/distribution are presented separately in the balance sheet.

If the criteria stated by IND AS 105 "Non-current Assets Held for Sale" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognized had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

(xxvii) Financial guarantees

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

3. Property, Plant and Equipment

(Rs. in Crore)

Foot Notes	Freehold Land (vi)	Lease hold Land (v)	Lease hold Buildings (iv)	Freehold Buildings/ Flats-Residential	Freehold Buildings/ Flats-Non-Res. (i)	Plant & Machinery (ii)	Survey Instruments	Computers	Mobile Handset	Office Equipments	Furniture & Fixtures (vii)	Caravans, Camps and Temp. Sheds	Vehicles	Total
Gross Carrying Amount (At Cost)														
At 1 April 2015	0.06	36.39	42.44	8.73	10.00	415.75	3.69	8.80	0.24	7.56	8.36	5.57	17.93	565.52
Additions	-	-	0.48	-	0.12	2.66	0.20	0.82	0.03	0.95	0.60	6.10	-	11.98
Disposals/Adjustments	-	-	-	-	0.06	(9.30)	0.36	(0.63)	(0.08)	(1.44)	(0.65)	(0.26)	(2.30)	(14.26)
At 31 March 2016	**0.06**	**36.39**	**42.92**	**8.73**	**10.18**	**409.11**	**4.25**	**8.99**	**0.19**	**7.07**	**8.31**	**11.41**	**15.63**	**563.25**
Additions	7.11	-	-	1.08	-	0.62	0.47	0.85	-	1.02	0.84	1.41	0.59	13.99
Disposals/Adjustments	35.09	(35.09)	(24.53)	24.53	(1.32)	(48.08)	(0.86)	(1.03)	(0.14)	(0.65)	(0.43)	(0.61)	(6.61)	(59.75)
At 31 March 2017	**42.26**	**1.30**	**18.39**	**34.34**	**8.86**	**361.65**	**3.86**	**8.81**	**0.05**	**7.43**	**8.73**	**12.21**	**9.61**	**517.49**
Depreciation and impairment														
At 1 April 2015	-	0.20	6.56	2.68	1.53	341.21	3.42	8.05	0.21	6.59	7.64	5.46	16.50	400.06
Depreciation charge for the year	-	0.01	0.88	2.45	1.82	21.04	0.07	0.54	0.01	0.34	0.23	0.55	0.18	28.13
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	0.01	(5.77)	(0.57)	(0.58)	(0.07)	(1.33)	(0.60)	(0.24)	(2.17)	(11.33)
At 31 March 2016	**-**	**0.21**	**7.44**	**5.13**	**3.36**	**356.48**	**2.92**	**8.01**	**0.15**	**5.60**	**7.27**	**5.77**	**14.51**	**416.85**
Depreciation charge for the year	-	0.01	5.26	0.52	0.37	6.47	0.09	0.55	0.00	0.43	0.30	2.20	0.13	16.34
Impairment	-	-	-	-	-	1.26	-	-	-	-	-	-	-	1.26
Disposals/Adjustments	-	-	(3.23)	3.23	(0.44)	(43.00)	(0.67)	(1.00)	(0.15)	(1.67)	(0.34)	(0.60)	(6.17)	(54.04)
At 31 March 2017	**-**	**0.22**	**9.47**	**8.88**	**3.29**	**321.21**	**2.34**	**7.56**	**0.00**	**4.36**	**7.23**	**7.37**	**8.47**	**380.41**
Net book value														
At 31 March 2017	**42.26**	**1.07**	**8.92**	**25.46**	**5.56**	**40.44**	**1.52**	**1.25**	**0.05**	**3.07**	**1.50**	**4.84**	**1.14**	**137.08**
At 31 March 2016	**0.06**	**36.18**	**35.48**	**3.60**	**6.82**	**52.63**	**1.33**	**0.98**	**0.04**	**1.47**	**1.05**	**5.64**	**1.12**	**146.40**
At 1 April 2015	**0.06**	**36.19**	**35.88**	**6.05**	**8.47**	**74.54**	**0.26**	**0.75**	**0.03**	**0.97**	**0.73**	**0.10**	**1.43**	**165.47**

Foot Notes:-

i) **Fixed assets** held for disposal included in sales/adjustment column and transferred to other current assets at Net Book value: -

(Rs. in Crore)

Block of assets	Description of the assets	Manner and expected time of disposal	Expected Loss/gain on sale of non current assets	Segment	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
					Gross Block	Net Block	Gross Block	Net Block	Gross Block	Net Block
Freehold Buiding - Residential	Residential Building at Chennai	Open Tender, 31.03.2018	-	Domestic	0.38	0.28	0.38	0.28	0.38	0.28
Total					**0.38**	**0.28**	**0.38**	**0.28**	**0.38**	**0.28**

ii) Includes Plant & Machinery (Locomotives) on wet lease basis to a foreign client till 31.12.2015.

iii) Depreciation and impairment on Property, Plant & Equipment for the year debited to Statement of Profit and Loss are as follows:-

(Rs. in Crore)

Description	As at March 2017	As at March 2016
Depreciation on Tangible Assets	16.34	28.13
Impairment Loss	1.26	-
Total	17.60	28.13

iv) Includes lease hold building on Railways land for 30 years lease (Gross value Rs. 5.30 crore) for which agreement is yet to be finalised.

v) Lease hold land includes land at Greater Noida Industrial Development Authority (GNIDA) for construction of proposed Central Inspection Cell (CIC) by the Company (Gross value Rs.0.82 crore). The request for time extension for construction of Building has been submitted to the appropriate authority.

vi) The company has paid conversion charges for Rs. 7.10 crore to Delhi Development Authority (DDA) during the financial year 2016-17 for conversion of its land at Saket from leasehold to freehold. However, as at 31 March 2017 DDA is in the process of transferring the said land from leasehold to freehold.

vii) Furniture & Fixtures includes Furnishings also.

viii) Depreciation and impairment : Disposals/Adjustments includes Foreign Exchange Loss of Rs. 0.47 crore during FY 2016-17 and cumulative impact is Foreign Exchange Loss of Rs. 34.30 crore.

4. Capital Work in Progress*

(Rs. in Crore)

Particulars		Amount
Opening balance at 1 April 2015		**0.38**
Additions (subsequent expenditure)		
- Work Expenses	0.41	
- Misc Operating Exp.	0.83	
		1.24
Less : Capitalised during the year		0.12
Closing balance at 31 March 2016		**1.50**
Additions (subsequent expenditure)		0.00
Less : Capitalised during the year		1.50
Closing balance at 31 March 2017		**-**
Net Book Value		
at 31 March 2017		**-**
at 31 March 2016		**1.50**
at 1 April 2015		**0.38**

*** Details of Capital Work in progress**	**As at 31st March 2017**	**As at 31st March 2016**	**As at 1st April 2015**
1. Camps & caravans at Shivpuri Guna	-	0.83	-
2. Work of Fire Fighting & Civil Construction at CIC Noida	-	-	0.12
3. Office Building at Kolkata	-	0.67	0.26
	-	**1.50**	**0.38**

5. Investment Property

(Rs. in Crore)

Particulars	Land and Capital work in progress at Noida	Land and Capital work in progress at Gurgaon	SRO Building at Old Airport Road, Bangalore	Total
Opening balance at 1 April 2015	**260.36**	**7.04**	**3.04**	**270.44**
Additions (subsequent expenditure)*	0.45	7.39	-	7.84
Closing balance at 31 March 2016	**260.81**	**14.43**	**3.04**	**278.28**
Additions (subsequent expenditure)*	20.58	8.62	-	29.20
Closing balance at 31 March 2017	**281.39**	**23.05**	**3.04**	**307.48**
Depreciation and impairment				
Opening balance at 1 April 2015	**-**	**-**	**0.04**	**0.04**
Depreciation during the year	-	-	0.05	0.05
Closing balance 31 March 2016	**-**	**-**	**0.09**	**0.09**
Depreciation during the year	-	-	0.05	0.05
Closing balance 31 March 2017	**-**	**-**	**0.14**	**0.14**
Net Block				
at 31 March 2017	**281.39**	**23.05**	**2.90**	**307.34**
at 31 March 2016	**260.81**	**14.43**	**2.95**	**278.19**
at 1 April 2015	**260.36**	**7.04**	**3.00**	**270.40**

Information regarding income and expenditure of Investment property

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Rental income derived from investment properties	0.34	0.06
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income'	-	0.02
Profit arising from investment properties before depreciation and indirect expenses	**0.34**	**0.04**
Less: Depreciation during the year	0.05	0.05
Profit arising from investment properties before indirect expenses	**0.39**	**0.09**

Reconciliation of fair value

(Rs. in Crore)

	Land and Capital work in progress at Noida	Land and Capital work in progress at Gurgaon	SRO Building at Old Airport Road, Bangalore	Total
Opening balance as at 01-04- 2015	**249.74**	**136.01**	**4.88**	**390.63**
Fair value difference	(4.29)	(4.17)	0.17	(8.29)
Closing balance as at 31-03-2016	**245.45**	**131.84**	**5.05**	**382.34**
Fair value difference	4.40	16.36	0.20	20.96
Closing balance as at 31-03-2017	**249.85**	**148.20**	**5.25**	**403.30**
Fair value difference for the period	4.40	16.36	0.20	20.96
Note:-				
Investment Property self constructed	249.85	148.20	5.25	403.30
	249.85	**148.20**	**5.25**	**403.30**
Valuation technique used by valuer to be disclosed	Cost & Income	Cost	Cost (Land & Building)	

Description of valuation techniques used by valuer :

Cost Approach :

Under this approach, market value of the land has been estimated using Direct Comparison Approach (Market Approach). The building value has been estimated used Depreciated Replacement Cost (as if new).Within the Cost Approach, the land value is being estimated on the assumption that it is vacant and free of all encumbrances. It is added to the cost of the improvements derived by using the depreciated Replacement Cost method. Replacement cost implies "The current cost of replacement of an asset with a similar utility as if new." Building costs would include the cost of the building components and other improvements. Appropriate depreciation is being applied to the same to estimate the value.

Income Approach (DCF) :

DCF analysis is the process of valuing an investment property or asset by undertaking an estimation of future cash flows and taking into account the time value of money. Under this technique, the income is projected over the investment cycle and the net income is calculated after the deduction of capital, operating, and other necessary expenses.

(Rs. in Crore)

*** Detail of Additions (subsequent expenditure)**	**31 March 2017**	**31 March 2016**
- Work Expenses	26.79	7.13
- Consultancy Charges	0.59	0.43
- Salary & Wages	0.41	0.01
- Rates & Taxes	1.28	0.19
- Vehicle Operation and Maintenance	0.04	0.04
- Advertisement & Publicity	0.08	0.02
- Repairs and Maintenance - Office & Other	0.01	-
- Tour & Travelling	0.01	-
- Misc Operating Exp.	-	0.01
Total	**29.21**	**7.83**

6. Intangible Assets

(Rs. in Crore)

Particulars	Intangible assets under development	Other Intangibles (Software)
Opening balance at 1 April 2015	**1.01**	**1.98**
Addition during the year	-	0.12
Sales / adjustment during the year	-	(0.01)
Closing balance at 31 March 2016	**1.01**	**2.09**
Addition during the year	-	1.33
Capitalisation during the year	(1.01)	-
Sales / adjustment during the year	-	(0.01)
Closing balance at 31 March 2017	**-**	**3.41**
Amortisation and Impairment		
Opening balance at 1 April 2015	**-**	**1.95**
Amortisation during the year	-	0.04
Sales / adjustment during the year	-	(0.01)
Closing balance at 31 March 2016	**-**	**1.99**
Amortisation during the year	-	0.23
Sales / adjustment during the year	-	(0.01)
Closing balance at 31 March 2017	**-**	**2.21**
Net book value		
At 31 March 2017	**-**	**1.21**
At 31 March 2016	**1.01**	**0.10**
At 1 April 2015	**1.01**	**0.03**

7. Financial Assets (Non Current)

7.1 Investments

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Investment at Cost *			
1. Investments in Equity Instruments (fully paid-up) (unquoted)			
a) Subsidiaries			
Ircon Infrastructure & Services Limited 6,50,00,000 equity shares of Rs. 10 each (31 March 2016 : 6,50,00,000, 1 April 2015 : 6,50,00,000)	65.00	65.00	65.00
Indian Railway Stations Development Corporation Limited 2,04,00,000 equity shares of Rs.10 each (31 March 2016 : 2,04,00,000, 1 April 2015 : 2,04,00,000)	20.40	20.40	20.40
Ircon PB Tollway Limited 16,50,00,000 equity shares of Rs.10 each (31 March 2016 : 90,00,000, 1 April 2015 : 9,00,00,000)	165.00	90.00	90.00
Ircon Shivpuri Guna Tollway Limited 15,00,00,000 equity shares of Rs. 10 each (31 March 2016 : 3,30,00,000, 1 April 2015 : Nil)	150.00	33.00	-
Total (a) - Investment in Subsidiaries	**400.40**	**208.40**	**175.40**
b) Incorporated Joint Venture (fully paid-up)			
CCFB, Mozambique (31 March 2016 : Nil, 1 April 2015 : 12,50,000)	-	-	5.53
Less : Impairment in value of Investment	-	-	(5.53)
Ircon-Soma Tollway Private Limited (ISTPL) 6,38,70,000 equity shares of Rs. 10 each fully paid. (31 March 2016 : 6,38,70,000, 1 April 2015 : 6,38,70,000) (Refer note (i) a & b)	64.15	64.15	64.15
Bastar Railway Pvt. Limited 11,83,000 equity shares of Rs. 10 each (31 March 2016 : Nil, 1 April 2015 : Nil)	1.18	-	-
Jharkhand Central Railway Limited 13,00,000 equity shares of Rs. 10 each (31 March 2016 : Nil, 1 April 2015 : Nil)	1.30	-	-
Mahanadi Coal Railway Limited 13,000 equity shares of Rs. 10 each (31 March 2016 : 13,000, 1 April 2015 : Nil)	0.01	0.01	-
Chhattisgarh East Railway Limited 8,35,75,700 equity shares of Rs. 10 each fully paid. (31 March 2016 : 4,01,70,000, 1 April 2015 : 11,70,000)	83.58	40.17	1.17
Chhattisgarh East-West Railway Limited 1,3,11,70,000 equity shares of Rs. 10 each fully paid. (31 March 2016 : 11,70,000, 1 April 2015 : 11,70,000)	131.17	1.17	1.17
Total (b) - Investment in Joint Ventures	**281.39**	**105.50**	**66.49**

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
(Investment at Amortised cost)			
2. Investment in Bonds (Quoted)			
8.00% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 163,131 units of Rs.1,000 each (31 March 2016: 163,131, 1 April 2015 : 163,131)	16.31	16.31	16.31
7.21% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 500 units of Rs.10,00,000 each (31 March 2016: 500, 1 April 2015 : 500)	49.96	49.96	49.96
8.23% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 5,00,000 units of Rs.1,000 each (31 March 2016: 5,00,000, 1 April 2015 : 5,00,000)	50.00	50.00	50.00
8.35% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 500 units of Rs. 10,00,000 each (31 March 2016: 500, 1 April 2015 : 500)	49.92	49.93	49.93
7.15% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 250 units of Rs. 10,00,000 each (31 March 2016: 250, 1 April 2015 : Nil)	24.98	24.98	-
7.07% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 3,02,000 units of Rs.1,000 each (31 March 2016: 3,02,000, 1 April 2015 : Nil)	30.20	30.20	-
7.14% NHAI Tax Free Bonds, 1,99,989 units of Rs. 1,000 each (31 March 2016 : 1,99,989, 1 April 2015 : Nil)	20.00	20.00	-
7.02% NHAI Tax Free Bonds, 500 units of Rs. 10,00,000 each (31 March 2016 : 500, 1 April 2015 : Nil)	49.99	50.00	-
Total - Investment in Bonds (Quoted)	**291.36**	**291.38**	**166.20**
Total non - current investments	**973.15**	**605.28**	**408.09**

Aggregate Book value of quoted investments	**291.36**	**291.38**	**166.20**
Aggregate Market value of quoted investments	**293.32**	**292.98**	**175.61**
Aggregate Book value of unquoted investments	**681.79**	**313.90**	**241.89**
Aggregate amount of impairment in value of investments	**-**	**-**	**5.53**

Foot Note (i) :

(a) Out of 6,38,70,000 equity shares of Ircon-Soma Tollway Private Limited (ISTPL) held by the company, 30 % shares (1,91,61,000 no.) are pledged with Punjab National Bank against the loan drawn by Ircon-Soma Tollway Private Limited (ISTPL) outstanding as on 31.03.2017 is Rs. 126.78 crores. Further, an undertaking has been given by the company to Punjab National Bank for non disposal of its 21% (1,34,12,700 no. of shares) of the present holding (over and above the pledged over 30% of shareholding).

(b) As per Articles of Association (Article V) of Ircon-Soma Tollway Private Limited (ISTPL), shareholders can transfer their shareholding subject to Concession Agreement dated 28th September 2005 signed with NHAI which provides for equity holding of not less than 51% by Consortium members in Ircon-Soma Tollway Private Limited (ISTPL) during the construction period and three years following Commercial Operation Date, which was achieved on 19.04.2010. Thereafter, the aforesaid shareholding can be diluted to 26% subject to the pre-emption right of the other shareholders.

* Investment in Subsidiaries and Joint Ventures is carried at cost in the financial statements in accordance with para 10 of Ind AS 27

7.2 Trade Receivables

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Unsecured : Considered good			
- Retention Money with client	19.55	0.39	25.78
- Money Withheld by Client	3.57	2.15	18.93
Total	**23.12**	**2.54**	**44.71**

7.3 Loans

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
A. Secured, considered good			
Staff Loans and Advances	0.62	1.48	1.60
Total (A) - Secured Loans	**0.62**	**1.48**	**1.60**
B. Unsecured, considered good			
(i) Loans to Related Parties:			
Joint Ventures			
- Companhia Dos Caminhos De Ferro Da Beira Sarl	-	-	70.48
- Chhattisgarh East Railway Ltd.	39.00	39.00	30.00
- Chhattisgarh East West Railway Ltd.	39.00	19.50	-
Subsidiaries			
- Ircon Shivpuri Guna Tollway Limited	162.65		
- Ircon PB Tollway Limited	80.00		
- Ircon Infrastructure & Services Limited	18.34	25.21	31.50
Total (i)	**338.99**	**83.71**	**131.98**
(ii) Others :			
Staff Loans & Advances	0.23	0.54	0.73
Total (ii)	**0.23**	**0.54**	**0.73**
Total (B) - Unsecured Loans (i+ii)	**339.22**	**84.25**	**132.71**
C. Considered Doubtful			
Loans to Related Parties:			
Joint Ventures			
- Companhia Dos Caminhos De Ferro Da Beira Sarl	-	-	25.46
Total	**-**	**-**	**25.46**
Less : Allowance for doubtful loans	-	-	(25.46)
Total (C) - Doubtful Loans	**-**	**-**	**-**
Grand Total - Loans	**339.84**	**85.73**	**134.31**

7.4 Other Financial Assets (Non Current)

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Considered Good			
Security Deposits			
- Government Departments	0.05	0.06	0.08
- Others	0.14	0.47	0.52
Fixed Deposits more than 12 months {refer foot note (i)}	0.41	0.41	0.40
Fixed Deposits received from Contractors {refer foot note (ii)}	5.23	7.10	1.91
Interest Accrued on Advances to Staff	0.56	1.12	1.17
Interest Accrued on Loans to Related Party	-	5.42	-
Others			
- Claims Recoverable from Clients	-	0.72	0.79
- Recoverable from Govt of Mozambique	70.78	31.93	-
- Others - Advance Lease Rent	0.04	-	0.00
b) Share Application Money pending Allotment			
Ircon Shivpuri Guna Tollway Limited - 3,70,00,000 equity shares of Rs. 10 each	-	37.00	-
Total - Other Financial Assets	**77.21**	**84.23**	**4.87**
c) Considered Doubtful			
Interest Accrued on Loan to Related Party			
- Companhia Dos Caminhos De Ferro Da Beira Sarl (JV)	-	-	0.19
Less : Allowance for doubtful financial assets (others)	-	-	(0.19)
Total - Other Financial Assets - Doubtful	**-**	**-**	**-**
Grand Total - Other Financial Assets	**77.21**	**84.23**	**4.87**

Foot Notes :

(i) Includes FDRs under Lien for Rs. 0.41 crore (Rs. 0.41 crore)

(ii) Fixed Deposits received from Contractors are realisable, if the contractor fails to fulfill its obligations as per the terms and conditions of the contract agreement.

8. Deferred Tax Assets

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Provisions	131.23	176.61	217.82
Property, Plant and Equipment and Intangible Assets	4.58	10.78	9.43
Others	25.24	34.92	41.30
Closing balance as at 31 March	**161.05**	**222.31**	**268.55**

Reconciliation / Movements in Deferred Tax Assets

(Rs. in Crore)

Particulars	Provisions	PPE and Intangible Assets	Others	Total
As at 1 April 2015	**217.82**	**9.43**	**41.30**	**268.55**
(Charged)/Credited :				
- to profit or loss	(41.21)	1.35	(12.43)	(52.29)
- to Other Comprehensive Income	-	-	6.05	6.05
As at 31 March 2016	**176.61**	**10.78**	**34.92**	**222.31**
(Charged)/Credited :				
- to profit or loss	(45.38)	(6.20)	(9.68)	(61.26)
- to Other Comprehensive Income	-	-	-	-
As at 31 March 2017	**131.23**	**4.58**	**25.24**	**161.05**

Deferred tax liabilities have been off set as they relate to the same governing law.

Income Tax Expense

Profit or loss Section

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Current income tax :		
Current income tax charge	118.64	150.05
Adjustments in respect of current income tax of previous year	(17.21)	4.98
Deferred tax :		
Relating to origination and reversal of temporary differences	61.26	52.29
Income tax expense reported in the statement of profit or loss	**162.69**	**207.32**

OCI section

Income tax related to items recognised in OCI during the year :

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Net loss/(gain) on Remasurement of defined benefit plans	1.67	0.46
Net loss/(gain) on exchange gain/ loss	5.59	(25.94)
Income tax charged to OCI	**7.26**	**(25.48)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2017 and 31 March 2016 :

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Accounting profit before tax from continuing operations	552.70	546.22
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	**552.70**	**546.22**
At India's statutory income tax rate of 34.608% (31 March 2016: 34.608%)	191.28	189.05
Adjustments in respect of current income tax of previous years	(17.21)	(8.76)
Utilisation of previously unrecognised tax losses	-	-
- Non taxable items	(33.46)	(9.47)
- Rate Difference	(10.22)	-
- Other	23.61	(0.63)
Non-deductible expenses for tax purposes:	-	-
- Other country additional tax	(2.87)	6.22
Other non-deductible expenses	18.85	5.48
At the effective income tax rate of 30.75% (31 March 2016: 33.30%)	**169.98**	**181.89**
Income tax expense reported in the statement of profit and loss	169.95	181.84
Income tax attributable to a discontinued operation	-	-
	169.95	**181.84**

9. Other Non-Current Assets

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Advances Other than Capital Advances			
Advances to Contractors against material and machinery	43.49	28.06	25.29
Advances to Contractors, Suppliers and Others	310.09	199.87	205.41
Deposits with Tax Departments	0.21	0.02	0.10
Total - Advances Other than Capital Advances	**353.79**	**227.95**	**230.80**
b) Others			
Unsecured, considered good			
Interest Accrued on :			
- Advances to Contractors, Suppliers & others	43.05	20.77	14.50
Prepaid Expenses	3.98	0.12	0.03
Fair valuation adjustment	2.82	0.56	3.09
Total - Others	**49.85**	**21.45**	**17.62**
c) Considered Doubtful			
Advances to Contractors, Suppliers and Others	0.91	-	8.72
Interest Accrued on :			
- Advances to Contractors, Suppliers & others	-	-	0.40
Less: Allowance for doubtful advances	(0.91)	-	(9.12)
Total - Considered Doubtful	**-**	**-**	**-**
Grand Total	**403.64**	**249.40**	**248.42**

10. Inventories

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Raw Material			
- In Hand	34.64	88.08	32.61
- With Third Parties	4.28	1.78	25.81
- In Transit	1.78	-	0.11
Construction Work In progress (at Cost)	98.64	50.75	55.90
Total	139.34	140.61	114.43

11. Financial Assets (Current)

11.1. Investments

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Investment at Cost			
1. Investments in Equity Instruments -fully paid-up (unquoted)			
Incorporated Joint Venture			
CCFB, Mozambique - Nil (31 March 2016 : 12,50,000 equity shares of meticals 24000 each fully paid)	-	5.53	-
Investment at Fair Value through Profit & Loss			
2. Investment in Mutual funds (Quoted)			
UTI Mutual Fund - Daily Dividend Plan :No. of Units : 13,80,381 (31 March 2016 : 36,454 & 1 April 2015 : 1,06,836)	140.72	3.72	10.89
SBI Premier Liquid Fund - Daily Dividend Plan :No. of Units : 10,88,384 (31 March 2016 : 12,83,478 & 1 April 2015 : 3,00,718)	109.19	128.77	30.17
SBI Debt Fund Series -A-14 :No. of Units : Nil (31 March 2016: Nil & 1 April 2015 : 2,50,00,000)	-	-	27.33
Total Investments	**249.91**	**138.02**	**68.39**
Aggregate book value of quoted investments	**249.91**	**132.49**	**68.39**
Aggregate Market value of quoted investments	**249.91**	**132.49**	**68.39**
Aggregate book value of unquoted investments	**-**	**5.53**	**-**
Aggregate amount of impairment in value of investments	**-**	**-**	**-**

11.2. Trade Receivables

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Unsecured : considered good			
- Trade receivables	424.66	525.40	463.27
- Retention Money with client	51.04	55.58	60.09
- Money Withheld by Client	67.64	115.71	48.14
Considered Doubtful			
- Trade receivables	20.85	15.82	16.25
- Retention Money with client	7.19	8.07	9.88
- Money Withheld by Client	5.65	5.99	4.50
Less : Impairment allowances for doubtful debts	33.69	29.88	30.63
Total	**543.34**	**696.69**	**571.50**

11.3. Cash and Cash equivalents

(Rs. in Crore)

Particulars	Foot Note	31 March 2017	31 March 2016	1 April 2015
Cash in hand		0.18	0.23	0.21
Cheques/drafts in hand		-	4.95	0.17
Balances with banks :				
– On current accounts		205.53	54.85	123.95
– Flexi Accounts	(i)	212.02	201.85	171.26
– Deposits with original maturity of less than three months	(i)	976.97	2,195.14	893.36
		1,394.70	**2,457.02**	**1,188.95**

11.4. Bank Balances other than Cash and Cash equivalents

(Rs. in Crore)

Particulars		31 March 2017	31 March 2016	1 April 2015
Other Bank Balances				
– Deposits with original maturity of more than 3 months but less than 12 months	(i)	3,051.91	2,077.68	2,013.78
– Fixed Deposits received from Contractors*	(ii)	210.92	18.40	18.65
		3,262.83	**2,096.08**	**2,032.43**

Foot Notes : -

(i) Includes Clients Fund on which interest is passed on to them.

(ii) Fixed Deposits received from Contractors are realisable, if the contractor fails to fulfill its obligations as per the terms and conditions of the contract agreement.

11.5. Loans

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
A. Secured, considered good			
Staff Loans and Advances	1.21	0.60	0.62
Total (A) - Secured Loans	**1.21**	**0.60**	**0.62**
B. Unsecured, considered good			
(i) Loans to Related Parties :			
Joint Ventures			
- IRCON - AFCON JV	-	-	18.11
- Chhattisgarh East Railway Limited	78.00	-	-
Subsidiaries			
- Ircon Infrastructure & Services Limited	4.58	2.29	-
(ii) Others :			
Staff Loans & Advances	0.98	1.06	1.68
Others			
Total (B) - Unsecured Loans (i) + (ii)	**83.56**	**3.35**	**19.79**
C. Considered Doubtful			
Others :			
Staff Loans and Advances	-	-	-
Less :- Impairment allowance for doubtful Loans	-	-	-
Total (C) - Doubtful Loans	**-**	**-**	**-**
Grand Total	**84.77**	**3.95**	**20.41**

11.6. Other Financial Assets (Current)

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Considered Good			
Security Deposits			
- Government Departments	7.07	5.65	6.22
- Others	1.72	1.26	1.30
Earnest Money Deposit	0.35	0.35	0.42
Interest Accrued on :			
- Advance to Staff	0.69	0.28	0.25
- Loans to Related Parties	18.00	0.20	5.89
- Loan to Indian Railway Welfare Organisation	-	-	0.20
- Deposits with Banks	113.94	89.19	80.22

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
- Bonds	17.87	12.65	11.88
Others :			
(i) Recoverable from Related Parties			
Joint Ventures			
- RICON CETA SARL	-	0.89	0.84
- Companhia Dos Caminhos De Ferro Da Beira Sarl	-	-	0.78
- RICON	0.64	9.93	9.67
- International Metro Civil Contractor	2.84	2.83	3.53
- Metro Tunneling Group	3.86	5.64	5.43
- Ircon Soma Tollway Pvt. Ltd.	7.04	7.22	7.15
- IRCON - AFCON JV	29.85	7.76	2.44
- Chhattisgarh East Railway Limited	2.48		
- Mahanadi Coal Railway Limited	0.37		
- Jharkhand Central Railway Limited	-		
Subsidiaries			
- Ircon Shivpuri Guna Tollway Limited	0.04	0.26	-
- Ircon Infrastructure & Services Limited	0.00	1.96	2.26
- Indian Railway station Development corporation Limited	0.48	0.36	0.27
- Ircon PB Tollway Limited	0.24	0.21	-
(ii) Recoverable from Govt. of Mozambique	35.81	49.72	-
(iii) Claims Recoverable from Clients	9.37	5.17	8.46
(iv) Other Recoverables	5.30	5.81	1.17
(v) Others - Advance Lease Rent	0.14	0.10	0.09
Total - Other Financial Assets - Good	**258.09**	**207.44**	**148.47**
b) Considered Doubtful			
Security Deposits			
- Government Departments	0.55	1.47	2.11
- Others	0.18	0.27	0.27
Interest Accrued on Advances to Staff	-	-	-
Earnest Money Deposit	0.05	0.05	-
Less : Impairment allowance for doubtful financial assets (others)	(0.79)	(1.79)	(2.38)
Total - Other Financial Assets - Doubtful	**-**	**-**	**-**
Grand Total - Other Financial Others	**258.09**	**207.44**	**148.47**

(i) Debts due by officers of the company, firms in which any director is a partner or private company in which any director is a member except JVs and Subsidiaries are Rs. Nil (Rs. Nil).

Details of amount due from Directors:

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Amount due from directors included in interest accrued on staff loans and advances	-	-
Total	-	-

12. Other Current Assets

(Rs. in Crore)

Particulars	Foot Note	31 March 2017	31 March 2016	1 April 2015
a) Advances Other than Capital Advances				
Advances to Contractors against material and machinery		45.08	21.95	9.15
Advances to Contractors, Suppliers and Others		141.73	166.66	129.28
Tax Authority				
- Sales Tax (including TDS)		302.55	221.88	200.98
Less : Deposited under Protest		(210.48)	(203.45)	(184.31)
- Value Added Tax		93.68	143.57	114.26
- Service Tax input credit		3.71	0.21	0.02
Total - Advances Other than Capital Advances		**376.27**	**350.82**	**269.38**
b) Others				
Interest Accrued on:				
Deposits & Advances with:				
- Contractors, Suppliers & Others		43.00	29.01	17.44
Construction Work in Progress (At realisable value)		97.59	28.82	106.81
Billable Revenue / Receivable not due	(i)	282.91	281.19	405.32
Assets held for disposal	(ii)	1.03	1.46	1.73
Prepaid Expenses		3.15	5.08	3.54
Fair valuation adjustment		5.19	4.69	2.73
Lease Equalisation		0.14	0.24	0.10
Total - Others		**433.01**	**350.49**	**537.67**
c) Considered Doubtful				
Advances to Contractors, Suppliers and Others		15.32	18.97	9.88
Sales Tax (including TDS)		35.89	34.97	35.31
Others		0.10	0.10	-
Value Added Tax		7.18	7.18	7.18
Less: Impairment allowance for doubtful advances		(58.49)	(61.22)	(52.37)
Total - Considered Doubtful		**-0**	**-**	**-**
Grand Total		**809.28**	**701.31**	**807.05**

(i) (a) Includes Value of work amounting to **Rs. 1.61 crore** (Rs. 12.49 core) certified by client, but not billed by reporting date.

(b) Includes **Rs. 2.48 crore** (Rs. 6.95 crore) from Chhattisgarh East Railway Limited, a Joint Venture Company.

(c) Includes **Rs. 0.31 crore** (Rs. 25.47 crore) from Chhattisgarh East West Railway Limited, a Joint Venture Company.

(ii) Property, Plant & Equipment beyond economic repair and/or held for disposal (at lower of the realizable value and book value):-

(Rs. In crore)

Block of assets	Description of the assets	Manner and expected time of disposal	Expected Loss/gain on sale of non current assets	Segment	As at 31 March 2017		As at 31 March 2016	
					Gross Block	Net Block	Gross Block	Net Block
Plant and Machinery								
Northern Region	Plant and Machinery	Through e-auction like MSTC with expected time of disposal by end of year 2018	Unpredicted	Domestic	5.16	0.29	6.50	0.89
Malaysia Region	Locomotives - 3 Nos.	Open Tender, June 2017	0.75	International	7.25	0.17	-	-
Mozambique Project	Plant and Machinery			International	5.90	0.29	5.90	0.29
Freehold Building - Residential	Residential Building at Chennai	Open Tender, 31.03.2018	-	Domestic	0.38	0.28	0.38	0.28
Total					**18.69**	**1.03**	**12.78**	**1.46**

13. Equity Share capital

(Rs. in Crore)

Particulars	As at 31 March 2017	As at 31 March 2016	As at 1 April 2015
Authorised share capital			
10,00,00,000 Equity shares of Rs.10 each * (10,00,00,000 Equity shares of Rs.10 each as at 31st March 2016 & 1st April 2015)	100.00	100.00	25.00
	100.00	100.00	25.00
Issued/Subscribed and Paid up Capital			
9,89,80,000 Equity shares of Rs.10 each-fully paid (1,97,96,000 Equity shares of Rs.10 each-fully paid as at 31st March 2016 & 1st April 2015)	98.98	19.80	19.80
	98.98	19.80	19.80

Details of shareholders holding in the company

Name of the shareholder	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No. of Share	% holding in the class	No. of Share	% holding in the class	No. of Share	% holding in the class
Government of India in the name of the President of India and Government nominees	98,712,000	99.729%	19,742,400	99.729%	19,742,400	99.729%
Indian Railway Finance Corporation Limited	244,000	0.247%	48,800	0.247%	48,800	0.247%
Bank of India	24,000	0.024%	4,800	0.024%	4,800	0.024%
Total	**98,980,000**	**100%**	**19,796,000**	**100%**	**19,796,000**	**100%**

Aggregate no. of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Name of the shareholder	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share
Equity shares allotted other than cash					
Equity shares issued as bonus shares	79,184,000	-	-	-	9,898,000
Total	**79,184,000**	**-**	**-**	**-**	**9,898,000**

Terms / Rights attached to Equity Shares :

(a) Voting

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

(b) Liquidation

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of equity shares and share capital

Name of the shareholder	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No. of Share	Rs in crore	No. of Share	Rs in crore	No. of Share	Rs in crore
Issued/Subscribed and Paid up equity Capital outstanding at the begging of the year	19,796,000	19.80	19,796,000	19.80	19,796,000	19.80
Add: Shares Issued during the year	79,184,000	79.18	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	**98,980,000**	**98.98**	**19,796,000**	**19.80**	**19,796,000**	**19.80**

* After close of the year, increase in Authorised Share Capital to Rs. 400 crore was approved in the Extra Ordinary General Meeting held on 22.05.2017

14. Other Equity

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
(a) Retained Earnings			
Opening Balance	318.50	141.79	
Add: Ind AS Adjustments			141.79
Add: Transfer from surplus in statement of profit and loss	369.03	395.04	-
Less: Dividend declared and paid during the year including Corporate Dividend Tax	(107.22)	(123.89)	-
Less: Interim Dividend including Tax thereon	(114.52)	(95.30)	-
Less: Bonus issue	(79.18)	-	-
Add : Re-measurement of defined benefit plans (net of tax)	3.15	0.86	-
Less: Transfer to General Reserve	-	-	-
Total	**389.76**	**318.50**	**141.79**
(b) General Reserve			
Opening Balance	3,333.71	3,333.71	3,333.71
Add: Transfer from Retained Earnings	-	-	-
Total	**3,333.71**	**3,333.71**	**3,333.71**
(c) Items of other comprehensive income			
Opening Balance	(5.00)	26.52	26.52
Foreign Currency Translation (net of tax)	10.57	(31.52)	-
Total	**5.57**	**(5.00)**	**26.52**
Grand Total	**3,729.04**	**3,647.21**	**3,502.02**

Distribution made and proposed dividend

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Cash dividends on equity shares declared and paid :		
Dividend paid during 2016-17: INR 45.00 per share (FY 2015-16: INR 52.00 per share)	89.08	102.94
Dividend distribution tax final dividend	18.14	20.96
Interim dividend paid during 2016-17: INR 9.61 Per share (FY 2015-16: INR 40.00 per share)	95.15	79.18
Dividend distribution tax on interim dividend	19.37	16.12
Total	**221.74**	**219.20**
Proposed dividends on equity shares:		
Dividend for 31 march 2017: INR 27.80 per share (31 March 2016: INR 45.00 per share)	97.25	89.08
Dividend distribution tax on proposed dividend	19.80	18.14
Total	**117.05**	**107.22**

15. Financial Liabilities (Non- Current)

15.1. Trade Payables

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Micro, Small & Medium Enterprises *	-	-	-
Other Contractor & Suppliers	0.45	5.63	7.90
Total	**0.45**	**5.63**	**7.90**

* Refer Note No. 45

15.2. Other Financial Liability

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Deposits and Retention money	129.23	110.86	80.77
Financial Guarantee Contract *	-	0.04	0.13
Total	**129.23**	**110.90**	**80.90**

* Refer Note No. 52

16. Provisions

(Rs. in Crore)

Particulars	Foot Note	31 March 2017	31 March 2016	1 April 2015
Provision for Employee Benefits	16.1	71.70	101.14	202.85
Provision for Doubtful Assets	16.2	93.88	92.89	125.67
Other Provisions	16.3	302.93	402.78	455.31
		468.51	**596.81**	**783.83**
Less: Impairment Provision for Doubtful Assets (Presented Separately)	16.2	(93.88)	(92.89)	(125.67)
Total		**374.63**	**503.92**	**658.16**
Current		**298.45**	**354.14**	**318.40**
Non Current		**76.18**	**149.78**	**339.76**

The disclosure of provisions movement as required under the requirements of Ind AS 37 is as follows :

16.1. Provision for Employee Benefits :

(a) Provision for Retirement Benefits

(Rs. in Crore)

Particulars	Gratuity	Leave Salary	Settlement Allowance on Retirement	Post Retirement Medical Benefits	Pension	Total
As at 1 April 2015	**66.31**	**82.79**	**1.28**	**7.33**	**26.19**	**183.90**
Current	4.52	6.94	0.08	5.97	26.19	43.70
Non Current	61.79	75.85	1.20	1.36	-	140.20
Provision made during the year	2.22	7.72	0.09	2.84	3.37	16.25
Less: Utilization during the year	(68.53)	(7.21)	(0.03)	(5.97)	(27.99)	(109.72)
Less: Write Back during the year	-	(0.30)	-	-	(1.57)	(1.87)
(Exchange Gain) / Loss	-	0.05	-	-	-	0.05
As at 31-March-2016	**-**	**83.05**	**1.34**	**4.20**	**-0.00**	**88.60**
Current	-	8.31	0.13	3.38	-0.00	11.82
Non Current	-	74.75	1.21	0.82	-	76.78
Provision made during the year	-	7.45	0.01	7.50	-	14.95
Less: Utilization during the year	-	(6.21)	(0.02)	(3.38)	-	(9.61)
Less: Write Back during the year	-	(28.33)	-	-	-	(28.33)
(Exchange Gain) / Loss	-	(0.14)	(0.00)	-	0.00	(0.15)
As at 31-March-2017	**-**	**55.82**	**1.33**	**8.32**	**-**	**65.47**
Current	-	5.58	0.13	6.66	-	12.37
Non Current	-	50.24	1.20	1.66	-	53.10

(b) Provision for other Employee Benefits

(Rs. in Crore)

Particulars	Performance Related Pay	Leave Travel Concession	Total
As at 1 April 2015	**18.82**	**0.13**	**18.95**
Current	18.82	0.01	18.83
Non Current	-	0.12	0.12
Provision made during the year	5.69	0.31	6.00
Less: Utilization during the year	(7.95)	(0.21)	(8.16)
Less: Write Back during the year	(4.25)	-	(4.25)
As at 31-March-2016	**12.31**	**0.23**	**12.54**
Current	12.31	0.03	12.34
Non Current	-	0.20	0.20
Provision made during the year	5.89	0.18	6.08
Less: Utilization during the year	(11.64)	(0.08)	(11.72)
Less: Write Back during the year	(0.67)	-	(0.67)
As at 31-March-2017	**5.89**	**0.33**	**6.23**
Current	5.89	0.05	5.95
Non Current	-	0.28	0.28
Total Provision for Employee Benefits (a+b)			
At 31-March-2017			**71.70**
At 31-March-2016			**101.14**
At 1-April-2015			**202.85**

16.2. Provision for Doubtful Assets :

(Rs. in Crore)

Particulars	Doubtful Debts	Doubtful Advances	Diminution in Value of Investments	Total
As at 1 April 2015	**16.25**	**103.89**	**5.53**	**125.67**
Current	16.25	69.12	-	85.37
Non Current	-	34.77	5.53	40.30
Provision made during the year	0.24	0.60	-	0.84
Less: Utilization during the year	(0.33)	(0.72)	-	(1.05)
Less: Write Back during the year	(0.34)	(26.71)	(5.53)	(32.58)
(Exchange Gain) / Loss	-	0.01	-	0.01
As at 31-March-2016	**15.82**	**77.07**	**-**	**92.89**
Current	15.82	77.07	-	92.89
Non Current	-	-	-	-
Provision made during the year	6.83	0.85	-	7.68
Less: Utilization during the year	(0.60)	(1.99)	-	(2.59)
Less: Write Back during the year	(1.45)	(2.79)	-	(4.25)
(Exchange Gain) / Loss	0.25	(0.11)	-	0.14
As at 31-March-2017	**20.85**	**73.04**	**-**	**93.88**
Current	20.85	73.04	-	93.88
Non Current	-	-	-	-

16.3. Other Provisions :

(Rs. in Crore)

Particulars	Demobilisation	Corporate Social Responsibility	Maintenance	Foreseeable Loss	Design Guarantee	Legal Cases	Other Expenses	Total
As at 1 April 2015	**48.01**		**124.68**	**12.56**	**147.27**	**72.56**	**50.22**	**455.31**
Current	40.58	-	38.58	12.56	41.91	72.56	49.68	255.87
Non Current	7.43	-	86.10	-	105.36	-	0.54	199.44
Provision made during the year	3.68		34.37	12.00	-	6.78	61.92	118.75
Less: Utilization during the year	(8.38)		(54.38)	(2.39)	-	(0.07)	(21.21)	(86.43)
Less: Write Back during the year	(19.25)		(25.38)	-	(49.53)	-	(0.56)	(94.73)
(Exchange Gain) / Loss	(0.88)		(1.11)	-	0.69	-	(0.22)	(1.52)
Unwinding of discount	0.26		7.96	0.05	3.14	-	-	11.41
As at 31-March-2016	**23.44**	**-**	**86.14**	**22.22**	**101.57**	**79.27**	**90.15**	**402.78**
Current	22.91		69.64	22.22	45.79	79.27	90.15	329.98
Non Current	0.53	-	16.49	-	55.78	-	-	72.80
Provision made during the year	1.00	0.91	9.89	-	-	10.02	10.48	32.29
Less: Utilization during the year	(3.39)		(28.58)	(16.14)	-	(1.34)	(26.24)	(75.70)
Less: Write Back during the year	(0.22)		(1.89)	-	(40.87)	(0.92)	(0.91)	(44.81)
(Exchange Gain) / Loss	(1.75)	-	(0.23)	(0.05)	(10.89)	0.00	(1.93)	(14.84)
Unwinding of discount	0.18		1.44	0.00	1.59	-	-	3.21
As at 31-March-2017	**19.25**	**0.91**	**66.78**	**6.03**	**51.39**	**87.03**	**71.5488**	**302.93**
Current	19.18	0.91	56.49	6.03	38.96	87.03	71.55	280.13
Non Current	0.07	-	10.29	-	12.44	-	-	22.80

17. Other Non- Current Liabilities

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Advances			
Advance from clients	1,769.15	936.21	69.24
b) Others			
Fair valuation adjustment	22.93	20.40	15.84
Others	0.56	-	-
Total	**1,792.64**	**956.61**	**85.08**

18. Financial Liabilities (Current)

18.1. Trade Payables

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Micro, Small & Medium Enterprises *	-	-	-
Others			
(a) Contractor & Suppliers	356.93	386.93	431.50
(b) Related Parties	6.08	18.92	16.20
Total	**363.01**	**405.85**	**447.70**

* Refer Note No. 45

18.2. Other Financial Liabilities

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Staff	9.30	7.24	0.98
Deposits, Retention money and Money Withheld	503.56	480.73	509.09
Financial Guarantee Contract *	0.04	0.09	0.15
Others	33.98	20.60	15.10
Total	**546.88**	**508.66**	**525.32**

* Refer Note No. 52

19. Other Current Liabilities

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Advances			
Advance from clients	2,123.05	1,999.06	1,195.30
- Less: Deposits under protest (Sales Tax)	(210.48)	(203.45)	(184.31)
Advance contract receipts	99.96	74.27	24.63
b) Others			
Statutory dues:	71.42	33.72	25.50
Fair valuation adjustment	24.98	13.37	6.32
Total	**2,108.93**	**1,916.96**	**1,067.44**

20. Revenue from operations

(Rs. in Crore)

	For the year ended 31st March 2017	For the year ended 31st March 2016
Contract Revenue	2,889.62	2,254.31
Loco lease	0.88	35.89
Machinery hire charges	9.15	8.31
Other Operating Revenue	5.25	16.08
Total	**2,904.90**	**2,314.59**

21. Other Income

(Rs. in Crore)

		For the year ended 31st March 2017		For the year ended 31st March 2016
Interest Income :				
Interest on Tax Free Bonds		22.06		15.62
Interest on refund of income-tax		11.93		2.67
Interest on staff advances		0.21		0.27
Interest on loan to Related Parties *		16.83		35.30
Interest on other advances		4.31		2.76
Interest on Fixed Maturity Plan		-		0.05
Interest income on unwinding of financial instruments		7.54		3.98
Bank Interest Gross	305.19		235.21	
Less:- Interest passed to clients	(163.82)	141.37	(60.83)	174.38
Others :				
Amortisation of financial instruments		29.43		11.92
Profit on sale of assets		0.35		0.89
Miscellaneous Income		22.23		22.85
Provision written back for Loan & Equity - CCFB		-		31.18
Exchange Fluctuation Gain	-		150.12	
Less:- Exchange Fluctuation Loss	-	-	(15.95)	134.17
Dividend Income	4.82		5.54	
Less:-Dividend passed to clients	(1.45)	3.37	-	5.54
Total		**259.63**		**441.58**

*** Interest on loan to Related Parties:**

(Rs. in Crore)

Particulars of Related Parties	31 March 2017	31 March 2016
- Companhia Dos Caminhos De Ferro Da Beira SARL	-	25.26
- Ircon Infrastructure & Services Ltd.	2.63	3.91
- Chhattisgarh East Railway Limited	6.27	4.92
- Chhattisgarh East-West Railway Limited	4.87	0.43
- IRCON AFCON JV	0.20	0.78
- Ircon Shivpuri Guna Tollway Ltd.	1.89	-
- Ircon PB Tollway Ltd.	0.97	-
	16.83	**35.30**

22. Operating and Other Expenses (Administrative)

(Rs. in Crore)

Particulars	Foot note	Operating		Other Expenses (Administrative)	
		For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2017	For the year ended 31st March 2016
Materials and Stores consumed:					
Opening Balance		89.87	58.42	-	-
Add: Purchases during the year *		321.04	367.51	-	-
		410.91	425.93	-	-
Closing Balance		38.92	89.87		
		371.99	336.06		
Work Expenses		2,076.67	1,479.72	-	-
Increase / Decrease in WIP		(47.86)	5.05	-	-
Design, Drawing, Business Development & Consultancy Charges		13.45	31.32	-	-
Inspection, Geo Technical Investigation & Survey Exp. Etc		13.55	5.12	-	-
Repairs and Maintenance of Machinery		11.50	14.29	-	-
Hire charges of machinery		4.94	9.92	-	-
Exchange Fluctuation Loss		71.48	-	-	-
Less:- Exchange Fluctuation Gain		33.13	-	-	-
Net Exchange Fluctuation Loss		38.35		-	-
Rent - Non-residential		5.29	4.77	1.00	0.13
Rates and Taxes		30.30	21.44	1.38	0.57
Vehicle Operation and Maintenance		9.99	8.94	1.37	1.01
Repairs and Maintenance					
- Building		0.07	0.12	0.91	0.55
- Office and Others		3.23	2.49	3.83	2.71
Power, Electricity and Water charges		2.19	2.57	1.57	1.61
Insurance		5.55	5.13	0.04	0.03
Travelling & conveyance		9.02	8.53	2.25	1.82
Printing & stationery		1.19	1.28	0.56	0.41
Postage, telephone & telex		1.51	1.74	0.46	0.51
Legal & Professional charges		5.45	4.38	4.03	2.96
Security services		3.68	4.00	0.41	0.24
Business promotion		0.39	0.88	0.34	0.20
Write-off of :					
- Bad debts		0.60	0.33	-	-
- Bad advances		1.99	0.59	-	-
- Bad assets		0.11	0.02	-	-
Loss on sale of Assets/Stores		-	-	0.03	0.03
Director sitting fee		-	-	0.07	-
Donation		-	-	0.04	0.01
Auditors remuneration	(i)	-	-	0.60	0.53
Advertisement & publicity		-	-	6.18	3.64
Training & Recruitment		-	-	0.27	0.53
Corporate social responsibility (Refer Note 46)		-	-	5.89	6.24
Miscellaneous expenses		2.86	3.39	1.27	1.01
Provisions (Addition-Write Back) (Refer Note 16)		(9.09)	23.46	-	-
Provisions Utilised (Refer Note 16)		(78.29)	(87.48)	-	-
Total		**2,478.65**	**1,888.07**	**32.50**	**24.74**

(i) Payment to Statutory Auditors :

(Rs. in Crore)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(a) Audit Fee - current year	0.33	0.34
(b) Tax Audit Fees - current year	0.10	0.07
(c) Certification Fees	0.05	0.03
(d) Travelling & out of pocket expenses :		
- Local	0.07	0.08
- Foreign	0.05	0.01
Total	**0.60**	**0.53**

* Includes Exchange gain/ loss due to implementation of Ind AS for Rs. 0.13 crore (As at 31st March 2016 : Rs. 0.02 crore).

23. Employee Remuneration and Benefits

(Rs. in Crore)

Particulars	Foot Note	For the year ended 31st March 2017			For the year ended 31st March 2016		
		Operating	Other Expenses (Administrative)	Total	Operating	Other Expenses (Administrative)	Total
Salaries, wages and bonus	(i)	99.99	40.42	140.41	106.15	34.46	140.61
Contribution to provident and other funds		6.79	4.05	10.84	6.66	3.51	10.17
Foreign service contribution		0.76	0.84	1.60	0.41	0.20	0.61
Retirement Benefits		12.92	(17.20)	(4.28)	12.75	10.25	23.00
VRS expenses		-	0.00	0.00	-	-	-
Staff Welfare		1.27	0.54	1.81	1.40	0.48	1.88
Total		**121.73**	**28.65**	**150.38**	**127.37**	**48.90**	**176.27**

Foot Notes :-

Includes income-tax on non-monetary perks **Rs. 0.33 crore** (As at 31st March 2016 : Rs. 0.33 crore).

24. Finance Cost

(Rs. in Crore)

Particulars	Foot Note	For the year ended 31st March 2017	For the year ended 31st March 2016
Interest Expense	(i)	11.94	7.75
Other Borrowing Cost			
- Bank Guarantee & Other Charges		8.34	8.82
Interest on Unwinding of financial Instruments		29.66	10.95
Amortisation of financial Instruments		7.31	4.15
Unwinding of discount on provisions		3.35	11.52
Total		**60.60**	**43.19**

Foot Notes :-

Includes interest on income-tax **Rs. 9.65 crore** (As at 31st March 2016 : Rs. 7.50 crore).

25. Depreciation, amortization and impairment

(Rs. in Crore)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Property, Plant and Equipment	16.34	28.13
Intangible Assets	0.23	0.04
Investment Property	0.05	0.05
Impairment of Assets	1.26	-
Total	17.88	28.22

26. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below

(Rs. in crore)

	Re-measurement of defined benefit plans	
Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Items that will not be reclassified to profit or loss	4.82	1.32
Income Tax relating to Items that will not be reclassified to profit and loss	(1.67)	(0.46)
Total	3.15	0.86

(Rs. in crore)

Particulars	Foreign Currency Translation	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Items that will be reclassified to profit or loss	16.16	(57.46)
Income Tax relating to Items that will be reclassified to profit and loss	(5.59)	25.94
Total	10.57	(31.52)
Grand Total	13.72	(30.66)

27. Prior Period Errors

(Rs. in crore)

Particulars	31 March 2016	**1 April 2015**
Impact on equity (increase/(decrease) in equity)		
Trade Payable current	3.35	3.05
Other Financial Liabilities current	(0.03)	(0.37)
Other Current Assets	(0.29)	(1.24)
Other Current Liabilities	23.98	19.20
Provision for Legal cases	(0.51)	(0.51)
Other Financial assets current	0.67	0.00
Net Impact on Equity	27.17	20.13
Particulars	31 March 2017	31 March 2016
Impact on statement in profit and loss (increase/(decrease) in profit)		
Revenue from Operations	(5.72)	7.47
Other Income	(1.10)	(18.10)
Operating & Other Expenses (Administrative)	(0.21)	(3.34)
Other Expenses	-	0.45
Attributable to Equity Holders	(7.03)	(13.52)
Impact on basic and diluted earnings per share (EPS) (increase/ (decrease) in EPS)		
Particulars	31 March 2017	31 March 2016
Earnings per share for continuing operation		
Basic, profit from continuing operations attributable to equity holders	(0.71)	(1.37)
Diluted, profit from continuing operations attributable to equity holders	(0.71)	(1.37)

27A. Exceptional Items

(Rs. in crore)

Particulars	31 March 2017	31 March 2016
Profit on Sale of Investments	73.69	-
Total	73.69	-

28. Fair Value Measurements

(i) Financial Instruments by Category

Particulars	As at 31st March 2017			As at 31st March 2016			As at 1st April 2015		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets									
(i) Investments									
Tax Free Bonds (including accrued interest)	-	-	309.23	-	-	304.02	-	-	178.08
Investment in mutual funds	249.91	-	-	132.48	-	-	68.39	-	-
(ii) Trade Receivables	-	-	424.66	-	-	525.40	-	-	463.27
(iii) Loans	-	-	424.61	-	-	89.69	-	-	154.72
(iv) Retention Money and Money Withheld	-	-	141.80	-	-	173.82	-	-	152.94
(v) Security Deposit with Govt. Dept. & Others recoverable	-	-	124.94	-	-	94.99	-	-	17.36
(vi) Cash and Cash Equivalents	-	-	1,394.70	-	-	2,457.02	-	-	1,188.95
(vii) Bank Balances other than (vi) above	-	-	3,262.83	-	-	2,096.08	-	-	2,032.43
(viii) Others - Financial Assets	-	-	192.49	-	-	184.04	-	-	124.09
Total Financial Assets	249.91	-	6,275.27	132.48	-	5,925.06	68.39	-	4,311.84
Financial Liabilities									
(i) Trade payables	-	-	363.46	-	-	411.48	-	-	455.60
(ii) Security Deposits & Retention Money	-	-	632.79	-	-	591.60	-	-	589.87
(iii) Others - Financial Liability	-	-	43.32	-	-	27.96	-	-	16.36
Total Financial Liabilities	-	-	1,039.57	-		1,031.04	-	-	1,061.83

(ii) Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

(Rs. in crore)

Particulars	Carrying value			Fair value		
	31 March 2017	31 March 2016	**01 April** 2015	31 March 2017	31 March 2016	**01 April** 2015
Financial Asset						
Tax Free Bonds	309.23	304.02	178.08	293.32	292.98	175.61
Investment in mutual funds	249.91	132.48	68.39	249.91	132.49	68.39
Retention Money and Money Withheld	141.80	173.82	152.94	141.00	173.22	152.94
Security Deposit with Govt. Dept. & Others	124.94	94.99	17.36	124.97	95.14	17.36
Total Assets	825.88	705.31	416.77	809.20	693.82	414.30
Financial Liabilities						
Amortised Cost						
Trade Payables	363.46	411.48	455.60	361.46	411.47	455.60
Security Deposits & Retention Money	632.79	591.60	589.87	627.47	597.70	589.87
Total Liabilities	996.26	1,003.08	1,045.47	988.92	1,009.17	1,045.47

i) The carrying amounts of current trade receivables, trade payables, security deposits and retention money, cash and cash equivalents, bank balances and other financial assets and liabilities are considered to be the same at their fair values, due to their short term nature.

ii) The fair value of long term security deposits, retention money and long term trade payables were calculated based on cash flows discounted using current market rate. They are classified as level 3 fair values hierarchy due to inclusion of unobservable inputs.

iii) Investment in unquoted equity of subsidiaries and joint ventures are stated at carrying value as per Indian GAAP as on 31-3-2015 as per exemption provided by para 10 of IND AS 27.

iv) Loans and Advances given to related parties are at market rate, therefore the carrying amount of such loans and advances are equal to their fair value.

v) Staff loans and advances continue to be carrying at previous GAAP values as measurement impact is immaterial.

Fair value hierarchy

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

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

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

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis and at amortised cost

Quantitative disclosures fair value measurement hierarchy for financial assets as on 31March 2017:-

(Rs. in crore)

	Fair Value measurement				
	Date of **valuation**	**Total**	Quoted prices in **active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial assets measured at fair value on recurring basis:					
Investment in mutual fund	31.3.2017	249.91	249.91	-	-
Financial assets measured at Amortised Cost for which fair value are disclosed:					
Investment in Tax free Bonds	31.3.2017	293.32	293.32	-	
Retention Money and Money Withheld	31.3.2017	141.00	-	-	141.00
Security Deposit with Govt. Dept. & Others	31.3.2017	124.97	-	-	124.97

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31March 2017:-

(Rs. in crore)

	Fair value measurement using				
	Date of **valuation**	**Total**	Quoted prices **inactive** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial Liabilities measured at Amortised Cost for which fair value are disclosed:					
Trade Payables	31.3.2017	361.46	-	-	361.46
Security Deposits & Retention Money	31.3.2017	627.47	-	-	627.47
Financial guarantee contracts liability	31.3.2017	0.04	-	-	0.04

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Quantitative disclosures fair value measurement hierarchy for financial assets as on 31March 2016:-

(Rs. in crore)

	Fair value measurement using				
	Date of **valuation**	**Total**	Quoted prices **in active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial assets measured at fair value on recurring basis:					
Investment in mutual fund	31.3.2016	132.49	132.49	-	-
Financial assets measured at Amortised Cost for which fair value are disclosed:					
Investment in Tax free Bonds	31.3.2016	292.98	292.98	-	-
Retention Money and Money Withheld	31.3.2016	173.22	-	-	173.22
Security Deposit with Govt. Dept. & Others	31.3.2016	95.14	-	-	95.14

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31March 2016:-

(Rs. in crore)

	Fair value measurement using				
	Date of **valuation**	**Total**	Quoted **prices inactive markets (Level** 1)	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial Liabilities measured at Amortised Cost for which fair value are disclosed:					
Trade Payables	31.3.2016	411.47	-	-	411.47
Security Deposits & Retention Money	31.3.2016	597.70	-	-	597.70
Financial guarantee contracts liability	31.3.2016	0.13	-	-	0.13

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Quantitative disclosures fair value measurement hierarchy for financial assets as on 01 April 2015:-

(Rs. in crore)

	Fair value measurement using				
	Date of **valuation**	**Total**	Quoted prices **in active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial assets measured at fair value on recurring basis:					
Investment in mutual fund	01.04.2015	68.39	68.39	-	-
Financial assets measured at Amortised Cost for which fair value are disclosed:					
Investment in Tax free Bonds	01.04.2015	175.61	175.61	-	-
Retention Money and Money Withheld	01.04.2015	152.94	-	-	152.94
Security Deposit with Govt. Dept. & Others	01.04.2015	17.36	-	-	17.36

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 01 April 2015:-

(Rs. in crore)

	Fair value measurement using				
	Date of **valuation**	**Total**	Quoted **prices inactive** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial Liabilities measured at Amortised Cost for which fair value are disclosed:					
Trade Payables	01.04.2015	455.60	-	-	455.60
Security Deposits & Retention Money	01.04.2015	589.87	-	-	589.87
Financial guarantee contracts liability	01.04.2015	0.28	-	-	0.28

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

iii Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include loans to related parties, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investment in mutual funds and tax free bonds. The Company's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Foreign Currency Risk and Interest rate risk. Financial instruments affected by market risk includes trade receivables, trade payable and other non derivative financial instruments.

(i) Foreign Currency Risk

The company operated internationally and is exposed to insignificant foreign currency risk (since receipts & payments in foreign currency are generally matched) arising form foreign currency transactions, primarily with respect to the US $, EURO, YEN, BDT, DZD, LKR, MZN, BTN, ZAR, NPR and MYR. Significant foreign currency risk of company are naturally hedged. (Refer Note No. 36)

ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes tax free bonds and deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top five projects.

(Rs. in crore)

Particulars	For the period ended	
	31 March ,2017	31 March ,2016
Revenue from top Projects		
Revenue from top 5 Projects	1,509.59	1,162.60
	1,509.59	1,162.60

(i) Provision for Expected Credit Losses

As At 31.03.2017

a) Expected Credit Loss for Trade Receivables under simplified Approach

(Rs. in crore)

Ageing	< 6 M	> 6 < 12	> 12 < 24	> 24 < 36	> 36	**Total**
Gross Carrying Amount	350.15	34.58	32.40	7.93	20.44	445.51
Expected Credit rate	0.15%	0.00%	0.00%	8.67%	96.04%	4.68%
Expected Credit losses (Loss provision Allowance)	0.53	-	-	0.69	19.63	20.85
Gross Carrying Amount of Trade **Receivables**	349.62	34.58	32.40	7.24	0.81	424.66

b) Expected Credit Loss for loans and investments

Particulars		Assets Group	Carrying **Value**	Expected **Probability of Default**	Expected credit Loss	Carrying Amount Net of Expected credit Loss
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and not credit impaired	Security Deposits and EMD	10.13	7.84%	0.79	9.33
		Interest Accrued on Advances to Staff	-	100%	-	-
		Retention Money & Security Deposit	154.64	8.30%	12.84	141.80
			164.77		13.63	151.13

As At 31.03.2016

a) Expected Credit Loss for Trade Receivables under simplified Approach

Ageing	< 6 M	> 6 < 12	> 12 < 24	> 24 < 36	> 36	**Total**
Gross Carrying Amount	485.88	19.17	15.73	4.91	15.55	541.22
Expected Credit rate	0.00%	0.00%	5.76%	0.00%	95.94%	2.92%
Expected Credit losses (Loss provision Allowance)	-	-	0.91	-	14.92	15.82
Gross Carrying Amount of Trade **Receivables**	485.88	19.17	14.82	4.91	0.63	525.40

b) Expected Credit Loss for loans and investments

Particulars		Assets Group	Carrying **Value**	Expected **Probability of Default**	Expected credit Loss	Carrying Amount Net of Expected credit Loss
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and not credit impaired	Security Deposits and EMD	9.58	18.67%	1.79	7.79
		Interest Accrued on Advances to Staff	-	100%	-	-
		Retention Money & Security Deposit	187.88	7.48%	14.06	173.82
			197.46		15.85	181.61

As At 01.04.2015

a) Expected Credit Loss for Trade Receivables under simplified Approach

Ageing	< 6 M	> 6 < 12	> 12 < 24	> 24 < 36	> 36	**Total**
Gross Carrying Amount	395.37	9.33	42.06	22.30	10.47	479.52
Expected Credit rate	0.12%	7.37%	3.54%	14.19%	99.81%	3.39%
Expected Credit losses (Loss provision Allowance)	0.46	0.69	1.49	3.16	10.45	16.25
Gross Carrying Amount of Trade **Receivables**	394.91	8.64	40.57	19.14	0.02	463.27

b) Expected Credit Loss for loans and investments

Particulars		Assets Group	Carrying **Value**	Expected **Probability of Default**	Expected credit Loss	Carrying Amount Net of Expected credit Loss
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and not credit impaired	Security Deposits and EMD	10.91	21.80%	2.38	8.53
		Retention Money & Security Deposit	167.32	8.60%	14.38	152.94
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and credit impaired	Investment *	5.53	100%	5.53	-
		Loans *	25.46	100%	25.46	-
		Interest on Loans *	0.19	100%	0.19	-
			209.41		47.94	161.47

* Assets Group belongs to Joint Venture CCFB, Which has been settled during FY 2015-16

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2017, 31 March 2016 and 1 April 2015.

(Rs. in crore)

Particulars	As on 31 March,2017		
	Less than 1 Year	1-2 years	**2 Years and above**
Trade payables	267.80	0.51	59.12
Other financial liabilities	593.11	78.02	103.05

(Rs. in crore)

Particulars	As on 31 March, 2016		
	Less than 1 Year	1-2 years	**2 Years and above**
Trade payables	301.26	3.00	64.19
Other financial liabilities	544.94	74.45	64.60

(Rs. in crore)

Particulars	**As on 1April,2015**		
	Less than 1 Year	1-2 years	**2 Years and above**
Trade payables	375.10	2.75	45.76
Other financial liabilities	572.77	63.23	29.92

d) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

iv Capital Management

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holders. Currently company does not have any borrowings.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. No changes were made in the objectives, policies or processes of managing capital during the year ended 31st March 2017.

29. First-time adoption of Ind-AS

These standalone financial statements of Ircon International Limited for the year ended March 31, 2017 have been prepared in accordance with IndAS. For the purposes of transition to IndAS, the Company has followed the guidance prescribed in IndAS 101-First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

The transition to IndAS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended March 31, 2017 and the comparative information.

Exceptions / Exemptions availed on first time adoption of Ind AS 101

1. Estimates :

   Present estimates should be consistent with estimates made under the previous GAAP unless:

   i) There was an error, or

   ii) The estimate and related information under previous GAAP is no longer relevant because the entity elects a different accounting policy on the adoption of Ind AS.

   In our case present estimates are consistent with estimates made under the previous GAAP

2. De-recognition of financial assets and financial liabilities :

   The company has elected to apply the de-recognition requirements for financial assets & financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

3. Classification and measurement of financial assets :

   The company has classified and measured the financial assets in accordance with the Ind AS 109, on the basis of facts &circumstances that exist at the date of transition to IndAS.

4. Deemed Cost (Ind-AS 16&Ind AS 38) :

   Previous GAAP carrying value to be considered as 'deemed cost' as on transition date for Property, Plant and Equipment (after adjusting decommissioning liabilities, if any), intangibles Assets.

5. Investments in subsidiaries, Joint ventures and associates (Ind-AS 27- Separate Financial Statement):

   In Standalone financial statements, investments in subsidiaries, joint ventures and associates to be recorded at deemed cost which is previous GAAP carrying amount at that date.

6. Decommissioning liabilities included in the cost of Property, Plant and Equipment(Ind AS 16 -Property, Plant and Equipment) :

   Company has adopted to measure decommissioning liability on the date of transition to Ind AS prospectively. The obligation shall be capitalized as a separate component of PPE, together with the accumulated depreciation from the date the obligation was incurred to the transition date. The amount to be capitalized as part of the cost of the asset shall be calculated by discounting the liability back to the date the obligation initially arose using the best estimate of the historical risk adjusted discount rates. The associated accumulated depreciation shall be calculated by applying the current estimate of the useful life of the asset, using the entity's depreciation policy for the asset.

7. Non-current assets held for sale(Ind-AS 105) :

   Company has adopted to measure such assets at transition date at lower of carrying value and fair value and difference, if any, shall be transferred to retained earnings.

Reconciliation of Equity as at 1st April 2015 (at the date of Transition)

(Rs. in crore)

Particulars		Foot Notes	INDIAN (GAAP) *	Adjustments	IND AS
I.	**ASSETS**				
1	Non-current assets				
	(a) Property, Plant and Equipment	9	155.02	10.45	165.47
	(b) Capital work-in-progress		0.38	-	0.38
	(c) Investment Property		270.40	-	270.40
	(d) Other Intangible assets		0.03	-	0.03
	(e) Intangible assets under development		1.01	-	1.01
	(f) Financial Assets			-	-
	(i) Investments	7,14	407.79	0.30	408.09
	(ii) Trade Receivables	5	50.01	(5.30)	44.71
	(iii) Loans		134.31	-	134.31
	(iv) Others	5	5.39	(0.52)	4.87
	(g) Deferred tax assets (Net)	3	274.31	(5.76)	268.55
	(h) Other non-current assets	2,5	245.33	3.09	248.42
			1,543.98	2.26	1,546.24
2	Current assets				
	(a) Inventories	9	114.29	0.14	114.43
	(b) Financial Assets			-	
	(i) Investments		68.39	-	68.39
	(ii) Trade Receivables		571.50	-	571.50
	(iii) Cash and cash equivalents		1,189.04	(0.09)	1,188.95
	(iv) Bank Balances other than (iii) above		2,032.43	-	2,032.43
	(v) Loans	9	20.41	-	20.41
	(vi) Others		148.47	-	148.47
	(c) Current Tax Assets (Net)		12.87	-	12.87
	(d) Other current assets	5	806.85	0.20	807.05
			4,964.25	0.25	4,964.50
	Total Assets		6,508.23	2.51	6,510.74
II.	**EQUITY AND LIABILITIES**				
1	Equity				
	(a) Equity Share Capital		19.80	-	19.80
	(b) Other Equity		3,333.71	168.31	3,502.02
			3,353.51	168.31	3,521.82
2	**Liabilities**				
(i)	**Non-current liabilities**				
	(a) Financial Liabilities				
	(i) Trade Payables	6	8.38	(0.48)	7.90
	(ii) Other financial liabilities	6,14	102.37	(21.47)	80.90
	(b) Provisions	8,9	351.03	(11.27)	339.76
	(c) Other Non-Current Liability	6	69.24	15.84	85.08
			531.02	(17.38)	513.64

Particulars		Foot Notes	INDIAN (GAAP) *	Adjustments	IND AS
ii	**Current Liabilities**				
	(a) Financial Liabilities				
	(i) Trade payables	2,9	450.85	(3.15)	447.70
	(ii) Other financial liabilities	2,9,14	524.79	0.53	525.32
	(b) Other current liabilities	2,6,9	1,080.60	(13.16)	1,067.44
	(c) Provisions	1,2,9	451.04	(132.64)	318.40
	(d) Current Tax liability (Net)		116.42	-	116.42
			2,623.70	(148.42)	2,475.28
	Total Equity and Liabilities		6,508.23	2.51	6,510.74

* The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirements for the purpose of this note.

Reconciliation of Equity as at 31st March 2016

(Rs. in crore)

Particulars		Foot Notes	INDIAN (GAAP) *	Adjustments	IND AS
I.	**ASSETS**				
1	Non-current assets				
	(a) Property, Plant and Equipment	9	140.22	6.18	146.40
	(b) Capital work-in-progress		1.50	-	1.50
	(c) Investment Property		278.18	0.01	278.19
	(d) Other Intangible assets		0.10	0.00	0.10
	(e) Intangible assets under development		1.01	(0.00)	1.01
	(f) Financial Assets			-	
	(i) Investments	7,14	604.99	0.29	605.28
	(ii) Trade Receivables	5	2.81	(0.27)	2.54
	(iii) Loans		85.73	0.00	85.73
	(iv) Others	5	84.90	(0.67)	84.23
	(g) Deferred tax assets (Net)	3	222.03	0.28	222.31
	(h) Other non-current assets	5	250.05	(0.65)	249.40
			1,671.52	5.17	1,676.69
2	Current assets				
	(a) Inventories	9	140.63	(0.02)	140.61
	(b) Financial Assets			-	
	(i) Investments	12	137.52	0.50	138.02
	(ii) Trade Receivables	5	700.66	(3.97)	696.69
	(iii) Cash and cash equivalents		2,457.05	(0.03)	2,457.02
	(iv) Bank Balances other than (iii) above		2,096.08	(0.00)	2,096.08
	(v) Loans	9	3.95	0.00	3.95
	(vi) Others	2,9	207.03	0.41	207.44
	(c) Current Tax Assets (Net)		18.98	(0.00)	18.98
	(d) Other current assets	2,5,9,10	694.96	6.35	701.31
			6,456.86	3.24	6,460.10
	Total Assets		8,128.38	8.41	8,136.79

Particulars		Foot Notes	INDIAN (GAAP) *	Adjustments	IND AS
II.	**EQUITY AND LIABILITIES**				
1	Equity				
	(a) Equity Share Capital		19.80	-	19.80
	(b) Other Equity		3,510.46	136.75	3,647.21
			3,530.26	136.75	3,667.01
2	**Liabilities**				
(i)	**Non-current liabilities**				
	(a) Financial Liabilities				
	(i) Trade Payables	6	5.82	(0.19)	5.63
	(ii) Other financial liabilities	6,14	143.80	(32.90)	110.90
	(b) Provisions	8	155.54	(5.76)	149.78
	(c) Other Non-Current Liability	6	936.21	20.40	956.61
			1,241.37	(18.45)	1,222.92
(ii)	**Current liabilities**				
	(a) Financial Liabilities				
	(i) Trade payables	2,6,9	406.63	(0.78)	405.85
	(ii) Other financial liabilities	2,6,9,14	510.20	(1.54)	508.66
	(b) Other current liabilities	2,6,9	1,909.76	7.20	1,916.96
	(c) Provisions	1,2,9	468.91	(114.77)	354.14
	(d) Current Tax liability (Net)		61.25	0.00	61.25
			3,356.75	(109.89)	3,246.86
	Total Equity and Liabilities		8,128.38	8.41	8,136.79

* The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirements for the purpose of this note.

Reconciliation of total comprehensive income for the year ended 31st March 2016

(Rs. in crore)

Particulars		Foot Notes	INDIAN (GAAP)*	Adjustments	IND AS
I.	**Revenue :**				
	Revenue from operations	2, 9	2,299.10	15.49	2,314.59
	Add :- Company share of turnover in Integrated Joint Operations		103.92	-	103.92
			2,403.02	15.49	2,418.51
II.	Other income	2, 5, 6, 7, 10, 11,12,14	397.70	43.88	441.58
III.	**Total Income (I + II)**		2,800.72	59.37	2,860.09
IV.	**Expenses:**				
	Operating Expenses	2,8,9	1,894.23	(6.16)	1,888.07
	Employee benefits expenses	4,9	174.30	1.97	176.27
	Finance costs	5,6,9	16.52	26.67	43.19
	Depreciation, amortization and impairment	9	26.18	2.04	28.22

(Rs. in crore)

Particulars		Foot Notes	INDIAN (GAAP)*	Adjustments	IND AS
	Other Expenses (Administrative)	2.9	25.08	(0.34)	24.74
	Proportionate share of expenses in Integrated Joint Operations		97.25	(0.01)	97.24
	Total Expenses (IV).		2,233.56	24.17	2,257.73
V.	**Profit/(loss) Before exceptional items** and Tax (III - IV)		567.16	35.21	602.36
VI.	Exceptional items		-	-	-
VII.	Profit/(Loss) before tax (V - VI)		567.16	35.21	602.36
VIII.	Tax expense:				
	(1) Current tax				
	- For the year	13	130.62	19.43	150.05
	- For earlier years (net)		4.98	-	4.98
	(2) Deferred tax (net)		52.29	-	52.29
	Total Tax Expense (VIII)		187.89	19.43	207.32
IX	**Profit/(loss) for the year from continuing operation (VII - VIII)**		379.27	15.77	395.04
X	Other Comprehensive Income				
	A. (i) Items that will not be reclassified to profit or loss	4	-	1.32	1.32
	(ii) Income Tax relating to Items that will not be reclassified to profit or loss	13	-	(0.46)	(0.46)
	B. (i) Items that will be reclassified to profit or loss	9	-	(57.46)	(57.46)
	(ii) Income Tax relating to Items that will be reclassified to profit or loss	13	-	25.94	25.94
	Other Comprehensive Income		-	(30.66)	(30.66)
XI	**Total Comprehensive Income for the year (IX +X) (Comprising profit and other** comprehensive income for the year)		379.27	(14.89)	364.38
XII	Earnings Per Equity Share:				
	(For Continuing Operation)				
	(1) Basic		38.32	(1.50)	36.81
	(2) Diluted		38.32	(1.50)	36.81

* The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirements for the purpose of this note.

Reconciliation of Total Equity as at 31st March 2016 and 1st April 2015

(Rs in crore)

Particulars	Note No.	31 March 2016		01 April 2015	
Equity Share Capital			19.80		19.80
Other Equity			3,510.46		3,333.71
Total Equity (shareholder's fund) as per previous GAAP			3,530.26		3,353.51
Adjustments					
Carry forward of Impact on the date of transition		168.31		-	

(Rs in crore)

Particulars	Note No.	31 March 2016		01 April 2015	
Prior period Adjustment	2	-		20.13	
Proposed Dividend and dividend Tax thereon 15-16	1	107.23		-	
Proposed Dividend and dividend Tax thereon 14-15	1	(123.90)		123.90	
Adjustment for Lease Income	10	-		0.10	
Fair Valuation of Bonds at Amortised Cost	7	-		0.02	
Discounting of Provisions	8	-		20.53	
Exchange difference on Translation	9	-		3.63	
Impact of Profit or loss including OCI during 2015-16		(14.89)	136.75	-	168.31
Total Equity (shareholder's fund) as per Ind-AS			3,667.01		3,521.82
Equity Share Capital			19.80		19.80
Other Equity			3,647.21		3,502.02

Reconciliation of Total Comprehensive Income for the year ended 31st March 2016

(Rs in crore)

Particulars	Note No.	31 March 2016	
Profit after tax as per previous GAAP			379.27
Adjustments :			
Remeasurement of Post Employment benefit obligations	4	1.32	
Tax Effect on adjustment for remeasurement of Post Employment Benefit obligations	13	(0.46)	
Prior Period Adjustment	2	(13.52)	
Interest income on unwinding of financial instruments	5	3.98	
Amortisation of financial instrument	6,14	11.92	
Interest Expense on unwinding of financial instrument	6	(10.95)	
Amortisation of financial Instruments	5	(4.15)	
Adjustment for Lease Income	10	0.14	
Income from Mutual Funds	12	0.50	
Interest Income on Bonds	7	(0.01)	
Unwinding of discount on provisions	8	(11.52)	
Discounting of addition of provision made during 2015-16	8	9.42	
Exchange gain and deferred tax	13,9	29.10	15.77
Profit after tax as per Ind-AS			395.04
Other comprehensive Income			
(i) Items that will not be reclassified to profit and loss (including tax)		0.86	
(ii) Items that will be reclassified to profit and loss (including tax)		(31.52)	(30.66)
Total comprehensive income as per Ind-AS			364.38

Foot Notes:-

1. Proposed Dividend
   Company will recognise a liability for dividend (including dividend distribution tax) in the period when the dividend are approved by the shareholders. Therefore provision made for proposed dividend as per GAAP as at 31-3-2016

of Rs. 107.22 crore and as at 1-April 2015 of Rs 123.90 crore including CDT has been reversed and booked in the year in which it was declared by shareholder in AGM. Therefore, there is decrease in provisions by Rs 107.22 crore as at 31.03.2016 and by Rs 123.90 crore as at 01.04.2015 with corresponding increase in retained earnings by an equivalent amount.

2. Prior Period

Under Ind-AS 8, Accounting Policies, change in accounting estimates and errors, material prior period error shall be corrected by retrospective restatement. A Prior period income of Rs 20.54 crore was recognised in FY 2015-16 has been restated as at 1 April 2015, This restatement result in to increase in retained earnings with corresponding increase in Assets/ Liabilities by Rs. 20.54 crore as at 01.04.2015.

Prior period income of Rs 7.03 crore for the period ended 31 March 2017 has been reversed during FY 2016-17, out of which expenses of Rs 0.42 crore adjusted in retained earnings in opening balance sheet and income of Rs.7.45 crore has been recognised in FY 2015-16 with corresponding increase/decrease in Assets/ Liabilities. (for details refer note 27)

3. Deferred Tax

As per Ind-AS company has recognised the deferred tax assets of Rs. 222.31 crore as at 31-March 2016 and of Rs. 268.55 crore as at 1 April 2015, therefore there is increase in retained earnings by Rs. 6.05 crore as at 31-March 2016 and of Rs. 5.76 crore as at 1 April 2015.

4. Remeasurement of Defined benefits Plans

Under Ind-AS Actuarial gain & (loss), and its tax component has been recognised in other comprehensive income, under previous GAAP, these Actuarial gain & (loss) are become part of profit and loss, which result in to decrease in employee benefit expenses and increase in other comprehensive income by Rs. 1.32 crore, however there is no impact on Equity.

5. Financial Assets

Security deposits/Retention Money has been recognised at amortised cost of Rs. 2.54 crore as at 31-03-2016 (at fair value of Rs. 44.71 crore as at 01-04-2015) and the difference of Rs. 0.27 crore as at 31-03-2016 (Rs. 5.30 crore as at 01-04-2015) recognised recognised as fair value adjustments.

Security deposits with government and others has been recognised at amortised cost of Rs. 33.18 crore at 31-03-2016 (at fair value of Rs. 1.39 crore as at 01-04-2015) and the difference of Rs. 0.67 crore as at 31-03-2016 (Rs. 0.52 crore as at 01-04-2015) recognised as fair value adjustments.

Net impact on non current assets is Rs 0.66 crore (as at 01.04.2015 Rs 3.09 crore) and in current assets by Rs 6.35 crore as at 01.04.2015 Rs 0.20 crore) as at 31.03.2016 including prior period adjustments and translation differences and other Ind-AS adjustments.

During the financial year 2015-16, company had recognised interest income of Rs. 3.98 crore on security deposits and amortised Rs. 4.15 crore from fair value adjustments. This has resulted into decrease in profit by Rs 0.18 crore.

6. Financial Liabilities

Trade payables has been recognised at amortised cost of Rs. 411.48 crore as at 31-03-2016 (as at fair value of Rs. 455.60 crore as at 01-04-2015) and the difference of Rs. 0.97 crore as at 31-03-2016 (Rs. 3.63 crore as at 01-04-2015) recognised as fair value adjustments in other liabilities. (above figures included both current and non current)

Deposits and Retention money has been recognised at amortised cost of Rs. 61.94 crore as at 31-03-2016 (at fair

value of Rs. 60.59 crore as at 01-04-2015) and the difference of Rs. 34.57 crore as at 31-03-2016 (Rs. 3.63 crore as at 01-04-2015) recognised as as fair value adjustments in other liabilities. (above figures included both current and non current)

Net impact on non current liabilities is Rs 20.40 crore as at 31.03.2016 (as at 01.04.2015 Rs. 1.58 crore) and in current liabilities by Rs 7.21 crore as at 31.03.2016 (as at 01.04.2015 Rs. 13.07 crore) including prior period adjustments and translation differences.

During financial year 2015-16, company recognised interest cost of Rs. 10.94 crore on financial liabilities and amortisation of financial instruments Rs. 11.76 crore. Net impact on profit and loss is Rs 0.82 crore.

7. Investments

Investment in tax free bonds has been recognised at amortised cost as at 31.3.2016 at Rs. 291.39 crore and as at 01.04.2015 at Rs 166.20 crore with corresponding increase in Interest income during the year ended 2015-16 by Rs 0.003 crore and increase in retained earnings by Rs 0.01 crore as at 01.04.2015.

8. Provisions

Provisions has been recognised at fair value where time value of money is material, which result in to decrease in retained earnings as at 01.04.2015 by Rs. 20.53 crore including translation difference of foreign operation and decrease in other operating expenses during the FY 15-16 by Rs. 9.42 crore. (above figure includes current & non current figure)

Interest cost of Rs 11.52 crore has been recognised during FY 2015-16 as unwinding of discount on provisions. This has resulted into decrease in profit by Rs. 2.10 crore.

9. Translation to Presentation Currency

Exchange difference of foreign branches whose functional currency is different from presentation currency of company has recognised in other comprehensive income as at 01.04.2015 of Rs 26.52 crore and in other comprehensive income during the FY 2015-16 by Rs (57.46) crore with corresponding increase or decrease in other assets and liabilities. Net impact on equity as at 01.04.2015 is Rs 3.63 crore.

10. Under Ind-AS, Lease income has been recognised on SLM basis where increase has not in line with general inflation, income of Rs 0.09 crore has been recognised in retained earnings as at 01.04.2015 and Rs 0.14 crore in other income during the FY 2015-16 which result in to increase in other equity and in other current assets by same amount.

11. Under the previous GAAP, Investment properties were presented as Property, Plant and Equipment. Under Ind-AS Investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity and on profit as a result of the adjustment

12. Investment in mutual funds

During FY 2015-16 investment in Mutual Funds has been recognised at FVTPL, therefore there is increase in other income by Rs 0.49 crore during FY 2015-16 with corresponding increase in investment in mutual funds.

13. Difference in tax expenses

Difference in tax expenses is due to reclassification of tax items from profit & loss to items of other comprehensive income, there is no impact on equity and tax expenses during financial year 2015-16. However Rs. 6.05 crore has been recognised as deferred tax expenses during financial year 2015-16.

14. Financial Guarantee Contracts

In accordance with Ind AS 109, company has recognised a financial guarantee contracts obligation of Rs. 0.04 crore as at 31.03.2017, Rs. 0.13 crore as at 31.03.2016 and Rs. 0.28 crore as at 01.04.2015. Therefore there is an increase in investment with corresponding increase in other financial liability with the same amount. During financial year 2015-16, the company has recognised Rs. 0.15 crore as amortisation of Financial Guarantee Contracts due to which there is an increase in other Income by Rs. 0.15 crore.

30. Contingent liabilities and Contingent Assets:

(I) Contingent Liabilities:

(a) Claims against the company not acknowledge as debt;

i. Rs. 418.82 crore (2015-16 Rs.507.80 crore, 2014-15 Rs.531.07 crore) net of provision of Rs. 56.44 crore (2015-16 Rs.111.39 crore, 2014-15 Rs. 8.86 crore). Against this the Company has counter claims of Rs. 278.24 crore (2015-16 Rs. 209.38 crore, 2014-15 Rs. 173.45 crore). Interest on claims is not considered, being unascertainable.

ii. There are some cases relating to employees/others are pending in the Courts against the Company in respect of which the liability is not ascertainable.

iii. Rs. 136.52 crore (2015-16 Rs. 261.16 crore, 2014-15 Rs. 132.66 crore) relating to Direct tax which includes Rs. 64.95 crore (2015-16 Rs. 64.95 crore, 2014-15 Rs. 64.95 crore) on account of appeal filed by Income tax department before Income Tax appellate tribunal (ITAT) against order passed by Commissioner of Income tax (Appeals) in favour of company.

iv. Indirect tax disputed demands under appeal Rs. 266.27 crore (2015-16 Rs.229.95 crore, 2014-15 Rs. 186.06 crore) of which Rs. NIL (2015-16 Rs. 110.44 crore, 2014-15 Rs. NIL) has been reimbursed by the client and Rs. 61.35 crore (2015-16 Rs. 28.83 crore, 2014-15 Rs. 114.16 crore) are reimbursable from the clients.

(b) Guarantees excluding financial guarantee

In respect of Joint arrangements:

i. Indemnity bond for international Metro Civil Contractor of **Rs. Nil** (Rs.1.24 crore).

ii. Sales-tax liability of International Metro Civil Contractor of Rs. 4.25 crore (Rs. 4.25 crore) and Service Tax Rs. 1.01 crore (Rs. 1.01 crore).

iii. Corporate guarantee to Central Excise in case of Metro Tunnelling Group of **Rs. Nil** (Rs 1.54 crore).

iv. Bank guarantee in case of Ircon-RCS-PFLEIDERER of Rs.1.40 crore (Rs. 1.40 crore).

v. Income Tax liability in the case of Metro Tunnelling Group of Rs. 0.96 crore (Rs.1.05 crore).

vi. Recovery suit against the International Metro Civil Contractor by M/s Sai Engineers is Rs. 0.02 crore (Rs. 0.02 crore).

vii. Bank Guarantee in case of Ircon-Afcon JV for Rs. 25.72 crore (Rs. 52.38 crore) for Bhairab Railway Bridge Project, Bangladesh.

(c) Other money for which company is contingent liable

Pending disposal of application for extension of time by clients, company is contingently liable to pay liquidated damages to the extent of Rs. 9.67 crore (Rs.9.27crore) to the clients.

ii. **Contingent Assets:**

i) Claims raised by Ircon on some of its clients and awarded by arbitrators in favour of Ircon against which clients have

gone to court, not accounted for as receivables are Rs.179.06 crore (2015-16 Rs.121.08 crore, 2014-15 Rs. 111.23 crore) including interest calculated upto 31.03.2017 as per arbitration award.

ii) Counter Claims raised by Ircon on sub-contractors and awarded by arbitrators in favour of Ircon against which sub-contractors have gone to court, not accounted for as receivables are Rs. 8.92 crore (2015-16 Rs.2.04 crore, 2014-15 Rs. 2.04 crore).

iii) Insurance Claim of USD 0.82Mn (USD 0.79 Mn) and Ethiopian Birr 0.95 Mn(ETB 0.91 Mn) equivalent to Rs. 5.50 crore (Rs. 5.47 crore) including interest calculated upto 31.03.2017 awarded by Honourable Supreme Court of Ethiopia in favour of Ircon has not been accounted for, pending execution order by High Court of Ethiopia.

31. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) is Rs. 76.68 crore (Rs.115.75 crore).

b) Other Commitments:

Commitments for fund/providing guarantee to/on behalf of subsidiaries/ joint arrangements:

i) Counter guarantee to Indian Overseas Bank & IndusInd Bank for issuance of bank guarantee to subsidiary companies, Ircon Infrastructure & Services Ltd (IrconISL), Ircon PB Tollway Ltd (Ircon PBTL) & Ircon Shivpuri Guna Tollway Ltd (Ircon SGTL) amounting to Rs.150.00 crore (Rs.150.00 crore).Out of the total limit of Rs. 150 crore, Indian Overseas Bank &IndusInd Bank have issued bank guarantees to the extent of Rs. 41.52 crore (Rs.41.52 crore) & **Rs. Nil** (Rs.41.15 crore) respectively. Therefore, the balance limit for issuance of bank guarantees is Rs.108.48 crore (Rs.67.33 crore).

ii) For subscribing towards balance share of equity (51%) of Rs. 20.40 crore (Rs 20.40 crore) in subsidiary company, Indian Railway Stations Development Corporation Limited.

iii) For subscribing towards balance share of equity (26% each) of Rs. 20.42 crore (Rs. 43.54 crore) & Rs. 0.13 crore (Rs. 0.13 crore) in Joint venture companies, Chhattisgarh East Railway Limited and Chhattisgarh East-West Railway Limited respectively.

iv) For release of balance shareholder's loan of Rs. 52.00 crore (Rs. NIL) & Rs. NIL (Rs.19.50 crore) to Joint venture companies, Chhattisgarh East Railway Limited and Chhattisgarh East-West Railway Limited respectively.

v) For subscribing towards balance share of equity of **Rs. Nil** (Rs. 75.00 crore) in subsidiary company, Ircon PB Tollway Limited.

vi) For release of balance shareholder's loan of Rs. 272.00 crore (Rs. 352.00 crore) to subsidiary company, Ircon PB Tollway Limited.

vii) For release of balance shareholder's loan of **Rs. Nil** (Rs. 0.80 crore) to joint venture company, Companhia Dos Caminhos De Ferro Da Beira SARL.

viii) Counter guarantee to State bank of India for issuance of letter of credit to Joint operation, Ircon Afcons JV, amounting to Rs. 2.26 crore (Rs. 33.40crore).

ix) An undertaking to Punjab National Bank for non-disposal of 21% of present holding of the company (1,34,12,700 shares of Rs. 10 each) in Joint Venture Company, Ircon-Soma Tollway Private Limited, amounting to Rs.13.41 crore (Rs. 13.41 crore).

x) For subscribing towards balance share of equity for **Rs. Nil** (Rs. 80.00 crore) in subsidiary company, Ircon Shivpuri Guna Tollway Limited.

xi) For release of balance shareholder's loan of Rs. 559.46 crore (Rs. 722.11 crore) to subsidiary company, Ircon Shivpuri Guna Tollway Limited.

xii) For subscribing towards balance share of equity (26% each) for Rs.1.29 crore (1.29 crore), Rs.11.70 crore (1.30 crore) in Joint venture companies, Mahanadi Coal Railway Ltd.& Jharkhand Central Railway Ltd. respectively.

xiii) For subscribing towards balance share of equity (26% each) for Rs.0.12 crore (Rs.1.30 crore) in Joint venture company, Bastar Railway Private Ltd.

xiv) There are certain claims against the Company not acknowledged as debt Rs. 860.98 crore (Rs.710.57 crore) net of provisions of Rs. 1.13 crore (Rs. Nil). In case such claims against the Company do materialize, it will be reimbursable from the clients. Against this the company has counter claims of Rs. 950.94 crore (Rs. 632.82 crore). Interest on claims not considered, being unascertainable but would also be reimbursable.

32. The Company is liable to pay Rs. 0.70 crore(Rs.7.96 crore) on account of taxes on construction profits of Sri Lanka projects which shall be directly reimbursed by Sri Lankan Railway to Sri Lankan Inland Revenue Department. Therefore, the same has not been provided in the books of accounts.

33. (a) Since assessment year 2000-01, the Company has been claiming deduction under Section-80 IA of the Income Tax Act, 1961 in income tax returns, w.r.t. eligible infrastructure construction projects till date.

The Company has filed appeal to ITAT on disallowance by CIT(A) for the said deduction for all assessment years except assessment years 2004-05, 2005-06 and 2007-08 for which the Income Tax department has filed appeal against allowance of deduction by CIT(A).

Accordingly, the Company has made provision for tax without considering the deduction under Section 80-IA since AY 2000-01. Total amount of deduction under section 80IA is Rs.1050.03 crore (Rs.1016.32 crore) having tax impact of Rs. 357.22 crore (Rs.347.08 crore). Disposing appeal for A.Y. 2000-01, ITAT allowed deduction u/s 80IA. Following decision of ITAT, CIT (A) has allowed the deduction for A.Y. 2012-13 & 2013-14. Thus amount of deduction stands reduced to Rs. 815.98 crore having tax impact of Rs. 280.41 crore.

b) The company is offering global income for tax in India after excluding the income earned by its permanent establishments in foreign countries having Double Taxation Avoidance Agreements (DTAA) with India, as per settled legal position that such income can be taxed by source country and is not taxable in India. However, CIT (A) denied the treatment of excluding such foreign income and only gave credit for taxes paid out of India on foreign income for the AY 2006-07, 2008-09 and 2009-10.

Jurisdictional Assessing Officer has also started making the assessment in a similar manner from the AY 2010-11 onwards. Though the Company has paid tax accordingly however, it has filed an appeal to Income Tax Appellate Tribunal for all the assessment year under dispute.

Tax involved under DTAA income issue aggregates to Rs. 237.89 crore (Rs. 415.07 crore).

34. (a) The Company had 25% equity stake in Comphanhia Dos Caminhos De Ferro Da Beira SARL Mozambique (CCFB), a Joint Venture Company incorporated as per Mozambican laws in the year 2004 to execute a railway project awarded by the Government of Mozambique (GOM) on BOT basis and had paid USD 1.25 Mn (Rs. 5.53 crore. Other shareholders were RITES & CFM, Mozambique with 26% & 49% share respectively.

(b) On 8th December 2011, Government of Mozambique (GoM) unilaterally terminated the concession agreement and took over the project which in the opinion of company was unlawful and against the provision of agreement. Consequently, CCFB initiated arbitration against the said decision of GoM. Dispute has now been amicably settled with Government of Mozambique on 21st October 2015 through settlement agreement. As per the settlement agreement, IRCON will get in installments an amount of USD 40.31 Million. First installment of USD 17.93 Mn. (equivalent to INR 121.71 crore) for Ircon's share has been received on 20.01.2016. During the

year, second installment of USD 5.595 Mn (Rs.37.27 crore) received on 20.10.2016. Balance three installments of USD 5.595 Mn each are due on 18.10.2017, 18.10.2018 & 18.10.2019 which will be received through the confirmed Letter of Credit opened by Government of Mozambique.

(c) After receipt of upfront payment and establishment of Letter of Credit, Company has transferred its shareholding in Comphanhia Dos Caminhos De Ferro Da Beira SARL Mozambique (CCFB) to CFM/Mozambique Ports and Railway Company, representing the Government of Republic of Mozambique on 22.09.2016. Accordingly, Equity investment of USD 1.25 Mn has been transferred and USD 10.64 Mn (Rs. 73.69 crore) has been recognized as profit on sale of investment in the statement of profit and loss for the financial year 2016-17.

35. (a) Some of the balances shown under debtors, advances and creditors are subject to confirmation / reconciliation/ adjustment, if any. The company has been sending letters for confirmation to parties. However, the Company does not expect any material dispute w.r.t. the recoverability/payment of the same.

(b) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

36. (a) Foreign exchange recognised in the statement of profit and loss:

(Rs in crore)

Particulars	2016-17	2015-16
i) Profit or loss	(38.35)	134.17
ii) Other Comprehensive Income	16.15	(57.46)
TOTAL	(22.20)	76.71

(b) Disclosure of unhedged foreign currency exposure

The unhedged foreign currency exposure is as under:-

(Rs. in crore)

Particulars	Currency	As at 31st March 2017		As at 31st March 2016	
		Foreign Currency in crore	INR crore	Foreign Currency in crore	INR crore
Assets :					
Advance to Contractors					
	DZD	5.18	3.06	3.71	2.26
	Euro	-	-	0.01	0.42
	ZAR	2.73	13.24	-	-
	LKR	-	-	2.82	1.28
	ETB	0.02	0.06	0.49	1.52
	MYR	-	-	0.00	0.05
	NPR	1.75	1.10	1.77	1.00
	MZN	-	-	0.06	0.08
Trade Receivables					
	BTN	2.92	2.92	0.26	0.26
	BDT	-	-	1.65	1.39
	DZD	19.66	11.65	89.81	54.75
	Euro	0.13	9.16	1.07	78.39
	MYR	0.41	6.02	0.40	6.90
	ZAR	2.39	11.18	-	-
	USD	0.91	58.73	0.92	60.90

Particulars	Currency	As at 31st March 2017		As at 31st March 2016	
		Foreign Currency in crore	INR crore	Foreign Currency in crore	INR crore
Cash & Bank Balances					
	BTN	0.46	0.46	0.90	0.90
	BDT	5.39	4.21	0.93	0.79
	DZD	125.69	74.16	12.65	7.72
	ETB	-	0.01	-	-
	Euro	0.44	29.69	0.78	57.79
	LKR	14.81	6.31	45.96	20.86
	MYR	3.10	45.35	3.97	67.29
	ZAR	1.14	5.34	0.19	0.82
	MZN	-	-	0.03	0.03
	USD	3.25	208.29	1.17	76.45
Other Assets					
	DZD	2.72	1.64	40.20	24.52
	ETB	0.07	0.21	0.19	0.59
	Euro	0.05	3.68	0.94	70.02
	LKR	-	-	7.67	3.48
	MYR	2.58	37.80	0.99	16.75
	ZAR	0.16	0.75	-	0.01
	USD	1.69	108.26	0.52	34.51
	NPR	2.24	1.40	2.24	1.40
Liabilities :					
Advance from Client					
	BTN	-	-	2.13	2.13
	BDT	115.45	93.61	0.72	0.57
	Euro	0.07	4.68	0.19	14.41
	ZAR	4.36	21.17	-	-
	USD	0.41	26.62	0.07	4.17
Trade Payable					
	BTN	0.67	0.67	0.59	0.59
	AUD	-	-	0.01	0.71
	BDT	1.37	1.13	-	-
	DZD	30.44	17.96	25.02	15.26
	Euro	0.33	22.71	0.82	56.28
	JPY	0.05	0.03	10.10	5.25
	LKR	-	-	14.27	6.47
	MYR	0.27	3.89	0.48	8.22
	ZAR	0.24	1.14	-	-
	MZN	-	-	4.13	5.35
	USD	1.84	67.50	1.03	50.42
Other Liabilities					
	BTN	0.38	0.38	0.36	0.36
	BDT	3.35	2.70	0.50	0.42
	DZD	22.59	13.33	14.42	8.80
	ETB	0.10	0.27	0.02	0.06

Particulars	Currency	As at 31st March 2017		As at 31st March 2016	
		Foreign Currency in crore	INR crore	Foreign Currency in crore	INR crore
	Euro	0.11	7.69	0.09	6.48
	LKR	-	-	9.89	4.49
	MYR	0.99	14.48	0.03	0.49
	ZAR	1.62	7.85	-	-
	USD	1.08	71.49	1.13	74.67
	NPR	3.15	1.97	0.03	0.02
	RM	-	-	1.05	17.83

The unhedged foreign currency exposures are naturally hedged.

DZD- Algerian Dinar, ZAR-South African Rand, LKR-Sri Lankan Rupee, ETB-Ethiopian Birr, MYR-Malaysian Ringgit, NPR-Nepalese Rupee, MZN-Mozambican Metical, BTN-Bhutanese Ngultrum, BDT-Bangladeshi Taka, AUD-Australian Dollar, JPY-Japanese Yen

37. Disclosure regarding Leases:

I. Assets taken on operating lease:

The Company's leasing arrangements are in respect of operating leases of premises for residential use of employees, offices, guesthouses and transit camps. Most of the leasing arrangements are cancellable and are usually renewable on mutually agreed terms. The amounts of lease payments during the year are as under:

(a) Lease payments (net of recoveries) in respect of premises for residential use of employees –Rs.3.73 crore (Rs.4.32 crore) (included in salaries & wages note 23).

(b) Lease payments in respect of office premises, guesthouses and transit camps –Rs.6.29 crore (Rs. 4.90 crore) (included in operating & administrative expenses note 22.).

II. Assets given on operating lease:

(a) The Company has given certain commercial/residential premises on operating lease which are cancellable by giving appropriate notices as per respective agreements.

(b) The Company has also provided Plant & Machinery (Locomotives) on wet lease basis to a foreign client till 31.12.2015.

(c) The amount of lease rent received during the year is as under:

1. Lease rent in respect of non-residential premises –Rs. 8.01 crore (Rs. 7.63 crore) (included in miscellaneous income note 21.)

2. Lease rent in respect of locomotives-Rs. 0.88 crore (Rs.35.89 crore) (included in loco lease note 20)

(d) Future minimum lease rental receivable as on 31.03.2017 in respect of non – cancellable operating lease for each of the following period is as under:

(Rs. in crore)

Lease Rent Receivable	31 March 2017	31 March 2016	1 April 2015
Within One year			
- Premises	0.35	0.34	NIL
- Locomotives	NIL	NIL	33.42

Lease Rent Receivable	31 March 2017	31 March 2016	1 April 2015
After one year but not more than five years			
- Premises	2.06	0.66	NIL
- Locomotives	NIL	NIL	NIL
More than five years			
- Premises	1.41	NIL	NIL
- Locomotives	NIL	NIL	NIL

(e) Details of assets given on lease during the year:

(Rs. In crore)

Particulars	As at 31st March 2017		As at 31st March 2016		As at 1st April 2015	
	Premises	Locomotives	Premises	Locomotives	Premises	Locomotives
Gross Carrying amount of assets	3.51	30.90	10.00	35.66	6.96	35.66
Depreciation for the year	0.07	-	0.18	-	0.14	-
Impairment loss for the year	-	0.21	-	-	-	-
Accumulated Depreciation	0.41	29.35	1.44	33.87	1.22	33.87

38. Segment Reporting:

A. General Information:

(i) The Company has determined reportable operating segments from geographical perspective.

(ii) The Company's source of risk and rewards are derived from the units spread across the globe and hence, International projects and Domestic projects are considered as individual operating segments.

(iii) The operating segments have been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

(iv) These operating segments are monitored by company's Chief Operating Decision Maker (CODM) and strategic decisions are made on the basis of segments results. Segment performance is evaluated based on the profit of each segment.

B. Information about reportable segments and reconciliation to amounts reflected in the financial statements:

(Rs in crore)

Particulars	International		Domestic		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Segment Revenue						
Revenue from External Customers	238.67	325.88	2666.23	1988.71	2904.90	2314.59
Add: Company share of turnover in Integrated Joint operations	88.28	83.59	1.62	20.33	89.90	103.92
Interest Income	6.97	5.61	197.28	229.42	204.25	235.03
Other Income	5.47	90.60	49.91	115.95	55.38	206.55
Inter-segment	-	-	-	-	-	-
Total Revenue	339.39	505.68	2915.04	2354.41	3254.43	2860.09

Particulars	International		Domestic		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Segment Result						
Profit before Provision, Depreciation, Interest, Exceptional item and Tax	(3.06)	240.62	481.82	421.17	478.76	661.79
Less: Provision & write backs (Net)	(42.77)	19.82	33.68	3.64	(9.09)	23.46
Depreciation, amortization and impairment	5.90	15.50	11.98	12.72	17.88	28.22
Interest	-	-	11.94	7.75	11.94	7.75
Exceptional Items	(73.69)	-	-	-	(73.69)	-
Profit before Tax	107.50	205.30	424.22	397.06	531.72	602.36
Tax Expense	60.60	40.83	102.09	166.49	162.69	207.32
Profit after Tax	46.90	164.47	322.13	230.57	369.03	395.04

C. Other Information

(Rs in crore)

Particulars	International			Domestic			Total		
	2016-17	2015-16	April 2015	2016-17	2015-16	April 2015	2016-17	2015-16	April 2015
Assets	653.56	566.27	1072.93	8514.06	7573.52	5437.81	9167.62	8136.79	6510.74
Liabilities	555.40	526.76	653.75	4784.20	3943.02	2335.17	5339.60	4469.78	2988.92
Investment in Joint Ventures accounted for by the equity method	-	-	-	281.11	105.22	66.21	281.11	105.22	66.21
Non-Current Assets Other than financial instruments, deferred tax assets, net defined benefit assets	39.76	49.42	74.14	809.51	627.18	611.57	849.27	676.60	685.71
Capital Expenditure (Addition to PPE, CWIP, Investment Property, Other Intangible Assets and Intangible assets under development)	1.12	0.32	-	43.40	20.86	-	44.52	21.18	-

D. Information about major Customers:

During the year ended March 31, 2017, Operating Revenue of approximately 38.70% (40.87%) derived from a single external customers in Domestic Segment.

39. Interest in other Entities

A. Disclosure in respect of Joint arrangements

(a) Unincorporated Joint operations:

i) For projects in operation:

S. No.	Name of the Joint **operations**	**Principal place of** Business	Partner(s) and Country of Origin	**Participating Interest (in %) as** on 31March	
				2017	2016
1.	IRCON-SPSCPL	J&K, India	Ircon, India SPSCPL, India	50.00 50.00	50.00 50.00
2.	IRCON-AFCONS	Bangladesh	Ircon, India Afcons Infrastructure Ltd., India	53.00 47.00	53.00 47.00
3.	Express Freight Consortium	Gujrat, Maharashtra, India	Mitsui, Japan Ircon, India Tata Project Ltd., India	51.00 30.00 19.00	51.00 30.00 19.00
4.	Express Freight Railway Consortium	Maharashtra, India	Mitsui, Japan Ircon, India Tata Project Ltd., India	51.00 30.00 19.00	- - -

ii) For projects which have been completed:

S. No.	Name of the Joint **operations**	**Principal place of** Business	Partner(s) and Country of Origin	**Participating Interest (in %) as on 31st March**	
				2017	2016
1	RICON	Delhi NCR, India	Ircon, India RITES, India	49.00 51.00	49.00 51.00
2	RICON- CETA SARL	Mozambique	RICON, India CETA, Mozambique	Nil Nil	49.00 51.00
3	Ircon-COBRA-ELIOP	Delhi NCR, India	Ircon, India COBRA, Spain ELIOP, Spain	61.22 34.35 4.43	61.22 34.35 4.43
4	Ircon- SreeBhawani Builders	Chennai, India	Ircon, India Sree Bhawani Builders, India	24.21 75.79	24.21 75.79
5	Ircon-SMJ Project JV	Tamilnadu, India	Ircon, India Sumber Mitra Jaya, Indonesia	55.00 45.00	55.00 45.00
6	International Metro Civil Contractor. (IMCC)	Delhi NCR, India	Dywidag, Germany Larsen &Tubro Ltd., India Samsung Corp., Korea Shimizu Corp., Japan Ircon, India	29.00 26.00 26.00 9.50 9.50	29.00 26.00 26.00 9.50 9.50
7	Metro Tunnelling Group (MTG)	Delhi NCR, India	Dywidag, Germany Larsen &Tubro Ltd., India Samsung Corp., Korea Shimizu Corp., Japan Ircon, India	29.00 26.00 26.00 9.50 9.50	29.00 26.00 26.00 9.50 9.50

S. No.	Name of the Joint **operations**	**Principal place of** Business	Partner(s) and Country of Origin	**Participating Interest (in %) as on 31st March**	
				2017	2016
8	Ircon-GANNON Dunkerly	Uttar Pradesh, India	Ircon, India GANNON Dunkerly	55.70 44.30	55.70 44.30
9	Ircon-RCS-PFLEIDERER	J&K, India	Ircon, India Rayalseema Concrete Sleepers Pvt. Ltd, India Pfleiderer Infrastrukturtecnik Gmbh & Co, Germany	65.08 21.87 13.05	65.08 21.87 13.05

(b) Joint-Venture Companies:

S. No	Name of JV Company	**Principal place** of Business	**Shareholders** and country of origin	**Percentage of Ownership**	
				As at 31 March 2017	As at 31 March 2016
1	CCFB (Companhia Dos Caminhos De Ferro Da Beira SARL) Mozambique	Mozambique	Ircon, India RITES, India CFM, Mozambique	-* - -	25.00 26.00 49.00
2	Ircon-Soma Tollway Private Limited. (ISTPL)	Maharashtra, India	Ircon, India Soma Enterprise Limited, India	50.00 50.00	50.00 50.00
3	Chhattisgarh East Railway Limited (CERL)	Chhattisgarh,India	Ircon,India SECL,India CSIDC	26.00 64.00 10.00	26.00 64.00 10.00
4	Chhattisgarh East-West Railway Limited (CEWRL)	Chhattisgarh,India	Ircon,India SECL,India CSIDC	26.00 64.00 10.00	26.00 64.00 10.00
5	Mahanadi Coal Rail Limited (MCRL)	Odisha, India	Ircon, India MCL, India GoO, India	26.00 64.00 10.00	26.00 64.00 10.00
6	Jharkhand Central Railway Limited (JCRL)	Jharkhand, India	Ircon, India CCL, India GoJ, India	26.00 64.00 10.00	26.00 64.00 10.00
7	Baster Railway Pvt. Ltd. (BRPL)	Chhattisgarh,India	Ircon, India NMDC, India SAIL, India CMDC, India	26.00 43.00 21.00 10.00	- - - -

*Shares transferred on 22.09.2016

(c) Statement of Income, Expenditure, Profit, Assets & Liabilities of Joint arrangements

(Rs. in crore)

S. No.	Jointly Control Entities	Financial Year	Particulars					
			Income	Expenditure	**Profit**	PPE	Current/ Non Current Assets	**Liabilities**
1	RICON	2016-17	0.32	0.12	0.20	-	10.50	0.37
		2015-16	0.37	0.10	0.27	-	10.34	0.41
2	IMCC	2016-17	0.02	0.01	0.01	-	3.56	0.93
		2015-16	0.05	0.06	(0.01)	-	3.55	0.92
3	MTG	2016-17	0.32	0.14	0.18	-	4.19	0.10
		2015-16	0.39	0.19	0.20	-	5.22	0.12
4	IRCON-SPSCPL	2016-17	0.97	0.97	-	0.25	3.88	3.33
		2015-16	19.52	19.52	-	0.30	5.36	6.18
5	IRCON-AFCONS	2016-17	88.28	55.18	33.10	0.38	36.91	26.05
		2015-16	83.59	77.40	6.19	2.09	39.99	38.50
6	CCFB (Companhia Dos Caminhos De Ferro Da Beira SARL) Mozambique	2016-17	-	-	-	-	-	-
		2015-16	3.23	1.85	1.38	-	29.31	19.96
7	Ircon-Soma Tollway Private Limited. (ISTPL)	2016-17	78.95	73.10	5.85	0.98	575.90	531.43
		2015-16	103.90	98.37	5.53	1.03	666.39	633.66
8	Chhattisgarh East Railway Limited (CERL)	2016-17	-	0.04	(0.04)	192.60	33.09	146.24
		2015-16	-	0.02	(0.02)	66.34	32.34	62.60
9	Chhattisgarh East-West Railway Limited (CEWRL)	2016-17	-	0.02	(0.02)	70.85	111.56	51.44
		2015-16	-	0.02	(0.02)	11.20	11.33	21.53
10	Mahanadi Coal Rail Limited (MCRL)	2016-17	-	-	-	3.69	0.01	3.69
		2015-16	-	-	-	0.02	0.53	0.54
11	Jharkhand Central Railway Limited (JCRL)	2016-17	0.10	0.25	(0.15)	45.65	8.50	45.65
		2015-16	-	(0.02)	(0.02)	-	-	0.02
12	Baster Railway Pvt. Ltd. (BRPL)	2016-17	0.00	0.03	(0.03)	-	3.46	2.55
		2015-16	-	-	-	-	-	-
	Total	2016-17	168.86	129.86	39.10	314.40	791.56	811.78
		2015-16	211.05	197.51	13.50	80.98	804.36	784.44

(d) Contingent Liabilities of the Joint arrangements are disclosed in note 30 (b).

(B). Disclosure in Subsidiaries

S. No.	Name of the **Subsidiaries**	**Principal place of** Business	**Ownership Interest held by** Company			**Owner Ship held by Non-controlling Interest**		
			31 March 2017	31 March 2016	**1 April** 2015	31 March 2017	31 March 2016	**1 April** 2015
1.	Ircon Infrastructure and Services Limited (IISL)	New Delhi, India	100%	100%	100%	Nil	Nil	Nil

S. No.	Name of the Subsidiaries	Principal place of Business	Ownership Interest held by Company			Owner Ship held by Non-controlling Interest		
			31 March 2017	31 March 2016	1 April 2015	31 March 2017	31 March 2016	1 April 2015
2.	Indian Railway Station Development Corporation Limited (IRSDC)	New Delhi, India	51%*	51%	51%	49%*	49%	49%
3.	Ircon PB Tollway Limited (IPBTL)	India	100%	100%	100%	Nil	Nil	Nil
4.	IrconShivpuriGuna Tollway Limited (ISGTL)	India	100%	100%	100%	Nil	Nil	Nil

* Ministry of Railway vide letter dated 10.04.2017 has decided to transfer 1% equity to RLDA from IRCON, thereby revising the ownership and non-controlling interest to 50:50.

40. Related Party disclosures: Related party to be identified as per IND AS

a) Enterprises where control exists:

(i) Subsidiary Companies: -

- Ircon Infrastructure and Services Limited. (IISL)
- Indian Railway Station Development Corporation Limited. (IRSDC)
- IrconPB Tollway Limited. (IPBTL)
- IrconShivpuriGuna Tollway Limited (ISGTL)

(ii) Joint arrangements: -

- Unincorporated Joint operations – As per Note no. 39 (a) above
- Joint Venture Companies – As per Note no. 39 (b) above.

b) Key management personnel:
Whole time Directors:-S/Shri S.K. Chaudhary, M.K.Singh, Deepak Sabhlok and Hitesh Khanna.
Directors (Official Government nominated):- S/Shri Rajiv Chaudhary, Sukhmal Chand Jain
Independent Directors:- S/Shri Avineesh Matta, Sanjay Kumar Singh, Ms. Vasudha V. Kamat
Company Secretary: - Smt. Sumita Sharma

c) Disclosure of transactions with related parties:

(Rs. in crore)

Particulars	Transactions during the year		Particulars of Contracts/ Arrangements
	2016-17	2015-16	Nature of Transaction
1. Remuneration to key management personnel (b above) & Sitting Fees to other Independent Directors	As per Note No. 41		
2. Purchase of Goods & Services (including CSR expenses)/Lease of PPE/Any other transaction			
Subsidiaries (Including)			
Ircon Infrastructure and Services Limited (IISL)	-	0.19	CSR Activities
Ircon Infrastructure and Services Limited (IISL)	1.69	6.62	Hiring of Machinery
Ircon Infrastructure and Services Limited (IISL)	2.19	6.70	Man Power Supply

Particulars	Transactions during the year		Particulars of Contracts/ Arrangements
	2016-17	2015-16	**Nature of Transaction**
Ircon Shivpuri Guna Tollway Limited (ISGTL)	2.29	0.18	Interest Paid
Joint Ventures (including)			
Chhattisgarh East Railway Limited (CERL)	0.70	-	Interest paid
Total	6.87	13.69	
3. Sale of Goods & Services/Interest Income/ Any other transaction			
Subsidiaries (Including)			
Ircon Infrastructure and Services Limited (IISL)	-	0.42	Work Receipts MFCs including consultancy
Ircon Infrastructure and Services Limited (IISL)	2.63	3.91	Interest on loan
Ircon Infrastructure and Services Limited (IISL)	0.32	0.18	Rent for the Premises
Ircon Infrastructure and Services Limited (IISL)	0.12	0.12	Other operating receipts-MFC
IrconShivpuri Guna Tollway Limited (ISGTL)	0.02	0.02	Rent for the Premises
IrconShivpuriGuna Tollway Limited (ISGTL)	273.26	27.99	Work receipts
Ircon Shivpuri Guna Tollway Limited (ISGTL)	1.89	-	Interest on Loan
Ircon PB Tollway Limited (IPBTL)	0.02	0.03	Rent for the Premises
Ircon PB Tollway Limited (IPBTL)	195.66	53.44	Work receipts
Ircon PB Tollway Limited (IPBTL)	0.96	-	Interest on Loan
Joint arrangements (Including)			
Ircon-Soma Tollway Private Limited. (ISTPL)	0.03	0.07	Rent for the Premises
Companhia Dos Caminhos De Ferro Da Beira SARL (CCFB)	-	25.26	Interest on Loan
Chhattisgarh East Railway Limited (CERL)	130.07	182.30	Consultancy & works receipts
Chhattisgarh East Railway Limited (CERL)	6.26	4.92	Interest on Loan
Chhattisgarh East-West Railway Limited (CEWRL)	37.51	22.33	Consultancy receipts
Chhattisgarh East-West Railway Limited (CEWRL)	4.87	0.43	Interest on Loan
IRCON AFCONS JV	0.20	0.78	Interest on Loan
Mahanadi Coal Rail Limited (MCRL)	5.54	-	Consultancy & work receipts
Total	659.36	322.20	
4. Equity Investments in Subsidiaries & JVs			
Subsidiaries			
Ircon PB Tollway Ltd	75.00	-	
IrconShivpuriGuna Tollway Limited (ISGTL)	80.00	70.00	
Joint Venture			
Chhattisgarh East Railway Limited (CERL)	43.41	39.00	
Chhattisgarh East-West Railway Limited (CEWRL)	130.00	-	
Mahanadi Coal Rail Limited (MCRL)	-	0.01	
Baster Railway Pvt. Ltd. (BRPL)	1.18	-	
Jharkhand Central Railway Limited (JCRL)	1.30	-	
CCFB	(5.53)	-	Disinvestment
5. Loan To Subsidiaries & Joint Arrangements			
Subsidiaries			
Ircon Infrastructure and Services Limited (IISL)-*Loan Repayment*	(4.58)	(4.00)	

Particulars	Transactions during the year		Particulars of Contracts/ Arrangements
	2016-17	2015-16	Nature of Transaction
Ircon PB Tollway Limited (IPBTL)-*Loan Disbursed*	80.00	-	
IrconShivpuriGuna Tollway Limited (ISGTL)- *Loan Disbursed*	162.65	-	
Joint arrangements			
Companhia Dos Caminhos De Ferro Da Beira SARL (CCFB)- *Loan Disbursed*	-	5.05	
Chhattisgarh East Railway Limited (CERL)- *Loan Disbursed*	78.00	9.00	
Chhattisgarh East-West Railway Limited (CEWRL)- *Loan Disbursed*	19.50	19.50	
IRCON AFCONS JV			
Loan Disbursed	7.50	-	
Loan Repayment	(7.50)	(18.11)	
6. Reimbursement of deputation staff expenses, rent & other misc. expenses			
Subsidiaries			
Ircon Infrastructure and Services Limited (IISL)	0.80	3.40	
Indian Railway Station Development Corporation Limited (IRSDC)	1.51	1.48	
Ircon Shivpuri Guna Tollway Limited (ISGTL)	0.28	1.55	
Ircon PB Tollway Limited (IPBTL)	0.91	0.40	
JVs			
Ircon-Soma Tollway Private Limited. (ISTPL)	0.56	0.21	
Trust			
Ircon Gratuity Trust	7.82	2.43	Reimbursement
Ircon Employees Contributory PF Trust	28.52	25.99	Contribution to Trust
Ircon Pension Trust	7.61	30.58	Contribution to Trust
Ircon Medical Trust	3.38	5.97	Contribution to Trust
Total	51.39	72.01	

Disclosure of amount due to/from related parties

(Rs in crore)

Particulars	Amount	
	As at 31-03-2017	As at 31-03-2016
Amount Receivables		
(1) Equity Investment in Subsidiaries & JV	681.51	356.15
Subsidiaries	400.40	245.40
Ircon Infrastructure and Services Limited (IISL)	65.00	65.00
Indian Railway Station Development Corporation Limited (IRSDC)	20.40	20.40
Ircon PB Tollway Limited (IPBTL)	165.00	90.00
Ircon Shivpuri Guna Tollway Limited (ISGTL)	150.00	70.00
Joint Venture	281.11	110.75
CCFB	-	5.53
Ircon-Soma Tollway Private Limited. (ISTPL)	63.87	63.87
Chhattisgarh East Railway Limited (CERL)	83.58	40.17
Chhattisgarh East-West Railway Limited (CEWRL)	131.17	1.17

Particulars	Amount	
	As at 31-03-2017	As at 31-03-2016
Mahanadi Coal Rail Limited (MCRL)	0.01	0.01
Jharkhand Central Railway Limited (JCRL)	1.30	-
Baster Railway Pvt. Ltd. (BRPL)	1.18	-
(2) Loan outstanding to Subsidiaries & JV**	439.58	86.00
Subsidiaries	268.14	27.50
Ircon Infrastructure and Services Limited (IISL)	22.92	27.50
Ircon PB Tollway Limited (IPBTL)	80.87	-
Ircon Shivpuri Guna Tollway Limited (ISGTL)	164.35	-
Joint Venture	171.44	58.50
Chhattisgarh East Railway Limited (CERL)	127.67	39.00
Chhattisgarh East-West Railway Limited (CEWRL)	43.77	19.50
(3) For Other Services, reimbursements etc.		
Subsidiaries		
Ircon Infrastructure and Services Limited (IISL)	-	2.19
Indian Railway Station Development Corporation Limited (IRSDC)	0.48	0.36
Ircon PB Tollway Limited (IPBTL)	3.76	0.21
Ircon Shivpuri Guna Tollway Limited (ISGTL)	0.70	19.04
Joint Arrangements		
Ircon-Soma Tollway Private Limited (ISTPL)	7.71	7.22
Chhattisgarh East Railway Limited (CERL)	41.29	67.28
Chhattisgarh East-West Railway Limited (CEWRL)	5.29	3.88
Mahanadi Coal Rail Limited (MCRL)	4.72	-
RICON	0.44	-
Trust		
Ircon Gratuity Trust	2.26	2.43
Amount Payable		
1) For Other Services		
Subsidiaries		
Ircon Infrastructure and Services Limited (IISL)	5.93	9.41
Ircon Shivpuri Guna Tollway Limited (ISGTL)	-	30.17
Joint Arrangements		
Chhattisgarh East Railway Limited (CERL)	28.15	18.48
Chhattisgarh East-West Railway Limited (CEWRL)	18.57	-
Ircon-Soma Tollway Private Limited. (ISTPL)	-	-
IRCON AFCONS	7.80	-
Mahanadi Coal Rail Limited (MCRL)	0.02	-
2) Advance work receipts		
Subsidiaries		
Ircon Shivpuri Guna Tollway Limited (ISGTL)	13.09	-
Joint Venture		
Mahanadi Coal Rail Limited (MCRL)	5.52	-
3) Advance Received		
Joint Venture		
Jharkhand Central Railway Limited (JCRL)	5.00	-

**Includes Interest accrued

d) **Transaction with the Related Government entities**

Apart from transactions reported above, the company has transactions with related Government entities which includes but not limited to the following:

Name of Government: Ministry of Railways, Government of India (Significant control over company)
Certain significant transactions & Closing balances:

Transactions during the year:

(Rs. in crore)

S. No.	Particulars	2016-17	2015-16
i)	Sales	1265.20	1095.33
ii)	Interest Passed on	159.36	54.96
iii)	Dividend Paid	183.73	181.63

Note: Purchases are heterogeneous in nature, thus immaterial. Hence not disclosed.

Closing balances:

(Rs. in crore)

S.No.	Particulars	2016-17	2015-16
i)	Receivable	88.16	217.58
ii)	Billable revenue/receivables not due	68.50	140.06
iii)	Claims recoverable	0.87	2.86
iv)	Advance Received	3247.36	2545.32
v)	Advance work receipts	0.38	-

41. Details of remuneration to Directors/Key Managerial Person:

(Rs. in crore)

Sr.	Particulars	2016-17	2015-16
I	Salary & allowances*	1.51	1.74
II	Contribution to provident fund, pension	0.14	0.20
III	Reimbursement of medical expenses	0.03	0.03
IV	Sitting fee	0.07	0.00
V	Other benefits	0.33	0.27
	TOTAL	2.08	2.24

*Figures of2016-17 include PRP (2014-15) of Rs. 0.30 crore paid during the year; 2015-16 include PRP (2013-14) of Rs.0.47 crore paid during the year.

Recovery as applicable has been made from Directors who have been provided with Company accommodation and car.

42. During the year, Company has carried out assessment on impairment of individual assets by working out the recoverable amount based on lower of the net realisable value and carrying cost in terms of Ind AS 36, "Impairment of Assets" notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016. Accordingly, impairment loss of Rs.1.26 crore (Rs. 0.002 crore) has been provided for."

43. Disclosure under Ind AS-19 on Employee benefits

Provident Fund

The Company pays fixed contribution of Provident Fund at a pre-determined rate to a separate trust, which invests the funds in permitted securities. The trust is required to pay a minimum rate of interest on contribution to the members of the trust. The amount available in the fund including the returns on investment is greater than the obligation of the company. During the year, the Company has contributed Rs.10.84 crore (Rs.10.14 crore) to the trust.

Gratuity

The Company has implemented IRCON Employees Group Gratuity Scheme to provide financial assistance to the employees of the Company as a social security measure on the termination of their employment due to superannuation, retirement, resignation, physical incapacitation or death. The scheme is managed by a separate Trust formed in the year 2015-16 for this purpose and approved by the Income Tax Authorities. Funds of the Trust are managed by LIC of India. As on 31.03.2017, an asset of Rs. 0.88 crore has been booked in the books of accounts based on actuarial valuation.

Pension

The Company has implemented IRCON Defined Contribution Superannuation Pension Scheme, 2009 w.e.f. 01.04.2009, for all regular employees drawing pay in IDA scale who would complete 15 years of service in the Company (including service in other CPSEs) upto normal retirement date. The scheme is managed by a separate Trust formed in the year 2015-16 for this purpose and approved by the Income Tax Authorities. Company's share of contribution amounting to Rs. 6.13 crore for the period from 01.04.2016to 28.02.2017has been paid and accounted for during the year 2016-17.Liability for the month of March 2017of Rs. 0.51 crore (Rs.0.50 crore)has been provided in the books of accounts.

Post-Retirement Medical Facility (PRMF)

The Company had established an irrevocable trust by initial one-time contribution of Rs. 12 crore during the year 2000-01 for providing annuity, medical and other benefits to the spouse of employees who die in harness as also the medical benefits to the employees (and spouse) who superannuate from the Company. This being a voluntary welfare measure, the Company is not liable for providing such benefits to its employees. However, Company has also kept provision of Rs. 8.32 crore (Rs.4.20 crore) based on the decision of management.

Leave Encashment

The liability towards encashment of leave as per rules of the Company is recognised on the basis of actuarial valuation except for employees posted in foreign projects. Since, the foreign assignments are treated as dies - non, liability for those employees is provided in the books on accrual basis as the amount is payable to employee on repatriation.

Other Retirement Benefits

Other retirement benefits include settlement at home-town or to the place where he or his family intends to settle in India including Baggage Allowance. The liability on this account is recognized on the basis of actuarial valuation.

The summarised position of various employee benefits recognised in the statement of profit and loss and balance sheet as on 31.03.2017 is as under:

(i) Service Cost

(Rs. in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Current Service Cost	3.55 (3.57)	3.39 (4.69)	0.01 (0.01)	2.63 (2.49)
b)	Past Service Cost including curtailment Gains/Losses	-- (--)	-- (--)	-- (--)	-- (--)
c)	Gains or Losses on Non routine settlements	-- (--)	-- (--)	-- (--)	-- (--)
d)	Difference in HPL leave days balance in Opening	- -	(26.66) (--)	- -	- -
d)	**Total**	3.55 (3.57)	(23.27) (4.69)	0.01 (0.01)	2.63 (2.49)

* Except employees posted on Foreign Projects

(ii) Net Interest Cost

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Interest cost on Defined Benefit Obligation	5.40 (5.30)	4.07 (6.39)	0.02 (0.01)	5.35 (4.11)
b)	Interest Income on Plan Assets (Expected)	5.02 (--)	-- (--)	-- (--)	4.45 (4.00)
c)	Net Interest Cost (Income)	0.38 (5.30)	4.07 (6.39)	0.02 (0.01)	0.89 (0.86)

* Except employees posted on Foreign Projects

(iii) Changes in Present Benefit Obligation

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Present value of obligation as at the beginning of the period	72.06 (66.31)	80.90 (79.90)	0.23 (0.13)	71.27 (60.84)
b)	Difference in HPL leave days balance in Opening	- -	(26.66) (--)	- -	- -
c)	Interest Cost	5.40 (5.30)	4.07 (6.39)	0.02 (0.01)	5.35 (4.87)
d)	Service Cost	3.55 (3.57)	3.39 (4.69)	0.01 (0.01)	2.63 (2.49)
e)	Benefits Paid	(5.56) ((4.65))	(4.90) ((5.65))	(0.08) ((0.21))	(1.11) ((1.73))
f)	Total Actuarial (Gain)/Loss on Obligation	(4.57) (1.54)	(2.66) ((4.43))	0.16 (0.30)	3.82 (4.80)
g)	Present Value of obligation as at the end of the period	70.88 (72.06)	80.90 (52.73)	0.33 (0.23)	81.95 (71.27)

* Except employees posted on Foreign Projects

(iv) Actuarial (Gain)/Loss on Obligation

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Actuarial (Gain) Loss on arising from change in Demographic Assumption	-- (--)	-- (--)	-- (--)	-- (--)
b)	Actuarial (Gain)/Loss on arising from change in Financial Assumption	-- (1.89)	-- (3.01)	-- (--)	-- (4.30)
c)	Actuarial (Gain) Loss on arising from Experience Adjustment	(4.57) ((0.36))	(2.56) ((7.44))	0.16 (0.38)	3.82 (0.41)

* Except employees posted on Foreign Projects

(v) Actuarial (Gain)/Loss on Plan Asset

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Expected Interest Income	5.02 (--)	-- (--)	-- (--)	4.45 (4.00)
b)	Actual Income on Plan Asset	5.56 (3.08)	-- (--)	-- (--)	5.46 (5.05)
c)	LIC Mortality Charges	(0.29) (--)	-- (--)	-- (--)	-- (--)
d)	Actuarial gain (loss) for the year on Asset	0.24 (3.08)	-- (--)	-- (--)	1.00 (1.05)

* Except employees posted on Foreign Projects

(vi) Balance Sheet and related analysis

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Present Value of the obligation at end	70.88 (72.06)	54.24 (80.90)	0.33 (0.23)	81.95 (71.27)
b)	Fair Value of plan assets	71.77 (66.96)	-- (--)	-- (--)	67.11 (59.38)
c)	Unfunded Liability/provision in Balance Sheet	0.88 ((5.11))	(54.24) ((80.90))	(0.33) ((0.23))	(14.83) ((11.89))
d)	Unfunded liability recognized in Balance Sheet	0.88 ((5.11))	(54.24) ((80.90))	(0.33) ((0.23))	(14.83) ((11.89))

* Except employees posted on Foreign Projects

(vii) The amounts recognized in the income statement

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Service Cost	3.55 (3.57)	(23.27) (4.69)	0.01 (0.01)	2.63 (2.49)
b)	Net Interest Cost	0.38 (5.30)	4.07 (6.39)	0.02 (0.01)	0.89 (0.86)
c)	Net actuarial (gain)/ loss recognized in the period	-- (--)	(2.56) ((4.43))	-- (--)	-- (--)
d)	Expense recognized in the Income Statement	3.93 (8.87)	(21.76) (6.65)	0.03 (0.02)	3.52 (3.36)

* Except employees posted on Foreign Projects

(viii) Other Comprehensive Income (OCI)

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Net Cumulative unrecognized actuarial gain/(loss) opening	-- (--)	-- (--)	-- (--)	-- (--)
b)	Actuarial gain/(loss) for the year on PBO	4.57 ((1.54))	-- (--)	(0.16) ((0.30))	(3.82) ((4.80))
c)	Actuarial gain /(loss) for the year on Asset	0.24 (3.08)	-- (--)	-- (--)	1.01 (1.05)
d)	Unrecognized actuarial gain/(loss) at the end of the year	4.81 (1.54)	-- (--)	(0.16) ((0.30))	(2.81)** ((3.75))

* Except employees posted on Foreign Projects

** The unrecognized actuarial loss (OCI) of Rs. 2.81 crore consisting of loss of Rs. 2.97 crore in respect of liability towards Post-Retirement Medical Benefits (PRMB) and gain of Rs. 0.16 crore in respect of liability towards Settlement allowance. Since the liability in respect of PRMB has not been provided as per Actuarial valuation and has been restricted as per DPE guidelines, therefore, the OCI in respect of PRMB, as per Actuarial valuation, has not been considered."

(ix) Change in plan assets

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Fair value of plan assets at the beginning of the period	66.96 (--)	-- (--)	--	59.38 (50.05)
b)	Actual Income on plan assets	5.56 (3.08)	-- (--)	--	5.46 (5.05)
c)	LIC Mortality Charges	(0.30) (--)	-- (--)	--	-- (--)
d)	Employer contribution	5.11 (66.31)	-- (--)	--	3.38 (5.97)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
e)	Benefits paid	(5.56) ((2.43))	-- (--)	--	(1.10) ((1.70))
f)	Fair value of plan assets at the end of the period	71.77 (66.96)	-- (--)	--	67.12 (59.38)

* Except employees posted on Foreign Projects

(x) Major categories of plan assets (as percentage of total plan assets)

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Government of India Securities	-- (--)	-- (--)	--	-- (--)
b)	State Government securities	-- (--)	-- (--)	--	-- (--)
c)	High Quality Corporate Bonds	-- (--)	-- (--)	--	-- (--)
d)	Equity Shares of listed companies	-- (--)	-- (--)	--	-- (--)
e)	Property	-- (--)	-- (--)	--	-- (--)
f)	Funds Managed by Insurer	100% (100%)	-- (--)	--	100% 100%
g)	Bank Balance	-- (--)	-- (--)	--	-- (--)
	Total	**100%**		--	**100%**

* Except employees posted on Foreign Projects

(xi) Change in Net Defined Benefit Obligation

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Net defined benefit liability at the start of the period	5.11 (66.31)	80.90 (79.90)	0.23 (0.13)	11.89 (10.79)
b)	Service Cost	3.55 (3.57)	(23.27) (4.69)	0.01 (0.01)	2.63 (2.49)
c)	Net Interest Cost (Income)	0.38 (5.30)	4.07 (6.39)	0.02 (0.01)	0.89 (0.86)
d)	Re-measurements	(4.81) ((1.54))	(2.56) ((4.43))	0.16 (0.30)	2.81 (3.75)
e)	Contribution paid to the fund	(5.11) ((66.31))	-- (--)	-- (--)	(3.38) ((5.97))
f)	Benefit paid directly by the enterprise	-- (2.22)	(4.90) ((5.65))	(0.08) ((0.21))	(0.02) ((0.03))
g)	Net defined benefit liability at the end of the period	(0.88) (5.11)	54.24 (80.90)	0.33 (0.23)	14.83 (11.89)

* Except employees posted on Foreign Projects

(xii) Bifurcation of BPO at the end of the year in current and non-current

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Current Liability (Amount due within one year)	7.31 (7.49)	4.52 (8.11)	0.03 (0.03)	2.01 (1.15)
b)	Non-current liability (Amount due over one Year)	63.57 (64.57)	49.72 (72.79)	0.30 (0.20)	79.93 (70.12)
	Total PBO at the end of the year	70.88 (72.06)	54.24 (80.90)	0.33 (0.23)	81.95 (71.27)

* Except employees posted on Foreign Projects

(xiii) Expected contribution for the next Annual reporting period.

(Rs in crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
a)	Service Cost	3.73 (3.42)	3.70 (4.93)	0.02 (0.01)	2.82 (2.69)
b)	Net interest Cost	(0.07) (2.22)	4.07 (6.07)	0.03 (0.01)	4.39 (4.20)
c)	Net actuarial (gain)/loss recognized in the period	-- (--)	1.90 (2.07)	-- (--)	-- (--)
d)	Expected Expense for the next annual reporting period	3.67 (5.64)	9.66 (13.06)	0.05 (0.02)	7.22 (6.89)

* Except employees posted on Foreign Projects

(xiv) Sensitivity Analysis of the defined benefit obligation.

a) Impact of the change in discount rate

(Rs in crore)

S.No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
	Present value of obligation at the end of the period	70.88	54.24	0.33	81.95
i)	Impact due to increase of 0.50%	(1.70)	(2.12)	(0.01)	(5.80)
ii)	Impact due to decrease of 0.50%	1.75	2.28	0.01	7.25

b) Impact of the change in salary increase

(Rs in crore)

S.No.	Particulars	Gratuity	Leave Encashment*	LTC	Other **Retirement Benefits**
	Present value of obligation at the end of the period	70.88	54.24	--	--
i)	Impact due to increase of 0.50%	1.74	2.26	--	--
ii)	Impact due to decrease of 0.50%	(1.70)	(2.12)	--	--

* Except employees posted on Foreign Projects

(Previous year figures are shown under bracket () to differentiate from current year figures.)

Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitiveness as to rate of inflation, rate of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(xv) Actuarial Assumptions

a.	Method used	Projected Unit Credit Method
b.	Discount rate	7.50 %
c.	Rate of increase in compensation levels	8.00 %
d.	Average outstanding service of employees up to retirement	12.19 to 12.23 years
e.	Estimated term of benefit obligations	10.05 to 10.14 years

44. Disclosure under IndAS-11 on Revenue from contracts for contracts in progress*

a. Method Used to determine Contract Revenue: - Percentage of completion.

b. Method Used to determine the Stage of completion of Contract in progress: - Proportion of cost incurred of work certified up to the reporting date to the total estimated cost of the contract.

c. Other details:

(Rs. in crore)

Details		Up to 31 March 2017	Up to 31 March 2016
(a)	Contract revenue recognized as revenue in the period	2792.46	2829.56
(b)	Aggregate amount of costs incurred and recognized profits (less recognized losses)	12967.41	19547.91
(c)	Amount of advances received from client	3288.64	837.85
(d)	Amount of retentions (by client)	50.05	99.63
(e)	Gross amount due from clients for contract work	305.65	479.13

*excluding projects completed up to 31.03.2017

45. The Company has not received any information from any of its suppliers of their being covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Based on this information, there are no amounts due to Micro, Small and Medium Enterprises as at 31 March 2017.

46. (i) Gross amount required to be spent on Corporate Social Responsibility (CSR) by the Company during the year is Rs. 6.80 crore (Rs. 6.03 crore).

(ii) During the year, company has spent Rs. 5.89 crore (Rs. 6.15 crore) as against required amount of Rs. 6.80 crore (Rs. 6.03 crore) on Corporate Social Responsibility (CSR) activities. Break up of expenditure incurred is as

follows;

(Rs. in crore)

Sr. No.	Description	2016-17	2015-16
1.	Eradicating hunger, poverty & malnutrition, promoting preventive healthcare & sanitation & making available safe drinking water	1.45	4.84
2.	Promoting Education, including special education and employment enhancing vocation skills especially among children.	0.81	0.90
3.	Setting up homes and hostels for women and orphans, Setting up old age homes, day care centres and such other facilities for senior citizens.	0.00	0.18
4.	Ensuring environmental sustainability	3.18	0.05
5.	Rural Development Projects	0.46	0.18
	TOTAL	5.89	6.15

(iii) Amount spent during the year

(Rs. in crore)

Sr. No.	Description	In Cash	Yet to be paid in cash	Total
1.	Construction/acquisition of asset*	1.07	-	1.07
2.	Otherpurposes	4.82	-	4.82

*Assets purchased and handed over to respective organisation and are not being held by the Company.

(iv) CSR exp. yet to be incurred is Rs. 0.91 crore. Out of the total expenditure incurred on CSR, an amount of Rs. NIL (Rs.0.19 crore) incurred through Ircon ISL, wholly owned subsidiary of the company.

47. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

(Rs. in crore)

Particulars	31st March, 2017	31st March, 2016
Basic EPS		
From Continuing operations	37.27	39.90
From Discontinued operation	-	-
Diluted EPS*	37.27	39.90

*Diluted EPS amounts are also same as basic EPS because company has no dilutive potential Equity shares.

The following reflects the income and share data used in the basic EPS computations:-

Rs.in crore)

Particulars	31st March, 2017	31st March, 2016
Profit attributable to equity holders of the company used in calculating EPS:		
From Continuing operations	368.94	394.89
From Discontinued operation	-	-
Profit attributable to equity holders for Basic Earnings Per Share	368.94	394.89

The following reflects the weighted average number of shares used in calculating basic EPS

(Numbers of Shares)

Particulars	31st March, 2017	31st March, 2016
Weighted average number of Equity shares for basic EPS*	98980000	19796000
Effect of dilution:		
Weighted average number of Equity shares adjusted for the effect of dilution*	98980000	19796000

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorization of these financial statements.

48. Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016.

(Rs.in crore)

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	0.0810	0.0190	0.1000
(+) Permitted receipts	0.0007*	0.4160	0.4167
(-) Permitted Payments	-	0.3550	0.3550
(-) Amount deposited in Banks	0.0817	0.0020	0.0837
Closing cash in hand as on 30.12.2016	-	0.0780	0.0780

*Staff imprest returned after demonetisation.

49. During the year, the Company has changed its accounting policy relating to treatment of cost of Mobile Phones provided to employees. Due to this change, expenses for the year are higher by Rs. 0.10 crore and PBT for the year is lower by Rs. 0.10 crore.

50. The Company has engaged agents/consultants to secure contracts and provide other services for foreign projects, being implemented in three countries. Pending assessment of services provided by the agent / consultants, the company has not accounted for expenses aggregating to Rs. 3.80 crore, comprising of Rs. 1.36 crore during financial year 2016-17 (previous year Rs. 2.44 crore).

51. In one of the projects under Patna region, management had remitted dues recovered/recoverable as supervision charges on unreturned steel amounting to Rs. 2.51 crore at reduced rate of 1% instead of 14.5% as per the approval of management. Further, Liquidated damages (LD) amounting to Rs. 4.48 crore were waived and the escalation claims amounting to Rs. 3.52 crore were unfreezed to the contractor. Management is of the view that this is as per provisions of the contract, as approved by the competent authority on the merit of the case.

Details are as under:

S. No.	Particulars	Rs. in crore
1.	Supervision charges	2.51
2.	Liquidated charges	4.48
3.	Other charges	0.16
4.	Unfreeze escalation claims	3.52

52. **Financial guarantee**

The Company has issued financial guarantee (undertaking) to Punjab National Bank on behalf of and in respect of term loan facility availed by its Joint venture company, Ircon Soma Tollway Private Limited (ISTPL), to make

good 50% of total shortfall in the dues, if any, in the event of termination of the concession agreement. Loan outstanding as on 31.03.2017 is Rs. 63.07 crore (Rs. 113.15 crore). As per concession agreement, in case of termination for reasons attributable to ISTPL, the company will be called upon to meet only 10% of the outstanding loan amount which as on 31.03.2017 is Rs. 6.31 crore (Rs. 11.32 crore). The said financial guarantee has been recognised as per Ind AS 109.

53. Events occurring after Reporting period

(a) Refer to Note 14 for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing meeting.

(b) After close of the year, increase in Authorized Share Capital to Rs. 400 crore is approved in the Extra Ordinary General Meeting held on 22.05.2017.

54. **Standards issued but not effective for the financial** year 2016-17

a) IND AS 115 Revenue from Contracts with Customers:

MCA had notified IND AS 115 on Revenue from Contracts with Customers in Feb 2015. The standard establishes a new five step model that will apply to revenue arising from Contracts with customer under IND AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IND AS 115 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IND AS.

The effective date of IND AS 115 is annual periods beginning on or after 1st January 2018, with early adoption permitted. The Company is required to adopt the standard by the Financial Year commencing 1st April 2018. The Company is currently evaluating the requirements of IND AS 115 and has not yet determined the impact on the financial statements.

a) **Amendment to Ind AS 7 Statement of Cash Flows:**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

55. Previous year's figures have been regrouped, rearranged and recast wherever necessary to make it comparable to the current year's classification. Also, previous year figures are shown under bracket () to differentiate from current year figures.

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21-09-2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF IRCON INTERNATIONAL LIMITED FOR THE \ YEAR ENDED 31 MARCH 2017.

The preparation of financial statements of IRCON International Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 21 September 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of IRCON International Limited for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on the behalf of
Comptroller & Auditor General of India

Sd/-
(B. R. Mondal)
Principal Director of Audit
Railway Commercial, New Delhi

Place: New Delhi
Dated: 26, September, 2017

Consolidated

Financial Statements

2016-17

FORM AOC - 1

Statement containing salient features of Financial Statements of Subsidiaries/Joint Ventures as at 31.03.2017
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A "Subsidiaries"

(Rs. in Crore)

Sr. No.	Name of the Subsidiary	Ircon Shivpuri Guna Tollway Limited (ISGTL)	Ircon PB Tollway Limited (IPBTL)	Indian Railway Stations Development Corporation Limited (IRSDCL)	Ircon Infrastructure & Services Limited (IISL)
1	Reporting period for the Subsidiary	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017	01.04.2016 to 31.03.2017
2	Reporting Currency and Exchange Rate	INR	INR	INR	INR
3	Share Capital(Including share application money pending allotment)	150.00	165.00	40.00	65.00
4	Other equity/Reserves & surplus (as applicable)	(0.67)	3.10	0.04	49.70
5	Liabilities	174.77	85.69	4.57	87.42
6	Total Equity and Liability	324.10	253.79	44.61	202.12
7	Total Assets	324.10	253.79	44.61	202.12
8	Investments	-	-	-	-
9	Turnover	294.12	177.89	0.15	40.98
10	Profit before taxation	0.61	0.83	(4.64)	20.80
11	Provision for taxation	0.22	0.29	(0.10)	8.44
12	Profit after taxation	0.39	0.54	(4.54)	12.36
13	Interim Dividend - Equity	-	-	-	-
14	Interim Dividend - Preference	-	-	-	-
15	Proposed Dividend - Equity	-	-	-	-
16	Proposed Dividend - Preference	-	-	-	-
17	% of share holding	100%	100%	51%	100%

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21-09-2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

Part "B": Joint Ventures

Sr. No.	Name of Joint Ventures	Bastar **Railways** Private Limited (BRPL)	**Chattisgarh East Railway** Limited (CERL)	**Chattisgarh** East West **Railway** Limited (CEWRL)	Ircon - **Soma Tollway** Private Limited	Jharkhand **Central Rail** Limited (JCRL)	Mahanadi **Coal Rail** Limited (MCRL)
1	Latest audited Balance Sheet Date	31-Mar-17	31-Mar-17	31-Mar-17	31-Mar-17	31-Mar-17	31-Mar-17
2	Shares of Joint Venture held by the company on the year end	0.53%	27.31%	26.02%	50%	28.86%	26%
	Number of shares held	13,000	83,575,700	131,170,000	63,870,000	1,300,000	13,000
	Amount of Investment in Joint Venture (Note 2 Below)	11,830,000	835,757,000	1,311,700,000	638,700,000	13,000,000	130,000
	Total No of Shares	2,435,000	306,000,000	504,055,000	127,740,000	4,505,000	50,000
	Extent of Holding %	0.53%	27.31%	26.02%	50%	28.86%	26.00%
3	Description of how there is significant influence	Refer Note 1 (Below)					
4	Reason why the Joint Venture is not consolidated	NA	NA	NA	NA	NA	NA
5	Net worth attributable to shareholding as per latest audited balance sheet (Rs. in Crore)	3.51	305.59	503.75	45.45	32.67	0.04
6	Profit/ (loss) for the year (Rs. in Crore)	(0.09)	(0.15)	(0.07)	11.70	(0.58)	-
	(i) Considered in consolidation (Rs. in Crore)	-	(0.04)	(0.02)	5.85	(0.18)	-
	(ii) Not considered in consolidation (Rs. in Crore)	(0.09)	(0.11)	(0.05)	5.85	(0.40)	-

Notes

1 Significant influence is demonstrated by holding 20% or more of the voting power of the investee.

2	Amount of Investment in Joint Venture	(Amount in Rs.)
	Value of Shares Alloted	130,000
	Application Money pending Allotment	11,700,000
		11,830,000

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21-09-2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IRCON INTERNATIONAL LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of IRCON INTERNATIONAL LIMITED **("the Holding Company"),** its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its jointly controlled entities, which comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss(Including other comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS financial statements').

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 flows and consolidated statement of changes in equity of the Group including its jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; 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 consolidated Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give 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 Holding Company's Board of directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and audit evidence obtained by the other auditors in terms of

their reports referred to in the 'Other Matter's paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS 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 including the Ind AS, of the consolidated state of affairs (financial position) of the Group and its jointly controlled entities as at 31st March, 2017, and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Emphasis of Matters

i) We draw attention to Note No. 34 to the consolidated Ind AS financial statements

a. The Company has made provision for tax without considering the deduction under Section 80-IA of Income Tax Act, 1961. However, the ITAT has disposed pending appeal for FY 2000-01 allowing deduction u/s 80IA and subsequently CIT(A) has allowed deduction for AY 2012-13 and 2013-14. The matters for other assessment years are contested by the company with the concerned authorities.

b. The company is offering global income for tax in India after excluding the income earned by its permanent establishments in foreign countries having Double Taxation Avoidance Agreements (DTAA) with India. CIT (A) denied the treatment of excluding such foreign income. Accordingly, the company has subsequently paid taxes, however the matter is contested by the company with the concerned authorities.

ii) We draw attention to Note No. 52 to the consolidated Ind AS financial statements regarding non provision of Rs. 3.80 crores towards foreign agency commission/ consultancy charges in respect of projects in three foreign countries pending assessment of the performance.

Our report is not qualified in respect of the above matters.

Other Matters

i) We did not audit the financial statements/information of eleven branches of Holding Company included in the consolidated Ind AS financial statement of the company whose financial statements/financial information reflect Total Assets of Rs. 5,676.83 Crores as at 31st March 2017, Total Revenues of Rs. 2,889.57 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosure included in respect of these branches, is based solely on the reports of such branch auditors.

ii) We did not audit the financial statements/financial information of four subsidiaries and ten jointly controlled entities, whose financial statements/ financial information reflect Total Assets of Rs. 3,384.47 Crores as at 31st March 2017, Total Revenues of Rs. 878.32 Crores and net cash flows amounting to Rs. 388.53 Crores for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditors whose financial statements/ financial information have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements in so far as it relates to the amounts and disclosure included in respect of these subsidiaries, jointly controlled entities and our report in terms of sub-sections (3)and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries & Jointly controlled entities, is based solely on the reports of the other Auditors.

iii) We did not audit the financial statement/information of one jointly controlled entities, whose financial statements/financial information reflect total assets of Rs 8.27 Crores as at 31st March, 2017, total revenues of Rs 1.94 Crores and net cash flows amounting to Rs -0.01 Crores for the year ended on that date, as considered in the consolidated Ind As financial statements. These financial statements/financial information are unaudited and have been furnished

to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosure included in respect of this jointly controlled entities, and our report in terms of sub-section (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements/ financial information certified by the management.

iv) The comparative financial information of the Group for the year ended 31st March 2016 and the transition date opening balance sheet as at 1st April 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory consolidated financial statements prepared in accordance with the Companies (Accounting Standards) rules, 2006 audited by the predecessor auditors whose report for the year ended 31st March 2016, and 31st March 2015 dated 2nd September 2016 and 13th October 2015 respectively expressed an unmodified opinion & Qualified opinion respectively on those consolidated financial statements. The adjustments to those consolidated financial statements for the difference in accounting principles adopted by the company on transition to the Ind AS have been audited by us.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter (a) with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal & Regulatory Requirements

1. As required by section 143(3) of the Act, we report, to the extent applicable, that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of other auditors.

(c) The reports on the accounts of the branch offices of the Holding Company, and its subsidiaries and jointly controlled companies incorporated in India, audited under Section 143(8) of the Act by branch auditors have been sent to us/other auditors, as applicable, and have been properly dealt with in preparing this report.

(d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

(e) Being a Government Company, Provision of section 164(2) of the Act are not applicable pursuant to notification No.G.S.R.463(E) dated 5th June, 2015, issued by Central Government of India.

With respect to the adequacy of the internal financial control over financial reporting of the Group, and the operating effectiveness of such controls, refer to our separate report in Annexure “A”.

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

i. The Company has disclosed the impact of pending litigation as at 31st March, 2017 on its consolidated financial position of the Group and its jointly controlled entities- Refer Note No. 31 of the consolidated Ind AS financial statement.

ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contract- Refer ‘foreseeable losses’ in Note No. 16.3 to the consolidated Ind AS financial statements in respect of such items as its relates to Group. The Group and its jointly controlled entities did not have any derivative contracts for

which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies and jointly controlled companies incorporated in India.

iv. The Group has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by the Group for the purpose of preparation of the consolidated Ind AS financial statements. (Refer note 49 of the consolidated Ind AS financial statements)

For K.G SOMANI & CO.
Chartered Accountants
FRN 006591N

(Anuj Somani)
Partner
Membership No.511267

Place of Signature: New Delhi
Date: 21-09-2017

"Annexure A" to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of IRCON INTERNATIONAL LIMITED

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

We have audited the internal financial controls over financial reporting of IRCON INTERNATIONAL LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Jointly controlled entities as of March 31, 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Group and its jointly controlled entities for the year ended on that date. We did not audit the internal financial controls over financial reporting of its four-subsidiary companies and ten jointly controlled entities, as of that date. The Financial information of one jointly controlled entity is unaudited and certified by the management, we are unable to comment on the adequacy and operating effectiveness of Internal Financial Controls Over Financial Reporting under section 143(3)(i) of the Act in respect of that jointly controlled entity.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company's and its subsidiary company and jointly controlled company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary company and jointly controlled company which are companies incorporating in India 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report, is sufficient and appropriate to provide a basis for our qualified and unqualified audit opinion respectively on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Holding 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 Holding 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 Holding 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 un-authorized acquisition, use, or disposition of the Holding company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit and other auditor's audit report, the following material weaknesses have been identified as at March 31, 2017.

(a) The Company has an integrated ERP system which was not used at its full potential. During the financial year, different software packages like Tally and Fox Pro were used by the company through software links or manual intervention for the preparation of financial statements. This has resulted into weak internal control over financial reporting.

(b) The internal audit system needs to be strengthen since timelines of the internal audit programme were not followed during the financial year and delayed reporting in internal audit of the Indian region/ foreign branches were noticed. Also, the mechanism to review of internal audit report is not robust.

(c) The Inventory records at some units is maintained manually and the inventory manual in SAP is under consideration. Further, in northern region, continuous identification system of surplus/obsolete/broken assets and material/stores is inadequate.

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

In our opinion, except for the effects/possible effect of material weaknesses described above on the achievement of the objective of the control criteria and subject to the other matter paragraph given below, the Holding Company and its subsidiary companies and jointly controlled entities, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding 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 as it appears from our examination of the books and records of the Holding company and the reports of the other auditors in respect of entities audited by them and representation received from the management for entities un-audited.

Emphasis of Matter

1. Attention is invited to note no. 53 to the financial statements regarding supervision charges on unreturned steel at reduced rate and waiver/release of liquidation damages, escalation claims & other charges in respect of one of the contract of Patna region.

2. Few cases of reduction of bills by the client and accepted by the project without noting therein full reasons/justifications have been observed In Northern region.

Other Matters

Our aforesaid report Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, insofar as it relates to four audited subsidiary companies and ten jointly controlled entities, is based on the corresponding reports of the other auditors and insofar it relates to one jointly controlled entities is based on the representation received from management (also refer paragraph on Other Matters of the Independent Auditors' Report above), our opinion is not qualified in respect of this matter.

For K.G SOMANI & CO.
Chartered Accountants
FRN 006591N

(Anuj Somani)
Partner
Membership No.511267

Place of Signature: New Delhi
Date: 21-09-2017

CONSOLIDATED BALANCE SHEET

As At 31st MARCH 2017

(Rs. In Crore)

Particulars		Note No.	As at 31st March 2017		As at 31st March 2016		As at **1st April 2015**	
I.	**ASSETS**							
1	Non-current assets							
	(a) Property, Plant and Equipment	3	145.61		156.39		176.69	
	(b) Capital work-in-progress	4	2.00		1.50		0.38	
	(c) Investment Property	5	307.35		278.18		270.40	
	(d) Other Intangible assets	6	71.49		71.91		72.11	
	(e) Intangible assets under development	6	546.58		73.86		16.04	
	(f) Financial Assets	7						
	(i) Investments	7.1	530.94		349.47		179.77	
	(ii) Trade Receivables	7.2	24.08		2.54		44.71	
	(iii) Loans	7.3	78.91		60.61		102.87	
	(iv) Others	7.4	77.30		47.33		4.98	
	(g) Deferred tax assets (Net)	8	145.03		211.59		262.14	
	(h) Other non-current assets	9	403.63		249.39		248.42	
	Total Non-current assets			2,332.92		1,502.77		1,378.51
2	Current assets							
	(a) Inventories	10	139.34		140.62		114.43	
	(b) Financial Assets	11						
	(i) Investments	11.1	249.91		138.01		68.39	
	(ii) Trade Receivables	11.2	583.44		681.52		580.28	
	(iii) Cash and cash equivalents	11.3	1,453.76		2,590.68		1,324.47	
	(iv) Other Bank Balances	11.4	3,299.37		2,131.31		2,054.42	
	(v) Loans	11.5	80.22		1.70		20.46	
	(vi) Others	11.6	265.01		221.89		142.74	
	(c) Current Tax Assets (Net)		5.58		19.10		12.97	
	(d) Other current assets	12	821.85		711.79		807.09	
	Total Current assets			6,898.48		6,636.63		5,125.25
	Total Assets			9,231.40		8,139.40		6,503.76
II.	**EQUITY AND LIABILITIES**							
1	Equity							
	(a) Equity Share Capital	13	98.98		19.80		19.80	
	(b) Other Equity	14	3,718.12		3,619.09		3,450.81	
	Equity attributable to Owners of the parent		3,817.10		3,638.89		3,470.61	
	Non Controlling Interest		19.62		21.85		21.28	
	Total Equity			3,836.72		3,660.74		3,491.89

(Rs. In Crore)

Particulars		Note No.	As at 31st March 2017		As at 31st March 2016		As at **1st April 2015**	
2	**Liabilities**							
(i)	**Non-current liabilities**							
	(a) Financial Liabilities	15						
	(i) Trade Payables	15.1	0.45		5.63		7.90	
	(ii) Other financial liabilities	15.2	129.26		110.86		80.77	
	(b) Provisions	16	76.23		149.78		340.21	
	(c) Other Non-Current Liabilities	17	1,826.33		964.80		104.24	
	Total Non-current liabilities			2,032.27		1,231.07		533.12
(ii)	**Current liabilities**							
	(a) Financial Liabilities	18						
	(i) Trade payables	18.1	359.90		400.38		442.59	
	(ii) Other financial liabilities	18.2	563.59		513.27		527.12	
	(b) Other current liabilities	19	2,116.57		1,917.12		1,073.74	
	(c) Provisions	16	298.52		354.27		318.40	
	(d) Current Tax liability (Net)		23.83		62.55		116.90	
	Total Current liabilities			3,362.41		3,247.59		2,478.75
	Total Equity and Liabilities		9,231.40		8,139.40		6,503.76	
III.	Summary of Significant Accounting policies	1 - 2						
IV.	Notes forming part of financial statements	3 - 58						

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21-09-2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31st MARCH 2017

(Rs. In Crore)

Particulars		Note No.	For the year ended 31st March 2017	For the year ended 31st March 2016
I.	**Revenue :**			
	Revenue from operations	20	2,948.07	2,377.00
	Add :- Company share of turnover in Integrated Joint operations		89.90	103.93
			3,037.97	2,480.93
II.	Other income	21	263.37	453.49
III.	**Total Income (I + II)**		3,301.34	2,934.42
IV.	**Expenses:**			
	Operating Expenses	22	2,490.47	1,923.59
	Employee benefits expenses	23	156.07	180.69
	Finance costs	24	58.64	43.30
	Depreciation, amortization and impairment	25	26.69	30.90
	Other Expenses (Administrative)	22	36.64	26.84
	Proportionate share of expenses in Integrated Joint operations		56.39	97.25
	Total Expenses (IV).		2,824.90	2,302.57
V.	**Profit/(loss) before share of profit/(loss) of joint venture and exceptional items and tax (III-IV)**		476.44	631.85
VI.	Exceptional items	27A	73.69	-
VII.	Share in Profit/(Loss) of Joint Ventures		5.60	5.49
VIII.	Profit before tax (V + VI + VII)		555.73	637.34
IX	Tax expenses:	`		
	(1) Current tax	8		
	- For the year		123.34	156.83
	- For earlier years (net)		(18.34)	5.07
	(2) Deferred tax (net)		66.54	56.60
	Total Tax Expense		171.54	218.50
X	**Profit for the year from continuing operation (VIII - IX)**		384.19	418.84
XI	Other Comprehensive Income	26		
	A. (i) Items that will not be reclassified to profit or loss		4.82	1.32
	(ii) Income Tax relating to Items that will not be reclassified to profit or loss		(1.67)	(0.46)
	B. (i) Items that will be reclassified to profit or loss		16.16	(57.46)
	(ii) Income Tax relating to Items that will be reclassified to profit or loss		(5.59)	25.94
			13.72	(30.66)
XII	**Total Comprehensive Income for the year (X +XI) before share of J.V and Non Controlling Interest (Comprising profit and other comprehensive income for the year)**		397.91	388.18
	Total Comprehensive Income attributable to Owners of the parent		400.13	387.62

(Rs. In Crore)

	Particulars	Note No.	For the year ended 31st March 2017	For the year ended 31st March 2016
	Less: Non Controlling Interest		(2.22)	0.56
XIII	**Total Comprehensive Income after share of Non Controlling Interest**		397.91	388.18
XIII	Earnings Per Equity Share:			
	(For Continuing Operation)			
	(1) Basic	47	38.82	42.32
	(2) Diluted		38.82	42.32
XIV	Summary of Significant Accounting policies	1 - 2		
XV	Notes forming part of financial statements	3 - 58		

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21-09-2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

Consolidated Cash Flow Statement

For the Year Ended 31st March 2017

(Rs. In Crore)

		31 March 2017		31 March 2016	
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before taxation		555.73		637.34	
Adjustment for :					
Items of Other Comprehensive Income		20.98		(56.14)	
Depreciation, amortization and impairment		26.69		30.90	
Profit on sale of assets (net)		(0.32)		(0.86)	
Profit on Sale of Investments		(73.69)		-	
Interest Income		(200.67)		(240.50)	
Dividend Income		(3.37)		(5.54)	
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents		38.46		(134.17)	
Operating Profit before working capital changes	(1)		363.81		231.03
Adjustment for :					
Decrease / (Increase) in Trade Receivables / Financial Assets - Loans		20.77		(125.77)	
Decrease / (Increase) in Inventories		1.28		(26.19)	
Decrease / (Increase) in Other Assets & Financial Assets		(283.88)		48.30	
(Decrease) / Increase in Trade Payables		(40.48)		(42.21)	
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		921.99		1,474.04	
	(2)		619.68		1,328.17
Cash generated from operation	**(1+2)**		983.49		1,559.20
Income Tax Paid			(64.21)		(113.70)
NET CASH FROM OPERATING ACTIVITIES	(A)		919.28		1,445.50
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Property, Plant and Equipment including CWIP			(487.41)		(71.05)
Purchase of Intangible Assets/Intangible Assets under Dev.			(6.97)		(1.15)
Purchase / Proceeds of Investment Property			(29.21)		(7.83)
Sale of Property, Plant and Equipments & Intangible Assets			6.04		3.79
Sale of Investments			79.22		-
Investments in Mutual Funds			(117.43)		(69.62)
Loan to Subsidiaries & Joint Ventures			(19.50)		(28.48)
Repayment of Loan from Subsidiaries & Joint Ventures			-		114.05
Interest Received			125.59		207.20

(Rs. In Crore)

		31 March 2017		31 March 2016	
Dividend Received			3.37		5.54
Investment in Equity Shares			(181.47)		(44.51)
Investment in Bonds			0.02		(125.19)
(Investment) / Maturity of Bank Deposits (having maturity of more than 3 months)			(1,168.06)		(76.89)
NET CASH FROM INVESTING ACTIVITIES	(B)		(1,795.81)		(94.14)
CASH FLOW FROM FINANCING ACTIVITIES					
Dividend (including Dividend Distribution Tax) paid			(221.74)		(219.20)
Share Issue Expenses			(0.19)		(0.12)
NET CASH FROM FINANCING ACTIVITIES	(C)		(221.93)		(219.32)
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	(D)		(38.46)		134.17
NET DECREASE IN CASH & CASH EQUIVALENT	**(A+B+C+D)**		(1,136.92)		1,266.21
CASH AND CASH EQUIVALENT (OPENING)	(E)		2,590.68		1,324.47
CASH AND CASH EQUIVALENT (CLOSING)	(F)		1,453.76		2,590.68
NET DECREASE IN CASH & CASH EQUIVALENT	(F - E)		(1,136.92)		1,266.21

Note:

1. Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statements)
2. Figures in brackets represent outflow of cash.

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21-09-2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

STATEMENT OF CHANGES IN EQUITY

as at 31 March 2016

(Rs. In Crore)

A. Equity share capital	Balance as at April 01, 2015	Shares issued during the year	Balance as at March 31, 2016
	19.80	-	19.80

B. Other Equity

Particulars	Reserve & Surplus		Items of Other Comprehensive Income	Other equity attributable to parent	Equity attributable to Non Controlling Interest (NCI)	Total
	General Reserves	Retained Earnings	Exchange differences on translating the financial statement of a foreign operation			
Balance as at April 01, 2015	3,284.64	119.52	26.52	3,430.68	21.28	3,451.96
Changes in accounting policy or prior period errors		20.13	-	20.13	-	20.13
Restated balance at the beginning of the reporting period	3,284.64	139.65	26.52	3,450.81	21.28	3,472.09
Profit for the year	-	418.28	-	418.28	0.56	418.84
Other Comprehensive Income						
Remeasurement of Defined Benefit Plans	-	0.86	-	0.86	-	0.86
Foreign Exchange translation difference	-	-	(31.53)	(31.53)	-	(31.53)
Total Comprehensive Income for the year	-	419.14	(31.53)	387.61	0.56	388.17
Dividends Paid		(182.12)	-	(182.12)	-	(182.12)
Dividend Distribution Tax		(37.08)	-	(37.08)	-	(37.08)
Share Issue Expenses		(0.12)	-	(0.12)	-	(0.12)
Balance as at March 31, 2016	3,284.64	339.46	(5.01)	3,619.10	21.85	3,640.94

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21-09-2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

STATEMENT OF CHANGES IN EQUITY

Ircon International Limited

Statement of changes in equity as at 31 March 2017

(Rs. In Crore)

A. Equity share capital	Balance as at March 31, 2016	Shares issued during the year	Balance as at March 31, 2017
	19.80	79.18	**98.98**

B. Other Equity

Particulars	Reserve & Surplus		Items of Other Comprehensive Income	Other equity attributable to parent	Equity attributable to Non Controlling Interest (NCI)	Total
	General Reserves	Retained Earnings	Exchange differences on translating the financial statement of a foreign operation			
Balance as at April 01, 2016	3,284.64	312.29	(5.01)	3,591.93	21.85	3,613.77
Changes in accounting policy or prior period errors		27.17	-	27.17	-	27.17
Restated balance at the beginning of the reporting period	3,284.64	339.46	(5.01)	3,619.10	21.85	3,640.94
Profit for the year		386.42	-	386.42	(2.22)	384.19
Other Comprehensive Income						
Remeasurement of Defined Benefit Plans		3.15	-	3.15	-	3.15
Foreign Exchange translation difference		-	10.57	10.57	-	10.57
Total Comprehensive Income for the year	0.00	389.57	10.57	400.14	(2.22)	397.91
Dividends Paid		(184.24)	-	(184.24)	-	(184.24)
Dividend Distribution Tax		(37.50)	-	(37.50)	-	(37.50)
Bonus Issue		(79.18)	-	(79.18)	-	(79.18)
Share Issue Expenses		(0.19)	-	(0.19)	-	(0.19)
Balance as at March 31, 2017	3,284.64	427.92	5.56	3,718.12	19.62	3,737.75

SIGNIFICANT ACCOUNTING POLICY

1. Group Information

The Consolidated financial statements comprise financial statement of Ircon International Limited (the Holding Company) and its subsidiaries & Joint Ventures (collectively referred to as "the Group") for the year ended 31 March 2017. The Holding Company is a public sector construction Company domiciled in India and is incorporated under the provision of companies Act, with specialization in execution of Railway projects on turnkey basis and otherwise. The Holding Company is an ISO certified Company for Quality, Environment and Occupational Health and Safety Management systems; a Schedule 'A' public sector Company and a Mini Ratna-Category I. After commencing business as a Railway construction company it diversified progressively along with its subsidiaries and Joint Ventures ("the Group") to roads, buildings, electrical substation and distribution, airport construction, commercial complexes, as well as metro rail works. The Group caters to both domestic and international markets. The registered office of the Holding Company is located at Plot no. C - 4, District Centre, Saket, New Delhi -110017 India.

The financial statements were authorized for issue in accordance with a resolution of the Board of directors on dated 21.09.2017.

2. Significant Accounting Policy under Ind AS (Consolidated)

(i). Basis of **Preparation**

a) **Statement** of **Compliance**

These consolidated financial statements as at and for year ended March 31, 2017 have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016.

For all periods up to and including the year ended 31 March 2016, the group prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31 March 2017 are group's first IND AS financial statements.

Refer to separate note no.29 for information on how the group has adopted Ind AS.

b) Basis of Measurement

These consolidated financial statements have been prepared under the historical cost convention and on an accrual basis, except for the following item that have been measured at fair value as required by relevant Ind-AS.

i. Defined benefit Plan and other long term employee benefits

ii. Certain financial assets and liabilities measured at fair value.

iii. Provisions as per para 11 (D) below, where time value of money is material.

C) Use of **estimates** and judgment

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of revenue and expenses. Actual results may differ from these estimates.

Key accounting estimates:

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Provisions – At each balance sheet date on the basis of the management judgment, changes in facts and

legal aspects, the group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Revenue – The Holding Company recognises revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they are capable of being reliably measured. For the purpose of making estimates for claims, the Group used the available contractual and historical information.

Property, Plant and Equipment – Property, Plant and Equipment represent a significant proportion of the asset base of the group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognized in the period in which the results are known /materialize.

d) The consolidated financial statements are reported in Indian rupees and all values are rounded to the nearest crore rupees with two decimal points except where otherwise stated.

(ii). **Basis of Consolidation**

i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The consolidated financial statements of Ircon International Limited and its subsidiaries have been consolidated on a line- by-line basis by adding together the book value of the like items of assets, liabilities, income and expenses, after eliminating intra-group balances and unrealized profits/losses on intra-group transactions, Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

ii) Joint Arrangement

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Ircon International Limited has both joint operations and joint ventures.

(a) Joint operations

Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the standalone financial statements under the appropriate headings.

(b) Joint ventures

Interests in joint ventures are accounted for using

the equity method (see 2(iii)), after initially being recognised at cost in the consolidated balance sheet.

iii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the group and its joint ventures are eliminated to the extent of the group's interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the policy of impairment.

(iii). Statement of Cash flow

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the group are segregated based on the available information.

(iv). Foreign Currency Transactions

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the group operates. (i.e Functional Currency). The financial statements are presented in Indian rupees, which is the presentation as well as Functional currency of the group.

(a) ***Transactions of Indian operations***:

i. All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.

ii. Property, Plant and Equipment, intangibles, investment property, prepaid expenses, inventory and non-monetary items are translated at the rate on the date of initial transaction.

iii. Monetary items (Trade receivables, trade payables, Cash and Bank, Loans and Borrowings and other receivables & payables) and contingent assets & liabilities denominated in foreign currency are translated at the prevailing **closing selling rates for Liabilities and closing buying rate for Assets,** at each reporting date.

iv. Foreign Exchange Gains or Losses in respect of above transactions are recognized in Statement of profit and loss.

(b) *Transactions of Foreign operations*:

i. All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.

ii. Property, Plant and Equipment, intangibles, investment property, prepaid expenses, inventory and non-monetary items are translated at the rate on the date of initial transaction.

iii. Monetary items (Trade receivables, trade payables, Cash and Bank, Loans and Borrowings and other receivables & payables) and contingent assets & liabilities denominated in foreign currency are translated at the prevailing closing selling rates for Liabilities and closing buying rate for Assets, at each reporting date.

iv. Foreign Exchange Gain or Losses in respect of above transactions are recognized in profit and loss account.

The result and financial position of foreign operation that have a functional currency different from the presentation currency are translated in to presentation currency as follows.

i. Assets/Liabilities - Closing selling rates for Liabilities and closing buying rate for Assets on the reporting date.

ii. Income/Expenses – Average exchange rate during the year.

iii. Exchange differences on translation of functional currency to presentation currency are – recognised in OCI (Other comprehensive income)

iv. On disposal of Foreign Operation (on realization of complete receivables from client) transfer the component of OCI (Other comprehensive income) to profit or loss relating to respective foreign operation.

(v). **Property, Plant and Equipment**

1. Freehold land is carried at historical cost. Property, Plant and Equipment are measured at cost less accumulated depreciation and impairment losses, if any.

2. The machinery spares which can be used only in connection with an item of Property, Plant and Equipment and whose use is expected to be irregular are capitalized & depreciated/amortized over the balance life of such Property, Plant and Equipment.

3. Subsequent cost relating to property, plant & equipment shall be recognized as an asset if:

a) it is probable that future economic benefits associated with the items will flow to the entity; and

b) the cost of the item can be measured reliably.

4. Cost of asset includes the following

i. Cost directly attributable to the acquisition of the assets

ii. Incidental expenditure during the construction period is capitalized as part of the indirect construction cost to the extent the expenditure is directly related to construction or is incidental thereto.

iii. Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

5. Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalized if the recognition criteria are met.

6. An item of Property, Plant and Equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement.

7. Amounts paid towards the acquisition of Property, Plant and Equipment outstanding as of each reporting date and the cost of Property, Plant and Equipment not ready for intended use before such date are disclosed under capital work- in-progress. Expenses directly attributable to project, prior to commencement of commercial operation, are considered as project development expenditure and shown under Capital Work-in-Progress.

Transition to Ind AS

On transition to Ind AS. The group has opted to continue with the carrying value of all its Property, Plant and Equipment recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as deemed cost of the Property, Plant and Equipment.

Depreciation

(a) Depreciation on Property, Plant and Equipment is provided on Straight Line basis (SLM) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

(b) Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

(c) The estimated useful life of assets for current period of significant items of property plant and equipment

are as follows:

Particulars	Useful Life (yrs.)
Building/flats residential/non-residential	60
Plant and Machinery	8-15
Survey instruments	10
Computers	3-6
Office Equipment's	5
Furniture and fixtures	10
Caravanas, Camps and temporary shed	3-5
Vehicles	8-10

(d) Leasehold land and improvements are amortized over the lower of estimated useful life and lease term.

(e) Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

(f) Property plant and equipment acquired during the year, individually costing up to Rs. 5000/- are fully depreciated, by keeping Re. 1 as token value for identification. However, Mobile phones provided to employees are charged to revenue irrespective of its value.

(vi) Intangible Assets/Intangible assets under development

I. Other than service concession arrangement

(a) Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

(b) Intangible assets under development represent ongoing expenditure incurred and carried at cost.

Amortization of Intangible Assets

(a) Intangible assets are amortized over their respective estimated useful lives on a straight- line basis from the date that they are available for use.

The estimated useful life of intangibles is as follows:

Intangible Assets	Useful Life	Internally generated or self-generated
Software	Finite (36 months)	Acquired

(b) Amortization methods, useful lives and residual values are reviewed at each reporting date.

(c) Software cost up to Rs. 1 Lakhs in each case is fully amortized in the year of purchase, by keeping Rs. 1 as token value for identification.

II. Toll Collection Right (Toll Road Service Concession Arrangement)

The subsidiary companies recognize an intangible asset arising from service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction or upgrade service in a service concession agreement is measured at fair value on initial recognition by reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, less accumulated amortization and accumulated impairment losses.

The estimated useful life of an intangible asset in a service concession arrangement is the period from where the subsidiary is able to charge the public for use of infrastructure to the end of the concession period.

Toll collection right is amortized using straight line method on pro-rata basis from the date of addition or from the date when the right brought in to service to the expiry of concession period.

Amortization methods and useful lives are reviewed at each reporting date, with the effect of change in estimate accounted for on a prospective basis.

The carrying value of intangible asset is reviewed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not be recoverable.

Financial asset model

The Subsidiary Companies recognizes a financial

asset arising from a service concession arrangement when it has unconditional contractual right to receive cash or another financial asset from grantor for the construction or upgrade service provided. Such financial assets are measured at fair value on initial recognition and classified as loans and receivables.

Subsequent to initial recognition, the financial assets are measured at amortized cost. Under this model financial asset will be reduced as and when grant has received from grantor.

III. Station development rights

Intangible assets under development represents ongoing expenditure incurred in respect of the Consultancy Project and is carried at cost. Cost includes all direct expenditure incurred including Staff Expenditure for that particular project for which the Staff is posted and indirect expenditure in the nature of depreciation of fixed assets, insurance premium & rent etc. will be split between Project Expenses and Corporate Office Expenses in ratio of 75% and 25% respectively. The 75% Project Expenses are equally distributed among the number of Stations.

Intangibles are amortised on a systematic basis over the revenue pattern it will generate. The evaluation of recoverability of intangible assets is done periodically by taking into account events or circumstances that may warrant revised estimates of useful lives or that indicate the asset may be impaired.

Transition to Ind AS

On transition to Ind AS the group has opted to continue with the carrying value of all of its Intangible assets recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as deemed cost of intangible assets.

(vii). Investment properties

a) Investment property comprises completed property, property under construction and property held under a finance lease that is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

b) Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

c) The group depreciates building component of investment property over 60 years from the date of original purchase/completion of construction.

d) Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of de-recognition.

(viii). Inventories

(a) Construction Work in Progress

Construction work-in-progress is valued at cost till such time the outcome of the job cannot be ascertained reliably and at realizable value thereafter. Site mobilization expenditure to the extent not written off valued at cost.

(b) Others

(i) In Cost Plus contracts, the cost of all materials, spares and stores not reimbursable as per the terms of the contract is shown as inventory valued as per (III) below.

(ii) In Item Rate and Lump Sum Turnkey contracts, the cost of all materials, spares (other than capitalized) and stores are charged to Statement of Profit and Loss in the year of use.

(iii) Inventories are valued at lower of the cost arrived at on First in First out (FIFO) basis and net realizable value.

(iv) Loose tools are expensed in the year of purchase.

(ix) Cash and Cash **Equivalents**

Cash and cash equivalent in the Balance sheet comprise of cash at bank, cash in hand, other short term deposits with banks with an original maturity of three months or less and highly liquid investments, that are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value and Bank overdraft.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash and short term bank deposits etc., as defined above, net of outstanding bank overdrafts since they are considered integral part of the group's cash management."

(x) Government Grant

Grant from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the subsidiary companies will comply with all attached conditions. Government grant relating to income are deferred and recognized in the profit or loss over the period necessary to match them with the costs that there intended to compensate and presented within contract revenue.

(xi) Provisions

A- Provision for Maintenance

a) In Cost Plus contract, no provision for maintenance is required to be made where cost is reimbursable.

b) Item Rate and Lump Sum turnkey contracts, provision is made for maintenance to cover group's liability during defect liability period keeping into consideration the contractual obligations, the obligations of the sub-contractors, operating turnover and other relevant factors.

c) Provision for unforeseen expenditure during design guarantee period is made based on risk perception of management in each contract assessed at the end of each financial year. This shall, however, be subject to a minimum of Rs. 50 lakhs and maximum of the amount of Design guarantee specified in Contract Agreement with the Client.

B- **Provision for Demobilization**

Provision for demobilization to meet the expenditure towards demobilisation of Manpower and Plant & Equipment is made in foreign projects.

C- Others

Provision is recognized when:

i) The group has a present obligation as a result of a past event,

ii) A probable outflow of resources is expected to settle the obligation and

iii) A reliable estimate of the amount of the obligation can be made.

Reimbursement of the expenditure required to settle a provision is recognised as per contract provisions or when it is virtually certain that reimbursement will be received. Provisions are reviewed at each Balance Sheet date.

D- Discounting of Provisions

Provision recognised as per above point a, b and c which expected to be settled beyond 12 months are measured at the present value by using pretax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

(xii) Revenue **Recognition**

(a) Contract Revenue Recognition

Contract revenue is measured at the fair value of the consideration received or receivable recognized to the extent it is probable that the economic benefits will flow to the group and the revenue can be reliably measured. Depending on the nature of contract, revenue is recognized as under-

(i) In cost plus contracts, revenue is worked out by including eligible items of expenditure in the bills raised on the clients and charging specified margin thereon.

(ii) In fixed price contracts, revenue is recognized using the percentage of completion method. The percentage of completion is determined as a proportion of cost incurred of work certified up to the reporting date to the total estimated cost of the contract. Full provision is made for any loss in the period in which it is foreseen.

(iii) Claims/Arbitration Awards (including interest thereon) which are granted in favour of the group, being in the nature of additional compensation under the terms of the contract are accounted as contract revenue when they are granted and where it is certain to realize the collection of such claims/awards.

(iv) Revenue does not include Sales Tax/VAT/WCT/Service Tax etc.

(b) Construction contract revenue under service concession arrangement

Revenue related to construction or upgrade services under a service concession arrangement of subsidiary companies is recognized based on the stage of completion of the work performed, when the outcome of construction contract can be measured reliably, and where the outcome of construction contract cannot be measured reliably revenue is recognized only to the extent of contract cost incurred that is probable will be recoverable.

(c) Toll Fee

Toll Fee collection from the users of facility is accounted for as and when the amount is due and recovery is certain.

d) Other Revenue Recognition

(i) Dividend income is recognized when the right to receive payment is established.

(ii) Interest income is recognized taking into account the amount outstanding and the interest rate applicable using Effective Interest rate Method.

(xiii) Leases

a) Group as a lessee

Finance Lease:

(i) that transfers substantially all the risks and rewards incidental to ownership of an asset

(ii) are capitalised at lease inception at lower of fair value or present value of minimum lease payment

(iii) payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

(iv) Finance charges are recognised in finance costs in the statement of profit and loss.

(v) Depreciated over the useful life of the asset. However, if there is no reasonable certainty to obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease:

(i) is classified as operating lease when significant portion of the risk and rewards are not transferred to the group.

(ii) payment are charged to profit and loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

b) Group as a lessor

Finance Lease:

(i) is recognised when substantially all of the risks and rewards of ownership transfer from the group to the lessee.

(ii) Payment due are recorded as receivables at the group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating Lease:

(i) are the leases in which the group does not transfer substantially all the risks and rewards of ownership to the lessee.

(ii) incomes are recognized as income in the statement of profit & loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

(xiv) Liquidated Damages and Escalations

(i) Liquidated damages/penalties (LD) due to delays arising out of the contractual obligations and provisionally withheld from contractors/under dispute are adjusted against contract cost only on final decision in this regard. However, LD recovered/ withheld by client is accounted for on recovery/ withholding & adjusted against contract revenue.

Possible Liquidated Damages in cases where extension is granted by the client subject to their right for levy of penalty is shown as contingent liability.

(ii) Escalation receivable/payable is accounted for as per the provisions of the contract. Escalation receivable but not certified before close of project accounts is included in work- in- progress.

(xv). **Research and development Expenses**

1. Research costs are expensed as incurred.

2. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

(xvi) **Mobilization Expenses**

The initial contract expenses on new projects for mobilisation will be recognised as construction work in progress in the year of incidence, and pro rata charged off to the project over the years at the same percentage as the stage of completion of the contract as at the end of financial year.

(xvii) Impairment of non-**financial** assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. At each reporting date group assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss. . For the purpose of assessing impairment, assets that cannot be tested individually are grouped in to the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash infows from other assets or group of assets (the cash-generating units).

(xviii) Borrowing Cost

Borrowing cost in ordinary course of business are recognized as expense of the period in which they are incurred. Borrowing cost that is directly attributable to acquisition, construction or production of a qualifying asset is capitalized as part of the cost of such assets upto the commencement of commercial operations.

(xix) Employee Benefits

a) Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid for the services rendered are recognized as an expense during the period when the employees render the services.

b) Post-employment benefits & other Long Term Employee Benefits

(i) Retirement benefits in the form of provident fund and pension fund are defined contribution schemes. The contributions to the provident fund trust and pension trust are charged to the statement to the Profit and loss for the year when the contributions are due.

(ii) The Group has Defined benefit plans like Gratuity, LTC and other retirement benefits.

(iii) The Group has created a Trust for Gratuity. The cost of providing benefit is determined on the basis of actuarial valuation using the projected unit credit method at each year-end and is charged to the Statement of Profit & Loss.

(iv) Provision for Defined benefit plans is made based on actuarial valuation at the year end and Actuarial gains or losses are recognized through Other Comprehensive income.

(v) Post-retirement Medical benefits are made based on Actuarial valuation or amount available for contribution, whichever is less.

(vi) Other long term employee benefit includes leave encashment. Actuarial gains or losses on other long term employee benefits are recognized through statement of profit & loss.

(vii) Re-measurements of the net defined benefit liability (asset) recognized in other comprehensive income shall not be reclassified to profit or loss in a subsequent period.

(xx). Taxes

a. Current income tax

(i) Taxes including current income-tax are computed using the applicable tax rates and tax laws.

(ii) The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the group operates and generates taxable income.

(iii) Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.

(iv) Current tax related to OCI Items is recognized in Other Comprehensive Income (OCI).

b. Deferred tax

i. Deferred income tax is recognized using balance sheet approach.

ii. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

iii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

iv. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

v. Deferred tax related to OCI Item are recognized in Other Comprehensive Income (OCI).

vi. Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investment in subsidiaries and interest in joint arrangements where the group able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

vii. Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investment in subsidiaries and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary differences can be utilized.

(xxi) Operating Segment

Operating segments are reported in the manner consistent with the internal reporting provided to the chief operating decision maker. Accordingly, the group has identified two reporting segments viz. Domestic & International.

(xxii) Earning per share

In determining basic earnings per share, the group considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the wei-ghted average number of shares outstanding during the

period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

(xxiii) **Contingent Liabilities** and **contingent** Assets

(a) Contingent Liabilities are disclosed in either of the following cases:

i) A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or

ii) A reliable estimate of the present obligation cannot be made; or

iii) A possible obligation, unless the probability of outflow of resource is remote.

(b) Contingent assets is disclosed where an inflow of economic benefits is probable.

(c) Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

(d) Contingent Liability is net of estimated provisions considering possible outflow on settlement.

(xxiv) Fair **Value** Measurement

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

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 —Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At the reporting date, the group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the accounting policies. For this analysis, the group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The group also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(xxv) Dividend to equity **holders**

Dividend paid/payable shall be recognized in the year in which the related dividends are approved by shareholders or board of directors as appropriates.

(xxvi) **Financial** instruments

A. **Initial recognition** and measurement

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

B. Subsequent measurement

B.1 Financial Assets

Financial assets are classified in following categories:

a) Debt instruments at Amortised Cost

Debt instrument shall be measured at amortised cost if both of the following conditions are met:

(a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and

(b) the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Such financial assets are measured at amortised cost using effective interest rate method less impairment, if any. The EIR amortisation is included in finance income in the statement of profit and loss.

Following financial assets are measured at amortised cost:-

(i) Trade receivable
(ii) Security deposit
(iii) Retention money
(iv) Money held with client
(v) Cash and cash equivalent
(vi) Loan and advances
(vii) Investment in Tax free bonds

b) Debt instruments at Fair value through Other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the **Fair value** through other comprehensive income if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent solely payment of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned is recognised using the EIR method.

c) Debt instruments at fair value through Profit & Loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instruments, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the group may elect to designate a debt instruments, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of P&L.

B. 2 **Financial liabilities**

a) Financial liabilities at Amortised Cost

Financial liabilities at amortised cost represented by trade and other payables, security deposits and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

b) Financial liabilities at FVTPL

The group has not designated any financial liabilities at FVTPL.

C. **De-recognition**

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of Profit & Loss.

D. **Impairment of financial assets:**

Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss.

(xxvii) Non-current Assets (or disposal groups) held for Sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, Plant and Equipment and intangible assets are not depreciated or amortized once classified as held for sale. Assets classified as held for sale/distribution are presented separately in the balance sheet.

If the criteria stated by IND AS 105 "Non-current Assets Held for Sale" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognized had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

(xxviii) Financial guarantees

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

3 Property, Plant and Equipment

(Rs. in Crore)

	Freehold Land	Lease hold Land	Lease hold Buildings	Freehold Buildings/ Flats-Residential	Freehold Buildings/ Flats-Non-Res.	Plant & Machinery	Survey Instruments	Computers	Mobile Handset	Office Equipments	Furniture & Fixtures	Caravans, Camps and Temp. Sheds	Vehicles	Total
Foot Notes	(vi)	(v)	(iv)		(i)	(ii)					(vii)			
Gross Carrying Amount (At Cost)														
At 1 April 2015	0.06	36.39	42.44	8.73	10.00	428.31	3.69	8.94	0.24	7.64	8.40	5.57	17.93	578.34
Additions	0.00	0.00	0.48	0.00	0.12	2.71	0.20	0.86	0.03	0.97	0.63	6.10	0.00	12.11
Disposals/ Adjustments	0.00	0.00	0.00	0.00	0.05	(9.30)	0.36	(0.64)	(0.09)	(1.45)	(0.65)	(0.26)	(2.30)	(14.28)
At 31 March 2016	0.06	36.39	42.92	8.73	10.18	421.72	4.25	9.16	0.19	7.15	8.38	11.41	15.63	576.17
Additions	7.11	0.00	0.00	1.08	0.00	0.70	0.50	0.92	0.00	1.02	0.85	1.41	0.60	14.19
Disposals/ Adjustments	35.09	(35.09)	(24.53)	24.53	(1.32)	(48.09)	(0.87)	(1.04)	(0.14)	(0.65)	(0.43)	(0.61)	(6.61)	(59.76)
At 31 March 2017	42.26	1.30	18.39	34.34	8.85	374.33	3.88	9.04	0.05	7.53	8.79	12.21	9.63	530.60
Depreciation and impairment														
At 1 April 2015	0.00	0.20	6.56	2.69	1.53	342.70	3.42	8.11	0.21	6.63	7.65	5.46	16.50	401.65
Depreciation charge for the year	0.00	0.01	0.88	2.45	1.82	22.32	0.07	0.59	0.01	0.36	0.24	0.55	0.18	29.48
Impairment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Disposals/ Adjustments	0.00	0.00	0.00	0.00	0.01	(5.77)	(0.58)	(0.59)	(0.08)	(1.34)	(0.60)	(0.24)	(2.17)	(11.35)
At 31 March 2016	0.00	0.21	7.44	5.13	3.36	359.25	2.92	8.11	0.15	5.64	7.29	5.77	14.51	419.78
Depreciation charge for the year	0.00	0.01	5.26	0.52	0.37	8.04	0.09	0.60	0.00	0.45	0.31	2.20	0.13	17.99
Impairment	0.00	0.00	0.00	0.00	0.00	1.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.26
Disposals/ Adjustments	0.00	0.00	(3.23)	3.23	(0.44)	(43.00)	(0.67)	(1.00)	(0.15)	(1.66)	(0.34)	(0.60)	(6.17)	(54.04)
At 31 March 2017	0.00	0.22	9.47	8.89	3.29	325.55	2.34	7.70	0.00	4.43	7.26	7.37	8.47	385.00
Net book value														
At 31 March 2017	42.26	1.07	8.92	25.46	5.56	48.78	1.54	1.34	0.05	3.10	1.54	4.84	1.16	145.61
At 31 March 2016	0.06	36.18	35.48	3.60	6.81	62.47	1.33	1.05	0.04	1.51	1.09	5.64	1.12	156.39
At 1 April 2015	0.06	36.19	35.88	6.05	8.47	85.61	0.27	0.83	0.03	1.01	0.75	0.10	1.43	176.69

Foot Notes:-

i) Fixed assets held for disposal included in sales/adjustment column and transferred to other current assets at Net Book value: -

(Rs. in Crore)

Block of assets	**Description** of the assets	Manner and expected **time of disposal**	Expected Loss/gain **on sale** of non current assets	**Segment**	As at 31 March 2017		As at 31 March 2016		**As at 1 April 2015**	
					Gross **Block**	**Net Block**	Gross **Block**	**Net Block**	Gross **Block**	**Net Block**
Freehold Building - Residential	Residential Building at Chennai	Open Tender, 31.03.2018	-	Domestic	0.38	0.28	0.38	0.28	0.38	0.28
Total					0.38	0.28	0.38	0.28	0.38	0.28

ii) Includes Plant & Machinery (Locomotives) on wet lease basis to a foreign client till 31.12.2015.

iii) Depreciation and impairment on Property, Plant & Equipment for the year debited to Statement of Profit and Loss are as follows:-

(Rs. in Crore)

Description	As at March 2017	As at March 2016
Depreciation on Tangible Assets	17.99	29.48
Impairment Loss	1.26	-
Total	19.25	29.48

iv) Includes lease hold building on Railways land for 30 years lease (Gross value Rs. 5.30 crore) for which agreement is yet to be finalized.

v) Lease hold land includes land at Greater Noida Industrial Development Authority (GNIDA) for construction of proposed Central Inspection Cell (CIC) by the Company (Gross value Rs.0.82 crore). The request for time extension for construction of Building has been submitted to the appropriate authority.

vi) The company has paid conversion charges for Rs. 7.10 crore to Delhi Development Authority (DDA) during the financial year 2016-17 for conversion of its land at Saket from leasehold to freehold. However, as at 31 March 2017 DDA is in the process of transferring the said land from leasehold to freehold.

vii) Furniture & Fixtures includes Furnishings also.

4. Capital Work in Progress*

(Rs. in Crore)

Particulars		Amount
Opening balance at 1 April 2015		0.38
Additions (subsequent expenditure)		
- Work Expenses	0.41	
- Misc Operating Exp.	0.83	
	1.24	1.24
Less : Capitalised during the year		0.12
Closing balance at 31 March 2016		1.50
Additions (subsequent expenditure)		2.00
- Track Machines	2.00	

(Rs. in Crore)

Particulars		Amount
Less : Capitalised during the year		1.50
Closing balance at 31 March 2017		2.00
Net Book Value		
at 31 March 2017		2.00
at 31 March 2016		1.50
at 1 April 2015		0.38

(Rs. in Crore)

* Details of Capital Work in progress	As at 31st March 2017	As at 31st March 2016	As at **1st April 2015**
1. Camps & carvans at Shivpuri Guna	-	0.84	
2. Work of Fire Fighting & Civil Contsruction at CIC Noida	-	-	0.12
3. Office Building at Kolkata	-	0.66	0.26
4. Track Machines	2.00	-	-
	2.00	1.50	0.38

5. Investment Property

(Rs. In Crore)

Particulars	Land and Capital work in progress at Noida	Land and Capital work in progress at Gurgaon	SRO Building at Old Airport Road, Bangalore	Total
Opening balance at 1 April 2015	260.36	7.04	3.04	270.44
Additions (subsequent expenditure)*	0.45	7.39	-	7.84
Closing balance at 31 March 2016	260.81	14.43	3.04	278.27
Additions (subsequent expenditure)*	20.58	8.62	-	29.20
Closing balance at 31 March 2017	281.39	23.05	3.04	307.48
Depreciation and impairment				
Opening balance at 1 April 2015	-	-	0.04	0.04
Depreciation during the year	-	-	0.05	0.05
Closing balance 31 March 2016	-	-	0.08	0.08
Depreciation during the year	-	-	0.05	0.05
Closing balance 31 March 2017	-	-	0.13	0.13
Net Block				
at 31 March 2017	281.39	23.05	2.91	307.35
at 31 March 2016	260.81	14.43	2.96	278.18
at 1 April 2015	260.36	7.04	3.00	270.40

Information regarding income and expenditure of Investment property

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016
Rental income derived from investment properties	0.34	0.06
Direct operating expenses (including repairs and maintenance) generating rental income	-	-
Direct operating expenses (including repairs and maintenance) that did not generate rental income'	-	0.02
Profit arising from investment properties before depreciation and indirect expenses	0.34	0.04
Less: Depreciation during the year	0.05	0.05
Profit arising from investment properties before indirect expenses	0.39	0.09

Reconciliation of fair value

(Rs. In Crore)

	Land and Capital work in progress at Noida	**Land and Capital work in progress** at Gurgaon	**SRO Building at Old Airport Road, Bangalore**	**Total**
Opening balance as at 01-04- 2015	249.74	136.01	4.88	390.62
Fair value difference	(4.29)	(4.17)	0.17	(8.30)
Closing balance as at 31-03-2016	245.44	131.84	5.04	382.32
Fair value difference	4.40	16.36	0.20	20.96
Closing balance as at 31-03-2017	249.85	148.20	5.24	403.29
Fair value difference for the period	4.40	16.36	0.20	20.96
Note:-				
Investment Property self constructed	249.85	148.20	5.24	403.29
	249.85	148.20	5.24	403.29
Valuation technique used by valuer to be disclosed	Cost & Income	Cost	Cost (Land & Building)	

Description of valuation techniques used by valuer:

Cost Approach:

Under this approach, market value of the land has been estimated using Direct Comparison Approach (Market Approach). The building value has been estimated used Depreciated Replacement Cost (as if new).Within the Cost Approach, the land value is being estimated on the assumption that it is vacant and free of all encumbrances. It is added to the cost of the improvements derived by using the depreciated Replacement Cost method. Replacement cost implies “The current cost of replacement of an asset with a similar utility as if new.” Building costs would include the cost of the building components and other improvements. Appropriate depreciation is being applied to the same to estimate the value.

Income Approach (DCF):

DCF analysis is the process of valuing an investment property or asset by undertaking an estimation of future cash flows and taking into account the time value of money. Under this technique, the income is projected over the investment cycle and the net income is calculated after the deduction of capital, operating, and other necessary expenses.

(Rs. In Crore)

* Detail of Additions (subsequent expenditure)	31 March 2017	31 March 2016
- Work Expenses	26.79	7.13
- Consultancy Charges	0.59	0.43
- Salary & Wages	0.41	0.01
- Rates & Taxes	1.28	0.19
- Vehicle Operation and Maintenance	0.04	0.04
- Power, Electricity and Water charges	0.00	-
- Advertisement & Publicity	0.08	0.02
- Bank Charges	0.00	0.00
- Repairs and Maintenance - Office & Other	0.01	-
- Tour & Travelling	0.01	0.00
- Misc Operating Exp.	0.00	0.01
Total	29.21	7.83

6. Intangible Assets

(Rs. In Crore)

Particulars	Intangible assets under development	Other Intangibles (Software/Lease Rights)*
Opening balance at 1 April 2015	16.04	75.32
Addition during the year	59.15	1.16
Sales / adjustment during the year	(1.33)	(0.01)
Closing balance at 31 March 2016	73.86	76.47
Addition during the year	479.36	6.97
Capitalisation during the year	(6.64)	
Sales / adjustment during the year	-	(0.01)
Closing balance at 31 March 2017	546.58	83.44
Amortisation and Impairment		
Opening balance at 1 April 2015	-	3.21
Amortisation during the year	-	1.37
Sales / adjustment during the year	-	(0.01)
Closing balance at 31 March 2016	-	4.57
Amortisation during the year	-	7.39
Sales / adjustment during the year	-	(0.01)
Closing balance at 31 March 2017	-	11.95
Net book value		
At 31 March 2017	546.58	71.49
At 31 March 2016	73.86	71.91
At 1 April 2015	16.04	72.11

***It includes Lease Rights of subsidiary company - Ircon Infrastructure and Services Limited which has entered into an agreement with RLDA (Rail Land Development Authority) to build Multi Functional Complexes (MFCs) at various railway stations. The Land belongs to Railways and the company has constructed the buildings on the same and having lease rights (commercial Rights) of 45 years from the date of commencement of MFC.**

7. Financial Assets

7.1. Investments

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Incorporated Joint Venture (fully paid-up)			
CCFB, Mozambique (31 March 2016 : Nil, 1 April 2015 : 12,50,000)	-	-	5.53
Less : Impairment in value of Investment	-	-	(5.53)
Ircon-Soma Tollway Private Limited (ISTPL) 6,38,70,000 equity shares of Rs. 10 each fully paid. (31 March 2016: 6,38,70,000, 1 April 2015 : 6,38,70,000) (Refer note (i) a & b)	22.72	16.87	11.34
Bastar Railway Pvt. Limited 11,83,000 equity shares of Rs. 10 each (31 March 2016 : Nil, 1 April 2015 : Nil)	1.18	-	-
Jharkhand Central railway 13,00,000 equity shares of Rs. 10 each (31 March 2016 : Nil, 1 April 2015 : Nil)	1.12	-	-
Mahanadi Coal Railway Limited 13,000 equity shares of Rs. 10 each (31 March 2016 : 13,000, 1 April 2015 : Nil)	0.01	0.01	-
Chattisgarh East Railway Limited 8,35,75,700 equity shares of Rs. 10 each fully paid. (31 March 2016 : 4,01,70,000, 1 April 2015 : 11,70,000)	83.47	40.10	1.12
Chattisgarh East-West Railway Limited 13,11,70,000 equity shares of Rs. 10 each fully paid. (31 March 2016 : 11,70,000, 1 April 2015 : 11,70,000)	131.08	1.10	1.12
Total (a) - Investment in Joint Ventures	239.57	58.08	13.58
b) (Investment at Amortised cost)			
Investment in Bonds (Quoted)			
8.00% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 163,131 units of Rs.1,000 each (31 March 2016 : 163,131, 1 April 2015 : 163,131)	16.31	16.31	16.31
7.21% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 500 units of Rs.10,00,000 each (31 March 2016 : 500, 1 April 2015 : 500)	49.96	49.96	49.96
8.23% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 5,00,000 units of Rs.1,000 each (31 March 2016 : 5,00,000, 1 April 2015 : 5,00,000)	50.00	50.00	50.00
8.35% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 500 units of Rs. 10,00,000 each (31 March 2016 : 500, 1 April 2015 : 500)	49.92	49.93	49.92
7.15% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 250 units of Rs. 10,00,000 each (31 March 2016 : 250, 1 April 2015 : Nil)	24.98	24.98	-
8.00% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 163,131 units of Rs.1,000 each (31 March 2016 : 163,131, 1 April 2015 : 163,131)	16.31	16.31	16.31

Particulars	31 March 2017	31 March 2016	1 April 2015
7.21% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 500 units of Rs.10,00,000 each (31 March 2016 : 500, 1 April 2015 : 500)	49.96	49.96	49.96
8.23% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 5,00,000 units of Rs.1,000 each (31 March 2016 : 5,00,000, 1 April 2015 : 5,00,000)	50.00	50.00	50.00
8.35% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 500 units of Rs. 10,00,000 each (31 March 2016 : 500, 1 April 2015 : 500)	49.92	49.93	49.92
7.07% Tax Free Indian Railway Finance Company Limited (IRFC) Bonds, 3,02,000 units of Rs.1,000 each (31 March 2016 : 3,02,000, 1 April 2015 : Nil)	30.20	30.20	-
7.14% NHAI Tax Free Bonds, 1,99,989 units of Rs. 1,000 each (31 March 2016 : 1,99,989, 1 April 2015 : Nil)	20.00	20.00	-
7.02% NHAI Tax Free Bonds, 500 units of Rs. 10,00,000 each (31 March 2016 : 500, 1 April 2015 : Nil)	49.99	50.00	-
Total - Investment in Bonds (Quoted)	291.36	291.38	166.19
Total non - current investments (a+b)	530.94	349.47	179.77
Aggregate Book value of quoted investments	291.36	291.38	166.19
Aggregate Market value of quoted investments	293.32	292.98	175.61
Aggregate Book value of unquoted investments	239.58	58.09	13.58
Aggregate amount of impairment in value of investments	-	-	5.53

Foot Note (i) :

(a) Out of 6,38,70,000 equity shares of Ircon-Soma Tollway Private Limited (ISTPL) held by the company, 30 % shares (1,91,61,000 no.) are pledged with Punjab National Bank against the loan drawn by Ircon-Soma Tollway Private Limited (ISTPL) outstanding as on 31.03.2017 is Rs. 126.78 crores. Further, an undertaking has been given by the company to Punjab National Bank for non disposal of its 21% (1,34,12,700 no. of shares) of the present holding (over and above the pledged over 30% of shareholding) .

(b) As per Articles of Association (Article V) of Ircon-Soma Tollway Private Limited (ISTPL), shareholders can transfer their shareholding subject to Concession Agreement dated 28th September 2005 signed with NHAI which provides for equity holding of not less than 51% by Consortium members in Ircon-Soma Tollway Private Limited (ISTPL) during the construction period and three years following Commercial Operation Date, which was achieved on 19.04.2010. Thereafter, the aforesaid shareholding can be diluted to 26% subject to the pre-emption right of the other shareholders.

* Investment in Subsidiaries and Joint Ventures is carried at cost in the financial statements in accordance with para 10 of Ind AS 27

7.2. Trade Receivables

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Unsecured : Considered good			
- Retention Money with client	20.51	0.39	25.78
- Money Withheld by Client	3.57	2.15	18.93
Total	24.08	2.54	44.71

7.3. Loans

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
A. Secured, considered good			
Staff Loans and Advances	0.66	1.55	1.65
Total (A) - Secured Loans	0.66	1.55	1.65
B. Unsecured, considered good			
(i) Loans to Related Parties:			
Joint Ventures			
- Companhia Dos Caminhos De Ferro Da Beira Sarl	-	-	70.48
- Chattisgarh East Railway Ltd.	39.00	39.00	30.00
- Chattisgarh East West Railway Ltd.	39.00	19.50	-
Total (i)	78.00	58.50	100.48
(ii) Others:			
Staff Loans & Advances	0.25	0.56	0.74
Total (ii)	0.25	0.56	0.74
Total (B) - Unsecured Loans (i+ii)	78.25	59.06	101.22
C. Considered Doubtful			
(i) Loans to Related Parties:			
Joint Ventures			
- Companhia Dos Caminhos De Ferro Da Beira Sarl	-	-	25.46
Total (i)	-	-	25.46
Less : Allowance for doubtful loans	-	-	(25.46)
Total (C) - Doubtful Loans	-	-	
Grand Total - Loans	78.91	60.61	102.87

7.4. Other Financial Assets

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Considered Good			
Security Deposits			
- Government Departments	0.05	0.06	0.08
- Others	0.15	0.47	0.52
Fixed Deposits more than 12 months {refer foot note (i)}	0.41	0.41	0.41
Fixed Deposits received from Contractors {refer foot note (ii)}	5.23	7.10	1.91
Interest Accrued on Advances to Staff	0.59	1.17	1.22
Interest Accrued on Loans to Related Party	-	5.42	-
- Claims Recoverable from Clients	-	0.72	0.79
- Recoverable from Govt of Mozambique	70.78	31.93	-
- Others - Advance Lease Rent	0.04	-	-

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
b) Unsecured, Considered Good			
Security Deposits			
- Government Departments	0.04	0.04	0.04
Interest Accrued on Advances to Staff	0.01	0.01	0.01
Total - Other Financial Assets	77.30	47.33	4.98
c) Considered Doubtful			
Interest Accrued on Loan to Related Party			
- Companhia Dos Caminhos De Ferro Da Beira Sarl (JV)	-	-	0.19
Less : Allowance for doubtful financial assets (others)	-	-	(0.19)
Total - Other Financial Assets - Doubtful	-	-	-
Grand Total - Other Financial Assets	77.30	47.33	4.98

Foot Notes:-

(i) Includes FDRs under Lien for Rs. 0.41 crore (Rs. 0.41 crore).

(ii) Fixed Deposits received from Contractors are realisable, if the contractor fails to fulfill its obligations as per the terms and conditions of the contract agreement.

8. Deferred Tax Assets

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Provisions	131.48	176.95	217.82
Property, Plant and Equipment and Intangible Assets	(13.23)	(0.72)	2.39
Others	26.78	35.36	41.93
Closing balance as at 31March	145.03	211.59	262.14

Reconciliation / Movements in Deferred Tax Assets

(Rs. in Crore)

Particulars	Provisions	PPE and Intangible Assets	Others	Total
As at 1 April 2015	217.82	2.39	41.93	262.14
(Charged)/Credited :				
- to profit or loss	(40.87)	(3.11)	(12.62)	(56.60)
- to Other Comprehensive Income	-	-	6.05	6.05
As at 31 March 2016	176.95	(0.72)	35.36	211.59
(Charged)/Credited :				
- to profit or loss	(45.46)	(12.51)	(8.58)	(66.56)
- to Other Comprehensive Income	-	-	-	-
As at 31 March 2017	131.48	(13.23)	26.78	145.03

Deferred tax liabilities have been off set as they relate to the same governing law.

Income Tax Expense

Profit or loss Section

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Current income tax:		
Current income tax charge	123.34	156.83
Adjustments in respect of current income tax of previous year	(18.34)	5.07
Deferred tax:	-	-
Relating to origination and reversal of temporary differences	66.54	56.60
Income tax expense reported in the statement of profit or loss	171.54	218.50

OCI section

Income tax related to items recognised in OCI during the year:

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Net loss/(gain) on remeasurements of defined benefit plans	1.67	0.46
Net loss/(gain) on exchange gain/ loss	5.59	(25.94)
Income tax charged to OCI	7.26	(25.48)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31March2016 and 31March2017:

(Rs. in Crore)

Particulars	31 March 2017	31 March 2016
Accounting profit before tax from continuing operations	576.71	581.20
Profit/(loss) before tax from a discontinued operation	-	-
Accounting profit before income tax	576.71	581.20
At India's statutory income tax rate of 34.608% (31 March 2016: 34.608%)	170.63	196.06
Adjustments in respect of current income tax of previous years	(18.18)	(9.18)
Utilisation of previously unrecognised tax losses	-	-
- Non taxable items	(33.46)	(9.47)
- Rate Difference	(5.19)	4.61
- Other	23.47	(0.15)
Deduction under Section 90/91		(1.49)
Additional Provision made on account of deduction in Section 90/91		0.88
Non-deductible expenses for tax purposes:		
-Other country additional tax	(2.87)	6.22
Other non-deductible expenses	18.89	5.53
At the effective income tax rate of 30.75% (31 March 2016: 33.30%)	153.30	193.02
Income tax expense reported in the statement of profit and loss	153.30	193.02
Income tax attributable to a discontinued operation	-	-
	153.30	193.02

9. Other Non-Current Assets

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Advances Other than Capital Advances			
Advances to Contractors against material and machinery	43.49	28.06	25.29
Advances to Contractors, Suppliers and Others	310.09	199.87	205.41
Deposits with Tax Departments	0.21	0.02	0.10
Total - Advances Other than Capital Advances	353.79	227.95	230.80
b) Others			
Unsecured, considered good			
Interest Accrued on :			
- Advances to Contractors, Suppliers & others	43.05	20.77	14.50
Prepaid Expenses	3.97	0.12	0.03
Fair valuation adjustment	2.82	0.55	3.09
Total - Others	49.84	21.44	17.62
c) Considered Doubtful			
Advances to Contractors, Suppliers and Others	0.91	-	8.71
Interest Accrued on :			
- Advances to Contractors, Suppliers & others	-	-	0.40
Less: Allowance for doubtful advances	(0.91)	-	(9.11)
Total - Considered Doubtful	-	-	-
Grand Total	403.63	249.39	248.42

10. Inventories

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Raw Material			
- In Hand	34.64	88.09	32.61
- With Third Parties	4.28	1.78	25.81
- In Transit	1.78	-	0.11
	-	-	-
Construction Work In progress (at Cost)	98.64	50.75	55.90
Total	139.34	140.62	114.43

11. Financial Assets

11.1. Investments

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Investment at Cost			
1. Investments in Equity Instruments - fully paid-up (unquoted)			
Incorporated Joint Venture			
CCFB, Mozambique - Nil (31 March 2016 : 12,50,000 equity shares of meticals 24000 each fully paid)	-	5.53	-

Investment at Fair Value through Profit & Loss			
2. Investment in Mutual funds (Quoted)			
UTI Mutual Fund - Daily Dividend Plan : No. of Units : 13,80,381 (31 March 2016 : 36,454 & 1 April 2015 : 1,06,836)	140.72	3.72	10.89
SBI Premier Liquid Fund - Daily Dividend Plan : No. of Units : 10,88,384 (31 March 2016 : 12,83,478 & 1 April 2015 : 3,00,718)	109.19	128.76	30.17
SBI Debt Fund Series - A -14 : No. of Units : Nil (31 March 2016 : Nil & 1 April 2015 : 2,50,00,000)	-	-	27.33
Total Investments	249.91	138.01	68.39
Aggregate book value of quoted investments	249.91	132.48	68.39
Aggregate Market value of quoted investments	249.91	132.48	68.39
Aggregate book value of unquoted investments	-	5.53	-
Aggregate amount of impairment in value of investments	-	-	-

11.2. Trade Receivables

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	**1 April 2015**
Unsecured : considered good			
- Trade receivables	434.45	484.81	462.31
- Retention Money with client	51.56	55.82	60.38
- Money Withheld by Client	67.64	115.71	48.14
Secured : considered good			
- Trade receivables	29.79	25.19	9.45
Considered Doubtful			
- Trade receivables	20.85	15.82	16.25
- Retention Money with client	7.19	8.07	9.89
- Money Withheld by Client	5.65	5.99	4.50
Less : Impairment allowances for doubtful debts	33.69	29.88	30.64
Total	583.44	681.52	580.28

11.3. Cash and Cash equivalents

(Rs. In Crore)

Particulars	Footnote	31 March 2017	31 March 2016	**1 April 2015**
Cash in hand		0.18	0.23	0.21
Cheques/drafts in hand		-	4.96	0.17
Balances with banks:				
– On current accounts		223.82	95.38	209.40
– Flexi Accounts	(i)	225.32	205.27	176.94
– Deposits with original maturity of less than three months	(ii)	1,004.44	2,284.84	922.75
– Remittance in Transit		-	-	15.00
		1,453.76	2,590.68	1,324.47

11.4. Bank Balances other than Cash and Cash equivalents

(Rs. In Crore)

Particulars	Footnote	31 March 2017	31 March 2016	1 April 2015
Other Bank Balances				
– Deposits with original maturity of more than 3 months but less than 12 months	(i)	3,088.45	2,112.91	2,035.77
– Fixed Deposits received from Contractors*	(ii)	210.92	18.40	18.65
		3,299.37	2,131.31	2,054.42

(i) Includes client fund, interest on which is passed on to them.

(ii) Fixed Deposits received from Contractors are realisable, if the contractor fails to fulfill its obligations as per the terms and conditions of the contract agreement.

11.5. Loans

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
A. Secured, considered good			
Staff Loans and Advances	1.23	0.63	0.66
Total (A) - Secured Loans	1.23	0.63	0.66
B. Unsecured, considered good			
(i) Loans to Related Parties:			
Joint Ventures			
- IRCON - AFCON JV	-	-	18.11
- Chhattisgarh East Railway Limited	78.00	-	-
(ii) Others:			
Staff Loans & Advances	0.99	1.07	1.69
Total (B) - Unsecured Loans (i) + (ii)	78.99	1.07	19.80
C. Considered Doubtful			
Others:			
Staff Loans and Advances	-	-	-
Less :- Impairment allowance for doubtful Loans	-	-	-
Total (C) - Doubtful Loans	-	-	-
Grand Total	80.22	1.70	20.46

11.6. Other Financial Assets

(Rs. In crores)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Considered Good			
Security Deposits			
- Government Departments	7.07	5.65	6.22
- Others	1.72	1.26	1.30
Earnest Money Deposit	0.35	0.35	0.41
Interest Accrued on :			
- Advance to Staff	0.72	0.29	0.25
- Loans to Related Parties	15.43		0.85

Particulars	31 March 2017	31 March 2016	1 April 2015
- Loan to Indian Railway Welfare Organisation	-	-	0.20
- Deposits with Banks	116.12	92.41	82.08
- Bonds	17.87	12.65	11.88
Others:			
(i) Recoverables from Related Parties			
Joint Ventures			
- RICON CETA SARL	-	0.89	0.84
- Companhia Dos Caminhos De Ferro Da Beira Sarl	-	0.00	0.78
- RICON	0.64	9.93	9.67
- International Metro Civil Contractor	2.84	2.83	3.53
- Metro Tunneling Group	3.86	5.64	5.42
- Ircon Soma Tollway Pvt. Ltd.	7.04	7.22	7.15
- IRCON - AFCON JV	29.85	7.76	2.44
- Chhattisgarh East Railway Limited	2.48	-	-
- Mahanadi Coal Railway Limited	0.37	-	-
(ii) Recoverable from Govt. of Mozambique	35.81	49.72	-
(iii) Claims Recoverable from Clients	17.37	19.38	8.46
(iv) Other Recoverables	5.30	5.81	1.17
(iv) Others - Advance Lease Rent	0.14	0.10	0.09
Share Application Money pending allotment			
Gandhinagar Railway and Urban Development Corporation Limited- 26000 Equity Shares of Rs 10 each*	0.03	-	-
Total - Other Financial Assets - Good	265.01	221.89	142.74
b) Considered Doubtful			
Security Deposits			
- Government Departments	0.55	1.47	2.11
- Others	0.19	0.27	0.27
Interest Accrued on Advances to Staff	-	-	-
Earnest Money Deposit	0.05	0.05	-
Less : Impairment allowance for doubtful financial assets (others)	(0.79)	(1.79)	(2.38)
Total - Other Financial Assets - Doubtful	-	-	-
Grand Total - Other Financial Others	265.01	221.89	142.74

* IRSDC has invested in Gandhinagar Railway and Urban development Corporation Limited (a joint venture if IRSDC & Govt. of Gujarat) on 31.03.2017 of Rs. 2.60 Lakhs for which shares were pending for allotment. Share are allotted on 11/05/2017

(i) Debts due by officers of the company, firms in which any director is a partner or private company in which any director is a member except JVs and Subsidiaries are Rs. Nil (Rs. Nil).

Details of amount due from Directors:

(Rs. In crores)

Particulars	31-03-17	31-03-16
Amount due from directors included in interest accrued on staff loans and advances	-	-

12. Other Current Assets

(Rs. In Crore)

Particulars	Foot Note	31 March 2017	31 March 2016	1 April 2015
a) Advances Other than Capital Advances				
Advances to Contractors against material and machinery		45.08	21.95	9.15
Advances to Contractors, Suppliers and Others		141.73	166.66	129.29
Advance to Staff (Festival & other Advance)		0.05	-	
Tax Authority		-	-	-
- Sales Tax (including TDS)		302.55	221.88	200.98
Less : Deposited under Protest		(210.48)	(203.45)	(184.31)
- Value Added Tax		94.68	143.57	114.26
- Service Tax input credit		4.19	0.29	0.02
Total - Advances Other than Capital Advances		377.80	350.90	269.39
b) Others				
Interest Accrued on:				
Deposits & Advances with:				
- Contractors, Suppliers & Others		43.00	29.01	17.44
Construction Work in Progress (At realisable value)		97.59	28.82	106.81
Billable Revenue / Receivable not due	(i)	293.52	291.14	405.32
Assets held for disposal	(ii)	1.03	1.46	1.73
Prepaid Expenses		3.58	5.52	3.56
Fair valuation adjustment		5.19	4.69	2.73
Lease Equalisation		0.14	0.24	0.10
Total - Others		444.05	360.88	537.69
c) Considered Doubtful				
Advances to Contractors, Suppliers and Others		15.32	18.97	9.88
Sales Tax (including TDS)		35.89	34.97	35.31
Others		0.10	0.10	-
Value Added Tax		7.18	7.18	7.18
		-	-	-
Less: Impairment allowance for doubtful advances		(58.49)	(61.22)	(52.37)
Total - Considered Doubtful		-	-	-
Grand Total		821.85	711.79	807.09

(i) (a) Includes Value of work amounting to Rs. 1.61 crore (Rs. 12.49 core) certified by client, but not billed by reporting date.

(b) Includes Rs. 2.48 crore (Rs. 6.95 crore) from Chhattisgarh East Railway Limited, a Joint Venture Company.
(c) Includes Rs. 0.31 crore (Rs. 25.47 crore) from Chhattisgarh East West Railway Limited, a Joint Venture Company.

(ii) Property, plant & equipment beyond economic repair and/or held for disposal (at lower of the realizable value and book value):

(Rs. In crore)

Block of assets	**Description** of the assets	Manner and expected **time of disposal**	Expected Loss/gain **on sale of** non current assets	**Segment**	As at 31 March 2017		As at 31 March 2016	
					Gross Block	**Net Block**	**Gross Block**	**Net Block**
Plant and Machinery								
Northern Region	Plant and Machinery	Through e-auction like MSTC with expected time of disposal by end of year 2018	Unpredicted	Domestic	5.16	0.29	6.50	0.89
Malaysia Region	Locomotives - 3 Nos.	Open Tender, June 2017	0.75	International	7.25	0.17	-	-
Mozambique Project	Plant and Machinery			International	5.90	0.29	5.90	0.29
Freehold Building - Residential	Residential Building at Chennai	Open Tender, 31.03.2018	-	Domestic	0.38	0.28	0.38	0.28
Total					18.69	1.03	12.78	1.46

13. Equity Share capital

(Rs. In Crore)

Particulars	As at 31 March 2017	As at 31 March 2016	As at **1 April 2015**
Authorised share capital			
10,00,00,000 Equity shares of Rs.10 each *			
(10,00,00,000 Equity shares of Rs.10 each as at 31st March 2016 & 1st April 2015)	100.00	100.00	25.00
	100.00	100.00	25.00
Issued/Subscribed and Paid up Capital			
9,89,80,000 Equity shares of Rs.10 each-fully paid			
(1,97,96,000 Equity shares of Rs.10 each-fully paid as at 31st March 2016 & 1st April 2015)	98.98	19.80	19.80
	98.98	19.80	19.80

Details of shareholders holding in the company

Name of the shareholder	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No. of Share	% holding in the class	No. of Share	% holding in the class	No. of Share	% holding in the class
Government of India in the name of the President of India and Government nominees	98,712,000	**99.729%**	19,742,400	**99.729%**	19,742,400	**99.729%**
Indian Railway Finance Corporation Limited	244,000	**0.247%**	48,800	**0.247%**	48,800	**0.247%**
Bank of India	24,000	**0.024%**	4,800	**0.024%**	4,800	**0.024%**
Total	98,980,000	**100.000%**	19,796,000	**100.000%**	19,796,000	**100.000%**

Aggregate no. of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Name of the Shareholders	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	As at 31 March 2013
	No. of Share	**No. of Share**	**No. of Share**	**No. of Share**	**No. of Share**
Equity shares allotted other than cash	-	-	-	-	-
Equity shares issued as bonus shares	79,184,000	-	-	-	-
Total	79,184,000	-	-	-	-

Terms / Rights attached to Equity Shares :

(a) Voting:-

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

(b) Liquidation:-

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of equity shares and share capital

Particulars	As at 31 March 2017		As at 31 March 2016		As at 1 April 2015	
	No of shares	Rs in crore	No of shares	Rs in crore	No of shares	Rs in crore
Issued/Subscribed and Paid up equity Capital outstanding at the begging of the year	19,796,000	19.80	19,796,000	19.80	19,796,000	19.80
Add: Shares Issued during the year	79,184,000	79.18	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	98,980,000	98.98	19,796,000	19.80	19,796,000	19.80

* After close of the year, increase in Authorised Share Capital to Rs. 400 crore was approved in the Extra Ordinary General Meeting held on 22.05.2017

14. Other Equity

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
(a) Retained Earnings			
Opening Balance	339.46	139.65	-
Add: Ind AS Adjustments	-	-	139.65
Add: Transfer from surplus in statement of profit and loss	386.42	418.28	
Add: Dividend declared and paid during the year including Corporate Dividend Tax	(107.22)	(123.90)	
Less: Interim Dividend including Tax thereon	(114.52)	(95.30)	
Less: Bonus issue	(79.18)	0.00	
Add : Re-measurement of defined benefit plans (net of tax)	3.15	0.86	
Less: Share Issue Expenses	(0.19)	(0.12)	
Add/(Less): Changes in carrying value of investments in Joint Ventures other than share in profit/(loss)	-	-	
Less : Transfer to General Reserve	-	-	-
Total	427.92	339.46	139.65
(b) General Reserve			
Opening Balance	3,284.64	3,284.64	3,284.64
Add: Transfer from Retained Earnings	-	-	-
	3,284.64	3,284.64	3,284.64
(c) Items of other comprehensive income			
Opening Balance	(5.01)	26.52	26.52
Foreign Currency Translation (net of tax)	10.57	(31.53)	
Total	5.56	(5.01)	26.52
Grand Total	3,718.12	3,619.09	3,450.81

Distribution made and proposed dividend

Particulars	31 March 2017	31 March 2016
Cash dividends on equity shares declared and paid:		
Dividend paid during FY 2016-17: INR 45.00 per share (FY 2015-16: INR 52.00 per share)	89.08	102.94
Dividend distribution tax final dividend	18.13	20.96
Interim dividend paid during FY 2016-17: INR 9.61 Per share (FY 2015-16: INR 40.00 per share)	95.16	79.18
Dividend distribution tax on interim dividend	19.37	16.12
Total	221.74	219.20
Proposed dividends on equity shares:		
Dividend for 31 march 2017: INR 27.80 per share (31 March 2016: INR 45.00 per share)	97.25	89.08
Dividend distribution tax on proposed dividend	19.80	18.13
Total	117.05	107.21

15. Financial Liabilities

15.1. Trade Payables

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Micro, Small & Medium Enterprises *	-	-	-
Other Contractor & Suppliers	0.45	5.63	7.90
Total	0.45	5.63	7.90

* Refer Note No. 46

15.2. Other Financial Liabilities

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Deposits and Retention money	129.26	110.86	80.77
Total	129.26	110.86	80.77

16. Provisions

(Rs. In Crore)

Particulars	Foot Note	31 March 2017	31 March 2016	1 April 2015
Provision for Employee Benefits	16.1	71.71	101.14	203.30
Provision for Doubtful Assets	16.2	93.88	92.89	125.68
Other Provisions	16.3	303.04	402.91	455.31
		468.63	596.94	784.29
Less: Impairment Provision for Doubtful Assets (Presented Separately)	16.2	(93.88)	(92.89)	(125.68)
Total		374.75	504.05	658.61
Current		298.52	354.27	318.40
Non Current		76.23	149.78	340.21

16.1 The disclosure of provisions movement as required under the requirements of Ind AS 37 is as follows :

Provision for Employee Benefits :

(a) Provision for Retirement Benefits

(Rs. In Crore)

Particulars	Gratuity	Leave Salary	Settlement Allowance on Retirement	Post Retirement Medical Benefits	Pension	Total
As at 1 April 2015	66.31	83.24	1.28	7.33	26.19	184.35
Current	4.52	6.94	0.08	5.97	26.19	43.70
Non Current	61.79	76.30	1.20	1.36	-	140.65
Provision made during the year	2.22	7.72	0.09	2.84	3.37	16.25
Less: Utilization during the year	(68.53)	(7.21)	(0.03)	(5.97)	(27.99)	(109.72)
Less: Write Back during the year	-	0.30	-	-	1.57	1.87
(Exchange Gain) / Loss	-	(0.40)	-	-	-	-0.40
As at 31-March-2016	-	83.05	1.34	4.20	-0.00	88.60
Current	-	8.31	0.13	3.38	-0.00	11.82
Non Current	-	74.75	1.21	0.82	-	76.78

(Rs. In Crore)

Particulars	Gratuity	Leave Salary	Settlement Allowance on Retirement	Post Retirement Medical Benefits	Pension	Total
Provision made during the year	0.01	7.45	0.00	7.50	-	14.96
Less: Utilization during the year	-	(6.21)	(0.02)	(3.38)	-	(9.61)
Less: Write Back during the year	-	(28.33)	-	-	-	(28.33)
(Exchange Gain) / Loss	-	(0.14)	-	-		(0.14)
As at 31-March-2017	0.01	55.82	1.33	8.32	-	65.48
Current	0.01	5.58	0.13	6.66	-	12.38
Non Current	-	50.24	1.20	1.66	-	53.10

(b) Provision for other Employee Benefits

(Rs. In Crore)

Particulars	Performance Related Pay	Leave Travel Concession	Total
As at 1 April 2015	18.82	0.13	18.95
Current	18.82	0.01	18.83
Non Current	-	0.12	0.12
Provision made during the year	5.68	0.32	6.00
Less: Utilization during the year	(7.95)	(0.21)	(8.16)
Less: Write Back during the year	(4.25)	-	(4.25)
As at 31-March-2016	12.31	0.23	12.54
Current	12.31	0.03	12.34
Non Current	-	0.20	0.20
Provision made during the year	5.89	0.18	6.08
Less: Utilization during the year	(11.64)	(0.08)	(11.72)
Less: Write Back during the year	(0.67)	-	(0.67)
As at 31-March-2017	5.89	0.33	6.23
Current	5.89	0.05	5.95
Non Current	-	0.28	0.28
Total Provision for Employee Benefits (a+b)			
At 31-March-2017			71.71
At 31-March-2016			101.14
At 1-April-2015			203.30

16.2. Provision for Doubtful Assets :

(Rs. In Crore)

Particulars	Doubtful Debts	Doubtful Advances	Diminution in Value of Investments	Total
As at 1 April 2015	16.25	103.89	5.53	125.68
Current	16.25	69.12	-	85.38
Non Current	-	34.77	5.53	40.30
Provision made during the year	0.24	0.61	-	0.85
Less: Utilization during the year	(0.33)	(0.72)	-	(1.05)
Less: Write Back during the year	(0.34)	(26.71)	(5.53)	(32.58)
(Exchange Gain) / Loss	-	0.01	-	0.01
As at 31-March-2016	15.82	77.07	-	92.89
Current	15.82	77.07	-	92.89
Non Current	-	-	-	-
Provision made during the year	6.83	0.85	-	7.68
Less: Utilization during the year	(0.60)	(1.99)	-	(2.59)
Less: Write Back during the year	(1.45)	(2.79)	-	(4.24)
(Exchange Gain) / Loss	0.25	(0.11)	-	0.14
As at 31-March-2017	20.85	73.04	-	93.88
Current	20.85	73.04	-	93.88
Non Current	-	-	-	-

16.3. Other Provisions :

(Rs. In Crore)

Particulars	Demo-bilisation	Corporate Social Responsibility	Maintenance	Foreseeable Loss	Design Guarantee	Legal Cases	Other Expenses	Total
As at 1 April 2015	48.01		124.68	12.56	147.27	72.56	50.22	455.31
Current	40.58	-	38.58	12.56	41.91	72.56	49.68	255.87
Non Current	7.43	-	86.10	-	105.36	-	0.54	199.43
Provision made during the year	3.68		34.37	12.00	-	6.78	62.05	118.88
Less: Utilization during the year	8.38		54.38	2.39	-	0.07	21.21	86.43
Less: Write Back during the year	19.26		25.38	-	49.54	-	0.56	94.73
(Exchange Gain) / Loss	(0.88)		(1.12)	-	0.69	-	(0.22)	-1.52
Unwinding of discount	0.26		7.96	0.05	3.14	-	-	11.41
As at 31-March-2016	23.44	-	86.14	22.22	101.57	79.27	90.28	402.91
Current	22.91		69.64	22.22	45.79	79.27	90.28	330.11
Non Current	0.53	-	16.49	-	55.78	-	-	72.80
Provision made during the year	1.00	0.91	9.89	-	-	10.01	10.58	32.40
Less: Utilization during the year	3.39		28.58	16.15	-	1.34	26.24	75.70

Particulars	Demo-bilisation	Corporate Social Responsibility	Maintenance	Foreseeable Loss	Design Guarantee	Legal Cases	Other Expenses	Total
Less: Write Back during the year	(0.22)		(1.89)	-	(40.87)	(0.92)	(0.91)	(44.81)
(Exchange Gain) / Loss	(1.75)	-	(0.23)	(0.05)	(10.89)	0.00	(2.06)	(14.97)
Unwinding of discount	0.18		1.44	0.00	1.59	-	-	3.21
As at 31-March-2017	19.25	0.91	66.78	6.03	51.39	87.03	71.66	303.04
Current	19.18	0.91	56.49	6.03	38.96	87.03	71.61	280.19
Non Current	0.07	-	10.29	-	12.44	-	0.05	22.85

17. Other Non- Current Liabilities

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Advances			
Advance from clients	1,769.14	917.06	69.24
Deferred income	33.70	27.34	19.16
b) Others			
Fair valuation adjustment	22.93	20.40	15.84
Others	0.56	-	-
Total	1,826.33	964.80	104.24

18. Financial Liabilities (current)

18.1. Trade Payables

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Micro, Small & Medium Enterprises	-	-	-
Others			
(a) Contractor & Suppliers	359.90	390.89	433.65
(b) Related Parties	-	9.49	8.94
Total	359.90	400.38	442.59

18.2. Other Financial Liabilities

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
Staff	9.47	7.41	1.40
Deposits, Retention money and Money Withheld	506.27	485.04	510.17
Others	47.85	20.82	15.55
Total	563.59	513.27	527.12

19. Other Current Liabilities

(Rs. In Crore)

Particulars	31 March 2017	31 March 2016	1 April 2015
a) Advances			
Advance from clients	2,123.05	1,988.04	1,195.30
- Less: Deposits under protest (Sales Tax)	(210.48)	(203.45)	(184.31)
Advance contract receipts	99.96	74.27	24.63
Deferred income	4.71	3.94	5.46
b) Others			
Statutory dues:	74.34	40.94	26.34
Fair valuation adjustment	24.98	13.37	6.32
Other	0.01	0.01	
Total	2,116.57	1,917.12	1,073.74

20. Revenue from operations

(Rs. In Crore)

	For the year ended 31st March 2017		For the year ended 31st March 2016	
Contract Revenue		2,895.70		2,255.91
Loco lease		0.88		35.89
Machinery hire charges		9.15		8.31
Other Operating Revenue		10.15		57.03
MFC Leasing		13.66		14.75
Project Management Consultancy		18.53		5.11
Total		2,948.07		2,377.00

21. Other Income

(Rs. In Crore)

	For the year ended 31st March 2017		For the year ended 31st March 2016	
Interest Income :				
Interest on Tax Free Bonds		22.06		15.63
Interest on refund of income-tax		11.93		2.73
Interest on staff advances		0.21		0.28
Interest on loan to Related Parties *		11.32		31.39
Interest on other advances		7.37		4.91
Interest on Fixed Maturity Plan		-		0.06
Interest income on unwinding of financial instruments		7.54		3.98
Bank Interest Gross	311.60		246.33	
Less:- Interest passed to clients	(163.82)	147.78	(60.83)	185.50
Others :				
Amortisation of financial instruments		29.34		11.77
Profit on sale of assets		0.35		0.89
Miscellaneous Income		22.09		25.46
Provision written back for Loan & Equity - CCFB		-		31.18
Exchange Fluctuation Gain	-		150.12	
Less:- Exchange Fluctuation Loss	-	-	(15.95)	134.17
Dividend Income	4.82		5.54	
Less:-Dividend passed to clients	(1.45)	3.37	-	5.54
Total	263.37		453.49	

*** Interest on loan to Related Parties:**

(Rs. In Crore)

Particulars of Related Parties	2016-17	2015-16
- Companhia Dos Caminhos De Ferro Da Beira SARL	-	25.26
- Chhattisgarh East Railway Limited	6.26	4.92
- Chhattisgarh East-West Railway Limited	4.87	0.43
- IRCON AFCON JV	0.20	0.78
	11.32	31.39

22. Operating and Administrative Expenses

(Rs. In Crore)

Particulars	Operating				Other Exp. (Administrative)			
	For the year ended 31st March 2017		For the year ended 31st March 2016		For the year ended 31st March 2017		For the year ended 31st March 2016	
Materials and Stores consumed:								
Opening Balance	89.87		58.42			-		-
Add: Purchases during the year *	321.04					-		-
			367.51					
	410.91		25.93			-		-
Closing Balance	38.92	371.99	89.87	336.06		-		-
Work Expenses		2,083.24		1,520.05		-		-
Increase / Decrease in WIP		(47.86)		5.04		-		-
Design, Drawing, Business Development & Consultancy Charges		16.87		31.32		-		-
Inspection, Geo Technical Investigation & Survey Exp. Etc		16.26		5.52		-		-
Repairs and Maintenance of Machinery		11.50		14.29		-		-
Hire charges of machinery		3.26		3.30		-		-
Exchange Fluctuation Loss	71.59		0.06			-		-
Less:- Exchange Fluctuation Gain	33.13		-					
Net Exchange Fluctuation Loss		38.46		0.06		-		-
Rent - Non-residential		5.29		4.77		1.23		0.37
Rates and Taxes		30.30		21.44		1.63		0.84
Vehicle Operation and Maintenance		9.99		8.94		1.52		1.21
Repairs and Maintenance		-		-		-		-
- Building		0.07		0.12		0.91		0.56
- Office and Others		3.23		2.49		4.09		2.80
Power, Electricity and Water charges		2.19		2.57		1.59		1.61
Insurance		5.55		5.13		0.40		0.19
Travelling & conveyance		9.21		8.53		3.00		2.64
Printing & stationery		1.19		1.28		0.61		0.44
Postage, telephone & telex		1.51		1.74		0.48		0.52
Legal & Professional charges		5.52		4.38		4.49		3.06

Particulars	Operating		Other Exp. (Administrative)	
	For the year ended 31st March 2017	For the year ended 31st March 2016	For the year ended 31st March 2017	For the year ended 31st March 2016
Security services	3.68	4.00	0.41	0.24
Business promotion	0.39	0.88	0.34	0.20
Write-off of :				
- Bad debts	0.60	0.33	-	-
- Bad advances	2.00	0.59	-	-
- Bad assets	0.11	0.02	-	-
Loss on sale of Assets/Stores	-	-	0.03	0.03
Amortisation of premium paid on Invest.	-	-	-	-
Director sitting fee	-	-	0.07	-
Donation	-	-	0.04	0.01
Auditors remuneration	-	-	0.62	0.55
Advertisement & publicity	0.40	-	6.23	3.74
Training & Recruitment	-	-	0.30	0.54
Corporate social responsibility (Refer Note 46)	-	-	5.92	6.14
Miscellaneous expenses	2.86	4.76	2.73	1.15
Provisions (Addition - Write Back) (Refer Note 16)	(9.05)	23.46	-	-
Provisions Utilised (Refer Note 16)	(78.29)	(87.48)	-	-
Total	2,490.47	1,923.59	36.64	26.84

(i) **Payment to Statutory Auditors:**

(Rs. In Crore)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
(a) Audit Fee - current year	0.36	0.37
(b) Tax Audit Fees - current year	0.11	0.08
(c) Certification Fees	0.06	0.04
(d) Travelling & out of pocket expenses:	-	-
- Local	0.08	0.08
- Foreign	0.05	0.01
Total	0.65	0.57

* Includes Exchange gain/ loss due to implementation of Ind AS for Rs. 0.13 crore (As at 31st March 2016 : Rs. 0.02 crore).

23. Employee Remuneration and Benefits

(Rs. In Crore)

Particulars	Foot Note	For the year ended 31st March 2017			For the year ended 31st March 2016		
		Operating	Other Expenses (Administrative)	Total	Operating	Other Expenses (Administrative)	Total
Salaries, wages and bonus	(i)	104.86	40.42	145.28	110.18	34.46	144.64
Contribution to provident and other funds		7.25	4.05	11.30	6.97	3.51	10.48
Foreign service contribution		0.80	0.83	1.63	0.41	0.21	0.62
Retirement Benefits		13.25	(17.20)	(3.95)	12.82	10.25	23.07
VRS expenses		-	-	-	-	-	-
Staff Welfare		1.27	0.54	1.81	1.40	0.48	1.88
Total		127.43	28.64	156.07	131.78	48.91	180.69

Foot Notes:-

Includes income-tax on non-monetary perks Rs. 0.33 crore (As at 31st March 2016 : Rs. 0.33 crore).

24. Finance Cost

(Rs. In Crore)

Particulars	Foot Note	For the year ended 31st March 2017	For the year ended 31st March 2016
Interest Expense	(i)	9.65	7.83
Other Borrowing Cost			
- Bank Guarantee & Other Charges		8.67	8.85
Interest on Unwinding of financial Instruments		29.66	10.95
Amortisation of financial Instruments		7.31	4.15
Unwinding of discount on provisions		3.35	11.52
Total		58.64	43.30

Foot Notes:-

Includes interest on income-tax Rs. 9.65 crore (As at 31st March 2016 : Rs. 7.50 crore).

25. Depreciation, amortization and impairment

(Rs. In Crore)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Property, Plant and Equipment	17.99	29.48
Intangible Assets	7.39	1.37
Investment Property	0.05	0.05
Impairment of Assets	1.26	-
Total	26.69	30.90

26. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below

(Rs. In Crore)

Particulars	Remeasurement of Defined benefit plans	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Items that will not be reclassified to profit or loss	4.82	1.32
Income Tax relating to Items that will not be reclassified to profit and loss	(1.67)	(0.46)
Total	3.15	0.86

(Rs. In Crore)

Particulars	Foreign Currency Translation	
	For the year ended 31st March 2017	For the year ended 31st March 2016
Items that will be reclassified to profit or loss	16.16	(57.46)
Income Tax relating to Items that will be reclassified to profit and loss	(5.59)	25.94
Total	10.57	(31.52)
Grand Total	13.72	(30.66)

27. Prior Period Errors

(Rs. In Crore)

Particulars	31 March 2016	**1 April 2015**
Impact on equity (increase/(decrease) in equity)		
Trade Payable current	3.35	3.05
Other Financial Liabilities current	(0.03)	(0.37)
Other Current Assets	(0.29)	(1.24)
Other Current Liabilities	23.98	19.20
Provision for Legal cases	(0.51)	(0.51)
Other Financial assets current	0.67	-
Net Impact on Equity	27.17	20.13
Impact on statement in profit and loss (increase/(decrease) in profit)		
Revenue from Operations	(5.72)	7.47
Other Income	(1.10)	(18.10)
Operating & Administrative Expenses	(0.21)	(3.34)
Other Expenses	-	0.45
Attributable to Equity Holders	(7.03)	(13.52)
Impact on basic and diluted earnings per share (EPS) (increase/ (decrease) in EPS)		
Particulars	31 March 2017	31 March 2016
Earnings per share for continuing operation		
Basic, profit from continuing operations attributable to equity holders	(0.71)	(1.37)
Diluted, profit from continuing operations attributable to equity holders	(0.71)	(1.37)

27A. Exceptional Items

(Rs. In Crore)

Particulars	31 March 2017	**1 April 2016**
Profit on Sale of Investments	73.69	-
Total	73.69	-

Note: - 28. Fair Value measurements

(i) Financial Instruments by Category

(Rs. In crores)

Particulars	As at 31st March 2017			As at 31st March 2016			As at 1st April 2015		
	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost	FVTPL	FVTOCI	Amortized Cost
Financial Assets									
(i) Investments									
Tax Free Bonds (including accrued interest)	-	-	309.23	-	-	304.03	-	-	178.07
Investment in mutual funds	249.91	-		132.48	-	-	68.39	-	-
(ii) Trade Receivables	-	-	464.24	-	-	509.99	-	-	471.76
(iii) Loans	-	-	159.13	-	-	62.31	-	-	123.33
(iv) Retention Money and Money Withheld	-	-	143.28	-	-	174.07	-	-	153.23
(v) Security Deposit with Govt. Dept. & Others recoverable	-	-	132.95	-	-	109.19	-	-	17.37
(vi) Cash and Cash Equivalents	-	-	1,453.76	-	-	2,590.68	-	-	1,324.47
(vii) Bank Balances other than (vi) above	-	-	3,299.37	-	-	2,131.31	-	-	2,054.42
(viii) Others - Financial Assets	-	-	191.49	-	-	147.38	-	-	118.47
Total Financial Assets	249.91	-	6,153.45	132.48	-	6,028.96	68.39	-	4,441.12
Financial Liabilities									
(i) Trade payables	-	-	360.35		-	406.01		-	450.49
(ii) Security Deposits & Retention Money	-	-	635.53	-		595.90	-		590.94
(iii) Others - Financial Liability	-	-	57.32		-	28.23		-	16.95
Total Financial Liabilities	-	-	1,053.20	-		1,030.14	-	-	1,058.38

(ii) Assets and liabilities which are measured at amortized cost for which fair values are disclosed.

(Rs. In crores)

Particulars	Carrying value			Fair value		
	31 March 2017	31 March 2016	01 April 2015	31 March 2017	31 March 2016	01 April 2015
Financial Asset						
Tax Free Bonds	309.23	304.03	178.07	293.32	292.98	175.61
Investment in mutual funds	249.91	132.48	68.39	249.91	132.48	68.39
Retention Money and Money Withheld	143.28	174.07	153.23	142.48	173.47	153.23
Security Deposit with Govt. Dept. & Others	132.95	109.19	17.37	132.98	109.35	17.37
Total Assets	835.37	719.77	417.06	818.69	708.27	414.60
Financial Liabilities						
Amortised Cost						
Trade Payables	360.35	406.01	450.49	358.35	406.00	450.49

(Rs. In crores)

Particulars	Carrying value			Fair value		
	31 March 2017	31 March 2016	**01 April** 2015	31 March 2017	31 March 2016	**01 April** 2015
Security Deposits & Retention Money	635.53	595.90	590.94	630.20	602.01	590.94
Total Liabilities	995.88	1,001.91	1,041.43	988.55	1,008.00	1,041.43

i) The carrying amounts of current trade receivables, trade payables, security deposits and retention money, cash and cash equivalents, bank balances and other financial assets and liabilities are considered to be the same at their fair values, due to their short term nature.

ii) The fair value of long term security deposits, retention money and long term trade payables were calculated based on cash flows discounted using current market rate. They are classified as level 3 fair values hierarchy due to inclusion of unobservable inputs.

iii) Loans and Advances given to related parties are at market rate, therefore the carrying amount of such loans and advances are equal to their fair value.

iv) Staff loans and advances continue to be carrying at previous GAAP values as measurement impact is immaterial.

Fair value hierarchy

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

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

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

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis and at amortised cost

Quantitative disclosures fair value measurement hierarchy for financial assets as on 31**March 2017:-**

(Rs. In crores)

	Date of **valuation**	**Total**	Quoted prices **in active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial assets measured at fair value on recurring basis:					
Investment in mutual fund	31.3.2017	249.91	249.91	-	-
Financial assets measured at Amortised Cost for which fair value are disclosed:					
Investment in Tax free Bonds	31.3.2017	293.32	293.32		
Retention Money and Money Withheld	31.3.2017	142.48	-	-	142.48
Security Deposit with Govt. Dept. & Others	31.3.2017	132.98	-	-	132.98

There have been no transfers among Level 1, Level 2 and Level 3 during the period.
Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31March 2017:-

(Rs. In crores)

	Date of **valuation**	**Total**	Quoted prices **in active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial Liabilities measured at Amortised Cost for which fair value are disclosed:					
Trade Payables	31.3.2017	358.35	-	-	358.35
Security Deposits & Retention Money	31.3.2017	630.20	-	-	630.20

There have been no transfers among Level 1, Level 2 and Level 3 during the period.
Quantitative disclosures fair value measurement hierarchy for financial assets as on 31March 2016:-

(Rs. In crores)

	Date of **valuation**	**Total**	Quoted prices **in active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial assets measured at fair value on recurring basis:					
Investment in mutual fund	31.3.2016	132.48	132.48	-	-
Financial assets measured at Amortised Cost for which fair value are disclosed:					
Investment in Tax free Bonds	31.3.2016	292.98	292.98	-	-
Retention Money and Money Withheld	31.3.2016	173.47	-	-	173.47
Security Deposit with Govt. Dept. & Others	31.3.2016	109.35	-	-	109.35

There have been no transfers among Level 1, Level 2 and Level 3 during the period.
Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 31March 2016:-

(Rs. In crores)

	Date of **valuation**	**Total**	Quoted prices **in active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial Liabilities measured at Amortised Cost for which fair value are disclosed:					
Trade Payables	31.3.2016	406.00	-	-	406.00
Security Deposits & Retention Money	31.3.2016	602.01	-	-	602.01

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Quantitative disclosures fair value measurement hierarchy for financial assets as on 01 April 2015:-

(Rs. In crores)

	Date of **valuation**	**Total**	Quoted prices **in active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial assets measured at fair value on recurring basis:					
Investment in mutual fund	01.04.2015	68.39	68.39	-	-
Financial assets measured at Amortised Cost for which fair value are disclosed:					
Investment in Tax free Bonds	01.04.2015	175.61	-	-	175.61
Retention Money and Money Withheld	01.04.2015	153.23	-	-	153.23
Security Deposit with Govt. Dept. & Others	01.04.2015	17.37	-	-	17.37

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Quantitative disclosures fair value measurement hierarchy for financial liabilities as on 01 April 2015:-

	Date of **valuation**	**Total**	Quoted prices **in active** markets **(Level 1)**	**Significant observable** inputs **(Level 2)**	**Significant unobservable** inputs **(Level 3)**
Financial Liabilities measured at Amortised Cost for which fair value are disclosed:					
Trade Payables	01.04.2015	450.49	-	-	450.49
Security Deposits & Retention Money	01.04.2015	590.94	-	-	590.94

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

iii Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include loans to related parties, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investment in mutual funds and tax free bonds. The Company's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Foreign Currency Risk and Interest rate risk. Financial instruments affected by market risk includes trade receivables, trade payable and other non derivative financial instruments.

(i) Foreign Currency Risk

The company operated internationally and is exposed to insignificant foreign currency risk (since receipts & payments in foreign currency are generally matched) arising form foreign currency transactions, primarily with respect to the US $, EURO, YEN, BDT, DZD, LKR, MZN, BTN, ZAR, NPR and MYR. Significant foreign currency risk of company are naturally hedged. (Refer Note No. 36)

ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes tax free bonds and deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top five projects.

(Rs. In crores)

Particulars	For the period ended	
	31 March ,2017	31 March ,2016
Revenue from top Projects		
Revenue from top 5 Projects	1,509.59	1,162.60
	1,509.59	1,162.60

(Rs. In crores)

Ageing	< 6 M	> 6 < 12	> 12 < 24	> 24 < 36	> 36	**Total**
Gross Carrying Amount	378.91	67.80	35.54	8.89	20.44	511.58
Expected Credit rate	0.14%	0.00%	0.00%	7.76%	96.04%	4.08%
Expected Credit losses (Loss provision Allowance)	0.53	-	-	0.69	19.63	20.85
Gross Carrying Amount **of Trade Receivables**						

b) Expected Credit Loss for loans and investments

(Rs. In crores)

Particulars		Assets Group	Carrying **Value**	Expected **Probability of Default**	Expected credit Loss	Carrying Amount Net of Expected credit Loss
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and not credit impaired	Security Deposits and EMD	10.13	7.80%	0.79	9.34
		Retention Money & Security Deposit	156.12	8.22%	12.84	143.28
			166.25		13.63	152.62

As At 31.03.2016

a) Expected Credit Loss for Trade Receivables under simplified Approach

Ageing	< 6 M	> 6 < 12	> 12 < 24	> 24 < 36	> 36	**Total**
Gross Carrying Amount	522.73	25.40	20.85	4.91	15.55	589.44
Expected Credit rate	0.00%	0.00%	4.36%	0.00%	95.95%	2.69%
Expected Credit losses (Loss provision Allowance)	-	-	0.91	-	14.92	15.83
Gross Carrying Amount of Trade **Receivables**	522.73	25.40	19.94	4.91	0.63	573.61

b) Expected Credit Loss for loans and investments

Particulars		Assets Group	Carrying **Value**	Expected **Probability of Default**	Expected credit Loss	Carrying Amount Net of Expected credit Loss
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and not credit impaired	Security Deposits and EMD	9.58	18.68%	1.79	7.79
		Retention Money & Security Deposit	188.13	7.47%	14.06	174.07
			197.71		15.85	181.86

As At 01.04.2015

a) Expected Credit Loss for Trade Receivables under simplified Approach

(Rs. In crores)

Ageing	< 6 M	> 6 < 12	> 12 < 24	> 24 < 36	> 36	**Total**
Gross Carrying Amount	404.02	10.12	42.06	22.30	10.47	488.97
Expected Credit rate	0.11%	6.82%	3.54%	14.17%	99.81%	3.32%
Expected Credit losses (Loss provision Allowance)	0.46	0.69	1.49	3.16	10.45	16.25
Gross Carrying Amount of Trade **Receivables**						

b) Expected Credit Loss for loans and investments

(Rs. In crores)

Particulars		Assets Group	Carrying **Value**	Expected **Probability of Default**	Expected credit Loss	Carrying Amount Net of Expected credit Loss
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and not credit impaired	Security Deposits and EMD	10.91	21.81%	2.38	8.53
		Retention Money & Security Deposit	167.62	8.58%	14.38	153.24
Loss allowance measured at Life Time ECL	Financial assets for which credit risk has increased and credit impaired	Investment *	5.53	100%	5.53	-
		Loans*	25.46	100%	25.46	-
		Interest on Loans *	0.19	100%	0.19	-
			31.18		31.18	-

* Assets Group belongs to Joint Venture CCFB, Which has been settled during FY 2015-16C)

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31March 2017, 31 March , 2016 and 1 April , 2015

(Rs. In crores)

Particulars	As on 31 March,2017		
	Less than 1 Year	1-2 years	**2 Years and above**
Trade payables	278.98	1.94	59.28
Other financial liabilities	597.93	80.35	103.05

(Rs. In crores)

Particulars	As on 31 March,2016		
	Less than 1 Year	1-2 years	**2 Years and above**
Trade payables	333.00	3.44	64.19
Other financial liabilities	549.37	74.45	64.60

(Rs. In crores)

Particulars	**As on 1April,2015**		
	Less than 1 Year	1-2 years	**2 Years and above**
Trade payables	386.88	2.83	45.76
Other financial liabilities	578.93	63.23	29.92

d) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

iv Capital Management

The company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stake holders. Currently company does not have any borrowings.

Further, company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. No changes were made in the objectives, policies or processes of managing capital during the year ended 31st March 2017.

29. First-time adoption of Ind-AS

These standalone financial statements of Ircon International Limited for the year ended March 31, 2017 have been prepared in accordance with Ind AS. For the purposes of transition to IndAS, the Company has followed the guidance prescribed in Ind AS 101-First Time adoption of Indian Accounting Standard, with April 1, 2015 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended March 31, 2017 and the comparative information.

Exceptions / Exemptions availed on first time adoption of Ind AS 101

1. Estimates :

   Present estimates should be consistent with estimates made under the previous GAAP unless:

   i) There was an error, or

   ii) The estimate and related information under previous GAAP is no longer relevant because the entity elects a different accounting policy on the adoption of Ind AS.

   In our case present estimates are consistent with estimates made under the previous GAAP

2. De-recognition of financial assets and financial liabilities :

   The company has elected to apply the de-recognition requirements for financial assets & financial liabilities in Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

3. Classification and measurement of financial assets :

   The company has classified and measured the financial assets in accordance with the Ind AS 109, on the basis of facts &circumstances that exist at the date of transition to IndAS.

4. Deemed Cost (Ind-AS 16 & Ind AS 38) :

   Previous GAAP carrying value to be considered as 'deemed cost' as on transition date for Property, Plant and Equipment (after adjusting decommissioning liabilities, if any), intangibles Assets.

5. Investments in subsidiaries, Joint ventures and associates (Ind-AS 27- Separate Financial Statement) :

   In Standalone financial statements, investments in subsidiaries, joint ventures and associates to be recorded at deemed cost which is previous GAAP carrying amount at that date.

6. Decommissioning liabilities included in the cost of Property, Plant and Equipment(Ind AS 16 -Property, Plant and Equipment) :

   Company has adopted to measure decommissioning liability on the date of transition to Ind AS prospectively. The obligation shall be capitalized as a separate component of PPE, together with the accumulated depreciation from the date the obligation was incurred to the transition date. The amount to be capitalized as part of the cost of the asset shall be calculated by discounting the liability back to the date the obligation initially arose using the best estimate of the historical risk adjusted discount rates. The associated accumulated depreciation shall be calculated by applying the current estimate of the useful life of the asset, using the entity's depreciation policy for the asset.

7. Non-current assets held for sale(Ind-AS 105) :

   Company has adopted to measure such assets at transition date at lower of carrying value and fair value and difference, if any, shall be transferred to retained earnings.

Reconciliation of Equity as at 1st April 2015 (at the date of Transition)

(Rs. In Crore)

Particulars	Foot Notes	INDIAN (GAAP)*	Adjustments	IND AS
I. **ASSETS**				
1 Non-current assets				
(a) Property, Plant and Equipment	9,14	175.35	1.34	176.69
(b) Capital work-in-progress	14	10.47	(10.09)	0.38
(c) Investment Property		270.40	-	270.40
(d) Other Intangible assets	14	558.57	(486.46)	72.11
(e) Intangible assets under development	14	15.14	0.90	16.04
(f) Financial Assets				-
(i) Investments	7,14	166.18	13.59	179.77
(ii) Trade Receivables	5,14	49.95	(5.24)	44.71
(iii) Loans	14	65.19	37.68	102.87
(iv) Others	5,14	5.16	(0.18)	4.98
(g) Deferred tax assets (Net)	3,14	267.91	(5.77)	262.14
(h) Other non-current assets	5,14	277.49	(29.07)	248.42
		1,861.81	(483.30)	1,378.51
2 Current assets				
(a) Inventories	9,14	124.34	(9.91)	114.43
(b) Financial Assets				
(i) Investments	14	66.06	2.33	68.39
(ii) Trade Receivables	14	596.69	(16.41)	580.28
(iii) Cash and cash equivalents	14	1,366.95	(42.48)	1,324.47
(iv) Bank Balances other than (iii) above	14	2,084.39	(29.97)	2,054.42
(v) Loans	9,14	11.54	8.92	20.46
(vi) Others	14	226.27	(83.53)	142.74
(c) Current Tax Assets (Net)		12.97	0.00	12.97
(d) Other current assets	5,14	839.08	(31.99)	807.09
		5,328.29	(203.04)	5,125.25
Total Assets		7,190.10	(686.34)	6,503.76
II. **EQUITY AND LIABILITIES**				
1 Equity				
(a) Equity Share Capital		19.80	-	19.80
(b) Other Equity		3,284.65	166.16	3,450.81
Equity attributable to Owners of the parent		3,304.45	166.16	3,470.61
Non Controlling Interest		21.28	-	21.28
Total Equity		3,325.73	166.16	3,491.89

Particulars	Foot Notes	INDIAN (GAAP)*	Adjustments	IND AS
2 **Liabilities**				
(i) **Non-current liabilities**				
(a) Financial Liabilities				
(i) Borrowing	14	170.80	(170.80)	-
(ii) Trade Payables	6,14	8.38	(0.48)	7.90
(iii) Other financial liabilities	6,14	103.03	(22.26)	80.77
(b) Provisions	8,9,14	419.42	(79.21)	340.21
(c) Other Non-Current Liability	6,14	385.90	(281.66)	104.24
		1,087.53	(554.41)	533.12
(ii) **Current liabilities**				
(a) Financial Liabilities				
(i) Short Term Borrowing	14	68.67	(68.67)	-
(ii) Trade payables	6,14	464.89	(22.30)	442.59
(iii) Other financial liabilities	6,14	547.38	(20.26)	527.12
(b) Other current liabilities	6,14	1,127.98	(54.24)	1,073.74
(c) Provisions	1,2,8,9,14	451.02	(132.62)	318.40
(d) Current Tax liability (Net)		116.90	-	116.90
		2,776.84	(298.09)	2,478.75
Total Equity and Liabilities		7,190.10	(686.34)	6,503.76

* The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirements for the purpose of this note.

Reconciliation of Equity as at 31st March 2016

(Rs. In Crore)

Particulars	Foot Notes	INDIAN (GAAP) *	Adjustments	IND AS
I. **ASSETS**				
1 Non-current assets				
(a) Property, Plant and Equipment	9,14	153.86	2.53	156.39
(b) Capital work-in-progress	14	130.61	(129.11)	1.50
(c) Investment Property		278.20	(0.02)	278.18
(d) Other Intangible assets	14	513.99	(442.08)	71.91
(e) Intangible assets under development	14	21.40	52.46	73.86
(f) Financial Assets			-	
(i) Investments	7,14	291.36	58.11	349.47
(ii) Trade Receivables	5,14	2.80	(0.26)	2.54
(iii) Loans	14	45.40	15.21	60.61
(iv) Others	5,14	63.35	(16.02)	47.33
(g) Deferred tax assets (Net)	3,14	211.30	0.29	211.59
(h) Other non-current assets	5,14	286.00	(36.61)	249.39
		1,998.27	(495.50)	1,502.77

Particulars	Foot Notes	INDIAN (GAAP) *	Adjustments	IND AS
2 Current assets				
(a) Inventories	9,14	149.01	(8.39)	140.62
(b) Financial Assets			-	
(i) Investments	12,14	131.99	6.02	138.01
(ii) Trade Receivables	5,14	682.13	(0.61)	681.52
(iii) Cash and cash equivalents	14	2,606.50	(15.82)	2,590.68
(iv) Bank Balances other than (iii) above	14	2,151.45	(20.14)	2,131.31
(v) Loans	9,14	1.83	(0.13)	1.70
(vi) Others	2,9,14	227.91	(6.02)	221.89
(c) Current Tax Assets (Net)		19.10	0.00	19.10
(d) Other current assets	5,14	738.91	(27.12)	711.79
		6,708.83	(72.20)	6,636.63
Total Assets		8,707.10	(567.70)	8,139.40
II. **EQUITY AND LIABILITIES**				
1 Equity				
(a) Equity Share Capital		19.80	-	19.80
(b) Other Equity		3,477.00	142.09	3,619.09
Equity attributable to Owners of the parent		3,496.80	142.09	3,638.89
Non Controlling Interest		21.85		21.85
Total Equity		3,518.65	142.09	3,660.74
2 **Liabilities**				
(i) **Non-current liabilities**				
(a) Financial Liabilities				
(i) Borrowing	14	131.18	(131.18)	-
(ii) Trade Payables	6,14	5.82	(0.19)	5.63
(iii) Other financial liabilities	6,14	152.66	(41.80)	110.86
(b) Provisions	8,14	205.74	(55.96)	149.78
(c) Other Non-Current Liability	6,14	1,241.91	(277.11)	964.80
		1,737.31	(506.24)	1,231.07
(ii) **Current liabilities**				
(a) Financial Liabilities				
(i) Short Term Borrowing	14	48.50	(48.50)	-
(ii) Trade payables	6,14	407.25	(6.87)	400.38
(ii) Other financial liabilities	6,14	581.19	(67.92)	513.27
(b) Other current liabilities	6,14	1,882.62	34.50	1,917.12
(c) Provisions	1,2,8,14	469.03	(114.76)	354.27
(d) Current Tax liability (Net)		62.55	-	62.55
		3,451.14	(203.55)	3,247.59
Total Equity and Liabilities		8,707.10	(567.70)	8,139.40

* The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirements for the purpose of this note.

Reconciliation of total comprehensive income for the year ended 31st March 2016

(Rs. In Crore)

Particulars		Foot Notes	INDIAN (GAAP)*	Adjustments	**IND AS**
I.	**Revenue :**				
	Revenue from operations	2, 9,14	2,472.26	(95.26)	2,377.00
	Add :- Company share of turnover in Integrated Joint Operations	14	-	103.93	103.93
			2,472.26	8.67	2,480.93
II.	Other income	2,5,6,7,10, 11,12,14	437.26	16.23	453.49
III.	**Total Income (I + II)**		2,909.52	24.90	2,934.42
IV.	**Expenses:**				
	Operating and administrative expenses :				
	- Operating Expenses	2,8,9,14	1,988.06	(64.47)	1,923.59
	- Administrative Expenses	2.9,14			
	Employee benefits expenses	4,9,14	180.86	(0.17)	180.69
	Finance costs	5,6,9,14	33.32	9.98	43.30
	Depreciation, amortization and impairment	9,14	74.25	(43.35)	30.90
	Other Expenses (Administrative)	14	30.51	(3.67)	26.84
	Proportionate share of expenses in Integrated Joint Operations	14	-	97.25	97.25
	Total Expenses (IV).		2,307.00	(4.43)	2,302.57
V.	**Profit/(loss) Before exceptional items** and Tax (III - IV)		602.52	29.33	631.85
VI.	Exceptional items				
	Share in Profit/(Loss) of Joint Ventures	14	-	5.49	5.49
VII.	Profit/(Loss) before tax (V - VI)		602.52	34.82	637.34
VIII.	Tax expense:				
	(1) Current tax				
	- For the year	13	141.78	15.05	156.83
	- For earlier years (net)		5.07	-	5.07
	(2) Deferred tax (net)		56.61	(0.01)	56.60
	Total Tax Expense (VIII)		203.46	15.04	218.50
IX	**Profit/(loss) for the year from continuing operation (VII - VIII)**		399.06	19.78	418.84
X	Other Comprehensive Income				
	A. (i) Items that will not be reclassified to profit or loss	4	-	1.32	1.32
	(ii) Income Tax relating to Items that will not be reclassified to profit or loss	13	-	(0.46)	(0.46)
	B. (i) Items that will be reclassified to profit or loss	9	-	(57.46)	(57.46)
	(ii) Income Tax relating to Items that will be reclassified to profit or loss	13	-	25.94	25.94

Particulars		Foot Notes	INDIAN (GAAP)*	Adjustments	IND AS
	Other Comprehensive Income		-	(30.66)	(30.66)
XI	**Total Comprehensive Income for the year (IX + X) (Comprising profit and** other comprehensive income for the year)		399.06	(10.88)	388.18
	Total Comprehensive Income attributable to				
	Owners of the parent		398.50	(10.88)	387.62
	Non Controlling Interest		0.56	-	0.56
XII	Earnings Per Equity Share:				
	(For Continuing Operation)				
	(1) Basic		40.32	(1.10)	39.22
	(2) Diluted		40.32	(1.10)	39.22

* The previous GAAP figures have been reclassified to confirm to Ind-AS presentation requirements for the purpose of this note.

Reconciliation of Total Equity as at 31st March 2016 and 1st April 2015

(Rs. In Crore)

Particulars	Note No.	31 March 2016		01 April 2015	
Equity Share Capital			19.80		19.80
Equity attributable to Owners of the parent			3,477.00		3,284.65
Non- Controlling Interest			21.85		21.28
Total Equity (shareholder's fund) as per previous GAAP			3,518.65		3,325.73
Adjustments					
Carry forward of Impact on the date of transition		168.30		-	
Prior period Adjustment	2	-		20.13	
Proposed Dividend and dividend Tax thereon 15-16	1	107.22			
Dividend and dividend Tax thereon 14-15	1	(123.90)		123.90	
Adjustment for Lease Income	10	-		0.10	
Fair Valuation of Bonds at Amortised Cost	7	-		0.02	
Change in method of consolidation	14	5.51		(2.14)	
Discounting of Provisions	8	-		20.53	
Exchange difference on Translation	9	-		3.63	
Impact of Profit or loss including OCI during 2015-16		(15.03)	142.11	-	166.16
Total Equity (shareholder's fund) as per Ind-AS			3,660.76		3,491.89
Equity Share Capital			19.80		19.80
Equity attributable to Owners of the parent			3,619.11		3,450.81
Non- Controlling Interest			21.85		21.28

Reconciliation of Total Comprehensive Income for the year ended 31st March 2016

(Rs in crore)

Particulars		31 March 2016	
Profit after tax as per previous GAAP			399.06
Adjustments :			
Remeasurement of Post Employment benefit obligations	4	1.32	
Tax Effect on adjustment for remeasurement of Post Employment Benefit obligations	13	(0.46)	
Prior Period Adjustment	2	(13.52)	
Interest income on unwinding of financial instruments	5	3.98	
Amortisation of financial instrument	6	11.77	
Interest Expense on unwinding of financial instrument	6	(10.95)	
Amortisation of financial Instruments	5	(4.15)	
Adjustment for Lease Income	10	0.14	
Income from Mutual Funds	12	0.49	
Interest Income on Bonds	7	-	
Unwinding of discount on provisions	8	(11.52)	
Discounting of addition of provision made during 2015-16	8	9.42	
Change in method of consolidation	14	4.16	
Exchange gain and deferred tax	13,9	29.11	19.79
Profit after tax as per Ind-AS			418.85
Other comprehensive Income			
(i) Items that will not be reclassified to profit and loss (including tax)		0.86	
(ii) Items that will be reclassified to profit and loss (including tax)		(31.53)	(30.66)
Total comprehensive income as per Ind-AS			388.19

Foot Notes:-

1. Proposed Dividend

   Company will recognise a liability for final dividend (including dividend distribution tax) in the period when the dividend are approved by the shareholders. Therefore provision made for proposed dividend as per GAAP as at 31-3-2016 of Rs. 107.22 crore and as at 1-April 2015 of Rs 123.90 crore including CDT has been reversed and booked in the year in which it was declared by shareholder in AGM. Therefore, there is decrease in provisions by Rs 107.22 as at 31.03.2016 and by Rs 123.90 crore as at 01.04.2015 with corresponding increase in retained earnings by an equivalent amount.

2. Prior Period

   Under Ind-AS 8, Accounting Policies, change in accounting estimates and errors, material prior period error shall be corrected by retrospective restatement. A Prior period income of Rs 20.54 crore was recognised in FY 2015-16 has been restated as at 1 April 2015, This restatement result in to increase in retained earnings with corresponding increase in Assets/ Liabilities by Rs. 20.54 crore as at 01.04.2015.

   Prior period income of Rs 7.03 crores for the period ended 31 March 2017 has been reversed during FY 2016-17, out of which expenses of Rs 0.42 crores adjusted in retained earnings in opening balance sheet and income of Rs.7.45 crores has been recognised in FY 2015-16 with corresponding increase/decrease in Assets/ Liabilities. (for details refer note 27)

3. Deferred Tax

As per Ind-AS company has recognised the deferred tax assets of Rs. 222.31 crore as at 31-March 2016 and of Rs. 268.55 crore as at 1 April 2015, therefore there is increase in retained earnings by Rs. 6.05 as at 31-March 2016 and of Rs. 5.76 crore as at 1 April 2015.

4. Remeasurement of Defined benefits Plans

Under Ind-AS Actuarial gain & (loss), and its tax component has been recognised in other comprehensive income, under previous GAAP, these Actuarial gain & (loss) are become part of profit and loss, which result in to decrease in employee benefit expenses and increase in other comprehensive income by Rs. 1.32 crore, however there is no impact on Equity.

5. Financial Assets

Security deposits/Retention Money has been recognised at amortised cost of Rs. 2.54 crore as at 31-03-2016 (at fair value of Rs. 44.71 crore as at 01-04-2015) and the difference of Rs. 0.27 crore as at 31-03-2016 (Rs. 5.30 crore as at 01-04-2015) recognised recognised as fair value adjustments.

Security deposits with government and others has been recognised at amortised cost of Rs. 33.18 crore at 31-03-2016 (at fair value of Rs. 1.39 crore as at 01-04-2015) and the difference of Rs. 0.67 crore as at 31-03-2016 (Rs. 0.52 crore as at 01-04-2015) recognised as fair value adjustments.

Net impact on non current assets is Rs 0.66 crore (as at 01.04.2015 Rs 3.09 crore) and in current assets by Rs 6.35 crore as at 01.04.2015 Rs 0.20 core) as at 31.03.2016 including prior period adjustments and translation differences and other Ind-AS adjustments.

During the financial year 2015-16, company had recognised interest income of Rs. 3.98 crore on security deposits and amortised Rs. 4.15 crore from fair value adjustments. This has resulted into decrease in profit by Rs 0.18 crores.

6. Financial Liabilities

Trade payables has been recognised at amortised cost of Rs. 411.48 crore as at 31-03-2016 (as at fair value of Rs. 455.60 crore as at 01-04-2015) and the difference of Rs. 0.97 crore as at 31-03-2016 (Rs. 3.63 crore as at 01-04-2015) recognised as fair value adjustments in other liabilities. (above figures included both current and non current)

Deposits and Retention money has been recognised at amortised cost of Rs. 61.94 crore as at 31-03-2016 (at fair value of Rs. 60.59 crore as at 01-04-2015) and the difference of Rs. 345678076 as at 31-03-2016 (Rs. 3.63 crore as at 01-04-2015) recognised as as fair value adjustments in other liabilities. (above figures included both current and non current)

Net impact on non current liabilities is Rs 20.40 crore as at 31.03.2016 (as at 01.04.2015 Rs. 1.58 crore) and in current liabilities by Rs 7.21 crore as at 31.03.2016 (as at 01.04.2015 Rs. 13.07 crore) including prior period adjustments and translation differences.

During financial year 2015-16, company recognised interest cost of Rs. 10.94 crore on financial liabilities and amortisation of financial instruments Rs. 11.76 crore. Net impact on profit and loss is Rs 0.82 crore.

7. Investments

Investment in tax free bonds has been recognised at amortised cost as at 31.3.2016 at Rs. 291.39 crore and as at 01.04.2015 at Rs 166.20 crore with corresponding increase in Interest income during the year ended 2015-16 by Rs 0.003 crore and increase in retained earnings by Rs .01 crore as at 01.04.2015.

8. Provisions

Provisions has been recognised at fair value where time value of money is material, which result in to decrease in retained earnings as at 01.04.2015 by Rs. 20.53 crore including translation difference of foreign operation and decrease in other operating expenses during the FY 15-16 by Rs. 9.42 crore. (above figure includes current & non current figure)

Interest cost of Rs 11.52 crore has been recognised during FY 2015-16 as unwinding of discount on provisions. This has resulted into decrease in profit by Rs. 2.10 crore.

9. Translation to Presentation Currency

Exchange difference of foreign branches whose functional currency is different from presentation currency of company has recognised in other comprehensive income as at 01.04.2015 of Rs 26.52 crore and in other comprehensive income during the FY 2015-16 by Rs (57.46) crore with corresponding increase or decrease in other assets and liabilities. Net impact on equity as at 01.04.2015 is Rs 3.63 crore.

10. Under Ind-AS, Lease income has been recognised on SLM basis where increase has not in line with general inflation, income of Rs 0.09 crores has been recognised in retained earnings as at 01.04.2015 and Rs 0.14 crore in other income during the FY 2015-16 which result in to increase in other equity and in other current assets by same amount.

11. Under the previous GAAP, Investment properties were presented as Property, Plant and Equipment. Under Ind-AS Investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity and on profit as a result of the adjustment

12. Investment in mutual funds

During FY 2015-16 investment in Mutual Funds has been recognised at FVTPL, therefore there is increase in other income by Rs 0.49 crore during FY 2015-16 with corresponding increase in investment in mutual funds.

13. Difference in tax expenses

Difference in tax expenses is due to reclassification of tax items from profit & loss to items of other comprehensive income, there is no impact on equity and tax expenses during financial year 2015-16. However Rs. 6.05 crore has been recognised as deferred tax expenses during financial year 2015-16.

14. Change in method of Consolidation

Some of the entities have been classified as joint ventures under Ind AS 111 based on the nature of the control exercised by the Parent Company. Accordingly, the share in net profit/loss of joint ventures is recognised in the consolidated statement of Profit and loss account and share in net assets is included under investment in joint ventures in the consolidated balance sheet as per equity method. Under I-GAAP, the financials of these entities were consolidated line by line.

30. a) The consolidated financial statements are prepared in accordance with the requirement of section-129(3) of the Companies Act, 2013 and rules made thereunder as applicable from the financial year starting from 1st April, 2015. Accordingly, the company (also referred to as holding company), its subsidiaries and joint venture (jointly referred to as the 'Group') considered in the consolidated financial statements are as follows:

Name of Subsidiary/Joint Ventures	Country of Origin	% age Share	
		31.03.2017	31.03.2016
Subsidiaries;			
1. Ircon Infrastructure and Services Limited. (IISL)	India	100.00%	100.00%
2. Indian Railway Station Development Corporation Limited. (IRSDC)	India	51.00%	51.00%
3. Ircon PB Tollway Limited. (IPBTL)	India	100.00%	100.00%
4. Ircon Shivpuri Guna Tollway Limited. (ISGTL)	India	100.00%	100.00%
Joint Ventures:			
1. Companhia Dos Caminhos De Ferro Da Beira SARL (CCFB)	Mozambique	-	25.00%
2. Ircon-Soma Tollway Private Limited (ISTPL)	India	50.00%	50.00%
3. Chattisgarh East Railway Limited (CERL)	India	26.00%	26.00%
4. Chattisgarh East-West Railway Limited (CEWRL)	India	26.00%	26.00%
5. Mahanadi Coal Rail Limited (MCRL)	India	26.00%	26.00%
6. Jharkhand Central Railway Limited (JCRL)	India	26.00%	26.00%
7. Baster Railway Pvt. Ltd. (BRPL)	India	26.00%	-

b) The financial statements of the entities used for the purpose of consolidation have the same reporting date as that of the Company except the reporting period of Joint-Venture Company, Companhia Dos Caminhos De Ferro Da Beira SARL which follows the calendar year upto 31.03.2016. Shares of CCFB has been transferred to Govt. of Mozambique on 22.09.2016.

c) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate financial statements. The differences in accounting policies, if any, of the Holding Company and its Joint Ventures are not material.

31. Contingent liabilities and Contingent Assets:

(I) Contingent Liabilities:

(II) Claims against the company not acknowledge as debt;

i. Rs. 418.82 crore (2015-16 Rs. 507.80 crores, 2014-15 Rs. 531.07 Crores) net of provision of Rs. 56.44 crores (2015-16 Rs.111.39 crores, 2014-15 Rs. 8.86 crores). Against this the Company has counter claims of Rs. 278.24 Crores (2015-16 Rs. 209.38 crores, 2014-15 Rs. 173.45 crores). Interest on claims is not considered, being unascertainable.

ii. There are some cases relating to employees/others are pending in the Courts against the Company in respect of which the liability is not ascertainable.

iii. Rs. 141.66 crores (2015-16 Rs. 261.16 crores, 2014-15 Rs. 132.66 crores) relating to Direct tax which includes Rs. 64.95 crores (2015-16 Rs. 64.95 crores, 2014-15 Rs. 64.95 crores) on account of appeal filed by Income tax department before Income Tax appellate tribunal (ITAT) against order passed by Commissioner of Income tax (Appeals) in favour of company.

iv. Indirect tax disputed demands under appeal Rs. 266.27 crores (2015-16 Rs.229.95 Crores, 2014-15 Rs. 186.06 Crores) of which **Rs. Nil** (2015-16 Rs. 110.44 crores, 2014-15 Rs. NIL) has been reimbursed by the client and Rs. 61.35 crores (2015-16 Rs. 28.83 Crores, 2014-15 Rs. 114.16 Crores) are reimbursable from the clients.

(a) Guarantees excluding financial guarantee

In respect of Joint arrangements:

i. Indemnity bond for international Metro Civil Contractor of **Rs. Nil** (Rs.1.24 crores).

ii. Sales-tax liability of International Metro Civil Contractor of Rs. 4.25 crores (Rs. 4.25 crores) and Service Tax Rs. 1.01 crores (Rs. 1.01 crores).

iii. Corporate guarantee to Central Excise in case of Metro Tunnelling Group of **Rs. Nil** (Rs 1.54 crores).

iv. Bank guarantee in case of Ircon-RCS-PFLEIDERER of Rs.1.40 crores (Rs. 1.40 crores).

v. Income Tax liability in the case of Metro Tunnelling Group of Rs. 0.96 crores (Rs.1.05 crores).

vi. Recovery suit against the International Metro Civil Contractor by M/s Sai Engineers is Rs. 0.02 crores (Rs. 0.02 crores).

vii. Bank Guarantee in case of Ircon-Afcon JV for Rs. 25.72 crores (Rs.56.60 crores) for Bhairab Railway Bridge Project, Bangladesh.

(c) Other money for which company is contingent liable

Pending disposal of application for extension of time by clients, Group is contingently liable to pay liquidated damages to the extent of Rs. 9.67 crores (Rs. 9.27 crores) to the clients.

(II) Contingent Assets:

i) Claims raised by Ircon on some of its clients and awarded by arbitrators in favour of Ircon against which clients have gone to court, not accounted for as receivables are Rs.179.06 Crores (2015-16 Rs.121.08 Crores, 2014-15 Rs. 111.23 Crores) including interest calculated upto 31.03.2017 as per arbitration award.

ii) Counter Claims raised by Ircon on sub-contractors and awarded by arbitrators in favour of Ircon against which sub-contractors have gone to court, not accounted for as receivables are Rs. 8.92 Crores (2015-16 Rs. 2.04 Crores, 2014-15 Rs. 2.04 Crores).

iii) Insurance Claim of USD 0.82 Mn (USD 0.79 Mn) and Ethiopian Birr 0.95 Mn (ETB 0.91 Mn) equivalent to Rs. 5.50 Crores (Rs. 5.47 Crores) including interest calculated upto 31.03.2017 awarded by Honourable Supreme Court of Ethiopia in favour of Ircon has not been accounted for, pending execution order by High Court of Ethiopia.

32. Commitments:

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) is Rs. 875.35 crores (Rs. 1389.10 crores).

b) Other Commitments:

Commitments for fund/providing guarantee to/on behalf of subsidiaries/joint arrangements:

i) Counter guarantee to Indian Overseas Bank & IndusInd Bank for issuance of bank guarantee to subsidiary companies, Ircon Infrastructure & Services Ltd (IrconISL), Ircon PB Tollway Ltd (Ircon PBTL) & Ircon Shivpuri Guna Tollway Ltd (Ircon SGTL) amounting to Rs.150.00 Crores (Rs.150.00 Crores). Out of the total limit of Rs. 150.00 Crores, Indian Overseas Bank & IndusInd Bank have issued bank guarantees to the extent of Rs. 41.52 Crores (Rs.41.52 Crores) & **Rs. Nil** (Rs.41.15 Crores) respectively. Therefore, the balance limit for issuance of bank guarantees is Rs. 108.48 Crores (Rs.67.33 Crores).

ii) For subscribing towards balance share of equity (26% each) of Rs. 20.42 Crores (Rs. 43.54 Crores) & Rs. 0.13 Crores (Rs 0.13 Crores) in Joint venture companies, Chhattisgarh East Railway Limited and Chhattisgarh East-West Railway Limited respectively.

iii) For release of balance shareholder's loan of Rs. 52.00 Crores (Rs. NIL) & Rs. NIL (Rs. 19.50 crores) to Joint venture companies, Chhattisgarh East Railway Limited and Chhattisgarh East-West Railway Limited respectively.

iv) For release of balance shareholder's loan of **Rs. Nil** (Rs 0.80 crores) to joint venture company, Companhia Dos Caminhos De Ferro Da Beira SARL.

v) Counter guarantee to State bank of India for issuance of letter of credit to Joint operation, Ircon Afcons JV, amounting to Rs. 2.26 crores (Rs 33.40 crores).

vi) An undertaking to Punjab National Bank for non-disposal of 21% of present holding of the company (1,34,12,700 shares of Rs. 10 each) in Joint Venture Company, Ircon-Soma Tollway Private Limited, amounting to Rs.13.41 crores (Rs 13.41 crores).

vii) For subscribing towards balance share of equity (26% each) for Rs.1.29 crores (1.29 Crores), Rs.11.70 crores (1.30 Crores) in Joint venture companies, Mahanadi Coal Railway Ltd.& Jharkhand Central Railway Ltd. respectively.

viii) For subscribing towards balance share of equity (26% each) for Rs.0.12 Crores (Rs.1.30 crores) in Joint venture company, Bastar Railway Private Ltd.

ix) There are certain claims against the Company not acknowledged as debt Rs. 860.98 Crore (Rs.710.57 Crores) net of provisions of Rs. 1.13 crores (Rs. Nil). In case such claims against the Company do materialize, it will be reimbursable from the clients. Against this the company has counter claims of Rs. 950.94 Crores (Rs. 632.82 crores). Interest on claims not considered, being unascertainable but would also be reimbursable.

33. The Holding Company is liable to pay Rs.0.70 Crores for FY 2016-17 (Rs. 7.96 Crores for FY 2015-16) on account of taxes on construction profits of Sri Lanka projects which shall be directly reimbursed by Sri Lankan Railway to Sri Lankan Inland Revenue Department. Therefore, the same has not been provided in the books of accounts.

34. (a) Since assessment year 2000-01, the Holding Company has been claiming deduction under Section-80 IA of the Income Tax Act, 1961 in income tax returns, w.r.t. eligible infrastructure construction projects till date.

The Holding Company has filed appeal to ITAT on disallowance by CIT(A) for the said deduction for all assessment years except assessment years 2004-05, 2005-06 and 2007-08 for which the Income Tax department has filed appeal against allowance of deduction by CIT(A).

Accordingly, the Company has made provision for tax without considering the deduction under Section 80-IA since AY 2000-01. Total amount of deduction under section 80IA is Rs.1050.03 crores (Rs.1016.32 crores) having tax impact of Rs. 357.22 Crores (Rs.347.08 Crores). Disposing appeal for A.Y. 2000-01, ITAT allowed deduction u/s 80IA. Following decision of ITAT, CIT (A) has allowed the deduction for A.Y. 2012-13 & 2013-14. Thus amount of deduction stands reduced to Rs. 815.98 crores having tax impact of Rs. 280.41 crores.

b) The Holding company offering global income, for tax in India after excluding the income earned by its permanent establishments in foreign countries having Double Taxation Avoidance Agreements (DTAA) with India, as per settled legal position that such income can be taxed by source country and is not taxable in India. However, CIT (A) denied the treatment of excluding such foreign income and only gave credit for taxes paid out of India on foreign income for the AY 2006-07, 2008-09 and 2009-10.

Jurisdictional Assessing Officer has also started making the assessment in a similar manner from the AY 2010-11 onwards. Though, the Holding Company has paid tax accordingly however, it has filed an appeal to Income Tax Appellate Tribunal for all the assessment year under dispute.

Tax involved under DTAA income issue aggregates to Rs.237.89 Crore (Rs. 415.07).

35. (a) The Holding Company had 25% equity stake in Comphanhia Dos Caminhos De Ferro Da Beira SARL Mozambique (CCFB), a Joint Venture Company incorporated as per Mozambican laws in the year 2004 to execute a railway project awarded by the Government of Mozambique (GOM) on BOT basis and had paid USD 1.25 Mn (Rs 5.53 crores.Other shareholders were RITES & CFM, Mozambique with 26% & 49% share respectively.

(b) On 8th December 2011, Government of Mozambique (GoM) unilaterally terminated the concession agreement and took over the project which in the opinion of company was unlawful and against the provision of agreement. Consequently, CCFB initiated arbitration against the said decision of GoM. Dispute has now been amicably settled with Government of Mozambique on 21st October 2015 through settlement agreement. As per the settlement agreement, holding company will get in installments an amount of USD 40.31 Million. First installment of USD 17.93 Mn. (equivalent to INR 121.71 Crore) for holding company's share has been received on 20.1.2016. During the year, second installment of USD 5.595 Mn (Rs.37.27 Crores) received on 20.10.2016. Balance three installments of USD 5.595 Mn each are due on 18.10.2017, 18.10.2018 & 18.10.2019 which will be received through the confirmed Letter of Credit opened by Government of Mozambique.

(c) After receipt of upfront payment and establishment of Letter of Credit, Company has transferred its shareholding in Comphanhia Dos Caminhos De Ferro Da Beira SARL Mozambique (CCFB) to CFM/Mozambique Ports and Railway Company, representing the Government of Republic of Mozambique on 22.09.2016. Accordingly, Equity investment of USD 1.25 Mn. has been transferred and USD 10.64 Mn. (Rs. 73.69 Crore) has been recognized as profit on sale of investment in the statement of profit and loss for the financial year 2016-17.

36. (a) Some of the balances shown under debtors, advances and creditors are subject to confirmation / reconciliation/ adjustment, if any. The Group has been sending letters for confirmation to parties. However, the Group does not expect any material dispute w.r.t. the recoverability/payment of the same.

(b) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

37. (a) Foreign exchange recognised statement of profit and loss:

(Rs in Crores)

Particulars	2016-17	2015-16
i) Profit or loss (except those recognised as financial instrument and measured at fair value)	(38.35)	134.17
ii) Other Comprehensive Income	16.15	(57.46)
TOTAL	(22.20)	76.71

(b) Disclosure of unhedged foreign currency exposure

The unhedged foreign currency exposure is as under:-

(Rs in Crores)

Particulars	Currency	As at 31st March 2017		As at 31st March 2016	
		Foreign Currency in Crore	INR Crore	Foreign Currency in Crore	INR Crore
Assets :					
Advance to Contractors					
	DZD	5.18	3.06	3.71	2.26
	Euro	-	-	0.01	0.42
	ZAR	2.73	13.24	-	-
	LKR	-	-	2.82	1.28
	ETB	0.02	0.06	0.49	1.52

Particulars	Currency	As at 31st March 2017		As at 31st March 2016	
		Foreign Currency in Crore	INR Crore	Foreign Currency in Crore	INR Crore
	MYR	-	-	0.00	0.05
	NPR	1.75	1.10	1.77	1.00
	MZN	-	-	0.06	0.08
Trade Receivables					
	BTN	2.92	2.92	0.26	0.26
	BDT	-	-	1.65	1.39
	DZD	19.66	11.65	89.81	54.75
	Euro	0.13	9.16	1.07	78.39
	MYR	0.41	6.02	0.40	6.90
	ZAR	2.39	11.18	-	-
	USD	0.91	58.73	0.92	60.90
Cash & Bank Balances					
	BTN	0.46	0.46	0.90	0.90
	BDT	5.39	4.21	0.93	0.79
	DZD	125.69	74.16	12.65	7.72
	ETB	-	0.01	-	-
	Euro	0.44	29.69	0.78	57.79
	LKR	14.81	6.31	45.96	20.86
	MYR	3.10	45.35	3.97	67.29
	ZAR	1.14	5.34	0.19	0.82
	MZN	-	-	0.03	0.03
	USD	3.25	208.29	1.17	76.45
Other Assets					
	DZD	2.72	1.64	40.20	24.52
	ETB	0.07	0.21	0.19	0.59
	Euro	0.05	3.68	0.94	70.02
	LKR	-	-	7.67	3.48
	MYR	2.58	37.80	0.99	16.75
	ZAR	0.16	0.75	-	0.01
	USD	1.69	108.26	0.52	34.51
	NPR	2.24	1.40	2.24	1.40
Liabilities :					
Advance from Client					
	BTN	-	-	2.13	2.13
	BDT	115.45	93.61	0.72	0.57
	Euro	0.07	4.68	0.19	14.41
	ZAR	4.36	21.17	-	-
	USD	0.41	26.62	0.07	4.17
Trade Payable					
	BTN	0.67	0.67	0.59	0.59
	AUD	-	-	0.01	0.71
	BDT	1.37	1.13	-	-

Particulars	Currency	As at 31st March 2017		As at 31st March 2016	
		Foreign Currency in Crore	INR Crore	Foreign Currency in Crore	INR Crore
	DZD	30.44	17.96	25.02	15.26
	Euro	0.33	22.71	0.82	56.28
	JPY	0.05	0.03	10.10	5.25
	LKR	-	-	14.27	6.47
	MYR	0.27	3.89	0.48	8.22
	ZAR	0.24	1.14	-	-
	MZN	-	-	4.13	5.35
	USD	1.84	67.50	1.03	50.42
Other Liabilities					
	BTN	0.38	0.38	0.36	0.36
	BDT	3.35	2.70	0.50	0.42
	DZD	22.59	13.33	14.42	8.80
	ETB	0.10	0.27	0.02	0.06
	Euro	0.11	7.69	0.09	6.48
	LKR	-	-	9.89	4.49
	MYR	0.99	14.48	0.03	0.49
	ZAR	1.62	7.85	-	-
	USD	1.08	71.49	1.13	74.67
	NPR	3.15	1.97	0.03	0.02
	RM	-	-	1.05	17.83

The unhedged foreign currency exposures are naturally hedged.

DZD- Algerian Dinar, ZAR-South African Rand, LKR-Sri Lankan Rupee, ETB-Ethiopian Birr, MYR-Malaysian Ringgit, NPR-Nepalese Rupee, MZN-Mozambican Metical, BTN-Bhutanese Ngultrum, BDT-Bangladeshi Taka, AUD-Australian Dollar, JPY-Japanese Yen

38. Disclosure regarding Leases:

I. Assets taken on operating lease:

The Group's leasing arrangements are in respect of operating leases of premises for residential use of employees, offices, guesthouses and transit camps. Most of the leasing arrangements are cancellable and are usually renewable on mutually agreed terms. The amounts of lease payments during the year are as under:

(a) Lease payments (net of recoveries) in respect of premises for residential use of employees –Rs.3.75 crores (Rs.4.33 crores) (included in salaries & wages note 23).

(b) Lease payments in respect of office premises, guesthouses and transit camps –Rs. 6.51 crores (Rs. 5.16 Crores) (included in operating & administrative expenses note 22.).

II. Assets given on operating lease:

(a) The Group has given certain commercial/residential premises on operating lease which are cancellable by giving appropriate notices as per respective agreements..

(b) The Group has also provided Plant & Machinery (Locomotives) on wet lease basis to a foreign client till 31.12.2015.

(c) The Group has sub-leased 23 Multi-Functional Complexes to various sub-lessees upto 31.03.2017. Out of which, sub-lease agreement of 4 MFC's has been terminated.

(d) The amount of lease rent received during the year is as under:

1. Lease rent in respect of non-residential premises –Rs. 8.01 crores (Rs. 7.63 crores) (included in miscellaneous income note 21.)

2. Lease rent in respect of locomotives-Rs. 0.88 crores (Rs.35.89 crores) (included in loco lease note 20)

3. Lease rent in respect of sub-leasing of 23 MFCs- Rs. 13.66 crores (Rs 14.75 crores) (included in loco lease note 23).

(e) Future minimum lease rental receivable as on 31.03.2017 in respect of non – cancellable operating lease for each of the following period is as under:

(Rs. in Crores)

Lease Rent Receivable	31 March 2017	31 March 2016	**1 April 2015**
Within One year			
- Premises	0.35	0.34	NIL
- Locomotives	NIL	NIL	33.42
- Multi Functional Complexs (MFCs)	17.20	12.63	13.86
After one year but not more than five years			
- Premises	2.06	0.66	NIL
- Locomotives	NIL	NIL	NIL
- Multi Functional Complexs (MFCs)	80.21	1.70	13.95
More than five years			
- Premises	1.41	NIL	NIL
- Locomotives	NIL	NIL	NIL
- Multi Functional Complexs (MFCs)	895.35	NIL	NIL

(f) Details of assets given on lease during the year:

(Rs. In Crores)

Particulars	As at 31st March 2017			As at 31st March 2016			**As at 1st April 2015**		
	Premises	Locos	MFCs	Premises	Locos	MFCs	Premises	Locos	MFCs
Gross Carrying amount of assets	3.51	30.9	97.27	10.00	35.66	97.27	6.96	35.66	95.94
Depreciation for the year	0.07	-	1.99	0.18	-	1.73	0.14	-	1.47
Impairment loss for the year	-	0.21		-	-	-	-	-	-
Accumulated Depreciation	0.41	29.35	5.35	1.44	33.87	3.35	1.22	33.87	1.63

39. Segment Reporting:

A. General Information:

(i) The Company has determined reportable operating segments from geographical perspective.

(ii) The Company's source of risk and rewards are derived from the units spread across the globe and hence, International projects and Domestic projects are considered as individual operating segments.

(iii) The operating segments have been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

(iv) These operating segments are monitored by company's Chief Operating Decision Maker (CODM) and strategic decisions are made on the basis of segments results. Segment performance is evaluated based on the profit of each segment.

B. Information about reportable segments and reconciliation to amounts reflected in the financial statements:

(Rs in crores)

Particulars	International		Domestic		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
A. Turnover						
Revenue from External Customers	253.80	325.88	2,694.27	2,051.12	2,948.07	2,377.00
Company share of turnover in Integrated Joint operations	88.28	83.59	1.62	20.34	89.90	103.93
Interest Income	6.97	5.61	201.24	238.87	208.21	244.48
Other Income	5.47	93.09	49.68	115.92	55.15	209.01
Inter-segment	-	-	-	-	-	-
Total Revenue	354.52	508.17	2,946.81	2,426.25	3,301.33	2,934.42
B. Result						
Profit before Provision, Depreciation, Interest, Exceptional items and Tax.	12.09	254.30	502.84	450.72	514.93	705.02
Less: Provision & write backs (Net)	(41.42)	19.80	32.37	3.66	(9.05)	23.46
Depreciation, amortization and impairment	7.48	16.79	19.21	14.11	26.69	30.90
Interest	-	-	9.65	7.83	9.65	7.83
Exceptional item	(73.69)	-	-	-	(73.69)	-
Share in Profit/(Loss) of Joint Ventures	-	-	5.60	5.49	5.60	5.49
Profit Before Tax	119.72	217.71	436.01	419.63	555.73	637.34
Tax Expense	65.56	42.32	105.98	176.18	171.54	218.50
Profit After Tax	54.16	175.39	330.03	243.45	384.19	418.84

C. Other Information

(Rs in crores)

Particulars	International			Domestic			Total		
	2016-17	2015-16	April 2015	2016-17	2015-16	April 2015	2016-17	2015-16	April 2015
Assets	659.96	577.51	1,084.22	8,571.44	7,561.89	5,419.54	9,231.40	8,139.40	6,503.76
Liabilities	556.92	527.25	656.99	4,837.76	3,951.41	2,354.88	5,394.68	4,478.66	3,011.87
Investment in Joint **Ventures accounted for by** the equity method	-	-	-	239.57	58.08	13.58	239.57	58.08	13.58
Non-Current Assets Other than financial instruments, deferred tax assets, net defined benefit assets	48.06	59.30	85.31	1,428.60	771.93	698.73	1,476.66	831.23	784.04
Capital Expenditure (Addition to PPE, CWIP, Investment Property, Other Intangible Assets and Intangible assets under development)	1.12	0.32	-	530.60	81.18	-	531.72	81.50	-

D. Information about major Customers:

During the year ended March 31, 2017, Operating Revenue of approximately 38.15% (39.84%) derived from a single external customers in Domestic Segment.

40. Interest in other Entities

Disclosure in respect of Joint arrangements

(a) Unincorporated Joint operations:

i) For projects in operation:

(Rs in crores)

S. No.	Name of the Joint operations	Principal place of Business	Partner(s) and Country of Origin	Participating Interest (in %) as on 31March	
				2017	2016
1.	IRCON-SPSCPL	J&K, India	Ircon, India	50.00	50.00
			SPSCPL, India	50.00	50.00
2.	IRCON-AFCONS	Bangladesh	Ircon, India	53.00	53.00
			Afcons Infrastructure Ltd., India	47.00	47.00
3.	Express Freight Consortium	Gujrat, Maharashtra, India	Mitsui, Japan	51.00	51.00
			Ircon, India	30.00	30.00
			Tata Project Ltd., India	19.00	19.00
4.	Express Freight Railway Consortium	Maharashtra, India	Mitsui, Japan	51.00	-
			Ircon, India	30.00	-
			Tata Project Ltd., India	19.00	-

ii) For projects which have been completed:

(Rs in crores)

S. No.	Name of the Joint operations	Principal place of Business	Partner(s) and Country of Origin	Participating Interest (in %) as on 31st March	
				2017	2016
1	RICON	Delhi NCR, India	Ircon, India	49.00	49.00
			RITES, India	51.00	51.00
2	RICON- CETA SARL	Mozambique	RICON, India	Nil	49.00
			CETA, Mozambique	Nil	51.00
3	Ircon-COBRA-ELIOP	Delhi NCR, India	Ircon, India	61.22	61.22
			COBRA, Spain	34.35	34.35
			ELIOP, Spain	4.43	4.43
4	Ircon- Sree Bhawani Builders	Chennai, India	Ircon, India	24.21	24.21
			Sree Bhawani Builders, India	75.79	75.79
5	Ircon-SMJ Project JV	Tamilnadu, India	Ircon, India	55.00	55.00
			Sumber Mitra Jaya, Indonesia	45.00	45.00
6	International Metro Civil Contractor. (IMCC)	Delhi NCR, India	Dywidag, Germany	29.00	29.00
			Larsen &Tubro Ltd., India	26.00	26.00
			Samsung Corp., Korea	26.00	26.00
			Shimizu Corp., Japan	9.50	9.50
			Ircon, India	9.50	9.50
7	Metro Tunnelling Group (MTG)	Delhi NCR, India	Dywidag, Germany	29.00	29.00
			Larsen &Tubro Ltd., India	26.00	26.00
			Samsung Corp., Korea	26.00	26.00
			Shimizu Corp., Japan	9.50	9.50
			Ircon, India	9.50	9.50
8	Ircon-GANNON Dunkerly	Uttar Pradesh, India	Ircon, India	55.70	55.70
			GANNON Dunkerly	44.30	44.30
9	Ircon-RCS-PFLEIDERER	J&K, India	Ircon, India	65.08	65.08
			Rayalseema Concrete Sleepers Pvt. Ltd, India	21.87	21.87
			Pfleiderer Infrastrukturtecnik Gmbh & Co, Germany	13.05	13.05

(b) Joint-Venture Companies:

(Rs in crores)

S. No	Name of JV Company	Principal place of Business	Shareholders and country of origin	Percentage of Ownership	
				As at 31 March 2017	As at 31 March 2016
1	CCFB (Companhia Dos Caminhos De Ferro Da Beira SARL) Mozambique	Mozambique	Ircon, India RITES, India CFM, Mozambique	-* - -	25.00 26.00 49.00
2	Ircon-Soma Tollway Private Limited. (ISTPL)	Maharashtra, India	Ircon, India Soma Enterprise Limited, India	50.00 50.00	50.00 50.00
3	Chattisgarh East Railway Limited (CERL)	Chattisgarh, India	Ircon, India SECL, India CSIDC	26.00 64.00 10.00	26.00 64.00 10.00
4	Chattisgarh East-West Railway Limited (CEWRL)	Chattisgarh, India	Ircon, India SECL, India CSIDC	26.00 64.00 10.00	26.00 64.00 10.00
5	Mahanadi Coal Rail Limited (MCRL)	Odisha, India	Ircon, India MCL, India GoO, India	26.00 64.00 10.00	26.00 64.00 10.00
6	Jharkhand Central Railway Limited (JCRL)	Jharkhand, India	Ircon, India CCL, India GoJ, India	26.00 64.00 10.00	26.00 64.00 10.00
7	Baster Railway Pvt. Ltd. (BRPL)	Chattisgarh, India	Ircon, India NMDC, India SAIL, India CMDC, India	26.00 43.00 21.00 10.00	- - - -

*Shares transferred on 22.09.2016

(c) Contingent Liabilities of the Joint arrangements are disclosed in note 31 (b).

41. Related Party disclosures: Related party to be identified as per IND AS

a) Enterprises where control exists:

(i) Subsidiary Companies: -

- Ircon Infrastructure and Services Limited. (IISL)
- Indian Railway Station Development Corporation Limited. (IRSDC)
- Ircon PB Tollway Limited. (IPBTL)
- Ircon Shivpuri Guna Tollway Limited (ISGTL)

(ii) Joint arrangements: -

- Unincorporated Joint Operations – As per Note no. 40 (a) above
- Joint Venture Companies – As per Note no. 40 (b) above.

b) Key management personnel:

Whole time Directors:-

S/Shri S.K. Chaudhary, M. K. Singh, Deepak Sabhlok and Hitesh Khanna.

Directors (Official Government nominated):-
S/Shri Rajiv Chaudhary, Sukhmal Chand Jain

Independent Directors:-
S/Shri Avineesh Matta, Sanjay Kumar Singh, Ms. Vasudha V. Kamat
Company Secretary: - Smt. Sumita Sharma

c) Disclosure of transactions with related parties:

(Rs in crores)

Particulars	Transactions during the year		Particulars of Contracts/ Arrangements
	2016-17	2015-16	Nature of Transaction
1. Remuneration to key management personnel	As per Note No. 41		
2. Purchase of Goods & Services (including CSR expenses)/Lease of PPE/Any other transaction			
Joint Venture			
Chattisgarh East Railway Limited (CERL)	0.70	-	Interest paid
Total	0.70	-	
3. Sale of Goods & Services/Interest Income/ Any other transaction			
Joint arrangements (Including)			
Ircon-Soma Tollway Private Limited. (ISTPL)	0.03	0.07	Rent for the Premises
Companhia Dos Caminhos De Ferro Da Beira SARL (CCFB)	-	25.26	Interest on Loan
Chattisgarh East Railway Limited (CERL)	130.07	182.30	Consultancy & works receipts
Chattisgarh East Railway Limited (CERL)	6.26	4.92	Interest on Loan
Chattisgarh East-West Railway Limited (CEWRL)	37.51	22.33	Consultancy receipts
Chattisgarh East-West Railway Limited (CEWRL)	4.87	0.43	Interest on Loan
IRCON AFCONS JV	0.20	0.78	Interest on Loan
Mahanadi Coal Rail Limited (MCRL)	5.54	-	Consultancy & work receipts
Total	184.48	236.09	
4. Equity Investment in JVs			
Chhattisgarh East Railway Limited (CERL)	43.41	39.00	
Chhattisgarh East-West Railway Limited (CEWRL)	130.00	-	
Mahanadi Coal Rail Limited (MCRL)	-	0.01	
Baster Railway Pvt. Ltd. (BRPL)	1.18	-	
Jharkhand Central Railway Limited (JCRL)	1.30	-	
CCFB	(5.53)	-	Disinvestment
5. Loan to Joint Arrangements			
Companhia Dos Caminhos De Ferro Da Beira SARL (CCFB)- *Loan Disbursed*	-	5.05	
Chattisgarh East Railway Limited (CERL)- *Loan Disbursed*	78.00	9.00	
Chattisgarh East-West Railway Limited (CEWRL)- *Loan Disbursed*	19.50	19.50	
IRCON AFCONS JV- *Loan Disbursed*	7.50	-	
IRCON AFCONS JV- *Loan Repayment*	(7.50)	(18.11)	
Total	97.50	15.44	

Particulars	Transactions during the year		Particulars of Contracts/ Arrangements
	2016-17	2015-16	**Nature of Transaction**
6. Reimbursement of deputation staff expenses, rent & other misc. expenses to JVs			
Ircon-Soma Tollway Private Limited. (ISTPL)	0.56	0.21	
Trust			
Ircon Gratuity Trust	7.82	2.43	Reimbursement
Ircon Employees Contributory PF Trust	28.52	25.99	Contribution to Trust
Ircon Pension Trust	7.61	30.58	Contribution to Trust
Ircon Medical Trust	3.38	5.97	Contribution to Trust
Total	47.89	65.18	

Disclosure of amount due to/from related parties

(Rs in crores)

Particulars	Amount	
	As at 31-3-2017	As at 31-3-2016
Amount Receivables		
(1) Loan outstanding to JV**	171.44	58.50
Chattisgarh East Railway Limited (CERL)	127.67	39.00
Chattisgarh East-West Railway Limited (CEWRL)	43.77	19.50
(2) For Other Services, reimbursements etc. to joint arrangements	61.71	80.81
Ircon-Soma Tollway Private Limited (ISTPL)	7.71	7.22
Chattisgarh East Railway Limited (CERL)	41.29	67.28
Chattisgarh East-West Railway Limited (CEWRL)	5.29	3.88
RICON	0.44	-
Mahanadi Coal Rail Limited (MCRL)	4.72	-
Trust		
Ircon Gratuity trust	2.26	2.43
Amount Payable to Joint arrangements		
1) For Other Services	65.06	18.48
Chattisgarh East Railway Limited (CERL)	28.15	18.48
Chattisgarh East-West Railway Limited (CEWRL)	18.57	-
IRCON AFCONS JV	7.80	-
Mahanadi Coal Rail Limited (MCRL)	0.02	-
2)Advance work receipts		
Mahanadi Coal Rail Limited (MCRL)	5.52	-
3) Advance Received		
Jharkhand Central Railway Limited (JCRL)	5.00	-

**Includes Interest accrued

d) **Transaction with the Related Government entities**

Apart from transactions reported above, the company has transactions with related Government entities which includes but not limited to the following:

Name of Government: Ministry of Railways, Government of India (Significant control over company)

Certain significant transactions & Closing balances:

Transactions during the year:

(Rs. in Crores)

S.No.	Particulars	2016-17	2015-16
i)	Sales	1265.20	1095.33
ii)	Interest Passed on	159.36	54.96
iii)	Dividend Paid	183.73	181.63

Note: Purchases are heterogeneous in nature, thus immaterial. Hence not disclosed.

Closing balances:

(Rs. in Crores)

S.No.	Particulars	2016-17	2015-16
i)	Receivable	88.16	217.58
ii)	Billable revenue/receivables not due	68.50	140.06
iii)	Claims recoverable	0.87	2.86
iv)	Advance Received	3247.36	2545.32
v)	Advance work receipts	0.38	-

42. Details of remuneration to Directors/Key Managerial Person:

(Rs in Crores)

Sr.	Particulars	2016-17	2015-16
I	Salary & allowances*	1.51	1.74
II	Contribution to provident fund, pension	0.14	0.20
III	Reimbursement of medical expenses	0.03	0.03
IV	Sitting fee	0.07	0.00
V	Other benefits	0.33	0.27
	TOTAL	2.08	2.24

* Figures of 2016-17 include PRP (2014-15) of Rs. 0.30 crores paid during the year; 2015-16 include PRP (2013-14) of Rs 0.47 crores paid during the year.

Recovery as applicable has been made from Directors who have been provided with Company accommodation and car.

43. During the year, holding company has carried out assessment on impairment of individual assets by working out the recoverable amount based on lower of the net realisable value and carrying cost in terms of Ind AS 36, "Impairment of Assets" notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016.

Accordingly, impairment loss of Rs.1.26 Crores (Rs. 0.002 Crores) has been provided for."

44. Disclosure under Ind AS-19 on Employee benefits

Provident Fund

The Holding Company pays fixed contribution of Provident Fund at a pre-determined rate to a separate trust, which invests the funds in permitted securities. The trust is required to pay a minimum rate of interest on contribution to the members of the trust. The amount available in the fund including the returns on investment is greater than the obligation of the company. During the year, the Holding Company has contributed Rs.10.84 crores (Rs. 10.14 crores) to the trust.

Gratuity

The Holding Company has implemented IRCON Employees Group Gratuity Scheme to provide financial assistance to the employees of the Holding Company as a social security measure on the termination of their employment due to superannuation, retirement, resignation, physical incapacitation or death. The scheme is managed by a separate Trust formed in the year 2015-16 for this purpose and approved by the Income Tax Authorities. Funds of the Trust are managed by LIC of India. As on 31.03.2017, an asset of Rs. 0.88 crores has been booked in the books of accounts based on actuarial valuation.

Pension

The Holding Company has implemented IRCON Defined Contribution Superannuation Pension Scheme, 2009 w.e.f. 01.04.2009, for all regular employees drawing pay in IDA scale who would complete 15 years of service in the Company (including service in other CPSEs) upto normal retirement date. The scheme is managed by a separate Trust formed in the year 2015-16 for this purpose and approved by the Income Tax Authorities. Holding Company's share of contribution amounting to Rs. 6.13 crore for the period from 01.04.2016 to 28.02.2017 has been paid and accounted for during the year 2016-17. Liability for the month of March 2017 of Rs. 0.51 crores (Rs.0.50 Crores) has been provided in the books of accounts.

Post-Retirement Medical Facility (PRMF)

The Holding Company had established an irrevocable trust by initial one-time contribution of Rs 12 crores during the year 2000-01 for providing annuity, medical and other benefits to the spouse of employees who die in harness as also the medical benefits to the employees (and spouse) who superannuate from the Company. This being a voluntary welfare measure, the Company is not liable for providing such benefits to its employees. However, Holding Company has also kept provision of Rs. 8.32 crores (Rs 4.20 crores) based on the decision of management.

Leave Encashment

The liability towards encashment of leave as per rules of the Holding Company is recognised on the basis of actuarial valuation except for employees posted in foreign projects. Since, the foreign assignments are treated as dies - non, liability for those employees is provided in the books on accrual basis as the amount is payable to employee on repatriation.

Other Retirement Benefits

Other retirement benefits include settlement at home-town or to the place where he or his family intends to settle in India including Baggage Allowance. The liability on this account is recognized on the basis of actuarial valuation.

The summarised position of various employee benefits recognised in the statement of profit and loss and balance sheet as on 31.03.2017 is as under:

(i) Service Cost

(Rs. in Crore)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Current Service Cost	3.55 (3.57)	3.40 (4.69)	0.01 (0.01)	2.63 (2.49)
b)	Past Service Cost including curtailment Gains/Losses	-- (--)	-- (--)	-- (--)	-- (--)
c)	Gains or Losses on Non routine settlements	-- (--)	-- (--)	-- (--)	-- (--)
d)	Difference in HPL leave days balance in Opening	- -	(26.66) (--)	- -	- -
e)	**Total**	3.55 (3.57)	(23.26) (4.69)	0.01 (0.01)	2.63 (2.49)

* Except employees posted on Foreign Projects

(ii) Net Interest Cost

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Interest cost on Defined Benefit Obligation	5.40 (5.30)	4.07 (6.39)	0.02 (0.01)	5.35 (4.11)
b)	Interest Income on Plan Assets (Expected)	5.02 (--)	-- (--)	-- (--)	4.45 (4.00)
c)	Net Interest Cost (Income)	0.38 (5.30)	4.07 (6.39)	0.02 (0.01)	0.89 (0.86)

* Except employees posted on Foreign Projects

(iii) Changes in Present Benefit Obligation

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Present value of obligation as at the beginning of the period	72.06 (66.31)	80.90 (79.90)	0.23 (0.13)	71.27 (60.84)
b)	Difference in HPL leave days balance in Opening	- -	(26.66) (--)	- -	- -
c)	Interest Cost	5.40 (5.30)	4.07 (6.39)	0.02 (0.01)	5.35 (4.87)
d)	Service Cost	3.55 (3.57)	3.40 (4.69)	0.01 (0.01)	2.63 (2.49)
e)	Benefits Paid	(5.56) ((4.65))	(4.90) ((5.65))	(0.08) ((0.21))	(1.11) ((1.73))
f)	Total Actuarial (Gain)/Loss on Obligation	(4.57) (1.54)	(2.66) ((4.43))	0.16 (0.30)	3.82 (4.80)
g)	Present Value of obligation as at the end of the period	70.89 (72.06)	80.91 (52.73)	0.33 (0.23)	81.95 (71.27)

* Except employees posted on Foreign Projects

(iv) Actuarial (Gain)/Loss on Obligation

S. No.	Particulars	Gratuity	Leave Encashment *	LTC	Other Retirement Benefits
a)	Actuarial (Gain) Loss on arising from change in Demographic Assumption	-- (--)	-- (--)	-- (--)	-- (--)
b)	Actuarial (Gain)/Loss on arising from change in Financial Assumption	-- (1.89)	-- (3.01)	-- (--)	-- (4.30)
c)	Actuarial (Gain) Loss on arising from Experience Adjustment	(4.57) ((0.36))	(2.56) ((7.44))	0.16 (0.38)	3.82 (0.41)

* Except employees posted on Foreign Projects

(v) Actuarial (Gain)/Loss on Plan Asset

S.No.	Particulars	Gratuity	Leave Encashment *	LTC	Other Retirement Benefits
a)	Expected Interest Income	5.02 (--)	-- (--)	-- (--)	4.45 (4.00)
b)	Actual Income on Plan Asset	5.56 (3.08)	-- (--)	-- (--)	5.46 (5.05)
c)	LIC Mortality Charges	(0.29) (--)	-- (--)	-- (--)	-- (--)
d)	Actuarial gain (loss) for the year on Asset	0.24 (3.08)	-- (--)	-- (--)	1.00 (1.05)

* Except employees posted on Foreign Projects

(vi) Balance Sheet and related analysis

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Present Value of the obligation at end	70.89 (72.06)	54.25 (80.90)	0.33 (0.23)	81.95 (71.27)
b)	Fair Value of plan assets	71.77 (66.96)	-- (--)	-- (--)	67.11 (59.38)
c)	Unfunded Liability/ provision in Balance Sheet	0.87 ((5.11))	(54.25) ((80.90))	(0.33) ((0.23))	(14.83) ((11.89))
d)	Unfunded liability recognized in Balance Sheet	0.87 ((5.11))	(54.25) ((80.90))	(0.33) ((0.23))	(14.83) ((11.89))

* Except employees posted on Foreign Projects

(vii) The amounts recognized in the income statement

S.No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Service Cost	3.55 (3.57)	(23.26) (4.69)	0.01 (0.01)	2.63 (2.49)
b)	Net Interest Cost	0.38 (5.30)	4.07 (6.39)	0.02 (0.01)	0.89 (0.86)
c)	Net actuarial (gain)/ loss recognized in the period	-- (--)	(2.56) ((4.43))	-- (--)	-- (--)
d)	Expense recognized in the Income Statement	3.93 (8.87)	(21.75) (6.65)	0.03 (0.02)	3.52 (3.36)

* Except employees posted on Foreign Projects

(viii) Other Comprehensive Income (OCI)

S.No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Net Cumulative unrecognized actuarial gain/(loss) opening	-- (--)	-- (--)	-- (--)	-- (--)
b)	Actuarial gain/(loss) for the year on PBO	4.57 ((1.54))	-- (--)	(0.16) ((0.30))	(3.82) ((4.80))
c)	Actuarial gain /(loss) for the year on Asset	0.24 (3.08)	-- (--)	-- (--)	1.01 (1.05)
d)	Unrecognized actuarial gain/(loss) at the end of the year	4.81 (1.54)	-- (--)	(0.16) ((0.30))	(2.81)** ((3.75))

* Except employees posted on Foreign Projects

** The unrecognized actuarial loss (OCI) of Rs. 2.81 crores consisting of loss of Rs. 2.97 crores in respect of liability towards Post-Retirement Medical Benefits (PRMB) and gain of Rs. 0.16 crores in respect of liability towards Settlement allowance. Since the liability in respect of PRMB has not been provided as per Actuarial valuation and has been restricted as per DPE guidelines, therefore, the OCI in respect of PRMB, as per Actuarial valuation, has not been considered."

(ix) Change in plan assets

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Fair value of plan assets at the beginning of the period	66.96 (--)	-- (--)	--	59.38 (50.05)
b)	Actual Income on plan assets	5.56 (3.08)	-- (--)	--	5.46 (5.05)
c)	LIC Mortality Charges	(0.30) (--)	-- (--)	--	-- (--)
d)	Employer contribution	5.11 (66.31)	-- (--)	--	3.38 (5.97)
e)	Benefits paid	(5.56) ((2.43))	-- (--)	--	(1.10) ((1.70))
f)	Fair value of plan assets at the end of the period	71.77 (66.96)	-- (--)	--	67.12 (59.38)

* Except employees posted on Foreign Projects

(x) Major categories of plan assets (as percentage of total plan assets)

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Government of India Securities	-- (--)	-- (--)	--	-- (--)
b)	State Government securities	-- (--)	-- (--)	--	-- (--)
c)	High Quality Corporate Bonds	-- (--)	-- (--)	--	-- (--)
d)	Equity Shares of listed companies	-- (--)	-- (--)	--	-- (--)
e)	Property	-- (--)	-- (--)	--	-- (--)
f)	Funds Managed by Insurer	100% (100%)	-- (--)	--	100% 100%
g)	Bank Balance	-- (--)	-- (--)	--	-- (--)
	Total	**100%**		--	**100%**

* Except employees posted on Foreign Projects

(xi) Change in Net Defined Benefit Obligation

S.No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Net defined benefit liability at the start of the period	5.11 (66.31)	80.90 (79.90)	0.23 (0.13)	11.89 (10.79)
b)	Service Cost	3.55 (3.57)	(23.26) (4.69)	0.01 (0.01)	2.63 (2.49)
c)	Net Interest Cost (Income)	0.38 (5.30)	4.07 (6.39)	0.02 (0.01)	0.89 (0.86)
d)	Re-measurements	(4.81) ((1.54))	(2.56) ((4.43))	0.16 (0.30)	2.81 (3.75)
e)	Contribution paid to the fund	(5.11) ((66.31))	-- (--)	-- (--)	(3.38) ((5.97))
f)	Benefit paid directly by the enterprise	-- (2.22)	(4.90) ((5.65))	(0.08) ((0.21))	(0.02) ((0.03))
g)	Net defined benefit liability at the end of the period	(0.87) (5.11)	54.25 (80.90)	0.33 (0.23)	14.83 (11.89)

* Except employees posted on Foreign Projects

(xii) Bifurcation of BPO at the end of the year in current and non-current

S. No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Current Liability (Amount due within one year)	7.31 (7.49)	4.52 (8.11)	0.03 (0.03)	2.01 (1.15)
b)	Non-current liability (Amount due over one Year)	63.58 (64.57)	49.73 (72.79)	0.30 (0.20)	79.93 (70.12)
	Total PBO at the end of the year	70.88 (72.06)	54.25 (80.90)	0.33 (0.23)	81.95 (71.27)

* Except employees posted on Foreign Projects

(xiii) Expected contribution for the next Annual reporting period

S.No.	Particulars	Gratuity	Leave Encashment*	LTC	Other Retirement Benefits
a)	Service Cost	3.73 (3.42)	3.71 (4.93)	0.02 (0.01)	2.82 (2.69)
b)	Net interest Cost	(0.07) (2.22)	4.07 (6.07)	0.03 (0.01)	4.39 (4.20)
c)	Net actuarial (gain)/loss recognized in the period	-- (--)	1.90 (2.07)	-- (--)	-- (--)
d)	Expected Expense for the next annual reporting period	3.67 (5.64)	9.67 (13.06)	0.05 (0.02)	7.22 (6.89)

* Except employees posted on Foreign Projects

(xiv) Sensitivity Analysis of the defined benefit obligation

a) Impact of the change in discount rate

S.No.	Particulars	Gratuity	Leave Encashment *	LTC	Other Retirement Benefits
	Present value of obligation at the end of the period	70.89	54.25	0.33	81.95
i)	Impact due to increase of 0.50%	(1.70)	(2.12)	(0.01)	(5.80)
ii)	Impact due to decrease of 0.50%	1.75	2.28	0.01	7.25

b) Impact of the change in salary increase

S.No.	Particulars	Gratuity	Leave Encashment *	LTC	Other Retirement Benefits
	Present value of obligation at the end of the period	70.89	54.25	--	--
i)	Impact due to increase of 0.50%	1.74	2.26	--	--
ii)	Impact due to decrease of 0.50%	(1.70)	(2.12)	--	--

* Except employees posted on Foreign Projects

(Previous year figures are shown under bracket () to differentiate from current year figures.)

Sensitivity due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitiveness as to rate of inflation, rate of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(xv) Actuarial Assumptions

a.	Method used	Projected Unit Credit Method
b.	Discount rate	7.50 %
c.	Rate of increase in compensation levels	8.00 %
d.	Average outstanding service of employees up to retirement	12.19 to 12.23 years
e.	Estimated term of benefit obligations	10.05 to 10.14 years

45. Disclosure under Ind AS-11 on Revenue from contracts for contracts in progress*

a. Method Used to determine Contract Revenue: - Percentage of completion.

b. Method Used to determine the Stage of completion of Contract in progress: - Proportion of cost incurred of work certified up to the reporting date to the total estimated cost of the contract.

c. Other details:

(Rs in Crores)

Details		Up to 31 March 2017	Up to 31 March 2016
(a)	Contract revenue recognized as revenue in the period	2792.46	2829.56
(b)	Aggregate amount of costs incurred and recognized profits (less recognized losses)	12967.41	19547.91
(c)	Amount of advances received from client	3288.64	837.85
(d)	Amount of retentions (by client)	50.05	99.63
(e)	Gross amount due from clients for contract work	305.65	479.13

* excluding projects completed up to 31.03.2017

46. The Group has not received any information from any of its suppliers of their being covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). Based on this information, there are no amounts due to Micro, Small and Medium Enterprises as at 31 March 2017.

47. (i) Gross amount required to be spent on Corporate Social Responsibility (CSR) by the Group during the year is Rs. 6.87 crores (Rs. 6.13 crores).

(ii) During the year, Group has spent Rs 5.92 crores (Rs 6.25 crores) as against required amount of Rs. 6.87 crores (Rs 6.13 crores) on Corporate Social Responsibility (CSR) activities. Break up of expenditure incurred is as follows;

(Rs in Crores)

Sr. No.	Description	2016-17	2015-16
1.	Eradicating hunger, poverty & malnutrition, promoting preventive healthcare & sanitation & making available safe drinking water	1.45	4.90
2.	Promoting Education, including special education and employment enhancing vocation skills especially among children.	0.84	0.94
3.	Setting up homes and hostels for women and orphans, Setting up old age homes, day care centres and such other facilities for senior citizens.	0	0.18
4.	Ensuring environmental sustainability	3.18	0.05
5.	Rural Development Projects	0.46	0.18
	TOTAL	5.92	6.25

(iii) Amount spent during the year

(Rs in Crores)

Sr. No.	Description	In Cash	Yet to be paid in cash	Total
1.	Construction/acquisition of asset	1.07	-	1.07
2.	Other purposes	4.85	-	4.85

*Assets purchased and handed over to respective organisation and are not being held by the Company.

(iv) CSR exp. yet to be incurred is Rs. 0.95 crores.

48. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

(Rs in Crores)

Particulars	31st March, 2017	31st March, 2016
Basic EPS		
From Continuing operations	38.81	42.32
From Discontinued operation	-	-
Diluted EPS*	38.81	42.32

*Diluted EPS amounts are also same as basic EPS because company has no dilutive potential Equity shares.

The following reflects the income and share data used in the basic EPS computations:-

(Rs. in crores)

Particulars	31st March, 2017	31st March, 2016
Profit attributable to equity holders of the company used in calculating EPS:		
From Continuing operations	384.19	418.84
From Discontinued operation	-	-
Profit attributable to equity holders for Basic Earnings Per Share	384.19	418.84

The following reflects the weighted average number of shares used in calculating basic EPS

(Numbers of Shares)

Particulars	31st March, 2017	31st March, 2016
Weighted average number of Equity shares for basic EPS*	98980000	19796000
Effect of dilution:		
Weighted average number of Equity shares adjusted for the effect of dilution*	98980000	19796000

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorization of these financial statements.

49. Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016.

(Rs in Crores)

Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	0.0810	0.0190	0.1000
(+) Permitted receipts	0.0014*	0.4160	0.4174
(-) Permitted Payments	-	0.3550	0.3550
(-) Amount deposited in Banks	0.0824	0.0020	0.0844
Closing cash in hand as on 30.12.2016	-	0.0780	0.0780

*Staff imprest returned after demonetisation.

50. Service Concession Arrangements (SCA)

Public to private service concession arrangements are recorded in accordance with Appendix "A"- Service Concession Arrangements (Ind AS-11). Appendix "A" is applicable if:

a) The Grantor controls or regulates which services the operator should provide with the infrastructure, to whom it must provide them, and at what price; and

b The grantor controls- through ownership, beneficial entitlement, or otherwise- any significant residual interest in the infrastructure at the end of the term of the arrangement.

If both of the above conditions are met simultaneously, an intangible asset is recognized to the extent that the operator receives the right to charge users of the public service, provided that these charges are conditional on the degree to which the service is used.

These intangible assets are initially recognized at cost, which is understood as the fair value of the service provided plus other direct costs directly attributable to the operation. They are then amortized over the term

of the concession.

Group has entered into service concession arrangement with National Highway Authority of India (NHAI) for four laning of Shivpuri Guna Section and for four laning of Phalodi Bikaner Section in terms of which NHAI (the grantor) has authorized the group to develop, finance, design, engineer, procure, construct, operate and maintain the Projects and to exercise and/or enjoy the rights, powers, benefits, privileges authorizations and entitlements upon its completion. In terms of the said agreement group has an obligation to complete construction of the projects of four laning of Shivpuri Guna section and four laning of Phalodi Bikaner Section and to keep the project assets in proper working condition including all projects assets whose lives have expired.

The Concession period shall be 20 years for Shivpuri Guna project and 26 years for Phalodi Bikaner project commencing from the appointment date. At the end of the concession period, the assets will be transferred back to National Highway Authority of India (NHAI).

In case of material breach in terms of agreement the NHAI and group have right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

Group has recognized revenue of Rs. 472.29 crores (Rs. 54.62 crores) on construction of intangible assets under service concession agreement. Group has recognized Rs. 16.32 crores (Rs. 1.94 crores) as profit on construction of intangible assets under service concession arrangement .The revenue recognized in relation to construction of intangible assets under service concession arrangement represents the fair value of services provided towards construction of intangible assets under service concession arrangement. The group has not recognised any revenue from operation of toll roads since the construction is in process. The revenue shall be booked once the operation of line is commenced.

51. During the year, the Holding Company has changed its accounting policy relating to treatment of cost of Mobile Phones provided to employees. Due to this change, expenses for the year is higher by Rs. 0.10 and PBT for the year is lower by Rs. 0.10.

52. The Company has engaged agents/consultants to secure contracts and provide other services for foreign projects, being implemented in three countries. Pending assessment of services provided by the agent / consultants, the company has not accounted for expenses aggregating to Rs. 3.80 crores, comprising of Rs. 1.36 Crore during financial year 2016-17 (previous year Rs. 2.44 Crore).

53. In one of the projects under Patna region, management had remitted dues recovered/recoverable as supervision charges on unreturned steel amounting to Rs. 2.51 crores at reduced rate of 1% instead of 14.5% as per the approval of management. Further, Liquidated damages (LD) amounting to Rs. 4.48 crores were waived and the escalation claims amounting to Rs. 3.52 crores were unfreezed to the contractor. Management is of the view that this is as per provisions of the contract, as approved by the competent authority on the merit of the case.

Details are as under:

S.No.	Particulars	Rs. in crores
1.	Supervision charges	2.51
2.	Liquidated charges	4.48
3.	Other charges	0.16
4.	Unfreeze escalation claims	3.52

54. **Financial guarantee**

a). The holding company has issued financial guarantee (undertaking) to Punjab National Bank on behalf of and in respect of term loan facility availed by its Joint venture company, Ircon Soma Tollway Private Limited (ISTPL), to make good 50% of total shortfall in the dues, if any, in the event of termination of the concession agreement. Loan outstanding as on 31.03.2017 is Rs. 63.07 crores (Rs. 113.15 crores). As per concession agreement, in case of termination for reasons attributable to ISTPL, the holding company will be called upon to meet only 10% of the outstanding loan amount which as on 31.03.2017 is Rs. 6.31 crores (Rs. 11.32 crores).

b) The group uses the same accounting policies in the consolidated financial statements, like transactions & events in similar circumstances except in case of ISTPL, where the said JV Company did not apply the financial guarantee policy as prescribed under AS-109.

Accordingly, the appropriate adjustment has been made in consolidated financial statements and following amounts has not considered:

Investment in ISTPL: Rs. 0.28 crores (Rs. 0.28 crores in FY 2015-16 and Rs. 0.28 crores as on 01.04.2015), Other Financial Liability: Rs. 0.04 crores (Rs. 0.13 crores in FY 2015-16 and Rs. 0.28 crores as on 01.04.2015) & Other Income: Rs. 0.09 crores (Rs. 0.15 crores in FY 2015-16).

55. Events occurring after Reporting period

(a) Refer to Note 14 for the final dividend recommended by the directors which is subject to the approval of shareholders in the ensuing meeting.

(b) After close of the year, increase in Authorized Share Capital of Holding company to Rs. 400.00 crore is approved in the Extra Ordinary General Meeting held on 22.05.2017.

56. **Standards issued but not effective for the financial year 2016-17**

a) IND AS 115 Revenue from Contracts with Customers:

MCA had notified IND AS 115 on Revenue from Contracts with Customers in Feb 2015. The standard establishes a new five step model that will apply to revenue arising from Contracts with customers. Under IND AS 115, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IND AS 115 provide a more structured approach to measuring and recognizing revenue. The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IND AS.

The effective date of IND AS 115 is annual periods beginning on or after 1st January 2018, with early adoption permitted. The Company is required to adopt the standard by the Financial Year commencing 1st April 2018. The Company is currently evaluating the requirements of IND AS 115 and has not yet determined the impact on the financial statements.

b) Amendment to Ind AS 7 Statement of Cash Flows:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

57. Previous year's figures have been regrouped, rearranged and recast wherever necessary to make it comparable to

the current year's classification. Also, previous year figures are shown under bracket () to differentiate from current year figures.

58. (i) Disclosure pursuant to Indian Account Standard (IND AS-112): Disclosure of interest in Other Entities:- Joint Ventures

(a) Summarised Balance Sheet of joint venture(s)

Rs. in Crore

Particulars	Bastar Railways Private Limited (BRPL)			Chattisgarh East Railway Limited (CERL)			Chattisgarh East West Railway Limited (CEWRL)		
	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-03-2017	As at 31-3-2016	As at 01-04-2015
Non-Current Assets	10.23	-	-	786.45	357.04	132.10	302.21	72.27	4.67
Current Assets	3.09	-	-	81.59	22.52	6.61	399.38	14.34	0.15
Total Assets (A)	13.32	-	-	868.04	379.56	138.71	701.59	86.61	4.82
Non-Current Liabilities	-	-	-	189.16	170.04	129.23	167.16	77.37	-
Current Liabilities	9.81	-	-	373.29	70.73	5.61	30.68	5.42	0.94
Total Liabilities (B)	9.81	-	-	562.45	240.77	134.84	197.84	82.79	0.94
Net Assets (A-B)	3.51	-	-	305.59	138.79	3.87	503.75	3.82	3.88
a) Includes Cash & Cash Equivalents	3.09	-	-	76.83	12.18	6.57	386.21	14.23	0.13
b) Includes Financial Liabilities (including Trade payables and other payables but excluding provisions)	9.81	-	-	560.98	237.07	134.20	193.94	82.26	0.93

Rs. in Crore

Particulars	Ircon - Soma Tollway Private Limited			Jharkhand Central Rail Limited (JCRL)			Mahanadi Coal Rail Limited (MCRL)		
	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-03-2017	As at 31-3-2016	As at 01-04-2015
Non-Current Assets	559.81	619.18	688.94	180.58	-	-	14.20	2.08	-
Current Assets	17.06	48.23	64.12	27.67	-	-	0.03	0.05	-
Total Assets (A)	576.87	667.41	753.06	208.25	-	-	14.23	2.13	-
Non-Current Liabilities	503.20	550.83	603.14	175.58	-	-	-	-	-
Current Liabilities	28.23	82.83	127.23	-	0.06	-	14.19	2.09	-
Total Liabilities (B)	531.43	633.66	730.37	175.58	0.06	-	14.19	2.09	-
Net Assets (A-B)	45.44	33.75	22.69	32.67	(0.06)	-	0.04	0.04	-
a) Includes Cash & Cash Equivalents	6.94	32.78	57.16	-	-	-	0.01	0.05	-
b) Includes Financial Liabilities (including Trade payables and other payables but excluding provisions)	471.24	544.37	603.29	-	-	-	9.68	2.08	-

(b) Summarised Statement of Profit and Loss of Joint Ventures:

Rs. in Crore

Particulars	Bastar Railways Private Limited (BRPL)		Chattisgarh East Railway Limited (CERL)		Chattisgarh East West Railway Limited (CEWRL)	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Revenue	-	-	-	-	-	-
Interest Income	0.02	-	-	-	0.01	0.01
Other Income	-	-	-	-	-	-
Depreciation and amortisation	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-
Income tax	-	-	-	-	-	-
Profit for the year	(0.09)	-	(0.15)	(0.08)	(0.07)	(0.06)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	(0.09)	0.00	(0.15)	(0.08)	(0.07)	(0.06)

Rs. in Crore

Particulars	Ircon - Soma Tollway Private Limited		Jharkhand Central Rail Limited (JCRL)		Mahanadi Coal Rail Limited (MCRL)	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Revenue	153.34	157.23	-	-	-	-
Interest Income	2.90	8.19	0.38	-	-	-
Other Income	1.65	42.38	-	-	-	-
Depreciation and amortisation	58.31	58.80	-	-	-	-
Interest expense	56.15	62.78	0.21	-	-	-
Income tax	-	-	-	-	-	-
Profit for the year	11.70	11.06	(0.58)	(0.06)	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	11.70	11.06	(0.58)	(0.06)	-	-

(c) Reconciliation of carrying amounts of joint ventures:

Rs. in Crore

Particulars	Bastar Railways Private Limited (BRPL)			Chattisgarh East Railway Limited (CERL)			Chattisgarh East West Railway Limited (CEWRL)		
	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-03-2017	As at 31-3-2016	As at 01-04-2015
Opening net assets	-	-	-	138.79	3.87	3.87	3.82	3.88	3.88
Profit for the year	(0.09)	-	-	(0.15)	(0.08)	-	(0.07)	(0.06)	-
Increase in paid up share capital	2.43	-	-	166.95	135.00	-	500.00	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-
Equity component of other financial instruments		-	-	-	-	-	-	-	-

Particulars	Bastar Railways Private Limited (BRPL)			Chattisgarh East Railway Limited (CERL)			Chattisgarh East West Railway Limited (CEWRL)		
	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-03-2017	As at 31-3-2016	As at 01-04-2015
Other Adjustment (Application Money Pending Allotment)	1.17	-	-	-	-	-	-	-	-
Closing net assets	3.51	-	-	305.59	138.79	3.87	503.75	3.82	3.88
Group's share in %									
(i) In Paid up Share Capital and Profit	0.53%	-	-	27.31%	28.89%	28.85%	26.02%	28.85%	28.85%
(ii) In Share Application Money Pending Allotment	100%	-	-	-	-	-	-	-	-
Group's share									
(i) In Paid up Share Capital and Profit	0.01	-	-	83.47	40.10	1.12	131.08	1.10	1.12
(ii) In Share Application Money Pending Allotment	1.17	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-
Carrying amount	1.18	-	-	83.47	40.10	1.12	131.08	1.10	1.12

Rs. in Crore

Particulars	Ircon - Soma Tollway Private Limited			Jharkhand Central Rail Limited (JCRL)			Mahanadi Coal Rail Limited (MCRL)		
	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-03-2017	As at 31-3-2016	As at 01-04-2015
Opening net assets	33.75	22.69	22.69	(0.06)	-	-	0.04	-	-
Profit for the year	11.70	11.06	-	(0.58)	(0.06)	-	-	-	-
Incease in paid up share capital	-	-	-	4.51	-	-	-	0.04	-
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-
Equity component of other financial instruments	-	-	-	-	-	-	-	-	-
Other Adjustment (Application Money Pending Allotment)	-	-	-	28.80	-	-	-	-	-
Closing net assets	45.45	33.75	22.69	32.67	(0.06)	-	0.04	0.04	-
Group's share in %									
(i) In Paid up Share Capital and Profit	50.00%	50.00%	50.00%	28.86%	0.00%	0.00%	26.00%	26.00%	0.00%
(ii) In Share Application Money Pending Allotment	-	-	-	-	-	-	-	-	-

Particulars	Ircon - Soma Tollway Private Limited			Jharkhand Central Rail Limited (JCRL)			Mahanadi Coal Rail Limited (MCRL)		
	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-3-2017	As at 31-03-2016	As at 01-04-2015	As at 31-03-2017	As at 31-3-2016	As at 01-04-2015
Group's share									
(i) In Paid up Share Capital and Profit	22.72	16.87	11.34	1.12	-	-	0.01	0.01	-
(ii) In Share Application Money Pending Allotment	-	-	-	-	-	-	-	-	-
Other Adjustments	-	-	-	-	-	-	-	-	-
Carrying amount	22.72	16.87	11.34	1.12	-	-	0.01	0.01	-

(ii) Additional information pursuant to Schedule III to the Companies Act, 2013 for the year ended 31-03-2017

Rs. in Crore

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Other Comprehensive Income	Amount (Rs.)	As % of Consolidated Total Comprehensive Income	Amount (Rs.)
Parent Company								
Ircon International Limited	100.28%	3,827.79	95.48%	368.96	100.00%	13.72	95.64%	382.68
Subsidiaries								
Ircon Shivpuri Guna Tollway Limited (ISGTL)	3.91%	149.33	0.10%	0.39	0.00%	-	0.10%	0.39
Ircon PB Tollway Limited (IPBTL)	4.40%	168.10	0.14%	0.54	0.00%	-	0.13%	0.54
Indian Railway Stations Development Corporation Limited (IRSDCL)	1.05%	40.04	-1.17%	-4.54	0.00%	-	-1.13%	-4.54
Ircon Infrastructure & Services Limited (IISL)	3.00%	114.70	3.20%	12.36	0.00%	-	3.09%	12.36
Total Subsidiaries		472.17		8.75		-		8.75
Non- Controlling interest in Subsidiaries	-0.51%	(19.62)	-0.57%	(2.22)	0.00%	-	-0.55%	(2.22)
Net Amount of **Subsidiaries**		452.55		10.97	0.00%	-		10.97
Joint Ventures								
Bastar Railways Private Limited (BRPL)	0.03%	1.18	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Chattisgarh East Railway Limited (CERL)	2.19%	83.47	-0.01%	(0.04)	0.00%	-	-0.01%	(0.04)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit or Loss	Amount (Rs.)	As % of Consolidated Other Comprehensive Income	Amount (Rs.)	As % of Consolidated Total Comprehensive Income	Amount (Rs.)
Chattisgarh East West Railway Limited (CEWRL)	3.43%	131.08	-0.01%	(0.02)	0.00%	-	0.00%	(0.02)
Ircon - Soma Tollway Private Limited	0.60%	22.72	1.51%	5.85	0.00%	-	1.46%	5.85
Jharkhand Central Rail Limited (JCRL)	0.03%	1.12	-0.05%	(0.18)	0.00%	-	-0.05%	(0.18)
Mahanadi Coal Rail Limited (MCRL)	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Total Joint Ventures		239.58		5.60		-		5.60
Eliminations and other CFS adjustments	-18.41%	(702.80)	0.23%	0.87	0.00%	-	0.22%	0.87
Net Total	**100%**	3,817.12	**100%**	386.41	**100%**	13.72	**100%**	400.13

As per our Report of even date attached

For K G Somani & Co.
Chartered Accountants
FRN : 006591N

Anuj Somani
Partner
M. No. 511267

Place : New Delhi
Date : 21-09-2017

For and on behalf of Ircon International Limited

M. K. Singh
Director Finance
DIN - 06607392

S. K. Chaudhary
Chairman & Managing Director
DIN - 00515672

Sumita Sharma
Company Secretary

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF IRCON INTERNATIONAL LIMITED FOR THE YEAR ENDED 31 MARCH 2017.

The preparation of consolidated financial statements of IRCON International Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) read with section 129(4) of the Act are responsible for expressing opinion on the financial statements under Section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 21 September 2017.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of IRCON International Limited for the year ended 31 March 2017. We did not conduct supplementary audit of the financial statements of Subsidiaries and Jointly Controlled Entities (as per Annexure) for the year ended on that date. Further, section 139(5) and 143 (6)(b) of the Act are not applicable to Companhia Dos Caminhos De Ferro De Beira, SA being private entities incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on the behalf of
Comptroller & Auditor General of India

Sd/-
(B. R. Mondal)
Principal Director of Audit
Railway Commercial, New Delhi

Place: New Delhi
Dated: 26September,2017

ANNEXURE

List of subsidiaries and Joint Ventures of IRCON INTERNATIONAL LIMITED, New Delhi for which supplementary audit was not conducted under section 143 (6)(a) read with section 129(4) of the Companies Act, 2013 for the year 2016-17

Subsidiaries:

1. Ircon Insfrastructure and Services Limited (IISL).
2. Indian Railway Station Development Corporation Limited (IRSDC).
3. IRCON PB Tollway Limited (IPBTL)
4. IRCON Shivpuri Guna Tollway Limited (ISGTL)

Joint Ventures

1. Ircon-Sorna Tollway Private Limited (ISTPL).
2. Chattisgarh East Railway Limited (CERL).
3. Chattisgarh East-West Railway Limited (CEWRL).
4. Mahanadi Coal Rail Ltd. (MCR).
5. Jharkhand Central Railway Ltd. (JCR).
6. Baster Railway Private Limited (BRPL)

Sd/-
Audit Officer

IRCON INTERNATIONAL LIMITED
(A Government of India Undertaking)

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