



28th ANNUAL REPORT 2014-15



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BOARD OF DIRECTORS

E. SUDHIR REDDY	Chairman & Managing Director
R. BALARAMI REDDY	Joint Managing Director
K. ASHOK REDDY	Joint Managing Director
T.R.C.BOSE	Independent Director
P.R. TRIPATHI	Independent Director
V. MURAHARI REDDY	Independent Director
M. HIMA BINDU	Additional Director
B. SUBRAHMANYAM	Company Secretary

Internal Auditors

T. Vijay Kumar

Chartered Accountant
Plot # 101, Jyothi Pride Apartments,
P.S. Nagar, Masab Tank
Hyderabad – 500 028.

VCG & Co.

Chartered Accountants
203, Kushal Bazar, 32-33,
Nehru Place,
New Delhi - 110 019

Statutory Auditors

M/s. Chaturvedi & Partners

Chartered Accountants
212A, Chiranjeev Towers 43,
Nehru Place,
New Delhi

Registrar & Transfer Agents

M/s. KARVY Computershare Private Limited

Karvy Selenium, Tower B, Plot number 31 & 32,
Financial District, Gachibowli, Hyderabad 500 032

Bankers / Insitutions

- Andhra Bank
- Bank of Nova Scotia
- Canara Bank
- Corporation Bank
- EXIM Bank Ltd
- IDBI Bank
- IndusInd Bank Ltd
- LIC of India
- Standard Chartered Bank
- The Lakshmi Vilas bank
- Tamilnad Mercantile Bank Ltd
- TATA Capital Financial Service Ltd
- SREI Equipment Finance Pvt Ltd
- Axis Bank Ltd
- Barclays Bank plc
- Central Bank of India
- DBS Bank Ltd
- ICICI Bank Ltd
- Indian Overseas Bank
- Karur Vysya Bank Ltd
- Punjab & Sind Bank
- State Bank of India
- Union Bank of India

Registered Office

M-22/3RT, Vijayanagar Colony,
Hyderabad – 500 057, Telangana, India
Ph: 91-40-2334 3678 / 3550 / 5130 / 8467
Fax: 91-40-2334 5004

Corporate Office

MIHIR, 8-2-350/5/A/24/1-B&2, Road No.2, Panchavati Colony,
Banjara Hills, Hyderabad- 500 034, Telangana, India
Ph: 91-40-2335 6613 / 15/ 18/21/ 51 to 55, 30931111/1444 (60 Lines)
Fax: 91-40-2335 6693

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FORWARD LOOKING STATEMENT

This communication contains statements that constitute "forward looking statements" including without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to our future business developments and economic performance.

While these forward looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

These factors including but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial condition of third parties dealing with us, legislative developments, and other key factors that have been indicated could adversely affect our business and financial performance.

IVRCL undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

NOTICE TO SHAREHOLDERS

Notice is hereby given that Twenty Eighth Annual General meeting of IVRCL Limited will be held on Saturday, 26th day of September, 2015 at 3.30 pm at "K.L.N. Prasad Auditorium", the Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, Hyderabad-500004 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended 31st March, 2015, together with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr.K.Ashok Reddy (DIN:00024497) who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s. Chaturvedi & Partners, Chartered Accountants as Statutory Auditors.

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended, from time to time, and resolution passed by the members of the Company at the Annual General Meeting held on September 26, 2014, the appointment of M/s. Chaturvedi & Partners, Chartered Accountants bearing Firm registration no. 307068E, as Statutory Auditors for a period of three years, be and is hereby ratified to hold the office from the conclusion of this meeting until the conclusion of next Annual General Meeting to be held in the year 2016, at such remuneration as may be determined by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. **To appoint Ms. Hima Bindu Myneni as an Independent Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 160 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), Ms. Hima Bindu

Myneni (DIN: 07120807), who was appointed as an Additional Director w.e.f March 31, 2015 and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold the office for a term of five years commencing from September 26, 2015."

5. **To re-appoint Mr.K.Ashok Reddy as Joint Managing Director.**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT Mr. K.Ashok Reddy be and is hereby appointed/reappointed as Joint Managing Director of the Company for a period of five years w.e.f. September 26, 2015.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 including the rules made there under and any amendments thereto or any statutory modification or reenactment thereof for the time being in force ("the Act") and subject to approval of the Central Government, if required and all other sanctions, approvals and permissions as may be required, the Company hereby accords its approval for the payment of following remuneration to Mr.K.Ashok Reddy, Joint Managing Director, during his tenure.

- (i) Salary – Rs. 512,191/- p.m (Basic Salary – Rs. 249,563/ - p.m and Allowances – Rs. 262,628/- p.m)
- (ii) Leave Travel Assistance at the rate of one month's basic salary per annum.
- (iii) Reimbursement of medical expenses at the rate of one month's basic salary per annum.
- (iv) Provident Fund at the rate of 12% of basic salary.
- (v) Super-annuation benefits equivalent to one month's basic salary per annum at the discretion of the Nomination and Remuneration Committee of the Board of Directors.
- (vi) Gratuity as per rules of the Company.
- (vii) Free telephone facility at residence and mobile phone but personal long distance calls will be billed to the appointee.

(viii) Provision for Car in accordance with the Employee Car Scheme formulated by the Nomination and Remuneration Committee and as amended from time to time.

(ix) Leave as per rules of the Company.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits in any financial year, during the currency of tenure of Mr.K.Ashok Reddy, the aforesaid remuneration be paid as minimum remuneration, for a period of three years, notwithstanding that the same exceeds/ may exceed the ceiling limits laid down in Sections 196, 197 and Schedule V of the Act, subject to the approval of the Central Government, if required.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary, alter, increase, enhance, or widen the scope of remuneration and perquisites payable to Mr.K.Ashok Reddy during his tenure, to the extent specified in Schedule V and other applicable provisions, if any, of the Companies Act, 2013, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including making of an application to Central Government or such other regulatory authorities, if required, to give effect to this resolution.

6. Ratification of remuneration payable to Cost Auditor.

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

RESOLVED THAT pursuant to provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and such other applicable rules or regulations, if any, the members of the company do hereby ratify the payment of remuneration of Rs. 2,00,000/- (Rupees Two lakhs only) per annum to M/s. Sagar & Associates, (Firm Registration No. 000118) Cost Auditor, for conducting the audit of cost accounting records maintained by the Company for financial year 2015-16.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit for giving effect to this resolution.

7. Raising of Funds.

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

“RESOLVED THAT pursuant to provisions of the Companies Act, 2013 and the rules made thereunder (including any amendments thereto or any statutory modifications and/or re-enactment thereof for the time being in force (the “Act”), all other applicable laws and regulations including the Foreign Exchange Management Act, 1999 (“FEMA”), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000 including any statutory modifications or re-enactment thereof and such other statutes, notifications, clarifications, circulars, rules and regulations as may be applicable, as amended from time to time, issued by the Government of India (“GOI”), the Reserve Bank of India (“RBI”), Stock Exchanges, the Securities and Exchange Board of India (“SEBI”) including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”) as may be applicable and in accordance with the enabling provisions in the Memorandum and Articles of Association of the Company and /or stipulated in the Listing Agreements entered into by the Company with the Stock Exchanges where the Equity Shares of the Company are listed and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, SEBI, RBI, Stock Exchanges and any other relevant statutory / governmental/regulatory authorities (the “concerned Authorities”) as may be required and applicable and further subject to such terms and conditions as may be prescribed or imposed by any of the concerned Authorities while granting such approvals, consents, permissions and sanctions as may be necessary, which may be agreed upon by the Board of Directors of the Company as deemed appropriate (hereinafter referred to as the “Board”, which term shall include any Committee (s) constituted /to be constituted by the Board to exercise the powers conferred on the Board by this Resolution), consent of the Company be and is hereby accorded to the Board to create, issue, offer and allot (including with provisions for reservation on firm and /or competitive basis, of such part of issue and for such categories of persons as may be permitted), Equity Shares and /or other securities convertible into Equity Shares at a later date, at the option of the Company and /or the holder(s) of such securities or with or without detachable warrants with a right exercisable by the warrant

holders to convert or subscribe to the Equity Shares (collectively referred as "Securities"), as the Board at its sole discretion or in consultation with underwriters, merchant bankers, financial advisors or legal advisors may at any time decide, by way of one or more public offerings with or without a green shoe option, or issued /allotted through Qualified Institutions Placement (QIP) in accordance with the SEBI Regulations, or by any one or more combinations of the above or otherwise and at such time or times and in one or more tranches, to any eligible investors, including residents and/or non-residents and/or qualified institutional buyers and/ or institutions/ banks and/or incorporated bodies and/ or individuals and /or Foreign Institutional Investors ("FIIs") and/or Foreign Portfolio Investors ("FPIs") and/or mutual funds and/or insurance companies and/or pension funds and/industrial development corporation and / or provident funds and/or multilateral and bilateral development financial institution and/or stabilizing agents and/or any other categories of investors and/ or trustees and/or stabilizing agent or otherwise, whether or not such Investors are members of the Company, as may be deemed appropriate by the Board and as permitted under applicable laws and regulations, through circulation of requisite offering circular or placement documents, for an aggregate amount not exceeding Rs.500 crores (Rupees Five Hundred Crores Only) on such terms and conditions and in such manner as the Board may in its sole discretion decide including the timing of the issue(s)/ offering(s), the Investors to whom the Securities are to be issued, terms of issue, issue price (including provisions in relation to discount or payment in calls as may be permitted under applicable law or price determined by Book building process for public offer), number of Securities to be issued, the Stock Exchanges on which such securities will be listed, finalization of allotment of the Securities on the basis of the subscriptions received including details on face value, premium, the ratio/number of Equity Shares to be allotted on conversion, period of conversion, fixing of record date or book closure dates, etc., as the case may be applicable, prescribe any terms or a combination of terms in respect of the Securities in accordance with local and /or international practices including conditions in relation to offer, variation of price and any other matter in connection with, or incidental to the issue, in consultation with the merchant bankers or other advisors or otherwise, together with any amendments or modifications thereto ("the Issue").

RESOLVED FURTHER THAT the Securities to be created, issued, offered and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company and the Equity Shares to be allotted in terms of this resolution shall rank *pari passu* in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT if the issue or any part thereof is made for a QIP or any other Securities, which are convertible into or exchangeable with the Equity Shares of the Company (hereinafter collectively referred as "Other Specified Securities" and together with Equity Shares of the Company (hereinafter referred as "Specified Securities") within the meaning of the SEBI Regulations) or any combination of Specified Securities as may be decided by the Board, issued for such purpose, the same shall be fully paid-up and the allotment of such Specified Securities shall be completed within twelve months from the date of this resolution or such other time as may be allowed under the SEBI Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under the SEBI Regulations and the Specified Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized Stock Exchange, or as may be permitted from time to time under the SEBI Regulations.

RESOLVED FURTHER THAT the Company may, in accordance with applicable law, also offer a discount of not more than 5% or such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the SEBI Regulations.

RESOLVED FURTHER THAT in the event of issue of Specified Securities by way of a QIP, the 'Relevant Date' on the basis of which the price of the Specified Securities shall be determined as specified under SEBI Regulations, shall be the date of the meeting in which the Board or the Committee of Directors duly authorized by the Board decides to open the proposed issue of Specified Securities or such other date as may be decided by the Board and as permitted by the SEBI Regulations, subject to any relevant provisions of applicable laws, rules and regulations as amended from time to time, in relation to the proposed issue of the Specified Securities.

RESOLVED FURTHER THAT in the event of issue of Other Specified Securities, the number of Equity Shares and /or conversion price in relation to Equity Shares that may be issued and allotted on conversion shall be appropriately adjusted for corporate actions such as

bonus issue, rights issue, split and consolidation of share capital, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring exercise.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid issue of Securities may have such features and attributes or any terms or combination of terms that provide for the tradability and free transferability thereof in accordance with the prevalent market practices in the capital markets including but not limited to the terms and conditions relating to variation of the price or period of conversion of Other Specified Securities into Equity Shares or for issue of additional Securities and such of these Securities to be issued, if not subscribed, may be disposed of by the Board, in such manner and/or on such terms including offering or placing them with banks / financial institutions / mutual funds or otherwise, as the Board may deem fit and proper in its absolute discretion, subject to applicable laws, rules and regulations.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution and any issue, offer and allotment of Securities, the Board be and is hereby authorized to take all such actions, give such directions and to do all such acts, deeds, things and matters connected therewith, as it may, in its absolute discretion deem necessary, desirable or incidental thereto including without limitation the determination of terms and conditions for issuance of Securities including the number of Securities that may be offered in domestic and international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deem expedient, the entering into and executing arrangements/agreements for managing, underwriting, marketing, listing of Securities, trading, appointment of Merchant Banker(s), Advisor(s), Registrar(s), paying and conversion agent(s) and any other advisors, professionals, intermediaries and all such agencies as may be involved or concerned in such offerings of Securities and to issue and sign all deeds, documents, instruments and writings and to pay any fees, commission, costs, charges and other outgoings in relation thereto and to settle all questions whether in India or abroad, for the issue and executing other agreements, including any amendments or supplements thereto, as necessary or appropriate and to finalise, approve and issue any document(s), including but not limited to prospectus and/or letter of offer and/or circular, documents, placement or offer documents and agreements

including conducting all requisite filings with GOI, RBI, SEBI, Stock Exchanges, if required and any other concerned authority in India or outside, and to give such directions that may be necessary in regard to or in connection with any such issue, offer and allotment of Securities and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit, without being required to seek any further consent or approval of the members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, and accordingly any such action, decision or direction of the Board shall be binding on all the Members of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company to give effect to the aforesaid resolution and thereby such Committee of Directors or one or more such Directors as authorized are empowered to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modifications as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in this regard."

8. To appoint Auditors to the Branch Offices of the Company.

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

RESOLVED THAT pursuant to the provisions of Section 143(8) and the Rules framed thereunder, including the statutory modification(s) or re-enactment thereof for the time being in force, the Board of Directors of the Company be and is hereby authorized to appoint any person(s) qualified to act as Auditor/Auditors for the Branch Office(s) of the Company, including those which may be opened/ acquired hereafter, in India or abroad, and to fix their remuneration.

**By order of the Board of Directors
For IVRCL Limited**

Date: May 30, 2015

Place :

M-22/3RT, Vijayanagar colony,
Hyderabad-500057

CIN:L45201AP1987PLC007959

Tel No: +91 40 23343550/3678 Fax No : + 91 40 23345004

Email id: in_grievances@ivrinfra.com

Website : www.ivrcl.com

B.Subrahmanyam
Company Secretary

NOTES:

1. Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013 for the resolutions at items No(s). 4 to 8 is given below. The relevant details, as required under Clause 49 of the Listing Agreement with Stock Exchanges, of the person seeking appointment/re-appointment as Directors are also annexed.
2. A member entitled to attend and vote at the annual general meeting, is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
3. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. The Register of Members and Share Transfer Books of the Company will be closed from September 23, 2015 to September 26, 2015 (both days inclusive).
6. The Notice of the AGM along with the Annual Report for the financial year 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depository Participant, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
7. To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register the same with your Depository Participant(s).
8. Shareholders seeking any information with regard to accounts are requested to write to the Company Secretary at an early date so as to enable the management to keep the information ready.
9. Members attending the Meeting are requested to complete and bring the attendance slip along with Annual Report to the meeting.
10. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
11. All documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days except Saturdays, during business hours, upto the date of the Annual General Meeting.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in electronic form, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Shareholders holding shares in physical form may submit their PAN details to the Company/R&T Agent.
13. Pursuant to the provisions of Section 124 of the Companies Act, 2013 as amended, read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules 2001, dividend which remains unpaid or unclaimed for a period of 7(seven) years will be transferred to the Investor Education and Protection Fund. Accordingly dividend declared for financial year 2007-08 will be transferred to IEPF in the current financial year 2015-16. Shareholders / Investors who have not encashed the dividend warrant(s) so far are requested to make their claim by specifying their Folio No./ DP ID and Client ID to the Karvy Computershare Private Limited, RTA. Shareholders are requested to please note that once the unclaimed dividend is transferred to the Investor Education and Protection Fund as above, no claim shall lie in respect thereof, under the provisions of Section 125 of the Companies Act, 2013 and the Rules made thereunder.
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
15. Pursuant to provisions of Section 108 of the Act and the Rules framed hereunder and Clause 35B of the Listing Agreement, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare

Private Ltd, on all resolutions set forth in this Notice. The instructions and other information including login details relating to e-voting are provided in another sheet attached to the Annual Report and shall forms part of this Notice.

16. Poll pursuant to Section 109 of the Act, shall be made available at the Annual General Meeting for the purpose of the voting of the members present at the meeting. Members who have not exercised their vote through e-voting facility can vote through poll conducted at the meeting.

**By order of the Board of Directors
For IVRCL Limited**

Place: Hyderabad
Date: May 30, 2015

**B.Subrahmanyam
Company Secretary**

EXPLANATORY STATEMENT

(Pursuant to provisions of Section 102 of the Companies Act, 2013)

Item No: 4

Ms.M.Hima Bindu was appointed as an Additional Director of the Company w.e.f March 31, 2015 and holds the office till the conclusion of ensuing Annual General Meeting.

Notice has been received from a member proposing her candidature for the office of Independent director along with requisite deposit. The Board of Directors of the Company recommends the appointment of Ms.M.Hima Bindu as an Independent Director for a term of five years.

Ms.M.Hima Bindu has given a declaration to the Board that she meets the criteria of independence as provided under section 149(6) of the Act and Listing Agreement. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules framed thereunder and listing agreement, for appointment as an Independent Director and she is independent of the management.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Ms.M.Hima Bindu and her relatives, is concerned or interested, in the Resolution set out at item no. 4.

The Board recommends the Ordinary Resolution as set out at item no. 4 of the Notice for approval of the Members.

Item No: 5

Mr.K.Ashok Reddy, director, who was liable to retire by rotation, was appointed as Joint Managing director (JMD) with the approval of members of the Company at the last Annual General Meeting held on September 26, 2014, without any specific term. He holds the office of JMD till he retires by rotation as a director.

Pursuant to provisions of Section 152 of the Act, certain number of directors have to retire at every AGM. Accordingly Mr.K.Ashok Reddy's office is liable to retire by rotation at the forthcoming AGM and being eligible offers himself for re-appointment. It is proposed by the Board upon recommendation of Nomination and Remuneration Committee, to re-appoint him as JMD for a term of five years at remuneration as specified in resolution set out at item no 5, subject to approval of Central Government, as may be required.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr.K.Ashok Reddy and his relatives, is concerned or interested, in the Resolution set out at item no. 5.

The Board recommends the Special Resolution as set out at item no. 5 of the Notice for approval of the Members.

Item No: 6

As per the provisions of Section 148 of the Act and the Rules made thereunder, Company is required to get the cost accounting records of the company audited by a Cost Accountant. Accordingly the Board of Directors has appointed M/s.Sagar & Associates, Cost Accountant in practice to audit the Cost accounts of the Company. Pursuant to Rule 14 of the Companies (Audit and Accounts) rules, 2014, the members of the company have to ratify the remuneration payable to them. Accordingly the member's approval, to ratify the remuneration of Rs. 2,00,000/- (Rupee Two Lakhs Only) per annum, is sought at item no. 6 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, in the Resolution set out at item no. 6.

The Board recommends the Ordinary Resolution as set out at item no. 6 of the Notice for approval of the Members.

Item No: 7

The Special Resolution contained in the Notice under Item No. 7 relates to a resolution by the Company enabling the Board to create, issue, offer and allot Equity Shares and such other securities as stated in the resolution (the "Securities") at such price as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with Merchant Bankers, Advisors, Underwriters, etc, inclusive of such premium, as may be determined by the Board in one or more tranche(s), subject to SEBI (ICDR) Regulations and other applicable laws, rules and regulations.

The resolution enables the Board to issue Securities for an aggregate amount not exceeding Rs. 500 crores.

The Board shall issue Securities pursuant to this special resolution to make investment in the subsidiaries of the company; repayment of the unsecure/secure loans including the loan provided by M/s.Indravati Investments Private Ltd for CDR purpose; to meet normal capital expenditure and for other general corporate purposes.

The special resolution also authorizes the Board of Directors of the Company to undertake a Qualified Institutions Placement with Qualified Institutional Buyers (QIBs) in the manner as prescribed under Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009, as amended (the "SEBI Regulations") for raising capital. The pricing of the Specified Securities to be issued to QIBs pursuant to the said SEBI Regulations shall be freely determined subject to such price not being less than the price calculated in accordance with the relevant provisions of the said SEBI Regulations.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the Advisors, Merchant Bankers, Underwriters and such other authority or authorities as may be required to be consulted by the Company considering the prevalent market conditions from time to time and in accordance with the applicable provisions of law, rules and regulations and other relevant factors.

The Equity Shares allotted or arising out of conversion of any Securities would be listed. The issue/ allotment/ conversion of Securities would be subject to the receipt of regulatory approvals, if any. Further the conversion of Securities held by foreign investors, into Equity Shares would be subject to the permissible foreign shareholding limits/cap specified by Reserve Bank of India from time to time.

Pursuant to the provisions of the Companies Act, 2013 ("the Act") including any rules made thereunder and SEBI ICDR Regulations the issue of equity shares to public or to certain persons/category of investors on private placement, /Qualified Institutional placment etc, will require the prior approval of the Members by way of a Special Resolution.

The Special Resolution as set out at Resolution No. 7, if passed, will have the effect of permitting the Board to issue and allot Securities to Investors, who may or may not be existing members of the Company in the manner as set out in resolution No. 7.

The Board recommends the Special Resolution for your approval.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

Item No: 8

In terms of Section 143(8) of the Act, if a Company has a branch office(s) in India or abroad, then the accounts of that branch office(s) has to be audited either by Company's auditor or by person qualified to audit such accounts. In this regard it is proposed to authorise the Board to appoint an auditor for the branch office(s) opened/ to be opened hereafter, for the purpose of getting the accounts of that office audited.

None of the Directors, Key Managerial Personnel and their respective relatives is concerned or interested, in the Ordinary Resolution set out at Item No. 8 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval of the Members.

**By order of the Board of Directors
For IVRCL Limited**

Place: Hyderabad
Date: May 30, 2015

B.Subrahmanyam
Company Secretary

Details of the Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement)

Particulars	K. Ashok Reddy	M. Hima Bindu
Date of Birth	09.12.1955	21.07.1971
Date of Appointment	25.11.1997	31.03.2015
Qualifications	B.SC, PGDBA (XLRI)	Chartered Accountant
Expertise in specific functional areas	Mr. K. Ashok Reddy is a Science Graduate with PGDBA in Marketing and Finance from Xavier Institute of Social Sciences, Ranchi and aged about 59 years. He worked for 11 years with Tata Motors and for 3 years with SIEMENS India before joining IVRCL Limited.	Ms. M Hima Bindu is a Member of Institute of Chartered Accountants of India (ICAI). She has rich experience in the fields of Taxation and Audit matters.
Directorships held in other companies(excluding foreign companies) as on March 31, 2015.	1) IVRCL PSC Pipes Private Ltd 2) IVR Enviro Projects Private Limited 3) IVRCL Building Products Limited 4) Alkor Petroo Limited 5) Geo IVRCL Engineering Ltd 6) Ilavampedu Developers Private Ltd 7) Mummidi Developers Private Ltd 8) Tirumani Developers Private Ltd 9) Annupampattu Developers Private Ltd	1) IVRCL Chandrapur Tollways Ltd 2) Jalandhar Amritsar Tollways Ltd 3) Hindustan Dorr Oliver Ltd 4) IVRCL Chengapalli Tollways Ltd 5) Kumarapalayam Tollways Ltd 6) Chennai Water Desalination Ltd
Memberships/Chairmanships of committees of other companies (includes only Audit Committee and Shareholders/Investors Grievance Committee) as on March 31, 2015.	Alkor Petroo Limited Chairman - Audit Committee	Member of Audit Committee : 1) IVRCL Chandrapur Tollways Ltd 2) Jalandhar Amritsar Tollways Ltd 3) IVRCL Chengapalli Tollways Ltd 4) Kumarapalayam Tollways Ltd 5) Chennai Water Desalination Ltd
Number of shares held in the Company as on March 31, 2015.	102500	Nil

Statement in terms of sub-clause (iv) of the proviso to Paragraph (B) of Section II of Part II of Schedule V to the Act.

I. GENERAL INFORMATION.

- (1) Nature of Industry : Engineering and Construction
- (2) Date of Commencement of Commercial Production : Not Applicable
- (3) In case of new Companies, expected date of Commencement of activities as per project approved by Financial institutions appearing in the Prospectus. : Not Applicable
- (4) Financial Performance
Financial performance of the Company for the last five years.

(₹ In Millions)

S. No	Particulars	Year				
		2010-2011	2011-2012 (15 Months)	2012-2013 (9 months)	2013-2014	2014-15
1	Paid-up Capital	534.02	613.77*	613.77	613.77	918.28
2	Reserves & Surplus	19339.65	22091.03	21077.97	13889.04	10444.04
3	Turnover	56592.40	61779.60	37590.88	43048.07	31174.17
4	Net Profit after Tax	1578.99	180.81	(1016.61)	(7167.79)	(6722.34)
5	Rate of Dividend declared	30%	Nil	Nil	Nil	Nil

* Includes an amount of ₹ 79.75 million as share capital suspense

- (5) Foreign investments or collaborators, if any : The total equity shares held by Foreign Institutional Investors (FIIs) is 2,91,99,564 of ₹ 2/- each as on March 31, 2015, which constitutes 6.36% of the Paid-up Equity Shares Capital of the Company. There is no Foreign collaboration for any investment.

II. INFORMATION ABOUT THE APPOINTEE.

(1) Background Details

Mr. K. Ashok Reddy

Mr. K. Ashok Reddy is a Science Graduate with PGDMA in Marketing and Finance from Xavier Institute of Social Sciences, Ranchi and aged about 59 years. He worked for 11 years with Tata Motors and for 3 years with SIEMENS INDIA before joining IVRCL Limited. He has been on the board of IVRCL, as Executive Director from November 1997. Since then, he has been re-appointed from time to time. His current tenure of appointment as Joint Managing Director of the Company was approved by the shareholders at last Annual General Meeting with effect from July 01, 2014.

(2) Past Remuneration:

Mr.K.Ashok Reddy

- (i) Salary – ₹ 512,191/- p.m (Basic Salary – ₹ 249,563/ - p.m and Allowances – ₹ 262,628/- p.m)
- (ii) Leave Travel Assistance at the rate of one month's basic salary per annum.
- (iii) Reimbursement of medical expenses at the rate of one month's basic salary per annum.
- (iv) Provident Fund at the rate of 12% of basic salary.
- (v) Super-annuation benefits equivalent to one month's basic salary per annum at the discretion of the Nomination and Remuneration Committee of the Board of Directors.
- (vi) Gratuity as per rules of the Company.
- (vii) Free telephone facility at residence and mobile phone but personal long distance calls will be billed to the appointee.

(viii) Provision for Car in accordance with the Employee Car Scheme formulated by the Nomination and Remuneration Committee and as amended from time to time.

(ix) Leave as per rules of the Company.

(3) Recognition/Awards

Mr. K. Ashok Reddy : NIL

(4) Job Profile and suitability

Mr. K. Ashok Reddy

In his rich and diverse experience of over 29 years, Mr.K.Ashok Reddy Reddy has a career span of around 18 years with the Company. As Joint Managing Director, he is responsible for all resource matters such as Human Resources, purchasing and equipment. As Joint Managing Director he has a holistic involvement in the entire administration of the Company. In his present role, he has to discharge multi-faceted responsibilities and with his rich talent and dynamic experience it is firmly believed that he will continue to provide able guidance and contribution as ever.

(5) Remuneration proposed

Mr. K. Ashok Reddy

Details of total remuneration which is proposed to be paid to Mr. K. Ashok Reddy have been fully set out in the resolution at item no. 5 of the Notice to Shareholders. There is no change in remuneration from what has been approved at last Annual General Meeting.

(6) Comparative Remuneration Profile with respect to Industry, Size of the Company, Profile of the Position and person

The Nomination & Remuneration Committee of the Board and the Board of Directors considering the size of the Industry in which the Company operates, the challenging and competitive business environment, the size of the Company, the business acumen and dynamism expected in discharge of the respective role and also considering the competence and invigorating leadership of Mr. K. Ashok Reddy, approved that the payment of remuneration stated at item No. 5 is commensurate to prevailing levels in the industry and therefore it is fit and justified for payment of the said remuneration to him.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

Mr. K. Ashok Reddy

Mr. K. Ashok Reddy does not have any pecuniary relationship directly or indirectly with the Company. He is not related to any other director or managerial personnel.

III. OTHER INFORMATION.

(1) Reasons of loss or inadequate profits.

Currently the construction industry is witnessing sluggish growth temporarily due to economic and policy concerns. At the same time, the economy has been witnessing high inflation cycle resulting into high interest costs, commodity prices, execution delays and delays in payment from clients. The key economic and policy concerns being faced by the Industry include Delays in land acquisition, significant rise in commodity prices, low realization of revenues and execution delays. The cumulative impact of the above factors coupled with an industry and economic downturn with a combination of tightened liquidity conditions and an inflationary environment has caused a liquidity stress on IVRCL which in turn causing loss to the Company.

(2) Steps taken or proposed to be taken for Improvement.

IVRCL has taken view of all these factors seriously and to overcome the above challenges IVRCL has proactively undertaken the following steps directed at improving its operational efficiencies:

- Claims Realisation: Persistent efforts are being made by IVRCL to collect claims

- Cost optimisation: IVRCL has implemented cost optimisation measures such as cutting overheads and rationalisation of human resources. These internal cost cutting measures are expected to improve profitability going forward.
- Monetisation of assets: IVRCL is proactively exploring the monetisation of assets and step down subsidiaries.

(3) Expected increase in productivity and profits in measurable terms.

The Company has applied for CDR and the same was approved. In the circumstances the situation is expected to improve by FY 2016 onwards with expectations of improvement in macroeconomic conditions. Further it is expected that the steps taken by the Company for improving the operational parameters wherever feasible would show signs of improvement. Consequently, the Company expects to see an improvement in cash flows due to tighter working capital cycle and realization of claims by FY 2016 onwards and expects to maintain healthy margins thereafter. As mentioned above, the management is taking special efforts to make the Company turnaround. It is expected that the results of the renewed vigour and efforts are likely to be seen in the near future.

IV. DISCLOSURES.

- (i) All elements of remuneration package: The details have been made in the Corporate Governance Report for the period ending 31st March 2015 and also in the accompanying notice of the 28th AGM of the Company.
- (ii) Details of fixed component and performance linked incentives along with performance criteria: The details have been made in the Corporate Governance Report for the period ending 31st March 2015.
- (iii) Service contracts, Notice period, Severance fees: NIL
- (iv) Stock Option details: NIL

DIRECTORS' REPORT

To
The Members,
Your Directors are pleased to present the 28th Annual Report with audited financial statements of the Company for the Financial year 2014-15.

1. Financial Highlights

Particulars	Standalone (₹ in million)	
	FY 2014-15	FY 2013-14
Total Revenue	31,174.17	43,048.07
Gross Profit before interest, Depreciation, Exceptional Item & Tax	142.36	2,047.81
<u>Less:</u>		
Interest	6,529.24	5,847.25
Depreciation	903.59	879.82
Exceptional Item	(568.15)	2,291.55
(Loss) / Profit Before Tax	(6,722.32)	(6,970.81)
Provision for tax	-	196.98
(Loss) / Profit After Tax	(6,722.32)	(7,167.79)
Balance brought forward	(3,074.68)	4,093.11
Balance carried to b/s	(9,797.00)	(3,074.68)
Paid-up capital	918.28	613.77
Reserves & Surplus	10,444.05	13,889.04
EBIDTA	142.36	2,047.81

2. DIVIDEND

Your directors expressed their inability to recommend any dividend for the financial year 2014-15.

3. PERFORMANCE REVIEW

Your company achieved a gross turnover of ₹ 31, 174.17 million for the financial year 2014-15 as against ₹ 43,048.07 million in the previous financial year. Profit/(Loss) after Tax (PAT) stood at ₹ (6,722.32) million as compared to ₹ (7,167.79) million for the previous financial year.

The Earnings before Interest, Depreciation, Exceptional Item & Taxes at ₹ 142.36 million are 0.46% of the turnover for the period under review as against 4.76% for the previous financial year.

During the year under review, there is no change in nature of business of the company and no material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

4. BUSINESS REVIEW

The Management Discussion and Analysis Section of the Annual Report presents a detailed business review of the company.

5. CORPORATE DEBT RESTRUCTURING.

The Company approached the Corporate Debt Restructuring ("CDR") Forum under CDR guidelines issued by the Reserve Bank of India, on January 20, 2014, for effective restructuring of the debts of the Company.

The Corporate Debt Restructuring Empowered Group approved the Restructuring package ("CDR Package") for the company on June 28, 2014 and the Company has executed Master Restructuring Agreement on June 30, 2014 for availing the said facilities.

In accordance with the CDR package, the CDR lenders have waived the obligation of the Company to pay any liquidated damages, default or penal interest / interest/further interest charged by the Lenders in excess of the concessional rates approved under CDR scheme with effect from November 30, 2013 (the "COD").

The rate of interest has been changed/ revised and reduced to State Bank of India (SBI) base rate plus 1.25 % (currently effective rate is 11.10% per annum with effect from the COD).

The interest due and accrued with effect from the COD to December 31, 2014 on cash credit facilities and upto September 2015 on other term borrowings shall be funded and converted into Funded Interest Term Loan (FITL) and lenders shall convert the same along with accrued interest thereon into equity at the end of each calendar quarters. Accordingly 15,22,52,074 Equity shares of face value of ₹ 2/- were allotted at ₹ 24.39/- per equity share to CDR lenders during the year under review, upon receipt of conversion notices from the respective CDR lenders. As a result, the paid up capital of the Company has been increased from ₹ 61,37,73,292/- to ₹ 91,82,77,444/- during the year.

6. SUBSIDIARY COMPANIES.

The Company has 29 direct subsidiaries and 4 associate companies within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013 respectively (hereinafter referred as "Act"). There has been no material change in nature of business of the Subsidiaries and Associates.

Pursuant to Proviso to Section 129(3) of the Act, a statement containing the brief details of performance and financials of the Subsidiary, Associate Companies and Joint Venture, for the financial year ended March 31, 2015 is attached to Financial Statements of the Company.

Pursuant to Section 136 of the Act, the financial statements including consolidated financial statements, other relevant documents and audited accounts of subsidiaries of the company are available at website of the company www.ivrcl.com under Financials section.

During the year under review, none of the Companies have become nor ceased to be subsidiaries or Joint Ventures of the Company. M/s IOT Utkal Energy Services Limited ceased to be an associate company and none of the companies have become associates, during the year under review.

The Board has adopted a policy for determining material subsidiaries of the Company, as per the provisions of Corporate governance clause of Listing agreement. The said policy is hosted at the Company's website at the link http://ivrcl.com/downloads/PolicyonMaterialSubsidiaries_New.pdf

7. CONSOLIDATED FINANCIAL STATEMENTS

In terms of Section 129(3) of the Companies Act, 2013 and Clause 32 of the Listing Agreement with the Stock Exchanges, Consolidated Financial Statements of the Company prepared in accordance with Accounting Standards issued by Institute of Chartered Accountants of India, are attached and forms part of the Annual Report.

8. EMPLOYEE STOCK OPTION SCHEME.

The shareholders of the Company at the meeting held on September 26, 2013 approved to grant 1,00,00,000 options to employees of the Company, on such terms and conditions as specified by the Board of Directors of the Company. The Company is yet to grant the said options.

9. FIXED DEPOSITS

During year under review, your company has neither invited nor accepted any Fixed Deposits from the public.

10. CORPORATE GOVERNANCE

Your Company is committed to adhere to the standards of Corporate governance as set out by the Listing agreement and the separate section on Corporate Governance is annexed to this Report. The majority of the decisions of the Board are taken at the Board meetings and the Board has constituted certain committees to enable better management of the affairs of the Company. The details of composition of the committees are disclosed in Corporate Governance Report.

The requisite certificate from Practising Company Secretaries, confirming the compliance of the conditions stipulated under Clause 49 of the Listing Agreement is attached to the Report on Corporate Governance.

11. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, the Report on Management Discussion and Analysis is annexed to this report and forms part of the Annual Report.

12. POLICY ON CODE OF CONDUCT.

The Company has laid down a "Code of Conduct" for all Board members and Senior Management Personnel. Pursuant to Clause 49(II)(E)(ii) of the Listing Agreement, the Declaration by the Chairman and Managing Director affirming the compliance with the Code of Conduct is attached to the Report on Corporate Governance.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL.

Pursuant to provisions of Section 152 of the companies Act, 2013, Mr.K.Ashok Reddy, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Pursuant to provisions of Section 149 of the Act, Mr.P.R.Tripathi, Mr.T.Ramesh Chandra Bose and Mr.V.Murahari Reddy were appointed as Independent Directors of the Company at the last Annual General Meeting, for a term of five years.

All the Independent Directors of the company gave declarations to the Company that they meet the criteria of independence as specified under Section 149(6) of the Act and Clause 49 of the Listing agreement.

Pursuant to provisions of Section 149 and 161 of the Act and Clause 49(II)(A)(1) of the Listing agreement, Ms.M.Hima Bindu has been appointed as an Additional Director of the Company w.e.f March 31, 2015.

The Company has received a notice from a member proposing the candidature of Ms.M.Hima Bindu for the office of Director.

The Board recommends the appointment of Ms.M.Hima Bindu as an Independent Director of the Company at the forthcoming Annual General Meeting.

During financial year under review, Mr.R.Balarami Reddy, Executive Director – Finance & CFO and Mr.K.Ashok Reddy, Executive Director were appointed as Joint Managing Directors w.e.f July 1, 2014.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transaction with the Company. The Policy on appointment and remuneration for Directors, Key Managerial Personnel and other employees as specified under Section 178(3) of the Act has been disclosed in Corporate Governance Report.

14. MEETINGS OF THE BOARD.

Five meetings of the Board of Directors were held during the year under review. For details of the meetings of the Board, please refer to the Corporate Governance Report, which forms part of this report.

The details of the familiarization Programmes for Independent Directors are hosted on Company's website at the link http://ivrcl.com/downloads/Familiarisation_program_for_Independent_Directors.pdf

15. BOARD EVALUATION.

Pursuant to provisions of Companies Act and Corporate governance clause of Listing Agreement, the Nomination and Remuneration Committee laid down the criteria for performance evaluation of the Individual Directors, the Board and its Committees. Accordingly, the Board of Directors has carried out an annual evaluation of its own performance, its committees and individual directors.

The performance of the Board was evaluated through a structured questionnaire which provides a powerful and valuable feedback for improving the board effectiveness, maximizing strengths and highlighting areas for further development.

The performance of the Committees was evaluated by the Board by considering the effective recommendations made by the Committees, from time to time, to the Board of the Directors of the Company and effectiveness of Committee meetings etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors by considering the contribution of the individual directors to the Board and Committee meetings, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, relationship with fellow board members, willing to devote time and effort to understand the Company and its business etc.

As per Schedule IV of the Act, Independent Directors of the Company at a separate meeting, evaluated the performance of non-independent directors, the Board

as a whole and the Chairman of the company taking into account the views of executive and non-executive directors. Independent Directors also reviewed the quality, quantity and timeliness of flow of information between management of the Company and the Board, for the effective performance of the board.

16. AUDITORS AND THEIR REPORTS.

Statutory Auditors

M/s.Chaturvedi & Partners., Chartered Accountants were appointed as Statutory Auditors of the company at the last Annual General Meeting, to hold the office from the conclusion of that meeting till the conclusion of the 30th Annual General Meeting, subject to ratification by the members at every AGM. The Board recommends the ratification of appointment of said auditors for the financial year 2015-16.

The Company has received a letter from the Statutory Auditors that their appointment, if made, would be within the limits prescribed under the provisions of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Auditors' Report does not contain any Qualifications, reservations or adverse remarks or disclaimer. However it contains emphasis of matter on certain points.

Secretarial Auditor.

As per provisions of Section 204 of the Act, the Board of Directors of the company appointed M/ s.D.Hanumanta Raju & Co, Practicing Company Secretaries as Secretarial Auditors for the purpose of auditing the Secretarial activities of the Company for the financial year 2014-15. The Secretarial audit report issued by the said auditors has been annexed to this report as Annexure A

The Secretarial Audit Report does not contain any adverse remarks or qualifications.

Cost Auditor.

As per provisions of Section 148 of the Act read with Rules made thereunder, the Board of Directors of the company appointed M/s.Sagar & Associates, Practicing Cost Accountants as Cost Auditor for the purpose of auditing the Cost accounting records maintained by the company.

17. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES.

The particulars of loans, investments made and guarantees issued under Section 186 of the Act, during

year under review are provided in notes to financial statements, which forms part of this Report.

18. RELATED PARTY TRANSACTIONS.

As per the provisions of the Act and Clause 49 of the Listing agreement, the Company has formulated a policy on Related party transactions to ensure the transparency in transactions between the company and related parties. The said RTP Policy is also available at Company's website at the link http://ivrcl.com/downloads/RelatedParty_Transaction_Policy.pdf.

All Related Party Transactions entered by the Company during the year under review were in ordinary course of business and on Arm's length basis. There were no materially significant related party transactions entered by the company during year under review.

Since all the related party transactions entered into by the Company, were in ordinary course of business and were on Arm's length basis, disclosure in form AOC-2 as required under Section 134(3)(h) of the Act is not applicable.

19. INTERNAL FINANCIAL CONTROLS.

The details relating to internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which forms part of this Report.

20. RISK MANAGEMENT.

The company has established Risk Management process to manage risks with the objective of maximizing shareholders value. The details of various risks that are being faced by the Company are provided in Management Discussion and Analysis Report, which forms part of this Report.

21. WHISTLE BLOWER POLICY.

The Board has adopted a Whistle Blower Policy as stipulated under Section 177(9) of the Act and Clause 49 of the Listing agreement to report the genuine concerns of the employees and Directors. Protected disclosures can be made by the employees of the company to the Ombudsperson appointed by the Board for this purpose and can also have access to the Chairman of Audit Committee.

The Whistle Blower Policy adopted by the Board has been hosted on Company's website at the link <http://ivrcl.com/downloads/WhistleBlowerPolicy.pdf>

22. EXTRACT OF ANNUAL RETURN.

The Extract of Annual Return of the company as provided under section 92(3) of the Act is annexed as Annexure B to this Report.

23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS.

There are no significant and material orders passed by the regulators or tribunals impacting the going concern status and Company's operations in future.

24. CASES FILED UNDER SEXUAL HARASSMENT ACT.

No cases were filed pursuant to the Sexual Harassment of Women at work Place (Prevention, Prohibition and Redressal) Act, 2013, during the year under review.

25. PARTICULARS OF EMPLOYEES

The statement containing the information pertaining to employees as required under Section 197(12) of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Key Managerial Personnel) Rules 2014, is annexed to this report. Having regard to provisions of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining the said information may write to Company Secretary and the same will be furnished on request.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration to Key Managerial Personnel) Rules, 2014 is annexed as Annexure C to this Report.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

Conservation of Energy, which is an ongoing process in the Company's activities. The core activity of the company is civil construction which is not an energy intensive activity.

There is no information to be furnished regarding Technology Absorption as your Company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources which needs to be absorbed or adapted.

Innovation is a culture in the Company to achieve cost efficiency in the construction activity to be more and more competitive in the prevailing environment and the effect of the same cannot be quantified.

The particulars of expenditure and earnings in foreign currency are furnished in item No.31 to Notes to Financial Statements.

27. CORPORATE SOCIAL RESPONSIBILITY.

As per the provisions of Section 135 of the Act, the Company has constituted the CSR committee to formulate, implement and monitor the CSR Policy of the Company. However as the Company does not have average net profits for the three immediately preceding financial years, the Section 135(5) of the Act pertaining to spending of 2% of average net profits of the company for immediately preceding three financial years and disclosure required to be given under Section 135(5) of the Act and Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable, to the Company, for the financial year 2014-15.

28. INDUSTRIAL RELATIONS

The Company enjoyed cordial relations with the employees during the year under review and the Management appreciates the employees of all cadres for their dedicated services to the Company, and expects continued support, higher level of productivity for achieving the targets set for the future.

29. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Act, the Board of Directors hereby state that:

- (a) in preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of

the financial year and of the profit and loss of the company for that period;

- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30. ACKNOWLEDGEMENTS

The Directors wish to express their appreciation of the support and co-operation of the Central and the State Governments, bankers, financial institutions, suppliers, associates and subcontractors, and expects the same in future as well for sustaining the growth rates achieved in the past.

**For and on behalf of the Board of Directors
IVRCL Limited**

Date: May 30, 2015

Place :

M-22/3RT, Vijayanagar colony,
Hyderabad-500057

CIN:L45201AP1987PLC007959

Tel No: +91 40 23343550/3678

Fax No : + 91 40 23345004

Email id: in_grievances@ivrinfra.com

Website : www.ivrcl.com

E.Sudhir Reddy

Chairman & Managing Director

Annexure A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2015

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

To,

The Members,

IVRCL LIMITED

M-22 /3RT,

VIJAYANAGAR COLONY,

HYDERABAD – 500057

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

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - 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; (Not applicable to the Company during the period of audit);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the period of audit);

- 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 ;(Not applicable to the Company during the period of audit); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not applicable to the Company during the period of audit)
- (vi) Other Laws applicable to the company as per the representations made by the management.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified by the Central Government hence not applicable to the Company during the period of audit)
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period the company has below mentioned specific events having a bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards:

- i. The Company has applied to Corporate Debt Restructuring ("CDR") Forum under CDR guidelines issued by The Reserve Bank of India, for efficient restructuring of the debts of the Company. The CDR proposal was made by the Company on January 20, 2014.

The proposal made by the Company was considered and the final restructuring package ("CDR Package") was approved by the Corporate Debt Restructuring Empowered Group ("CDR EG"), at its meeting held on June 28, 2014 and communicated to the Company & CDR Lenders vide Letter of Approval (LOA) dated June 30, 2014.

The Board of Directors at their meeting held on June 30, 2014 approved the debt restructuring package as per CDR LOA and the Company has executed Master Restructuring Agreement.

In accordance with the CDR scheme, the CDR lenders have waived the obligation of the Company to pay any liquidated damages, default or penal interest /interest/further interest charged by the Lenders in excess of the concessional rates approved under CDR scheme with effect from November 30, 2013 (the "cut-off date", the "COD").

The rate of interest has been changed/ revised and reduced to State Bank of India (SBI) base rate plus 1.25 % (currently effective rate is 11.10% per annum with effect from the COD).

The interest due and accrued with effect from the COD to December 31, 2014 on cash credit facilities and upto September 2015 on other term borrowings shall be funded and converted into Funded Interest Term Loan (FITL) and lenders shall have the option to convert the same along with accrued interest thereon into equity at the end of each calendar quarters.

Accordingly the Company has sought the Approval of the members by way of a special resolution Pursuant to the provisions of section 62(3) of the Companies Act, 2013 and SEBI (ICDR) Regulations in the Annual General Meeting held on 26th September 2014, which was passed with the requisite majority.

- ii. The company has also made an application in Form CG-1 to the Central Government for condonation of delay in filing Form MR-2 for re-appointment of Mr. E. Sudhir Reddy as Chairman and Managing Director and for appointment of Mr. R Balarami Reddy and Mr. K Ashok Reddy as Joint Managing Directors.

In the said condonation application the company has stated that the delay in filing of requisite forms was due to pending approval of the CDR (Corporate Debt Restructuring) Lenders, which was later obtained and the forms were accordingly filed. Also the said condonation application is pending for disposal by the Central Government.

**For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES**

**Place: Hyderabad
Date : 28.05.2015**

**CS D. HANUMANTA RAJU
PARTNER**

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

'Annexure A'

To,
The Members,
IVRCL LIMITED
M-22 /3RT,
VIJAYANAGAR COLONY,
HYDERABAD – 500057

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 the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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 and with which the management has conducted the affairs of the company.

**For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES**

**Place: Hyderabad
Date : 28.05.2015**

**CS D. HANUMANTA RAJU
PARTNER**

Annexure B

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015

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

I. REGISTRATION & OTHER DETAILS:

CIN	L45201AP1987PLC007959
Registration Date	16.11.1987
Name of the Company	IVRCL Limited
Category/Sub-category of the Company	India Non government company
Address of the Registered office & contact details	M-22/3RT, Vijaya Nagar colony, Hyderabad - 500057 Tel : 040 -23343550, 23343678, Fax:040-23345004 website: www.ivrcl.com Email :in_grievances@ivrinfra.com
Whether listed company	YES
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 008 Phone: +91 040 67161500 Fax : +91 040 23420814 Email Id : einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Construction & Civil Engineering	41001, 41002, 41003, 42101,42204	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. NO	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of shares	Applicable Section
1	Hindustan Dorr-Oliver Limited	L74210MH1974PLC017644	Subsidiary Company	55.28%	Section 2(87)
2	Chennai Water Desalination Limited	U41000TN2005PLC057212	Subsidiary Company	75%	Section 2(87)
3	IVR Hotels & Resorts Limited	U55101AP1995PLC022534	Subsidiary Company	66.88%	Section 2(87)
4	RIHIM Developers Private Limited	U45200AP2008PTC059509	Subsidiary Company	100%	Section 2(87)
5	IVRCL PSC Pipes Pvt Limited	U52341TG1999PTC031125	Subsidiary Company	66.43%	Section 2(87)
6	IVRCL Building Products Limited	U45400TG2007PLC055367	Subsidiary Company	60%	Section 2(87)
7	IVR Enviro Projects Private Limited	U74210AP1997PTC027921	Subsidiary Company	97.49%	Section 2(87)

Sl. NO	Name and Address of the Company	CIN/GLN	Holding / Subsidiary	% of shares	Applicable Section
8	Alkor Petroo Limited	U23209TG2002PLC039393	Subsidiary Company	64.03%	Section 2(87)
9	IVRCL Cadagua Hogenakkal Water Treatment Co Pvt Limited	U41000TG2010PTC067081	Subsidiary Company	60%	Section 2(87)
10	IVRCL Steel Construction & Services Limited	U27109TG2005PLC046635	Subsidiary Company	100%	Section 2(87)
11	IVRCL Patalganga Truck Terminals Pvt Limited	U45209TG2010PTC068388	Subsidiary Company	100%	Section 2(87)
12	IVR Prime Developers (Tambaram) Private Limited	U45200TG2008PTC057479	Subsidiary Company	100%	Section 2(87)
13	IVRCL TLT Private Limited	U40300TG2008PTC059517	Subsidiary Company	100%	Section 2(87)
14	Salem Tollways Limited	U45200TG2005PLC047961	Subsidiary Company	100%	Section 2(87)
15	Kumarapalayam Tollways Limited	U45200TG2005PLC047960	Subsidiary Company	100%	Section 2(87)
16	Jalandhar Amritsar Tollways Limited	U00501DL2005PLC139732	Subsidiary Company	100%	Section 2(87)
17	IVRCL Chengapalli Tollways Limited	U45203TG2010PLC066886	Subsidiary Company	100%	Section 2(87)
18	IVRCL Indore Gujarat Tollways Limited	U45209TG2010PLC066747	Subsidiary Company	100%	Section 2(87)
19	SPB Developers Private Limited	U45202PN2009PTC134617	Subsidiary Company	100%	Section 2(87)
20	IVRCL Gundugolanu Rajahmundry Tollways Limited	U45209TG2012PLC080334	Subsidiary Company	100%	Section 2(87)
21	IVRCL Patiala Bathinda Tollways Limited	U45203tg2012plc080434	Subsidiary Company	100%	Section 2(87)
22	IVRCL Narnaul Bhiwani Tollways Limited	U45209TG2012PLC078841	Subsidiary Company	100%	Section 2(87)
23	IVRCL Raipur-bilaspur Tollways Limited	U45203TG2011PLC077919	Subsidiary Company	100%	Section 2(87)
24	IVRCL Goa Tollways Limited	U45203TG2010PLC068653	Subsidiary Company	100%	Section 2(87)
25	First STP Private Limited	U90002TN2000PTC046067	Subsidiary Company	95%	Section 2(87)
26	IVRCL Chandrapur Tollways Limited	U45203TG2010PLC070923	Subsidiary Company	100%	Section 2(87)
27	IVRCL Multi Level Car Parking Private Limited	U45400TG2011PTC073412	Subsidiary Company	51%	Section 2(87)
28	Saptashva Solar Limited	U40106TG2007PLC054824	Subsidiary Company	51%	Section 2(87)
29	IVRCL Lanka Private Limited	Not Applicable	Subsidiary Company	100%	Section 2(87)
30	IVRCL International Infrastructures & Projects LLC	Not Applicable	Associate Company	49%	Section 2(6)
31	SUSHEE IVRCL Arunachal Highways Ltd	U45209TG2011PLC076753	Associate Company	26%	Section 2(6)
32.	VIVA Infrastructure Limited	U45203PN2002PLC016710	Associate Company	50%	Section 2(6)
33.	Paresh Infrastructure Limited	U45200MH2004PTC148442	Associate Company	49%	Section 2(6)

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

A. Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year 01.04.2014				No. of shares held at the end of the year 31.03.2015				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	22245976	—	22245976	7.25	22245976	—	22245976	4.84	--2.41
b) Central Govt	—	—	—	—	—	—	—	—	—
c) State Govt(s)	—	—	—	—	—	—	—	—	—
d) Bodies Corp.	19786190	—	19786190	6.45	19786190	—	19786190	4.31	-2.14
e) Banks / FI	—	—	—	—	—	—	—	—	—
f) Any other	—	—	—	—	—	—	—	—	—
Sub Total (A)(1)	42032166	—	42032166	13.7	42032166	—	42032166	9.15	-4.55
(2).Foreign									
a. NRIs-Individuals	—	—	—	—	—	—	—	—	—
b. Other Individuals	—	—	—	—	—	—	—	—	—
C. Body Corporates	—	—	—	—	—	—	—	—	—
d. Banks/FIs	—	—	—	—	—	—	—	—	—
e. Any other	—	—	—	—	—	—	—	—	—
Sub Total (A)(2)	—	—	—	—	—	—	—	—	—
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	42032166	—	42032166	13.7	42032166	—	42032166	9.15	-4.55
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	5154	3000	8154	0.00	5919	3000	8919	0.00	—
b) Banks / FI	1861954	—	1861954	0.61	120738976	25579265	146318241	31.87	31.26
c) Central Govt	—	—	—	—	—	—	—	—	—
d) State Govt(s)	—	—	—	—	—	—	—	—	—
e) Venture Capital Funds	—	—	—	—	—	—	—	—	—
f) Insurance Companies	578642	—	578642	0.19	578642	—	578642	0.13	-0.06
g) FIs	34411026	—	34411026	11.21	29199564	—	29199564	6.36	-4.85
h) Foreign Venture Capital Funds	—	—	—	—	—	—	—	—	—
i) Others (specify)	—	—	—	—	—	—	—	—	—
Sub-total (B)(1):-	36856776	3000	36859776	12.01	150523101	25582265	176105366	38.36	26.35
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	76117805	40125	76157930	24.82	89463938	40125	89504063	19.49	-5.33
ii) Overseas	—	—	—	—	—	—	—	—	—
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	114724992	355862	115080854	37.50	121019164	354107	121373271	26.43	-11.07
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	26605946	—	26605946	8.67	21420877	—	21420877	4.67	-4.00
c) Others (specify)									
Non Resident Indians	7216967	—	7216967	2.35	7509596	—	7509596	1.64	-0.71
Overseas Corporate Bodies	—	—	—	—	—	—	—	—	—
Foreign Nationals	—	—	—	—	—	—	—	—	—
Clearing Members	2928529	—	2928529	0.95	1188903	—	1188903	0.26	-0.69
Trusts	1480	—	1480	0.00	1480	—	1480	0.00	—
Foreign Bodies - D R	3000	—	3000	0.00	3000	—	3000	0.00	—
Sub-total (B)(2):-	227598719	395987	227994706	74.29	240606958	394232	241001190	52.49	-21.80
Total Public Shareholding (B)=(B)(1)+(B)(2)	264455495	398987	264854482	86.30	391130059	25976497	417106556	90.85	4.55
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	306487661	398987	306886648	100.00	433162225	25976497	459138722	100.00	49.61

B. Share Holding of Promoters

S No	Shareholder's Name	Shareholding at the beginning of the year i.e., 01.04.2014			Shareholding at the end of the year i.e., 31.03.2015			% Change in Shareholding during the year
		No. of Shares	% of total shares of the Company	% Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% Shares Pledged / encumbered to total shares	
1	E. Sudhir Reddy	15120906	4.93	NIL	15120906	3.29	100.00	NIL
2	E. Siddhanth Reddy	30000	0.01	NIL	30000	0.01	100.00	NIL
3	E. Sanjeeth Reddy	30000	0.01	NIL	30000	0.01	100.00	NIL
4	E. Sujatha Reddy	18000	0.01	NIL	18000	0.00	100.00	NIL
5	E. Sunil Reddy	2511010	0.82	NIL	2511010	0.55	100.00	NIL
6	E. Indira Reddy	290360	0.09	NIL	290360	0.06	100.00	NIL
7	E. Sudhir Reddy (HUF)	3147000	1.03	NIL	3147000	0.69	100.00	NIL
8	E. Sunil Reddy (HUF)	1078700	0.35	NIL	1078700	0.23	100.00	NIL
9	E. Soma Reddy	10000	0.0033	NIL	10000	0.00	100.00	NIL
10	E. Suha Reddy	10000	0.0033	NIL	10000	0.00	100.00	NIL
11	M/s. EragamFinlease Limited	5185884	1.69	NIL	5185884	1.13	100.00	NIL
12	M/s. S. V. Equities Limited	2621390	0.85	NIL	2621390	0.57	100.00	NIL
13	M/s. Indus Palms Hotels & Resorts Ltd	203750	0.07	NIL	203750	0.04	100.00	NIL
14	M/s. Palladium Infrastructures & Projects Limited	46416	0.02	NIL	46416	0.01	100.00	NIL
15	M/s. Soma Hotels & Resorts Limited	11728750	3.82	NIL	11728750	2.55	100.00	NIL
	TOTAL	42032166	13.70		42032166	9.15	100.00	

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

SI No	Particulars	Shareholding at the beginning of the year 01.04.2014		Cumulative shareholding during the year 31.03.2015	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	At the beginning of the year	There is no change in Promoter's Shareholding between 01.04.2014 to 31.03.2015			
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	At the end of the year				

D. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S No	Shareholder's Name	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	ICICI Prudential Life Insurance Company Ltd	12346797	4.02	0	-166867	12179930	2.65
2	Premier Edu- Infra Solutions Private Limited	12040000	3.92	0	0	12040000	2.62
3	HSBC Global Investment Funds A/C HSBC GIF Mauritius	11224633	3.66	0	-1487218	9737415	2.12
4	Unit Trust Of India Investment Advisory Services Ltd	9689921	3.16	0	0	9689921	2.11
5	Meil Holdings Limited	4896869	1.60	0	-430000	4466869	0.97
6	California Public Employees Retirement Systemself	4180908	1.36	0	-2538268	1642640	0.36
7	The Master Trust Bank Of Japan, Ltd. A/C HSBCINDIA	3742091	1.22	0	-384071	3358020	0.73
8	Deepak kumar Budhermal Vaswani	2800000	0.91	0	-2800000	0	0.61
9	Rajesh Sundardas Vaswani	2600000	0.85	0	-2600000	0	0.57
10	Ashok Sundardas Vaswani	2600000	0.85	0	-2600000	0	0.57

E. Shareholding of Directors and Key Managerial Personnel:

S No	Shareholder's Name	Shareholding at the beginning of the year		Change in Shareholding (No. of shares)		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Increase	Decrease	No. of Shares	% of total shares of the Company
1	Mr. E. Sudhir Reddy	15120906	4.93	—	—	15120906	3.29
2	Mr. R. Balarami Reddy	234304	0.08	—	—	234304	0.05
3	Mr. K. Ashok Reddy	102500	0.03	—	—	102500	0.02
4	Mr. P.R. Tripathi	—	—	—	—	—	—
5	Mr. T.R.C. Bose	—	—	—	—	—	—
6	Mr. V. Murahari Reddy	—	—	—	—	—	—
7	Ms. M. HimaBindu	—	—	—	—	—	—
8	Mr. B. Subrahmanyam	—	—	—	—	—	—

F. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ in million)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	38692.53	1172.14	33.03	39897.70
ii) Interest due but not paid	637.75	0	0	637.75
iii) Interest accrued but not due	19.19	0	0	19.19
Total (i+ii+iii)	39349.47	1172.14	33.03	40554.64
Change in Indebtedness during the financial year	0	0	0	0
Net Change	7484.43	1198.25	(33.03)	8649.65
Indebtedness at the end of the financial year				
i) Principal Amount	45224.88	2370.39	0	47595.27
ii) Interest due but not paid	1609.02	0	0	1609.02
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	46833.90	2370.39	0	49204.29

V) *REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(₹ in Lakhs)

SN.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		E. Sudhir Reddy, Chairman & Managing Director	R. Balarami Reddy, Joint Managing Director	K. Ashok Reddy Joint Managing Director	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	120.00	47.30	46.83	214.13
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14.64	3.64	4.57	22.85
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...				
5	Others- PF	9.00	3.55	3.51	16.06
	Total (A)	143.64	54.49	54.91	253.04
	Ceiling as per the Act	The Company is in the process of making application to Central Government for payment of Remuneration as prescribed in the Act.			

B. Remuneration to other directors*(In ₹)*

SN.	Particulars of Remuneration	Name of the Director				Total Amount
		P R Tripathi	T R C Bose	V Murahari Reddy	M. Hima Bindu	
1	Independent Directors					
	Fee for attending board committee meetings	360000	280000	220000	-	860000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	360000	280000	220000	-	860000
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	360000	280000	220000	-	860000
	Overall Ceiling as per the Act	The sitting fee paid is within the limits as prescribed in the Act.				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD: –**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2015.

For and on behalf of the Board of Directors
IVRCL Limited

Date: May 30, 2015
Place : Hyderabad

E.Sudhir Reddy
Chairman & Managing Director

Annexure C

- a. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year.

S.No.	Name of the Director	Ratio to median remuneration
1	Mr. E Sudhir Reddy*	1:0.02580424
2	Mr. R.Balarami Reddy*	1:0.068016111
3	Mr. K Ashok Reddy*	1:0.067503469
4	Mr. P.R.Tripathi	Not Applicable
5	Mr. T.R.C. Bose	Not Applicable
6	Mr. V.Murahari Reddy	Not Applicable
7	Ms. M.Hima Bindhu	Not Applicable

* Managerial Remuneration to Mr. E. Sudhir Reddy, Chairman & Managing Director and Mr. R. Balarami Reddy and Mr. K. Ashok Reddy, Joint Managing Directors of the Company has been paid for the financial year 2014-15 and the Company is in the process of making application to Central Government. Pending approval from the Central Government the same has been accounted as due from directors.

- b. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

S.No.	Name of the Directors, CEO, CFO, CS	% increase in remuneration in the financial year
1	Mr. E Sudhir Reddy, Chairman & Managing Director	1.52
2	Mr. R.Balarami Reddy, Joint Managing Director cum CFO	12.90
3	Mr. K Ashok Reddy, Joint Managing Director	12.93
4	Mr. P.R.Tripathi, Independent Director	0
5	Mr. T.R.C. Bose, Independent Director	0
6	Mr. V. Murahari Reddy, Independent Director	0
7	Ms. M.Hima Bindu, Independent Director	0
8	Mr. B.Subrahmanyam, Company Secretary	10.55

- c. The percentage increase in the median remuneration of employees in the financial year : 9.98%

- d. The number of permanent employees on the rolls of company : 2875

- e. The explanation on the relationship between average increase in remuneration and company performance:

Average increase in remuneration was 15.87%, considering no increments in the past few years. The individual increments varied from 0% to 43%, based on individual performance. The average increase in remuneration is to prevent any significant employee attrition at lower level. Individual performance pay is linked to the Company's performance apart from individual's performance. The turnover of the Company for the financial year ended March 31, 2015 is ₹ 31174.17 million.

- f. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Aggregate remuneration of Key Managerial Remuneration in FY 15 (₹ In Crores)	2.534
Revenue in FY 15 (₹ In Cr)	3117.42
Remuneration of KMPs (as % of revenue)	0.08%

- g. Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year

Particulars	March 31, 2015	March 31, 2014	% Change
Market Capitalisation (₹ Cr)	730.03	405.09	80.21
Price Earnings Ratio	(0.39)	(0.65)	-

- h. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.

The Company made a further public offer (FPO) of 31,89,870 Equity shares of face value of ₹ 10/- at a price of ₹ 395/- in the year 2005. The market quotation for the company's equity shares of Face value of ₹ 2/- each as on March 31, 2015 are as given below:

BSE Limited ₹ 15.75

National Stock Exchange Limited ₹ 15.90

Subsequent to FPO the company made corporate actions like split and bonus issues. Hence the figures are not comparable.

- i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 7.88% whereas average increase in the managerial remuneration was 9.12%
- j. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company

	Mr.E.Sudhir Reddy Chairman & Managing Director	Mr.R.Balarami Reddy, Joint Managing Director cum CFO	Mr.K.Ashok Reddy, Joint Managing Director
Remuneration in FY 15 (₹ In Cr)	1.436	0.545	0.549
Revenue in FY 15 (₹ In Cr)	3117.42	3117.42	3117.42
Remuneration of KMPs (as % of revenue)	0.05	0.02	0.02

- k. The key parameters for any variable component of remuneration availed by the directors: NIL
- l. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: Not applicable
- m. The company affirms that the remuneration is as per the remuneration policy of the company

**For and on behalf of the Board of Directors
IVRCL Limited**

Date: May 30, 2015

Place : Hyderabad

E.Sudhir Reddy
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE

1. IVRCL PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in transparency, empowerment, accountability and integrity in its operations having duly delegated authority to the various functional heads who are responsible for attaining the corporate plans with the ultimate purpose of enhancement of “stake holder value”.

This philosophy has guided the operations and the functioning of the Company. In the process of achieving corporate goals, the Company has always been taking the spirit of various legislations as guiding principles and has gone well beyond simple statutory compliance by instituting such systems and procedures as are required to make the management completely transparent and institutionally sound. This is a continuous process in the Company, to improve upon the past experience.

The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. BOARD OF DIRECTORS

- i) As on March 31, 2015, the Company has seven directors on the Board of which four are Independent Directors including one women Director. The Company has an Executive Chairman during the financial year and the number of Independent Directors is more than 50% of the total number of Directors. Thus, the composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.
- ii) None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49, across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as at March 31, 2015 have been made by the Directors. None of the Directors are related to each other.
- iii) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Chairmanship / Membership of Board Committees include only Audit and Stakeholders’ Relationship Committee.

a. The Board of Directors of the Company as on March 31, 2015 consists:

Non – Executive Directors

A. Independent

Mr. P.R.Tripathi

Mr. T.R.C.Bose

Mr. V. Murahari Reddy

Ms. M. Hima Bindu – Appointed on 31st March 2015

B. Executive Directors

Chairman & Managing Director Mr. E. Sudhir Reddy (Promoter)

Joint Managing Directors Mr. R. Balarami Reddy

Mr. K. Ashok Reddy

b. Attendance at Board Meetings and last A.G.M and details of memberships of Directors in other Boards and Board Committees.

Five meetings of the Board of Directors were held on:

30th May 2014, 30th June 2014, 12th August, 2014, 13th November 2014 and 13th February, 2015,

The last Annual General Meeting was held on Friday, the 26th September, 2014.

Name of the Director	Categories of Directorship	No. of Board Meetings attended	Attendance at last AGM	Directorship in other companies	No. of Committees held in other Public Limited Companies	
					Chairman	Member
Mr. E. Sudhir Reddy	CMD	4	YES	6	NIL	1
Mr. R. Balarami Reddy	Joint M.D	4	YES	9	NIL	1
Mr. K. Ashok Reddy	Joint M.D	5	NO	9	1	NIL
Mr. T.R.C. Bose	I & NED	5	YES	6	NIL	3
Mr. P.R. Tripathi	I & NED	5	YES	5	2	1
Mr. V. Murahari Reddy	I & NED	4	NO	1	NIL	1
Ms. M. Hima Bindu*	I & NED	NIL	NA	6	NIL	5

* Ms. M. Hima Bindu was appointed on 31.03.2015

I & NED Independent & Non-Executive Director

Joint MD Joint Managing Director

CMD Chairman & Managing Director

3. AUDIT COMMITTEE

The Audit Committee has been constituted by the Board of Directors in accordance with the requirement of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The terms of reference of the Audit Committee:

The terms of reference of the Audit Committee is as envisaged in the Companies Act and Listing Agreement as amended from time to time.

The Statutory Auditors and Internal Auditors of the Company were invited to join the Audit Committee Meetings for discussions on issues relevant to them. The Company Secretary acts as the Secretary to the Committee.

The Previous Annual General Meeting (AGM) of the Company was held on 26th September 2014 and was attended by Mr. P.R. Tripathi, Chairman of the Audit Committee.

The Composition of the audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meeting during the financial year 2014-2015	
		Held	Attended
Mr. P. R. Tripathi	Chairman – Independent	4	4
Mr. T.R.C. Bose	Member – Independent	4	4
Mr. V. Murahari Reddy	Member - Independent	4	3

Four meetings of the Audit Committee were held during the year and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

30th May 2014, 12th August, 2014, 13th November 2014 and 13th February, 2015,

The necessary quorum was present for all the meetings.

4. NOMINATION AND REMUNERATION COMMITTEE:

The Company had a Compensation Committee of directors to look into appointment / re-appointment of Directors, payment of remuneration and grant of ESOPs. The nomenclature of the said committee was changed to Nomination and Remuneration Committee in the light of provisions of the Companies Act and revised clause 49 of the Listing Agreement.

The terms of reference of the Nomination and Remuneration Committee.

The terms of reference of the Nomination and Remuneration Committee is as envisaged in the Companies Act and Listing Agreement as amended from time to time.

The Composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meeting during the financial year 2014-2015	
		Held	Attended
Mr. P. R. Tripathi	Chairman – Independent	4	4
Mr. T.R.C. Bose	Member – Independent	4	4
Mr. V. Murahari Reddy	Member - Independent	4	3

During the year, four meetings of the Nomination and Remuneration Committee meeting were held on 30th May 2014, 12th August 2014, 13th February, 2015 and 31st March 2015.

C. Remuneration Policy:

- The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed pay, benefits and perquisites besides Employee Stock Options. Individual performance pay including Key Managerial Personnel's pay is determined by business performance and the performance of the individuals is measured through annual appraisal policy of the Company.
- The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director. The other Executive Directors are compensated by way of salary, benefits, perquisites and allowances (fixed component) as decided by the Nomination and Remuneration Committee and approved by the members from time-to-time.
- Sitting fees at the rate of Rs.20,000/- per meeting for attendance at the meetings of the Board or any committee thereof for non-executive directors as per the Articles of Association of the Company is paid. Further, reimbursement of actual travel and out of pocket expenses incurred for attending such meetings is also made.
- There is at present no other component of remuneration to non-executive directors.

The details of remuneration to all the Directors for the period is as follows:

i) Non Executive Directors (sitting fee only)		(in ₹)
Mr. T. R. C. Bose		280000
Mr. P. R. Tripathi		360000
Mr. V. Murahari Reddy		220000
TOTAL		860000

- Managing / Whole-time Director(s) (No Sitting Fees) (In ₹)

Name and Designation	Fixed Component Salary	Variable Component Commission	Total
Mr. E. Sudhir Reddy Chairman & Managing Director	1,43,63,686	NIL	1,43,63,686
Mr. R. Balarami Reddy Joint Managing Director	54,49,356	NIL	54,49,356
Mr. K. Ashok Reddy Joint Managing Director	54,90,740	NIL	54,90,740
TOTAL	2,53,03,782		2,53,03,782

* Managerial Remuneration to Mr. E. Sudhir Reddy, Chairman & Managing Director and Mr. R. Balarami Reddy and Mr. K. Ashok Reddy, Joint Managing Directors of the Company has been paid for the financial year 2014-15 and the Company is in the process of making application to Central Government. Pending approval from the Central Government the same has been accounted as due from directors.

iii) **Shares held by Non-Executive Directors as on March 31, 2015**

Name of the Director	Numbers of Shares held	% of the Paid-up Capital of the Company
Mr. P.R. Tripathi	NIL	NIL
Mr. T.R.C. Bose	NIL	NIL
Mr. V. Murahari Reddy	NIL	NIL
Ms. M. Hima Bindu	NIL	NIL

5. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company had a shareholders / Investor Grievance Committee of directors to look into the redressal of complaints of investors such as transfers or credit off shares, non- receipt of dividend/ notices / annual reports, etc. The nomenclature of the said committee was changed to stakeholders' relationship committee in the light of provisions of the Companies Act and revised clause 49 of the Listing Agreement.

- A The Committee consists of Mr. P. R. Tripathi, Chairman, Mr. E. Sudhir Reddy and Mr. R. Balarami Reddy who look into the investor grievances coordinates with the Registrars & Transfer Agents, M/s. Karvy Computershare Private Ltd. for redressal of grievances.
- B Mr. B Subrahmanyam, Company Secretary is the Compliance Officer nominated for this purpose under Clause No. 47(a) of the Listing Agreement.
- C. **Meetings & Attendance**

Four meetings of the Investor Grievances Committee were held on 30th May 2014, 12th August, 2014, 13th November 2014 and 13th February, 2015.

Name	Category	Number of meeting during the financial year 2014-2015	
		Held	Attended
Mr. P. R. Tripathi	Chairman	4	4
Mr. E. Sudhir Reddy	Member	4	3
Mr. R. Balarami Reddy	Member	4	3

During the year, the Company received 26 complaints and all the complaints were resolved to the satisfaction of the Investors and there are no pending complaints.

6. OTHER COMMITTEES

Corporate Social Responsibility (CSR) Committee

CSR Committee of directors as required under Section 135 of the Act was constituted on 30th May 2014, comprising of Mr. P.R. Tripathi, (independent non- executive), Mr. K. Ashok Reddy, (non-independent executive), Mr. R. Balarami Reddy (non-independent executive).

Regulatory Committee under Code of Conduct for prevention of insider trading

The Committee consists of Mr. P.R. Tripathi, Mr. E. Sudhir Reddy and Mr. R. Balarami Reddy who look into all the aspects relating to Code of conduct including enforcement, imposition of penalties for any violation of the provisions of the Code and to amend or modify the provisions of the Code from time to time.

EXECUTIVE COMMITTEE:

The Board constituted the Executive Committee with the following directors.

Members:

- i) Mr. E. Sudhir Reddy
 ii) Mr. K. Ashok Reddy
 iii) Mr. R. Balarami Reddy

The Scope of the Executive Committee is as given below:

1. To execute agreements on behalf of the Company, from time to time.
2. To sub-delegate authority in writing by way of Power of Attorney or otherwise, executed by one of the Members of the Committee, for the purposes of day-to-day operations, tendering, business development and project executions of the Company, duly authorised by the Committee.
3. Opening and Closing of Bank Accounts and authorising the Directors and Officers of the Company for operating the accounts with authority to issue Cheques.
4. To make necessary applications or petitions to the Court, Company Law Board or Regional Director or other judicial or quasi judicial body, as and when required.
5. To authorize any person as Corporate Representative under Section 113 of the Companies Act 2013 to attend the general meetings of any Company.
6. To authorize any person with regard to incorporation of Companies and closure or winding up of Companies.
7. Authorisation to affix the Common Seal of the Company on such documents as may be required, from time to time, as per Articles of Association of the Company.
8. To make investments and disinvestments, from time to time, for the purposes of subscribing to the equity/preference share capital of Subsidiaries/Joint Ventures/SPVs/any other entity, upto an amount of ₹ 200 Cr, pursuant to proviso to Section 179(3) of the Companies Act, 2013.
9. To Exercise borrowing powers, as may be decided by the Board, from time to time, pursuant to proviso to Section 179(3) of the Companies Act, 2013.

7 GENERAL BODY MEETINGS

Details of location and time of holding the last three AGMs.

Year	Location	Date & Time
25th AGM – 2012	The Federation of Andhra Pradesh chambers of Commerce & Industry, Redhills, Hyderabad	At 10.30 AM on December 24 2012
26th AGM – 2013	The Federation of Andhra Pradesh chambers of Commerce & Industry, Redhills, Hyderabad	At 3.30 PM on September 26 2013
27th AGM - 2014	The Federation of Andhra Pradesh chambers of Commerce & Industry, Redhills, Hyderabad	At 3.30 PM on September 26 2014

A Court Convened Meeting was conducted on 27th February 2012 seeking approval of equity shareholders for ;
“Composite Scheme of Arrangement between “IVRCL LIMITED and IVRCL ASSETS & HOLDINGS LIMITED and RIHIM DEVELOPERS PRIVATE LIMITED and IVRCL TLT PRIVATE LIMITED and their Respective Shareholders and Secured Creditors”,

The following special resolutions were passed at the 25th Annual General Meeting of the Members of the Company held on 24th December, 2012:

1. Remuneration to Mr. E. Sudhir Reddy, Chairman & Managing Director
2. Remuneration to Mr. R. Balarami Reddy, Executive Director-Finance & Group CFO
3. Remuneration to Mr. K. Ashok Reddy, Executive Director

The following special resolutions were passed at the 26th Annual General Meeting of the Members of the Company held on 26th September, 2013:

1. To Re-appoint Mr.R.Balarami Reddy as Executive Director – Finance & Group CFO.
2. To Re-appoint Mr.K.Ashok Reddy as Executive Director
3. To consider the Employees Stock Option Scheme (IVRCL ESOP- 2013).
4. To consider Grant of options to the employees of subsidiaries of IVRCL Limited under Employees Stock Option Scheme (IVRCL ESOP- 2013).

The following special resolutions were passed at the 27th Annual General Meeting of the Members of the Company held on 26th September, 2014:

1. To re appoint Mr. E. Sudhir Reddy as Chairman & Managing Director
2. To appoint Mr. R. Balarami Reddy as Joint Managing Director.
3. To appoint Mr. K. Ashok Reddy as Joint Managing Director

4. To consider Qualified Institutional Placement
5. To consider Preferential issue of warrants
6. To consider Borrowing Powers of the Company
7. To amend the Articles of Association of the Company
8. Option to CDR Lenders for conversion of Debt into equity shares and issue of equity shares to CDR lenders on preferential basis on conversion of funded interest term Loan.

Details of Special Resolutions passed through postal ballots during the year on 25.11.2014 and 23.01.2015:

1. Special Resolution under Section 180(1)(a) of the Companies Act, 2013 regarding delegation of powers to the Board of Directors for creation of charge / mortgage over the moveable and immoveable properties of the Company.

Details of Voting Pattern

Promoter/Public	No. of shares held (1)	No. of votes polled *(2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)= [(4)/(2)]*100	% of Votes against on votes polled (7)= [(5)/(2)]*100
Promoter and Promoter Group	42032166	42032166	100%	42022166	NIL	99.98%	NIL
Public – Institutional holders	37317217	23255582	62.32%	23237022	18560	99.92%	0.08%
Public-Others	227537265	2700507	1.19%	2539862	31162	94.05%	1.15%
Total	306886648	67988255	22.15%	67799050	49722	99.72%	0.07%

*The invalid Votes are 139483 included in Votes Polled (Col.No.2)

Scrutinizer for the Postal Ballot

Mr. K. Narasimhulu,
Practicing Company Secretary
H.No. 16-2-741/C/8/1/C/102, Flat No. S2A,
Shailaja Heaven Apt., Asmangadh, Hyderabad-36.

2. Special Resolution regarding Option to CDR Lenders for conversion of Debt into Equity Shares and Issue of Equity Shares to CDR Lenders on preferential basis on conversion of Funded Interest Term Loan (FITL), Term Debt, Working Capital Term Loan – I (WCTL-I) and Working Capital Term Loan – II (WCTL-II) into Equity Shares of the Company – Disclosures in terms of SEBI (ICDR) Regulations.

Details of Voting Pattern

Promoter/Public	No. of shares held (1)	No. of votes polled *(2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)= [(4)/(2)]*100	% of Votes against on votes polled (7)= [(5)/(2)]*100
Promoter and Promoter Group	42032166	42032166	100%	42032166	NIL	100.00%	NIL
Public – Institutional holders	32107333	19893655	61.96%	8669022	11224633	43.582%	56.42%
Public-Others	320727785	5050116	1.57%	1644775	3405341	32.57%	67.43%
Total	394867284	66975937	16.96%	52345963	14629974	78.16%	21.84%

* The invalid Votes are 17580 included in Votes Polled (Col.No.2)

Scrutinizer for the Postal Ballot

Mr. K. Narasimhulu,
Practicing Company Secretary
H.No. 16-2-741/C/8/1/C/102, Flat No. S2A,
Shailaja Heaven Apt., Asmangadh, Hyderabad-36.

None of the Items to be transacted at the ensuing Annual General Meeting is required to be passed by postal ballot.

8 DISCLOSURES:

- (i) Materially significant related party transaction with the Company Promoters, Directors, the Management, the Subsidiaries or relatives of the Directors which may have potential conflict with the interests of the Company at large, if any, have been disclosed in the accounts along with the financial impact of the same elsewhere in the Annual Report. The board has approved a policy for related party transactions which has been uploaded on the Company's website at the following link:

<http://www.ivrcl.com/downloads/RelatedPartyTransactionPolicy.pdf>

- (ii) There have been no major instances of non-compliance by the Company on any matters related to the Capital markets, nor have any penalty / strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters.

- (iii) The Company has adopted a whistle blower policy and established the necessary vigil mechanism for all the employees to report concerns about unethical behavior, actual or suspected fraud, or violation of our code of conduct or ethics policy. The mechanism under the said policy also provides for adequate safeguards against victimization of employees who avail of the mechanism. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link::

<http://www.ivrcl.com/downloads/WhistleBlowerPolicy.pdf>

(iv) Compliance with Clause 49.**Mandatory Requirements**

The Company Complied with all the applicable mandatory requirements of Clause 49 of the Listing Agreement and is also submitting a quarterly compliance report duly certified by compliance officer of the Company to the stock exchanges with in the time prescribed under regulations.

Non-Mandatory Requirements

The Company did not adopt Non-mandatory requirements.

- (v) The Company's financial statements are prepared as per Accounting Standards and the accounting principles generally accepted in India.
- (vi) The pecuniary relationship or transaction with the Non-Executive Directors have been disclosed as part of transactions with key Managerial Personnel / relatives with in the annual report.

(vii) Secretarial Audit:

Practicing Company Secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The Secretarial Audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

(viii) Risk Management :

The Board members are informed about the risk assessment procedures and these procedures are reviewed every month by the Chief Operating Committee which controls risk as detailed in the Management Discussion and Analysis which forms part of this Annual Report.

9. MEANS OF COMMUNICATION

The quarterly results are being published in English Newspapers like Economic Times, Business Standard and/or Financial Express having all India circulation and one in Vernacular language i.e. in Telugu. The quarterly results are also displayed on the Company's website www.ivrcl.com.

The gist of presentations made to the institutional investors or to analysts are also published on the Company's website.

In compliance with the listing agreement the Company created a separate email id viz., in_grievances@ivrinfra.com for speedy redressal of investor grievances.

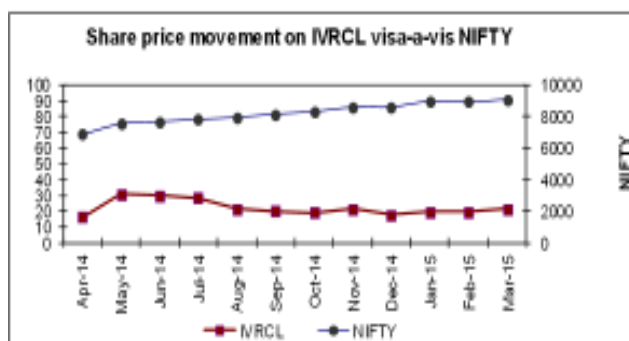
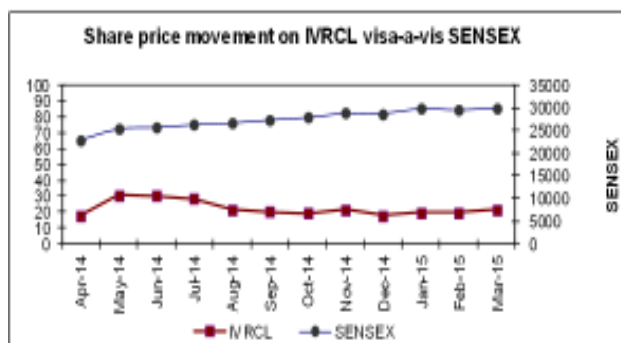
10 GENERAL SHAREHOLDER INFORMATION:

- a. 28th Annual General Meeting
- | | |
|-----------------|--|
| ∅ Date and Time | 26th September 2015, at 3.30.P.M |
| ∅ Venue | : K.L.N. Prasad Auditorium,
FAPCCI, 11-6-841, Red Hills, Hyderabad – 500 004. |
- b. Financial Year
- | | |
|--|------------------------------------|
| Year ending | March 31 |
| Un-audited financial results for the quarter ending June 30, 2015 | Will be published in August 2015 |
| Un-audited/audited results for the quarter/half-year ending September 30, 2015 | Will be published in November 2015 |
| Un-audited results for the quarter ending December 31, 2015 | Will be published in February 2016 |
| Audited results for the year ending March 31, 2016 | Will be published in May 2016 |
- c. Book Closure: From 23.09.2015 to 26.09.2015 (Both days inclusive)
- d. Dividend payment date No dividend has been recommended
- e. The equity shares of the Company are listed on
- Stock Code :
- | | |
|---------------------------------------|--|
| i) trading Symbol at | Bombay stock Exchange, Scrip Code : 530773
National stock Exchange, IVRCLINFRA EQ |
| ii) Demat ISIN Numbers in CDSL & NSDL | Equity INE875A01025 |

Listing fees as prescribed has been paid fully to both the stock exchanges where the shares of the Company are listed.

f. Stock Market Data :

Month	The Bombay Stock Exchange				National Stock Exchange			
	Share Price		Sensex		Share Price		S&P CNX Nifty	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
Apr-2014	17.79	12.96	22939.31	22197.51	16.45	12.95	6869.85	6650.40
May-2014	30.75	13.30	25375.63	22277.04	30.85	13.25	7563.50	6638.55
Jun-2014	30.10	22.30	25725.12	24270.20	30.15	22.30	7700.05	7239.50
July-2014	28.45	19.70	26300.17	24892.00	28.40	19.80	7840.95	7422.15
Aug-2014	21.65	17.90	26674.38	25232.82	21.70	17.90	7968.25	7540.01
Sep-2014	19.90	14.50	27354.99	26220.49	19.95	14.45	8180.20	7841.80
Oct-2014	18.95	14.50	27894.32	25910.77	19.00	14.45	8330.75	7723.85
Nov-2014	21.40	16.55	28822.37	27739.56	21.40	16.55	8617.00	8290.25
Dec-2014	17.95	13.00	28809.64	26469.42	17.85	12.95	8626.95	7961.35
Jan-2015	19.50	16.35	29844.16	26776.12	19.50	16.35	8996.60	8065.45
Feb-2015	19.50	15.20	29560.32	28044.49	19.50	15.55	8941.10	8470.50
Mar-2015	21.30	14.55	30024.74	27248.45	21.35	14.50	9119.20	8269.15



g. Registrar and Transfer Agents ;

M/s. Karvy ComputerShare Private Limited
 Karvy Selenium, Tower B, Plot number 31 & 32,
 Financial District, Gachibowli, Hyderabad 500 032

h. Share Transfer System

Application for transfer of shares held on physical form is received at the office of the Registrars & Share Transfer Agents of the Company. Share Transfer Committee approves valid transfers of shares and share certificates duly endorsed are dispatched within the time prescribed under the Listing Agreement / SEBI Guidelines.

Shares held in dematerialized form are electronically traded. The Registrar & Share Transfer Agents of the Company periodically receive from the Depositories the beneficiary holdings so as to enable them to update the records and to send all corporate communications, dividend warrants etc.,

I. i. Distribution of Shareholding as on March 31, 2015

Category (Amount)	Shareholders		Equity	
	Number	% to Total	No. of Shares	% to Total
Upto – 5000	189520	94.98%	59960915	13.06%
5001 - 10000	5293	2.65%	19652608	4.28%
10001 – 20000	2581	1.29%	19272253	4.20%
20001 – 30000	715	0.36%	8968037	1.95%
30001 – 40000	381	0.19%	6837393	1.49%
40001 – 50000	243	0.12%	5610278	1.22%
50001 – 100000	416	0.21%	14830443	3.23%
100001 & above	380	0.19%	324006795	70.57%
Total	199529	100%	459138722	100%

ii Dematerialization of shares and liquidity:

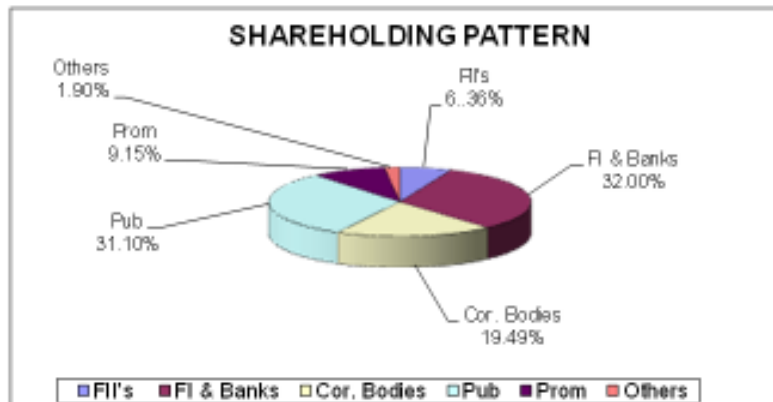
Shares of the Company can be held and traded only in Electronic form on Stock Exchanges. SEBI has stipulated the shares of the Company for compulsory delivery in dematerialized form only, by all investors from 26th June 2000 99.34 percent of the shareholdings have been dematerialized as on 31.03.2015. Shares of the Company are actively traded in The Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, and hence have good liquidity.

iii Capital Build Up during the Period.

Particulars	Nature of Allotment	No. of shares of the face value of Rs.2/- each	Aggregating to Rs.
Capital at the beginning of the year		306886648	613773296
Allotments made during the year:			
04.12.2014	FITL conversion	87980636	175961272
29.01.2015	FITL conversion	38692173	77384346
09.02.2015	FITL conversion	14825250	29650500
31.03.2015	FITL conversion	10754015	21508030
Capital at the end of the year		459138722	918277444

iv Shareholding Pattern as on 31.3.2015

Category	Total No. of Shares	Percentage of shareholding
Promoter's Holding		
Indian Promoters	42032166	9.15
Non Promoter Holding		
Institutional Investors		
Mutual Funds	8919	0.00
Financial Institutions / Banks / Insurance Companies	146896883	32.00
Foreign Institutional Investors	29199564	6.36
Sub Total	176105366	38.36
Others		
Corporate Bodies	89504063	19.49
Indian Public	142794148	31.10
Non Resident Indian	7509596	1.64
Others	1193383	0.26
Sub Total	241001190	52.49
Grand Total	459138722	100.00



j. Instruments outstanding as on March 31, 2015 and are liable for conversion into shares :

IVRCL ESOP 2013

The shareholders of the company, in the 26th Annual General Meeting held on 26th September 2013 approved to issue upto 1,00,00,000 options convertible into 1,00,00,000 equity shares of nominal value of Rs.2/- each at one option liable to be converted into one share of Rs.2/- each at a price which is 50% of the closing price recorded on National Stock Exchange of India Limited on the date of the such grant on such terms as may be specified by the Board of Directors of the company. The Company has not granted any options out of IVRCL ESOP 2013 scheme to any employee, as on date.

Conversion of FITL into Equity

As per the CDR Scheme interest due and accrued with effect from the cutoff date i.e November 30, 2013 to December 31, 2014 on cash credit facilities and upto September 30, 2015 on other term borrowings shall be funded and converted into Funded Interest Term Loan (FITL) and lenders shall convert the same along with accrued interest thereon into equity at the end of each calendar quarter.

The Company has in-principle approvals from Stock Exchanges for 327097171 equity shares out of which 152252074 shares have been allotted as on 31st March 2015.

k. Code of Conduct for Directors and Senior Management:

A copy of the Code has been put on the Company's website www.ivrcl.com.

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Chairman and Managing Director is given below:

DECLARATION

I hereby confirm that :

The Company has obtained from all the members of the Board and Senior Management affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the period ended 31st March 2015.

E.Sudhir Reddy

Chairman & Managing Director

l In view of the nature of the Company's business the company is operating from various work sites spread throughout the country and the operations are controlled by the Corporate Office and through various Regional Offices.

Address for Correspondence:

Registrar and Transfer Agents :

Physical / Electronic Mode :
M/s. Karvy Computershare (P) Ltd.
Karvy Selenium, Tower B, Plot number 31 & 32,
Financial District, Gachibowli, Hyderabad 500 032

Company's Corporate Office:

"IVRCL Limited
""MIHIR" 8-2-350/5/A/24/1-B & 2
Road No.2, Panchavati Colony
Banjara Hills HYDERABAD – 500 034

CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of IVRCL Limited

We have examined the compliance of conditions of Corporate Governance by **IVRCL LIMITED (“the Company”)** for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to 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 statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors, Officers and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned clause of the Listing Agreement.

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

**For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES**

**Place: Hyderabad
Date : 28.05.2015**

**CS D. HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO: 1709**

Management Discussion and Analysis

Industry Overview

The Indian economy is now having “green shoots” of growth after a prolonged period of low performance. According to Government’s advance estimates for GDP, projected growth for 2015 is around 7.5%, a little higher than the previous year. This, coupled with a softer interest rate regime, should bolster the spending of the infrastructure sector. Recent policy initiatives like the National Mission for Clean Ganga (NMCG), Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Smart Cities, coupled with lower oil prices, would help in achieving this growth rate. In April this year, IMF projected India, in 2015-16, overtaking China as the fastest growing economy.

The Infrastructure Industry is a key sector in a developing economy. It gives employment to crores of people and also has a multiplier effect on other economic sectors. In the last few years, the Infrastructure industry has slowed down due to a variety of reasons. It started primarily post September 2008 with the ill effects of the global financial crisis. The Government reduced the pace of awarding new projects; delays in execution of projects; lack of environmental clearances and delays in land acquisition; and policy paralysis were visible to all.

The ills of this sector can be understood by assessing Road Projects awarded on a BOOT (Build Own Operate Transfer) basis in two batches, in 2006 and those in 2009. When the BOOT projects were announced there was tremendous optimism about the Indian Infrastructure story and its biggest evangelists were well known policy planners and other experts resulting in several large EPC companies like your company making confident forays. Subsequent to the Order Awards, interest rates increased significantly. Unforeseen challenges like right of way became a serious issue leading to significant cost and time overruns. The equity markets also more or less stopped supporting BOOT projects.

In the last three years, with costs having significantly gone up, many orders have become loss making. The BOOT projects caused substantial debt to be taken and the delay in commissioning these projects caused revenue streams to be postponed thus resulting in debt servicing problems. A study shows that 80% of all projects in the infrastructure sector were delayed significantly and 40% of the projects had significant cost overruns.

In view of this, Government has noted the problems and taken steps in the Road Sector to give relief to the BOOT jobs already awarded. Further BOOT, as a method of awarding jobs, may be stopped for future orders and the old cash contract / EPC system or a hybrid model may start prevailing. Planning has also been done by the Government for the other sectors like water, sanitation, roads as well as new sectors related to the smart cities.

The current government in centre is keen to kickstart the investment cycle and is taking initiatives to spur the highways and smart cities development segment. When the AMRUT Clean Ganga and other schemes become operational, substantial volumes of business would happen all over the country. The Government is also proposing big ticket investments in new areas like long distance high speed trains, metro train networks in cities and inland waterways development.

In our country, nearly 226 million people do not have access to safe drinking water and more than 100 million people live in places where water is severely polluted. About 54% of India faces high to extremely high water stress. When the annual per capita of renewable fresh water in a country falls below 1700 cubic metre, it is held to be a situation of water stress. According to recent studies, per capita availability of water is likely to fall down to 1140 cum in 2050 suggesting that we’re heading towards a serious water crisis, if timely steps are not taken to tackle it. Once surface water is exhausted, people dig to find more water. Studies suggest that groundwater levels across 4,000 wells in India have receded by 54% in the last seven years.

Over the years, increasing population, growing industrialization, expanding agriculture and rising standards of living have pushed up the demand for water. Efforts have been made to collect water by building dams and reservoirs and creating ground water structures such as wells. Recycling and desalination of water are other options but the cost involved is very high.

With all this, it is expected that outlook in this sector will substantially improve in the next two or three years.

VERTICAL-WISE PERFORMANCE

WATER

The water sector has seen a significant downturn in the last three to four years. The many projects required to make water available to all, have not yet been ordered. One instrument of change, the JNNURM scheme, which had created many water projects, stopped in 2012.

In the Water segment, your company has completed 25,000 km of pipeline installation, 1300 MLD of WTP and 100 MLD of Desalination Water Supply (the first and largest of its kind in India) and continues to march as a leader in this sector.

A selective list of completed/ongoing projects in Water Sector during the year includes:

- **Jalore Water Supply, Gujarat:** The project is built to supply water from Narmada Canal for Jalore Town and 281 surrounding villages. It involves construction of a Water Treatment Plant, 33/6.6 KV Switchyard and related works between Narmada Main Canal and Ahore. Along with Civil, Mechanical, Electrical & Instrumentation work, the turnkey contract included Design & O&M for 5 years.

- **Tansa Mains, Maharashtra:** The project envisions supplying raw water to Mumbai City by replacing two 1800-mm dia existing riveted mains from Tansa to Tarali with a single 2750-mm dia pipeline. For the first time, Vag valves, AIR valves and Hakkova sluice valves were used in pipelines in the industry resulting in good results after commissioning.
- **Forbes Balancing Reservoir, Karnataka:** The project included construction of a Raw Water Transmission System from Forbes Balancing Reservoir to T.K.Halli under BWSSB Project -II under JICA.
- **Koyna Left Bank, Maharashtra:** The project involves Detailed Engineering, Manufacturing, Supply, Erection, Testing & Commissioning of Pump - Turbine, Generator - Motor & Associated Equipments for Koyna Left Bank Power Station (2x40 MW).
- **MCGM Water Supply, Maharashtra:** This is a one-of-a-kind project involving construction of a water supply Tunnel between Kapurbawdi and Bhandup. The tunnel is India's deepest and longest water tunnel – 8.3 km long, 6.3m diameter and 128m deep tunnel, carrying drinking water from Thane to Mumbai. Innovative cutting-edge technology using Tunnel Boring Machine (TBM) and GPS Tunnel Alignment System were used for the project. Despite challenging ground conditions, the TBM bored through the basalt rock to deliver production rates of 870m a month. Both the daily and monthly progress made are records for TBM tunnelling in India.

The new government has unveiled a plan to provide water for all. Signs of water industry order revival are coming in from some of the recently elected state governments. The central government proposes to treat polluted water (sewage) for cities on Ganga basin through schemes like Clean Ganga. AMRUT (Atal Mission for Rejuvenation and Urban Transformation) Scheme aims at doing the same for the other cities of India not on the Ganga or Yamuna basin. With these plans getting implemented, the sector will see better years.

IRRIGATION

The agriculture sector gives livelihood to 45% of our population but contributes only 16% to our GDP. One way to increase the incomes of the agrarian population is to convert poor precipitation rain-fed areas to one where an assured supply of water is available, through irrigation schemes.

Of the 140 million hectares (mh) of net cultivated area in India, only around 60mh are irrigated. For Indian agriculture to grow around 4% per year, it needs to increase the area irrigated, introduce new high-yield technology and expand cultivable land. The twelfth five-year plan (2012–17) has focused attention on all of these issues putting great

emphasis on aquifer mapping, watershed development, involvement of NGOs, and efficiency in developing irrigation capacity.

Your company has completed several large lift irrigation projects - 2300 km of Canals, 2.5 million cum/hr of pumping, 476.8 MW total pump capability and 104 km of tunnels (4-18 m dia.) as of March, 2015. Your company continues to forge ahead with these strong pre-qualifications.

A selective list of completed/ongoing projects undertaken in Irrigation Sector during the year includes:

a. Lift Irrigation Systems:

- **Koilsagar Lift Irrigation Scheme, Telangana:** The scheme lifts 3.9 Thousand Million Cubic Feet (TMC) of water from foreshore of Priyadarshini Jurala Project in two stages to fill up the Koilsagar Project thereby stabilizing an ayacut of 12,000 acres and also irrigates an additional ayacut of 38,250 acres. The project lifts water to a total height of 120m, 58m in first stage and 62m in second stage, and involves installing four 7.5 MW heavy duty pumps and motors.
- **Punasa Lift Irrigation Scheme, Madhya Pradesh:** This project, on the Narmada river, envisages delivery of critical water for irrigation to over 35,000 hectares. The Punasa Lift Irrigation Scheme is located near village Punasa in Khandwa District. This project, on the Narmada river, comprises of the 3 stage lifting and storage of water in 3 balancing reservoirs having aggregate storage capacity of more than 14 MCM. Apart from providing the drinking water facilities to the 119 villages, this project envisages to provide irrigation facilities through a pipeline network.
- **Pranahita-Chevella Lift Irrigation, Package-9, Telangana:** The project harnesses the water of Pranhita tributary of Godavari river and diverts about 160 TMC of surplus water to irrigate 16,40,000 acres in the water scarce areas of Adilabad, Karimnagar, Warangal, Nizamabad, Medak, Nalgonda and Ranga Reddy districts in Telangana. It lifts 6 TMC of water from foreshore of Mid Manair Reservoir near Sirsilla (V&M) to Upper Manair Reservoir near Nirmal in Karimnagar district irrigating 80,000 acres across six mandals of Sircilla division.
- **Pranahita-Chevella Lift Irrigation Package-20, Telangana:** The Package-20 of the project is a part of seventh link i.e., from SRSP Reservoir to Balancing Reservoir near Masani (V), Nizamabad Mandal & District for the complete Pranahita-Chevella Lift Irrigation Scheme detailed above.
- **Sripada Sagar Project - Stage II, Phase I, Telangana:** Built on the Godavari River, this challenging

project involved setting up of a 6-stage pumping system of 505m head, laying of pipelines stretching over a length of more than 118km and construction of a 185-km canal distribution network. The irrigation scheme supplies 12 TMC water and irrigates 2,00,000 acres in upland areas of Karimnagar district, Telangana.

- **Lift Scheme from Thotapalli Reservoir, A.P. to Gouravelli Reservoir, Telangana:** The project is a part of the Flood Flow Canal Phase - II of Sri Ram Sagar Project (SRSP). The work involves investigation, design and execution of Lift Scheme from Thotapally Reservoir to Gouravelly Reservoir including tunnel and other allied works near Regonda Village in Karimnagar Dist, Telangana to irrigate an ayacut of 1,20,000 Acres. The scheme envisages utilizing 11.31 TMC water with a discharge rate of 1130 cusecs.
- **Dehani Lift (Drip) Irrigation, Maharashtra:** It is designed to cater to the irrigation demand upstream of the Bembala dam where water cannot be reached by gravity. The irrigation area for the project is 6968 hectares (ha), covering Neer and Babhulagaon Taluka of Yavatmal District. The scheme caters to the irrigation needs of 17 villages. First of its kind in India, the project employs drip irrigation for large areas using latest communication technology, Supervisory Control and Data Acquisition System (SCADA).

b. Dams & Reservoirs:

- **Lower Goi Dam Project, Madhya Pradesh:** It is located in the tribal areas of District Barwani of Madhya Pradesh State. The project involves construction of a gravity dam with earthen bunds on both side and concrete NOF (non-overflow) & OF (overflow) sections, having maximum height of 42m in the gorge portion and spanning to a total length of 2260m. The central portion allows a smooth discharge of 12026 cusecs of flood water. This dam is designed with 9 noses of hydraulically operated gates of 12 m x 12 m. The project also envisages the development of irrigation potential of 32,767 acres of ayacut through its right canal.
- **Mid Manair Project, Telangana:** The Mid Manair Dam is a major irrigation project across the Manair River, at Manwada Village, Boinpally Mandal, Karimnagar District, Telangana. The project involves construction of balance work of formation of about 8-km long Mid Manair Reservoir across Manair river, including construction of spillway, NOFs, O.T. Sluice and Infall regulator etc., to facilitate impounding.

The reservoir can discharge flood water up to 5.08 lakh cusecs while aiming to irrigate more than 1.75 lakh acres of land and providing drinking water to thousands of villagers.

c. Water and Gravity Canals:

- **Handri-Neeva Sujala Sravanthi (HNSS) Project, Ph-I, Andhra Pradesh:** HNSS project is the longest water canal project in India. It flows from the project to a distance of 565 km irrigating 6 lakh acres in four Ralayalaseema districts and providing drinking water to 33 lakh people. The project draws 40 TMC of flood water from the Krishna river, employing 117 pumps with a cumulative capacity of 450 MW to irrigate 6.025 lakh acres. The maximum lift involved in the project is 48.50m while the minimum lift is 13.99m.
- **Telugu Ganga Project, Andhra Pradesh:** Telugu Ganga Project on the whole to draw 29 TMC of water from fore shore of Srisailem reservoir from a village in Kurnool dist to irrigate 5.75 lakh acres in Kurnool, Cuddapa and Nellore dist apart from supplying drinking water to Chennai city. Our portion of the total project aims to irrigate 96,000 acres of land in Kadapa District for Govt. of AP and comprises of Right & Left Canals in addition to Gundamrajupalli & Obulam Branch canals.
- **Indira Sagar Main Canal Project, Madhya Pradesh:** The project involves creating a 51-km long canal system including distribution network up to 40 ha and irrigation area of about 20700 ha. In totality, the Indira Sagar Project (Canals) starts from the Indira Sagar Dam located in the District Khandwa and runs for a length of about 246 Kms. and irrigates a distributory network of 1.23 Lakh Ha. With several state governments, especially the recently elected ones, having made ambitious plans for lift and canal projects, the irrigation sector shows good prospects. This sector should be a steady performer with business from central India, which is primarily catered to by rain-fed rivers having substantial sea run off.

BUILDINGS & INDUSTRIAL STRUCTURES

Rapid urbanization has emerged as an undeniable global trend which India too is now following. It demands today's city leaders to make tough decisions about infrastructure that will impact generations to come. With 410 million city dwellers, India has the world's second largest urban population. It is estimated that by 2030, about 600 million people will reside in cities in India and account for 70% of Indian GDP, according to a McKinsey report. As more and more people migrate from rural to urban areas, the existing urban cities would soon be crunched on resources and infrastructure.

The central government has announced various mega schemes aimed at transforming urban India - 100 Smart Cities, the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for 500 cities, and Housing-for-All by 2022. These projects envision smart cities as part of a sustainable society in which people live, work and play in safety and comfort while also coexisting in harmony with the environment.

The last few years did not see any significant downturn as Buildings are a key requirement for economic growth. The market, however, has been very competitive. Demands on material availability have also become a major concern, for instance, sand is now very difficult to get.

Your company continued its trend and market presence. As of March 31, 2015, about 51.6 million sft have been constructed using 1.8 million cum of concrete, 30,600 MT of structural steel, and 3.43 lac mtrs of piling (500-1600 mm dia). There would be a well-known building complex by IVRCL in most of the cities in India.

A selective list of major completed/ongoing works in Buildings & Industrial Structures (B&IS) during the year includes:

- Construction of CIDCO Exhibition Centre including Civil, Interior & Site Development works at Vashi, Navi Mumbai, Maharashtra
- Construction of Academic Complex Building and Girls Hostel and Site Development works for College of Engineering, Pune, Maharashtra
- Design and Construction for all Main Civil Works for complete External Coal Handling System and Complete Structural works for Mundra, Gujarat
- Valsad New Civil Hospital & Medical College Building, Gujarat
- Civil & Structural for Coke Drum Area of Coker Unit of Paradip Refinery Project for IOCL, Orissa
- Providing Compound wall, container yard and internal roads to the Container Freight Station at Vallarpadam, Cochin, Kerala
- Complete Coal Handling Plant package for Super Thermal Power Project, Stage- HI (2x500 MW) at NTPC-Rihand, Uttar Pradesh
- Construction of 285 towers housing 4513 flats with a built up area of about 4,00,000 sft spread in 67 acres in the heart of Hyderabad, Chitrapuri, for A.P. Cine Workers Co-operative Housing Society Limited (APCWCHSL), Telangana
- Extension of Vidhan Sabha building for Bihar State Government, Bihar
- 120 MLA Quarters in Hyderabad, Telangana

With increasing needs for urbanization and all round development, this sector will see sustained investment. The new building complexes will also be well integrated with climate control, recyclable building materials, CCTVs and smart controls. Given its pre-qualification, your company is well poised to capitalize these opportunities.

POWER

Your company concentrates on Power Transmission Lines and Rural Electrification. The central government is planning to award transmission projects worth Rs. 1 lakh crore in a year's time, thus giving a good push to the expanding electricity transmission across the country.

Your company has got 7 lac BPL connections provided, 11000 villages electrified, 1460 km of transmission line (132, 220, 400 & 765 KV) erected, and 60 track kms of traction and OHE works done as of March 31, 2015. These match the industry best.

A selective list of completed/ongoing works by the Power Division during the year includes:

- Design, Engineering, Supply, Erection, Testing & Commissioning of 220 KV 3 Phase Double Circuit Transmission line from Latehar to Daltonganj (Package - A) on Turnkey basis, Jharkhand
- Design, Engineering, Supply, Erection, Testing & Commissioning of 220 KV 3 Phase Double Circuit Transmission line from Lohardaga to Latehar (Package - B) on Turnkey basis, Jharkhand
- Rural Electrification work under RGGVY Scheme in Palamau district (covered by Package G) on Turnkey basis, Jharkhand
- Rural Electrification work under RGGVY Scheme in Garhwa district (covered by Package F) on Turnkey basis, Jharkhand
- 400 KV Silchar – Imphal Line (A2 Pkg) – interconnecting Transmission Line, including river - crossing towers for PGCIL, Assam
- 400 KV D/C 150-km Quad Line for Northern Region Strengthening Scheme (NRSS), Bhiwandi, Maharashtra
- 765 KV Angul Pooling Station to Jharsuguda Pooling Station Line 1, Odisha
- Supply, Erection, Construction, Testing and Commissioning of a) 220/132 KV Automation Substation at Tirumalayapalli in Kadapa on semi-turnkey basis b) 220 KV DC line from proposed 400/220/132 KV SS at Jammalamadugu to proposed 220/132 KV SS at Tirumalayapalli for APTRANSCO, Andhra Pradesh
- Supply, Erection, Testing and Commissioning of (i) 132/33 KV Substation at Gannavaram in Krishna District along with (ii) connected 132 KV DC/SC (18 Kms) from Nunna 220/132 KV SS to Gannavaram 132 KV SS and

(iii) 132 KV Bay extension at Nunna 220/132/33 KV SS in Krishna District for APTRANSCO, Andhra Pradesh

- Construction of 110 KV Line from Siruseri 230 KV SS to CMWSSB at Nemmili Village, Chengalpattu Taluk for TNTRANSCO, Tamil Nadu

TRANSPORTATION

It is no secret that big economies poised for rapid growth need robust infrastructure, with roads forming a major part of it. India has the second highest road network in the world, spanning over 4.7 million km carrying over 60% of the country's total freight traffic and about 85% of the passenger traffic. However, only half of the country is paved, and less than a quarter of the national highways meet required standards. While road freight volume and the number of road vehicles have been growing at a compounded annual growth rate of 9.1% and 10.8% respectively, the growth rate of length of roads lags behind at 4%.

Indian rail network is the 4th longest and the most heavily used system in the world. The present suburban railway services in India are limited and are operational only in the metros. The sector needs speedy investments which have not been forthcoming in the last ten years.

On the Transportation front, your company has completed 3402 lane km of Highways, 75 km of railway track, and 1963 lane km of highway concession projects under operation and development as of March, 2015.

Some major completed/ongoing projects undertaken during the year by the Transportation division of your company include:

- Bhogpur to Mukerian Highway Road Project for NHAI, NH-1A, Punjab
- Jalandhar, Amritsar Tollways Limited Grade Separator (BOT) for NHAI, Punjab
- Salem Tollways Limited, Highway Road Project (BOT) for NHAI, Tamil Nadu
- Kumarapalayam Tollways Limited, Highway Road Project (BOT) for NHAI, Tamil Nadu
- Improvements and widening of Road from Konanur to Kushainagar Section of Konanur - Makutta Road (SH-91) in Kodagu District for KRDC, Karnataka
- Abu Road-Sarotra Road Pck-1, Railway Doubling line work for RVNL, Rajasthan
- 4/6 Laning of Chengapalli-Walayar NHAI DBFOT Highway Road Project (Pkg-TN8) for NHAI, Tamil Nadu
- IVRCL Indore - Gujarat Tollways Limited (BOT), Highway Road Project for NHAI, Madhya Pradesh
- Wani-Ghuggus Road, Chandrapur State Highway Road project for PWD, Maharashtra

The government has announced the National Highway Development Programme, aiming to upgrade 54,000

kilometres of highways. On the rail network front, the government aims to build 25,000 kilometres of new lines by 2020, as against about 2500 kilometres added between 2006 and 2014. Recent announcements by government showing a quantum rise in transportation infrastructure do provide us good hope of the sector getting improved in the coming years.

Your company continues to leverage its strong pre-qualification for bagging and executing the upcoming projects in the transportation sector.

MINING

The Mining industry in India is a major economic activity which contributes significantly to the economy of India. In recent years, it has been facing issues of large scale displacements, resistance of locals, human rights issues like indentured labour and environmental issues like pollution, deforestation and dangers to animal habitats.

Your company has been treading carefully in the mining sector and has a sophisticated and prestigious project.

- **Malanjkhand Underground Project, Madhya Pradesh:** The project aims to develop an underground mine and is planned to extract 5 Million TPA of copper ore in Malanjkhand, Balaghat, Madhya Pradesh. It involves sinking 4 vertical shafts to depths ranging from 665m to 695m, for lifting ore, carrying men & material and for ventilation. A total of 2 Declines at 1 in 7 gradients, reaching up to a depth of 660m have to be constructed.

The excavation of declines, drives, crosscuts, passes, raises etc. would go to a total length of 55.40 km. The project would use sophisticated mining machinery - two Friction Winders of capacity 4500 KW & one Service Winder of capacity 2300 KW for hoisting of 100 workers as a part of the job.

India has vast minerals potential with mining leases granted for longer durations of 20 to 30 years. The demand for various metals and minerals will grow substantially over the next 15 years. The power and cement industries also aid growth in the metals and mining sector. Economy growth of more than 7% in the years to come will provide a major thrust to the demand of minerals like coal and iron ore.

Transmission line Tower (TLT) Factory, Nagpur, Maharashtra

Your company's TLT factory at Butibori, Nagpur, Maharashtra manufactures and supplies Transmission Towers. With a manufacturing capacity area of 23 acres and an installed capacity of 36,000 MT per annum, it is a vital support for the EPC Transmission Line business. It is certified by International Standards Certifications Pty. Ltd (ISC) for Integrated Management System (IMS). Of late, the factory caters to other EPC players in the transmission sector as a quality vendor.

OVERSEAS

Kingdom of Saudi Arabia (KSA)

For a Residential Housing Project, your company has received a large order from Kingdom of Saudi Arabia (KSA). The EPC project includes construction of 513 apartment buildings and villas, administrative buildings, kinders, schools, masjid, recreation buildings, fire-fighting buildings, clinic buildings, shopping centres, playgrounds, operation and maintenance buildings, warehouses, water treatment buildings, fuel stations and sewage treatment buildings in three locations in KSA.

Kenya

Bura Irrigation and Settlement Scheme Rehabilitation Project: The objective of the project is to augment water from Tana river through Gravity process by covering 5500 hectare irrigable land.

Tanzania

Lindi Drinking Water Supply Project: The project aims supplying drinking water to Lindi and nearby Villages.

Rwanda

Lake Victoria Water Supply and Sanitation Program, Phase-II: The project is envisaged to supply Drinking water to Nyagatare, Nyanza and Kayonza Towns.

IVRCL TECHNICAL SERVICES & SOLUTIONS

The industry customers are now trying to find newer ways for efficient and effective use of their assets constructed under EPC orders. As a policy, government customers are now combining capex (EPC) orders with O&M (Operations & Maintenance). The O&M could typically be for five years. This is being felt in all the company's business sectors of Water, Irrigation, Power, Transportation and Mining.

Your company has noticed this trend and decided to enter into value added services, including O&M. An O&M Division has been set up in FY14-15. In the initial phase, the O&M business will focus on the existing EPC lines of business, and leverage the company's pre-qualification and technical manpower talent.

India has a severe shortage of trained technical talent. This service division will provide gainful employment and meaningful work to thousands of qualified youngsters across the country. The company's training capabilities will be deployed to bring raw recruits quickly to the desired competence level. The first set of services relate to the Water sector.

The offerings of IVRCL Technical Services and Solutions include:

- Comprehensive O&M
- Retrofit & Revamp
- Analysis Reports
- Plant Performance Audits

Asset performance & efficiency in a cost-effective manner is instrumental in running a business profitably over time. Every aspect of Assets undertaken by IVRCL Technical Services and Solutions is handled by highly trained and seasoned industry professionals.

The advantages of IVRCL Technical Services & Solutions mainly include:

- Reduced operational cost and improved systems and processes
- Access to a large team of experienced engineers and technicians spread across the country
- Increased Assets Turnover
- Increased Asset life
- One point of contact

RISKS AND CONCERNS

In view of the current environment and the CDR package, IVRCL has enhanced its focus on risk management. Project execution overview has been significantly strengthened by adding more experienced and senior persons to the PMC (Project Monitoring Cell). Reviews are conducted regularly to understand the cost profile of the original bid and the effect of time on costs.

Risks are also faced in the new jobs which have to be bid for and the market is very price competitive. IVRCL has put in place much stronger cost review mechanisms for jobs to be bid and has increased the benchmark rate at which the job will be bid for.

The concerns for the company are the delay in sorting out the cases pending for extra claims, delays with some of the jobs relating to the land acquisition and environmental clearances, and very slow progress on arbitration. The concern is also that customers who delay from their side have no decision making powers at the Executive levels to pass on the compensation for this.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

IVRCL continues to maintain an effective system of internal control for facilitating accurate, reliable and speedy compilation of financial information, safeguarding the assets and interests of the company and ensuring compliance with all laws and regulations.

The company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations, which provide, among other things, reasonable assurance of authorization, recording and reporting of the transactions of its operations in all material respects and of providing protection against significant misuse or loss of the assets of the company.

The internal control system is managed through continuous internal audit by outside professionals, duly supported by our in-house internal audit team, which is empowered to examine the adequacy and compliance of our systems and

processes with the policies, plans and statutory requirements. The internal audit team also conducts regular audits across the company's operations in all key business areas as per the pre-drawn audit plan.

All significant audit observations and follow up actions are reported to the Audit Committee along with Internal Audit Reports and management responses/replies thereon. The minutes of the Audit Committee are reviewed by the Board for its suggestions / recommendations to further improve the internal control system. The Audit Committee periodically reviews audit plans, observations and recommendations of the Internal Auditors with reference to significant risk areas and adequacy of internal controls.

OPPORTUNITIES & THREATS

IVRCL has assiduously built an enviable list of pre-qualifications across several areas of competence in the EPC domain over the past two decades. The infrastructure sector with its low growth in the last few years has been in a conservation mode and has focused more on its survival and not so much on growth. The opportunities that will arise relate to fresh investments being proposed all over the country. All of these will ask for new technologies like new methods of sewage treatment, urban transportation and long distance rail transport. It will also require new methods of project execution and techniques such as the use of pre-fabricated elements.

Much greater concern being there for the environment, opportunities would arise in remediation works such as treating lakes, dredging rivers and restoring water bodies. In urban solid waste management, there will be many opportunities to collect and segregate waste, process waste and generate energy from waste. With the rising pressure of population in cities and the shortage of public space, software and IT hardware with sensors will be used to improve public asset use such as in parking management, delivery of citizen services, traffic management and so on.

The threats that would prevail relate more to the individual company and its ability to handle the municipality and the Government customer expectations. At the outset, the financial and bidding capability norms could get tougher. The large opportunities and active government interest is likely to bring in global players to India and they would probably be allowed to use their foreign pre-qualifications. The customers would also expect timely execution and would not be considerate for time extensions. In general, these customers might also be reducing the planned execution time for various tenders.

The Government proposes to use new techniques like Swiss Challenge, which allows a company with new capabilities and technologies to offer a solution and this will enable new parties and competitors to enter the fray and set a benchmark. Last but not the least, the market is

expected to continue being price competitive. Design for frugal material usage, strong cost skills for procurement and good contracting skills are required to ensure the promised profits.

HUMAN RESOURCE MANAGEMENT

IVRCL has a proud record of people retention and its brand equity with the customers has risen because of this. Almost 50% of the employees, out of a total headcount of 2831, are Engineers. The current focus of the company is to improve productivity at each project site and in each central function, to that effect; the manpower deployment has been carried out based on competency rating programmes, transfers, re-skilling and re-training. The more frequent and dynamic reviews are carried out to see the competence deployed in a given situation and when the human resource becomes surplus in a given project. As a result of this, the company has retained and kept the faith of good number of long serving employees, who are the vital connection to the customers.

FUTURE OUTLOOK

IVRCL got its CDR approval in the Financial Year 2014-15 and a comprehensive two-step plan has been put in place to achieve a turnaround. The first step relates to attending to the immediate ongoing jobs and necessary restructuring, cost cutting, and focused project completion. The PMC (Project Monitoring Cell) has been strengthened to attend to this. The senior management team is involved in regularly meeting stakeholders such as bankers, customers and contractors to ensure adequate coordination from the highest level. Fresh blood has been infused in the top management. Cash flow management and project execution and completion have been accorded the highest priority.

The second part of the strategy has been to look at growth areas which could be pursued in the current environment itself. These relate to the business activity lines which are complimentary to the existing business lines but are new and technology oriented. The company will participate in such businesses provided they are significantly more margin driven than the current businesses. The company wants to have first advantage in such emerging markets believing that these markets would be asset light.

With this two pronged approach, for which one part is with the current crop of stable modest margins and high turnover business, and the second part which is technology driven and higher margin oriented, IVRCL hopes to see a bright future for itself.

**For and on behalf of the Board of Directors
IVRCL Limited**

Date: May 30, 2015
Place : Hyderabad

E.Sudhir Reddy
Chairman & Managing Director

Financial Review

The following table sets forth the income statement for the financial year ended March 31, 2015 and March 31, 2014. The components of expenses have been expressed as a percentage of total income for the period indicated.

	March 31, 2015	March 31, 2014
Net Income from operations	31,174.17	43,048.07
Other income	435.12	452.40
Total income	31,609.29	43,500.47
Construction expenses	26,674.54	37,330.81
Construction expenses as a percentage to total income	84.39%	85.82%
Employee Benefit expenses	1,891.70	2,105.12
Employee Benefit expenses as a percentage to total income	5.98%	4.84%
Other Expenses	2,900.69	2,016.73
Other expenses as a percentage to total income	9.18%	4.64%
EBITDA	142.36	2,047.81
EBITDA - percentage to total income	0.45%	4.71%
Finance cost	6,529.24	5,847.25
Finance cost as a percentage to total income	20.66%	13.44%
Depreciation	903.59	879.82
Depreciation as a percentage to total income	2.86%	2.02%
Profit/(loss) before tax (PBT)	(7,290.47)	(4,679.26)
PBT - percentage to total income	-23.06%	-10.76%
Exceptional Items	(568.15)	2,291.55
Exceptional Item - percentage to total income	-1.80%	5.27%
Tax for earlier years	-	196.98
Profit/(loss) after tax (PAT)	(6,722.32)	(7,167.79)
PAT - percentage to total income	-21.27%	-16.48%

The order book position of the Company stood at Rs 192,000 million as on March 31, 2015.

Revenue from operations:

The Company could achieve a net turnover of Rs 31,174.17 million for the financial year ended March 31, 2015, which is 27.58% lower than the turnover for the previous financial year. The major factor contributing to reduction in turnover is liquidity crunch in the system. The Company's operations, execution of projects got adversely affected due to unavailability of liquid fund and resulted in lower turnover.

Profitability:

The Company could maintain gross margin of around 15% in spite of lower income from operations. However, EBITDA level dropped down to 0.45% for FY 2015 as compared to 4.71% during FY 2014 due to higher percentage of administrative cost. Higher provisioning of doubtful debts contributed to the increase in administrative cost in FY 2015. The negative net margin is primarily due to higher finance cost.

The Company is in continuous engagement with its clients to realize the claims filed to the extent of around Rs 41,000 million towards deviation in design, idle time charges etc. The claims would be accounted for as and when certainty as regards acceptance of claims are established.

INDEPENDENT AUDITORS' REPORT

The Members of

IVRCL LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **IVRCL LIMITED ("the Company")**, which comprise the Balance sheet as at March 31, 2015, the Statement of profit and loss, the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information for the year then ended in which are incorporated the unaudited branch returns for the year ended on that date of the Company's branches at Dubai, Kingdom of Saudi Arabia and Kenya ("the branches").

Management's Responsibility for the Standalone 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015 and its losses and its cash flows for the year ended on that date.

Emphasis of Matters

Attention is invited to

1. Note 40 to the Financial Statements regarding Trade Receivables and Other Current Assets aggregating to ₹ 11,948.93 million in respect of which the Company has initiated action for recovery from the customers and considered as good and fully recoverable for the reasons stated therein.
2. Note 41 to the Financial Statements wherein the Management of the Company has considered unbilled revenue amounting to ₹ 1,542.62 million, as good and fully recoverable for the reasons stated therein.
3. Note 43 to the Financial Statements in respect divestment in BOT projects relating to Salem Tollways Limited, Kumarpalyam Tollways Limited and IVRCL Chengapalli Tollways Limited and pending fulfillment of condition precedent to the proposed revised definitive agreement, the Management believe that, the investment is long term and no adjustments is necessary in carrying value of the investment.

4. Note 44 to the Financial Statements regarding the investment amounting to ₹ 657.53 million in its subsidiary Hindustan Dorr-Oliver Limited whose net worth has been eroded due to its accumulated losses and financial statements have been prepared on going concern basis for the reason is stated therein.
5. Note 45 of the financial statements in respect of advances to subsidiary companies aggregating to ₹ 1,394.28 million in relation to bank borrowings taken over by the Company.
6. Note 52 in respect of pending winding up petitions against the company and the matter is subjudice.
7. We did not audit the returns/accounts of 3 branches of the company at Dubai, Kingdom of Saudi Arabia and Kenya whose returns and accounts reflects company's loss of ₹ 102.59 million, assets of ₹ 849.81 million and liability of ₹ 850.85 million for the year ended March 31, 2015.
8. Note 38 to the Financial Statements regarding the managerial remuneration where the Company is awaiting Central government approval and/or in the process of making application to the Central Government.
9. Note 29(3) in respect of the indicative recompense of ₹ 1,646.60 million, payment of which is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been treated as contingent liability.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 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 purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches not visited by us.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns/accounts of the branches not visited by us.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated under the annexure referred to in paragraph 1 of Report on other Legal and Regulatory requirements
 - 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 explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the 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. The Company did not have any derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No.307068E

R N CHATURVEDI
Partner
Membership No. 092087

Hyderabad
May 30, 2015

Annexure To The Independent Auditors' Report

(Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (ii) (a) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of the business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on verification between physical stocks and book records were not material and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has granted unsecured Interest free loans to companies covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans having regard to the explanation that the loans were on account of bank borrowing taken over / sponsored loans and rollover wherever applicable,
 - (a) The receipt of principal amounts, wherever stipulated, is regular;
 - (b) In view of the above, there is no overdue amount of more than ₹ one lakh remaining outstanding as at the year end.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, and that the invoices issued by the company involve technical estimates and measurements which may not at times be readily accepted by the customer, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and the sale of goods and services. The Internal Control System in respect to the accounting of purchases, and sales of inventory need to be further strengthened. During the course of our audit, we have not observed any major weakness in such internal control system.
- (v) According to the information and explanations given to us, the company has not accepted any deposits within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder to the extent notified. However, Company had accepted deposits in earlier year which has been fully repaid during the year.
- (vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and records of the Company examined by us, the Company has not been regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service-tax, cess, sales tax and other material statutory dues, as applicable with the appropriate authorities. There have been significant delays in a large number of cases in depositing these dues with the appropriate authorities. There were no undisputed statutory dues outstanding as at March 31, 2015 for a period of more than six months from the date they became payable except as given in Appendix-1 to this report.
 - (b) According to the information and explanations given to us and records of the Company examined by us, Particulars of dues outstanding in respect of value added tax/sales tax, entry tax which have not been deposited on account of dispute are given in Appendix-2 to this report.
 - (c) There were no amounts which were due to be transferred by the Company to the Investor Education and Protection Fund.

- (viii) The accumulated losses of the company are more than fifty percent of its net worth. The company has incurred cash losses during the financial year covered by our Audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of certain dues to financial institutions, banks and debenture holders. The details of such delay are set out in Appendix III to the Reports. Further, as stated in note 37 of the financial statements, the lenders banks, consequent to approval of CDR scheme from Corporate Debt Restructuring Cell (CDR Cell), have restructured the repayment of principal and interest thereon as mentioned in Appendix 3 and waived the default or penal interest charged by them up to the date of restructuring.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the period.

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No.307068E

R N CHATURVEDI
Partner
Membership No. 092087

Hyderabad
May 30, 2015

Appendix I as referred to in Para vii(a) of the Annexure to the Independent Auditors' Report

Name of Statute	Nature of dues	Period to which amount relates (₹ in million)					
		Upto 2013-14	April'14	May'14	June'14	July'14	August'14
<u>Sales Tax & VAT Laws:</u> Tamilnadu Uttar Pradesh	Work Contract Tax Work Contract Tax Due Date	39.35 20th of the next month	0.43	1.012	1.86 0.57 20/07/2014	0.19 0.73 20/08/2014	0.70 0.66 20/09/2014
<u>Sales Tax & VAT Laws:</u> Gujarat	Work Contract Tax Due Date	15.51 22nd of next month	0.02	0.09	0.15	0.04	0.29
<u>Sales Tax & VAT Laws:</u> Chhattisgarh	Work Contract Tax Due Date	1.33 10th of next month	-	-	0.03 10/07/2014	-	-
<u>Sales Tax & VAT Laws:</u> Orissa	Work Contract Tax Due Date	21st of next month		2.47 21/06/2014	7.43 21/07/2014	1.09 21/08/2014	1.85 21/09/2014
<u>Sales Tax & VAT Laws:</u> Bihar	Work Contract Tax Due Date	14.92 25th of next month	0.68	5.04	1.84	0.53	4.50

Appendix II as referred to in para vii(b) of the annexure to the Independent Auditors' Report

Name of Statute	Nature of dues	Forum where Dispute is pending	Period to which the amount Relates	Amount Involved (₹ in million)
Sales tax and VAT laws	Sales Tax and VAT	Appellate Authority - upto Commissioner's level	2004-05 to 2011-12	1382.13
		Appellate Authority - Tribunal level	2003-04 to 2004-05	2.86
		Appellate Authority - Tribunal level	2006-07	0.64
		Appellate Authority - Tribunal level	2003-04	71.01
		Appellate Authority - High Court level	2007-08	144.03
Andhra Pradesh Tax on Entry of Motor Vehicles Act, 1996	Entry Tax	Appellate Authority - Tribunal level	2001-02	0.83
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	Appellate Authority - Commissioner level	2006-07	6.47

Appendix III as referred to in para ix of the Annexure to the Independent Auditors' Report

A. Details of default in repayment of debenture holders and Interest during the year

Amount of Default (₹ in million)		Period of delay (in days)		Outstanding as on March 31, 2015 (₹ in million)	
Principal	Interest	Principal	Interest	Principal	Interest
2000	9.19-504.89	467	12-742	2000	504.89

B. Details of default in repayment of Term Loan and Interest during the year

Amount of Default (₹ in million)		Period of delay (in days)		Outstanding as on March 31, 2015 (₹ in million)	
Principal	Interest	Principal	Interest	Principal	Interest
50.55	0.53-17.35	641	31-731	50.55	17.37
250.00-1000.00	2.09-190.51	1-366	5-461	1000.00	190.51
19.56-136.92	19.04	15-561	502	-	-
19.56	23.22	54	532	-	-
9.78-68.46	8.33	27-573	304	-	-
19.56-136.92	37.31	32-578	590	-	-
9.78-68.46	18.71	62-611	548	430.32	106.61
1.74-22.20	-	331	-	22.20	-
0.64-1.90	-	142	-	1.90	-

C. Details of defaults in repayment of Short-Term Borrowings as on the Balance Sheet date

Interest Amount of Default (₹ in million)	Period of delay (in days)	Outstanding as on March 31, 2015 (₹ in million)
5.20-121.18	20-456	-
4.49-101.72	21-456	-
2.51-56.96	21-456	-
7.99-181.06	21-456	-
9.55-187.18	1-456	648.10
1.83-55.14	1-701	55.14
2.25-42.97	31-424	42.97
44.10	285	44.10
0.41-2.55	30-274	2.55
0.39-2.50	31-151	2.50

D. Details of defaults in repayment of Equipment and vehicle Loans and Interest during the year

Amount of Default (₹ in million)		Period of delay (in days)		Outstanding as on March 31, 2015 (₹ in million)	
Principal	Interest	Principal	Interest	Principal	Interest
1.23 – 4.44	0.06 – 0.32	0-50	0-50	-	-
1.67 – 23.20	0.08 – 2.68	51-100	51-100	-	-
1.24 – 8.62	0.03 – 0.91	101-150	101-150	-	-
0.42 – 4.63	0.02 – 0.55	151-200	151-200	-	-
1.19 – 4.11	0.09 – 0.64	201-250	201-250	-	-
1.42	0.32	299	299	-	-
1.44	0.30	269	269	-	-
2.45	0.03	299	299	-	-
1.40	0.33	330	330	-	-
2.42	0.55	330	330	3.44	0.21

E. Amount of default made good under corporate debt restructuring scheme.

Particulars	Period of default during the year (in days)	Amount (₹ in million)
Cash Credit	90	132.75
Working Capital term Loan I	90	331.75
Working Capital term Loan II	90	0.11

Balance Sheet as at March 31, 2015

(₹ in million)

	Note No.	As at 31.03.2015		As at 31.03.2014	
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds					
(a) Share Capital	3	918.28		613.77	
(b) Reserves and Surplus	4	10,444.05		13,889.04	
			11,362.33		14,502.81
2. Non-Current Liabilities					
(a) Long-Term Borrowings	5	20,419.84		863.80	
(b) Long-Term Provisions	6	119.31		71.38	
			20,539.15		935.18
3. Current Liabilities					
(a) Short-Term Borrowings	7	22,420.71		34,535.95	
(b) Trade Payables	8	14,642.31		13,416.69	
(c) Other Current Liabilities	9	18,602.58		20,019.77	
(d) Short-Term Provisions	6	1,144.63		179.47	
			56,810.23		68,151.88
Total			88,711.71		83,589.87
II. ASSETS					
1. Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	10	4,768.32		5,764.92	
(ii) Intangible Assets		-		15.83	
			4,768.32		5,780.75
(b) Non-Current Investments	11	18,211.38		17,407.54	
(c) Deferred Tax Asset (Net)	12	306.52		306.52	
(d) Long-Term Loans and Advances	13	7,101.74		6,928.03	
(e) Other Non-Current Assets	14	5,921.89		5,696.92	
			31,541.53		30,339.01
2. Current Assets					
(a) Inventories	15	1,672.34		2,000.15	
(b) Trade Receivables	16	16,414.76		17,152.68	
(c) Cash and Bank Balances	17	1,243.28		1,243.24	
(d) Short-Term Loans and Advances	18	8,519.79		6,213.66	
(e) Other Current Assets	19	24,551.69		20,860.38	
			52,401.86		47,470.11
Total			88,711.71		83,589.87
Accompanying Notes forming part of the Financial Statements	1-53				

In terms of our report attached

For Chaturvedi & Partners
Chartered Accountants

For and on behalf of the Board

R.N.Chaturvedi
Partner

E.Sudhir Reddy
Chairman &
Managing Director

R.Balarami Reddy
Joint Managing
Director & CFO

B.Subrahmanyam
Company Secretary

Date : May 30, 2015
Place : Hyderabad

Statement of Profit and Loss for the Year ended March 31, 2015

(₹ in million)

	Note No.	Year ended 31.03.2015		Year ended 31.03.2014	
I. REVENUE					
(a) Income from Operations	20		31,174.17		43,048.07
(b) Other Income	21		435.12		452.40
Total Revenue			31,609.29		43,500.47
II. EXPENSES					
(a) Purchase of Traded Goods			-		49.04
(b) Construction Expenses	22		26,674.54		37,281.77
(c) Employee Benefits Expense	23		1,891.70		2,105.12
(d) Other Expenses	24		2,900.69		2,016.73
(e) Finance Costs	25		6,529.24		5,847.25
(f) Depreciation / Amortisation Expense	10	903.63		879.86	
Less : Transferred to Revaluation Reserve		0.04		0.04	
			903.59		879.82
Total Expenses			38,899.76		48,179.73
III. (Loss) / Profit Before Tax and Exceptional Item (I - II)			(7,290.47)		(4,679.26)
IV. Exceptional Item	39 & 42 (a)		(568.15)		2,291.55
V. (Loss) / Profit Before Tax (III - IV)			(6,722.32)		(6,970.81)
VI. Tax Expense					
(a) Current Tax expenses			-		-
(b) Current Tax expenses relating to Prior years'			-		196.98
VII. Profit/ (loss) for the Year (V - VI)	27		(6,722.32)		(7,167.79)
VIII. Earnings per share (face value ₹ 2 each)					
Basic & Diluted (₹)					
Before Exceptional Item			(21.13)		(15.89)
After Exceptional Item			(19.49)		(23.36)
Accompanying Notes forming part of the Financial Statements	1-53				

In terms of our report attached
For Chaturvedi & Partners
Chartered Accountants

For and on behalf of the Board

R.N.Chaturvedi
Partner

E.Sudhir Reddy
Chairman &
Managing Director

R.Balarami Reddy
Joint Managing
Director & CFO

B.Subrahmanyam
Company Secretary

Date : May 30, 2015
Place : Hyderabad

Cash Flow Statement for the Year ended March 31, 2015

(₹ in million)

	Year ended 31.03.2015		Year ended 31.03.2014	
A. Cash flow from operating activities				
(Loss)/Profit After Exceptional Item and Before Tax		(6,722.32)		(6,970.81)
Adjustment for:				
Depreciation and amortisation Expense	903.59		879.82	
Dividend received on Investments	(0.04)		(0.03)	
Loss on Sale of Fixed Assets (Net)	23.82		38.39	
Exceptional Item	(568.15)		2,291.55	
Provision for doubtful debts, advances and deposits (Net)	899.63		813.51	
Provision for foreseeable losses	985.80		-	
Provision for diminution in value of Investments	-		200.00	
Liabilities no longer required written back	(10.95)		(5.58)	
Net Unrealised Exchange (Gain) / Loss	203.41		(22.27)	
Interest Income	(56.14)		(317.42)	
Finance Costs	6,436.98	8,817.95	5,847.25	9,725.22
Operating Profit before Working Capital changes		2,095.63		2,754.41
<u>Changes in Working Capital</u>				
Decrease in Inventories	327.80		686.92	
Increase in Trade Receivables	(439.00)		(1,478.26)	
Increase in Loans & Advances and Other Current Assets	(4,647.84)		(2,006.83)	
Decrease in Current Liabilities	(1,232.37)	(5,991.41)	(5,266.76)	(8,064.93)
Cash used in Operations		(3,895.78)		(5,310.52)
Net Income Tax (paid) / Refund		(209.15)		219.85
Net Cash Flow used in operating activities		(4,104.93)		(5,090.67)
B. Cash flow from Investing activities				
Capital Expenditure on Fixed Assets (including Capital Advances)	(122.49)		(167.52)	
Proceeds from Sale of Fixed Assets	54.19		93.98	
Purchase / Subscription of Long-Term Investments :				
- Subsidiaries	(496.89)		(790.46)	
- Associates	(185.25)		(61.62)	
Loans given to Subsidiaries (Net)	(91.72)		(513.93)	
Bank Balances/Term Deposit with banks not considered as Cash and Cash Equivalents (Net)	46.79		(48.77)	
Interest Received	89.94		307.97	
Dividend received on Long-Term Investments	0.04		0.03	
Net cash flow used in Investing activities		(705.39)		(1,180.32)

Cash Flow Statement for the Year ended March 31, 2015

(₹ in million)

	Year ended 31.03.2015		Year ended 31.03.2014	
C. Cash flow from Financing activities				
Proceeds from Long-Term Borrowings	3,657.03		21.35	
(Repayment of) / Proceeds from Public Deposits	(33.03)		33.03	
Repayment of Long-Term Borrowings	(178.69)		(520.48)	
Proceeds from Short-Term Borrowings (net of repayments)	2,025.80		12,041.59	
Interest and Finance Charges Paid	(680.26)		(5,076.92)	
Net Cash Flow from Financing activities		4,790.85		6,498.57
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(19.47)		227.58
Cash and cash equivalents at the beginning of the year		1,078.22		850.25
Exchange differences on translation of foreign currency cash and cash equivalent		(1.38)		0.39
Cash and cash equivalents at the end of the year		1,057.37		1,078.22

Notes

1. The Cash flow statement is prepared under 'indirect method' as set out in Accounting Standard - 3 on Cash Flow Statements.
2. Previous year's figures have been regrouped, wherever necessary

In terms of our report attached

For Chaturvedi & Partners
Chartered Accountants

For and on behalf of the Board

R.N.Chaturvedi
Partner

E.Sudhir Reddy
Chairman &
Managing Director

R.Balarami Reddy
Joint Managing
Director & CFO

B.Subrahmanyam
Company Secretary

Date : May 30, 2015
Place : Hyderabad

Notes forming part of Financial Statements

1. Corporate Information

The Company is engaged in the business of development and execution of Engineering, Procurement, Construction and Commissioning (EPCC) and Lump Sum Turn Key (LSTK) facilities in various Infrastructure projects such as Water Supply, Roads and Bridges, Townships and Industrial Structures, Power Transmission, etc. for Central/State Governments, other Local Bodies and private sector.

2. Accounting Policies

2.1 Basis of Preparation

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India ("Indian GAAP") and comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act 2013")/ Companies Act, 1956 ('the Act, 1956), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncements of the Institute of Chartered Accountants of India ("ICAI"). The accounting policies applied by the Company are consistent with those used in the previous year, unless otherwise stated.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act, 2013.

Operating cycle for the business activities of the Company covers the duration of the specific project/contract/project line/service including defect liability period, wherever applicable and extends up to the realizations of receivables (including retention money) within the agreed credit period normally applicable to the respective project.

2.2 Use of Accounting Estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses during the period of account. Examples of such estimates include contract costs expected to be incurred to complete construction contracts, provision for doubtful debts, provision for foreseeable losses, income taxes and future obligations under employee retirement benefit plans. Management periodically assesses whether there is an indication that an asset may be impaired and makes provision in the accounts for any impairment losses estimated. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from those estimates.

2.3 Recognition of Contract Revenue and Expenses

- (i) Contract Revenue is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of percentage of completion method.
- (ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract.
- (iii) An expected loss on construction contract is recognised as an expense immediately when it is certain that the total contract costs will exceed the total contract revenue.
- (iv) Price escalation and other claims and /or variation in the contract work are included in contract revenue only when:
 - (a) The contract provides for such claims and when it is demonstrable that efforts and costs have been incurred in relation to such claims.
 - (b) The amount that is probable will be accepted by the customer can be measured reliably.
- (v) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:
 - (a) The contract is sufficiently advanced that it is probable that the specified performance standards will be met; and
 - (b) The amount of the incentive payment can be measured reliably.

2.4 Revenue from Joint Venture Contracts

In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.

Notes forming part of Financial Statements

2.5 Revenue from Sale of Goods

Revenue from sale of goods is recognized when substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract.

2.6 Employee Benefits

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

(i) Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

(ii) Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

(iii) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(iv) Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

2.7 Fixed Assets

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

The Company revalued all its Land and Buildings in the year 2001-02. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation Reserve Account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation / impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation Reserve, in which case the decrease is charged to the Revaluation Reserve to the extent the reserve has not been subsequently reversed / utilised.

Notes forming part of Financial Statements

Capital work-in-progress:

Fixed Assets under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.8 Depreciation and Amortization

(i) Depreciation on fixed assets is provided based on the useful life of the assets as estimated by the management which coincides with rates prescribed in Schedule II to the Companies Act, 2013 except the following which are depreciated based on useful life determined by the Company.

- Steel Shuttering 10 years
- Wood Shuttering 3 years
- Pucca sheds 3 years

(ii) land acquired for quarrying are amortised over the period of the respective project.

2.9 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.10 Foreign Currency Transactions and Foreign Operations

Transactions made during the period in foreign currency are recorded at the exchange rate prevailing at the time of transactions. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the period-end are translated at the exchange rate prevalent at the date of Balance Sheet. Exchange differences arising on actual payment/realisation and period end reinstatement referred to above are recognised in the Statement of Profit and Loss.

In respect of forward contracts entered into to hedge risks associated with foreign currency fluctuation on its existing assets and liabilities, the premium or discount at the inception of the contract is amortised as income or expense over the period of the contract.

Currency options/other swap contracts outstanding as at the Balance Sheet date are marked to market and the net loss is charged to the Statement of Profit and Loss. Any profit or loss arising on cancellation of such contracts is recognised as income or expense in the Statement of Profit and Loss of the period.

Foreign branches are classified as non-integral foreign operations. The Assets and Liabilities, both monetary and non-monetary of the branch are translated at the exchange rate prevailing at the balance sheet date. Income and expenses are translated at monthly average exchange rate. All resulting exchange differences are accumulated in 'Foreign Currency Translation Reserve' account.

2.11 Investments

Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost less provision for diminution other than temporary in value of such investments. Dividend Income is accounted when the right to receive dividend is established.

2.12 Inventories

Inventories are valued at cost and the cost is determined on First-in-First-Out method.

2.13 Borrowing Costs

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalised as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as period costs.

2.14 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined

Notes forming part of Financial Statements

based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.15 Income Taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the year. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters are probable.

Deferred tax assets and liabilities are recognised, subject to prudence, on timing differences, being the difference between taxable incomes and accounting income, that originates in one period and is capable of reversal in one or more subsequent periods and quantified using the tax rates and laws enacted or substantively enacted by the reporting date. Deferred tax assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.16 Earnings Per Share (EPS)

In arriving at the EPS, the Company's net profit/ loss after tax, computed in terms of the Indian GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS, the net profit / loss after tax, referred above and the weighted average number of equity shares, as computed above and the weighted average number of equity shares that would have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The dates' of issue of such potential shares determine the amount of the weighted average number of potential equity shares.

2.17 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

2.18 Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

3. Share Capital

	As at 31.03.2015		As at 31.03.2014	
	No.of Shares	₹ in million	No.of Shares	₹ in million
Authorised :				
Equity shares of ₹ 2 each	1,625,000,000	3,250.00	1,625,000,000	3,250.00
Preference shares of ₹ 2 each	25,000,000	50.00	25,000,000	50.00
	1,650,000,000	3,300.00	1,650,000,000	3,300.00
Issued, Subscribed and Paid up				
Equity shares of ₹ 2 each fully paid up	459,138,722	918.28	306,886,648	613.77
	459,138,722	918.28	306,886,648	613.77

Notes forming part of Financial Statements

3.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the Year

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	₹ in million	No. of Shares	₹ in million
At the beginning of the Year	306,886,648	613.77	306,886,648	613.77
Add : Issued during the Year (Refer Note 42)	152,252,074	304.51	-	-
Outstanding at the end of the Year	459,138,722	918.28	306,886,648	613.77

3.2 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 2 per share and each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholdings.

3.3 Aggregate number of Equity Shares allotted as fully paid-up for consideration other than cash during 5 years immediately preceding the date of Balance Sheet

The Company had allotted 133,504,929 shares of ₹ 2 each in the year 2009-10 as fully paid bonus shares in the ratio of 1:1 by utilizing ₹ 267.01 million from General Reserve.

3.4 Shareholders holding more than 5% shares of the Company

No shareholder is holding more than 5% shares of the Company during the current year and previous year.

3.5 Details of Shares Reserved for issue under Options

For details of shares reserved for issue under Employee Stock Options (ESOP) plan of the company, Refer Note 46.

As fully described in Note 42, during the year, pursuant to the Corporate Debt Restructuring Scheme (CDR) approved by Empowered Group (CDR EG) vide letter dated June 30, 2014, the CDR lenders have a right to convert restructured debt (including funded interest term loan) into equity shares at the sole discretion and on demand as per the agreed terms in the MRA. In relation to the loans restructured by the CDR lenders a total amount to ₹ 28,877.82 million would qualify for the conversion of 1,184,002,485 shares at the sole discretion of the CDR lenders.

4. Reserves and Surplus

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Capital Reserve	2,576.68	2,576.68
(b) Securities Premium Account		
Opening Balance	10,521.20	10,521.20
Add: Addition during the year (Refer Note 42)	3,408.92	-
Closing Balance	13,930.12	10,521.20
(c) Revaluation Reserve		
Opening Balance	28.26	28.30
Less : Depreciation on revalued portion of assets	(0.04)	(0.04)
Closing Balance	28.22	28.26

Notes forming part of Financial Statements

4. Reserves and Surplus

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(d) General Reserve		
Opening Balance	3,359.85	3,359.85
Less : Depreciation on transition to Schedule II of the Companies Act, 2013 (Refer Note 49)	(136.42)	-
Closing Balance	3,223.43	3,359.85
(e) Debenture Redemption Reserve	500.00	500.00
(f) Foreign Exchange Translation Reserve		
Opening Balance	(22.27)	(1.17)
Add : Effect of foreign exchange variations during the year	4.87	(21.10)
Closing Balance	(17.40)	(22.27)
(g) (Deficit) / Surplus in Statement of Profit and Loss		
Opening Balance	(3,074.68)	4,093.11
Add: (Loss) / Profit for the year	(6,722.32)	(7,167.79)
Closing Balance	(9,797.00)	(3,074.68)
	10,444.05	13,889.04

5. Long-Term Borrowings

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
	Non-Current	Current@	Non-Current	Current@
i) Secured				
(a) Debentures (Refer Note 5.1)				
- 12.15% Redeemable, Non-Convertible Debentures	-	2,000.00	-	2,000.00
(b) Term Loans				
- From Banks				
Working Capital Term Loan I (Refer Note 5.3)	12,516.26	658.75	-	-
Working Capital Term Loan II (Refer Note 5.4)	2,936.86	154.57	-	-
Priority Debt (Refer Note 5.5)	637.47	112.49	-	-
Term Loan (Refer Note 5.6)	3,066.29	1,122.99	211.19	1,147.48
- From Others (Refer Note 5.7)	1,208.74	-	561.98	553.33
(c) Earth Moving Equipment and Vehicle Loans (Refer Note 5.8)				
- From Banks	-	-	70.66	76.51
- From Others	-	43.13	19.97	87.60
ii) Unsecured				
Term Loan from				
- Banks	-	600.00	-	600.00
- Others	54.22	62.79	-	-
Public Deposit	-	-	-	33.03
	20,419.84	4,754.72	863.80	4,497.95

@ Amount included under Note 9 - Other Current Liabilities

Notes forming part of Financial Statements

5.1 12.15% Non-Convertible Debentures

2,000 Debentures of ₹ 1,000,000 each issued to Life Insurance Corporation of India during the year 2008-09. The debentures were due for redemption at the end of five years (i.e., December 19, 2013) from the date of allotment. The debentures are secured by way of first pari passu charge over certain specific fixed assets including immovable properties of the Company. IDBI Trusteeship Services Limited, Mumbai were the trustees for the debenture holders in respect of the below non-convertible debentures.

Details of defaults in repayment of Non-Convertible Debentures and interest as on the Balance Sheet date

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Principal	467	2,000.00	2,000.00
Interest	12 - 742	9.19 - 504.89	504.89

5.2 The Board of Directors of the Company in its meeting held on January 18, 2014 had accorded its approval for restructure of the debts of the Company under Corporate Debt Restructuring (CDR) Mechanism of the Reserve Bank of India. The proposal is only for the company and not for any of its subsidiaries and associates. CDR Empowered Group (CDR EG) in its meeting held on June 28, 2014 has approved the CDR scheme submitted by the Company and issued letter of approval on June 30, 2014. As on March 31, 2015 CDR related documents have been executed and creation of security is in the process. On restructuring, effect of CDR Scheme in the books of account has been given as follows.

5.3 Working Capital Term Loan - I

Irregularity in working capital limits, comprising devolved Letter of Credits (pre and post Cut-off Date {(COD) i.e November 30, 2013} upto December 31, 2014), invoked Bank Guarantees, interchangeability/other irregularity and shortfall in Drawing Power amounting to ₹ 13,175.01 million has been carved out as Working Capital Term Loan - I (WCTL - I). WCTL - I shall be repaid after a moratorium of 25 months from COD in 31 structured quarterly installments, commencing from quarter ending March 31, 2016. WCTL - I carries rate of interest, SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset.

WCTL - I is secured by first pari passu charge on fixed assets excluding the exclusive security given to various lenders (WCTL - I amounting to ₹ 1,946.10 million is further secured by first and exclusive charge on all present and future fixed assets and current assets, except lease rights of the lease hold land of IVRCL TLT Private Limited, a subsidiary of the Company), book debts beyond the cover period and non-current assets excluding retention money and investments. Second pari passu on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future (also Refer Note 42).

5.4 Working Capital Term Loan - II

Invoked Bank Guarantees from COD to March 31, 2015 amounting to ₹ 3,091.43 million has been carved out as Working Capital Term Loan - II (WCTL - II). WCTL - II shall be repaid after a moratorium of 25 months from Cut-off date in 31 structured quarterly installments, commencing from quarter ending March 31, 2016. WCTL - II carries rate of interest SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset (also Refer Note 42)

WCTL - II is secured by first pari passu charge on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future. second pari passu charge on fixed assets, book debts beyond the cover period and non-current assets excluding retention money and investments both present and future (also Refer Note No 42)

5.5 Priority Debt

₹ 749.97 million has been availed out of ₹ 1,750.00 million Priority Debt sanctioned. Priority Debt shall be repaid in 21 structured quarterly installments, commencing from quarter ending March 31, 2016. Priority Debt carries rate of interest, SBI Base Rate plus 2.00% p.a. from cut-off date with annual reset.

Priority Debt is secured by first pari passu charge on fixed assets excluding the exclusive security given to various

lenders, book debts beyond the cover period and non-current assets excluding retention money and investments. Second pari passu on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future (also Refer Note 42)

5.6 Term Loans from Banks

(a) ICICI Bank

The loan amount of ₹ 1,783.68 million, is secured by first and exclusive hypothecation charge over specific fixed assets of the Company including freehold land. The rate of interest is SBI Base Rate plus 1.25% p.a. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 42)

(b) IndusInd Bank

The loan amount of ₹ 696.99 million, is secured by equitable mortgage of land and pledge of certain equity shares held in subsidiaries, as per the terms of sanction letter. The rate of interest is SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 42)

(c) Punjab & Sind Bank

Secured by first and exclusive hypothecation charge over specific fixed assets of the Company. The rate of interest is Base Rate plus 1.50% p.a. The balance outstanding as at March 31, 2015 is ₹ 50.55 million, which is overdue.

(d) AXIS Bank

The loan amount of ₹ 296.50 million carries rate of interest, SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset. Out of loan amount of ₹ 296.50 million, ₹ 46.50 million was secured by specific equipments. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 42)

(e) Nova Scotia

The loan amount of ₹ 250.00 million carries rate of interest, SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset and is secured by mortgage of freehold land. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 42)

(f) Standard Chartered Bank (External Commercial Borrowings)

Secured by first charge on exclusive hypothecation of construction equipment procured out of loan amount. The details for each disbursement are as under:

S. No	Outstanding as on 31.03.2015		Repayable in	Period of maturity w.r.t Balance sheet Date	Rate of Interest p.a
	USD (million)	INR (million)			
1	2.50	156.48	8 equal quarterly installments of ₹ 19.56 million each	3 months	8.90%
2	1.37	85.64	4 equal quarterly installments of ₹ 19.56 million each and final installment of ₹ 7.40 million	10 months	9.38%
3	1.72	107.58	11 equal quarterly installments of ₹ 9.78 million each	11 months	9.50%
4	3.75	234.72	12 quarterly installments of ₹ 19.56 million each	1 years 2 months	9.85%
5	2.03	127.14	13 equal quarterly installments of ₹ 9.78 million each	1 years 4 months	9.85%
Total	11.37	711.56			

(g) Union Bank of India

Loan of amount of ₹ 1,000.00 million repayable after moratorium period of one year in 4 equal installments of ₹ 250.00 million each. The rate of interest is base rate plus 4% p.a. The loan amount of ₹ 400.00 million has been included under secured loans and is secured by first charge on the immovable properties of the Company and the remaining balance of ₹ 600.00 million is secured by land belonging to RIHIM Developers Private Limited, wholly owned subsidiary of the Company and has been included under unsecured loan.

Notes forming part of Financial Statements

5.7 Term Loans from Others

(a) TATA Capital Financial Services Limited

The loan is secured by mortgage of freehold non-agricultural land. The rate of interest is SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 42)

(b) SREI Equipment Finance Private Limited

The loan is secured by first charge by way of hypothecation of specific movable assets and mortgage of freehold agricultural land. The rate of interest is SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 42)

5.8 Equipment Loans from Banks and Non-Banking Financial Companies (NBFCs)

Equipment Loans are secured by first charge and hypothecation of specified machinery, equipment and vehicles. Such loans are repayable within one year and carry interest rate ranging from 8.50% to 13.50% p.a.

5.9 Details of defaults in repayment of loans and interest

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Repayment of Term Loan			
- From Banks	641	50.55	50.55
	1 - 366	250.00 - 1,000.00	1,000.00
	15 - 561	19.56 - 136.92	430.32
	54	19.56	
	27-573	9.78 - 68.46	
	32 - 578	19.56 -136.92	
	62 - 611	9.78 - 68.46	
Earth Moving Equipment Loans	331	1.74 - 22.20	22.20
	142	0.64 - 1.90	1.90
Interest on Term Loan			
- From Banks	31- 731	0.53 - 17.35	17.37
	502	19.04	106.61
	532	23.22	
	304	8.33	
	590	37.31	
	548	18.71	
	5 - 461	2.09 - 190.51	190.51

6. Provisions

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
	Long-Term	Short-Term	Long-Term	Short-Term
(a) Gratuity	46.20	54.42	8.04	62.91
(b) Compensated Absences	73.11	104.41	63.34	116.56
(c) Provision for foreseeable losses	-	985.80	-	-
	119.31	1,144.63	71.38	179.47

Notes forming part of Financial Statements

7. Short-Term Borrowings

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
Secured				
Loans repayable on demand from Banks				
(a) Cash Credits and Working Capital Demand Loans from consortium of Banks (Refer Note 7.1)	13,962.57		23,223.19	
(b) Project - Specific Working Capital Loans (Refer Note 7.2)	5,806.70		10,020.62	
(c) Funded Interest Term Loan (Refer Note 42)	605.86		-	
		20,375.13		33,243.81
Short-Term Loans				
from Banks	-		320.00	
from Others (Refer Note 7.3)	392.20		400.00	
		392.20		720.00
Unsecured				
(a) Short-Term Loans from Banks	-		250.00	
(b) Buyers' Credit	28.10		28.89	
(c) Others	1,590.00		-	
(d) Working Capital Demand Loans and other credit facilities from Banks	35.28		293.25	
		1,653.38		572.14
		22,420.71		34,535.95

7.1 Cash Credits and Working Capital Demand Loan from Consortium Banks

Cash Credits and Working Capital Demand Loans are secured by hypothecation of book debts, inventories and other current assets (excluding those charged to lenders of specific-funding projects). Further these loans are secured by mortgage of property in Land and Buildings owned by the Company ranking pari passu among the consortium banks aggregating to ₹ 101.54 million and lien of the Fixed Deposit of ₹ 4.20 million. The borrowings carry interest rate ranging from 11.25% to 14.00% p.a.(also Refer Note 42).

7.2 Project Specific Working Capital Loan from Banks

Project Specific Working Capital Loan from Banks are secured by hypothecation of book debts and inventory and other current assets of respective projects.

Short-Term Loans

7.3 Secured

TATA Capital Financial Services Limited

Secured by pledge of shares of following subsidiaries and subservient charge on the current assets.

- (i) 29.70% shares of Salem Tollways Limited
- (ii) 29.70% stake in Kumarpalyam Tollways Limited.

The loan is rescheduled during the year and repayable in one installment. The rate of interest is 14.25% p.a. and the balance outstanding as at March 31, 2015 is ₹ 392.20 million.

Notes forming part of Financial Statements

7.4 Details of defaults in repayment of Short-Term Borrowings as on the Balance Sheet date

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Interest	20 - 456	5.20 - 121.18	648.10
	21 - 456	4.49 - 101.72	
	21 - 456	2.51 - 56.96	
	21 - 456	7.99 - 181.06	
	1 - 456	9.55 - 187.18	
	1- 701	1.83 - 55.14	55.14
	31 - 424	2.25 - 42.97	42.97
	285	44.10	44.10
	30- 274	0.41 - 2.55	2.55
	31 - 151	0.39 - 2.50	2.50

8. Trade Payables

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(i) Acceptances	128.38	16.18
(ii) Other than Acceptances	14,513.93	13,400.51
	14,642.31	13,416.69

9. Other Current Liabilities

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Current maturities of Long-Term Borrowings (Refer Note 5)	4,754.72	4,497.95
(b) Interest accrued but not due on Borrowings	-	19.19
(c) Interest accrued and due on Borrowings	1,609.02	637.75
(d) Advances received from Contractee-Clients	7,125.60	10,392.23
(e) Amounts payable in respect of Development Rights	1,446.53	1,446.53
(f) Payable to Related Parties		
- Subsidiaries	89.12	38.50
- Joint Ventures	421.57	349.66
(g) Other Payables		
(i) Interest accrued on others	437.60	523.00
(ii) Payables on purchase of Fixed Assets	2.49	20.31
(iii) Accrued salaries and Employee Benefits	558.72	486.21
(iv) Statutory Remittances	963.06	943.01
(v) Liability towards Investors Education Fund under Section 125 of the Companies Act, 2013 - Not Due		
- Unclaimed Public Deposit (including interest)	2.09	1.46
- Unclaimed Dividends	3.85	4.31
- Unpaid Application Money Received	0.02	0.48
(vi) Interest on amounts due to Micro and Small Enterprises	11.58	8.97
(vii) Others (includes ₹24.80 million payable to Chairman & Managing Director)	1,176.61	650.21
	18,602.58	20,019.77

Notes forming part of Financial Statements

10. Fixed Assets	(₹ in million)											
	Gross Block				Depreciation				Net Block			
	As at 31.03.2014	Addition	Adj/ Deletions	As on 31.03.2015	As on 31.03.2014	Adjustment to opening Reserves (Refer Note 49)	for the Year	Adj/ Deletions	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014	
Tangible Assets												
Land - Freehold	462.48 (451.47)	-	-	462.48 (462.48)	-	-	-	-	-	462.48	462.48	
Buildings	1,141.49 (1,111.55)	21.71 (33.10)	122.55 (3.16)	1,040.65 (1,141.49)	548.67 (439.71)	0.43 (112.07)	27.72 (27.72)	122.49 (3.11)	454.33 (548.67)	586.32	592.82	
Plant & Machinery	6,276.01 (6,431.26)	53.81 (120.13)	158.76 (275.38)	6,171.06 (6,276.01)	2,603.14 (2,231.00)	45.93 (541.72)	610.38 (610.38)	95.52 (169.58)	3,163.93 (2,603.14)	3,007.13	3,672.87	
Motor Vehicles	1,772.06 (1,803.23)	24.28 (11.43)	67.63 (42.60)	1,728.71 (1,772.06)	953.86 (802.06)	6.59	206.94	53.58 (36.43)	1,113.81 (953.86)	614.90	818.20	
Furniture	166.93 (163.01)	2.63 (7.11)	2.96 (3.19)	166.60 (166.93)	92.35 (85.75)	0.67	14.74	2.78 (2.40)	104.98 (92.35)	61.62	74.58	
Office Equipment	167.00 (170.14)	1.83 (5.50)	2.65 (8.64)	166.18 (167.00)	55.56 (50.14)	51.75	31.95	2.55 (2.87)	136.71 (55.56)	29.47	111.44	
Computers	146.58 (141.07)	1.31 (6.07)	27.32 (0.56)	120.57 (146.58)	114.15 (99.78)	15.23	11.84	27.05 (0.55)	114.17 (114.05)	6.40	32.53	
Total	10,132.55 (10,271.73)	105.57 (208.16)	381.87 (347.34)	9,856.25 (10,132.55)	4,367.73 (3,708.44)	120.60	903.57 (874.13)	303.97 (214.94)	5,087.93 (4,367.63)	4,768.32	5,764.92	
Intangible Assets												
Computer Software	57.56 (55.61)	0.06 (1.96)	1.10 (0.01)	56.52 (57.56)	41.73 (36.01)	15.82	0.06	1.09 (0.01)	56.52 (41.73)	-	15.83	
Total	57.56 (55.61)	0.06 (1.96)	1.10 (0.01)	56.52 (57.56)	41.73 (36.01)	15.82	0.06 (5.73)	1.09 (0.01)	56.52 (41.73)	-	15.83	
Grand Total	10,190.11 (10,327.34)	105.63 (210.12)	382.97 (347.35)	9,912.77 (10,190.11)	4,409.46 (3,744.45)	136.42	903.63 (879.86)	305.06 (214.95)	5,144.45 (4,409.36)	4,768.32	5,780.75	
Notes												
1. Land-Freehold includes												
- ₹ 18.79 million towards revaluation made in the year 2001-02 on current cost basis carried out by an independent valuer.												
- ₹ 50.66 million (2011-12 : ₹ 50.66 million), in respect of which the conveyance deed is yet to be executed												
2. Buildings includes												
- ₹ 2.20 million towards revaluation made in the year 2001-02 on current cost basis carried out by an independent valuer.												
- ₹ 150.20 million in respect of which the conveyance deed is yet to be executed												
- Leasehold premises of ₹ 27.50 million (2013-14 : ₹ 27.50 million) taken for a period of 99 years. The premium of ₹ 20.46 million is paid upfront with no further significant obligations.												
3. Figures in brackets and in <i>italics</i> represents numbers relating to previous period.												
4. Depreciation and Amortisation Expense:												
	Year ended 31.03.2015				Year ended 31.03.2014							
Depreciation for the period on Tangible	903.57				874.13							
Amortisation for the period on Intangible Assets	0.06				5.73							
Less: Transferred to Revaluation Reserve	(0.04)				(0.04)							
Depreciation and Amortisation Expense	903.59				879.82							

Notes forming part of Financial Statements

11. Non - Current Investments (Face Value of ₹ 10 each fully paid-up unless otherwise specified)

	As at 31.03.2015		As at 31.03.2014	
	No.	₹ in million	No.	₹ in million
A. Trade Investments				
(At cost less provision for diminution in value)				
I. Equity Shares				
(i) Subsidiary Companies (Refer Note 43, 44 & 48)				
Quoted				
Hindustan Dorr-Oliver Limited ² (Face Value of ₹ 2 each)	39,804,430	657.53	39,804,430	657.53
Unquoted				
IVRCL PSC Pipes Private Limited ²	167,000	1.67	167,000	1.67
IVR Enviro Projects Private Limited ²	2,924,550	29.25	2,924,550	29.25
Chennai Water Desalination Limited ²	129,737,411	19.20	129,737,411	19.20
Salem Tollways Limited ²	51,303,160	489.50	51,303,160	489.50
Kumarpalyam Tollways Limited ^{1,2,3}	36,971,600	2,205.50	33,403,600	2,116.30
IVRCL Steel Construction & Services Limited ²	50,000	0.50	50,000	0.50
Jalandar Amritsar Tollways Limited ²	48,938,550	658.20	48,938,550	658.20
IVRCL Indore Gujarat Tollways Limited ^{1,2}	25,638,030	3,903.97	24,551,090	3,795.28
IVRCL Chengapalli Tollways Limited ^{1,2}	19,695,260	2,079.63	16,695,260	1,779.63
IVRCL Holdings & Services Pte Limited (Face Value of SGD 1)	1	-	1	-
IVRCL Patalaganga Trucks Terminal Private Limited ^{1,3}	53,334	32.60	10,000	0.10
IVRCL Goa Tollways Limited ²	49,990	0.50	49,990	0.50
IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited ²	6,000	0.06	6,000	0.06
Alkor Petroo Limited	5,625,000	70.10	5,625,000	70.10
IVRCL Building Products Limited ²	599,995	6.03	599,995	6.03
IVRCL Chandrapur Tollways Limited ^{1,2}	22,812,900	2,369.36	22,294,900	2,317.56
Sapthashva Solar Limited ²	52,100	0.52	52,100	0.52
RIHIM Developers Private Limited ²	10,000	0.10	10,000	0.10
IVRCL TLT Private Limited ²	10,000	0.10	10,000	0.10
IVRCL Raipur Bilaspur Tollways Limited ²	49,990	0.50	49,990	0.50
IVRCL Narnual Bhiwani Tollways Limited ²	49,990	0.50	49,990	0.50
IVR Hotels and Resorts Limited	239,355	3,175.36	239,355	3,175.36
SPB Developers Private Limited ^{1,2}	29,061,999	1,133.05	27,605,999	1,096.65
IVRCL Multilevel Car Parking Private Limited ²	5,100	0.05	5,100	0.05
IVRCL Lanka Private Limited	81,997,756	354.91	81,997,756	354.91
First STP Private Limited ²	2,850,000	35.39	2,850,000	35.39
IVRCL Gundugolanu Rajahmundry Tollways Limited ²	49,900	0.50	49,900	0.50
IVRCL Patiala Bathinda Tollways Limited ²	49,900	0.50	49,900	0.50
IVR Prime Developers (Tambaram) Private Limited ²	10,000	0.10	10,000	0.10
IVRCL International FZE	1	1.28	1	1.28

Notes forming part of Financial Statements

	As at 31.03.2015		As at 31.03.2014	
	No.	₹ in million	No.	₹ in million
(ii) Associate Bodies Corporate (Unquoted)				
Viva Infrastructures Private Limited	50,000	0.50	50,000	0.50
Paresh Infrastructure Private Limited	4,900	0.05	4,900	0.05
IVRCL International Infrastructures & Projects LLC(Face Value of Dhs.1,500 each)	49	0.91	49	0.91
IOTL Utkal Energy Services Limited	-	-	97,000,000	302.80
Sushee - IVRCL Arunachal Highway Limited ²	12,350,000	247.00	6,175,000	61.75
II. Preference Shares of subsidiary company				
Salem Tollways Limited ² (7% Cumulative Redeemable Preference Shares of Face Value of ₹ 100 each)	5,000,000	500.00	5,000,000	500.00
III. Partnership Firm				
Bhanu IVRCL Associates(50:50 Share between the Company and Bhanu Construction Co. Limited respectively)		0.01		0.01
IVRCL -Tantia Joint Venture (AOP) (50:50 Share between the Company and Tantia Construction Co. Limited respectively)		0.20		0.20
B. Others - Unquoted				
(i) Equity Shares				
IOTL Utkal Energy Services Limited ²	97,000,000	302.80	-	-
Telcon Ecoroad Resurfaces Private Limited (Face Value of ₹ 100 each)	240,000	24.00	240,000	24.00
Tamilnad Mercantile Bank Limited	25	0.21	25	0.21
Rayalseema Expressway Private Limited	19,290	0.19	19,290	0.19
Telcon Construction Company Limited	4,800	-	4,800	-
(ii) Debentures				
Rayalseema Expressway Private Limited (Face Value of ₹ 1,482 each)	88,413	131.03	88,413	131.03
C. Investment in Mutual Funds				
Union Bank of India Tax Saver Scheme		2.00		2.00
D. Provision for diminution in value of Investments		(223.98)		(223.98)
		18,211.38		17,407.54

Note :

(₹ in million)

Aggregate amount of quoted investment	657.53	657.53
Aggregate market value thereof	618.96	314.45
Aggregate amount of unquoted investment	17,553.85	16,750.01

1. Additional Investments subscribed during the year
2. Pledged against monies borrowed by the Company, Subsidiaries and Associates (Refer Note 48)
3. Additional Investment is by converting sponsor loan / unsecured loan into equity during the year.

Notes forming part of Financial Statements

12. Deferred Tax Asset (Net)

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
(a) Deferred Tax Liability				
- Depreciation		(359.17)		(359.17)
(b) Deferred Tax Asset				
- Compensated Absences	57.80		57.80	
- Gratuity	21.34		21.34	
- Doubtful debts, Advances and Deposits	428.71		428.71	
- Expenses relating to Amalgamation	3.74		3.74	
- Others	154.10	665.69	154.10	665.69
Net Deferred Tax Asset		306.52		306.52

13. Long Term Loans and Advances

(Unsecured, considered good)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Capital Advances	22.59	23.56
(b) Security Deposit	55.04	59.53
(c) Tax deducted at Source and Advance Tax { net of provisions ₹ 7,079.94 million (₹ 7,079.94 million)}	1,469.28	1,260.13
(d) Loans and Advances to Related Parties		
- Subsidiaries	5,554.83	5,584.81
	7,101.74	6,928.03

14. Other Non-Current Assets (Unsecured)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Long-Term Trade Receivables		
- Considered good	5,874.56	5,581.91
- Doubtful	147.63	56.61
	6,022.19	5,638.52
Less: Provision for Doubtful Trade Receivables	147.63	56.61
	5,874.56	5,581.91
(b) Non - Current Bank Balances		
- Deposit with maturity of more than 12 months	13.34	81.02
(c) Interest accrued on loans and advances to		
- Related parties	-	33.99
- Others	33.99	-
	5,921.89	5,696.92

15. Inventories

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
At Project sites		
- Stores and Spares (at cost)	1,672.34	2,000.15
	1,672.34	2,000.15

Notes forming part of Financial Statements

16. Trade Receivables (Unsecured)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Outstanding for a period exceeding six months from the date they were due for payment		
- Unsecured, considered good	10,303.65	10,894.16
- Doubtful	3,880.94	3,711.27
	14,184.59	14,605.43
Less: Provision for Doubtful Trade Receivables	3,880.94	3,711.27
	10,303.65	10,894.16
(b) Other Receivables		
- Unsecured, considered good	6,111.11	6,258.52
- Doubtful	-	-
	6,111.11	6,258.52
Less: Provision for Doubtful Other Receivables	-	-
	6,111.11	6,258.52
	16,414.76	17,152.68

17. Cash and Bank Balances

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
a) Cash and Cash equivalents		
- Cash on Hand	8.45	6.39
- Balances with Banks		
- Current Accounts	1,039.70	866.01
- Deposits with maturity period of less than 3 months	9.22	205.82
	1,057.37	1,078.22
b) Other Bank Balances		
- Earmarked Balances		
- Margin Money	6.64	46.48
- Unpaid Dividend Account	3.82	4.28
- Share Application Money Refund	0.48	0.48
- Term Deposits with maturity period of more than 3 months but less than 12 months	174.97	113.78
	185.91	165.02
	1,243.28	1,243.24

Notes forming part of Financial Statements

18. Short-Term Loans and Advances (Unsecured)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Loans and Advances to Related Parties		
- Subsidiaries (Refer Note 45)	2,290.83	543.65
- Associates	28.17	19.25
- Joint Ventures	1,024.60	1,161.46
- Directors (Refer Note 38)	38.98	17.57
	3,382.58	1,741.93
- Considered Good	3,219.12	1,578.46
- Doubtful	163.47	163.47
	3,382.59	1,741.93
Less: Provision for Doubtful Advances	163.47	163.47
	3,219.11	1,578.46
(b) Advance to Sub Contractors and Suppliers		
- Considered Good	2,469.65	1,940.45
- Doubtful	150.03	145.99
	2,619.68	2,086.44
Less: Provision for Doubtful Advances	150.03	145.99
	2,469.65	1,940.45
(c) Others		
- Considered Good	95.56	96.59
- Doubtful	20.33	22.43
	115.89	119.02
Less: Provision for Doubtful Advances	20.33	22.43
	95.56	96.59
(d) Prepaid Expenses	101.36	157.94
(e) Other Deposits	330.63	294.17
(f) Balances with Statutory / Government Authorities	2,583.46	2,412.61
	3,015.45	2,864.72
- Considered Good	2,735.47	2,598.16
- Doubtful	279.98	266.56
	3,015.45	2,864.72
Less: Provision for Doubtful Advances	279.98	266.56
	2,735.47	2,598.16
	8,519.79	6,213.66

19. Other Current Assets (Unsecured, considered good)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Unbilled Revenue (Refer Note 41)	17,068.41	14,092.33
(b) Receivable against sale of Development Rights	1,523.13	1,523.13
(c) Interest on Term Deposit with Banks	4.29	4.10
(d) Other Receivable (Refer Note 40)	5,584.06	4,869.02
(e) Income Tax Refund	371.80	371.80
	24,551.69	20,860.38

Notes forming part of Financial Statements

20. Income from Operations

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Construction Revenue	31,174.17	42,959.87
(b) Sale of Products		
- Traded Goods	-	50.36
(c) Other Operating Income	-	37.84
	31,174.17	43,048.07

21. Other Income

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Interest Income		
- Loans and Advances to Subsidiaries and Sub-contractors	22.27	200.45
- Term Deposits with Banks	33.87	22.84
- Others	-	94.13
(b) Dividend Income		
- Long Term Investments	0.04	0.03
(c) Liabilities no longer required written back	10.95	5.58
(d) Provisions written back	182.90	32.58
(e) Foreign Exchange Gain	56.30	22.27
(f) Miscellaneous Income	128.79	74.52
	435.12	452.40

22. Construction Expenses

(₹ in million)

	Year ended 31.03.2015		Year ended 31.03.2014	
(a) Construction Stores, Spares and Materials Consumed				
Opening Stock	2,000.19		2,687.07	
Add : Purchases	5,168.80		9,470.87	
Less : Closing Stock	1,672.34		2,000.19	
		5,496.65		10,157.75
(b) Sub-contractors' work bills		14,196.25		16,554.55
(c) Masonry and other works		4,942.99		7,338.49
(d) Indirect Taxes and Cess		795.56		1,388.66
(e) Machinery Hire Charges		781.64		1,190.97
(f) Repairs and Maintenance				
- Construction Machinery	230.30		323.67	
- Others	82.87	313.17	99.21	422.88
(g) Electricity and Water Charges		116.07		150.96
(h) Royalty		19.28		52.18
(i) Laboratory Testing Charges		12.93		25.33
		26,674.54		37,281.77

Notes forming part of Financial Statements

23. Employee Benefits Expense

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Salaries, Wages and Bonus	1,525.53	1,711.06
(b) Contribution to Provident, Superannuation and Other Funds	202.70	157.25
(c) Staff Welfare Expenses	162.61	206.88
(d) Managerial Remuneration	0.86	29.93
	1,891.70	2,105.12

24. Other Expenses

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Rent	115.38	147.64
(b) Office Maintenance	124.49	161.90
(c) Rates and Taxes	30.80	41.30
(d) Travelling and Conveyance	94.19	122.54
(e) Legal and Professional Charges	219.09	164.88
(f) Insurance	142.85	181.40
(g) Communication Expenses	34.37	42.44
(h) Printing and Stationery	18.08	26.39
(i) Tender Expenses	2.29	4.92
(j) Business Promotion	6.18	10.01
(k) Auditors' Remuneration (Refer Note.28)	7.11	9.11
(l) Advertisement and Publicity	1.07	4.61
(m) Loss on Assets sold / discarded (Net)	23.82	38.39
(n) Provision for doubtful debts, advances and deposits	1,082.53	846.09
(o) Provision for foreseeable losses	985.80	-
(p) Provision for diminution in the value of Investments	-	200.00
(q) Bad Debts Written Off	0.21	-
(r) Miscellaneous Expenses	12.43	15.11
	2,900.69	2,016.73

25. Finance Cost

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Interest Expense	5,749.81	4,123.35
(b) Other Borrowing Cost	687.17	1,723.90
(c) Applicable net loss on foreign currency transactions and translations	92.26	-
	6,529.24	5,847.25

Notes forming part of Financial Statements

26. Disclosure pursuant to Accounting Standard – 7 “Construction Contracts”

In terms of the disclosures required to be made under the Accounting Standard 7 (Revised) for ‘Construction Contracts’ are as follows:

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Contract Revenue recognised as revenue during the period	31,053.62	42,817.72
(b) Aggregate amount of Contract costs incurred and recognised profits, less losses	126,307.39	123,814.25
(c) Advances received, net of recoveries from progressive bills	7,125.60	10,391.51
(d) Gross amount due from customers for contract works	18,375.64	15,587.61
(e) Retention Money	6,853.97	6,465.28

27. Earnings Per Share (EPS)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) (Loss) / Profit After Tax before exceptional item for calculation of Basic and Diluted EPS (₹ in million)	(7,290.47)	(4,876.24)
(b) (Loss) / Profit After Tax after exceptional item for calculation of Basic and Diluted EPS (₹ in million)	(6,722.32)	(7,167.79)
(c) Weighted average number of equity shares outstanding for calculation of EPS	344,957,062	306,886,648
(d) Basic and Diluted EPS before exceptional item(₹)	(21.13)	(15.89)
(e) Basic and Diluted EPS after exceptional item(₹)	(19.49)	(23.36)

28. Auditors’ Remuneration (excluding service tax)

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Statutory Audit	5.00	5.00
(b) Limited Reviews	1.50	3.00
(c) Tax Audit	0.50	0.50
(d) Other Service	0.01	0.50
(e) Reimbursement of expenses	0.10	0.11
	7.11	9.11

29. Contingent Liabilities and Commitments

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(i) Contingent Liabilities:		
(a) Bank Guarantees issued by the banks on behalf of the Company and Letter of Credits	13,517.49	20,030.56
(b) Corporate Guarantees issued by the Company on behalf of its subsidiaries, associates and others (Refer Note 1 below)	37,015.59	39,812.93
(c) Claims against the Company not acknowledged as debts	2,732.38	971.18
(d) Disputed Value Added Tax / Service Tax	3,490.89	6,385.28
(ii) Commitments:		
(a) Estimated amount of contracts to be executed on capital account (net of advances)	67.22	79.86
(b) Commitments towards investment in subsidiaries	973.71	1,283.64
(c) Other Commitments (Refer Note 2 below)	-	-

Notes forming part of Financial Statements

Notes:

- The Company has given Corporate Guarantees aggregating to ₹ 36,870.59 million (As at 31.03.2014: ₹ 39,245.54 million), on behalf of certain subsidiaries to Banks and Financial Institutions. The loan amount and compulsorily convertible debentures outstanding as on March 31, 2015 are ₹ 24,690.74 million (As at 31.03.2014: ₹ 19,582.38 million) and ₹ 2,500.00 million (As at 31.03.2014: ₹ 2,367.30 million) respectively.
- The Company enters into construction contracts with its vendors. The final amounts payable under such contracts will be based on actual measurements and negotiated rates, which are determinable as and when the work under the said contracts are completed.
- As more fully described in Note 42, the Company and the CDR lenders executed a Master Restructuring Agreement (MRA) during the year. The MRA as well as the provisions of the master circular on corporate debt restructuring issued by the Reserve Bank of India, gives a right to the lenders to get a recompense of their waivers and sacrifices made as part of the CDR proposals. The recompense payable by the company is contingent on various factors including improved performance of the Company and many other conditions, as at March 31, 2015, the aggregate indicative recompense of the CDR lenders as per the MRA is ₹ 1,646.60 million.
- Impact of pending legal cases: The Company is party to several cases with clients as well as contractors, pending before various forums/courts/arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes/litigations until the cases are decided by the appropriate authorities.

30. CIF Value of imports

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Capital Goods	-	-
(b) Construction materials and others	0.16	8.80

31. Expenditure and Income in foreign currency

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
a. Income		
(a) FOB value of Exports	-	3.53
(b) Overseas Contract Revenue	92.54	84.49
b. Expenditure		
(a) Travelling Expenses	0.92	0.60
(b) Professional and Consultancy Charges	1.29	6.08
(c) Interest Expenses	91.96	59.16
(d) Overseas Contract Expenditure	153.15	76.87

32. Construction material and stores consumed

(₹ in million)

	Year ended 31.03.2015		Year ended 31.03.2014	
	Value	%	Value	%
(a) Indigenous	5,496.49	99.99	10,148.95	99.91
(b) Imported	0.16	0.01	8.80	0.09
Total	5,496.65	100.00	10,157.75	100.00

31. Dues to Micro and Small Enterprises

Information relating to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company. The required disclosures are given below.

Notes forming part of Financial Statements

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Dues remaining unpaid as at Balance Sheet date		
- Principal amount	16.34	27.93
- Interest on the above	8.97	5.03
(b) Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier and service providers beyond the appointed day during the period		
- Principal amount	-	-
- Interest on the above	-	-
(c) Interest due and payable for the period of delay in making Payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under the Act.	-	-
(d) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	2.61	3.94
(e) Interest accrued and remaining unpaid as at Balance Sheet date	11.58	8.97

34. The Company has the following Joint Ventures (Jointly Controlled Operations) as on March 31, 2015 and its proportionate share is given below:

Sl No.	Name of the Joint Venture	Share of Interest
1	Bhanu - IVRCL Associates	50.00%
2	IVRCL – Tantia (JV)	50.00%
3	IVRCL, SEW & Prasad Hyderabad J.V	50.00%
4	IVRCL, Navayuga & SEW Joint Venture	35.75%
5	Navayuga, IVRCL & SEW Joint Venture	35.75%
6	IVRCL – Harsha (JV)	80.00%
7	SPCL - IVRCL JV	49.00%
8	IVRCL - JL (JV)	90.00%
9	UAN Raju IVRCL Construction JV	51.00%
10	IVRCL – KBL (JV) Hyderabad	80.00%
11	IVRCL – KBL – MEIL (JV) Hyderabad	65.00%
12	IVRCL - CR18G (JV)	90.00%
13	IVRCL SEW & WPIL (JV) Hyderabad	60.00%
14	IVRCL – MBL (JV) Hyderabad	90.00%
15	IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	70.00%
16	IVRCL BATPASCO ABB & AAG (JV) Hyderabad	85.00%
17	IVRCL - CR18G Consortium (J.V)	70.00%
18	MEIL IVRCL HCC & WPIL (JV)	23.00%
19	IVRCL – KIPL (JV)	50.00%
20	IVRCL – RAJ (JV)	32.17%
21	UNITY – IVRCL Joint Venture	50.00%
22	IVRCL SAI SUDHIR (JV)	51.00%
23	CR18G - IVRCL (JV)	30.00%
24	IVRCL - SUSHEE Joint Venture	51.00%
25	IVRCL – KMB – HDO Joint Venture	70.00%
26	IVRCL-MEIL (NC-28) Joint Venture	65.00%
27	IVRCL-MEIL (NC-33) Joint Venture	65.00%
28	IVRCL - SUSHEE Consortium	51.00%
29	IVRCL – RTE Joint Venture	80.00%
30	KMB – IVRCL Joint Venture	49.00%
31	IVRCL - BPL -UCC (JV)	60.00%
32	IVRCL-MRT(JV)	85.00%
33	SAPL & MBL – IVRCL (JV)	39.00%
34	G.SHANKAR-IVRCL (J.V)	25.00%
35	IVRCL-MEIL (J.V)	80.00%
36	MEIL-IVRCL (J.V)	20.00%
37	IVRCL-TAI INFRA (JV)	77.00%
38	IVRCL LTD-AJAY PROTECH PVT.LTD.(JV)	51.00%

Notes forming part of Financial Statements

35. Related Party Disclosure

Information regarding Related Party Transactions as per Accounting Standard 18 is given below:

35.1 List of Related Parties and Relationships

Sl No.	Name	Sl No.	Name
A Subsidiaries {The ownership, directly or indirectly through subsidiary (ies)}			
1	Hindustan Dorr-Oliver Limited	45	Chodavaram Developers Private Limited
2	IVRCL PSC Pipes Private Limited	46	Simhachalam Prime Developers Private Limited
3	IVR Enviro Projects Private Limited	47	Siripuram Developers Private Limited
4	Chennai Water Desalination Limited	48	Bibinagar Developers Private Limited
5	Salem Tollways Limited	49	IVR Prime Developers (Erode) Private Limited
6	Kumarapalyam Tollways Limited	50	IVR Prime Developers (Guntur) Private Limited
7	IVRCL Steel Construction & Services Limited	51	IVR Prime Developers (Kakinada) Private Limited ¹
8	Jalandhar Amritsar Tollways Limited	52	IVR Prime Developers (Araku) Private Limited
9	IVRCL Indore Gujarat Tollways Limited	53	IVR Prime Developers (Pudukkottai) Private Limited ¹
10	IVRCL Chengapalli Tollways Limited	54	Absorption Aircon Engineer Private Limited
11	IVRCL Patalaganga Truck Terminals Pvt. Limited	55	IVR Vaanaprastha Private Limited
12	IVRCL Goa Tollways Limited	56	IVR PUDL Resorts & Clubs Private Limited
13	IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited	57	IVR Prime Developers (Thandiarpet) Private Limited ¹
14	Alkor Petroo Limited	58	IVR Prime Developers (Gummidipundy) Private Limited ¹
15	IVRCL Building Products Limited	59	IVR Prime Developers (Kodambakkam) Private Limited ¹
16	IVRCL Chandrapur Tollways Limited	60	IVR Prime Developers (Arumbakkam) Private Limited ¹
17	Sapthashva Solar Limited	61	IVR Prime Developers (Anna Nagar) Private Limited ¹
18	RIHIM Developers Private Limited	62	IVRCL Solar Energy Private Limited
19	IVRCL TLT Private Limited	63	IVR Prime Developers (Amalapuram) Private Limited
20	IVRCL Raipur Bilaspur Tollways Limited	64	IVR Prime Developers (Anakapalle) Private Limited ¹
21	IVRCL Narnual Bhiwani Tollways Limited	65	IVR Prime Developers (Rajampeta) Private Limited ¹
22	IVR Hotels and Resorts Limited	66	IVR Prime Developers (Tanuku) Private Limited ¹
23	SPB Developers Private Limited	67	IVR Prime Developers (Red Hills) Private Limited
24	IVRCL Multilevel Car Parking Private Limited	68	IVR Prime Developers (Rajahmundry) Private Limited ¹
25	IVRCL Lanka (Private) Limited	69	IVR Prime Developers (Tuni) Private Limited
26	First STP Private Limited	70	IVR Prime Developers (Bobbilli) Private Limited
27	IVRCL Gundugolanu Rajahmundry Tollways Limited	71	IVR Prime Developers (Bhimavaram) Private Limited
28	IVRCL Patiala Bathinda Tollways Limited	72	IVR Prime Developers (Adayar) Private Limited
29	IVR Prime Developers (Tambaram) Private Limited	73	IVR Prime Developers (Ananthapuram) Private Limited ¹
30	HDO Technologies Limited	74	IVR Prime Developers (Perumbadur) Private Limited ¹
31	HDO (UK) Limited	75	IVR Prime Developers (Egmore) Private Limited
32	Davymarkham (India) Private Limited	76	IVR Prime Developers (Ashram) Private Limited ¹
33	HDO Zambia Limited	77	IVR Prime Developers (Retiral Homes) Private Limited ¹
34	IVR Prime Developers (Palakkad) Private Limited	78	Geo IVRCL Engineering Limited
35	IVR Prime Developers (Guindy) Private Limited	79	Duvvda Developers Private Limited
36	IVRCL Mega Malls Limited	80	Kunnam Developers Private Limited
37	Agaram Developers Private Limited	81	Vedurwada Developers Private Limited
38	Mummidi Developers Private Limited	82	Rudravaram Developers Private Limited

Notes forming part of Financial Statements

Sl No.	Name	Sl No.	Name
39	Samatteri Developers Private Limited	83	Geo Prime Developers Private Limited
40	Annupampattu Developers Private Limited	84	Theata Developers Private Limited
41	Tirumani Developers Private Limited	85	Kasibugga Developers Private Limited
42	Ilavampedu Developers Private Limited	86	Vijayawada Developers Private Limited
43	Gajuwaka Developers Private Limited	87	Eluru Developers Private Limited
44	IVR Prime Developers (Mylapore) Private Limited ¹		

1. Applications have been filed before the Registrar of Companies, Andhra Pradesh to 'strike off' of names under the "Fast Track Exit Scheme".

B Associate (Where the Company Exercises Significant influence)			
1	Viva Infrastructure Pvt. Limited	3	IVRCL International Infrastructures & Projects LLC
2	Paresh Infrastructures Private Limited	4	Sushee - IVRCL Arunachal Highway Limited
C Joint Ventures			
1	Bhanu - IVRCL Associates	20	IVRCL BATPASCO ABB & AAG (JV) Hyderabad
2	IVRCL – Tantia (JV)	21	IVRCL - CR18G Consortium (J.V)
3	IVRCL, SEW & Prasad Hyderabad J.V	22	MEIL IVRCL HCC & WPIL (JV)
4	IVRCL, Navayuga & SEW Joint Venture	23	IVRCL – KIPL (JV)
5	Navayuga, IVRCL & SEW Joint Venture	24	IVRCL – RAJ (JV)
6	IVRCL – Harsha (JV)	25	UNITY – IVRCL Joint Venture
7	SPCL - IVRCL JV	26	IVRCL SAI SUDHIR (JV)
8	IVRCL - JL (JV)	27	CR18G - IVRCL (JV)
9	UAN Raju IVRCL Construction JV	28	IVRCL - SUSHEE JOINT VENTURE
10	IVRCL – KBL (JV) Hyderabad	29	IVRCL – RTE Joint Venture
11	IVRCL – KBL – MEIL (JV) Hyderabad	30	KMB – IVRCL Joint Venture
12	IVRCL - CR18G (JV)	31	IVRCL - BPL -UCC (JV)
13	IVRCL – KMB – HDO Joint Venture	32	IVRCL-MRT(JV)
14	IVRCL-MEIL (NC-28) Joint Venture	33	SAPL & MBL – IVRCL (JV)
15	IVRCL-MEIL (NC-33) Joint Venture	34	G.SHANKAR-IVRCL (J.V)
16	IVRCL - SUSHEE Consortium	35	IVRCL-MEIL (J.V)
17	IVRCL SEW & WPIL (JV) Hyderabad	36	MEIL-IVRCL (J.V)
18	IVRCL – MBL (JV) Hyderabad	37	IVRCL-TAI INFRA (JV)
19	IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	38	IVRCL LTD-AJAY PROTECH PVT.LTD.(JV)
D Enterprises owned or significantly influenced by key management personnel or their relatives			
1	S.V.Equities Limited	5	Eragam Finlease Limited
2	Palladium Infrastructures & Projects Limited	6	Indus Palms Hotels & Resorts Limited
3	Soma Hotels & Resorts Limited	7	A.P.Enercon Engineers Private Limited
4	Eragam Holdings Limited		
E Key Management Personnel			
1	Mr. E. Sudhir Reddy	Chairman & Managing Director	
2	Mr. K. Ashok Reddy	Joint Managing Director	
3	Mr. R. Balarami Reddy	Joint Managing Director & CFO	
4.	Mr. B.Subrahmanyam	Company Secretary	
F Relatives of Key Management Personnel			
1	Mr. E. Ella Reddy	Relative of Chairman & Managing Director	
2	Mrs. E. Sujatha Reddy		
3	Mr. E. Sunil Reddy		

Notes forming part of Financial Statements

35.2 Disclosure of transactions between company and related parties and the status of outstanding balances as on March 31, 2015.
(A) Transactions during the Year:

(₹ in million)

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Contract Revenue / Other Operational Income						
Hindustan Dorr-Oliver Limited	48.24	187.42				
IVRCL Chandrapur Tollways Limited	951.94	1,981.03				
IVRCL Chengapally Tollways Limited	487.32	995.81				
IVRCL Indore Gujarat Tollways Limited	396.53	144.66				
Jalandhar Amritsar Tollways Limited	317.64	32.12				
IVRCL BAPASCO WPIL & MHI (JV) Hyderabad			496.57	1,993.85		
UNITY - IVRCL Joint Venture			734.19	2,415.19		
IVRCL-MEIL (NC-28) Joint Venture			4.60	459.50		
IVRCL-MEIL (NC-33) Joint Venture			33.63	423.41		
G.SHANKAR-IVRCL (JV)			1,310.41	295.05		
IOT Utkal Energy Services Limited	90.14	358.21	3,504.15	4,346.08	-	403.63
Others						
Total	2,291.81	3,699.25	6,083.55	9,933.08	-	403.63
Interest Income						
Alkor Petroo Limited	-	137.22				
IVRCL Building Products Limited	-	38.38				
UAN Raju IVRCL Construction JV			-	4.75		
IOT Utkal Energy Services Limited					-	8.71
Total	-	175.60	-	4.75	-	8.71
Rental Income						
Hindustan Dorr Oliver Limited	-	0.65				
IVR Hotels and Resorts Limited	0.45	0.61				
Others	-	0.02				
Total	0.45	1.28	-	-	-	-
Hire Charges Income						
IVRCL Lanka (Private) Limited	5.56	5.31				2.98
Palladium Infrastructures & Projects Limited						
Total	5.56	5.31	-	-	-	2.98

Notes forming part of Financial Statements

(A) Transactions during the Year:

(₹ in million)

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Rent Expense						
A.P Enercon Engineers Private Limited	-	-	-	-	18.93	18.93
Total					18.93	18.93
Sub-contracting Work Expenses / Purchase of Construction Material						
Hindustan Dorr Oliver Limited*	2.26	7.92	-	-	-	-
IVRCL TLT Private Limited	86.23	403.70	-	-	-	-
IVRCL - CR18G (JV)			223.99	509.99		
MEIL IVRCL HCC & WPIL (JV)			215.52	264.70		
UNITY – IVRCL Joint Venture			678.66	1,995.05		
IVRCL-MEIL (NC-28) Joint Venture			-	424.28		
IVRCL-MEIL (NC-33) Joint Venture			-	390.80		
G.SHANKAR-IVRCL (JV)			1,228.40	282.83		
Palladium Infrastructures & Projects Limited**			557.38	466.51		
Others					413.77	99.61
Total	88.49	411.62	2,903.95	4,334.16	413.77	99.61
Sale of Construction Material						
Palladium Infrastructures & Projects Limited					69.21	10.08
Total					69.21	10.08
Sale of Assets						
Palladium Infrastructures & Projects Limited					-	1.19
Total						1.19
Interest Expense on Mobilisation Advance						
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad			-	(1.34)		
CR18G - IVRCL (JV)			10.57	11.48		
IVRCL - CR18G Consortium (J.V)			4.24	1.18		
KMB – IVRCL Joint Venture			2.41	79.96		
IVRCL – KMB – HDO Joint Venture			4.44	12.41		
SAPL & MBL – IVRCL (JV)			13.61	13.97		
Total			35.27	117.66		
Provision for doubtful Advances						
IVRCL – Harsha (JV)			-	36.50		
Total				36.50		

Notes forming part of Financial Statements

(₹ in million)

(A) Transactions during the Year:

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Loans /Advances Given						
Alkor Petroo Limited	15.38	265.74				
KumarapalyamTollways Limited	38.60	42.30				
Chennai Water Desalination Limited	2.50	-				
Hindustan Dorr-Oliver Limited	-	150.00				
IVRCL Chengapalli Tollways Limited	3.37	5.44				
IVRCL Building Products Limited	4.30	36.15				
IVRCL Indore Gujarat Tollways Limited	111.38	23.62				
Salem Tollways Limited	5.50	-				
IVRCL Lanka (Private) Limited	19.33	12.53				
IVRCL Patalaganga Truck Terminals Pvt. Limited	-	32.50				
Total	200.36	568.28	-	-	-	-
Investment in Equity Shares						
Jalandhar Amritsar Tollways Limited	-	51.00				
IVRCL Indore Gujarat Tollways Limited	108.69	280.58				
IVRCL Chengapalli Tollways Limited	300.00	369.70				
IVRCL Chandrapur Tollways Limited	51.80	-				
IVRCL Lanka (Private) Limited	-	89.18				
Kumarapalyam Tollways Limited	89.20	-				
Sushee IVRCL Arunachal Highways Limited					185.25	61.62
IOT Utkal Energy Services Limited					-	220.00
Others	68.90	-				
Total	618.59	790.46	-	-	185.25	281.62
Mobilisation Advance Received						
IVRCL ChengapalliTollways Limited	-	200.00		18.29		
SAPL & MBL – IVRCL (JV)	-	-		-		
Total	-	200.00	-	18.29	-	-

(B)Closing Balances as on March 31, 2015

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Advances – Receivable						
IVRCL TLT Private Limited	455.55	-				
Hindustan Dorr Oliver Limited	113.25	49.82				
RIHIM Developers Private Limited	276.47	272.36				
IVRCL Lanka (Private) Limited	136.58	104.96				
Alkor Petroo Limited	1,061.98	-				
UAN Raju IVRCL Construction JV			121.69	175.12		
IVRCL, Navayuga& SEW Joint Venture			95.36	93.37		
UNITY – IVRCL Joint Venture			490.13	558.13		
IVRCL International Infrastructures & Projects LLC					28.17	19.25
Others	247.00	116.51	317.42	334.84	-	-
Total	2,290.83	543.65	1,024.60	1,161.46	28.17	19.25

Notes forming part of Financial Statements

(B) Closing Balances as on March 31, 2015

(₹ in million)

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Other Payables						
IVR Hotels and Resorts Limited	-	0.45				
IVRCL Indore Gujarat Tollways Limited	55.15	10.76				
IVRCL Narnaul Bhiwani Tollways Limited	0.18	0.28				
IVRCL TLT Private Limited	-	11.22				
HDO Technologies Limited	18.70	5.10				
First STP Private Limited	8.17	9.75				
IVRCL – KBL (JV) Hyderabad			40.07	41.30		
IVRCL – KBL – MEIL (JV) Hyderabad			154.58	155.02		
IVRCL – KIPL (JV)			161.93	123.37		
Others	6.92	0.94	64.99	29.97		
Total	89.12	38.50	421.57	349.66	-	-
Trade Payables - Construction Expenses						
IVRCL TLT Private Limited	120.99	34.50				
Hindustan Dorr Oliver Limited	14.67	19.59				
SPB Developers Limited	372.56	372.56				
IVRCL Indore Gujarat Tollways Limited	100.60	86.60				
IVRCL Chengapally Tollways Limited	104.79	6.76				
MEIL IVRCL HCC & WPIL (JV)			110.87	11.20		
IVRCL-MEIL (NC-28) Joint Venture			33.16	58.30		
IVRCL-MEIL (NC-33) Joint Venture			9.07	202.47		
G.SHANKAR-IVRCL (J.V)			583.45	19.18		
Palladium Infrastructures & Projects Limited					28.14	1,368.25
Others	-	-	124.65	7.07	2.46	10.64
Total	713.61	520.01	861.20	298.22	30.60	1,378.89
Provision for Doubtful Advances						
Bhanu IVRCL Associates			32.12	32.12		
SPCL - IVRCL JV			17.05	17.05		
UAN Raju IVRCL Construction JV			66.73	66.73		
IVRCL – Harsha (JV)			36.50	36.50		
IVRCL Goa Tollways Limited	10.45	10.45				
Others			0.62	0.62		
Total	10.45	10.45	153.02	153.02	-	-

Notes forming part of Financial Statements

(B) Closing Balances as on March 31, 2015

(₹ in million)

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Trade Receivables and Retention Money						
Hindustan Dorr-Oliver Limited	306.09	283.17				
IVRCL-CadaguanHogenakkal Water Treatment Company Private Limited	119.70	149.95				
IVRCL ChandrapurTollways Limited	118.44	365.78	870.65	1,005.97		
IVRCL, SEW & Prasad Hyderabad J.V			294.52	360.10		
IVRCL, Navayuga& SEW Joint Venture			166.06	170.17		
IVRCL BATPASCO ABB & AAG (JV) Hyderabad			128.40	116.25		
CR18G - IVRCL (JV)			-	13.16		
IVRCL - KIPL (JV)			229.51	237.06		
IVRCL - KBL - MEIL (JV) Hyderabad			166.41	166.41		
IVRCL - KBL (JV) Hyderabad			372.43	408.65		
IVRCL - CR18G Consortium (JV)			-	7.39		
IVRCL SAI SUDHIR (JV)			491.93	249.60		
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad			178.21	18.99		
MEIL IVRCL HCC & WPIL (JV)			734.11	28.32		
G.SHANKAR-IVRCL (JV)						1,300.46
IOT Utkal Energy Services Limited	106.90	85.43	951.70	1,071.33		
Others						
Total	651.13	884.33	4,583.93	3,853.40		1,300.46
Mobilisation Advance Received						
SPB Developers Limited	193.93	193.93				
IVRCL Indore Gujarat Tollways Limited	355.63	375.39				
IVRCL ChengapalliTollways Limited	704.94	775.75				
IVRCL ChandrapurTollways Limited	431.53	560.44				
IVRCL - MBL (JV) Hyderabad			57.14	101.49		
CR18G - IVRCL (JV)			85.95	93.45		
IVRCL BATPASCO WPIL & MHI (JV) Hyderabad			107.39	221.52		
KMB - IVRCL Joint Venture			-	571.14		
SAPL & MBL - IVRCL (JV)			141.00	180.45		
IVRCL-MRT(JV)			-	233.46		
Others	4.09	4.09	85.81	221.46		
Total	1,690.12	1,909.60	477.29	1,622.97		
Mobilisation Advance Given						
Palladium Infrastructures & Projects Limited					136.05	118.50
Total					136.05	118.50

Notes forming part of Financial Statements

(₹ in million)

(B) Closing Balances as on March 31, 2015

	Subsidiary Companies		Joint Venture		Associate Companies & Others	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Retention Money Payable						
Hindustan Dorr Oliver Limited	5.01	8.54				
IVRCL, SEW & Prasad Hyderabad J.V			76.32	81.84		
IVRCL – KBL – MEIL (JV) Hyderabad			163.96	175.76		
MEIL IVRCL HCC & WPIL (JV)			36.06	55.03		
G-SHANKAR-IVRCL (JV)			-	6.50		
IVRCL SAI SUDHIR (JV)			205.85	3.85	260.54	230.54
Palladium Infrastructures & Projects Limited						
Others						
Total	5.01	8.54	482.19	322.98	260.54	230.54
Interest Accrued						
IOT Utkal Energy Services Limited	-	-	-	-	33.99	33.99
Rent Deposit Given						
Palladium Infrastructures & Projects Limited					1.38	1.38
Indus Palms Hotels & Resorts Limited					2.64	2.64
A.P. Enercon Engineers Private Limited					2.58	2.58
Total	-	-	-	-	6.60	6.60
Loans /Advances						
AlkorPetroo Limited	1,141.39	1,126.01				
Jalandhar Amritsar Tollways Limited	939.80	939.80				
Salem Tollways Limited	1,028.22	1,022.72				
Chennai Water Desalination Limited	1,174.84	1,248.45				
Others	1,270.59	1,247.83				
Total	5,554.84	5,584.81	-	-	-	-
Corporate Guarantee						
Alkor Petroo Limited	657.20	3,500.00				
Hindustan Dorr-Oliver Limited	12,358.60	12,358.60				
HDO Technologies Limited	2,745.60	2,745.60				
IVRCL Indore Gujarat Tollways Limited	13,880.80	12,942.95				
IVRCL Chengapally Tollways Limited	1,250.00	1,250.00				
IVRCL TLT Private Limited	-	470.00				
Jalandhar Amritsar Tollways Limited	1,684.10	1,684.10				
IVRCL Lanka (Private) Limited	4,294.29	4,294.29				
CR18G - IVRCL (JV)			20.00	20.00		
IVRCL International Infrastructures & Projects LLC						
Total	36,870.59	39,245.54	20.00	20.00	-	547.39

*Net of purchase returns/advance refund ₹ Nil (₹ 1,754.18 million) **Net of purchase returns/advance refund ₹ Nil (₹ 1,131.61 million)

Notes forming part of Financial Statements

35.3 Transactions with Key Management Personnel / Relatives

(₹ in million)

Key Management Personnel/ Relatives	Designation	Remuneration		Office Rent		Rent Deposit		Advance	
		2014-15	2013-14	2014-15	2013-14	As at 31.03.15	As at 31.03.14	As at 31.03.15	As at 31.03.14
1. Mr. E. Sudhir Reddy	Chairman & Managing Director	-*	16.20*	2.43	2.73	0.50	0.50	25.02	13.02
2. Mr. E. Sunil Reddy [§]	Director	-	-	-	2.73	-	0.50	-	-
3. Mr. K. Ashok Reddy	Joint Managing Director	-*	6.96*	-	-	-	-	6.94	2.26
4. Mr. R. Balarami Reddy	Joint Managing Director & CFO	-*	7.08*	-	-	-	-	7.02	2.29
5. Mr. E. Ella Reddy [§]	Director	-	-	4.91	2.71	-	0.51	-	-
6. Relatives		-	-	-	-	1.44	0.43	-	-
Total		-	30.24	7.34	8.17	1.94	1.94	38.98	17.57

* Refer Note 38

[§] Resigned with effect from November 14, 2013

35.4 Disclosure as per clause 32 of the Listing Agreement

Advances in the nature of loans given to related Parties

(₹ in million)

	Balance as on		Maximum Outstanding	
	31.03.2015	31.03.2014	2014-15	2013-14
(A) Advances in the nature of loans where there is no repayment schedule and interest is charged				
(i) Subsidiaries				
Alkor Petroo Limited	-	1,126.01	-	1,126.01
IVRCL Building Products Limited	-	296.83	-	296.83
(ii) Associate				
IOT Utkal Energy Services Limited	-	-	-	220.00
Total (A)		1,422.84		1,642.84
(B) Advances in the nature of loans where there is no repayment schedule and no interest is charged				
AlkorPetroo Limited	1,141.39	-	1,141.39	-
IVRCL Building Products Limited	301.13	-	301.13	-
Salem Tollways Limited	1,028.22	1,022.72	1,028.22	1,022.72
KumarapalyamTollways Limited	297.64	348.24	386.84	348.24
Chennai Water Desalination Limited	1,174.84	1,248.45	1,248.45	1,403.67
Jalandar Amritsar Tollways Limited	939.80	928.40	939.80	928.40
IVRCL Indore Gujarat Tollways Limited	335.48	224.10	389.88	241.90
IVRCL ChengapalliTollways Limited	167.01	163.64	167.01	163.64
Total (B)	5,385.51	3,935.55	5,602.72	4,108.57
Grand Total	5,385.51	5,358.39	5,602.72	5,751.41

Notes forming part of Financial Statements

36. Employee Benefit Plan

a) Gratuity Plan

(₹ in million)

	2014-15	2013-14	2012-13	2011-12	2010-11
Components of Employer Expenses					
Current service cost	18.01	23.66	19.87	38.57	24.41
Interest cost	13.72	13.63	10.23	12.44	9.43
Expected return on plan assets	(7.11)	(8.45)	(7.33)	(9.90)	(7.18)
Net actuarial (gain) / loss	38.41	(20.68)	(5.42)	5.28	(5.76)
Total expense recognised in the Statement of Profit and Loss	63.03	8.16	17.35	46.39	20.90
Actual Contribution & Benefit Payments					
Actual benefit payments	(41.50)	(32.11)	(22.98)	(15.25)	(5.19)
Actual contribution	33.36	-	-	25.54	28.97
Net Asset / (Liability) recognized in Balance Sheet					
Liability at the end of the period	(174.15)	(147.28)	(165.15)	(160.48)	(120.65)
Fair value of plan assets at the end of the period	73.53	76.33	102.36	115.04	96.06
Net liability recognised in the Balance Sheet	(100.62)	(70.95)	(62.79)	(45.44)	(24.59)
Change in Defined Benefit Obligations (DBO)					
Present Value of DBO at the Beginning of the period	147.28	165.15	160.48	120.65	98.64
Interest Cost	13.72	13.63	10.23	12.44	9.43
Current Service Cost	18.01	23.66	19.87	38.57	24.41
Benefits Paid	(41.50)	(32.11)	(22.98)	(15.25)	(5.19)
Actuarial (gain) / loss on obligations	36.64	(23.05)	(2.45)	4.07	(6.64)
Present Value of DBO at the end of the period	174.15	147.28	165.15	160.48	120.65
Change in Fair Value of Plan Assets during the period					
Planned assets at the beginning of the period	76.33	102.36	115.04	96.06	65.98
Expected return on planned assets	7.11	8.45	7.33	9.91	7.18
Contributions	33.36	-	-	25.54	28.97
Benefit paid	(41.50)	(32.11)	(22.98)	(15.25)	(5.19)
Actuarial gain / (loss) on plan assets	(1.77)	(2.37)	2.97	(1.22)	(0.88)
Fair value of plan assets at the end of the period	73.53	76.33	102.36	115.04	96.06
Assumptions					
Discount rate	8.00%	9.31%	8.25%	8.50%	8.25%
Salary escalation rate	5.00%	5.00%	5.00%	5.00%	5.00%
Expected return on plan assets	8.00%	9.31%	8.25%	8.50%	8.25%
Attrition					
- First 5 years of service	10.00%	10.00%	10.00%	10.00%	10.00%
- After 5 years of service	2.00%	2.00%	2.00%	2.00%	2.00%
- All Employees	-	-	-	-	-
Experience Adjustment					
Present Value of DBO	174.15	147.28	165.15	160.48	120.65
Fair value of plan assets	73.53	76.33	102.36	115.04	96.06
Funded Status [Surplus / (Deficit)]	(100.62)	(70.95)	(62.79)	(45.44)	(24.59)
Experience (Gain) / Loss adjustment on plan liabilities	36.64	(23.05)	(2.45)	4.07	(6.64)
Experience Gain / (Loss) adjustment on plan assets	(1.77)	(2.37)	2.97	(1.22)	(0.88)

Notes forming part of Financial Statements

- b) In accordance with the payment of Gratuity Act, 1972 the Company provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India and balance is provided on the basis of valuation of the liability by an independent actuary as at the period end. The invested return earned on the policy comprises bonus declared by LIC having regard to LIC's investment earnings. The information on the allocation of the fund into major asset classes and expected return on each major class are not available. The management understands that LIC's overall portfolio assets is well diversified and as such, the long-term return of the policy is expected to be higher than the rate of return on Central Government Bonds.
- c) The expense pertaining to gratuity of ₹ 63.03 million (2013-14 : ₹ 8.16 million) has been considered in "Contribution to Provident and Other Funds" under Note 23.

d) Key Assumptions – Compensated Absences

	2014-15	2013-14	2012-13	2011-12	2010-11
Discount rate	8.00%	9.31%	8.25%	8.50%	8.25%
Salary escalation rate	5.00%	5.00%	5.00%	5.00%	5.00%

- e) The Company makes Provident Fund, Superannuation Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 118.21 million (2013-14: ₹ 127.76 million) for Provident Fund contributions, ₹ 22.22 million (2013-14: ₹ 21.31 million) for Superannuation Fund contributions and ₹ 1.10 million (2013-14: ₹ 1.49 million) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

37. Segment Reporting

a) Business Segment

The Company has considered "Engineering & Construction" as one business segment for disclosure in the context of Accounting Standard 17. The Company is engaged in the business of Engineering & Construction segment only for the period under report.

b) Geographical Segment

During the period under report, the Company has engaged in its business primarily within India. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

38. During the year ended March 31, 2015 managerial remuneration, amounting to ₹ 12.00 million in respect of an executive director is subject to Central Government approval and ₹ 9.41 million in respect of two executive directors for which the Company is in the process of making the application to the Central Government has been paid. Pending the approval from the Central Government the excess amount of ₹ 38.98 million (including ₹ 17.57 million for the earlier period) has been accounted as due from directors.
39. During the previous year exceptional item relates to Trade Receivables, which were qualified by the Statutory Auditors in their Independent auditors' report in earlier periods. National Stock Exchange of India Limited vide letter dated March 24, 2014 has directed the company to rectify the qualification raised by the Statutory Auditors. Accordingly, provision has been made during the previous year ended March 31, 2014 for the same. However, the Board of Directors is of the view that these receivables are fully recoverable.
40. In respect of certain customers the Company has initiated legal / arbitration proceedings. The trade receivables and other current assets from such customers as at March 31, 2015 aggregates to ₹ 11,948.93million. The management is confident that the outcome of the legal proceedings will be favorable and no provision is considered necessary at this stage. The Board of Directors is of the view that, these receivables are good and fully recoverable.
41. Unbilled revenue includes ₹ 1,542.62million outstanding for a period of more than three years and not billed to the customers. The Company is in continuous engagement with the customers for billing and realization of the work done. The Board of Directors is of the view that, these will be billed and are good and fully recoverable.
42. The Company has executed the final Master Restructuring Agreement (MRA)/other definitive documents on June 30, 2014 with the majority of participating lenders banks, consequent to approval from Corporate Debt Restructuring Cell (CDR Cell). In accordance with the CDR scheme, the CDR lenders have waived the obligation of the Company to pay any liquidated damages, default or penal interest /interest/further interest charged by the Lenders in excess of the concessional rates approved under CDR scheme with effect from November 30, 2013 (the "cut-off date", the "COD").

Notes forming part of Financial Statements

Pursuant to CDR scheme, from COD the interest on the restructured debts has been recomputed and provided at the effective interest rates as per the CDR scheme on the balances of lender banks as appearing in the books of account. Accordingly, the interest payable to these banks has been recalculated in accordance with the CDR scheme. The Company has accounted for CDR scheme (reclassifications and interest calculations) in the books for the year ended March 31, 2015 as follows:

- a. The rate of interest has been changed/ revised and reduced to State Bank of India (SBI) base rate plus 1.25 % (currently effective rate is 11.25% per annum with effect from the COD). Further, a sum of ₹ 568.15 million, which represents reduction in interest for the period from the COD to the date of giving effect of CDR scheme by the respective banks as adjusted for the interest payments made during the period to the lenders, has been recorded as exceptional item.
- b. Conversion of Corporate Guarantees amounting to ₹ 924.28 million and ₹ 170.00 million to subsidiary companies namely Alkor Petroo Limited and IVRCL TLT Private Limited respectively, into Corporate Guarantee Term Loan.
- c. The interest due and accrued with effect from the COD to December 31, 2014 on cash credit facilities and upto September 30, 2015 on other term borrowings shall be funded and converted into Funded Interest Term Loan (FITL) and lenders shall have the option to convert the same along with accrued interest thereon into equity at the end of each calendar quarters. Accordingly till March 31, 2015, ₹ 4,319.29 million has been converted into FITL and consequently lenders have exercised their conversion option and converted ₹ 3,713.43 million into equity upto March 31, 2015.

Further, CDR scheme envisage:

- i. Additional security of surplus assets in the form of various land parcels in the name subsidiary companies by way of first and second parri passu charge on such assets.
 - ii. Pledge of 100% unencumbered (both present and future) shares held by the promoters in the Company.
 - iii. Corporate guarantee of all group companies where the issuance of the corporate guarantee is not barred by respective lenders.
 - iv. Pledge of unencumbered shares/investments of all major subsidiaries/group companies.
 - v. Personal guarantee of Chairman and Managing Director of the Company.
43. a) The company had entered into definitive sale agreement on March 30, 2013 with strategic investor for disinvestment in BOT projects relating to Salem Tollways Limited, Kumarapalyam Tollways Limited and IVRCL Chengapalli Tollways Limited, as a composite arrangement. The parties have during the year, agreed to extend and revise the key terms of the same. According to the revised letter of intent between the parties, the transaction will be subject to due diligence process in relation to the share purchase transaction and Commercial Operation Date (COD) timeline as agreed, before executing the revised definitive agreement. The Company has received an amount of ₹ 300.00 million (against furnishing of Bank Guarantee for equivalent amount) from strategic investor as part of advance towards the share purchase consideration, which is refundable in case strategic investor at its sole discretion decide not to proceed with share purchase transaction and does not execute the revised definitive agreement. Pending fulfillment of the condition precedent to the revised definitive agreement, the management believes that the investments are long-term and no material adjustment is considered necessary to the carrying value of the investments.
- b) During the year, the Company has signed a binding agreement for divestment of investment in its subsidiary Chennai Water Desalination Limited. As at March 31, 2015, detailed underlying terms for such agreement including approval of project authorities and lenders are under discussion and accordingly the investment in this subsidiary is considered as long-term investment. Based on the expected cash flow, no material adjustment is considered necessary to the carrying value of the investment.
44. The accumulated losses of the subsidiary, Hindustan Dorr-Oliver Limited, as at March 31, 2015, have eroded its net worth. The management of the Company is confident of improvement in the company's future operations and the financial statements have prepared on going concern basis. The Company is of the view that the investment in the company amounting to ₹ 657.53 million is a long-term investment and no provision for diminution in the value of investment is necessary.
45. Short Term Loans & Advances to subsidiary companies include an amount of ₹ 1,094.28 million, being Corporate Guarantee Term Loan (Refer Note 42 b) and ₹ 300.00 million, being Working Capital Loan of two subsidiaries taken over by the Company. In the opinion of the Board of Directors, these advances are fully recoverable from subsidiaries.

Notes forming part of Financial Statements

46. Employee Share based Plan

ESOP 2013 Scheme

The IVRCL – ESOP 2013 Scheme was approved by the shareholders in the 26th Annual General Meeting held on September 26, 2013 to grant 10,000,000 options, convertible in to 10,000,000 shares of ₹ 2 on exercise of options granted to the employees. The Company is yet to grant these options to the employees.

ESOP 2007 Scheme

The IVRCL – ESOP 2007 Scheme approved by the shareholders in the 20th Annual General Meeting held on September 7, 2007 to grant 4,200,000 options, convertible in to 4,200,000 shares of ₹ 2 on exercise of options granted to the employees was lapsed during the previous year.

47. Derivative Instruments

- (a) The details of foreign currency exposures on account of External Commercial Borrowings that have been hedged by cross currency swap are given below.

	As at 31.03.2015	As at 31.03.2014
No. of Instruments	-	5
USD Equivalent (million)	-	13.44
INR Equivalent (₹million)	-	608.12

- (b) The details of un-hedged foreign currency exposures that have not been hedged by derivative instruments or otherwise are given below.

	Currency	As at 31.03.2015		As at 31.03.2014	
		Foreign currency in million	₹ million	Foreign currency in million	₹ million
External Commercial Borrowing	USD	11.37	711.56	-	-
Short-Term Borrowings	EURO	0.41	28.10	0.41	28.89
Trade Payables	AED	0.38	6.42	0.84	13.77
	SAR	0.43	7.21	0.43	6.95
	NPR	53.16	32.56	7.55	4.67
	KES	222.90	150.24	22.13	15.37
	KWD	0.81	167.48	0.81	172.27
	TZS	257.13	8.65	83.04	3.04
Other Current Liabilities	AED	0.41	7.03	0.32	5.26
	NPR	359.17	219.99	358.69	221.78
	KES	647.74	436.59	516.07	358.47
	KWD	0.32	66.71	0.30	64.31
	TZS	3,752.08	126.22	4,555.04	166.76
Trade Receivables	AED	2.15	36.50	2.15	35.17
	NPR	5.19	3.18	4.69	2.90
	KWD	1.25	258.64	1.25	266.04
	KES	254.28	171.39	148.53	103.17
	TZS	714.63	24.04	3,259.49	119.33
Loans & Advances	AED	0.40	6.74	0.56	9.10
	TZS	1,227.41	41.29	562.69	20.60
	NPR	7.28	4.46	13.13	8.12
	KES	341.99	230.51	218.57	151.82
	KWD	0.01	1.21	0.01	1.24

Notes forming part of Financial Statements

48. The following investments in equity / preference shares have been pledged in respect of loans taken by the Company and its subsidiaries and associates:

Name of the Company	No. of Shares as at 31.03.2015	No. of Shares as at 31.03.2014	Pledged in favour of
(a) Salem Tollways Limited	26,164,612 15,237,039 5,000,000	26,164,612 15,237,039 -	IDBI Trusteeship Services Limited TATA Capital Financial Services Limited SBICAP Trustee Company Limited
(b) KumarapalyamTollways Limited	18,855,516 9,920,869	17,035,836 9,920,869	IDBI Trusteeship Services Limited TATA Capital Financial Services Limited
(c) IVRCL Indore Gujarat Tollways Limited	13,075,395 12,562,635	12,316,036 11,833,054	IDBI Trusteeship Services Limited IFCI Financial Services Limited
(d) IVRCL Chengapalli Tollways Limited	10,044,583 9,650,677	8,514,583 8,180,671	IDBI Trusteeship Services Limited IFCI Financial Services Limited
(e) IVRCL Chandrapur Tollways Limited	11,370,450 5,127,870 5,796,580	11,370,450 5,127,870 -	IDBI Trusteeship Services Limited IndusInd Bank SBICAP Trustee Company Limited
(f) SPB Developers Private Limited	8,281,800 8,281,800	8,281,800 8,281,800	Andhra Bank ICICI Bank
(g) Jalandhar Amritsar Tollways Limited	4,560,000 31,654,527	4,560,000 -	Canara Bank SBICAP Trustee Company Limited
(h) Chennai Water Desalination Limited	66,166,080 25,947,482	66,166,080 25,947,482	Canara Bank Indusind Bank Limited
(i) IOT Utkal Energy Services Limited	36,750,000 60,250,000	36,750,000 -	IDBI Trusteeship Services Limited SBICAP Trustee Company Limited
(j) Sushee – IVRCL Arunachal Highway Limited	6,630 6,162,000	6,630 -	IDBI Trusteeship Services Limited Sushee Infra Private Limited
(k) Hindustan Dorr-Oliver Limited	21,155,306	21,155,306	Bank of India
(l) IVRCL PSC Pipes Private Limited	167,000	-	SBICAP Trustee Company Limited
(m) IVR Enviro Projects Private Limited	2,924,550	-	SBICAP Trustee Company Limited
(n) IVRCL Goa Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(o) IVRCL Steel Construction & Services Limited	50,000	-	SBICAP Trustee Company Limited
(p) IVRCL-Cadagua Hogenakkal Water Treatment Company Pvt Ltd	6,000	-	SBICAP Trustee Company Limited
(q) IVRCL Building Products Limited	599,995	-	SBICAP Trustee Company Limited
(r) Saptashva Solar Limited	52,100	-	SBICAP Trustee Company Limited
(s) IVRCL TLT Private Limited	10,000	-	SBICAP Trustee Company Limited
(t) IVRCL Raipur - Bilaspur Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(u) IVRCL NarnualBhiwani Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(v) IVRCL Multilevel Car Parking Private Limited	5,100	-	SBICAP Trustee Company Limited
(w) First STP Private Limited	2,850,000	-	SBICAP Trustee Company Limited

Notes forming part of Financial Statements

Name of the Company	No. of Shares as at 31.03.2015	No. of Shares as at 31.03.2014	Pledged in favour of
(x) IVRCL Gundugolanu Rajahmundry Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(y) IVRCL Patiala Bathinda Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(z) IVR Prime Developers (Tambaram) Private Limited	10,000	-	SBICAP Trustee Company Limited
(aa) RIHIM Developers Private Limited	10,000	-	SBICAP Trustee Company Limited

49. Pursuant to Schedule II of the Companies Act, 2013, with effect from April 1, 2014, the Company has adopted revised useful life of the assets aligning the same with those specified in Schedule II. The Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on April 1, 2014 and has adjusted an amount of ₹ 136.42 million from General Reserve under Reserves and Surplus.

50. Operating Lease

- i. The Company has taken various plant and machinery including construction equipment under non-cancellable operating lease. The future minimum lease payments in respect of these as at March 31, 2015 are as follows:
(₹ in million)

	As at 31.03.2015	As at 31.03.2014
Payable not later than 1 year	106.12	177.87
Payable later than 1 year and not later than 5 years	-	106.12
Later than 5 year	-	-

- ii. Lease payments in respect of obligation under non-cancellable operating lease of ₹ 177.87 million (2013-14: ₹ 177.87 million) have been included under "Machinery Hire Charges".

51. Details of purchase and sale of traded goods:

	(₹ in million)	
	2014-15	2013-14
Purchase:		
Construction equipment	-	49.04
Sale:		
Construction equipment	-	50.36

52. Certain creditors have filed winding up petitions against the Company under section 433,434 and 439 of the Companies Act, 1956 before Hon'ble High Court of Telengana & Andhra Pradesh. The matter is presently subjudice and the company is taking appropriate steps to settle the matter.

53. Figures for the previous year have been regrouped /rearranged wherever considered necessary to conform to the figures presented in the current year.

For and on behalf of the Board

E.Sudhir Reddy
Chairman &
Managing Director

R.Balarami Reddy
Joint Managing Director
& CFO

B.Subrahmanyam
Company Secretary

Date : May 30, 2015
Place : Hyderabad

INDEPENDENT AUDITORS' REPORT

To the Members of

IVRCL LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **IVRCL LIMITED** (hereinafter referred to as "the Holding Company" or "the Company"), its subsidiaries (Holding company and its subsidiaries together referred to as, "the group"), its associates and jointly control entities comprising the consolidated Balance sheet as at March 31, 2015, the consolidated Statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information for the year then ended (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group, its associates and jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group its associates and jointly controlled entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statement by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

1. Attention is invited to Note 48A (i), 48A (ix), 48A (iii) to 48A (v), 30(ii) and 48B (i) to (v) to the consolidated financial statement in respect of Hindustan Dorr Oliver Limited (HDO) and its subsidiary-HDO Technologies Limited, a subsidiary of the Company, whereby the auditors of the Company have reported that,

- a. The accumulated losses of the Company as at March 31, 2015 amounting to ₹ 9,410.61 millions have exceeded its net worth. The Company has obligations towards borrowings aggregating to ₹ 8,455.76 million which includes working capital loan and outstanding letters of credit/bill discounting from banks. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statement does not include any adjustment in this respect.
- b. In respect of provision for impairment of goodwill, aggregating to ₹ 1,290 million arising on consolidation of subsidiary, whose net worth is substantially eroded as at March 31, 2015, not considered necessary by the management. In absence of valuation of the subsidiary, we are unable to comment whether any impairment of goodwill is required.
- c. The Management of the Company has considered Trade Receivables and other receivable amounting to ₹ 534.93 million in respect of certain projects, as good and fully recoverable. In view of non-availability of alternate audit evidence to corroborate management's assessment of recoverability of these balances and having regard to the age of these balances, we are unable to comment the extent to which these balances are recoverable.
- d. Unbilled Revenue of ₹ 839.60 million in respect of certain projects where progress is insignificant during the year and the billing is pending for a longer period have been considered good and fully recoverable. In view of non-billing after a considerable period of time, we are unable to comment the extent to which these amounts will be billed and recoverable.
- e. In respect of trade receivables, mobilization advances, retention money, trade payables and certain bank balances, external confirmations of the balances are not available. Due to non-availability of confirmation of balances, we are unable to quantify the impact, if any, arising from the confirmation of balances.
- f. In respect of Current year's and previous year's consolidated financial statements which does not contain financial statements of certain foreign subsidiaries reflecting total assets of ₹ 170.22 million as at March 31, 2014, total revenue of Nil, net loss of ₹ 0.01 million and net cash outflow of Nil for the period then ended.
- g. In respect of subsidiary, HDO Technologies Limited, regarding the status of trade receivable aggregating to ₹ 576.47 million which has been classified as good and in respect of which no provision has been considered necessary for the reasons explained therein.
- h. In respect of subsidiary, HDO Technologies Limited, regarding confirmation of the balances of trade receivables, trade payables, advances to sub-contractors and suppliers and reconciliation of the same and the possible resultant impact on the financial statements.
- i. In respect of subsidiary, HDO Technologies Limited, regarding the status of service tax receivable aggregating to ₹ 5.78 million which has been classified as good and in respect of which no provision has been considered necessary for the reasons explained therein.
- j. In respect of subsidiary, HDO Technologies Limited, the deferred tax assets on business losses aggregating to ₹ 95.71 million has been recognized on the basis of business plan prepared by the management. The Company is confident that sufficient future taxable income will be available against which such deferred tax assets will be realised. In absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which the deferred tax assets can be realized, we are unable to comment the extent to which such deferred tax assets can be realized.
- k. In respect of subsidiary, HDO Technologies Limited, the accumulated losses of the Company as at March 31, 2015 amounting to ₹ 536.77 millions have exceeded its net worth. The Company has obligations towards borrowings aggregating to ₹ 1660.30 million which includes working capital loan and outstanding letters of credit/bill discounting from banks. The Company has obligations pertaining to operations including unpaid creditors and statutory dues, these matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as going concern and therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The statement does not include any adjustment in this respect.

2. Attention is drawn to Note 48F (i) & (ii) to the consolidated financial statement in respect of IVRCL Indore Gujarat Tollways Limited, a subsidiary of the Company, whereby the auditors of the Company have reported that,
 - a. Regarding continuance of capitalization of borrowing cost amounting to ₹ 1313.70 million towards cost of the project for the reasons stated therein. In view of insignificant construction activities during the year, in our opinion, the capitalization of such expenses is not consistent with the Accounting Standard (AS-16), Borrowing Costs. Had the observation under this paragraph would have been considered, the borrowing costs capitalized during the year should have been charged to revenue.
 - b. The Company had received notice from NHAI for its Intention to terminate the project notice vide Letter No.NHAI/MP/BOT/1102/04/2007/ 49301 dated February 24, 2014 under clause 37.1.2 of the Concession agreement due to non-achievement of various milestones. The company has requested to withdraw its notice citing the reasons. The Management of the company is confident of amicable resolution of the issue with the National Highway Authority of India. In the absence of sufficient appropriate evidence in this regard, we are unable to comment upon the recoverability of such assets together with consequential impact, if any, arising out of the same.
3. Attention is drawn to the consolidated financial statement in respect of IVRCL Raipur Bilaspur Tollways Limited, a subsidiary of the Company, whereby the auditors of the Company have reported that, the Company has recognized a sum of ₹ 121.60 million as claims recoverable from National Highways Authority of India which is being considered for settlement by NHAI. Since the recovery of above sum is contingent in nature, recognition of the same constitutes a departure from Accounting Standard (AS) 29 "Provisions, Contingent Liabilities and Contingent Assets" referred to in section 133 of the Act and also departure from Accounting Policy for revenue recognition. Accordingly, the 'Other Current Assets' are overstated by ₹ 121.60 million and loss for the year is understated by the same amount.
4. Attention is drawn to Note 48G (a) to the consolidated financial statement in respect of SPB Developers Private Limited, a subsidiary of the Company, whereby the auditors of the Company have reported that, regarding continuance of capitalization of borrowing cost amounting to ₹ 213.74 million towards cost of the project for the reasons stated therein. In view of insignificant construction activities during the year, in our opinion, the capitalization of such expenses is not consistent with the Accounting Standard (AS-16), Borrowing Costs. Had the observation under this paragraph would have been considered, the borrowing costs capitalized during the year should have been charged to revenue.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matters 1(c,d,g,i & j), 2(a), 3 and 4, possible effects of the matters 1 (a,b,e,f,h & k) and 2(b) described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated statement of affairs of the group as at March 31, 2015 and of their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

1. Attention is invited to
 - a. Note 35 to the consolidated financial Statements regarding Trade Receivables and Other Current Assets aggregating to ₹ 11,948.93 million in respect of which the Company has initiated action for recovery from the customers.
 - b. Note 36 to the consolidated financial Statements wherein the Management of the Company has considered unbilled revenue amounting to ₹ 1,542.62 million, as good and fully recoverable.
 - c. Note 38 to the consolidated financial Statements in respect divestment in BOT projects relating to Salem Tollways Limited, Kumarapalyam Tollways Limited and IVRCL Chengapalli Tollways Limited and pending fulfillment of condition precedent to the revised definitive agreement, the Management believe that, no material adjustments is expected in carrying value of investment.
 - d. Note 39 to the consolidated financial Statements regarding the investment amounting to ₹ 657.53 million in its subsidiary Hindustan Dorr-Oliver Limited whose net worth has been eroded due to its accumulated losses and financial statements have been prepared on going concern basis for the reason is stated therein.
 - e. Note 40 of the consolidated financial Statements in respect of advances to subsidiary companies aggregating to ₹ 1,394.28 million in relation to loan taken over by the Company and no provision is considered necessary by the Management.

- f. Note 41 of the consolidated financial Statements in respect of pending winding up petitions against the company and the matter is subjudice.
 - g. We did not audit the returns/accounts of 3 branches of the company at Dubai, Kingdom of Saudi Arabia and Kenya whose returns and accounts reflects company's loss of ₹ 102.59 million, assets of ₹ 849.81 million and liability of ₹ 850.85 million for the year ended March 31, 2015.
 - h. Note 33 to the consolidated financial Statements regarding the managerial remuneration where the Company is awaiting Central government approval and/or in the process of making application to the Central Government.
 - i. Note 29(1) in respect of the indicative recompense of ₹ 1,646.60 million, payment of which is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been treated as contingent liability.
2. Attention is invited to Note 48A (viii) & (vii) to the consolidated financial statement in respect of Hindustan Dorr Oliver Limited (HDO), a subsidiary of the Company, whereby the auditors of the Company have reported that,
 - a. In respect of pending winding up petitions against the Company before the Hon'ble High Court of Bombay. The matter is sub-judice and outcome of which is subject to the Company fulfilling its obligations.
 - b. Regarding managerial remuneration paid to the executive director aggregating to ₹ 0.11 million is in excess of the prescribed limits specified under schedule XIII of the companies Act, 1956 and is subject to the central government approval.
 3. Attention is invited to Note 48C (i), (iv) & (v) to the consolidated financial statement of Chennai Water Desalination Limited, a subsidiary of the Company;
 - a. The income accrued from operations in the current financial period on account of Water Capacity Charges (WCC) of ₹ 72.78 million has been accounted as income in the books of account. The total amount receivable on this account from CMWSSB upto March 31, 2015 is ₹ 663.13 million. The company has taken reasonable steps in the matter and is hopeful to recover the amount. Accordingly, the accrued income has been considered good of recovery.
 - b. Interest of ₹ 669.41 million calculated at Indian lenders' rates applicable to the Company on the claims receivables from EPC Contractor has not been provided till March 31, 2015 due to pending final documentation.
 - c. Additional penalty of ₹ 56.58 million (Previous Year ₹ 23.03 million) recovered by CMWSSB which is not as per the contractual terms and hence, not recognized as expenditure in the books of account. The company is hopeful to recover the amount.
 4. Attention is invited to Note 48E to the consolidated financial statement in respect of IVRCL TLT Private Limited, a subsidiary of the Company, whereby the auditors of the Company have reported that the company's accumulated losses are in excess of its net worth. The management is confident of implementing its business plan and considering the future prospects, the financial statements have been prepared on a going concern basis.
 5. Attention is invited to Note 29 (2) to the consolidated financial statement in respect of IVRCL Indore Gujarat Tollways Limited, a subsidiary of the Company, whereby the auditors of the Company have reported in respect of ₹ 268.40 million related to sacrifice made by the CDR lenders upto March 31, 2015 as per Master Restructuring Agreement (MRA). The recompense payable by the company is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been treated as contingent liability.
 6. Attention is invited to Note 48 (H) & (I) to the consolidated financial statement in respect of Alkor Petroo Limited and IVRCL Building Products Limited, 2 subsidiaries of the Company, whereby the auditors of the Companies have reported that, Interest of ₹ 272.27 million and ₹ 44.10 million respectively on unsecured loan was not provided for the year ended March 31, 2015.
 7. Attention is invited to the consolidated financial statement in respect of IVRCL Raipur Bilaspur Tollways Limited, a subsidiary of the Company, whereby the auditors of the Company have reported that, since the project for which company was incorporated, is not being pursued, the going concern assumption is not appropriate, thus financial statements are prepared on net realizable values.
 8. In case of IVRCL Chandrapur Tollways Limited, the auditors have observed that, securities premium amount was utilized for the purposes other than mentioned in Section 52 of the Act.

Our opinion is not qualified in respect of these matters.

Other Matters

- a) We did not audit the financial statements / financial information of 52 subsidiaries whose financial statements / financial information reflect total assets of ₹ 48,304.50 million as at March 31, 2015, total revenues of ₹ 2,007.86 million and net cash flows amounting to ₹ 324.97 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b) We did not audit the financial statements / financial information of 7 subsidiaries whose financial statements / financial information reflect total assets of ₹ 8,898.60 million as at March 31, 2015, total revenues of ₹ 2,461.36 million and net cash flows amounting to ₹ 69.71 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries 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, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements /financial information are not material to the Group.
- c) Refer Note 30(iii) of the consolidated financial statements regarding non-availability of the financial statement of certain joint ventures as at March 31, 2015. The investment of joint ventures at ₹ 0.21 million in the consolidated financial statement have not been adjusted in the consolidated financial statements in absence of their financial statement as at March 31, 2015 and that may have been required had the financial statements are available.
- d) Refer Note 30(iii) of the consolidated financial statements regarding non-availability of the financial statement of certain associates as at March 31, 2015. The investment of associates at ₹ 247.96 million in the consolidated financial statement have not been adjusted in the consolidated financial statements in absence of their financial statement as at March 31, 2015 and that may have been required had the financial statements are available.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not qualified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditor's report of the Holding company and subsidiary companies to whom the Order applies we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, to the extent applicable, we report that:
 - a. We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, we/the other auditors whose reports we have relied upon obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statement.
 - b. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statement have been kept by the Group so far as appears from our examination of those books and the reports of the other auditors;
 - c. In our opinion, the consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

- d. Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. The matters described in the Basis for Qualified Opinion, in our opinion, may have an adverse effect on the functioning of the Group.
- f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the subsidiaries companies is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph and under the annexure referred to in paragraph 1 of Report on other Legal and Regulatory requirements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements has disclose the impact of pending litigations on its consolidated financial position of the group in its consolidated financial statements – Refer Note 29 to the financial statements;
 - ii. Except for the effects of matters described in the basis for qualified opinion paragraph, provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts, wherever applicable, in respect of such items as it relates to the group.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries except in case of a subsidiary where there has been delay of 285 days in transferring of ₹ 0.01 million to the Investor Education and Protection Fund.

Hyderabad
May 30, 2015

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No.307068E

R N CHATURVEDI
Partner
Membership No. 092087

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)
In respect of seven subsidiary companies, which have been included in the consolidated financial statements based on unaudited financial statements of the entity provided to us by the Management. The financial statements of subsidiary being unaudited, reporting under the Order in the case of these consolidated financial statements have not been included.

- (i) (a) The Group, wherever applicable, have maintained records showing particulars including quantitative details and situation of fixed assets except in case of Hindustan Dorr Oliver Limited (HDO), a subsidiary of the Holding Company, the auditors have stated that, comprehensive description of assets and current locations as mentioned in paragraph 1(b).
- (b) Wherever applicable, fixed assets were physically verified by the Group during the year in accordance with a program of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets except in case of HDO, the auditors have stated that, Fixed assets were not physically verified by the management during the year. Hence, in absence of physical verification report, we are unable to comment on the actual status and financial implication of the fixed assets owned by the company. In case of the other companies, according to the information and explanations given to us, discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (ii) (a) The management of the Group, wherever applicable, have conducted physical verification of inventory at reasonable intervals during the year except in case of HDO, the auditors have stated that, the Company did not have any inventory as at the year-end therefore no physical verification of inventory was carried out.
- (b) Read with (ii) (a) above, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Group and the nature of their business except in case of HDO, the auditors stated that, the procedures of physical verification of inventories followed by the management are not adequate in relation to the size of the company and the nature of its business. The physical verification of inventories has not been carried out at reasonable intervals and the system needs to be strengthened to be commensurate with the size of the Company and the nature of its business.
- (c) Read with (ii) (a) above, on the basis of our audit and the reports of other auditors who audited the financial statements of subsidiary companies, some subsidiaries are maintaining proper records of inventory and no material discrepancies were noticed on physical verification while in case of some subsidiaries, the management has carried out physical verification of the inventories and the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account except in case of HDO, the auditors have stated that the Company is not maintaining proper records of inventory. The system and maintenance of records needs to be strengthened to make them proper and facilitate reconciliation of quantity and value thereof.
- (iii) According to the information and explanations given to us and the other auditors of the subsidiary companies, the Holding Company has granted interest free unsecured loans and some subsidiaries have granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loans having regard to the rollover of the loans,
 - a. In case of Holding Company having regard to the explanations that the loans were on account of bank borrowing taken over/sponsored loans and in case of subsidiaries the receipts of principal and interest, wherever stipulated, is regular. In case of HDO, in absence of relevant records, the auditors were unable to comment over the regularity or otherwise of repayment of principal and interest.
 - b. In view of the above, in case of Holding Company, there are no overdue amount in excess of ₹ one lakh remaining outstanding as at the year-end. In case of HDO the auditors were unable to comment whether the company has taken reasonable steps to recover the principal.
- (iv) In our opinion, in case of Holding Company, having regard to the explanations that some of the items of purchase of inventories, fixed assets and sale of services are of special nature/requirement and suitable alternative sources are not readily available for obtaining comparative quotations and that the invoices issued by the Company involve technical estimates and measurements which may not at times be readily accepted by the customers, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, Internal control system with regard to purchase of inventory and fixed assets needs to be further strengthened.

However, in case of HDO, the auditors stated that the internal control system for estimation of project costs and percentage completion in respect of projects in progress is inadequate, since the cost estimates are not updated on a periodic basis. Internal control system with regard to purchase of inventory and fixed assets needs to be further strengthened. Except this, during the course of our audit, we have neither observed nor have been informed of any continuing failure to correct major weaknesses in internal control system of the Company. Further, in the opinion of auditors of other subsidiary companies, there is an adequate internal control system commensurate with their size and the nature of their businesses, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit by us and by the other auditors, no continuing failure was observed to correct any major weakness in the internal control system in respect of these areas.

- (v) According to the information and explanations given to us, the Holding Company has complied with the provisions of Section 73 to 76 of the Act and the rules framed thereunder to the extent notified, in respect of deposits accepted in earlier years which has been fully repaid during the year. According to the information and explanation given to us, the subsidiary company have not accepted any deposits within the meaning of Section 73 to 76 of the Act and the rules framed thereunder to the extent notified.
- (vi) According to the information and explanations given to us and the other auditors of the subsidiary companies, in our opinion and the opinion of the other auditors, the Group, wherever applicable, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013. Neither we nor the other auditors have, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and the other auditors of the subsidiary companies, except the Holding Company and some subsidiaries, the other subsidiaries have been regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service-tax, cess and other material statutory dues, as applicable with the appropriate authorities. In case of holding Company and some subsidiaries, there have been significant delays/delays in a number of cases in depositing these statutory dues with the appropriate authorities. However, in case of HDO, the auditor stated that in respect of effect of pending reconciliation of service tax pending from previous years, the effect of which cannot be ascertained. In respect of extent of the arrears of outstanding statutory dues as at March 31, 2015 for a period of more than six months from the date they become payable, our comments and comments of the auditors of subsidiary companies are given in **Appendix-1** to this report.
- (b) According to the information and explanations given to us and the other auditors of the subsidiary companies, the dues outstanding towards income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as given in **Appendix 2** to this report.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder except in case of Hindustan Dorr-Oliver Limited, there has been delay of 285 days in transferring of ₹ 0.01 million to the Investor Education and Protection Fund by the Company.
- (viii) Without considering the consequential effects, if any, of the matter(s) stated in Basis of Qualified opinion paragraph of our auditors' report, the accumulated losses of the Holding Company at the end of the financial year is more than fifty per cent of its net worth and it had incurred cash losses in the current and immediately preceding financial year. Further, on the basis of our audit and the reports of other auditors who audited the financial statements of certain subsidiary companies (a) some of the subsidiaries have been incorporated for less than five years and hence we are not required to comment under clause (viii) of the Order,(b) some subsidiaries have accumulated losses more than fifty percent of their respective net worth(c) some subsidiaries have accumulated losses less than fifty percent of their respective net worth, (d) some subsidiaries have incurred cash losses while other haven't incurred cash losses in the current year, (e) some subsidiaries have incurred cash losses while other haven't incurred cash losses in the immediately preceding financial year, and (f) some subsidiaries have incurred cash losses while other haven't incurred cash losses in the current and immediately preceding financial year.

- (ix) Based on our audit procedures and as per the information and explanations given by the management, the Holding Company and certain subsidiaries have delayed in repayment of dues to financial institutions and banks. The Group have not issued debentures. However, as stated in note 37, 48F (iii) (a) to 48F (f) and 48G (b) of the consolidated financial statements, in case of holding company and two other subsidiaries, the lenders banks, consequent to approval of CDR scheme/amended CDR scheme/restructuring package from Corporate Debt Restructuring Cell (CDR Cell)/lenders, have restructured the repayment of principal and interest thereon as mentioned in Appendix 3 and waived the default or penal interest charged by them up to the date of restructuring. The details of the defaults pertaining to the holding company and specific subsidiaries as observed by us and the auditors of group entities are given in **Appendix -3** to this report.
- (x) According to the information and explanations given to us, wherever applicable, the Group have given guarantee for loans taken by others from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the Group.
- (xi) Based on the information and explanations given to us by the management, wherever applicable, term loans were applied for the purpose for which the loans were obtained by the Group.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the consolidated financial statements and as per the information and explanations given to us and other auditors by the management, we report that no fraud on or by the Group have been noticed or reported during the year.

Hyderabad
May 30, 2015

For CHATURVEDI & PARTNERS
Chartered Accountants
Firm Registration No.307068E

R N CHATURVEDI
Partner
Membership No. 092087

Appendix I as referred to in Para vii(a) of the Annexure to the Independent Auditors' Report

1. IVRCL Limited

Name of Statute	Nature of dues	Period to which amount relates (₹ in million)					
		Upto 2013-14	April'14	May'14	June'14	July'14	August'14
Sales Tax & VAT Laws: Tamilnadu Uttar Pradesh	Work Contract	39.35	0.43	1.012	1.86	0.19	0.70
	Tax Work Contract Tax Due Date	20th of the next month			0.57 20/07/2014	0.73 20/08/2014	0.66 20/09/2014
Sales Tax & VAT Laws: Gujarat	Work Contract Tax Due Date	15.51 22nd of next month	0.02	0.09	0.15	0.04	0.29
Sales Tax & VAT Laws: Chhattisgarh	Work Contract Tax Due Date	1.33 10th of next month	-	-	0.03 10/07/2014	-	-
Sales Tax & VAT Laws: Orissa	Work Contract Tax Due Date	21st of next month		2.47 21/06/2014	7.43 21/07/2014	1.09 21/08/2014	1.85 21/09/2014
Sales Tax & VAT Laws: Bihar	Work Contract Tax Due Date	14.92 25th of next month	0.68	5.04	1.84	0.53	4.50

2. Hindustan Dorr-Oliver Limited

Name of Statute	Nature of dues	Amount (₹ in million)	Due Date
Income Tax	Tax Deducted at Source	5.52	Upto 2013-14
		2.45	May 2014
		2.24	June 2014
		7.23	July 2014
		2.51	August 2014
		3.18	September 2014
Sales Tax and VAT Laws	Works Contract Tax	25.93	Upto 2013-14
		0.44	April 2014
		1.74	May 2014
		0.70	June 2014
		.05	July 2014
		0.37	August 2014
		0.11	September 2014
	Sales tax/VAT	48.16	Upto 13-14
		4.85	April 2014
		1.25	May 2014
		0.71	June 2014
		3.35	July 2014
		0.39	August 2014
		2.16	September 2014
0.041	July 2014		
Income Tax	Tax Collected at Source	0.008	August 2014

3. IVRCL Chengapalli Tollways Limited

The other auditors have reported that, labour cess is being deposited in instalments and there are no undisputed statutory dues which were outstanding as on March 31, 2015 for a period over six months from the date of same becoming payable except TDS amounting to ₹ 2.07 million on interest on debentures.

4. IVRCL Chandrapur Tollways Limited

The other auditors have reported that, there are no statutory dues pending in respect of income tax, sales tax, value added tax, service tax, duty of customs, wealth tax, duty of excise, cess on account of any dispute except amount of ₹ 3.56 million withheld as WCT by the company from December 2011.

Appendix 2 as referred to in para vii(b) of the annexure to the Independent Auditors' Report

1. IVRCL Limited

Name of Statute	Nature of dues	Forum where Dispute is pending	Period to which the amount Relates	Amount Involved (₹ in million)
Sales tax and VAT laws	Sales Tax and VAT	Appellate Authority - upto Commissioner's level	2004-05 to 2011-12	1382.13
		Appellate Authority - Tribunal level	2003-04 to 2004-05	2.86
		Appellate Authority - Tribunal level	2006-07	0.64
		Appellate Authority - Tribunal level	2003-04	71.01
		Appellate Authority - High Court level	2007-08	144.03
Andhra Pradesh Tax on Entry of Motor Vehicles Act, 1996	Entry Tax	Appellate Authority - Tribunal level	2001-02	0.83
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	Appellate Authority - Commissioner level	2006-07	6.47

2. Hindustan Dorr-Oliver Limited

S.No	Name of Statute	Nature of dues	Amount (₹ in million)	Period to which amount relates	Forum where Dispute is pending
1	Custom Act, 1962	Custom Duty	0.08	1992-93	The collector of customs (Judicial), Mumbai
2	Central Sales Tax Act, 1956 and Sales Tax Act of Various States.	Sales Tax/ WCT/ VAT	4.90	1999-2000 to 2002-03 and 2007-08	A.C. (Appeal)
			64.56	1984-85, 1992-93 to 2002-03 and 2006-07 to 2010-11	D.C. (Appeal)
			21.50	2008-09	D.C.(Enforcement)
			186.35	2002-03 to 2005-06 & 2008-09	J. C. (Appeal)
			5.35	1987-88 to 1993-94, 1995-96,1999-2000 & 2000-01	Tribunal
			0.24	1995-96	Sales Tax Officer
			17.91	1988-89, 1995-96 and 2007-08	High Court
			403.03	2008-09 to 2011-12	COMMERCIAL TAX OFFICER, HYDERABAD
			70.50	2011-2012 to 2013-14	COMMERCIAL TAX OFFICER, BELLARY
			42.60	2011-12	AC
			4.70	2010-11	AC
			3.57	2009-10	COMMERCIAL TAX OFFICER, Jaipur
3	The Finance Act, 1994	Service Tax	165.20	2007-08 to 2011-12	CCE (A)
			44.30	2012-13 & 2013-14	CCE (A)
4	The Income Tax Act, 1961	Income Tax	16.65	1997-98 to 2001-02	ITAT

3. IVRCL TLT Private Limited

Name of Statute	Nature of dues	Amount (₹ in million)	Period to which amount relates	Forum where Dispute is pending	Payment (₹ in million)
The Central Excise Act, 1944	Excise Duty	4.50	2007-08 to 2010-11	Commissioner, Nagpur	5.00

4. FIRST STP PRIVATE LIMITED

Asst.Year	Fin. Year	Demand raised by Income Tax Dept (₹ in million)	Amount paid under Protest (₹ in million)	Balance
2003-04	2002-03	1.63	0.48	1.15
2006-07	2005-06	2.03	-	2.03
2007-08	2006-07	26.89	10.80	16.09
2008-09	2007-08	3.77	-	3.77
2009-10	2008-09	2.69	-	2.69
2010-11	2009-10	2.17	1.08	1.08
	Total	39.18	12.36	26.81

Appendix 3 as referred to in para ix of the Annexure to the Independent Auditors' Report

1. IVRCL Limited

a. Details of default in repayment of debenture holders and Interest during the year

Amount of Default (₹ in million)		Period of delay (in days)		Outstanding as on March 31, 2015 (₹ in million)	
Principal	Interest	Principal	Interest	Principal	Interest
2000	9.19-504.89	467	12-742	2000	504.89

b. Details of default in repayment of Term Loan and Interest during the year

Amount of Default (₹ in million)		Period of delay (in days)		Outstanding as on March 31, 2015 (₹ in million)	
Principal	Interest	Principal	Interest	Principal	Interest
50.55	0.53-17.35	641	31-731	50.55	17.37
250.00-1000.00	2.09-190.51	1-366	5-461	1000.00	190.51
19.56-136.92	19.04	15-561	502	-	-
19.56	23.22	54	532	-	-
9.78-68.46	8.33	27-573	304	-	-
19.56-136.92	37.31	32-578	590	-	-
9.78-68.46	18.71	62-611	548	430.32	106.61
1.74-22.20	-	331	-	22.20	-
0.64-1.90	-	142	-	1.90	-

c. Details of defaults in repayment of Short-Term Borrowings as on the Balance Sheet date

Amount of Default (₹ in million)	Period of delay (in days)	Outstanding as on March 31, 2015 (₹ in million)
5.20-121.18	20-456	-
4.49-101.72	21-456	-
2.51-56.96	21-456	-
7.99-181.06	21-456	-
9.55-187.18	1-456	648.10
1.83-55.14	1-701	55.14
2.25-42.97	31-424	42.97
44.10	285	44.10
0.41-2.55	30-274	2.55
0.39-2.50	31-151	2.50

d. Details of defaults in repayment of Equipment and vehicle Loans and Interest during the year

Amount of Default (₹ in million)		Period of delay (in days)		Outstanding as on March 31, 2015 (₹ in million)	
Principal	Interest	Principal	Interest	Principal	Interest
1.23 – 4.44	0.06 – 0.32	0-50	0-50	-	-
1.67 – 23.20	0.08 – 2.68	51-100	51-100	-	-
1.24 – 8.62	0.03 – 0.91	101-150	101-150	-	-
0.42 – 4.63	0.02 – 0.55	151-200	151-200	-	-
1.19 – 4.11	0.09 – 0.64	201-250	201-250	-	-
1.42	0.32	299	299	-	-
1.44	0.30	269	269	-	-
2.45	0.03	299	299	-	-
1.40	0.33	330	330	-	-
2.42	0.55	330	330	3.44	0.21

e. Amount of default made good under corporate debt restructuring scheme.

Particulars	Amount (₹ in million)
Cash Credit	132.75
Working Capital term Loan I	331.75
Working Capital term Loan II	0.11

2. Hindustan Dorr-Oliver Limited

Particulars	Amount of Default (₹ in million)	Period of Default (in days)	As at Balance Sheet (₹ in million)
Repayment of Term Loans	78.24 - 547.67	74-623	547.67
	23.28 - 77.60	1-183	77.6
	8.54 - 25.62	1-183	25.62
	4.38 - 5.838	1-61	5.838
	0.81 - 0.81	11-38	-
Interest on Term Loans	19.71 - 154.73	74 – 623	154.73
	14.10 -128.21	1-244	128.21
	0.56 - 4.35	1-183	4.35
	2.40 - 8.12	1-90	5.02
	0.01 - 0.07	02-38	-
Working Capital Loan	0.25 - 13.26	1-85	-
	4.23 - 2239.44	1-267	-
	1.11 - 410.50	1-73	-
Interest on Working Capital Loan - NPA	24.77 - 171.38	1-122	171.38

3. IVRCL Indore Gujarat Tollways Limited

Month	Delay in days	Amount (₹ in million)
November 2014	121	20.57
December 2014	90	46.23
January 2015	59	115.41
February 2015	31	107.38
March 2015	1	93.65

4. SPB Developers Private Limited

Month	Delay in days	Amount (₹ in million)
April 2014	37	16.58
	6	17.00
May 2014	111	0.52
June 2014	81	17.03
July 2014	50	17.68
August 2014	19	14.76
	79	3.30
September 2014	73	17.50
October 2014	88	18.22
November 2014	88	17.86
December 2014	57	18.54
January 2015	59	18.75
February 2015	31	17.07

5. IVRCL Chengapalli Tollways Limited

The other auditors have reported that, the Company has delayed in payment of interest dues aggregating to ₹ 622.97 million ranging from 1 to 96 days to the banks. The company has not defaulted in payment of dues to debenture holders.

6. Kumarapalyam Tollways Limited

The other auditors have reported that, the Company has delayed in (a) repayment of principal amount of borrowing aggregating to ₹ 71.20 million ranging from 1 to 295 days; (b) payment of interest on borrowings aggregates to ₹ 100.12 million ranging from 1 to 335 days to financial institutions or banks. The company has not issued debentures.

7. Alkor Petroo Limited

The other auditors have reported that, there were some delays in repayment of principal amounts and interest on loans from banks during the financial year and at the year end, which however made good by the Company.

8. Salem Tollways Limited

The auditors have reported that, the company is in default in repayment of Principal of ₹ 23.40 million for a maximum period 59 days and in repayment of Interest of ₹ 54.20 million for a maximum period of 121 days, dues to financial institution and banks as at the Balance Sheet date. The Company has not issued any debentures.

9. IVR Hotels and Resorts Limited

The auditors have reported that, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders, except for slight delay in payment of interest in few instances.

Consolidated Balance Sheet as at March 31, 2015

(₹ in million)

	NoteNo.	As at 31.03.2015		As at 31.03.2014	
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds					
(a) Share Capital	3	918.28		613.77	
(b) Reserves and Surplus	4	7,743.17		19,797.42	
Minority Interest			8,661.45 1,721.38		20,411.19 1,837.75
2. Non-Current Liabilities					
(a) Long-Term Borrowings	5	57,460.07		37,008.52	
(b) Other Long-Term Liabilities	6	1,939.08		1,939.08	
(c) Long-Term Provisions	7	1,034.84		636.66	
			60,433.99		39,584.26
3. Current Liabilities					
(a) Short-Term Borrowings	8	29,220.70		39,837.74	
(b) Trade Payables	9	18,626.91		17,808.07	
(c) Other Current Liabilities	10	22,741.55		23,170.62	
(d) Short-Term Provisions	7	2,318.19		231.87	
			72,907.35		81,048.30
Total			143,724.17		142,881.50
II. ASSETS					
1. Non-Current Assets					
(a) Fixed Assets					
(i) Tangible Assets	11	12,131.31		13,957.84	
(ii) Intangible Assets	11	14,459.13		15,030.61	
(iii) Intangible Assets under development		36,927.30		33,098.94	
(iv) Capital Work-in-Progress		161.30		501.12	
			63,679.04		62,588.51
(b) Goodwill on Consolidation	48A (ix)	1,014.02		1,014.11	
(c) Non-Current Investments	12	786.68		591.04	
(d) Deferred Tax Assets (Net)	13	363.61		1,455.35	
(e) Long-Term Loans and Advances	14	1,772.92		3,008.60	
(f) Other Non-Current Assets	15	7,636.82		8,835.54	
			11,574.05		14,904.64
			75,253.09		77,493.15
2. Current Assets					
(a) Inventories	16	12,244.77		12,588.19	
(b) Trade Receivables	17	18,994.16		19,956.44	
(c) Cash and Bank Balances	18	1,984.96		1,656.42	
(d) Short-Term Loans and Advances	19	8,724.68		8,352.80	
(e) Other Current Assets	20	26,522.51		22,834.50	
			68,471.08		65,388.35
Total			143,724.17		142,881.50
Accompanying Notes forming part of the Financial Statements	1-52				

In terms of our report attached

For Chaturvedi & Partners
Chartered Accountants

For and on behalf of the Board

R.N.Chaturvedi
Partner

E.Sudhir Reddy
Chairman &
Managing Director

R.Balarami Reddy
Joint Managing
Director & CFO

B.Subrahmanyam
Company Secretary

Date : May 30, 2015
Place : Hyderabad

Consolidated Statement of Profit and Loss for the Year ended March 31, 2015

(₹ in million)

	Note No.	For the Year ended 31.03.2015		For the Year ended 31.03.2014	
I. REVENUE					
(a) Income from Operations	21		38,253.74		49,565.40
Less : Excise Duty			58.35		118.37
Net Income from Operations			38,195.39		49,447.03
(b) Other Income	22		1,073.76		460.04
Total Income			39,269.15		49,907.07
II. EXPENSES					
(a) Raw Materials Consumed	23A		402.98		543.79
(b) (Increase) / Decrease in Finished Goods, WIP and Development Rights/Plots Stock	23B		(19.42)		10.67
(c) Purchase of Stock-in-Trade (Traded Goods)			2,283.47		49.04
(d) Construction Expenses	23C		30,087.07		41,559.05
(e) Employee Benefits Expense	24		2,327.34		2,559.91
(f) Other Expenses	25		5,777.25		2,333.00
(g) Finance Costs	26		8,966.25		7,892.74
(h) Depreciation and Amortisation Expense	11	2,574.88		1,669.31	
Less : Transferred to Revaluation Reserve		0.04		0.04	
Total Expenses			52,399.78		56,617.47
III. (Loss) / Profit Before Exceptional Item (I - II)			(13,130.63)		(6,710.40)
IV. Exceptional Item / Prior period adjustment	34, 37 & 48 A (ii)		1,442.74		2,291.55
V. (Loss) / Profit After Exceptional Item and Before Tax (III - IV)			(14,573.37)		(9,001.95)
VI. Tax Expense					
(a) Current Tax Expense for Current Year			14.36		5.92
(b) Current Tax relating to prior years			1.79		196.98
(c) Deferred Tax	48 A (ii)	1,092.14		(382.15)	
VII. (Loss) / Profit for the Year Before Minority Interest (V - VI)			1,108.29		(179.25)
VIII. Share of Loss Transferred to Minority Interest			(116.30)		(289.00)
IX. (Loss) / Profit for the Year After Minority Interest (VII - VIII)			(15,565.36)		(8,533.70)
X. Earnings Per Share (Face Value ₹ 2 each)	28				
Basic & Diluted (₹)					
Before Exceptional Item			(40.94)		(20.34)
After Exceptional Item			(45.12)		(27.81)
Accompanying Notes forming part of the Financial Statements	1-52				

In terms of our report attached

For Chaturvedi & Partners
Chartered Accountants

For and on behalf of the Board

R.N.Chaturvedi
Partner

E.Sudhir Reddy
Chairman &
Managing Director

R.Balarami Reddy
Joint Managing
Director & CFO

B.Subrahmanyam
Company Secretary

Date : May 30, 2015
Place : Hyderabad

Consolidated Cash Flow Statement for the Year ended March 31, 2015

(₹ in million)

	Year ended 31.03.2015		Year ended 31.03.2014	
A. Cash Flow from Operating Activities				
(Loss) / Profit After Exceptional Item and Before Tax		(14,573.37)		(9,001.95)
Adjustment for				
Depreciation and Amortisation Expense	2,574.84		1,669.27	
Dividend received on Investments	(0.14)		(0.04)	
Loss on Sale of Fixed Assets	8.24		44.72	
Gain on Sale of Investments	(12.31)		-	
Exceptional Item	1,442.74		2,291.55	
Provision for doubtful debts, advances and deposits (Net)	2,152.56		813.49	
Provision for foreseeable losses	2,128.46		-	
Liabilities no longer required written back	(15.10)		(37.35)	
Net Unrealised Exchange (Gain) / Loss	(57.77)		17.02	
Interest Income	(100.70)		(156.78)	
Finance Costs	8,966.25	17,087.07	7,892.74	12,534.62
Operating Profit before Working Capital Changes		2,513.70		3,532.67
<u>Changes in Working Capital</u>				
Decrease in Inventories	343.43		382.87	
Increase in Trade Receivables	(505.69)		(1,025.44)	
Increase in Loans & Advances and Other Current Assets	(4,143.84)		(2,685.62)	
Decrease in Current Liabilities	(1,338.44)	(5,644.54)	(5,481.20)	(8,809.39)
Cash used in operations		(3,130.84)		(5,276.72)
Net Income Tax (paid) / Refund		(186.80)		347.14
Net Cash Flow used in Operating activities		(3,317.64)		(4,929.58)
B. Cash Flow from Investing activities				
Capital Expenditure on Fixed Assets	(3,928.52)		(6,572.15)	
Proceeds from Sale of Fixed Assets	72.88		98.30	
Proceeds from Sale of Long-Term Investments	28.41		-	
Purchase / Subscription of Long-Term Investments	(285.25)		(61.62)	
Foreign Exchange Translation adjustment	7.13		228.91	
Bank Balances / Term Deposits with Banks not considered as Cash and Cash Equivalents (Net)	(15.29)		(71.15)	
Interest Received	99.19		147.79	
Dividend received on Long-Term Investments	0.14		0.04	
Net Cash Flow used in Investing activities		(4,021.31)		(6,229.88)

Consolidated Cash Flow Statement for the Year ended March 31, 2015

(₹ in million)

	Year ended 31.03.2015		Year ended 31.03.2014	
C. Cash Flow from Financing Activities				
Proceeds from Government Grants	278.05		808.55	
Proceeds from Long-Term Borrowings (net of repayments)	5,949.24		3,166.35	
Proceeds from Short-Term Borrowings (net of repayments)	3,975.56		14,157.90	
Interest and Finance Charges Paid	(2,617.84)		(6,933.73)	
Net Cash Flow from Financing activities		7,585.01		11,199.07
Net increase in Cash and Cash Equivalents (A+B+C)		246.06		39.61
Cash and Cash Equivalents at the beginning of the year		1,414.78		1,450.41
Less: Cash balance of subsidiary not consolidated during the year		-		(75.63)
Effect of Exchange differences on restatement of Foreign Currency Cash and Cash Equivalents		(1.38)		0.39
Cash and Cash Equivalents at the end of the year		1,659.46		1,414.78

Notes :

- The Cash flow statement is prepared under ' indirect method ' as set out in Accounting Standard - 3 on Cash Flow Statements.
- Previous Year's figures have been regrouped, wherever considered necessary.

In terms of our report attached

For Chaturvedi & Partners

Chartered Accountants

For and on behalf of the Board

R.N.Chaturvedi

Partner

E.Sudhir Reddy

Chairman &
Managing Director

R.Balarami Reddy

Joint Managing
Director & CFO

B.Subrahmanyam

Company Secretary

Date : May 30, 2015

Place : Hyderabad

Consolidated Notes forming part of Financial Statements

1. Corporate Information

The Company is engaged in the business of development and execution of Engineering, Procurement, Construction and Commissioning (EPCC) and Lump Sum Turn Key (LSTK) facilities in various Infrastructure projects such as Water Supply, Roads and Bridges, Townships and Industrial Structures, Power Transmission, etc. for Central/State Governments, other Local Bodies and Private Sector.

2. Accounting Policies

2.1 Basis of Preparation

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India ("Indian GAAP") and comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act 2013") / Companies Act, 1956 ("the Act 1956"), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncements of the Institute of Chartered Accountants of India ("ICAI"). The accounting policies applied by the Company are consistent with those used in the previous year, unless otherwise stated.

2.2 Use of Accounting Estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses during the period of account. Examples of such estimates include contract costs expected to be incurred to complete construction contracts, provision for doubtful debts, provision for foreseeable losses, income taxes and future obligations under employee retirement benefit plans. Management periodically assesses whether there is an indication that an asset may be impaired and makes provision in the accounts for any impairment losses estimated. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from those estimates.

2.3 Principles of Consolidation

The Consolidated Financial Statements relate to IVRCL Limited ("the Company") and its subsidiary companies. The Consolidated Financial Statements have been prepared on the following basis:

- i. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements".
- ii. The BOT contracts are governed by Service concession agreements with government authorities/private parties (grantor). Under these agreements, the Company does not own the BOT asset, but gets "toll collection rights"/ other rights against the construction services rendered. Since the construction cost incurred by the Company is considered as exchanged with the grantor against above rights, profit from such contracts is considered as realized.

Accordingly, in case of BOT contracts awarded to group companies (operator), where work is subcontracted to group companies, the intra group transactions on BOT contracts and the profits arising thereon are taken as realised and not eliminated for consolidation under Accounting Standard 21.

- iii. In case of foreign subsidiaries, being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the foreign currency translation reserve.
- iv. The difference between the cost of investment in the subsidiaries and the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
- v. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and the equity of the company's shareholders. Minority interest in the net assets of consolidated subsidiaries consists of:

Consolidated Notes forming part of Financial Statements

- a. The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - b. The minorities' share of movements in equity since the date the parent subsidiary relationship came into existence.
- vi. Minority interest's share of net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the group.
- vii. Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures".
- viii. Investments in jointly controlled entities and associates not considered for consolidation have been accounted as per Accounting Standard 13 - "Accounting for Investments".

2.4 Recognition of Contract Revenue and Expenses

- (i) Contract Revenue is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of percentage of completion method.
- (ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract.
- (iii) An expected loss on construction contract is recognised as an expense immediately when it is certain that the total contract costs will exceed the total contract revenue.
- (iv) Price escalation and other claims and /or variation in the contract work are included in contract revenue only when:
 - (a) The contract provides for such claims and when it is demonstrable that efforts and costs have been incurred in relation to such claims.
 - (b) The amount that is probable will be accepted by the customer can be measured reliably.
- (v) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:
 - (a) The contract is sufficiently advanced that it is probable that the specified performance standards will be met; and
 - (b) The amount of the incentive payment can be measured reliably.

2.5 Revenue from Joint Venture Contracts

In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.

2.6 Revenue from Sale of Goods

Revenue from sale of goods is recognized when substantial risks and rewards of ownership are transferred to the buyer under terms of the contract.

2.7 Sale of Bulk Water

The income receivable from Chennai Metropolitan Water Supply and Sewerage Board (CMWSSB) mainly comprises Water Capacity Charges (WCC) and Water Variable Charges (WVC) provided for in the books on accrual basis.

2.8 Income from Toll Collection

Toll fee collection from the users of the facility is accounted for as and when the amount is due and recovery is certain. Revenue from sale of passes to local traffic is accounted for as and when such passes are sold.

2.9 Revenue from Real Estate

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Consolidated Notes forming part of Financial Statements

- i. Residential properties include cost incurred towards development of such properties.
- ii. Freehold land purchased for the purpose of real estate development is considered as inventory.
- iii. Work-in-progress represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognised.
- iv. Development rights for land represents development rights of land acquired from group companies and others as per the development agreements entered with them.

• **Sale of land and development rights**

Revenue from sale of land and development rights is recognised upon transfer of all significant risks and rewards of ownership of such land and development rights, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue recognized is net of adjustment on account of cancellations.

• **Sale of flats, villas, plots**

Revenue from sale of flats, villas and plots is recognised upon transfer of significant risks and rewards of ownership of such real estate/property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/agreements for sale and when the buyer's investment is adequate enough to demonstrate a commitment to pay. Sale consideration is determined through agreement of sale or registration of sale deed. Revenue recognised is net of adjustment on account of cancellations.

- (i) In accordance with the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the Institute of Chartered Accountants of India in case where the seller is obligated to perform any substantial acts after the transfer of all significant risks and rewards of ownership, revenue is recognised on proportionate basis as the acts are progressively performed, by applying the percentage of completion method. Percentage of completion is determined on the basis of actual project cost (including cost of land) incurred thereon to total estimated project cost. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.
- (ii) In accordance with the Guidance Note on Recognition of Revenue by Real Estate Developers issued by the Institute of Chartered Accountants of India the Revenue from construction of villas is recognized on the 'percentage of completion method'. Percentage of completion is determined on the basis of actual project cost incurred thereon to total estimated project cost, where the actual cost is 25 percent or more of the total estimated project cost. Where the total cost of a contract, based on technical and other estimates is expected to exceed the corresponding contract value, such expected loss is provided for.

2.10 Employee Benefits

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

(i) **Defined contribution plans**

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made.

(ii) **Defined benefit plans**

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

Consolidated Notes forming part of Financial Statements

(iii) Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

(iv) Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

2.11 Fixed Assets

a) Tangible

Fixed assets are carried at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses.

The Company revalued all its Land and Buildings in the year 2001-02. The revalued assets are carried at the revalued amounts less accumulated depreciation and impairment losses, if any. Increase in the net book value on such revaluation is credited to "Revaluation Reserve Account" except to the extent such increase is related to and not greater than a decrease arising from a revaluation / impairment that was previously recognised in the Statement of Profit and Loss, in which case such amount is credited to the Statement of Profit and Loss. Decrease in book value on revaluation is charged to the Statement of Profit and Loss except where such decrease relates to a previously recognised increase that was credited to the Revaluation Reserve, in which case the decrease is charged to the Revaluation Reserve to the extent the reserve has not been subsequently reversed / utilised.

Fixed Assets under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

b) Intangible

Intangible assets are recognized as per criteria specified in Accounting Standard 26 "Intangible Assets". Carriage ways representing Toll Collection Rights, obtained in consideration for rendering construction, operation and maintenance services in relation to building and maintenance of the project on Build, Operate and Transfer (BOT) basis. The cost of such carriage ways comprises construction cost and other pre-operative costs incurred during the implementation phase, such carriage ways on completion are capitalized as intangible asset.

c) Goodwill

Goodwill represents the excess of purchase consideration over the net book value of assets acquired of the Subsidiary Companies as on the date of investment. Goodwill is not amortised but is tested for impairment on a periodic basis and impairment losses are recognised where applicable.

d) Expenditure incurred during construction period pending allocation

Incidental expenditure incurred during construction/development period is capitalised on commencement of commercial operation of the project.

Consolidated Notes forming part of Financial Statements

2.12 Depreciation and Amortization

(i) Depreciation on fixed assets is provided based on the useful life of the assets as estimated by the management which coincides with rates prescribed in Schedule II to the Companies Act, 2013 except the following which are depreciated based on useful life determined by the Company.

- Steel Shuttering 10 years
- Wood Shuttering 3 years
- Pucca sheds 3 years

land acquired for quarrying are amortised over the period of the respective project.

(ii) Intangible assets i.e., toll Collection rights are amortized over the period of concession, using revenue based amortization as prescribed in the Schedule II to the Companies Act, 2013. Under this methodology, the carrying value is amortized in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets' economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortization of toll collection rights is changed prospectively to reflect any changes in the estimates.

(iii) Technical Know-how is amortised over a period of five years in equal installments.

2.13 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.14 Government Grants

Grants from the government are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Grants received during construction period in the nature of promoter's contribution are credited to capital grants and treated as shareholder's funds as per AS 12. Where the Government grants are of the nature of promoters' contributions, i.e., they are given with reference to the total investment in an undertaking or by way of contribution towards its total capital outlay (for example, central investment subsidy scheme) and no repayment is ordinarily expected in respect thereof, the grants are treated as capital reserve (as part of shareholders fund) which can be neither distributed as dividend nor considered as deferred income.

2.15 Foreign Currency Transactions and Foreign Operations

Transactions made during the period in foreign currency are recorded at the exchange rate prevailing at the time of transactions. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the period-end are translated at the exchange rate prevalent at the date of Balance Sheet. Exchange differences arising on actual payment/realisation and period end reinstatement referred to above are recognised in the Statement of Profit and Loss.

In respect of forward contracts entered into to hedge risks associated with foreign currency fluctuation on its existing assets and liabilities, the premium or discount at the inception of the contract is amortised as income or expense over the period of the contract.

Currency options/other swap contracts outstanding as at the Balance Sheet date are marked to market and the net loss is charged to the Statement of Profit and Loss. Any profit or loss arising on cancellation of such contracts is recognised as income or expense in the Statement of Profit and Loss of the period.

Foreign branches are classified as non-integral foreign operations. The Assets and Liabilities, both monetary and non-monetary of the branch are translated at the exchange rate prevailing at the balance sheet date. Income and

Consolidated Notes forming part of Financial Statements

expenses are translated at monthly average exchange rate. All resulting exchange differences are accumulated in 'Foreign Currency Translation Reserve' account.

2.16 Investments

Current investments are carried at lower of cost and fair value. Long-term investments are carried at cost less provision for diminution other than temporary in value of such investments. Dividend Income is accounted when the right to receive dividend is established.

2.17 Inventories

Inventories are valued at cost and the cost is determined on First-in-First-Out method.

Inventory of manufactured goods and raw materials are valued at lower of cost and net realisable value. Cost of manufactured goods includes related overheads and excise duty paid/payable on such goods.

Residential Properties includes cost incurred towards development of such properties.

Plots stock represents cost of freehold land and land development rights segregated as plot for the purpose of development of township.

Freehold land purchased for the purpose of real estate development is considered as inventory.

Work-in-progress represents cost incurred in respect of unsold area of the real estate development projects or cost incurred on projects where the revenue is yet to be recognized.

Development rights for land represents development rights of land acquired from group companies and others as per the development agreements entered with them.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

Direct expenditure relating to construction activity is inventorised. Indirect expenditure (including borrowing costs) during the construction period is inventorised to the extent the expenditure is related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is neither related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss. Cost incurred/items purchased specifically for projects are taken as consumed as and when incurred/received.

2.18 Borrowing Costs

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalised as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as period costs.

2.19 Provisions and Contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.20 Income Taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the year. A provision is made for income tax annually based on the tax liability computed, after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters are probable.

Deferred tax assets and liabilities are recognised, subject to prudence, on timing differences, being the difference between taxable incomes and accounting income, that originates in one period and is capable of reversal in one or more subsequent periods and quantified using the tax rates and laws enacted or substantively enacted by the

Consolidated Notes forming part of Financial Statements

reporting date. Deferred tax assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

2.21 Earnings Per Share (EPS)

In arriving at the EPS, the Company's net profit/ loss after tax, computed in terms of the Indian GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS, the net profit / loss after tax, referred above and the weighted average number of equity shares, as computed above and the weighted average number of equity shares that would have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The dates' of issue of such potential shares determine the amount of the weighted average number of potential equity shares.

2.22 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and 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.

2.23 Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.24 Current / Non-Current Classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act, 2013.

Infrastructure:

Operating cycle for the business activities of the infrastructure covers the duration of the specific project/contract/ project line/service including defect liability period, wherever applicable and extends up to the realizations of receivables (including retention money) within the agreed credit period normally applicable to the respective project.

Others:

For other activities period of twelve months is considered as operating cycle for classification of current assets and current liabilities into current or non-current

Consolidated Notes forming part of Financial Statements

3. Share Capital

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	₹ in million	No. of Shares	₹ in million
Authorised :				
Equity shares of ₹ 2 each	1,625,000,000	3,250.00	1,625,000,000	3,250.00
Preference shares of ₹ 2 each	25,000,000	50.00	25,000,000	50.00
	1,650,000,000	3,300.00	1,650,000,000	3,300.00
Issued, Subscribed and Paid up				
Equity shares of ₹ 2 each fully paid up	459,138,722	918.28	306,886,648	613.77
	459,138,722	918.28	306,886,648	613.77

3.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the Year

	As at 31.03.2015		As at 31.03.2014	
	No. of Shares	₹ in million	No. of Shares	₹ in million
At the beginning of the Year	306,886,648	613.77	306,886,648	613.77
Add : Issued during the Year (Refer Note 37)	152,252,074	304.51	-	-
Outstanding at the end of the Year	459,138,722	918.28	306,886,648	613.77

3.2 Terms / Rights attached to Equity Shares

The Company has only one class of equity shares having a face value of ₹ 2 per share and each holder of equity shares is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholdings.

3.3 Aggregate number of Equity Shares allotted as fully paid-up for consideration other than cash during 5 years immediately preceding the date of Balance Sheet

The Company had allotted 133,504,929 shares of ₹ 2 each in the year 2009-10 as fully paid bonus shares in the ratio of 1:1 by utilizing ₹ 267.01 million from General Reserve.

3.4 Shareholders holding more than 5% shares of the Company

No shareholder is holding more than 5% shares of the Company during the current year and previous year.

3.5 Details of Shares Reserved for issue under Options

For details of shares reserved for issue under Employee Stock Options (ESOP) plan of the company, Refer Note 46.

As fully described in Note 37, during the year, pursuant to the Corporate Debt Restructuring Scheme (CDR) approved by Empowered Group (CDR EG) vide letter dated June 30, 2014, the CDR lenders have a right to convert restructured debt (including funded interest term loan) into equity shares at the sole discretion and on demand as per the agreed terms in the MRA. In relation to the loans restructured by the CDR lenders a total amount to ₹ 28,877.82 million would qualify for the conversion of 1,184,002,485 shares at the sole discretion of the CDR lenders

Consolidated Notes forming part of Financial Statements

4. Reserves and Surplus

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Capital Reserve	3,294.79	3,294.79
(b) Business Restructuring Reserve	271.37	271.37
(c) Securities Premium Account		
Opening Balance	10,615.02	10,615.02
Add : Additions during the year (Refer Note 37)	3,408.92	-
Closing Balance	14,023.94	10,615.02
(d) Revaluation Reserve		
Opening Balance	933.94	28.31
Add : Additions during the year	-	905.67
Less: Depreciation on revalued portion of assets	(0.04)	(0.04)
Closing Balance	933.90	933.94
(e) General Reserve		
Opening Balance	9,011.05	9,011.05
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 (Refer Note 42)	(136.42)	-
Closing Balance	8,874.63	9,011.05
(f) Government Grant	1,766.46	1,488.41
(g) Debenture Redemption Reserve	500.00	500.00
(h) Foreign Exchange Translation Reserve		
Opening Balance	3.76	(115.76)
Add: Effect of foreign exchange variations during the year	5.76	119.52
Closing Balance	9.52	3.76
(i) (Deficit) / Surplus in Statement of Profit and Loss		
Opening Balance	(6,320.92)	1,677.24
Add: Adjustment on account of subsidiary not consolidated	-	535.54
Add: (Loss) / Profit for the year	(15,565.36)	(8,533.70)
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 (Refer Note 42) (Net of Deferred Tax)	(45.16)	-
Closing Balance	(21,931.44)	(6,320.92)
	7,743.17	19,797.42

Consolidated Notes forming part of Financial Statements

5. Long-Term Borrowings

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
	Non-Current	Current@	Non-Current	Current@
i) Secured				
(a) Debentures (Refer Note 5.1)				
- 12.15% Redeemable, Non-Convertible Debentures	-	2,000.00	-	2,000.00
(b) Term Loans				
- From Banks (Refer Note 5.3 to 5.21)				
Working Capital Term Loan I	14,510.25	1,009.77	2,237.16	194.54
Working Capital Term Loan II	2,936.86	154.57	-	-
Priority Debt	637.47	112.49	-	-
Term Loan	30,096.76	2,946.93	27,062.05	2,683.39
Funded Interest Term Loan	1,058.09	93.17	433.43	55.66
- From Others				
Term Loan	5,455.40	155.69	4,817.95	809.56
Funded Interest Term Loan	211.12	0.13	-	-
(c) Earth Moving Equipment and Vehicle Loans				
- From Banks	-	-	70.66	76.51
- From Others (Refer Note 5.22)	-	43.13	19.97	87.60
ii) Unsecured				
- Compulsory Convertible Debentures (Refer Note 5.2)	2,499.90	-	2,367.30	-
- Term Loans				
- From Banks	-	600.00	-	600.00
- From Others	54.22	62.79	-	-
- Public Deposits	-	-	-	33.03
	57,460.07	7,178.67	37,008.52	6,540.29

@ Amount included under Note 10 - Other Current Liabilities

5.1 12.15% Non-Convertible Debentures

2,000 Debentures of ₹ 1,000,000 each issued to Life Insurance Corporation of India during the year 2008-09. The debentures were due for redemption at the end of five years (i.e., December 19, 2013) from the date of allotment. The debentures are secured by way of first pari passu charge over certain specific fixed assets including immovable properties of the Company. IDBI Trusteeship Services Limited, Mumbai were the trustees for the debenture holders in respect of the below non-convertible debentures.

Details of defaults in repayment of Non-Convertible Debentures and interest as on the Balance Sheet date

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Principal	467	2,000.00	2,000.00
Interest	12 - 742	9.19 - 504.89	504.89

5.2 Compulsorily Convertible Debentures

(i) IVRCL Chengapalli Tollways Limited

a) Compulsorily Convertible Debentures (CCDs) were issued to IFCI Limited, to part finance the Project of the company. The tenure of the CCDs is 6 years from the date of disbursement which is extended for additional 2 years vide the restructuring mechanism sanctioned by the IFCI. The cutoff date for the restructuring scheme is June 30, 2014. Further a moratorium of 2 years has been provided for the coupon payment from June 30, 2014 to June 30, 2016, which shall form part of the overall IRR payable to the IFCI. The indicative coupon rate is 11%

Consolidated Notes forming part of Financial Statements

p.a. payable half yearly subject to overall yield to the lender @ 15.75% p.a. IVRCL Limited (the sponsor) shall be liable to meet the obligation of making the coupon payments. CCDs are secured by pledge of shares of the company held by the Sponsor amounting to 49% of the paid up equity share capital, to be maintained throughout the tenure of the CCDs and subservient charge on the senior lender assets excluding pledge of shares and corporate guarantee by IVRCL Limited for ₹ 1,250.00 million. Further the additional security in the form of land aggregating to Acres 9.9 located in Vedurvada Village, Atchutapuram Mandal, Vishakhapatnam District has been provided and equitable mortgage has been created favoring IFCI by deposit of title deeds. The sponsor shall have a call option and IFCI, a put option on the sponsor for buy out of the CCDs as per the terms specified.

- b) The company could not create Debenture Redemption Reserve (DRR) in terms of provisions of section 71(4) of the Companies Act, 2013 as the company has no profits and the project of the company is under implementation phase and company is yet to commence commercial operations.

(ii) IVRCL Indore Gujarat Tollways Limited

(a) Compulsorily Convertible Debentures (CCDs) were issued to IFCI Limited, to part finance the Project of the company. The tenure of the CCDs is 6 years from the date of disbursement which is extended for additional 2 years vide the restructuring mechanism sanctioned by the IFCI. The cut off date for the restructuring scheme is June 30, 2014. Further a moratorium of 2 years has been provided for the coupon payment from June 30, 2014 to June 30, 2016, which shall form part of the overall IRR payable to the IFCI. The indicative coupon rate is 11% p.a. payable half yearly subject to overall yield to the lender @ 15.75% p.a. IVRCL Limited (the sponsor) shall be liable to meet the obligation of making the coupon payments. CCDs are secured by pledge of shares of the company held by the Sponsor amounting to 49% of the paid up equity share capital, to be maintained throughout the tenure of the CCDs and subservient charge on the senior lender assets excluding pledge of shares and corporate guarantee by IVRCL Limited for ₹ 1,250.00 million. Further the additional security in the form of land aggregating to Acres 9.9 located in Vedurvada Village, Atchutapuram Mandal, Vishakhapatnam District has been provided and equitable mortgage has been created favoring IFCI by deposit of title deeds. The sponsor shall have a call option and IFCI, a put option on the sponsor for buy out of the CCDs as per the terms specified.

- (b) The company could not create Debenture Redemption Reserve (DRR) in terms of provisions of section 71(4) of the Companies Act, 2013 as the company has no profits and the project of the company is under implementation phase and company is yet to commence commercial operations.

5.3 The Board of Directors of the company in its meeting held on January 18, 2014 had accorded its approval for restructure of the debts of the Company under Corporate Debt Restructuring (CDR) Mechanism of the Reserve Bank of India. The proposal is only for the company and not for any of its subsidiaries and associates. CDR Empowered Group (CDR EG) in its meeting held on June 28, 2014 has approved the CDR scheme submitted by the Company and issued letter of approval on June 30, 2014. As on March 31, 2015 CDR related documents have been executed and creation of security is in the process. On restructuring, effect of CDR Scheme in the books of account has been given as follows.

5.4 Working Capital Term Loan – I

Irregularity in working capital limits, comprising devolved Letter of Credits (pre and post Cut-off Date {(COD) i.e November 30, 2013} upto December 31, 2014), invoked Bank Guarantees, interchangeability/other irregularity and shortfall in Drawing Power amounting to ₹ 13,175.01 million has been carved out as Working Capital Term Loan - I (WCTL - I). WCTL - I shall be repaid after a moratorium of 25 months from COD in 31 structured quarterly installments, commencing from quarter ending March 31, 2016. WCTL - I carries rate of interest, SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset.

WCTL - I is secured by first pari passu charge on fixed assets excluding the exclusive security given to various lenders (WCTL - I amounting to ₹ 1,946.10 million is further secured by first and exclusive charge on all present and future fixed assets and current assets, except lease rights of the lease hold land of IVRCL TLT Private Limited, a subsidiary of the company), book debts beyond the cover period and non-current assets excluding retention money and investments. Second pari passu on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future (also Refer Note 37).

Consolidated Notes forming part of Financial Statements

5.5 Working Capital Term Loan – II

Invoked Bank Guarantees from COD to March 31, 2015 amounting to ₹ 3,091.43 million has been carved out as Working Capital Term Loan - II (WCTL - II). WCTL - II shall be repaid after a moratorium of 25 months from Cut-off date in 31 structured quarterly installments, commencing from quarter ending March 31, 2016. WCTL - II carries rate of interest, SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset (also Refer Note 37)

WCTL - II is secured by first paripassu charge on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future. Second paripassu charge on fixed assets, book debts beyond the cover period and non-current assets excluding retention money and investments both present and future (also Refer Note 37)

5.6 Priority Debt

₹ 749.97 million has been availed out of ₹ 1,750.00 million Priority Debt sanctioned. Priority Debt shall be repaid in 21 structured quarterly installments, commencing from quarter ending March 31, 2016. Priority Debt carries rate of interest, SBI Base Rate plus 2.00% from cut-off date with annual reset.

Priority Debt is secured by first paripassu charge on fixed assets excluding the exclusive security given to various lenders, book debts beyond the cover period and non-current assets excluding retention money and investments. Second pari passu on entire stocks, book-debts upto cover period, unbilled revenue, retention money and any current assets as per audited balance sheet both present and future (also Refer Note 37).

5.7 Term Loans from Banks

(a) ICICI Bank

The loan amount of ₹ 1,783.68 million is secured by first and exclusive hypothecation charge over specific fixed assets of the Company including freehold lands. The rate of interest is SBI Base Rate plus 1.25% p.a. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 37).

(b) IndusInd Bank

The loan amount of ₹ 696.99 million is secured by equitable mortgage of land and pledge of certain equity shares held in subsidiaries, as per the terms of sanction letter. The rate of interest is SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 37).

(c) Punjab & Sind Bank

Secured by first and exclusive hypothecation charge over specific fixed assets of the Company. The rate of interest is Base Rate plus 1.50% p.a. The balance outstanding as at March 31, 2015 is ₹ 50.55 million, which is overdue.

(d) AXIS Bank

The loan amount of ₹ 296.50 million carries rate of interest SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset. Out of loan amount of ₹ 296.50 million, ₹ 46.50 million was secured by specific equipments. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 37).

(e) Nova Scotia

The loan amount of ₹ 250.00 million carries rate of interest SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset and is secured by mortgage of freehold land. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 37).

(f) Standard Chartered Bank (External Commercial Borrowings)

Secured by first charge on exclusive hypothecation of construction equipment procured out of loan amount. The details for each disbursement are as under:

Consolidated Notes forming part of Financial Statements

S. No	Outstanding as on 31.03.2015		Repayable in	Period of maturity w.r.t Balance sheet Date	Rate of Interest p.a
	USD (million)	INR (million)			
1	2.50	156.48	8 equal quarterly installments of ₹ 19.56 million each	3 months	8.90%
2	1.37	85.64	4 equal quarterly installments of ₹ 19.56 million each and final installment of ₹ 7.40 million	10 months	9.38%
3	1.72	107.58	11 equal quarterly installments of ₹ 9.78 million each	11 months	9.50%
4	3.75	234.72	12 quarterly installments of ₹ 19.56 million each	1 years 2 months	9.85%
5	2.03	127.14	13 equal quarterly installments of ₹ 9.78 million each	1 years 4 months	9.85%
Total	11.37	711.56			

(g) Union Bank of India

Loan amount of ₹ 1,000.00 million repayable after moratorium period of one year in 4 equal installments of ₹ 250.00 million each. The rate of interest is base rate plus 4% p.a. The loan amount of ₹ 400.00 million has been included under secured loans and is secured by first charge on the immovable properties of the Company and the remaining balance of ₹ 600.00 million is secured by land belonging to RIHIM Developers Private Limited, wholly owned subsidiary of the Company and has been included under unsecured loan.

5.8 Term Loans from Others

(a) TATA Capital Limited:

The loan is secured by mortgage of freehold non-agricultural land. The rate of interest is SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 37).

(b) SREI Equipment Finance Private Limited

The loan is secured by first charge by way of hypothecation of specific movable assets. The rate of interest is SBI Base Rate plus 1.25% p.a. from cut-off date with annual reset. The loan is repayable after a moratorium of 28 months from cut-off date in 30 structured quarterly installments commencing from quarter ending June 30, 2016 (also Refer Note 37).

5.9 Details of defaults in repayment of loans and interest as on the Balance Sheet date

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Repayment of Term Loan - From Banks	641	50.55	50.55
	1 - 366	250.00 - 1,000.00	1,000.00
	15 - 561	19.56 - 136.92	430.32
	54	19.56	
	27-573	9.78 - 68.46	
	32 - 578	19.56 -136.92	
62 - 611	9.78 - 68.46		
Interest on Term Loan - From Banks	31- 731	0.53 - 17.35	17.37
	502	19.04	106.61
	532	23.22	
	304	8.33	
	590	37.31	
	548	18.71	
5 - 461	2.09 - 190.51	190.51	

Consolidated Notes forming part of Financial Statements

5.10 Hindustan Dorr-Oliver Limited

During the previous year, Andhra Bank (consortium partner) vide their letter dated July 20, 2013 ('sanction/ restructuring of working capital limits') has approved the Company's financial restructuring package in respect of credit facilities effective from April 1, 2013. As per the restructuring package, a part of the debts outstanding in respect of cash credit facilities aggregating to ₹ 460.46 million and ₹ 8.25 million have been converted into working capital term loan and funded interest term loan (i.e. WCTL and FITL) respectively.

a) (i) Working Capital Term Loan from Banks

Working capital Term loan from banks are secured by hypothecation of entire stocks, book debts, outstanding money receivable, claims and bills (both present and future), The loan is further secured by fixed assets owned by wholly owned subsidiary Company situated at Vatva, Ahmedabad (Gujarat), residual charge over building at Andheri, Mumbai and flats situated in Mumbai and flat owned by wholly owned subsidiary Company situated at Vatva, Ahmedabad (Gujarat). The facility is further secured by pledging of 29.38% shares of the Company held by IVRCL Limited (Holding Company).The facility carries interest @11.5% p.a.

(ii) **Repayment of Working Capital Term Loan** - Repayable in 24 quarterly installments after moratorium period, of 9 months (in case of Andhra Bank) and 12 months (in case of Bank of India), commencing from April 1, 2013 (in case of Andhra Bank) and December 31, 2012 (in case of Bank of India) with the first installment due on March 2014 and ending on December 2019.

(iii) **Repayment of Funded Interest Term Loan** - Repayable in 10 equal quarterly installments after moratorium period, of 9 months (in case of Andhra Bank) and 12 months (in case of Bank of India), commencing from April 1, 2013 (in case of Andhra Bank) and December 31, 2012 (in case of Bank of India) with the first installment due on March 2014 and ending on June 2016.

b) External Commercial Borrowings

(i) External commercial borrowings is secured by first charge over the land and building situated at Mumbai (the Company's Corporate office) along with other assets of the Company with current value not less than 1.25x of the facility amount. Borrowing is further secured by first charge over the existing fixed assets and current assets of Davy Markham Limited UK.

(ii) Terms of Repayment: Repayable in 16 equal quarterly installments with the first installment due on April 17, 2013 (i.e. at the end of 15th month from the date of disbursement) and ending on January 17, 2017.

(iii) Terms of Interest: USD 3 months LIBOR as prevailing at the start of every interest period plus margin (300 bps p.a.) payable in arrears at the end of every interest period net of withholding tax or deductions, if any.

Details of Default in repayment of term loans and Interest

Hindustan Dorr-Oliver Limited

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Repayment of Term Loans	74 - 623	78.24 - 547.67	547.67
	1 - 183	23.28 - 77.60	77.60
	1 - 183	8.54 - 25.62	25.62
	1	5.84	5.84
Interest on Term Loans	74 - 623	19.71 - 154.73	154.73
	1 - 244	14.13 - 128.21	128.21
	1 - 183	0.56 - 4.35	4.35
	1 - 032	2.40 - 5.02	5.02

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HDO Technologies Limited

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Repayment of Term Loans	1 - 183	6.33 - 21.10	21.10
	1 - 183	2.32 - 6.96	6.96
	1	3.32	3.316
	1	0.46	0.46
Interest on Term Loans	1-213	3.05 - 32.44	32.44
	1-60	0.2 - 0.59	0.59
	1-32	1.32 - 2.79	2.79

5.11 Salem Tollways Limited

- (i) The term loan is secured by pari passu first charge on all the borrowers immovable properties present and future and intangible assets, movables, machineries, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets(present & future), operating cash flows, book debts, receivables including grant, revenue shortfall loan to be received from NHAI and any other revenues relating to 4 laning of Salem kumarapalayam Chengapalli section of NH-47 from km 0 to km 53 in the state of Tamil Nadu on BOT Toll basis, Borrowers bank account, Escrow Account, DSRA and each of any other accounts required to be created by the Borrower under any Project document or contract and Insurance contracts.
- (ii) Terms of Interest: Interest payable to lenders on monthly basis. The interest rates shall be subject to annual reset.
- (iii) Terms of repayment: Total Senior Debt was availed of ₹ 2,228.30 million and repayment of the loan was started from August 31, 2010 with total 138 unequal monthly installments ranging from ₹ 1.86 million to ₹ 32.50 million and the Sub Debt was availed of ₹ 200.00 million and repayment of loan was started from February 28, 2011 with total 156 unequal monthly installments ranging from ₹ 0.17 million to ₹ 2.17 million.
- (iv) Default as on March 31, 2015
- Principal: Amount ₹ 9.79 million and period of default is 59 days
 - Principal: Amount ₹ 13.66 million and period of default is 31 days
 - Interest: Amount ₹ 3.14 million and period of default is 121 days
 - Interest: Amount ₹ 3.23 million and period of default is 90 days
 - Interest: Amount ₹ 3.76 million and period of default is 75 days
 - Interest: Amount ₹ 19.32 million and period of default is 59 days
 - Interest: Amount ₹ 3.73 million and period of default is 44 days
 - Interest: Amount ₹ 17.37 million and period of default is 31 days
 - Interest: Amount ₹ 3.70 million and period of default is 16 days

5.12 Kumarapalyam Tollways Limited

- (i) Funded Interest Term Loan (FITL) : As per restructuring agreement, Interest due and accrued on Term loans (senior and subordinate debt), from August 1, 2014 to March 31, 2015 (8 months to be funded by FITL)
- (ii) The term loan along with Funded Interest Term Loan(FITL) is secured by pari passu first charge on all the borrowers immovable properties and assets both present and future, movables including plant & machinery, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets machinery spares, excluding crushers, operating cash flows, book debts, receivables including grant, revenue shortfall loan to be received from NHAI and any other revenues whatsoever nature and wherever arising present and future subject to charge of working capital lenders on operating cash flows subject to the amount of their loans not exceeding ₹ 20.00 million. Borrowers bank account including without limitation the escrow account, major maintenance reserve account, DSRA and each of any other accounts required to be created by the Borrower under any Project document or contract, first charge on all intangibles assets, security interest in project

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document and contracts, and insurance proceeds. Pursuant to the approved restructuring scheme by the consortium lenders, additional security has been provided for including the personal guarantee of promoter of IVRCL Group for outstanding term loan and FITL along with pledge of 51% of shares held by the Promoters.

(iii) Terms of Interest: Interest payable to lenders on monthly basis. The interest rates shall be subject to annual reset.

(iv) Terms of repayment:

a) Existing Term Loan : As per restructuring agreement Term loans shall be repaid after a moratorium of 23 months from cut-off date in 36 structured quarterly installments commencing from quarter ending September 30, 2016, ranging from 0.5% to 8.25% of principle outstanding as on cut-off date.

b) Funded Interest Term Loan (FITL): As per restructuring agreement, The FITL shall be repaid after a moratorium of 11 months from cut-off date in 19 structured quarterly installments of commencing from quarter ending September 30, 2015, ranging from 3.33% to 6.25% of FITL principle.

5.13 Jalandhar Amritsar Tollways Limited

(i) The term loan is secured by pari passu first charge on all the borrowers immovable properties and assets, both present and future, movables including plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets (present & future) operating cash flows, book debts and receivables including grant, revenue shortfall loan to be received from NHAI and any other revenues of whatsoever nature and wherever arising, present and future bank accounts including without limitation the escrow account and debt service reserve account and each of the other accounts required to be created by the borrower under any project document or contract, all intangibles present and future. A first charge by way of assignment or creation of security interest in all the right, title, interest, benefits, claims and demands whatsoever in the project document and contracts, clearances, letter of credit, guarantees, performance bond and liquidity damages provided by any party to the project documents and all insurance contract and insurance proceeds.

(ii) As per terms of the restructured debt, in addition to the existing terms of security under the common rupee loan agreement, Corporate Guarantee is provided by IVRCL Limited to secure the outstanding obligations.

(iii) Terms of Interest: Interest payable to lenders on monthly basis. The interest rates shall be subject to annual reset.

(iv) Terms of repayment: The debt outstanding of ₹ 1,638.30 million as on 30.06.2013 was restructured and revised repayment of the loan commenced from December 31, 2013 with 47 unequal quarterly installments ranging from ₹ 2.00 million to ₹ 150.60 million.

5.14 IVRCL Chengapalli Tollways Limited

(i) Except project assets, the term loan is secured by pari passu first charge on all the borrowers movables and immovable, machineries, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets (present & future), operating cash flows, book debts, receivables, revenue shortfall loan to be received from national highways authority of India (NHAI) and any other revenues relating to 6 laning from km 102.035 to km 144.680 on the Chengapalli to start of Coimbatore bypass and 4 laning from km 170.880 to km 183.010 on the end of Coimbatore bypass to Tamilnadu/Kerala border section of NH-47 on BOT toll basis, borrowers bank account, escrow Account, DSRA and each of any other accounts required to be created by the Borrower under any Project document or contract and Insurance contracts.

(ii) Pledge of 51% of the shares of the Company held by the sponsors up to the second anniversary of the Commercial Operation Date (COD) and 26% thereafter.

(iii) Interest payable to lenders on monthly basis at rates linked to their respective base rates plus applicable spread (except Andhra Bank whose applicable interest rate shall be linked to the base rate of lead bank). The interest rates shall be subject to annual reset from scheduled COD or actual COD whichever is earlier.

(iv) Terms of repayment: As per letter dated March 31, 2015 of consortium Lenders Bank the term loans are repayable in 44 unequal quarterly installments commencing from April 01, 2018 after a moratorium of 30 months post revised COD (September 30, 2014) and shall end January 01, 2029 ranging from 0.075 % to 4.40% of sanctioned term loan.

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(v) Default as on March 31, 2015

- a) Interest: Amount ₹ 28.98 million and period of default is 59 days
- b) Interest: Amount ₹ 31.12 million and period of default is 31 days

5.15 SPB Developers Private Limited

- (i) Funded Interest Term Loan (FITL): As per restructuring agreement, Interest due and accrued on Term loan, from January 1, 2015 to March 31, 2016 to be funded by FITL.
- (ii) A First Charge of all the Book Debts, Operating Cash Flows, Revenues and Receivables of the Company, present and future including by way of a charge on the Escrow account, Retention account, Debt Service Reserve account and Other reserves and Bank accounts of the company, wherever maintained.
- (iii) A First Charge on the Escrow account, Debt Service Reserve account and Other Reserves and any other bank accounts of the company, wherever maintained.
- (iv) A First Charge on all Intangibles of the Company including but not limited to Goodwill, Uncalled Capital, Present and Future.
- (v) Pledge of 51% shares of the Company held by the Sponsors up to the third anniversary of the COD and 26% of the shares of the Company thereafter. The Shares to be pledged shall be free from any restrictive covenants/lien or other encumbrance under any contract/arrangement including Shareholder Agreement, Joint Venture Agreement, Financing Agreement with regard to Pledge/Transfer of the shares including transfer upon enforcement of the pledge sec 19 of Banking Regulations Act to be ensured. Pursuant to the approved restructuring scheme by the consortium lenders, additional security has been provided for including the personal guarantee of promoter of IVRCL Group for outstanding term loan and FITL along with pledge of 51% of shares held by the Promoters.
- (vi) Interest payable to lender on monthly basis @ 12% (fixed) p.a and interest will be reset upon project achieving COD.
- (vii) Terms of repayment:
 - (a) Existing Term Loan: Repayment of term loan will commence from March 31, 2017 with 44 Quarterly unequal Installments ranging from 0.25% to 5.33% of term loan. Term loan drawn up to March 31, 2015 is ₹ 1,858.08 million out of total term loan of ₹ 1,910.30 million.
 - (b) Funded Interest Term Loan (FITL): Repayment of funded interest term loan will commence from March 31, 2017 with 25 Quarterly unequal Installments ranging from ₹ 1.40 million to ₹ 99.60 million. FITL drawn up to March 31, 2015 is ₹ 54.74 million out of total FITL of ₹ 276.60 million.
 - (c) Additional Debt (AD): Repayment of Additional Debt will commence from March 31, 2017 with 22 Quarterly unequal Installments ranging from ₹ 13.80 million to ₹ 895.00 million. AD drawn up to March 31, 2015 is ₹ Nil out of total additional debt of ₹ 1,106.40 million.

5.16 IVRCL Chandrapur Tollways Limited

- (i) The term loan is secured pari passu first charge on all the borrower's movables, machineries, spares, tools and accessories, furniture and fixtures, vehicles, goodwill, rights, undertakings and all other movable assets (present & future) except project assets, immovable property both present and future, operating cash flows, book debts, toll collection, receivables, revenue to be received from Government of Maharashtra, Public Works Department (PWD) and any other revenues relating to four laning & improvement of Karanji-Wani-Ghuggus-Chandrapur (up to padoli junction) road of MSH-6 & 7 in Yavatmal & Chandrapur District length 85.112 Kms in the state of Maharashtra on a BOT basis, Borrower's bank account, escrow account, DSRA and each of any other accounts required to be created by the borrower under any project document or contract and insurance contracts. Pursuant to the approved restructuring scheme by the consortium lenders, additional security has been provided for including the personal guarantee of promoter of IVRCL Group for outstanding term loan, Priority Debt and Stand by facility along with pledge of 51% of shares held by the Promoters.
- (ii) Terms of Interest: Interest payable to lenders on monthly basis linked to lead bank base rate (Bank of India) plus applicable spread. The spread shall remain fixed till the COD. The interest rate and spread shall be reset on COD and every year thereafter.

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(iii) Terms of repayment:

- a) Existing Term Loan: As per restructuring agreement Term loans are repayable in 48 structured quarterly installments commencing from June 30, 2016 ranging from ₹ 7.85 million to ₹ 157.00 million. The term loan drawn up to March 31, 2015 is ₹ 2,947.42 million out of total term loan of ₹ 3,139.90 million.
- b) Priority Debt (PD): As per restructuring agreement Priority Debt are repayable in 48 structured quarterly installments commencing from June 30, 2016 ranging from ₹ 1.63 million to ₹ 32.75 million. The Priority Debt drawn up to March 31, 2015 is ₹ Nil out of total term loan of ₹ 655.00 million.
- c) Stand Priority Debt (PD): As per restructuring agreement Stand by facility availed in the form of bridge loan with LC sub limit repayable on receipt Grant from PWD, Govt. of Maharashtra. The stand by facility drawn up to March 31, 2015 is ₹ Nil out of ₹ 982.70 million.

(vi) Default as on March 31, 2015

- a) Interest: Amount ₹ 5.23 million and period of default is 121 days
- b) Interest: Amount ₹ 5.70 million and period of default is 90 days
- c) Interest: Amount ₹ 5.76 million and period of default is 59 days
- d) Interest: Amount ₹ 21.00 million and period of default is 31 days

5.17 Chennai Water Desalination Limited

- (i) A first charge by way of mortgage of all the immovable properties of the Company, present and future.
- (ii) First charge by way of hypothecation of all movable (tangible and intangible) including movable plant and machinery, machinery spares, tools and accessories, furniture, vehicles and all other movable assets present and future.
- (iii) First charge on all book debts, operating cash flow, revenues and receivables, uncalled capital of the Company, present and future including by way of a charge on the Trust and Retention Account II Debt Service Reserve Account and Other Reserve and Bank accounts of the Company subject only to the charge of working capital lenders for their loans to the extent of ₹ 100.00 million to the project on the operating cash flows.
- (iv) Terms of Interest: Interest payable to domestic lenders on monthly basis and foreign lenders on quarterly basis. The interest rates on domestic loan shall be subject to annual reset. Interest rate on foreign lenders carrying of LIBOR+2.25%.
- (v) Terms of repayment: Loan from Indian lenders availed of, was ₹ 3,000.00 million. Repayment of the loan commenced from May 31, 2010 with 117 monthly equal installments and the loan from foreign lender availed of, was Euro 14.06 million. Repayment of loan commenced from December 31, 2009 with 40 quarterly equal installments.

5.18 IVRCL Indore Gujarat Tollways Limited

- (i) The term loan is secured by pari passu first charge on all the borrowers movables, machineries, spares, tools and accessories, furniture and fixtures, vehicles, all other movable assets (present and future) operating cash flows, book debts, receivables, revenue shortfall loan to be received from NHAI and any other revenues relating to 4 laning of Indore to Gujarat-MP border section of NH-59 from Km 9.5000 to Km 171.100 in the state of Madhya Pradesh on a DBFOT basis, borrowers bank account, escrow account, DSRA and each of any other accounts required to be created by the borrower under any project document or contract and insurance contracts.
- (ii) Pledge of 51% of the shares of the borrower held by the sponsors up to the second anniversary of the COD and 26% thereafter.
- (iii) The additional security as per the CDR package including, Corporate Guarantee of IVRCL Limited, Personal Guarantee of promoter of IVRCL Limited and Collateral security of immovable properties shall continue till the repayment of Term Loan 1 and Term Loan 2 until the same is converted into equity.
- (iv) Terms of interest:
 - (a) Interest on Term loan: The interest p.a will be 11% from the cut off date to March 31, 2016, 12.25% from April 01, 2016 to March 31, 2023 and 14.50% from April 01, 2023 to December 31, 2027

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(b) Interest on FITL : The interest p.a will be 11% from the cut off date to March 31, 2016, 12.25% from April 01, 2016 to December 31, 2021.

(v) Terms of repayment:

(a) For Term Loans: The term loans are repayable in 48 structured quarterly installments of unequal amounts commencing from March 31, 2016, ranging from 0.125% to 20.50% of term loan drawn. The term loan drawn up to March 31, 2015 is ₹ 11,427.77 million out of total term loan of ₹ 11,427.80 million.

(b) For Funded Interest Term Loan:

(i) Within 3 months from the date of amended and restated master restructuring agreement dated March 28, 2015, the outstanding in relation to the FITL facility extended by the CDR lenders (other than India Infrastructure Finance Company Limited) shall be converted into the Equity shares.

(ii) The FITL of IIFCL is repayable in 24 structured quarterly installments commencing from March 31, 2016, ranging from 0.063% to 30.625% of term loan drawn. Funded Interest term loan drawn up to March 31, 2015 is ₹ 1,203.75 million.

(vi) Default as on March 31, 2015

a) Interest: Amount ₹ 20.57 million and period of default is 121 days

b) Interest: Amount ₹ 46.23 million and period of default is 90 days

c) Interest: Amount ₹ 115.41 million and period of default is 59 days

e) Interest: Amount ₹ 107.38 million and period of default is 31 days

f) Interest: Amount ₹ 93.65 million and period of default is 1 day

5.19 IVR Hotels and Resorts Limited

(i) Loan is secured by exclusive charge on underlying property (land and structure) and exclusive charge on all present and future receivables of underlying project.

(ii) Loan carries variable interest rate of bank's base rate plus 3.50% and is repayable in 12 quarterly installments after a principal moratorium period of 3 years from the date of first disbursement (viz. September 26, 2012).

5.20 IVRCL Patalganga Truck Terminals Private Limited

Based on reschedulement of Indian Rupee Loan from Tamilnad Mercantile Bank carries interest @ BR + 2.50% (13.25%), the loan is repayable in 44 quarterly instalments commencing from June 30, 2016. The loan is secured by way of first charge of all the book-debts, operating cash flows, revenues and receivables of the Company, present and future including by way of charge on the escrow account, retention account, debt service reserve account and other reserves and bank accounts of the Company wherever maintained and the collateral security is equity mortgage on leased Land to the extent of 12.84 acres valued ₹ 107.50 million and building and Structure to be constructed at an estimated cost of ₹ 307.90 million. The total security value is ₹ 415.40 million.

5.21 IVRCL Lanka Private Limited

USD 65 million multi-currency term loan sanctioned by banks, USD 5 million drawn upto March 31, 2015. The loan carries interest rate of LIBOR + Margin of 5% p.a. The loan is repayable in one bullet installment at the end of 3.5 years from the first drawdown date. The loan is secured by residual charge on current assets of the holding company, first exclusive charge over all assets of the Company, assignment of bank guarantee in favour of the lenders and first exclusive charge over escrow account and DSRA.

5.22 Equipment Loans from Banks and Non-Banking Financial Companies (NBFCs)

a) Equipment Loans are secured by first charge and hypothecation of specified machinery, equipment and vehicles. Such loans are repayable over a period ranging from 7 to 43 months and carry interest rate ranging from 8.50% to 13.50% p.a.

b) Details of defaults in repayment of Earth Moving Equipment and Vehicle Loans and interest as on the Balance Sheet date

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Earth Moving Equipment Loans	331	1.74 - 22.20	22.20
	142	0.64 - 1.90	1.90

Consolidated Notes forming part of Financial Statements

6. Other Long-Term Liabilities

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Deferred Credit Liability payable	1,840.00	1,840.00
(b) Retention Money	0.62	0.62
(c) Claim payable to the Client	98.46	98.46
	1,939.08	1,939.08

In case of Jalandhar Amritsar Tollways Limited, subsidiary of the Company has accounted provision for negative grant payable to NHAI during the operations period i.e., from 13th to 15th years has been accounted for in terms of clause 23.2 of Chapter V of Concession Agreement read with the AS 29.

7. Provisions

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
	Long-term	Short-term	Long-term	Short-term
(a) Gratuity	67.75	61.94	29.02	70.14
(b) Compensated Absences	82.72	118.55	73.61	131.17
(c) Resurfacing Obligation	884.37	-	534.03	-
(d) Payable on Derivatives	-	-	-	5.64
(e) Provision for Notional Loss / (Gain) on derivative contracts	-	-	-	19.99
(f) Provision for Tax	-	9.24	-	4.93
(g) Provision for foreseeable losses	-	2,128.46	-	-
	1,034.84	2,318.19	636.66	231.87

8. Short-Term Borrowings

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
	Long-term	Short-term	Long-term	Short-term
Secured				
Loans repayable on demand from Banks:				
(a) Cash Credits and Working Capital Demand Loans from consortium of Banks (Refer Note 8.1)	20,471.76		28,354.98	
(b) Project Specific Working Capital Loans (Refer Note 8.2)	5,806.70		10,020.62	
(c) Funded Interest Term Loan (Refer Note 37)	605.86		-	
		26,884.32		38,375.60
Short –Term Loans				
i) Secured				
- from Banks	141.78		320.00	
- from Others	446.27		400.00	
		588.05		720.00
ii) Unsecured				
(a) Short-Term Loans from Banks	-		250.00	
(b) Buyer's Credit	28.10		28.89	
(c) Working Capital Demand Loans and other credit facilities from Banks	35.28		293.25	
(d) Others	1,684.95		170.00	
		1,748.33		742.14
		29,220.70		39,837.74

Consolidated Notes forming part of Financial Statements

8.1 Cash Credits and Working Capital Demand Loan from Consortium Banks

Cash Credits and Working Capital Demand Loans are secured by hypothecation of book debts, inventories and other current assets (excluding those charged to lenders of specific-funding projects). Further these loans are secured by mortgage of property in Land and Buildings owned by the Company ranking pari passu among the consortium banks aggregating to ₹ 101.54 million and lien of the Fixed Deposit of ₹ 4.20 million. The borrowings carry interest rate ranging from 11.25% to 14.00% p.a.(also Refer Note 37)

Hindustan Dorr-Oliver Limited

(i) Consortium of Banks - Bank of India and Andhra Bank

Working capital loan from banks are secured by hypothecation of entire stocks, book debts, outstanding money receivable, claims and bills (both present and future), fixed assets owned by wholly owned subsidiary company situated at Vatva, Ahmedabad (Gujarat), residual charge over building at Andheri, Mumbai and flats situated in Mumbai and flat owned by wholly owned subsidiary company situated at Vatva, Ahmedabad (Gujarat). The facility is further secured by corporate guarantee of holding company and pledge of 29.38% shares of the Company held by holding company. The facility carries interest @11% to 13% p.a.

(ii) ICICI Bank

Working capital loan from banks are secured by first and exclusive charge on all the current assets (including receivables) and movable fixed assets related to OPaL project and second pari passu charge on factory land and building owned by wholly owned subsidiary company situated at Vatva, Ahmedabad (Gujarat), and building at Andheri, Mumbai and flats situated in Mumbai and flat owned by wholly owned subsidiary Company situated at Vatva, Ahmedabad (Gujarat). The facility carries interest of 13%.

(iii) Default in repayment of dues to banks

Hindustan Dorr-Oliver Limited

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Working Capital Loan	1-85	0.25 - 13.26	13.26
	1-267	4.23 - 2,239.44	2,239.44
	1-73	1.11 - 410.50	410.50
Interest on Working Capital Loan	1-122	24.77 - 171.38	171.38

HDO Technologies Limited

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Working Capital Loan	1-77	0.30 - 207.96	207.96
	1-188	0.31 - 340.89	340.89
Interest on Working Capital Loan - NPA	5-102	6.08 - 19.53	19.53

8.2 Project Specific Working Capital Loan from Banks

Project Specific Working Capital Loan from Banks is secured by hypothecation of book debts and inventory and other current assets of respective projects.

Short-Term Loans

8.3 Secured:

TATA Capital Financial Services Limited

Secured by pledge of shares of following subsidiaries and subservient charge on the current assets.

(i) 29.70% shares of Salem Tollways Limited

(ii) 29.70% stake in Kumarpalyam Tollways Limited.

The loan is rescheduled during the year and repayable in one installment. The rate of interest is 14.25% p.a. and the balance outstanding as at March 31, 2015 is ₹ 392.20 million.

Consolidated Notes forming part of Financial Statements

8.4 Details of defaults in repayment of Short-Term Borrowings as on the Balance Sheet date

	Period of default(in days)	Amount of default (₹ in million)	as at Balance Sheet Date (₹ in million)
Interest	20 - 456	5.20 - 121.18	648.10
	21 - 456	4.49 - 101.72	
	21 - 456	2.51 - 56.96	
	21 - 456	7.99 - 181.06	
	1 - 456	9.55 - 187.18	
	1- 701	1.83 - 55.14	55.14
	31 - 424	2.25 - 42.97	42.97
	285	44.10	44.10
	30 - 274	0.41 - 2.55	2.55
	31 - 151	0.39 - 2.50	2.50

9. Trade Payables

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Acceptances	571.27	797.97
(b) Other than Acceptances	18,055.64	17,010.10
	18,626.91	17,808.07

10. Other Current Liabilities

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Current maturities of Long-Term Borrowings (Refer Note 5)	7,178.67	6,540.29
(b) Interest accrued but not due on Borrowings	20.65	38.53
(c) Interest accrued and due on Borrowings	2,781.65	1,302.79
(d) Advances received from Contractee-Clients	6,905.05	10,088.83
(e) Amounts payable in respect of Development Rights	1,446.53	1,446.53
(f) Payable to Related Parties		
- Joint Ventures	421.57	349.66
(g) Other Payables		
(i) Interest accrued on others	444.04	536.36
(ii) Payables on purchase of Fixed Assets	262.57	275.98
(iii) Accrued salaries and Employee Benefits	672.82	535.18
(iv) Statutory Remittances	1,249.77	1,272.49
(v) Liability towards Investors Education Fund under Section 125 of the Companies Act, 2013 - Not due		
- Unclaimed Public Deposit (including interest)	2.09	1.47
- Unclaimed Dividends	4.77	5.33
- Unclaimed Share Application Money	0.02	0.48
(vi) Interest on amounts due to Micro and Small Enterprises	39.45	19.04
(vii) Claims Payable to Client	93.99	93.99
(viii) Security Deposit	21.14	0.70
(ix) Others	1,196.77	662.97
	22,741.55	23,170.62

11. Consolidated Fixed Assets

(₹ in million)

	Gross Block					Depreciation					Net Block		
	As on 31.03.2014	Additions		Adj on account of Subsidiary not Consolidated	As on 31.03.2015	Adj./ Deletion	For the Year	Foreign Currency Adjustment	Adj on account of Subsidiary not Consolidated	Adj./ Deletion	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
		During the Year	Foreign Currency Adjustment										
Tangible Assets													
Land - Freehold	2,265.05 (1,348.64)	- (930.49)	-	2,262.24 (2,265.05)	2.81 (14.08)	-	-	-	-	-	-	2,262.24	2,265.05
Land - Leasehold	830.16 (830.16)	-	-	830.16 (830.16)	-	-	(13.00)	-	-	-	39.30 (39.30)	790.86	790.86
Golf Course	-	353.30	-	353.30	-	-	11.78	-	-	-	11.78	341.52	-
Buildings	1,772.79 (1,747.97)	21.97 (33.73)	0.11 0.53	1,672.32 (1,772.79)	122.55 (8.12)	-	48.10 (129.28)	0.06 0.13	(0.39)	122.49 (5.20)	664.60 (703.03)	1,007.72	1,069.76
Plant & Machinery	12,785.87 (12,999.70)	55.10 (235.49)	2.33 1.79	12,684.54 (12,785.87)	158.76 (293.25)	-	1,707.04 (890.99)	0.19 0.11	(91.39)	95.54 (183.42)	5,709.87 (4,052.21)	6,974.67	8,733.66
Motor Vehicles	1,833.46 (1,865.39)	25.62 (11.60)	0.03 (0.11)	1,791.48 (1,833.46)	67.63 (43.42)	-	211.10 (195.76)	0.01	-	53.55 (37.04)	1,158.80 (994.66)	632.68	838.80
Furniture	236.79 (239.43)	3.00 (8.19)	0.01 0.05	236.49 (236.79)	3.31 (4.13)	-	19.02 (13.01)	0.01	(6.20)	2.82 (3.28)	156.14 (139.27)	80.35	97.52
Office Equipment	234.80 (236.50)	2.31 (6.92)	0.01 0.05	234.48 (234.80)	2.64 (8.67)	-	36.67 (11.73)	0.01	-	2.54 (2.91)	199.69 (111.46)	34.79	123.34
Computers	260.78 (253.55)	2.06 (9.87)	0.01 0.06	233.72 (260.78)	29.13 (0.81)	-	18.22 (24.95)	-	(1.79)	33.82 (221.93)	227.24 (221.93)	6.48	38.85
Total	20,219.70 (19,521.34)	463.36 (1,236.29)	2.50 2.37	20,298.73 (20,219.70)	386.83 (372.48)		2,051.93 (1,278.72)	0.25 0.40		310.76 (232.61)	8,167.42 (6,261.86)	12,131.31	- 13,957.84
Intangible Assets													
Software	154.23 (152.27)	0.08 (1.96)	-	153.21 (154.23)	1.10	-	6.33 (19.04)	-	-	(3.97) (0.03)	148.18 (120.04)	5.03	34.19
Goodwill	6.90 (6.90)	-	-	6.90 (6.90)	-	-	-	-	-	-	6.90 (6.90)	-	-
Technical Knowhow	9.81 (9.81)	-	-	9.81 (9.81)	-	-	-	-	-	-	9.81 (9.81)	-	-
Carriage Ways	16,981.21 (16,422.16)	-	-	16,981.21 (16,981.21)	-	-	542.32 (391.14)	-	-	-	2,527.11 (1,984.79)	14,454.10	14,996.42
Total	17,152.15 (16,591.14)	0.08 (561.01)	- -	17,151.13 (17,152.15)	1.10 -		548.65 (410.18)	- -		(3.97) (0.03)	2,692.00 (2,121.54)	14,459.13	- 15,030.61
Grand Total	37,371.85 (36,112.48)	463.44 (1,797.30)	2.50 2.37	37,449.86 (37,371.85)	387.93 (372.48)		2,600.58 (1,688.90)	0.25 0.40		306.79 (232.64)	10,859.42 (8,383.40)	26,590.44	- 28,988.45
Previous Year													

Note:

- Land-Freehold includes
- ₹ 18.79 million towards revaluation made in the year 2001-02 on current cost basis carried out by an independent valuer.
- ₹ 50.66 million (2013-14 : ₹ 50.66 million), in respect of which the conveyance deed is yet to be executed
- Buildings includes
- ₹ 2.20 million towards revaluation made in the year 2001-02 on current cost basis carried out by an independent valuer.
- ₹ 150.20 million in respect of which the conveyance deed is yet to be executed
- Leasehold premises of ₹ 27.50 million (2013-14 : ₹ 27.50 million) taken for a period of 99 years. The premium of ₹ 20.46 million is paid upfront with no further significant obligations.

In case of subsidiary companies

- Depreciation amounting to ₹ 25.70 million (2013-14 : ₹ 19.59 million) for the Year ended March 31, 2014 transferred to expenditure incurred during construction period pending allocation.
- Depreciation is excluding of ₹ 33.11 million pertaining to Goodwill written off during the previous period.
- During the previous year Hindustan Dorr-Oliver Limited, subsidiary of the Company has revalued its land situated at Chakala Andheri (East) Mumbai at ₹ 1,047.19 million thereby increasing land value by ₹ 905.66 million and creating revaluation reserve of the same amount.
- Buildings include Company owned residential flats of the Book Value of ₹ 8.85 million (2012-13 : ₹ 8.85 million) including face value of shares held in Co-operative Housing Societies of ₹ 0.01 million in respect of which documents lodged with the Registrar of Properties for registration are yet to be received back.

Consolidated Notes forming part of Financial Statements

12. Non-Current Investments

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
Long-Term Investments				
Investment in equity instruments				
In Subsidiaries (Refer Note 48A (ii))	73.56		73.56	
In Partnership Firms	0.21		0.21	
In Associate Bodies Corporates – Unquoted	247.96		365.51	
Less : Provision for diminution in value of Investment	(73.51)		-	
		248.22		439.28
Other bodies corporates				
Quoted	0.46		16.56	
Unquoted	327.70		24.90	
Less : Provision for diminution in value of Investment	(22.73)		(22.73)	
		305.43		18.73
Investment in Debentures		131.03		131.03
Investment in Mutual Funds		102.00		2.00
		786.68		591.04

13. Deferred Tax Assets (Net)

(₹ in million)

	As at 31.03.2015		As at 31.03.2014	
(a) Deferred Tax Liability				
- Depreciation		(431.57)		(415.11)
(b) Deferred Tax Asset				
- Compensated Absences and Gratuity	88.67		98.82	
- Doubtful debts, Advances and Deposits	428.71		428.71	
- Business Loss / Unabsorbed Depreciation [Refer Note 48 A (ii) & B (iv)]	95.71		1,185.09	
- Expenses relating to Amalgamation	3.74		3.74	
- Others	178.35	795.18	154.10	1,870.46
Deferred Tax Assets (Net)		363.61		1,455.35

14. Long-Term Loans and Advances

(Unsecured, considered good, unless otherwise specified)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Capital Advances	50.26	36.15
(b) Security Deposits	84.38	91.81
(c) Tax Deducted at Source and Advance Tax (net of provisions)	1,634.46	1,448.96
(d) Balance with Statutory / Government Authorities	3.82	9.31
(e) Loans and Advances to Related Parties		
- Subsidiaries (Refer Note 48 A (ii))		
- Considered good	-	1,422.37
- Doubtful	1,422.37	-
	1,422.37	1,422.37
Less: Provision for Doubtful Advances	1,422.37	-
	-	1,422.37
	1,772.92	3,008.60

Consolidated Notes forming part of Financial Statements

15. Other Non-Current Assets

(Unsecured and considered good, unless otherwise specified)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Long-Term Trade Receivables		
- Considered good	6,778.58	7,434.01
- Doubtful	495.23	56.61
	7,273.81	7,490.62
Less: Provision for Doubtful Trade Receivables	495.23	56.61
	6,778.58	7,434.01
(b) Non-Current Bank Balances		
- Deposit with maturity period of more than 12 months	14.02	82.60
(c) Claims Receivable	810.00	810.00
(d) Interest accrued other than on Investments	34.22	34.22
(e) Other Receivables		
- Considered good	-	474.71
- Doubtful	474.71	-
	474.71	474.71
Less: Provision for Doubtful Other Receivables	474.71	-
	-	474.71
	7,636.82	8,835.54

16. Inventories

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) At Project sites - (at cost)		
- Stores and Spares	1,700.46	2,111.87
- Work-in-Progress	945.05	863.25
(b) At Factory - (at lower of cost and net realisable value)		
- Stores and Spares	397.76	466.26
- Finished Goods	38.14	52.78
- Work-in-Progress	379.56	290.32
(c) Freehold Land	4,469.15	4,469.15
(d) Development Rights for Land	2,730.11	2,726.17
(e) Plots Stock	156.57	182.60
(f) Residential Properties	75.29	75.29
(g) Development Work-in-Progress	1,352.68	1,350.50
	12,244.77	12,588.19

17. Trade Receivables (Unsecured)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good	12,682.78	13,189.47
- Doubtful	4,775.47	3,713.97
	17,458.25	16,903.44
Less: Provision for Doubtful Trade Receivables	4,775.47	3,713.97
	12,682.78	13,189.47
(b) Other Receivables		
- Considered good	6,311.38	6,766.97
- Doubtful	-	-
	6,311.38	6,766.97
Less: Provision for Doubtful Trade Receivables	-	-
	6,311.38	6,766.97
	18,994.16	19,956.44

Consolidated Notes forming part of Financial Statements

18 Cash and Bank Balances

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Cash and Cash equivalents		
- Cash on Hand	20.97	21.27
- Balances with Banks		
- Current Accounts	1,620.24	1,173.06
- Deposits with maturity period of less than 3 months	18.25	220.45
	1,659.46	1,414.78
(b) Other Bank Balances		
- Earmarked Balances		
- Margin Money	6.63	46.47
- Unpaid Dividend Accounts	4.74	5.30
- Share Application Money Due for Refund	0.48	0.48
- Term Deposits with maturity period of more than 3 months but less than 12 months	313.65	189.39
	325.50	241.64
	1,984.96	1,656.42

19. Short-Term Loans and Advances

(Unsecured and considered good, unless otherwise specified)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Loans and Advances to Related Parties		
- Associates	28.17	19.25
- Joint Ventures	1,024.60	1,161.46
- Directors	49.46	27.94
	1,102.23	1,208.65
- Considered good	938.76	1,045.18
- Doubtful	163.47	163.47
	1,102.23	1,208.65
Less: Provision for Doubtful Advances	163.47	163.47
	938.76	1,045.18
(b) Advance to Sub-Contractors and Suppliers		
- Considered good	4,448.27	3,961.31
- Doubtful	200.67	198.73
	4,648.94	4,160.04
Less: Provision for Doubtful Advances	200.67	198.73
	4,448.27	3,961.31
(c) Prepaid Expenses	144.29	252.60
(d) Other Deposits	399.02	372.61
(e) Balances with Statutory / Government Authorities	3,105.01	2,949.43
	3,648.32	3,574.64
- Considered good	3,314.27	3,308.08
- Doubtful	334.05	266.56
	3,648.32	3,574.64
Less: Provision for Doubtful Advances	334.05	266.56
	3,314.27	3,308.08
(f) Tax Deducted at Source and Advance Tax (net of provisions)	23.38	38.23
	8,724.68	8,352.80

20. Other Current Assets

(Unsecured, considered good)

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(a) Unbilled Revenue (Refer Note 36 & 48A (iv))	18,897.00	16,055.32
(b) Receivable against Sale of Development Rights	1,523.13	1,523.13
(c) Claims Receivable	15.48	9.50
(d) Interest on Term Deposit with Banks	7.24	5.73
(e) Other Receivables (Refer Note 35)	5,705.67	4,869.03
(f) Investment in Mutual Fund	2.20	-
(g) Income Tax Refund	371.79	371.79
	26,522.51	22,834.50

21. Income from Operations

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Construction Revenue	30,945.96	43,019.53
(b) Sale of Systems, equipment, services and Spares	1,170.23	2,349.54
(c) Sale of Villas, Flats and Plots	94.65	126.31
(d) Income from Toll Collection	1,296.82	1,177.98
(e) Sewerage Treatment Revenue	15.74	16.05
(f) Sale of Bulk Water	1,783.38	1,791.49
(g) Sale of Products		
i) Traded	2,280.74	-
ii) Others	617.72	1,026.10
(h) Other Operating Income	48.50	58.40
	38,253.74	49,565.40

22. Other Income

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
a) Profit on Sale of Investment	12.31	-
b) Interest Income		
- Advances to Sub-contractors	22.27	24.84
- Term Deposits with Banks	40.69	29.48
- Others	37.74	122.45
c) Dividend Income on Long-Term Investments	0.14	0.04
d) Liabilities no longer required written back	15.10	37.35
e) Income from Mutual Funds	9.19	2.24
f) Bad debts recovered	50.36	27.86
g) Provisions written back	182.90	32.58
h) Utility Shifting Income	141.93	-
i) Claims Receivable	121.60	-
j) Miscellaneous Income	192.14	183.20
k) Foreign Exchange Gain	231.81	-
l) Profit on sale of Fixed Assets	15.58	-
	1,073.76	460.04

23. A. Raw Material Consumed*(₹ in million)*

	Year ended 31.03.2015	Year ended 31.03.2014
Opening Stock	426.94	437.80
Add: Purchases	334.77	532.93
Less : Closing Stock	358.73	426.94
	402.98	543.79

B. (Increase) / Decrease in Finished Goods, Work-in-progress and Development Rights / Plots Stock *(₹ in million)*

	Year ended 31.03.2015	Year ended 31.03.2014
Opening Balance	5,876.90	5,901.40
Less : Adjustment on account of non-consolidation of subsidiary	-	13.83
Closing Balance	5,896.32	5,876.90
	(19.42)	10.67

C. Construction Expenses*(₹ in million)*

	Year ended 31.03.2015		Year ended 31.03.2014	
(a) Construction Stores, Spares and Materials Consumed				
- Opening Stock	2,048.06		2,702.80	
- Add: Purchases	6,022.91		10,948.86	
- Less : Closing Stock	1,672.35		2,048.06	
		6,398.62		11,603.60
(b) Development Expenditure		50.01		227.50
(c) Sub-contractors' work bills		15,177.35		17,638.93
(d) Masonry and other works		4,939.79		7,339.55
(e) Operation and Maintenance Expenses		335.21		551.30
(f) Manufacturing Expenses		152.35		127.75
(g) Resurfacing Expenses		350.34		131.38
(h) Indirect Taxes and Cess		855.04		1,471.39
(i) Machinery Hire Charges		784.32		1,193.79
(j) Repairs and Maintenance				
- Construction Machinery	238.00		324.96	
- Others	104.69		120.07	
		342.69		445.03
(k) Electricity and Water Charges		666.19		751.32
(l) Royalty		19.28		52.18
(m) Laboratory Testing Charges		15.88		25.33
		30,087.07		41,559.05

24. Employee Benefits Expense*(₹ in million)*

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Salaries, Wages and Bonus	1,907.82	2,132.57
(b) Contribution to Provident and Other Funds	226.61	182.19
(c) Staff Welfare Expenses	186.15	234.52
(d) Managerial Remuneration	6.76	35.24
Less: Amount transferred to Development Expenditure / Capital work-in-progress	-	(24.61)
	2,327.34	2,559.91

Consolidated Notes forming part of Financial Statements

25. Other Expenses

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Rent Expenses	126.85	159.20
(b) Office Maintenance	151.56	183.06
(c) Rates and Taxes	57.81	53.62
(d) Travelling and Conveyance	124.40	173.78
(e) Legal and Professional Charges	350.73	255.38
(f) Insurance	158.86	200.71
(g) Communication Expenses	41.90	50.51
(h) Printing and Stationery	24.03	32.46
(i) Tender Expenses	2.30	5.28
(j) Business Promotion	6.18	10.01
(k) Auditors' Remuneration	7.11	12.53
(l) Advertisement and Publicity	2.99	11.95
(m) Loss on Assets sold / discarded (Net)	23.82	44.72
(n) Provision for doubtful debts, advances and deposits	2,335.46	846.07
(o) Provision for diminution in the value of Investments	-	200.00
(p) Bad Debts Written Off	16.30	-
(q) Net loss on foreign currency transactions and translations	-	17.02
(r) Preliminary Expenses	-	0.06
(s) Miscellaneous Expenses	75.22	86.84
Less: Amount transferred to Development Expenditure / Capital work-in-progress	-	(10.20)
(t) Provision for foreseeable losses	2,128.46	-
(u) Intangible assets under development written off	143.27	-
	5,777.25	2,333.00

26. Finance Costs

(₹ in million)

	Year ended 31.03.2015	Year ended 31.03.2014
(a) Interest Expense	7,823.55	5,945.95
(b) Other Borrowing Cost	1,021.43	1,912.89
(c) Foreign Exchange Loss (Net)	121.27	33.90
	8,966.25	7,892.74

27. Intra-group turnover and profits on BOT construction contracts

The revenue and profit in respect of intra-group BOT construction contracts during the year is ₹ 1,908.14 million and ₹ 558.44 million respectively. These intra-group transactions and the profits arising thereon are taken as realised and not eliminated for consolidation under Accounting Standard 21.

28. Reconciliation of Basic and Diluted shares used in computing Earnings Per Share

	Year ended 31.03.2015	Year ended 31.03.2014
(a) (Loss) / Profit After Tax before exceptional item for calculation of Basic and Diluted EPS (₹ in million)	(14,122.62)	(6,242.15)
(b) (Loss) / Profit After Tax after exceptional item for calculation of Basic and Diluted EPS (₹ in million)	(15,565.36)	(8,533.70)
(c) Weighted average number of equity shares outstanding for calculation of EPS	344,957,062	306,886,648
(d) Basic and Diluted EPS before exceptional item (₹)	(40.94)	(20.34)
(e) Basic and Diluted EPS after exceptional item (₹)	(45.12)	(27.81)

Consolidated Notes forming part of Financial Statements

29. Contingent Liabilities and Commitments

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
(i) Contingent Liabilities:		
(a) Bank Guarantees issued by the banks on behalf of the Company and Letter of Credits	16,747.72	24,961.69
(b) Corporate Guarantees issued by the Company on behalf of its subsidiaries, associates and others	51,161.46	53,849.78
(c) Claims against the Company not acknowledged as debts	2,820.08	2,057.06
(d) Income Tax demand under appeal	43.49	61.22
(e) Disputed Value Added Tax/Sales Tax/Service Tax / Central Excise, Customs Duty, Cess and Stamp Duty	4,567.45	7,282.56
(f) Others	1,250.85	23.00
(ii) Other Commitments:		
(a) Estimated amount of contracts to be executed on capital account (net of advances)	5,034.57	16,678.23
(b) Commitments towards investment in subsidiaries	973.71	1,283.64
(c) Other Commitments	-	-

- As more fully described in Note 37, the Company and the CDR lenders executed a Master Restructuring Agreement (MRA) during the year. The MRA as well as the provisions of the master circular on corporate debt restructuring issued by the Reserve Bank of India, gives a right to the lenders to get a recompense of their waivers and sacrifices made as part of the CDR proposals. The recompense payable by the company is contingent on various factors including improved performance of the Company and many other conditions, as at March 31, 2015, the aggregate indicative recompense of the CDR lenders as per the MRA is ₹ 1,646.60 million.
- In case of IVRCL Indore Gujarat Tollways Limited, the company and CDR lenders executed a Master restructuring Agreement (MRA) during the period. The MRA as well as the provisions of the circular on corporate debt restructuring issued by the Reserve bank of India, gives a right to the lenders to get a recompense of their waivers and sacrifices made as part of the CDR proposals. The recompense payable by the company is contingent on various factors including improved performance of the Company and many other conditions, the outcome of which is currently uncertain and hence the proportion of amount payable as recompense has been created as contingent liability. The indicative aggregate value of the outstanding sacrifice made by the CDR lenders upto March 31, 2015 as per MRA is approximately ₹ 268.40 million (previous year ₹ 84.50 million) for the company.
- In case of RIHIM Developers Private Limited, the Company had entered into Joint Development Agreements (JDAs) during the year 2006 with various individual plot owners to jointly develop a property situated at "Cyber Enclave", Hi-tech City, Hyderabad. As per JDAs, the Company was required to amalgamate all the plots pertaining to "Cyber Enclave" and complete the development as per specified plan within a period of thirty months from the date of respective JDAs. As per terms and conditions of the agreement, all the plot owners have an obligation to enter into JDA to facilitate amalgamation of plots without which development cannot be completed. In case of delay in completion of the project by the Company, it would indemnify the loss occurring to the individual land owners as per agreed terms for the delayed period.

As at March 31, 2015, certain plot owners of Cyber Enclave have still not entered into the JDA with the Company. Accordingly, development of the property could not be completed by the Company and necessary permission and clearances from various authorities are pending.

The Company believes that plot owners will get the right to claim compensation for delayed period only when delay is caused by the Company. Since the Company has performed all the obligations on its part, payment of compensation to land owners for delay in the project is not probable. The liability, if any, that may arise on account of delay in development of the above property is not presently ascertainable.

Based on internal assessment and legal opinion, the management is confident that for the above mentioned contingent liabilities, no provision is required to be made as on March 31, 2015.

- Impact of pending legal cases: The Group is party to several cases with clients as well as contractors, pending before various forums/courts/arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes/litigations until the cases are decided by the appropriate authorities.

Consolidated Notes forming part of Financial Statements

30. (i) The list of subsidiary companies which are included in the consolidation and the Company's holdings therein are as under:

Sl. No	Name of Subsidiaries Subsidiaries through direct, indirect control	Ownership in %		Country of Incorporation
		2014-15	2013-14	
1	Hindustan Dorr-Oliver Limited	55.28%	55.28%	India
2	IVRCL PSC Pipes Private Limited	66.43%	66.43%	India
3	IVR Enviro Projects Private Limited	97.49%	97.49%	India
4	Chennai Water Desalination Limited ¹	75.00%	75.00%	India
5	Salem Tollways Limited	100.00%	100.00%	India
6	Kumarapalyam Tollways Limited	100.00%	100.00%	India
7	IVRCL Steel Constructions & Services Limited	100.00%	100.00%	India
8	Jalandhar Amritsar Tollways Limited	100.00%	100.00%	India
9	IVRCL Indore Gujarat Tollways Limited	100.00%	100.00%	India
10	IVRCL Chengapalli Tollways Limited	100.00%	100.00%	India
11	IVRCL Patalaganga Truck Terminals Private Limited ¹	100.00%	100.00%	India
12	IVRCL Goa Tollways Limited	100.00%	100.00%	India
13	IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited ¹	60.00%	60.00%	India
14	Alkor Petroo Limited	64.03%	64.03%	India
15	IVRCL Building Products Limited	60.00%	60.00%	India
16	IVRCL Chandrapur Tollways Limited	100.00%	100.00%	India
17	Sapthashva Solar Limited ¹	51.00%	51.00%	India
18	RIHIM Developers Private Limited	100.00%	100.00%	India
19	IVRCL TLT Private Limited	100.00%	100.00%	India
20	IVRCL Raipur Bilaspur Tollways Limited	100.00%	100.00%	India
21	IVRCL Narnual Bhiwani Tollways Limited	100.00%	100.00%	India
22	IVR Hotels and Resorts Limited	66.88%	66.88%	India
23	SPB Developers Private Limited	100.00%	100.00%	India
24	IVRCL Multilevel Car Parking Private Limited	51.00%	51.00%	India
25	IVRCL Lanka Private Limited ¹	100.00%	100.00%	Sri Lanka
26	First STP Private Limited	95.00%	95.00%	India
27	IVRCL Gundugolanu Rajahmundry Tollways Limited	100.00%	100.00%	India
28	IVRCL Patiala Bathinda Tollways Limited	100.00%	100.00%	India
29	IVR Prime Developers (Tambaram) Private Limited	100.00%	100.00%	India
30	HDO Technologies Limited ¹	55.28%	55.28%	India
31	IVR Prime Developers (Palakkad) Private Limited	60.00%	60.00%	India
32	IVR Prime Developers (Guindy) Private Limited	60.00%	60.00%	India
33	IVRCL Mega Malls Limited	100.00%	100.00%	India
34	Agaram Developers Private Limited	100.00%	100.00%	India

Consolidated Notes forming part of Financial Statements

Sl. No	Name of Subsidiaries Subsidiaries through direct, indirect control	Ownership in %		Country of Incorporation
		2014-15	2013-14	
35	Mummidi Developers Private Limited	100.00%	100.00%	India
36	Samatteri Developers Private Limited	100.00%	100.00%	India
37	Annupampattu Developers Private Limited	100.00%	100.00%	India
38	Tirumani Developers Private Limited	100.00%	100.00%	India
39	Ilavampedu Developers Private Limited	100.00%	100.00%	India
40	Gajuwaka Developers Private Limited	100.00%	100.00%	India
41	Chodavaram Developers Private Limited	100.00%	100.00%	India
42	Simhachalam Prime Developers Private Limited	100.00%	100.00%	India
43	Siripuram Developers Private Limited	100.00%	100.00%	India
44	Bibinagar Developers Private Limited	100.00%	100.00%	India
45	IVR Prime Developers (Erode) Private Limited	100.00%	100.00%	India
46	IVR Prime Developers (Guntur) Private Limited	100.00%	100.00%	India
47	IVR Prime Developers (Araku) Private Limited	100.00%	100.00%	India
48	Absorption Aircon Engineer Private Limited	100.00%	100.00%	India
49	IVR Vaanaprastha Private Limited	66.67%	66.67%	India
50	IVR PUDL Resorts & Clubs Private Limited	66.67%	66.67%	India
51	IVRCL Solar Energy Private Limited	100.00%	100.00%	India
52	IVR Prime Developers (Amalapuram) Private Limited	100.00%	100.00%	India
53	IVR Prime Developers (Red Hills) Private Limited	100.00%	100.00%	India
54	IVR Prime Developers (Tuni) Private Limited	100.00%	100.00%	India
55	IVR Prime Developers (Bobbilli) Private Limited	100.00%	100.00%	India
56	IVR Prime Developers (Bhimavaram) Private Limited	100.00%	100.00%	India
57	IVR Prime Developers (Adayar) Private Limited	100.00%	100.00%	India
58	IVR Prime Developers (Egmore) Private Limited	100.00%	100.00%	India
59	Geo IVRCL Engineering Limited	100.00%	100.00%	India
60	Duvvda Developers Private Limited	100.00%	100.00%	India
61	Kunnam Developers Private Limited	100.00%	100.00%	India
62	Vedurwada Developers Private Limited	100.00%	100.00%	India
63	Rudravaram Developers Private Limited	100.00%	100.00%	India
64	Geo Prime Developers Private Limited	100.00%	100.00%	India
65	Theata Developers Private Limited	100.00%	100.00%	India
66	Kasibugga Developers Private Limited	100.00%	100.00%	India
67	Vijayawada Developers Private Limited	100.00%	100.00%	India
68	Eluru Developers Private Limited	100.00%	100.00%	India
69.	Davymarkham India Private Limited ¹	55.28%	55.28%	India

1. Consolidated based on Management certified accounts

Consolidated Notes forming part of Financial Statements

(ii) Subsidiaries not included in consolidation

Sl. No	Name of Subsidiaries Subsidiaries through direct, indirect control	Ownership in %		Country of Incorporation
		2014-15	2013-14	
1	HDO (UK) Limited ²	55.28%	55.28%	United Kingdom
2	HDO Zambia Limited ²	55.28%	55.28%	Zambia
3	IVR Prime Developers (Mylapore) Private Limited ¹	100.00%	100.00%	India
4	IVR Prime Developers (Kakinada) Private Limited ¹	100.00%	100.00%	India
5	IVR Prime Developers (Pudukkottai) Private Limited ¹	100.00%	100.00%	India
6	IVR Prime Developers (Thandiarpet) Private Limited ¹	100.00%	100.00%	India
7	IVR Prime Developers (Gummidipundy) Private Limited ¹	100.00%	100.00%	India
8	IVR Prime Developers (Kodambakkam) Private Limited ¹	100.00%	100.00%	India
9	IVR Prime Developers (Arumbakkam) Private Limited ¹	100.00%	100.00%	India
10	IVR Prime Developers (Anna Nagar) Private Limited ¹	100.00%	100.00%	India
11	IVR Prime Developers (Anakapalle) Private Limited ¹	100.00%	100.00%	India
12	IVR Prime Developers (Rajampeta) Private Limited ¹	100.00%	100.00%	India
13	IVR Prime Developers (Tanuku) Private Limited ¹	100.00%	100.00%	India
14	IVR Prime Developers (Rajahmundry) Private Limited ¹	100.00%	100.00%	India
15	IVR Prime Developers (Ananthapuram) Private Limited ¹	100.00%	100.00%	India
16	IVR Prime Developers (Perumbadur) Private Limited ¹	100.00%	100.00%	India
17	IVR Prime Developers (Ashram) Private Limited ¹	100.00%	100.00%	India
18	IVR Prime Developers (Retiral Homes) Private Limited ¹	100.00%	100.00%	India

1. Applications have been filed before the Registrar of Companies, Andhra Pradesh to 'strike off' of names under the "Fast Track Exit Scheme".
2. Current year's and previous year's consolidated financial statements does not contain financial statements of certain foreign subsidiaries reflecting total assets of ₹ 170.22 million as at March 31, 2014, net loss of ₹ 0.09 million and net cash outflow of ' Nil million for the period then ended.

(iii) Associates and Joint Ventures not included in consolidation

S.No	Name of the Company / Joint Venture	Share of Interest
1	Bhanu-IVRCL Associates	50.00%
2	IVRCL - Tantia (JV)	50.00%
3	Paresh Infrastructures Private Limited	49.00%
4	VIVA Infrastructures Private Limited	50.00%
5	IVRCL International Infrastructures & Projects LLC	49.00%
6	Sushee - IVRCL Arunachal Highway Limited	26.00%

Consolidated Notes forming part of Financial Statements

31. Related Party Disclosure

Information regarding Related Party Transactions as per Accounting Standard 18 is given below:

31.1 List of Related Parties and Relationships

Sl No.	Name	Sl No.	Name
A Associate (Where the Company Exercises Significant influence)			
1	Viva Infrastructure Pvt. Limited	3	IVRCL International Infrastructures & Projects LLC
2	Paresh Infrastructures Private Limited	4	Sushee - IVRCL Arunachal Highway Limited
B Joint Ventures			
1	Bhanu - IVRCL Associates	20	IVRCL BATPASCO ABB & AAG (JV) Hyderabad
2	IVRCL – Tantia (JV)	21	IVRCL - CR18G Consortium (J.V)
3	IVRCL, SEW & Prasad Hyderabad J.V	22	MEIL IVRCL HCC & WPIL (JV)
4	IVRCL, Navayuga & SEW Joint Venture	23	IVRCL – KIPL (JV)
5	Navayuga, IVRCL & SEW Joint Venture	24	IVRCL – RAJ (JV)
6	IVRCL – Harsha (JV)	25	UNITY – IVRCL Joint Venture
7	SPCL - IVRCL JV	26	IVRCL SAI SUDHIR (JV)
8	IVRCL - JL (JV)	27	CR18G - IVRCL (JV)
9	UAN Raju IVRCL Construction JV	28	IVRCL - SUSHEE JOINT VENTURE
10	IVRCL – KBL (JV) Hyderabad	29	IVRCL – RTE Joint Venture
11	IVRCL – KBL – MEIL (JV) Hyderabad	30	KMB – IVRCL Joint Venture
12	IVRCL - CR18G (JV)	31	IVRCL - BPL -UCC (JV)
13	IVRCL – KMB – HDO Joint Venture	32	IVRCL-MRT(JV)
14	IVRCL-MEIL (NC-28) Joint Venture	33	SAPL & MBL – IVRCL (JV)
15	IVRCL-MEIL (NC-33) Joint Venture	34	G.SHANKAR-IVRCL (J.V)
16	IVRCL - SUSHEE Consortium	35	IVRCL-MEIL (J.V)
17	IVRCL SEW & WPIL (JV) Hyderabad	36	MEIL-IVRCL (J.V)
18	IVRCL – MBL (JV) Hyderabad	37	IVRCL-TAI INFRA (JV)
19	IVRCL BATPASCO WPIL & MHI (JV) Hyderabad	38	IVRCL LTD-AJAY PROTECH PVT.LTD.(JV)
C Enterprises owned or significantly influenced by key management personnel or their relatives			
1	S.V.Equities Limited	5	Eragam Finlease Limited
2	Palladium Infrastructures & Projects Limited	6	Indus Palms Hotels & Resorts Limited
3	Soma Hotels & Resorts Limited	7	A.P.Enercon Engineers Private Limited
4	Eragam Holdings Limited		
D Key Management Personnel			
1	Mr. E. Sudhir Reddy	4	B.Subrahmanyam
2	Mr. K. Ashok Reddy	5	Mr.S.C.Sekaran
3	Mr. R. Balarami Reddy		
E Relatives of Key Management Personnel			
1	Mr. E. Ella Reddy	Relative of Chairman & Managing Director	
2	Mrs. E. Sujatha Reddy		
3	Mr. E. Sunil Reddy		

Consolidated Notes forming part of Financial Statements

31.2 Disclosure of transactions between the Company and related parties and the status of closing balances as on March 31, 2015

a) Transactions during the year/period

(₹ in million)

	Joint Venture		Associates & Others	
	2014-15	2013-14	2014-15	2013-14
Contract Revenue / Other Operational Income	6,083.55	9,933.08	-	403.63
Interest Income	-	4.75	-	8.71
Purchase of Construction Material*	-	-	12.07	30.46
Hire Charges Income	-	-	-	2.98
Rent Expense	-	-	24.07	24.07
Sub-contracting Work Expenses	2,903.95	4,334.16	435.58	219.44
Sale of Construction Material	-	-	69.21	10.08
Sale of Assets	-	-	-	1.19
Interest Expense on Mobilisation Advance	35.27	117.66	-	-
Provision for Doubtful Advances	-	36.50	-	-
Investments	-	-	185.25	281.62
Mobilisation Advance Received	-	18.29	-	-

* Net of purchase returns/advance refund ₹ 927.40 (₹ 1,948.55 million)

b) Closing Balances

(₹ in million)

	Joint Venture		Associates & Others	
	2014-15	2013-14	2014-15	2013-14
Advances Receivable	1,024.60	1,161.46	28.17	19.25
Other Payables	421.57	349.66	-	-
Trade Payables for Construction Expenses	861.20	298.22	106.69	1,382.16
Provision for Doubtful Advances	153.02	153.02	-	-
Trade Receivables and Retention Money	4,583.93	3,853.40	-	1,300.46
Mobilisation Advance Received	477.29	1,622.97	-	-
Mobilisation Advance Given	-	-	136.05	118.50
Retention Money Payable	482.19	322.98	260.54	230.54
Interest Accrued	-	-	33.99	33.99
Rent Deposit	-	-	6.60	6.60
Corporate Guarantee	20.00	20.00	-	547.39

Consolidated Notes forming part of Financial Statements

31.3 Transactions with Key Management Personnel / Relatives

(₹ in million)

Key Management Personnel/ Relatives	Designation	Remuneration		Office Rent		Rent Deposit		Advance	
		2014-15	2013-14	2014-15	2013-14	As at 31.03.15	As at 31.03.14	As at 31.03.15	As at 31.03.14
Mr. E. Sudhir Reddy	Chairman & Managing Director	-*	16.20*	2.43	2.73	0.50	0.50	25.02	13.02
Mr. E. Sunil Reddy	Director	-	-	-	2.73	-	0.50	-	10.11
Mr. K. Ashok Reddy	Joint Managing Director	-*	6.96*	-	-	-	-	6.94	2.26
Mr. R. Balarami Reddy	Joint Managing Director & CFO	-*	7.08*	-	-	-	-	7.02	2.29
Mr. E. Ella Reddy	Director	-	-	-	4.09	-	0.51	-	-
Mr. S.C.Sekaran	Executive – Director	-*	4.77*	-	-	-	-	0.37	0.26
Relatives		-	-	7.45	1.14	1.44	0.43	10.11	-
Total		-	35.01	9.88	10.69	1.94	1.94	49.46	27.94

* Refer Note 33, 48A (vii)

§ Resigned with effect from November 14, 2013

Consolidated Notes forming part of Financial Statements

32. Employee Benefit Plan

a) Gratuity Plan

(₹ in million)

Particulars	2014-15	2013-14
Components of Employer Expenses		
Current service cost	24.11	30.92
Interest cost	17.68	17.53
Expected return on plan assets	(7.97)	(9.66)
Benefits Transferred	-	-
Experience Adjustment / Non-management fund	-	(1.19)
Net Actuarial (Gain) / Loss to be recognized	35.84	(24.99)
Total expense recognised in the Statement of Profit and Loss	69.66	12.61
Actual Contribution & Benefit Payments		
Actual Benefit Payments	(46.32)	(40.84)
Actual Contribution	34.63	2.68
Net Asset / (Liability) recognized in Balance Sheet		
Liability at the end of the period	(229.36)	(200.43)
Fair value of plan assets at the end of the period	95.17	101.27
Experience Adjustment / Non-management fund	4.50	-
Net Asset/ (Liability) recognised in the Balance Sheet	(129.69)	(99.16)
Change in Defined Benefit Obligations (DBO)		
Present Value of DBO at beginning of period	200.43	220.84
Interest Cost	17.68	17.53
Current Service Cost	24.11	30.92
Benefits Paid	(46.32)	(40.84)
Actuarial (Gain) / Loss on obligations	33.46	(28.02)
Present Value of DBO at the end of period	229.36	200.43
Change in Fair Value of Plan Assets during the period		
Planned assets at beginning of the period	101.27	131.30
Expected return on planned assets	7.97	9.66
Other Planned assets	-	1.50
Contributions	34.63	2.68
Benefit paid	(46.32)	(40.84)
Actuarial Gain / (Loss) on plan assets	(2.38)	(3.03)
Fair value of plan assets at the end of the period	95.17	101.27
Defined benefit plan – Gratuity Assumptions		
Discount rate	8.00%	9.31%
Salary Escalation Rate	5.00%	5.00%
Rate of return on plan assets	8.00%	9.31%

- b) In accordance with the payment of Gratuity Act, 1972 the Company provides for gratuity covering eligible employees. The liability on account of gratuity is covered partially through a recognized Gratuity Fund managed by Life Insurance Corporation of India and balance is provided on the basis of valuation of the liability by an independent actuary as at the period end. The invested return earned on the policy comprises bonus declared by LIC having regard to LIC's investment earnings. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available. The management understands that

Consolidated Notes forming part of Financial Statements

LIC's overall portfolio assets is well diversified and as such, the long term return of the policy is expected to be higher than the rate of return on Central Government Bonds.

- c) The expense pertaining to gratuity of ₹ 69.66 million (2013-14 : ₹ 12.61 million) has been considered in "Contribution to Provident and Other Funds" under Note 24.
33. During the year ended March 31, 2015 managerial remuneration, amounting to ₹ 12.00 million in respect of an executive director is subject to Central Government approval and ₹ 9.41 million in respect of two executive directors for which the Company is in the process of making the application to the Central Government has been paid. Pending the approval from the Central Government the excess amount of ₹ 38.98 million (including ₹ 17.57 million for the earlier period) has been accounted as due from directors.
34. During the previous year exceptional item relates to Trade Receivables, which were qualified by the Statutory Auditors in their Independent auditors' report in earlier periods. National Stock Exchange of India Limited vide letter dated March 24, 2014 has directed the company to rectify the qualification raised by the Statutory Auditors. Accordingly, provision has been made during the previous year ended March 31, 2014 for the same. However, the Board of Directors is of the view that these receivables are fully recoverable.
35. In respect of certain customers the Company has initiated legal / arbitration proceedings. The trade receivables and other current assets from such customers as at March 31, 2015 aggregates to ₹ 11,948.93 million. The management is confident that the outcome of the legal proceedings will be favorable and no provision is considered necessary at this stage. The Board of Directors is of the view that, these receivables are good and are fully recoverable.
36. Unbilled revenue includes ₹ 1,542.62 million outstanding for a period of more than three years and not billed to the customers. The Company is in continuous engagement with the customers for billing and realization of the work done. The Board of Directors is of the view that, these will be billed and are good and fully recoverable.
37. The Company has executed the final Master Restructuring Agreement (MRA)/other definitive documents on June 30, 2014 with the majority of participating lenders banks, consequent to approval from Corporate Debt Restructuring Cell (CDR Cell). In accordance with the CDR scheme, the CDR lenders have waived the obligation of the Company to pay any liquidated damages, default or penal interest /interest/further interest charged by the Lenders in excess of the concessional rates approved under CDR scheme with effect from November 30, 2013 (the "cut-off date", the "COD").

Pursuant to CDR scheme, from COD the interest on the restructured debts has been recomputed and provided at the effective interest rates as per the CDR scheme on the balances of lender banks as appearing in the books of account.

Accordingly, the interest payable to these banks has been recalculated in accordance with the CDR scheme. The Company has accounted for CDR scheme (reclassifications and interest calculations) in the books for the year ended March 31, 2015 as follows:

- a. The rate of interest has been changed/ revised and reduced to State Bank of India (SBI) base rate plus 1.25 % (currently effective rate is 11.25% per annum with effect from the COD). Further, a sum of ₹ 568.15 million, which represents reduction in interest for the period from the COD to the date of giving effect of CDR scheme by the respective banks as adjusted for the interest payments made during the period to the lenders, has been recorded as exceptional item.
- b. Conversion of Corporate Guarantees amounting to ₹ 924.28 million and ₹170.00 million to subsidiary companies namely Alkor Petroo Limited and IVRCL TLT Private Limited respectively, into Corporate Guarantee Term Loan.
- c. The interest due and accrued with effect from the COD to December 31, 2014 on cash credit facilities and upto September 30, 2015 on other term borrowings shall be funded and converted into Funded Interest Term Loan (FITL) and lenders shall have the option to convert the same along with accrued interest thereon into equity at the end of each calendar quarters. Accordingly till March 31, 2015, ₹ 4,319.29 million has been converted into FITL and consequently lenders have exercised their conversion option and converted ₹ 3,713.43 million into equity upto March 31, 2015.

Further, CDR scheme envisage:

- a) Additional security of surplus assets in the form of various land parcels in the name subsidiary companies by way of first and second pari passu charge on such assets.
- b) Pledge of 100% unencumbered (both present and future) shares held by the promoters in the Company.
- c) Corporate guarantee of all group companies where the issuance of the corporate guarantee is not barred by respective lenders.

Consolidated Notes forming part of Financial Statements

- d) Pledge of unencumbered shares/investments of all major subsidiaries/group companies.
 e) Personal guarantee of Chairman and Managing Director of the Company.
38. a. The company had entered into definitive sale agreement on March 30, 2013 with strategic investor for disinvestment in BOT projects relating to Salem Tollways Limited, Kumarapalyam Tollways Limited and IVRCL Chengapalli Tollways Limited, as a composite arrangement. The parties have during the year, agreed to extend and revise the key terms of the same. According to the revised letter of intent between the parties, the transaction will be subject to due diligence process in relation to the share purchase transaction and Commercial Operation Date (COD) timeline as agreed, before executing the revised definitive agreement. The Company has received an amount of ₹ 300 million (against furnishing of Bank Guarantee for equivalent amount) from strategic investor as part of advance towards the share purchase consideration, which is refundable in case strategic investor at its sole discretion decide not to proceed with share purchase transaction and does not execute the revised definitive agreement. Pending fulfillment of the condition precedent to the revised definitive agreement, the management believes that the investment are long term, no material adjustment is considered necessary to the carrying value of the investments.
- b. During the year, the Company has signed a binding agreement for divestment of investment in its subsidiary Chennai Water Desalination Limited. As at March 31, 2015, detailed underlying terms for such agreement including approval of project authorities and lenders are under discussion and accordingly the investment in this subsidiary is considered as long-term investment. Based on the expected cash flow, no material adjustment is considered necessary to the carrying value of the investment.
39. The accumulated losses of the subsidiary, Hindustan Dorr-Oliver Limited, as at March 31, 2015, have eroded its net worth. The management of the Company is confident of improvement in the company's future operations and the financial statements have prepared on going concern basis. The Company is of the view that the investment in the company amounting to ₹ 657.53 million is a long-term investment and no provision for diminution in the value of investment is necessary.
40. An amount of ₹ 1,094.28 million, being Corporate Guarantee Term Loan (Refer Note 37b) and ₹ 300.00 million, being Working Capital Loan taken over by the Company. In the opinion of the management, these advances are fully recoverable.
41. Certain creditors have filed winding up petitions against the Company under section 433,434 and 439 of the Companies Act, 1956 before Hon'ble High Court of Telengana & Andhra Pradesh. The matter is presently subjudice and the company is taking appropriate steps to settle the matter.
42. Pursuant to Schedule II of the Companies Act, 2013, with effect from April 1, 2014, the Company has adopted revised useful life of the assets aligning the same with those specified in Schedule II. The Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be Nil as on April 1, 2014 and has adjusted an amount of ₹ 136.42 million from General Reserve and in case of subsidiary companies an amount of ₹ 45.16 million (net of deferred tax) from the opening surplus in the Statement of Profit and Loss under Reserves and Surplus.
43. **Segment Reporting**

Information about Primary Business Segments

(₹ in million)

Particulars	Engineering & Construction	Real Estate & Others	Manufacturing	Eliminations	Total
Revenue:					
Total External Sales	35,243.64 48,410.39	2,392.38 179.27	617.72 975.74	- -	38,253.74 49,565.40
Add : Inter segment sales	375.83 355.52	- -	2.71 126.78	(378.54) (482.30)	- -
Total Revenue	35,619.47 48,765.91	2,392.38 179.27	620.43 1,102.52	(378.54) (482.30)	38,253.74 49,565.40
Segment result before interest, exceptional items and tax					(4,164.38) 1,182.34

Consolidated Notes forming part of Financial Statements

(₹ in million)

Particulars	Engineering & Construction	Real Estate & Others	Manufacturing	Eliminations	Total
Less: Interest	8,621.76	157.91	186.59	-	8,966.25
	<i>7,690.90</i>	<i>2.07</i>	<i>199.77</i>	-	<i>7,892.74</i>
Profit before Exceptional items and tax					(13,130.63)
Exceptional items:					(6,710.40)
					1,442.74
Profit Before Tax					2,291.55
					(14,573.37)
Tax					(9,001.95)
Profit After tax					1,108.29
					(179.25)
Segment Assets	136,367.82	11,429.11	4,084.45	(10,3201.52)	141,559.86
	<i>134,749.14</i>	<i>11,093.83</i>	<i>2,654.16</i>	<i>(8,676.13)</i>	<i>139,821.00</i>
Unallocated Corporate Assets					2,164.31
					3,060.50
Total Assets					143,724.17
					142,881.50
Segment Liabilities	139,578.31	1,926.12	3,065.67	(11,228.76)	133,341.34
	<i>126,264.23</i>	<i>1,310.16</i>	<i>2,710.48</i>	<i>(9,652.31)</i>	<i>120,632.56</i>
Unallocated Corporate Liabilities					-
					-
					133,341.32
					120,632.56
Segment Depreciation	2,494.11	18.65	62.08	-	2,574.84
	<i>1,628.70</i>	<i>3.35</i>	<i>37.22</i>	-	<i>1,669.27</i>
Non - Cash Expenses other than Depreciation					6,258.95
					3,129.42

Figures in *italics* pertains to previous period

Geographical Segment

During the period under report, the Company has engaged in its business primarily within India. The conditions prevailing in India being uniform, no separate geographical disclosure is considered necessary.

44. Employee Share based Plan

ESOP 2013 Scheme

The IVRCL – ESOP 2013 Scheme was approved by the shareholders in the 26th Annual General Meeting held on September 26, 2013 to grant 10,000,000 options, convertible in to 10,000,000 shares of ₹ 2 on exercise of options granted to the employees. The Company is yet to grant these options to the employees.

ESOP 2007 Scheme

The IVRCL – ESOP 2007 Scheme approved by the shareholders in the 20th Annual General Meeting held on September 7, 2007 to grant 4,200,000 options, convertible in to 4,200,000 shares of ₹ 2 on exercise of options granted to the employees was lapsed during the previous year.

45. Derivative Instruments

The details of foreign currency exposures on account of External Commercial Borrowings that have been hedged by cross currency swap are given

Consolidated Notes forming part of Financial Statements

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
No.of Instruments	-	5
USD Equivalent (million)	-	13.44
INR Equivalent (₹ million)	-	608.12

(b) The details of un-hedged foreign currency exposures that have not been hedged by derivative instruments or otherwise are given below.

Particulars	Currency	As at 31.03.2015		As at 31.03.2014	
		Foreign Currency (in million)	(₹ in million)	Foreign Currency (in million)	(₹ in million)
External Commercial Borrowing	USD	11.37	711.56	-	-
Short-Term Borrowings	EURO	0.41	28.10	0.41	28.89
Trade Payables	AED	0.38	6.42	0.84	13.77
	SAR	0.43	7.21	0.43	6.95
	NPR	53.16	32.56	7.55	4.67
	KES	222.90	150.24	22.13	15.37
	KWD	0.81	167.48	0.81	172.27
	TZS	257.13	8.65	83.04	3.04
Other Current Liabilities	AED	0.41	7.03	0.32	5.26
	NPR	359.17	219.99	358.69	221.78
	KES	647.74	436.59	516.07	358.47
	KWD	0.32	66.71	0.30	64.31
	TZS	3,752.08	126.22	4,555.04	166.76
Trade Receivables	AED	2.15	36.50	2.15	35.17
	NPR	5.19	3.18	4.69	2.90
	KWD	1.25	258.64	1.25	266.04
	KES	254.28	171.39	148.53	103.17
	TZS	714.63	24.04	3,259.49	119.33
Loans & Advances	AED	0.40	6.74	0.56	9.10
	TZS	1,227.41	41.29	562.69	20.60
	NPR	7.28	4.46	13.13	8.12
	KES	341.99	230.51	218.57	151.82
	KWD	0.01	1.21	0.01	1.24

46. Provision for resurfacing obligation

Subsidiaries, has a contractual obligation to periodically maintain, replace or restore infrastructure at the end of each five years or earlier as per the terms of the concession agreement. The Company has recognised the provision in accordance with Accounting Standard-29 "Provision, Contingent Liabilities and Contingent Assets" i.e., at the best estimate of the expenditure required to settle the present obligation at the balance sheet date (₹ in million)

Particulars	As on April 1, 2014	Additions during the Period	Amount used during the Period	Amounts reversed During the Period	As on March 31, 2015
Provision for resurfacing obligation	534.03	350.34	-	-	884.37
	534.03	350.34	-	-	884.37

Consolidated Notes forming part of Financial Statements

47. Operating Lease

- i. The Company has taken various plant and machinery including construction equipment under non-cancellable operating lease. The future minimum lease payments in respect of these as at March 31, 2014 are as follows:

(₹ in million)

	As at 31.03.2015	As at 31.03.2014
Payable not later than 1 year	106.12	177.87
Payable later than 1 year and not later than 5 years	-	106.12
Later than 5 year	-	-

- ii. Lease payments in respect of obligation under non-cancellable operating lease of ₹ 177.87 million (2013-14 : ₹ 177.87 million) have been included under "Machinery Hire Charges".

48. Specific Notes relating to subsidiaries

A. Hindustan Dorr-Oliver Limited

- i. During the year the Company has incurred a Net Loss of ₹ 7,731.56 million resulting in to accumulated losses of ₹ 9,410.61 million and erosion of its net worth. The Company has obligations towards borrowings aggregating to ₹ 8,445.76 million which includes working capital loan from banks of ₹ 4,376.59 million, outstanding letters of credit/bill discounting from banks of ₹ 1,057.45 million and current maturities of long term debts of ₹ 1,188.23 million falling due over next twelve months period, obligations pertaining to operations including unpaid creditors and statutory dues as at March 31, 2015. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. The Company has been unable to obtain financing for this purpose. The Company's ability to continue as going concern and to realize its assets and discharge its liabilities in the normal course of business dependent upon the arrangement of finances and improvement in operations. The financial statements do not include any adjustment in this respect.
- ii. National Stock Exchange of India Limited vide its letters dated June 19, 2014 and May 5, 2015 has directed the company to rectify the qualification raised by the Statutory Auditors. Accordingly the Company has rectified the qualification related to recognition of Deferred Tax Assets of ₹ 1,089.37 million, Investment and Loans and advances to Foreign Subsidiary of ₹ 1,495.88 million and Trade and Other Receivable of ₹ 515.28 million by providing for the same in the books of account.
- iii. Trade receivables and Retention as at March 31, 2015 include amounts aggregating to ₹ 322.84 million and ₹ 212.09 million respectively, receivable from contractee clients, considered good and receivable. The company has been in continuous engagement with the parties and taking necessary steps for realization of its dues. The Company is of the view that the receivables are good and realizable.
- iv. Unbilled revenue as at March 31, 2015 includes ₹ 839.60 million in respect of certain projects where progress is insignificant during the year and the billing is pending for a long period/ years. In the opinion of management such unbilled revenue has been considered good and fully recoverable.
- v. The balances in Trade Receivables, Retention Money, Trade Payable, Advances and certain bank balances are subject to confirmations and adjustments, if any. Such adjustments, in the opinion of the management, are not likely to be material and will be carried out as and when ascertained
- vi. In the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.
- vii. The shareholders of the Company, through a special resolution, have approved the remuneration of executive directors in the Annual General Meeting held on December 29, 2012. Due to inadequate profits during the year ended March 31, 2015, managerial remuneration paid to the executive directors aggregating to ₹ 0.11 million was in excess of the prescribed limits specified under Schedule XIII of the Companies Act, 1956, and is subject to the Central Government approval. Pending approval from the Central Government, the excess amount of ₹ 10.48 million (including ₹ 10.37 million relating to the previous period and ₹ 0.11 million for the current year) has been accounted as due from directors.
- viii. Certain creditors have filed winding up petitions against the Company under section 433 and 439 of the Companies Act, 1956 before Hon'ble High Court of Bombay. The company is taking necessary steps including signing of Memorandum of Understanding and/ or filing the Consent Terms in the High Court with the creditors for withdrawal of such petitions. The matter is subjudice and outcome of which is subject to the Company fulfilling the payment conditions of Memorandum of Understanding/ Consent Terms.
- ix. The Subsidiary company, HDO Technologies Limited, has suffered losses during the year which resulted in increase in accumulated losses and substantial erosion of its net worth as at the balance sheet date. The management, considering the future business prospects believes that, growth in operations of the Company will result into increase in its revenue and consequently profitability and net worth. In the opinion of the management, the carrying value of Goodwill aggregating to ₹ 1,290 million arising on consolidation of this subsidiary represents its recoverable amount and no provision is required at this stage.

Consolidated Notes forming part of Financial Statements

x. Un-hedged foreign currency exposure

Particulars	Currency	As at 31.03.2015		As at 31.03.2014	
		(in million)	₹ (in million)	(in million)	₹ (in million)
Payables-Loans	USD	18.75	1,173.58	18.75	1,126.87
Interest payable on Loan	USD	2.47	154.73	0.91	54.93

Particulars of derivative instruments outstanding

Particulars	Purpose	As at 31.03.2015 (in million)	As at 31.03.2014 (in million)
Interest Swap	Hedge against exposure to variable interest outflow on foreign currency loan. Swap to receive variable rate of interest of 3 Month USD LIBOR and pay a fixed rate equal to 6.50% p.a. on the notional amount. <i>(As per agreement rate was 3 months USD LIBOR + 300 bps)</i>	USD 18.75	USD 18.75

B. HDO Technologies limited

- i. Trade receivables as at March 31, 2015 include ₹ 576.47 million (previous year ₹ 47.51 million) outstanding for a long period. The company is in engagement with the customers for realization of dues. In the opinion of the management the receivables are good and fully recoverable.
- ii. The balances in Trade Receivables, Sundry Creditors, Retention Money and Advances are subject to confirmations and adjustments, if any. Such adjustments, in the opinion of the management, are not likely to be material and will be carried out as and when ascertained.
- iii. Service Tax Receivables as at March 31, 2015 include ₹ 5.78 million outstanding for a long period. In the opinion of the management the receivables are good and fully recoverable.
- iv. Deferred tax assets, on business losses, aggregating to ₹ 95.71million have been recognized on the basis of business plan prepared by the management. The management believes that, growth in operations of the Company will result into increase in its revenue & profitability and consequently sufficient future taxable income will be available against which such deferred tax assets can be realized.
- v. During the year the Company has incurred a Net Loss of ₹ 324.39 million resulting in to accumulated losses of ₹ 536.77 million and erosion of its net worth. The Company has obligations towards borrowings aggregating to ₹ 1660.30 million which includes working capital loan from banks of ₹ 875.16 million, outstanding letters of credit/bill discounting from banks of ₹ 200.00 million and current maturities of long term debts of ₹ 100.83 million falling due over next twelve months period, obligations pertaining to operations including unpaid creditors and statutory dues as at March 31, 2015. These matters require the Company to generate additional cash flows to fund the operations as well as other statutory obligations notwithstanding the current level of low operating activities. The Company has been unable to obtain financing for this purpose. The Company's ability to continue as going concern and to realize its assets and discharge its liabilities in the normal course of business dependent upon the arrangement of finances and improvement in operations. The financial statements do not include any adjustment in this respect.

C. Chennai Water Desalination Limited

- i) Income from Operations: The income in respect of Water Capacity Charges (WCC) has been recognized in the books of account on accrual basis, and an amount of ₹ 72.78 million (₹ 37.83 million) representing differential amount of WCC from April 01, 2014 to March 31, 2015, to be received as per Schedule V of Bulk Water Purchase agreement, has been considered as receivable pending receipt of the amount from CMWSSB. The total amount receivable on this account from CMWSSB up to March 31, 2015 is ₹ 663.13 million.

Consolidated Notes forming part of Financial Statements

ii) Net notional loss on Mark to Market (MTM) Valuation of Derivative Contracts:

Date	Name of the Bank	Currency (\$ million)	Conversion Rate	INR (₹ million)	(Gain)/Loss
Currency swap: 31.03.2015	ICICI Bank Limited	-	-	(23.67)	Notional loss/ (Gain)
31.03.2015	Standard Chartered Bank Ltd.	0.04	62.59	(2.73)	Notional loss/ (Gain)
Net (Gain) / Loss on Currency swap				(26.40)	

iii) Un-hedged foreign currency exposure

Particulars	Currency	As at 31.03.2015		As at 31.03.2014	
		(in million)	₹ (in million)	(in million)	₹ (in million)
Payables-Loans	EURO	6.32	427.11	8.08	667.54

Particulars of derivative instruments outstanding

(in million)

Particulars	Purpose	As at 31.03.2015	As at 31.03.2014
Interest Swap	Hedge against exposure to variable interest outflow on foreign currency loan. Swap to receive variable rate of interest of 3 Month EURIBOR and pay a fixed rate equal to 2.46% p.a. on the notional amount.	EURO 6.32	EURO 8.08
Currency Swap	Hedge against principal installment outflow on foreign currency loan. Swap the EURO principal payments to USD.	EURO 0.35	EURO 0.35
	Hedge against principal installment outflow on foreign currency loan. Swap the USD payments to INR.	USD 0.45	USD 0.45

iv) Interest of ₹ 669.41 million calculated at Indian lenders' interest rates applicable to the company, on the claims receivable from EPC contractor, has not been accounted, pending final documentation.

v) Additional penalty of ₹ 56.58 million recovered by CMWSSB from the amounts receivable by the Company towards Water capacity charges and Water variable charges from CMWSSB was not as per contractual terms and hence was not accounted as expenditure in the books of account. The cumulative loss up to 31.03.2015 is ₹ 79.61 million.

D. IVR Hotels & Resorts Limited

The Company has incurred an aggregate cost of ₹ 3,913.20 million as at March 31, 2015 (₹ 3,940.32 million), on acquisition of certain land parcels and project expenditure incurred on some of these land parcels. The Company has acquired various land parcels and is into initial stage of project implementation. As per the Company's business plan, the projects will have multiple properties consisting of integrated townships, golf course, golf club, service apartments and mega malls which will be classified under fixed assets, investment properties and inventories as the case may be, based on ultimate end use pattern as per final business plan of the Company. Pending such reclassification, the cost incurred on development of projects in respect of balance land parcels is included under the head 'inventory'.

The said land parcels / projects are being carried in the books at cost, which in the opinion of the Management is lower than the Net Realisable Value / Value in use, based on the assessment carried out by the Management. Accordingly, no adjustment has been made to the carrying value of these land parcels / projects.

E. IVRCL TLT Private Limited

The company has earned profit in current financial year; however its accumulated losses are in excess of its net worth. The company has also drawn up plans to operate efficiently and to improve future operations. The company is confident of implementing its business plan and considering the future prospects, the financial statements have been prepared on the basis that the company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.

Consolidated Notes forming part of Financial Statements

F. IVRCL Indore Gujarat Tollways Limited

- i) The implementation of the project was delayed due to delay in handing over of land, handing over Right of Way and delay in utility shifting which was beyond the control of the company. Out of the total stretch request for delinking of 16.20 km related to bird sanctuary on forest land was also requested and approved. Further, the Company has also faced liquidity challenges during the year. This has resulted into realignment and rescheduling of work. In view of substantial technical and administrative work being carried out, capitalization of borrowing cost of ₹ 1,313.70 million is continued towards cost of the project.
- ii) The NHAI has issued an Intention to termination notice vide Letter No.NHAI/MP/BOT/1102/04/2007/49301 dated February 24, 2014 under clause 37.1.2 of the Concession agreement due to non-achievement of various milestones. The Company has requested to withdraw its notice citing the reasons of delay in handing over Right of the Way (RoW) in time and submitted a program for execution of balance work for approval. Further, the National Highway Authority of India vide letter dated 04 June, 2014 has demanded liquidated damages up to May 31, 2014 amounting to ₹ 1,227.85 million for non-achievement of milestone-II and III and COD which is 0.1% of the amount of the performance security for delay of each day until such milestone is achieved. The Management of the Company is confident of amicable resolution of the issue with the National Highway Authoring of India.

iii) Corporate Debt Restructuring Scheme

- a. The company approached Corporate Debt Restructuring (CDR) cell with a scheme seeking certain reliefs in relation to repayment of loans and accumulated unpaid interest and additional funding to complete the projects. Further this restructuring envisages certain sacrifices from lenders and commitments from the company in terms of infusion of additional equity by the promoters. The Corporate Debt Restructuring (CDR) empowerment committee approved the restructuring scheme dated March 20, 2014 with cut-off date October 1, 2013. The restructuring scheme was further amended dated March 28, 2015 with sanction of additional ₹ 2,080.00 million in form of priority debt but is not disbursed till date.
- b. During the previous year, the Company had transferred Interest accrued and due to funded loan of those banks who had signed Master Restructuring Agreement and accounted in its books of account up to March 31, 2014 and Interest accrued and due of other banks are disclosed as Interest accrued and due in the Financial Statement
- c. Additional security:(a) Corporate Guarantee of IVRCL Limited infavour of the security trustee acting for the benefit of all the CDR lenders.(b) Personal Guarantee in favour of the security trustee acting for the benefit of all the CDR lenders.(c) Third party security provider corporate guarantees to the extent of land value in favour of the security trustee acting for the benefit of all the CDR lenders.(d) a first ranking pari passu pledge over 51% of the equity shares with voting rights of the borrower held by the promoter upto the second anniversary of the COD and 26% of the equity shares with voting rights of the borrower held by the promoter thereafter, provided that no event of default as occurred or is continuing with, in dematerialized form and shall also include any fresh issuances of equity shares to the promoter.(e) land of fellow subsidiaries are provided as additional security against the loan.
- d. Restructure Debt Lender shall have a right to convert entire/ part of defaulted interest and entire/ part of defaulted principal into equity shares of Borrower, as per applicable guidelines. However, in the case of those lenders who already have default conversion rights, the same would be governed by existing loan covenants. Borrower/promoters shall take necessary steps and obtain all requisite/necessary/statutory/other approvals for such allotment of equity shares or a part of it in terms of their existing loan agreements.
- e. In case of debt outstanding beyond the final repayment date envisaged under the restructuring package, the Restructured Debt Lenders shall have a right to convert (at any time after such period) into equity up to 20% of such outstanding (as on date of conversion) as per SEBI guidelines/loan covenants, whichever is applicable. In the event the lenders or any of the lenders exercises its right to sell the shares issued in terms of the conversion clause above, the first right of refusal to buy back the shares would be offered to the Promoters.
- f. The FITL Facility extended by the CDR Lenders except IIFCL amounting to ₹ 984.00 million shall be converted into the CDR Lender Equity Shares within three months from the effective date i.e. March 28, 2015.

G. SPB Developers Private Limited

- a. The implementation of the project was delayed due to delay in handing over of land, handing over Right of Way and delay in utility shifting which was beyond the control of the company. Further, the Company has also

Consolidated Notes forming part of Financial Statements

faced liquidity challenges during the year. This has resulted into realignment and rescheduling of work. The management is confident of obtaining necessary land, ROW etc. Hence, the management has capitalised interest expenses amounting to ₹ 213.74 million for the period April 1, 2014 to March 31, 2015 towards cost of the project.

b. Financial restructuring package:

- (i) During the year, Andhra Bank vide letter dated March 30, 2015, has approved the company's financial restructuring package in respect of term loans and interest effective from January 01, 2015.
- (ii) Restructure Debt Lender shall have a right to convert entire/ part of defaulted interest and entire/ part of defaulted principal into equity shares of Borrower, as per applicable guidelines. However, in the case of those lenders who already have default conversion rights, the same would be governed by existing loan covenants. Borrower/ promoters shall take necessary steps and obtain all requisite/ necessary/ statutory/ other approvals for such allotment of equity shares or a part of it in terms of their existing loan agreements.
- (iii) In case of debt outstanding beyond the final repayment date envisaged under the restructuring package, the Restructured Debt Lenders shall have a right to convert (at any time after such period) into equity up to 20% of such outstanding (as on date of conversion) as per SEBI guidelines/loan covenants, whichever is applicable. In the even the lenders or any of the lenders exercises its right to sell the shares issued in terms of the conversion clause above, the first right of refusal to buy back the shares would be offered to the Promoters.
- (iv) Personal guarantee of Chairman & Managing Director, IVRCL Limited covering all the debt facilities to be provided.
- (v) Pledge of equity shares held by the sponsors in the share capital of the company to be retained at 51% till the end of repayment of debt facilities.

H. Alkor Petroo Limited

Interest of ₹ 272.28 million on unsecured loan was not provided for the year ended 31st March, 2015. If the interest on unsecured loan was provided, the Capital Work in Progress would have increased to ₹ 2,496.78 million.

I. IVRCL Building Products Limited

Interest of ₹ 44.11 million on unsecured loan was not provided for the year ended 31st March, 2015. If the interest on unsecured loan was provided, the loss would have increased to ₹ 44.66 million.

49. The following investments in equity shares have been pledged in respect of loans taken by the subsidiaries and associates

Name of the Company	No. of Shares as at 31.03.2015	No. of Shares as at 31.03.2014	Pledged in favour of
(a) Salem Tollways Limited	26,164,612 15,237,039	26,164,612 15,237,039	IDBI Trusteeship Services Limited TATA Capital Financial Services Limited
(b) Kumarapalyam Tollways Limited	5,000,000 18,855,516 9,920,869	- 17,035,836 9,920,869	SBICAP Trustee Company Limited IDBI Trusteeship Services Limited TATA Capital Financial Services Limited
(c) IVRCL Indore Gujarat Tollways Limited	13,075,395 12,562,635	12,316,036 11,833,054	IDBI Trusteeship Services Limited IFCI Financial Services Limited
(d) IVRCL Chengapalli Tollways Limited	10,044,583 9,650,677	8,514,583 8,180,671	IDBI Trusteeship Services Limited IFCI Financial Services Limited
(e) IVRCL Chandrapur Tollways Limited	11,370,450 5,127,870 5,796,580	11,370,450 5,127,870 -	IDBI Trusteeship Services Limited IndusInd Bank SBICAP Trustee Company Limited
(f) SPB Developers Private Limited	8,281,800 8,281,800	8,281,800 8,281,800	Andhra Bank ICICI Bank

Consolidated Notes forming part of Financial Statements

Name of the Company	No. of Shares as at 31.03.2015	No. of Shares as at 31.03.2014	Pledged in favour of
(g) Jalandhar Amritsar Tollways Limited	4,560,000 31,654,527	4,560,000 -	Canara Bank SBICAP Trustee Company Limited
(h) Chennai Water Desalination Limited	66,166,080 25,947,482	66,166,080 25,947,482	Canara Bank Indusind Bank
(i) IOT Utkal Energy Services Limited	36,750,000 60,250,000	36,750,000 -	IDBI Trusteeship Services Limited SBICAP Trustee Company Limited
(j) Sushee – IVRCL Arunachal Highway Limited	6,630 6,162,000	6,630 -	IDBI Trusteeship Services Limited Sushee Infra Private Limited
(k) Hindustan Dorr-Oliver Limited	21,155,306	21,155,306	Bank of India
(l) IVRCL PSC Pipes Private Limited	167,000	-	SBICAP Trustee Company Limited
(m) IVR Enviro Projects Private Limited	2,924,550	-	SBICAP Trustee Company Limited
(n) IVRCL Goa Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(o) IVRCL Steel Construction & Services Limited	50,000	-	SBICAP Trustee Company Limited
(p) IVRCL-Cadagua Hogenakkal Water Treatment Company Pvt Ltd	6,000	-	SBICAP Trustee Company Limited
(q) IVRCL Building Products Limited	599,995	-	SBICAP Trustee Company Limited
(r) Saptashva Solar Limited	52,100	-	SBICAP Trustee Company Limited
(s) IVRCL TLT Private Limited	10,000	-	SBICAP Trustee Company Limited
(t) IVRCL Raipur - Bilaspur Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(u) IVRCL Narnual Bhiwani Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(v) IVRCL Multilevel Car Parking Private Limited	5,100	-	SBICAP Trustee Company Limited
(w) First STP Private Limited	2,850,000	-	SBICAP Trustee Company Limited
(x) IVRCL Gundugolanu Rajahmundry Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(y) IVRCL Patiala Bathinda Tollways Limited	49,990	-	SBICAP Trustee Company Limited
(z) IVR Prime Developers (Tambaram) Private Limited	10,000	-	SBICAP Trustee Company Limited
(aa) RIHIM Developers Private Limited	10,000	-	SBICAP Trustee Company Limited

50. Development rights for land

Inventories include Earnest Money Deposits paid towards consideration for acquiring development rights of land as per Development Agreements amounting to ₹ 2,730.11 million (₹ 2,726.17 million).

51. Details of purchase and sale of traded goods:

(₹ in million)

	2014-15	2013-14
Purchase:		
Construction material / steel / equipment	2,283.47	49.04
Sale:		
Construction material / steel / equipment	2,280.74	50.36

in the view of the large number and heterogeneous types of steel, it has not been considered necessary to furnish separately the respective quantitative information.

52. Figures for the previous year have been regrouped /rearranged wherever considered necessary to conform to the figures presented in the current year.

For and on behalf of the Board

E.Sudhir Reddy
Chairman &
Managing Director

R.Balarami Reddy
Joint Managing Director
& CFO

B.Subrahmanyam
Company Secretary

Date : May 30, 2015
Place : Hyderabad

Statement pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed FORM AOC-1 relating to Subsidiary, Associate and Jointly Controlled Companies

Part A: Subsidiaries

(₹ in million)

S No.	Name of the Company	Capital (1)	Reserves (1)	Total Assets (1)	Total Liabilities (4) (excluding 1&2)	Details of Investment (except in case of investment in Subsidiaries)	Turnover/ Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
1	Hindustan Dorr-Oliver Limited	144.01	(7,310.11)	7,687.80	14,853.90	-	3,639.84	(6,629.95)	1,101.60	(7,731.55)	-
2	IVRCL PSC Pipes Private Limited	2.51	(4.91)	70.39	72.79	-	-	(0.03)	-	(0.03)	-
3	IVR Enviro Projects Private Limited	30.00	(27.46)	48.52	45.98	-	-	(3.62)	-	(3.62)	-
4	IVRCL Steel Construction & Services Limited	0.50	0.03	190.20	189.67	-	0.05	0.02	-	0.02	-
5	IVRCL Patlaganga Trucks Terminal Private Limited	0.53	50.10	186.58	135.95	-	14.10	6.55	2.14	4.41	-
6	Alkor Petroo Limited	87.85	(54.84)	2,236.66	2,203.65	-	0.94	(7.21)	-	(7.21)	-
7	IVRCL Building Products Limited	10.00	(191.83)	122.14	303.97	-	0.04	(0.56)	-	(0.56)	-
8	Sapthasha Solar Limited	1.02	(19.80)	33.87	52.65	-	-	(0.03)	-	(0.03)	-
9	RIHIM Developers Private Limited	0.10	5,266.56	5,771.80	505.14	-	20.47	(4.49)	-	(4.49)	-
10	IVRCL TLT Private Limited	0.10	67.60	701.16	633.46	-	304.86	77.95	(0.23)	78.18	-
11	IVRCL-Cadagua Hogenakkal Water Treatment Company Private Limited	0.10	20.40	50.20	29.70	-	84.55	10.97	3.39	7.58	-
12	IVR Hotels and Resorts Limited	3.58	4,393.70	5,054.51	657.23	-	92.61	(119.18)	-	(119.18)	-
13	First STP Private Limited	30.00	43.80	157.31	83.51	-	15.91	7.32	1.40	5.92	-
14	Jalandhar Amritsar Tollways Limited	489.39	149.26	5,289.56	4,650.91	-	499.96	(211.64)	-	(211.64)	-
15	Chennai Water Desalination Limited	1,729.83	(1,692.14)	4,090.87	4,053.18	-	2,025.95	(179.96)	-	(179.96)	-
16	Kumarapalayam Tollways Limited	369.72	(546.53)	3,807.25	3,984.06	-	496.65	(307.28)	-	(307.28)	-
17	Salem Tollways Limited	1,013.03	1,247.35	5,833.87	3,573.49	-	451.89	(32.08)	-	(32.08)	-
18	SPB Developers Private Limited	290.62	1,321.11	3,544.93	1,933.20	-	-	-	-	-	-
19	IVRCL Indore Gujarat Tollways Limited	256.38	2,302.92	17,236.06	14,676.76	-	-	-	-	-	-
20	IVRCL Chengapalli Tollways Limited	196.95	1,768.07	10,078.38	8,113.36	-	-	-	-	-	-
21	IVRCL Goa Tollways Limited	0.50	-	11.07	10.57	-	-	-	-	-	-
22	IVRCL Chandrapur Tollways Limited	228.13	3,112.64	6,477.63	3,136.86	-	-	-	-	-	-
23	IVRCL Multilevel Car Parking Pvt Limited	0.10	-	1.34	1.24	-	-	-	-	-	-
24	IVRCL Raipur Bilaspur Tollways Limited	0.50	(18.84)	121.69	140.03	-	124.43	(18.84)	-	(18.84)	-
25	IVRCL Narnaul Bhiwani Tollways Limited	0.50	-	0.52	0.02	-	-	-	-	-	-
26	IVRCL Gundugolanu Rajahmundry Tollways Limited	0.50	-	1.41	0.91	-	-	-	-	-	-
27	IVRCL Patiala Bathinda Tollways Limited	0.50	-	20.03	19.53	-	-	-	-	-	-
28	IVRCL Lanka Private Limited	354.91	27.39	1,069.34	687.04	-	-	-	-	-	-
29	HDO Technologies Limited	12.88	995.33	3,440.41	2,432.20	-	336.75	(324.39)	-	(324.39)	-
30	IVR Prime Developers (Palakkad) Private Limited	0.10	(1.89)	2.99	4.78	-	-	(0.03)	-	(0.03)	-
31	IVR Prime Developers (Guindy) Private Limited	0.10	(1.57)	3.28	4.75	-	-	(0.03)	-	(0.03)	-
32	Mummidhi Developers Private Limited	0.10	(0.21)	64.87	64.98	-	-	(0.02)	-	(0.02)	-
33	Samatteri Developers Private Limited	0.10	(0.21)	54.66	54.77	-	-	(0.02)	-	(0.02)	-
34	IVR Prime Developers (Amalapuram) Private Limited	0.10	(0.18)	0.55	0.63	-	-	(0.02)	-	(0.02)	-
35	IVR Prime Developers (Guntur) Private Limited	0.10	(0.19)	36.38	36.47	-	-	(0.02)	-	(0.02)	-
36	Absorption Aircon Engineer Private Limited	0.37	(0.58)	111.52	111.73	-	-	(0.02)	-	(0.02)	-
37	IVRCL Solar Energy Private Limited	0.50	(0.17)	0.35	0.02	-	-	(0.02)	-	(0.02)	-
38	Bibinagar Developers Private Limited	0.10	(0.16)	22.74	22.80	-	-	(0.02)	-	(0.02)	-
39	IVR Prime Developers (Red Hills) Private Limited	0.10	(0.16)	59.84	59.90	-	-	(0.02)	-	(0.02)	-
40	IVR Prime Developers (Tuni) Private Limited	0.10	(0.16)	28.19	28.25	-	-	(0.02)	-	(0.02)	-

Part A: Subsidiaries

(₹ in million)

S No	Name of the Company	Capital (1)	Reserves (1)	Total Assets (1)	Total Liabilities (4) (excluding 1&2)	Details of Investment (except in case of Investment in Subsidiaries)	Turnover/ Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend
41	IVR Prime Developers (Bobbili) Private Limited	0.10	(0.16)	33.19	33.25	-	-	(0.02)	-	(0.02)	-
42	IVR Prime Developers (Bhimavaram) Private Limited	0.10	(0.16)	22.98	23.04	-	-	(0.02)	-	(0.02)	-
43	Simhachalam Prime Developers Private Limited	0.10	(0.18)	91.07	91.15	-	-	(0.02)	-	(0.02)	-
44	Agaram Developers Private Limited	0.10	(0.21)	34.92	35.03	-	-	(0.02)	-	(0.02)	-
45	Sripuram Developers Private Limited	0.10	(0.19)	35.78	35.87	-	-	(0.02)	-	(0.02)	-
46	IVR Prime Developers (Araku) Private Limited	0.10	(0.18)	0.93	1.01	-	-	(0.02)	-	(0.02)	-
47	IVR Prime Developers (Erode) Private Limited	0.10	(0.19)	1.12	1.21	-	-	(0.02)	-	(0.02)	-
48	IVR Vaanaprastha Private Limited	0.15	(0.34)	14.09	14.28	-	-	(0.02)	-	(0.02)	-
49	IVR PUDL Resorts & Clubs Private Limited	0.15	(0.29)	113.01	113.15	-	-	(0.02)	-	(0.02)	-
50	IVRCL Megamalls Limited	0.50	(0.36)	32.42	32.28	-	-	(0.02)	-	(0.02)	-
51	Annapampattu Developers Private Limited	0.10	(0.21)	23.89	24.00	-	-	(0.02)	-	(0.02)	-
52	Ilavampedu Developers Private Limited	0.10	(0.21)	20.08	20.19	-	-	(0.02)	-	(0.02)	-
53	Chodavaram Developers Private Limited	0.10	(0.19)	28.46	28.55	-	-	(0.02)	-	(0.02)	-
54	Gajuwaka Developers Private Limited	0.10	(0.19)	176.99	177.08	-	-	(0.02)	-	(0.02)	-
55	Tirumani Developers Private Limited	0.10	(0.19)	91.89	91.98	-	-	(0.02)	-	(0.02)	-
56	IVR Prime Developers (Adayar) Private Limited	0.10	(0.17)	20.95	21.02	-	-	(0.03)	-	(0.03)	-
57	IVR Prime Developers (Egmore) Private Limited	0.10	(0.16)	24.83	24.89	-	-	(0.02)	-	(0.02)	-
58	Geo IVRCL Engineering Limited	0.50	(0.06)	43.26	42.82	-	-	0.02	-	0.02	-
59	Geo Prime Developers Private Limited	0.10	(0.19)	178.53	178.62	-	-	(0.02)	-	(0.02)	-
60	Kasibugga Developers Private Limited	0.10	(0.19)	127.66	127.75	-	-	(0.02)	-	(0.02)	-
61	Kumaram Developers Private Limited	0.10	(0.21)	143.72	143.83	-	-	(0.02)	-	(0.02)	-
62	Rudravaram Developers Private Limited	0.10	(0.19)	142.86	142.95	-	-	(0.02)	-	(0.02)	-
63	Theata Developers Private Limited	0.10	(0.19)	172.29	172.38	-	-	(0.02)	-	(0.02)	-
64	Vedurwada Developers Private Limited	0.10	(0.17)	164.95	165.02	-	-	(0.02)	-	(0.02)	-
65	Vijayawada Developers Private Limited	0.10	(0.19)	212.56	212.65	-	-	(0.02)	-	(0.02)	-
66	Duvvada Developers Private limited	0.10	(0.17)	130.89	130.96	-	-	(0.02)	-	(0.02)	-
67	Eluru Developers Private limited	0.10	(0.18)	104.85	104.93	-	-	(0.02)	-	(0.02)	-
68	IVR Prime Developers (Tambaram) Private Limited	0.10	(0.18)	23.28	23.36	-	-	(0.04)	-	(0.04)	-
69	Davymarkham India Private Limited	0.10	(0.05)	0.10	0.05	-	-	(0.01)	-	(0.01)	-

Part B : Associate and Joint Venture

S No.	Name of the Associate/ Joint Ventures	Shares of Associate / JV held by the Company at the year end				Description of how there is significant influence	Reason why the associate/ Joint venture not consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss considered in consolidation	Profit/Loss not considered in consolidation
		Latest audited B/S date	No.	Amount of investment in Associate/ JV	Extent of Holding					
	ASSOCIATES									
1	Viva Infrastructures Private Limited	31.03.2015	50,000	0.50	50.00%	Significant influence due to % of Share Capital	Audited Financial Statements are not available for consolidation	N.A	N.A	
2	Pareesh Infrastructures Private Limited	31.03.2015	4,900	0.05	49.00%	Significant influence due to % of Share Capital	Audited Financial Statements are not available for consolidation	N.A	N.A	
3	IVRCL International Infrastructures & Projects LLC	31.03.2015	49	0.91	49.00%	Significant influence due to % of Share Capital	Audited Financial Statements are not available for consolidation	N.A	N.A	
4	Sushee - IVRCL Arunachal Highway Limited	31.03.2015	1,23,50,000	247.00	26.00%	Significant influence due to % of Share Capital	Audited Financial Statements are not available for consolidation	N.A	N.A	
	JOINT VENTURES									
1	Bhanu IVRCL Associates	31.03.2015	NA	0.01	50.00%	Significant influence due to % of Share Capital	Audited Financial Statements are not available for consolidation	N.A	N.A	
2	IVRCL -Tantia Joint Venture(AOP)	31.03.2015	NA	0.20	50.00%	Significant influence due to % of Share Capital	Audited Financial Statements are not available for consolidation	N.A	N.A	

IVRCL LIMITED

CIN:L45201AP1987PLC007959

Registered Office: M-22/3RT, Vijayanagar Colony, Hyderabad – 500 057, Telangana, India.
Ph.No.040 23343550; Fax.No. 040 23345004,E.Mail: in_grievances@ivrinfra.com; Website:www.ivrcl.com

ATTENDANCE SLIP

(To be presented at the entrance)

28th ANNUAL GENERAL MEETING ON SATURDAY, 26th SEPTEMBER 2015 at 3.30.P.M
at "K.L.N. Prasad Auditorium", The Federation of Telangana and Andhra Pradesh Chambers of Commerce
and Industry, Federation House, 11-6-841, Red Hills, Hyderabad-500004

Folio No _____ DP ID _____ Client ID: _____ No.of Shares: _____

Name of the Member _____ Signature _____

Name of the Proxy Holder _____ Signature _____

1. Only Member/ Proxy holder can attend the Meeting
2. Member / Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

IVRCL LIMITED

CIN:L45201AP1987PLC007959

Registered Office: M-22/3RT, Vijayanagar Colony, Hyderabad – 500 057, Telangana, India.

Form MGT-11

PROXY FORM

{Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014}

Name of the Member : _____

Registered Address : _____

E-Mail Id : _____

Folio No. / Client ID.No: _____ DP.ID No.: _____

I / We, being the member(s) of _____ - _____ shares of IVRCL Limited, hereby appoint

1. Name: _____ E-Mail Id: _____

Address: _____

Signature: _____ or failing him

2. Name: _____ E-Mail Id: _____

Address: _____

Signature: _____ or failing him

3. Name: _____ E-Mail Id: _____

Address: _____

Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 28th Annual General Meeting of the Company, to be held on Saturday, 26th September 2015 at 3.30.P.M at "K.L.N. Prasad Auditorium", The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, Red Hills, Hyderabad-500004, and at any adjournment thereof in respect of such resolutions as are indicated below :

Ordinary Business	Special Business
1 Adoption of Financial Statements for the year ended March 31, 2015, together with the Reports of Board of Directors and Auditors thereon.	4 To appoint Ms. Hima Bindu Myneni as an Independent Director of the Company.
2 To appoint a Director in place of Mr.K.Ashok Reddy (DIN:00024497) who retires by rotation and being eligible offers himself for re-appointment.	5 To re-appoint Mr.K.Ashok Reddy as Joint Managing Director.
3 To ratify the appointment of M/s. Chaturvedi & Partners, Chartered Accountants as Statutory Auditors.	6 Ratification of remuneration payable to Cost Auditor.
	7 Raising of Funds.
	8 To appoint Auditors to the Branch Offices of the Company.

Signed this _____ day of September, 2015

Affix
Re 1/-
Revenue
Stamp

Signature of Shareholder _____ Signature of Proxyholder(s) _____

- Notes: 1. This proxy Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at M-22/3RT, Vijaynagar Colony, Hyderabad -57, not less than 48 hours before the commencement of the Meeting.
2. Please complete all details, including details of member(s) in above box before submission.



Corporate Office:

"Mihir", 8-2-350/5A/24/1B, Road No. 2, Banjara Hills, Hyderabad - 500 034, Telangana, INDIA.
Tel : +91-40-2335 6613/ 15/ 18/ 21/ 51 to 55 | +91-40-3093 1111/ 1444
e-mail: info@ivrinfra.com

Regd. Office:

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Tel : +91-40-2334 3678/ 3550/ 8467/ 5130/ 3093 1999

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