CAPACIT'E
INFRAPROJECTS LIMITED

Ref : CIL/STEX 34/FY19-20
Date : August 02, 2019

To

The Secretary,
BSE Limited
Corporate Relationship Dept,
P.J. Towers,
Dalal Street, Fort, Mumbai-400 001

Scrip Code – /Scrip Id: 540710/CAPACITE

The Secretary,
National Stock Exchange of India Limited
Plot No.C/1, G Block,
Bandra Kurla Complex
Bandra (East), Mumbai-400 051

Scrip Symbol: CAPACITE

Sub: Annual Report for the Financial Year 2018-19

Dear Sir/ Madam,

Pursuant to the provisions of Regulation 34(1) and other applicable regulations, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, please find enclosed herewith Annual Report for the Financial Year 2018-19 including Notice convening 7th Annual General Meeting (AGM) of the members of the Company.

The AGM of the Company is scheduled to be held on Wednesday, August 28, 2019 at 11:30 AM at Grand Hall, The Acres Club, 411-B, Opp. Bhakti Bhawan, Hemu Kalani Marg, Chembur (East), Mumbai-400071, to transact the business as set out in the Notice enclosed herewith.

The aforementioned documents are also available at the website of the Company at www.capacite.in

Kindly take the same on your records and oblige.

Thanking you,

Yours faithfully,
For **Capacit'e Infraprojects Limited**

Sai Kedar Katkar
Company Secretary & Compliance Officer

CAPACIT'E INFRAPROJECTS LIMITED

Encl: As above

Mumbai (Head Office) :
605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Chembur, Mumbai- 400071. Maharashtra, India Tel: 022 7173 3717 • Fax.: 022 7173 3733 • Email: info@capacite.in

NCR | Bangalore CIN : L45400MH2012PLC234318 www.capacite.in

CAPACIT'E

SCALE, SCOPE AND SKILL. THE CAPACIT'E STORY.

Capacit'e Infraprojects Limited **Integrated Annual Report 2018-19**

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contents

Do you mean to tell me that you're thinking seriously of building that way, when and if you are an architect?"

"Yes."

"My dear fellow, who will let you?"

"That's not the point. The point is, who will stop me?"

Ayn Rand,
The Fountainhead

9 things you need to know about Capacit'e Infraprojects Limited

Our vision

We are dedicated to providing extraordinary quality and services in every domain of our expertise.

We shall achieve this by:

- Providing high quality services and ensuring that we have a stable and motivated workforce – one which exhibits true passion to excel
- Following and exhibiting globally acceptable quality standards in operations, management and client relationship, which guarantees value creation for all stakeholders and ultimately quality construction / infrastructure to the society at large

Our mission

Transforming our vision into reality by establishing and sustaining:

- Motivated team
- Effective processes
- Satisfied clients
- Strong financials

Rich legacy

The Company embarked on its journey in 2012 and has emerged as one of the most attractive proxies of India's super high-rise and high-rise construction segments.

Positioning

The Company is respected as an end-to-end construction service provider, offering design and building services.

Service portfolio

The Company offers a bouquet of services covering high-rise and super high-rise buildings, gated communities, villaments, commercial and office complexes, institutional buildings and multi-level car parks.

Growth-centric

The Company enjoyed an order book of ₹7,177 cr (excluding share of the MHADA project worth ₹4,357 to be executed under an integrated SPV) at the close of FY18-19 from 51 projects compared to an order book of ₹2,266 cr at the close of FY14-15 from 24 projects.

Compliant

The Company has been accredited with ISO 9001:2015, ISO 14001:2015 and OHSAS 45001:2018 certifications, showcasing its quality, safety and environment-friendly compliance.

Clientele

The Company services the growing needs of reputable clients like Oberoi Realty, Piramal Realty, Kalpataru Group, TATA Trust, Saifee Burhani Upliftment Trust, The Wadhwa Group, Raymond Group, K Raheja Group, Godrej Properties, Rustomjee, Brookfield, Prestige Group, Brigade Group, Puravankara Projects, Sheth Creators, Furien, Market city, Institute of Chemical Technology (ICT), GIC Pvt. Ltd, (formerly Government of Singapore Investment Corporation), MHADA, MCGM and BSNL, among others.

Footprint

The Company has expanded its reach across residential, commercial and institutional building construction segments in the West Zone (Mumbai Metropolitan Region, Pune), North Zone (National Capital Region, Varanasi) and South Zone (Bengaluru, Chennai, Hyderabad, Kochi and Vijayawada).

Our milestones

2013

- Incorporated as Capacit'e Infraprojects Private Limited
- Accredited with Quality Management System – ISO 9001:2015, Environmental Management System ISO 14001:2015 and Occupational Health and Safety Management System – ISO 45001:2018

2014

- Conversion from private limited company into a public limited company
- Receipt of multiple super high-rise projects
- Order book crossed ₹1,000 cr

2016

- Investment of ₹63 cr by HW Investments
- Revenues crossed ₹500 cr

2017

- Investment of ₹60 cr by Paragon, Infina, New Quest and others
- Revenues crossed ₹1,000 cr
- Order book crossed ₹4,000 cr

2018

- Completed the initial public offer of ₹400 cr in September 2017
- Equity shares listed on BSE Limited and National Stock Exchange; issue oversubscribed around 183 times
- Order book crossed ₹5,600 cr

2019

- Secured first public sector order
- Highest order booked in a single financial year (₹3629 cr, excluding MHADA order)
- Order book crossed ₹7,000 cr (excluding the MHADA project)

Recognitions

2018-19

- Bestowed Suraksha Puraskar (Bronze trophy) at the NSCI Safety Awards, 2018.
- Awarded in the 'Construction Health, Safety & Environment (CODE – I)' category by the Construction Industry Development Council (CIDC) at the 11th Vishwakarma Awards, 2019.
- Second prize by Confederation of Indian Industries (Western region) at the SHE Excellence Awards, 2018.
- Greentech Award 2018 for the Godrej Avenue Bangalore project.
- Golden Peacock Award in the 'Occupational, Health and Safety' category, 2018.
- Awarded Certificate of Appreciation for 1.6 million injury-free person-hours between 2014 and 2018.

2017-18

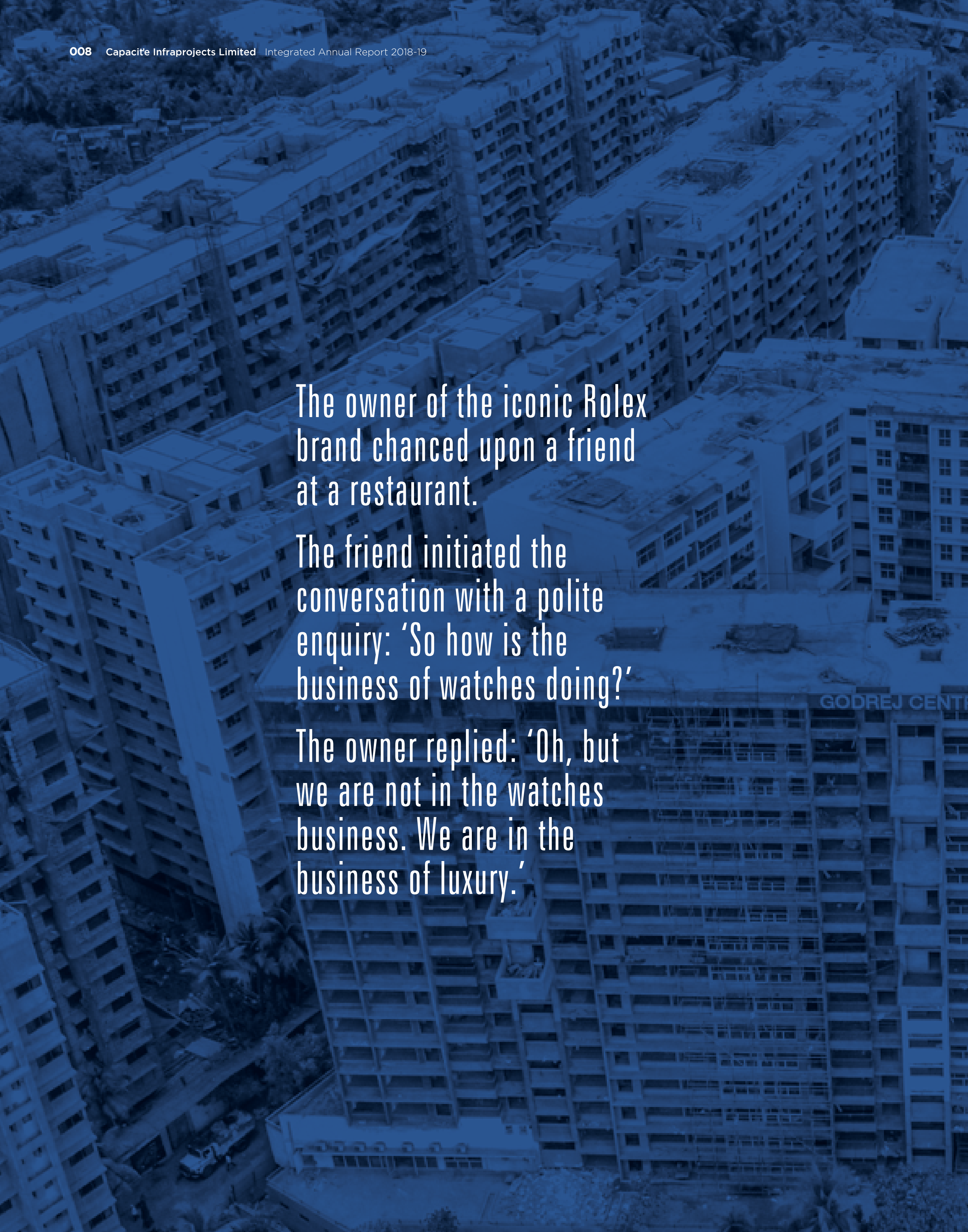
- Construction Times Builder's Award for emerging as the 'Construction Company of the Year'.
- Vishwakarma Award for 'Construction Health, Safety & Environment' by the Construction Industry Development Council (CIDC).
- OSHAI HSE Excellence award in the 'Safe Employer of the Year' category by the Occupational Safety and Health Association India.
- OSHAI HSE Excellence award in the 'DSC Leader of the Year' category by the Occupational Safety and Health Association India.
- Awarded third prize at the SHE Excellence Awards 2017 by the Confederation of Indian Industries (Western region).

2015-16

- Awarded runners-up prize at the GPL Safety Awards for outstanding performance in managing health, safety and environment at the Godrej Properties site.
- Awarded Certificate of Excellence for Lodha Park project.

2014-15

- EHS Excellence Award for the highest standards of human safety at the Lodha Splendora construction site.
- EHS Excellence Award for the highest standards of human safety at The Park construction site.



The owner of the iconic Rolex brand chanced upon a friend at a restaurant.

The friend initiated the conversation with a polite enquiry: 'So how is the business of watches doing?'

The owner replied: 'Oh, but we are not in the watches business. We are in the business of luxury.'

When you think of Capacit'e, don't think 'Construction' only.

Think 'Value-creation' instead.

At Capacit'e, the word 'Boutique' defines the way we think.

The way we work, the way we invest, the way we engage with partners and the way we enhance client value.

In short, everything.

Looking within

At Capacit'e, 'Boutique' means...

We may be a large and growing company, but we will always possess a small company soul

We may possess a number of competencies, but we will continue to focus on that one business vertical we are best known for

We may be one of the fastest growing construction companies, but we will never act large enough to tell a client, 'We don't have the time'

We will always send out a message that our selected business is all we focus on, evoking the respect of a person with a PhD

We will always surprise our partners with speed, ensuring that our initiatives are not lost in conversations across bureaucratic layers

We will always remain a company where we design and craft a shoe customised to fit just one person – and not a standardised size to fit all

We will always believe that business sustainability is derived not as much from machines and equipment as it is from knowledge

We will always be the kind of company that remembers the names of clients, their preferences and who they want to be

We will always remain specialised, making it possible for us to do with ease what most would find challenging

We will ways remain the kind of company that has virtually no long-term debt on its books – but substantial cash instead

We will always be the kind of company where pride in craftsmanship defines our existence

We will always be the kind of company that clients like to refer to as 'our company'

Personality

Capacit'e is unlike a commoditised construction company.

We do our business differently.

We focus on constructing factories and buildings

We position ourselves as a technology company... that also builds

We construct considerably quicker than the sectoral average

We focus on completion schedules that are sectoral benchmarks

We believe in the power of cash profits

We believe that sustainable business value is generated from enduring life values

This is the result of our conscious positioning.

Young company.
Distinctive brand.

Capacit'e. One of the fastest growing construction companies (buildings vertical) in India

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Capacit'e. One of the first construction companies that a client recalls when conceiving a property in excess of 50 storeys

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Capacit'e. One of the most attractive new-age construction companies built around brand, governance and knowledge

The numbers

Our positioning has translated into a business moat.

Superior numbers.
Sustained outperformance.
Enhanced respect.

Outperforming the sectoral average

8.8
% growth of India's construction sector, FY18-19

34
% growth of Capacit'e's revenues, FY18-19

Profitable business model

11.83
% Cash profit margin, FY17-18

10.87
% Cash profit margin, FY18-19

Multi-year revenue visibility

5,682
₹ cr, Order book, March 31, 2018

7,177
₹ cr, Order book, March 31, 2019 (excluding MHADA project)

Adequate cash on the books

323.72
₹ cr, Cash and Bank Balance, March 31, 2018

193.05
₹ cr, Cash and Bank Balance, March 31, 2019

Strengthening interest cover

7.33
times, FY17-18

7.53
times, FY18-19

Strengthening credit rating

IND A / Stable
Credit rating, FY17-18, by India Ratings & Research

IND A / Stable
Credit rating, FY18-19, by India Ratings & Research

Client loyalty

58
% of order inflows during FY17-18 from existing clients

50
% of order inflows during FY18-19 from existing clients

Where we come from

At Capacit'e, our boutiqueness is the result of a daring to go against conventional wisdom.

We selected to trust our common sense instead.

Most people advised us to extend our value chain.

We selected to focus on our core competence instead.

Most people advised us to grow our business with borrowed funds.

We selected to grow our business with equity capital instead.

Most people advised us to focus on aggressive topline growth.

We selected to focus on de-risked growth instead.

Most people advised us to focus on performance, performance and performance.

We played for pride instead.

Most people said we would need a bagful of cash and orders to make our growth sustainable.

We selected to invest in processes and systems instead.

Most people advised us to focus on our growth.

We selected to focus on the growth of our eco-systems instead.

Inspiration at Capacit'e

"Rules?" said Roark.

Here are my rules. . .

What can be done with one substance must never be done with another.

No two materials are alike.

No two sites on earth are alike.

No two buildings have the same purpose.

The purpose, the site, the material determine the shape.

Nothing can be reasonable or beautiful unless it's made by one central idea, and the idea sets every detail.

A building is alive, like a man.

Its integrity is to follow its own truth, its one single theme, and to serve its own single purpose.

A man doesn't borrow pieces of his body.

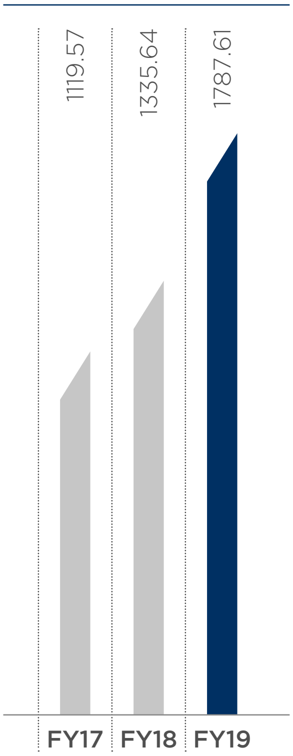
A building doesn't borrow hunks of its soul.

Its maker gives it the soul and every wall, window and stairway to express it."

Ayn Rand,
The Fountainhead

Capacit'e's performance over the years

Revenues
(₹ cr)



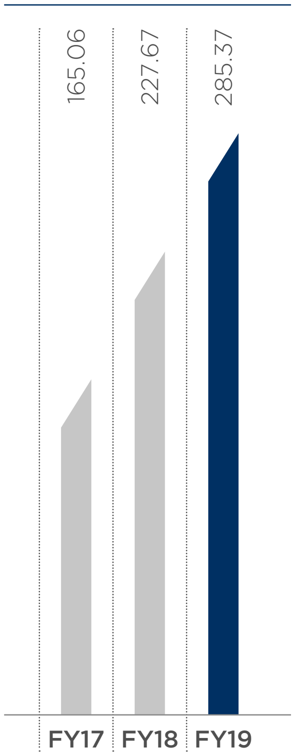
Definition
Growth in revenues from operations net of taxes.

Why is this measured?
It is an index that showcases the Company's ability to enhance product acceptance and brand strength in a competitive marketplace.

What does it mean?
Aggregate revenue from operations increased by 33.84% to ₹1787.61 cr in FY18-19 due to the completion of a significant portion of existing projects, coupled with contract revenues from new projects.

Value impact
Improved execution and enhanced reputation.

EBITDA
(₹ cr)



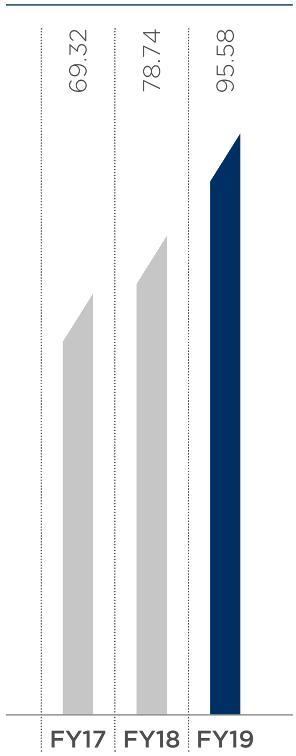
Definition
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why is this measured?
It is an index that showcases Company's ability to optimise business operating costs despite inflationary pressures that can be easily compared with the retrospective averages of sectoral peers.

What does it mean?
Helps create a robust growth engine and allows the Company to build profits in a sustainable manner.

Value impact
The Company reported a 25.34% increase in its EBIDTA in FY18-19 – an outcome of painstaking efforts of its team in improving operational efficiency.

Net profit
(₹ cr)



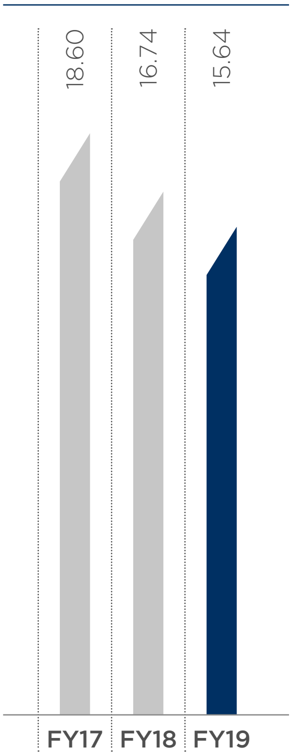
Definition
Profit earned during the year after deducting all expenses and provisions.

Why is this measured?
It highlights the strength of the business model in generating value for its shareholders.

What does it mean?
Ensures that adequate cash is available for reinvestment to allow the Company's growth engine to sustain itself.

Value impact
The Company reported a 21.38% increase in its net profit in FY18-19 – reflecting the robustness and resilience of the business model in growing shareholder value despite external vagaries.

EBIDTA margin
(%)



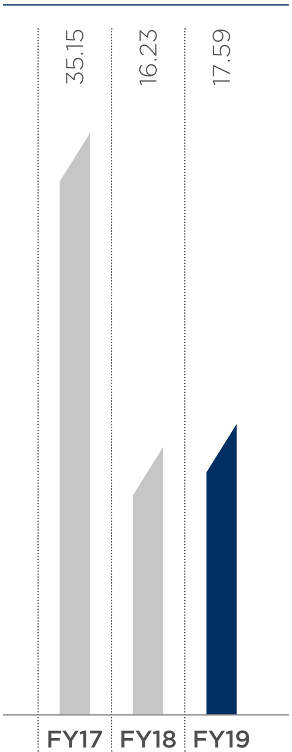
Definition
EBITDA margin is a profitability ratio used to measure a Company's pricing strategy and operating efficiency.

Why is this measured?
The EBIDTA margin provides an idea of how much a Company earns (before accounting for interest and taxes) on each rupee of revenue.

What does it mean?
Demonstrates adequate buffer in the business, which, when multiplied by scale, enhances surpluses.

Value impact
The Company reported a 15.64% EBIDTA margin during FY18-19.

RoCE
(%)



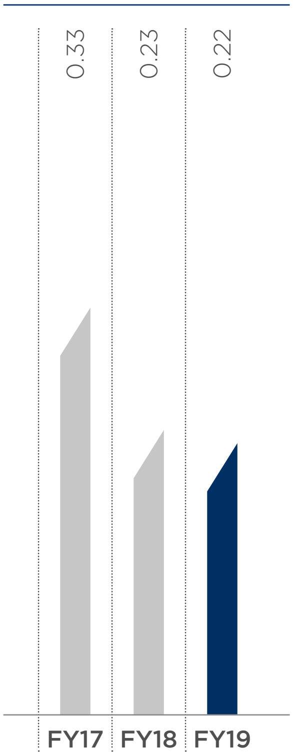
Definition
It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business.

Why is this measured?
RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use – especially in capital-intensive sectors.

What does it mean?
Enhanced RoCE can potentially drive valuations and perception.

Value impact
The Company reported a 136 bps increase in RoCE during FY18-19.

Gearing
(x)



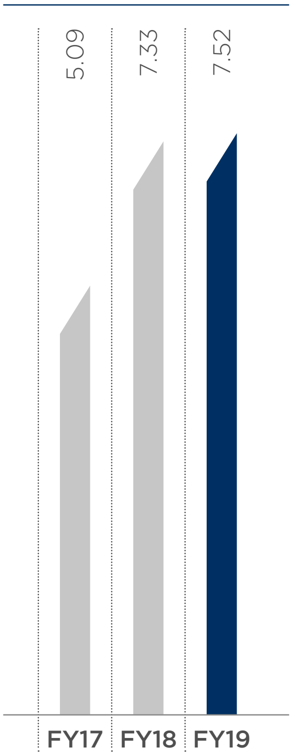
Definition
This is the ratio of net debt to net worth (less revaluation reserves).

Why is this measured?
This is one of the defining measures of a company's solvency.

What does it mean?
This indicates whether the Company is over-borrowed or under-borrowed.

Value impact
The Company's gearing stood at 0.22x in FY18-19 compared to 0.23x in FY17-18. This ratio should ideally be read in conjunction with net debt/ operating profit (a reduction indicating greater ease in terms of servicing debt).

Interest cover
(x)



Definition
This is derived by dividing the EBIDTA by interest outflow.

Why is this measured?
Interest cover indicates the Company's comfort in servicing interest – the higher the better.

What does it mean?
A company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important factors in guaranteeing sizeable returns to shareholders.

Value impact
The Company strengthened its interest cover from 7.33x in FY17-18 to 7.52x in FY18-19.

Chairman's overview

Our vision is to emerge among three leading construction companies in the geographies of our presence, evoking the recall of 'Think construction, think Capacit'e.'

5 $ trillion
the projected size of the Indian economy by 2025

I am pleased to present the performance and prospects of Capacit'e Infraprojects to our widening family of stakeholders.

There are two overarching messages that I wish to communicate.

One, that despite one of the most challenging phases for the construction sector in the last five years, marked by stretched Balance Sheets, Capacit'e grew revenues and profits every single year across five years. The Company reported profitable growth in each year of the last five. Besides, the Company substantially outperformed the growth of its sector in each of the years, validating the robustness of its business model and adaptability to a rapidly evolving external environment.

Two, we substantially outperformed the growth of our sector because we took the business of our clients ahead. We enhanced client value not only through the design, construction and completion of properties that were not just completely in line with the demanding needs of our clients, but delivered quicker than sectoral benchmarks. Our ability to empower clients to move their consumers into properties faster helped shrink the construction cycle, pre-pone revenue generation for our clients, generate client loyalty through repeat projects and strengthen our order book.

There is a healthy growth concurrently coming out of the non-residential structure. It took India 60 years to emerge as a one-trillion dollar economy; the country replicated this growth in just seven years and now expected to emerge as a US$ 5 trillion economy by 2025.

We believe that this distinctive ability to deliver projects considerably faster than the prevailing benchmark addresses a national priority. The total value of projects facing construction delays in India is estimated at ₹3.3 trillion (or above $47 billion); more than 4.65 lakh units of housing projects across India are significantly behind their delivery deadlines.

The National Capital Region (NCR) is the most affected, nearly 180,000 units being valued at ₹1.22 trillion facing an uncertain future. The result is that more than 70% of under-construction projects have been sold but not delivered on schedule. In Mumbai Metropolitan Region (MMR), an estimated 105,000 units worth ₹1.12 trillion are pending completion.

The result of this reality is a decline in national efficiency and sub-optimal returns for the entire eco-system of builders, their clients and construction companies.

(Source: Live Mint, Prop Equity, Knight Frank).

Optimism

At Capacit'e, we are optimistic of the long-term prospects of our business for a number of reasons.

As India's economy continues to grow faster than every major economy, vacant land available for building is becoming progressively scarce. With the prospects of spatial expansion being limited, the only way that existing metro cities can grow is through progressive verticalisation. We believe that with construction technologies getting increasingly sophisticated, towers will keep getting taller. We believe that this global trend, where limited space translated into increased verticalisation, will play out in India in a bigger way, strengthening the relevance of Capacit'e's business model, focus and competence.

To add to this reality, the national housing shortage is expected to sustain across the foreseeable future. The quantum of urban residential shortage in India is estimated at 18.78 million and only expected to increase as the national population grows, urban migration accelerates, disposable incomes rise and nuclear families replace the traditional joint family structure.

There is a healthy growth concurrently coming out of the non-residential structure. It took India 60 years to emerge as a one-trillion dollar economy; the country replicated this growth in just seven years and is now expected to emerge as a US$ 5 trillion economy by 2025. As the Indian economy sustains its economic momentum, we believe that a number of adjacent business opportunities (commercial, retail, logistics and IT sectors) will emerge. This development will make it possible for a specialised player like Capacit'e Infraprojects to extend its business presence and enter new segments by leveraging its demonstrated competence.

Right place, right time

Capacit'e is at the right place at the right time and in the right geography.

For decades, generic construction companies in India were required to address a variety of projects. The result was that construction companies became generalists addressing a wide range of infrastructure opportunities. Those who were builders extended their business model to the construction of roads, industrial facilities, bridges and other infrastructure segments. We believe that the market has evolved considerably since. As the need for progressively taller towers has emerged – especially in the category above 30 storeys – there is a greater premium on working with specialised service providers. As a result, an entirely new construction category has emerged, specialising in the construction of towers exceeding 30 storeys.

Every client needs a vendor who can employ advanced technologies, build strong structures, work with dependable partners, construct with speed and deliver properties on schedule.

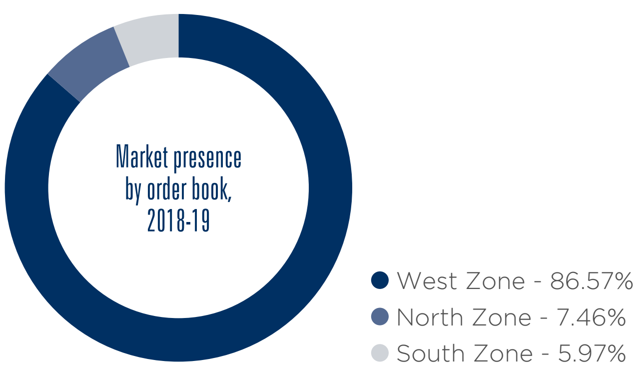
Even as we have grown revenues from ₹231.37 cr in FY13-14 to ₹1824.50 cr in FY18-19, we believe that our growth story is only just beginning – for some good reasons. In a sector where the mobilisation of external funds (equity and debt) remains a challenge, Capacit'e is adequately capitalised: the Company possessed ₹843.12 cr of net worth and only ₹273.56 cr of debt as on March 31, 2019; the Company possessed ₹193.05 cr cash and bank balances on its books; the working capital days was around two months of turnover equivalent; interest cover was a comfortable 7.53 times.

Following the imposition of the landmark RERA Act, a consolidation has begun to transpire. The eco-system of partners and service providers is beginning to mature, resulting in the Company being able to farm niche and specialised project components competently out to dedicated players, making it possible to build larger, better, faster and safer.

In the on-going sectoral churn, we believe that only the serious and focused builders will endure. As a responsible future-focused player, we expect to continuously reinforce our overarching culture of business discipline and capability building, positioning us as a sectoral benchmark capable of sustaining our financial growth.

We believe that if we reinforce our positioning around these realities, we will emerge among three leading construction companies in the geographies of our presence, evoking a distinctive recall of 'Think construction, think Capacit'e.'

Rohit R. Katyal
Chairman



The Managing Director's review of the business, FY18-19

Q&A
An interview with
Rahul R. Katyal

Q: Was the Capacit'e management pleased with the performance of the Company during the year under review?

A: The management was pleased with the performance given the challenging sectoral context. The highlight was that the Company achieved the year-start target that it had set for itself even though what transpired through the course of the year was completely different than what had been estimated at the year-start. The fact that the Company continued to report profitable growth in a challenging year was a validation of its competence.

The Company possessed adequate cash on the books, provided for contingencies, buffer and bank guarantees to be eligible for larger opportunities, invested in cutting-edge equipment to strengthen timely construction capabilities, entered new client segments and grew its business to address opportunities of the future even as most players selected to go slow at a time of declining sectoral liquidity.

Q: What makes this performance special?

A: The Company's performance during the year under review was achieved at a time of sectoral attrition. We grew revenue despite a weakening business cycle, a validation of how we had selected to grow the business since inception. During the first half of FY18-19, the Company reported a 34% growth in revenues and 21% increase in profit after tax over the corresponding period of the previous year. The second half proved challenging following the collapse of a large Indian non-banking finance company, which slowed credit disbursal, deepened systemic caution, moderated credit for the construction and real estate sectors, and resulted in a virtual liquidity paralysis within the Indian economy.

During this phase, when it would have been reasonable to break even, the Company continued to report growth: revenues grew 34% and profit after tax strengthened 21% when compared to the previous year. Of the profit generated during the entire year, 52% was reported in the second half; besides, 50% of the order book accretion during the year under review transpired in the second half, an index of the Company's focus on business sustainability.

Q: How did the Company address the prevailing context during this challenging phase?

A: At Capacit'e, we continued to strengthen our business during this challenging phase with a distinct focus on controls, checks and balances. We always believed that enduring competitiveness is generated from the ability to estimate costs accurately and eliminate process waste. In our business, the truly sustainable company is the one where process and schedule deviations are minimal, where what one designs is what is constructed – and on schedule. During the year under review, Capacit'e continued to strengthen its process discipline, invested in extensive checks and balances and continued to report a profitability that was higher than the sectoral average.

The Company's substantial order book of ₹7,177 cr as on March 31, 2019 provides us with revenue visibility for at least 36 months starting April 2019.

Q: What were the various initiatives that enhanced the systemic discipline?

A: The Company created a comprehensive Standard Operating Procedures (SOP) manual detailing virtually every function and its prescribed implementation. This was done to establish a Capacit'e way of doing things, bring all processes on the same page across locations and shrink the learning curve. Besides, the Company created a watered down visual version and Quality Assurance document to enhance an immediate understanding across construction labourers. During the course of the year, the Company engaged a prominent global management consultant to extend these processes to IT tools and smartphones that could generate periodic alerts, minimise unforeseen shocks from within the system, enhance informed control across locations in real time and effectively service as the Company's 'third eye'.

Q: How did this discipline extend to project appraisal and bidding?

A: At Capacit'e, we believe that more mistakes are potentially made at the desk than at construction sites. A majority of the desk-related errors are made at the project appraisal and bidding stages. The conventional approach to project appraisal and bidding was to empower our respective national offices to take decisions pertaining to their geographies on account of a deeper understanding of ground realities. However, what emerged as a consequence was that different offices embarked on different projects at different margins, resulting in a skewed picture within the Company. During the last year, the Company centralised this function through an office in Mumbai's Bandra-Kurla Complex. This office has since emerged as an authority on project realities across the geographies of our presence based on comprehensive screening capabilities and a unified corporate agenda that no business is always better than doing bad business. As a result of the stringent filters applied by a team that has not changed for years, we are entering only those projects that will leave an adequate surplus on our table even after factoring for the unforeseen.

Q: How did the Company extend this systemic discipline to project implementation?

A: In our specialised business carried out across more than 50 construction sites, there was a growing premium on a centralisation of controls. During the year, we centralised our controls within the objective to minimise differences of interpretation across locations and minimise waste or delays. By centralising controls, we extended from the reactive to proactive responsiveness; we brought everyone within the organisation on the same page as far as processes were concerned. The result of running a tighter ship was that process wastage declined against standard norms. In the case of reinforcement steel, the standard norms was 5% against which the actual wastage was 2.27% in FY18-19 and in the case of RMC, the standard norms was 2% vis a vis the Company's actual wastage of 0.73%, strengthening our margins.

Q: What were the highlights of the Company's working in FY18-19?

A: What I wish to convey is that a number of checks, controls and balances that I spoke about were not something whose impact will be visible only in the future. They were evident during the last financial year as well. For instance, we commenced and completed the challenging ₹256 cr Super Speciality Cancer Hospital for Tata Trusts during the same financial year, one of the high points in our existence. This project enhanced our pride for a number of reasons: it was the first time we engaged with a project in Varanasi; it was among the first instances of our working with the Tata Group; it was among the tightest construction schedules we have ever worked with. In successfully completing this project, we strengthened our qualification to bid for any such project anywhere in India and substantially increase our exposure within the Tata Group.

Besides, we added five institutional clients during the course of FY18-19. We strengthened our order book by ₹3,629 cr to ₹7,177 cr by the end of the year, excluding the MHADA project. We added our first public sector client to make it possible for young and progressive construction companies to work with such companies. We entered the factory segment with a project for Furien Engineering Construction. We continued to work with large and liquid clients in the country, strengthening our revenue visibility.

Q: What are the reasons behind the Company's outperformance?

A: One of the most decisive initiatives taken by our Company during the year under review was our cash flow management. In the past, we generally worked with some of our clients who encountered short-term liquidity challenges that affected their capacity to remunerate us on time. The result was that on some occasions, our receivables cycle would stretch and this would strain our Balance Sheet. During FY18-19, we took a conscious call: we would discontinue working on a project the moment our milestone-based payments stopped coming in. In this challenging environment marked by economic sluggishness and sectoral uncertainty, we believe that this decision will protect our business fundamentals.

Q: How else did you strengthen the business in FY18-19?

A: During the second half of the financial year, banks were hesitant about lending to NBFCs or enhancing their exposure to construction companies. Normally, this would have affected the Company's proposed investments in technology-intensive assets necessary to address the growing business. In view of the prevailing environment, the Company moved with speed: it invested ₹89.40 cr in cutting-edge capital equipment to be deployed across projects and protect its respect as a timeline-driven and technology-based construction company.

Q: How is the Company placed to address the future?

A: The Company's substantial order book of ₹7,177 cr as on March 31, 2019 provides us with revenue visibility for at least 36 months starting April 2019. I must assure shareholders that these orders were derived from a strong client pedigree, negotiated around our established profitability benchmarks and corresponding to a growing ticket size per order, which should enhance our overall margins.

To make this projected growth a reality, the Company proactively invested in enhancing its managerial bandwidth (158 in FY18-19), increased asset ownership (as explained) and stayed at a minimal net debt of ₹80.50 cr on the books (as on March 31, 2019). The result is that we emerged stronger than ever to sustain (if not enhance) our business momentum across the foreseeable future.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BEAUMONTÉ

THE SPIRIT OF CAPACITÉ

25 South, Prabhadevi: How our response to a complex challenge became a showcase for our technology partner

Challenges: The project was challenging as patterns needed to be created on circular columns while casting. Imported rubber moulds (Reckli) from Germany provided by the client were required to be stuck to the pre-fabricated steel moulds for these columns. The complexity was on account of the following realities: concrete is a challenging material to work with; there was no scope for rework or repair, which made it imperative to get the application right the first time; multiple patterns needed to be created; each pattern was required to merge into the other; the pattern was required to change from floor-to-floor across 55 storeys and also at the podium levels; the patterns needed to be customised around the shutters; the treatment needed to be seamless from bottom to top.

Responsiveness: At Capacit'e, we responded with planning and precision across a 200m vertical height – planning of the nature of formwork, extensive training, complete monitoring and specialisation in mould fixing.

Result: After two months of focused application, the scheme was successfully implemented. The client was delighted. Even better, the international mould manufacturer is now using Capacit'e's project as a model of the effectiveness of its product!

Trump Towers, Mumbai: How we invested in a futuristic technology to deliver a project that is now a model in its niche

Challenges: The challenges in this prestigious 80-storey (300m) global showpiece were extensive. The walls had to progressively narrow at the taller heights. The core of the construction was required to move ahead of slab construction. The core was complex - a combination of straight and curve walls. The casting requirement was four cores a month (lift and stair core). The near-sea location increased safety considerations in the construction process. The complexity was enhanced on account of height and space restrictions. There was a premium on the synchronisation of formwork and construction equipment. Design changes were on-going, enhancing complexity especially when working at the higher levels.

Responsiveness: Capacit'e fused six cutting-edge technologies. The Company invested in the Doka Auto climbing System (ACS – 50+) in line with the wall thickness and curvature, making it possible to get the complex construction delivery right the first time. The Company invested in the use of hydraulic safety springs. The prudent use of ACS enhanced premiumness.

Result: The project has emerged as a sectoral case study for successful super high-rise construction in India, comparable in construction standards with the best 300m+ properties in the world.

Lodha Altamount, Mumbai: How we delivered with record speed and minimised inconvenience for upmarket neighbours in a prominent neighbourhood

Challenges: The height of the project, the composite nature of construction (steel plus concrete), the need for construction speed and the taller ceiling height (floor-to-floor height of 4.4m compared with the prevailing 3-3.2m standard) enhanced complexity.

Responsiveness: The Company invested in technologies that enhanced construction quality (beams and deck sheets for steel and concrete in core application). Further, a Doka Auto climbing System (ACS – 50) was also deployed to take the RCC core ahead of the composite floor wing.

Result: The steel crown on top of the structure enhanced appeal. The property, the highest of its kind in Mumbai, was completed in 48 months.

Oberoi Enigma, Mumbai: How the Company delivered a prestigious residential project faster than the sectoral standards and helped strengthen the client's brand

Challenges: The residential construction project was prestigious; it was the Company's first project for this reputed builder and the first time the client was experimenting with a vendor beyond the country's largest construction company. Besides, the Company volunteered to build the 70-storey project in just 29 months against an industry benchmark of 37 months; the nearest competitive offer was 36 months. Besides, the project warranted intensive engagements with the project consultant and the client, requiring on-going design modifications.

Responsiveness: Whereas most construction companies would have built around eight levels of the podium non-monolithically and then turned to the use of monolithic casting in formwork at the higher levels, we attempted a different approach for the first time in our existence: we used monolithic casting from the podium level, shrinking what would normally have taken ten months of construction time of the non-typical levels to just seven months.

Result: The project is on schedule for the benefit of a delighted client who is placed to hand apartments over to buyers with speed.

Four Seasons Private Residences, Mumbai: How the Company invested in a superior technology to shrink construction tenure and deliver faster

Challenges: The client required a composite (steel cum concrete) structure in a compressed construction time-frame.

Responsiveness: The Company invested in an advanced ACS from RMD; the Trulift technology was used for the first time in India. The normal ACS version consumed multiple operations from moving one level to another over one-and-a-half days; the advanced version climbed 5m in three hours – an entirely new generation of delivered construction value. Besides, the advanced system delivered a 50% higher productivity, correspondingly shrinking construction tenure. Besides, the advanced version carried more service load (equipment like concrete distributor and reinforcements etc.) while withstanding harsh weather conditions.

Result: The right-on-schedule project validated Capacit'e's respect for implementing cutting-edge international construction technologies in India.

Hiranandani Walk, Thane: How the Company convinced a more experienced client on the suitability of advanced technology that enhanced delight

Challenges: The project had been conceived by the client using the conventional formwork system. The Company needed to convince a considerably larger longstanding client – when Capacit'e had been in business for only a few years – why the system formwork would prove as superior.

Responsiveness: Capacit'e convinced the client and, following client approval, the latter formwork (from RMD) was used at the cost of the conventional formwork.

Result: The project was delivered in 40 months against a conventional average of around 54 months, validating Capacit'e's respect as a company comfortable with advanced technologies.

Business model

At Capacit'e, our boutiqueness is derived from an enduring discipline.

A discipline of how we will do business - and how we won't

PEACE OF MIND

We believe we are engaged in a challenging business marked by a large number of variables to provide our clients with a peace of mind. Over the years, we have provided end-to-end construction services for residential buildings, multi-level car parks, corporate office buildings/ commercial buildings as well as buildings for education, hospitals and healthcare. Our capabilities comprise construction of concrete building structures and composite steel structures supplemented by mechanical/electrical/ plumbing and finishing supports.

FOCUS

We believe that in a sector where project and product standards are enhancing all the time, there is a premium on the need to specialise. In view of this, we have selected to specialise in the construction of super high-rise buildings (40 or more storeys) and high-rise buildings (seven or more storeys), resisting the temptation to diversify into miscellaneous infrastructure segments that could be the flavour of the year. We believe in the long-term relevance of our business; we believe that the number of super high-rise towers in India is a fraction of its potential when compared with their penetration in developed countries; we believe that an increase in the number of super high-rise towers is directly proportionate to GDP growth and individual prosperity; we believe that there is always a 'consumer pull' in living at an altitude. This clarity has strengthened our brand as a specialist, deepened our competence, attracted the best professionals, enhanced our client pedigree and empowered us to invest deeper in our business – a virtuous cycle.

ETHICAL INTEGRITY

We believe that in a business where the client needs to go by our word on what we have constructed in a number of cases so that we can be remunerated correspondingly, it is imperative to be transparent and truthful. As an extension of this conviction, we bill only what we build, establishing a respect for the highest standards of integrity.

GOVERNANCE

We believe that in a business where the cost of error is prohibitive – for the client and the vendor – the insurance lies in a high commitment to governance. At our company, governance comprises the appointment of Directors who possess respect, a senior management team that possesses extensive experience, investment in cutting-edge technologies and automation, working with credible partners and engaging in business with pedigreed clients. The integrity of the eco-system is our biggest hedge in a sector marked by extensive unpredictability in the last few years.

Business model *Continued...*

FOOTPRINT

We believe that in a business that warrants a deep real-time control on a large number of variables, success lies in widening the business across a manageable area. Over the years, we have grown our business around clusters – West Zone (Mumbai Metropolitan Region and Pune, North Zone (NCR and Patna) and South Zone (Bengaluru, Chennai, Hyderabad and Kochi). We will extend into a new zone or deepen our presence in an existing zone only if the growth in volumes justifies expansion.

PEDIGREED CLIENTS

We believe in forging enduring relationships with clients by focusing on the timely execution of quality projects resulting in cash flow visibility, repeat orders and strengthening pre-qualifications. Working for pedigreed clients with strong brands, growing client base, stable processes, professional culture and strong Balance Sheet also enhances our professional respect. Some marquee clients for whom we work comprise Oberoi Realty, Piramal Realty, Kalpataru Group, TATA Trust, Saifee Burhani Upliftment Trust, The Wadhwa Group, Raymond Group, K Raheja Group, Godrej Properties, Rustomjee, Brookfield, Prestige Group, Brigade Group, Puravankara Projects, Sheth Creators, Furein, Market City, ICT, GIC, MHADA, MCGM and BSNL, among others. We also intend to grow our presence in the construction of buildings for the public sector, another vast opportunity.

ACCOUNT-DRIVEN APPROACH

We believe in an account-driven approach, in which we mine our clients for more projects, which increases our wallet share, and helps transform an individual client into a sustainable revenue-generating 'platform'. As an extension, we believe that the on-going execution of redevelopment projects (Saifee Burhani Upliftment Project – sub cluster 3 and Rustomjee Seasons) empower us to bid for mass housing projects – a large new area waiting to be addressed – with projected construction of around 20 million residential units as a part of Pradhan Mantri Awas Yojana between 2015 and 2022.

SPECIALISED PARTNERS

We believe that in a business where complexity is growing and the need for technology is rising in all areas, there is not only a need to invest in our proprietary knowledge capital, but also work with partners who specialise in complementary areas. Over the years, the Company has created an eco-system of like-minded knowledge-driven partners, shrinking the learning curve, constructing right the first time and accelerating project delivery.

PEOPLE-INTENSIVE

We believe that in a people-intensive business like ours, there is a premium on knowledge, experience and skills. We employed 1,329 individuals, 1,040 contract staff and more than 20,000 sub-contract workers across our projects as on March 31, 2019. Over the years, we complemented our technology investments with people recruitment, an effective combination. We trained them in the use of technologies, operations, controls and administration. Besides, we empowered employees, provided them with complete safety, acceptable working conditions, career growth and attractive remuneration. Over the years, this patient investment on the 'soft' side of the business translated into increased productivity: ₹0.68 cr of revenue generated per person in FY16-17 increased to ₹0.77 cr in FY18-19.

PROCESS-DRIVEN

We believe that in a business marked by a number of unforeseens and variables, success is derived from a robust process and consistency. Over the years, we reinforced this consistency through a Standard Operating Procedure (SOP) manual followed by all serving as a common reference base, process-based IT tools that enhance compliance and monitoring, centralisation of controls and project status monitoring in real-time. These checks have been introduced with the objective to enhance the proportion of 'get right-first time', reduce wastage and accelerate project delivery.

DESIGN-BUILD APPROACH

We believe that value-addition in our business lies in undertaking projects to be executed on a design-build basis, our scope of work covering design, construction and finishing services. These design-build projects, attracting lump sum remuneration, could increase the scope of services and corresponding revenues. The relatively limited competition in the design-build segment could enhance recall, market share and project control.

MARKETING

We believe that business competitiveness begins from the prudent selection of projects where not only have all business complexities been factored but adequate buffers built into costings (assuming that some of the anticipated downsides could actually materialise). What makes this function challenging is that the ability to arrive at a precise (or even indicative) cost estimation varies from location to location, in the process laying down different appraisal templates for each location. During the year under review, the Company replaced this conventional decentralised approach with effective centralisation. The Company commissioned a standalone marketing office in Mumbai that focused on screening all project proposals across dozens of parameters around a standardised template. The result is a high standard of screening discipline, the ability to bid for projects promising only an attractive return and a high proportion of the Company's projects being profitable.

Business model *Continued...*

OWNERSHIP

We believe that among the most profitable investments that a company of our kind can make is in the proprietary ownership of technology-intensive assets. We own equipment required throughout the lifetime of a project (formwork, tower cranes, passenger and material hoists, concrete pumps and boom placers). The advantages of direct ownership: timely access to key equipment, investment in cutting-edge technologies and a superior amortisation around higher volumes. As on March 31, 2019, we enjoyed a consolidated net block of fixed assets (excluding site establishment) amounting to ₹368.63 cr; our core assets accounted for 93% (approximately) of our net block of fixed assets (excluding site establishment). Besides, ~85% of our assets, excluding site establishment, were acquired after 2014, establishing their contemporariness.

TECHNOLOGY-BASED INVESTMENTS

We believe that we are in existence to strengthen the business of our clients, reflected in a lower time taken for the execution of projects and the ability to construct right the first time. This ability is usually reinforced through a prudent investment in cutting-edge technologies. Over the years, we invested in specialised formwork technologies, including a vertical composite panel system for columns, horizontal composite panel system for slabs, crane-enabled composite table formwork, aluminium panel formwork and an automatic climbing system formwork. These cutting-edge formwork technologies help shrink the time taken to replicate floor-wise construction in high-rises when compared with a conventional formwork system (cup-lock). Besides, we progressively invested in temperature-controlled concrete for mass pours, self-compacting free-flow concrete for heavily reinforced pours and special concrete for vertical pumping in super high-rise structures. The flexibility in the use of varied technology options empowers us to reduce construction tenures and complete structures faster, get clients into revenue modes quicker and enable us to work with those clients again – an effective payback.

CERTIFICATIONS

We believe that operational consistency is facilitated by the discipline of certifications. Over the years, we received ISO 9001:2015 certification for our quality management system, ISO 14001:2015 certification for our environmental management system and OHSAS 45001:2018 certification for our occupational health and safety management systems. This commitment has enhanced our systemic consistency and operational predictability, while enhancing client comfort.

GROWTH THROUGH EQUITY

We believe that the most sustainable companies have less debt and high net worth. Over the years, we moderated our gearing from 0.47 (FY15-16) to 0.22 (FY18-19) even as we strengthened our net worth from ₹170.36 cr (FY15-16) to ₹843.12 cr (FY18-19). As a measure of controlled expansion, we expect to grow our business through accruals, the cheapest form of capital available. In view of this, we expect to remain net debt-free across the foreseeable future.

REVENUE ACCRETION

We believe that business sustainability can be enhanced if we take what we can implement without risking our Balance Sheet. This perspective in the last few years has helped shift the organisational needle from revenue growth at all costs to controlled expansion. In view of this, the business we select to negotiate will be based on whether we are located in that geography, the segment from which the business is derived (residential), internal rate of return and repeatability of business from the same client.

CASH FLOWS

We believe that topline and profits are vanity, whereas cash flows are reality. The result is a priority towards maximising cash on our books and in our bank as opposed to accumulating profits on paper. Over the last year, this clarity translated into a number of priorities – shortening receivables, moderating debt, investing in technologies that accelerated construction and graduating to projects marked by superior margins. A decisive decision that we took during the year under review was when we matched our construction progress with our receivables cycle – as soon as the inflow ceased (for whatever reason), we discontinued construction, protecting our cash flows.

QUALITATIVE CONSISTENCY

We are engaged in offering solutions that exceed client expectations. We benchmarked every technology, process and product with the best standards in the world, strengthening the quality of our final delivery. Our qualitative consistency is marked by project plans that encompass quality objectives, product requirements, quality assurance processes and documentation that need to be maintained as well as inspection and testing plans for addressing acceptance criteria. Our quality assurance cell monitors, verifies and validates the implementation of project quality plans and work method statements across project sites. Capacit'e's quality assurance team provides training, technical support and guidance to workers at project sites. The Company was certified ISO 9001:2015 for its quality management system.

SUPPLY CHAIN MANAGEMENT

We built a strong Supply Chain Management (SCM) to support the sourcing and delivery of raw materials and equipment to our respective construction site locations. Due to our established relationships with suppliers, distributors, and transporters, we received our supplies in a timely manner. This helped us in optimal inventory planning as we are assured of timely supplies. A strong and stable SCM enabled us to mobilise a new construction site in the quickest time. This enabled us to execute our projects on time and with desired quality.

Financial outcomes of our business model

Measure

Credit rating

Implication

The credit rating is the eventual score of the robustness of the Company's business model (client selection, segment focus, capabilities and financials etc.), expressed in text (extending from BBB+ at the lowest to A at the highest). Better the credit rating, higher the corporate respect and easier the possibility of low-cost debt mobilisation.

Result

The Company strengthened its credit rating from IND A- in FY16-17 to Stable at IND A in FY17-18 and IND A in FY18-19, a validation of its strengthening fundamentals.

Measure

High asset-turnover ratio

Implication

The asset-turnover ratio indicates the number of times our turnover covers our direct investments in equipment and other core assets.

Result

The Company strengthened its gross core asset-turnover from 3.97 times in FY17-18 to 4.22 times in FY18-19 even as the gross block of core assets increased from ₹342.87 cr in FY17-18 to ₹432.05 cr in FY18-19.

Measure

Low debt company

Implication

This measure indicates the overall indebtedness or liquidity of the Company.

Result

The Company has ₹273.56 cr of debt as on March 31, 2019 The cash on the books was utilised as a buffer against contingencies and for the bank guarantee needs of the business. The total cash on books accounted for 17.29% of the overall capital employed at the close of FY18-19.

Measure

Declining receivables

Implication

This measure is a safe index of the liquidity within the business, the lower the number (as measured by the number of days of turnover equivalent) the better.

Result

The Company moderated its receivables cycle (excluding retention) from 89.85 days of turnover equivalent in FY16-17 to 122.38 days in FY17-18 and 121.14 days in FY18-19, strengthening working capital efficiency.

Measure

Average debt cost and tenure

Implication

The average debt cost is an index of the strength of the Company's Balance Sheet, resulting in a superior negotiation with bankers and moderated debt cost.

Result

The Company moderated its average debt cost from 11% in FY16-17 to 8% in FY18-19.

Measure

Working capital as % of capital employed

Implication

This measure is an index of how well we are utilising short-term funds within our business, the lower the percentage the better.

Result

The Company moderated working capital as a % of the total capital employed from 24% in FY16-17 to 40% in FY17-18 and 32% in FY18-19, strengthening the financial engine and moderating the intensity of short-term debt in the business.

Measure
Interest cover

Implication
The number of times EBIDTA covers interest indicates liquidity and the Company's comfort with meeting debt servicing obligations. As an extension, the Debt: EBIDTA ratio (debt without sales bill discounting) indicates comfort in the repayment of debt, the lower number the better.

Result
The Company's interest cover strengthened from 7.33 times in FY17-18 to 7.53 times in FY18-19, validating its growing liquidity. The Company's Debt-EBIDTA ratio moved from 0.72 in FY16-17 to 0.83 in FY18-19.

Measure
Bad debts

Implication
A weak selection of clients or an inefficient business model would translate into bad debts. In a business where project sizes are large, even a small percentage of bad debts could translate into a large financial impact.

Result
The Company selected to work with pedigreed clients possessing healthy Balance Sheets (marked by cash on their books as well as strong client-accreting brands). As a measure of caution, the Company implemented a policy of halting construction as soon the client missed a milestone payment. The Company's prudent client selection was reflected in an aggregate provision of ₹13 cr in the five years ending FY18-19.

Measure
Asset contemporariness

Implication
The Company measures asset contemporariness through the percentage of gross block on its books less than five years old, indicating an investment in cutting-edge technologies.

Result
The Company invested ₹235.87 cr in its gross block (assets, equipment and technologies) in the three years ending March 31, 2019.

Measure
Client loyalty

Implication
The Company believes that a project successfully completed for a client inevitably services as a marketing reference for another project by the same client (especially if one is working with growing real estate developers with strong client-facing brands).

Result
In FY18-19, the Company booked 50% of orders from repeat clients, an adequate index of its ability to delight clients and grow its wallet share.

Measure
Growing project ticket size

Implication
The Company believes that progressively larger construction projects make it possible for the Company to amortise resources better, translating into higher returns derived from projects and enhanced overall corporate profitability.

Result
Over the years, the Company strengthened its average project size – from ~₹150 cr in FY16-17 to ~₹280 cr in FY18-19. The Company reported its highest order of ₹705 cr in FY18-19 from the Oberoi Group.

Our integrated value-creation report

There is a growing importance of the Integrated Value-Creation Report as a communication discipline.

This Integrated Value-Creation Report overcomes the shortcomings of the conventional communication approach through a comprehensive reporting framework that reconciles 'hard' and 'soft' initiatives into an integrated format.

Integrated reporting combines different reporting strands (financial, management commentary, governance and remuneration, and sustainability reporting) into a coherent whole that explains an organisation's holistic ability to create, enhance and sustain value.

The primary purpose of integrated reporting is to explain to providers of financial capital how an organisation enhances value over time. The impact of the integrated report extends beyond financial stakeholders; it enhances understanding across all stakeholders - including employees, clients, suppliers, business partners, local communities, legislators, regulators and policy-makers - focused on an organisation's ability to enhance value across time.

Integrated Reporting highlights how green and ethical values drive long-term growth. This shift from the 'hard' to 'soft' (non-financial data) helps screen a company more comprehensively, addressing the needs of the investor fraternity/ government agencies.

Our strategy

Strategic focus	Innovate and excel	Cost leadership	Supplier of choice	Robust people practices	Responsible corporate citizenship	Value-creation
Key enablers	Catalysing a culture of process innovation and output excellence, reflected in the launch of customised complex structures delivered faster than sectoral benchmarks	Driving a focus on operational excellence and cost leadership. Capacit'e invested in advanced technologies that made it possible to build right the first time, moderating material and time wastage	Capacit'e reinforced its client engagement through adequate people, knowledge and technology bandwidth. The result is that ~50% of its FY18-19 orders were derived from repeat clients	Capacit'e is an employer of more than 2,350 people (full-time and contractual) and more than 20,000 sub contract workers across multiple locations. The Company's people engagement has been marked by delegation, empowerment, responsibility and accountability. The result is that Capacit'e's work place is marked by training, engagement, appraisal transparency, attractive reward and outperformance	Capacit'e is a responsible corporate citizen engaged in community development activities. Capacit'e invested ₹145.90 lakhs in CSR activities in FY18-19	Capacit'e enhances value through the completion of quality-intensive super high-rises delivered faster than the sectoral average
Material issues / addressed	Superior use of cutting-edge technology leading to product differentiation	Creating the basis of long-term viability through an any-market cost competitiveness	Enhancing revenue visibility through multi-year client agreements	Creating a professional culture seeking overarching excellence in everything the Company does	Community engagement, widening prosperity	Client's needs for a customised high quality product
Capitals impacted	Manufactured, Intellectual, Financial	Financial, Intellectual, Natural, Social and Relationship	Intellectual, Manufactured, Social and Relationship	Intellectual and Human	Social Relationship and Natural	Intellectual, Manufactured, Social and Relationship

How we enhance value

Our resources

Financial capital
The financial resources that we seek are based on funds we mobilise from investors, promoters, banks and financial institutions in the form of debt, net worth or accruals.

Manufactured capital
Our manufacturing assets, technologies and equipments for production constitute our manufactured capital. The logistics for the transfer of raw materials and finished products are integral to our manufacturing competence.

Human capital
Our management, employees and contract workers form a part of our workforce, their experience and competence enhancing value.

Value created

Financial capital
Turnover ₹**1824.50** cr

Earnings per share ₹**14.08**

RoCE **17.59** %

Human capital
Direct and indirect employees

Number of employees **2369** (On roll + Contract)

Total remuneration, FY18-19 ₹**146.16** cr

Sub-contract workers - **~20,000**

Intellectual capital
Cumulative senior management experience; 300 person years-+

Status of Company in India's super high-rise construction sector 1

Value shared with

Investors
The Company enriched investors through dividends and capital appreciation

Suppliers
The Company sourced ₹**789.93** cr of materials from suppliers

Employees
The Company provided remuneration worth ₹**146.16** cr and provided stable employment

Intellectual capital

Our focus on cost optimisation and operational excellence, as well as our repository of proprietary knowledge account for our intellectual resources.

Natural capital

We depend on raw materials sourced from nature, including cement (derived from limestone), polymers (derived from crude oil) and metals, indicating a moderate impact on the natural environment.

Social and relationship capital

Our relationships with communities and partners (vendors, suppliers and clients) influence our role as a responsible corporate citizen.

Social and relationship capital

Number of clients **~40**

CSR spent: **1.46** cr

Clients

The Company built a number of building types, generating ₹**1774.73** cr in revenues from clients

Government and regulations

The Company paid ₹**40.75** cr of direct taxes to the exchequer; the employment catalysed the local community through downstream economic benefits

Excellence driver

Capacit'e. Investing in cutting-edge technologies

Over the years, the role of advanced technologies has become centre-stage in the high-rise construction segment for good reasons.

The longer a high-rise project takes to get constructed, the higher the project cost and the more delayed the client can get to economic productivity.

At Capacit'e, the role of technology is central to the Company. The taller the structure, the more complex the warranted specialisation.

This specialisation comprises proactive investments in complex alignment, wind resistance, fall arrestor system, special pumps for concrete pumping, use of multiple pumps at different levels, co-ordination of multiple activities at different levels, complex logistics management and provision for multiple partners to address their responsibilities.

The Company possesses more than six years of competence working with the modern system formwork that enhances construction quality and speed. The Company's formwork team addresses the designing, detailing, scheming, customisation, procurement, deployment, training, implementation and maintenance requirements of various projects. The Company sources formwork solutions from internationally-reputed suppliers like DOKA, RMD and ALSINA MFE, ULMA, among others. Besides, Capacit'e leveraged IT and ERP solutions to maximise productivity, asset utilisation and operating efficiencies.

The result is that even as there are a number of companies possessing specialised high-rise construction capabilities, the number of specialised super high-rise construction players is low and the number of players focusing exclusively on the construction of super high-rises is even fewer.

By selecting to focus almost completely on super high-rises and invest in advanced technologies (some for the first time in India), Capacit'e has emerged as a specialised brand in a distinctive space at an inflection point of the building construction sector in India.

Capacit'e's formwork solutions

Modular deck panel formwork: (Support Head type and Drophead type): This is a modular deck panel system suitable for faster construction of large area flat slabs. It addresses up to 4-metre and 5-metre floor-to-floor height with prop extension pieces. This formwork withstands concrete loads up to 400-millimetre thick slabs without lateral bracing with quick striking time. The Company acquired the formwork from RMD (Air Deck), Dokadek 30 and Techno Craft (Techno Deck with drop head system) and MFE (QD – drop head system). The Company presently has ~6,600 square metres of modular deck panel formworks in its asset bank.

Modular wall panel system formwork: This modular formwork is used for casting wall, columns and cores. The formwork is adaptive to deal with regular and irregular shapes of concrete elements (walls). The metal frames used in the formwork are galvanised to prevent corrosion. It comprises self-aligning clamps and propping system ensuring high productivity. The Company acquired the formwork from RMD (Minima), DOKA (Fremi ECO) and ALSINA (Alisply Panels). The Company presently has ~12,000 square metres of modular panel system formworks in its asset bank.

Prop table formwork: These formworks are easy-to-assemble and can be quickly shifted and adapted. This ensures project cost-competitiveness by enhancing productivity. It comprises steel, aluminium, wooden beams and plywood of 18-millimetre thickness supported on collapsible tubular props as a table and facilitates the construction of first slab in podiums, commercial buildings and IT parks. The Company acquired this formwork from RMD.

Aluminium panel formwork: This formwork is basically a light-weight mould for casting all the concrete elements in a building, including walls, floor slabs, columns, beams, stairs, window hoods, balconies and decorative features in accordance with the architectural design. It also facilitates monolithic construction and is suitable for high-rises. The joint-less concrete construction is done with aluminium formwork for speed and economy. The Company acquired this formwork from MFE India. The Company has ~1,00,000 square metres of aluminium formwork in its asset bank.

Advantages of System Formwork over Conventional formwork

Faster assembly

Lower complications

Few on-site surprises

Enhanced assurance based on prior testing

Big numbers at Capacit'e

151128 Sq. Mt. System formwork	**4** Auto climb formwork system
78 Tower cranes	**8** Boom placers
38 Concrete pumps	**65** Passenger cum material hoist
430 Bending cutting machines	**17** Air compressors
29 Diesel generators sets	**4** Weigh bridges

Automatic climbing system formwork or jump formwork: Climbing formwork is used for vertical concrete structures (building core) that rise ahead of building wings. It is an effective solution for buildings. The system can be hydraulically climbed during all-weather conditions, designed to resist high-speed winds. The platforms are safe and designed to carry high loads for storing equipment and reinforcing steel as the system is crane-independent. The system has been put to use at the Lodha Altamount and Lodha Park sites in Mumbai.

Automatic safety screen (for periphery protection): This is one of the important features for periphery protection during construction of high-rises or skyscrapers. It acts as a windshield for the workers, creating a safe environment. The system can be easily assembled on-site and reused for other projects. It also serves as an access system at heights with three levels of working platforms around the building, obviating the need for external brackets for dead walls and peripheral columns for formwork systems. The system has been put to use at the Lodha Park site in Mumbai.

Crane-assisted safety screen (for periphery protection): The crane-assisted safety screen does not operate hydraulically and was deployed at Sheth Malad, Sheth Beau Monte and Oberoi Enigma sites in Mumbai.

Commitment: Capacit'e possessed the foresight to invest in cutting-edge technologies even when it was relatively small. It upgraded to superior technologies as and when they were introduced.

Knowledge-driven: The Company is positioned as a knowledge-driven construction company where each project is headed and delivered by a Formwork Engineer.

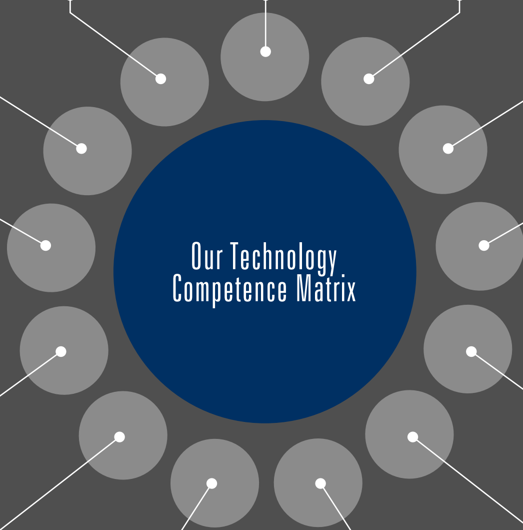
System formwork: Most companies use conventional methods. Capacit'e uses system formwork instead with the objective to enhance people productivity, shrink process wastage and reduce construction tenures.

Asset re-use: Capacit'e's formwork assets can be extensively reused across their normal life of 15 years. This advantage, coupled with knowledge, is expected to enhance our recall as a company that strengthens the business of its clients by helping getting into faster economic productivity.

Imported formwork: Over the years, Capacit'e selected to invest in imported formwork, enhancing construction quality and getting it right the first time.

Cutting-edge: Capacit'e decided to invest in the latest generation of formworks. The proportion of formworks acquired after 2016 accounted for 51.75% of the Company's investment in formworks.

Technology diversity: Capacit'e demonstrated the capability to use diverse cutting-edge technologies and formworks into a single structure, enhancing project efficiency.



Team: Capacit'e created a competent design team to manage formwork complexity, reducing the Company's dependence on an external vendor for insights on formwork suitability for specific projects, enhancing asset utilisation and efficiency.

Hands-on: Capacit'e's hands-on experience and understanding of cutting-edge technologies has enhanced flexibility in technology selection and compatibility with project applications.

Thought leader: Capacit'e has graduated from being just a sectoral participant to a thought leader advising clients and consultants on contemporary technology standards, resulting in an evolution in tender stringency, helping enhance the sectoral standard.

Insight: Capacit'e's deep technology insight has translated into the ability to advise consultants and on the best way to modify structural design with the objective to enhance construction efficiency.

Capability: Capacit'e has demonstrated a superior capability in synchronising formwork knowledge with site logistics, quality, and safety and scheduling, resulting in superior construction benchmarks (lower time / enhanced quality / complete safety).

Pioneering: Capacit'e pioneered the use of advanced construction technologies in India like Trulift.

Excellence driver

Capacit'e. Creating an enduring people-centric culture

In the business niche of super high-rise building construction, there is a premium on the knowledge of promoters, employees, vendors and consultants. The stronger this knowledge, the more profitable and sustainable the Company.

Capacit'e combined its rich knowledge of a specialised space with the passion of a young and aspiring company.

In a competitive sector marked by a large number of construction companies, the Company forged enduring relationships, translating into growing revenues from repeat clients.

In a sector marked by Balance Sheet stress, the Company emerged cash-rich and order book-rich.

In a sector where access to construction labourers is challenging, the Company worked with more than 20,000 construction labourers through a package that comprised remuneration, safety, training, career growth and hygienic residential facilities.

In a sector where every construction service provider is like every other, the Company has created a distinctive recall of 'If the project is challenging, only Capacit'e can address.'

In a sector marked by extensive cost and time overruns, Capacit'e won respect and established a reputation for delivering ahead of schedule.

In a sector where most players seek to grow the fastest, Capacit'e selected to de-risk completely and then grow to the extent it could without compromising priorities.

In a sector where much of the attention is focused around profitability, Capacit'e focused on making its clients profitable first through timely completion.

Ensuring employee well-being

The Company maximises the importance provided to employee safety.

It conducts an on-going inspection of workplaces, stores and plant & machinery to prevent accidents and delays. The Company has formulated an emergency response plan for all high-risk projects that include emergency scenarios like fire-fighting procedures, evacuation guidelines and guidelines for handling hazardous materials. The HSE cell monitors the administration of first-aid, basic employee health and hygiene and the well-being of on-site workers.

The Company arranged for a self-defence programme for its women employees. Capacit'e organised on-site health check camps along with medical assistance. The Company hosted sports events and meditation sessions for employees and workers across sites.

Our People Competence Matrix

Culture: Capacit'e's people-centric initiatives translated into a culture of outperformance, influenced by team building, invigorating work place, increased employee retention, training and development.

Ferment: Capacit'e aggregated a diverse ferment of sectoral experiences, academic qualifications and domain knowledge drawn across ages, genders and regions to match project imperatives.

Training: Capacit'e followed a year-long training calendar comprising technical and non-technical awareness programmes, keeping employees updated on contemporary methods and materials used. The Company invested in training and outbound exercises; addressing the functional, behavioural, emotional and technical aspects.

Critical mass: Capacit'e deployed 1330 full-time employees and more than 20,000 sub-contractual construction labourers, one of the largest complements of people resources directed at the country's super high-rise segment. People retention was ~70 % in FY18-19.

Engagement: Capacit'e strengthened a cross-functional dialogue through information exchanges, motivation, issue resolution and clarity of organisational direction.

Skills matrix: As on March 31, 2019, the Company had 600 engineers, 100 MBAs and CAs, 1040 graduates, 160 post-graduates and 470 technical as full-time employees.

Recruitment: Capacit'e uses many recruitment channels like posting on social media. The Company focused on local recruitment to ensure long-term retention. It augmented its pipeline of managers through campus hiring from top institutes, forging a connection with the educational fraternity. The Company hired from NICMAR to address quality, safety, planning and billing parameters at sites.

Excellence driver

Capacit'e. Building a sustainable business around a robust governance commitment

In a business where large multi-cr and multi-month assumptions need to be made on how fast and how well one will construct a complex property, there is a premium on the ability to minimise variables, enhance predictability and deliver within cost and on schedule.

At Capacit'e, we believe that governance plays a critical role in enhancing systemic predictability.

Over the years, the Company has strengthened its business sustainability through patient and proactive investment in a governance-centric culture. This investment was undertaken to succeed enduringly in a competitive space through an enunciated direction, discipline, dedication and determination.

We believe that our governance commitment has been validated in our rapid multi-year growth without compromising in any way the robustness of our numbers. The Company grew revenues 311% and profit after tax 348% during the five years ending FY18-19. During this period, net debt equity ratio declined from a peak of 0.47% in FY15-16 to 0.22% in FY18-19 and net worth strengthened from ₹64.05 cr in FY15-16 to ₹843.13 cr in FY18-19.

Through this strengthening model, the Company believes that it has enhanced value for all its stakeholders.

Our Corporate Governance Matrix

Benchmarks: Capacit'e benchmarked its governance commitment in line with the best Indian and international standards

Sustainability: Capacit'e focused on extending its focus from one-off profitability to enduring business sustainability, correspondingly adapting its strategic direction.

Encompassing value: Capacit'e focused on value-creation not from a narrow corporate bottom line perspective but for all its stakeholders – employees, clients, vendors, shareholders, community, government and the environment.

Discipline: Capacit'e focuses on the effective and efficient distribution of roles, responsibilities and powers across its various governing bodies.

Board of Directors: Capacit'e constituted a competent Board (promoter and independent interests) to define a strategic direction and periodically monitor the management's business implementation

Controls: Capacit'e established a strong control and risk management system, establishing a consistency between strategic direction and policy implementation

Transparency: Capacit'e invested in openness in its engagement with stakeholders (without compromising business competitiveness)

Stakeholder interests: Capacit'e embarked on material corporate actions on fair terms, ensuring that the rights and interests of all its stakeholders were protected

Compliance: Capacit'e complied completely with the laws of the land, selecting to grow its business around an ethical fabric and selecting to work with partners possessing a similar commitment

Interpretations: Capacit'e selected to interpret fine accounting practices from a conservative perspective with the objective to present a completely credible Balance Sheet

Predictability: Capacit'e selected to build a credible business marked by sustainability, built around processes, systems and investments in cutting-edge technologies

Governance and Capacit'e

Q: How did the Company strengthen its governance commitment in FY18-19?

A: Among the various long-standing initiatives – competent Board of Directors, adequate Independent Directors, timely reporting of results, credible business and accounting practices, investment in systems and processes – the Company commenced the practice of announcing cash flows on a quarterly basis – probably the first such instance in India's construction sector. We believe that this enhanced transparency will enrich an understanding of our liquidity and competitiveness for all stakeholders.

Excellence driver

How we manage risks in our business

The effective management of risk represents the heart of Capacit'e's enterprise.

At one level, the Company is engaged in estimating and pricing project risk; on the other, the Company is investing in systems, processes and priorities to reduce its operating risk and reinforce sustainability.

The better we manage the risk of our business, the stronger our business will be to manage the risks of our clients.

Background

At Capacit'e, the effectiveness of our risk management practice is derived from the knowledge and hands-on engagement of our promoters. The Company recognises that risk is an integral and unavoidable component of business and is committed to manage the risk in a proactive and effective manner.

Culture

The basis of our risk management – and hence our sustainability – is our underlying conservatism. At Capacit'e, we recognise that it is far more important to be sustainably in business for the long-term than be guided by aggressive and fleeting prospects of the immediate quarter. This conservatism – the DNA of our business - has, in turn, translated into robust risk management priorities, processes and practices across every aspect of our working.

Guiding principles

At Capacit'e, we base our risk management on four guiding principles, which we strive to apply consistently across all our risk categories:

Risk management organisation, roles and responsibilities

At Capacit'e, the navigation of our corporate policy (and in effect our ability to manage organisational risk) cascades from our Board of Directors. Our Board comprises professionals with rich industry experience. Their hands-on understanding of the prevailing economic and corporate realities govern on-going appraisal and recalibration of corporate strategy whenever necessary.

The Board of Directors is also responsible for our Group governance principles, including our overall risk tolerance. Our Board is assisted by various committees with specific functions like Risk Management Committee, Finance Committee, Audit Committee, Stakeholders' Relationship Committee, which usually comprise Board member (s) and report their findings to the Board of Directors.

As a governance initiative, we ensure that members within our risk management structure are informed of our risk strategy and processes, ensuring a complete organisational alignment on the one hand and the ability to manage risks at the day-to-day transactional level on the other. Our risk governance fosters the development and maintenance of an effective risk and control culture.

Risk strategy determination

Our business essentially revolves around the risks that we are prepared to incur for our clients and shareholders. This understanding has been institutionalised into a risk strategy that is incorporated into our annual planning cycle and forms a part of our business strategy.

At Capacit'e, our risk strategy is determined by a risk appetite defined for a series of risk criteria. The criteria are based on the capital and liquidity available and our earnings target within accepted volatility limits. These criteria provide a reference for our operating divisions.

Whole portfolio criteria: This approach relates to Capacit'e's entire portfolio of risks and is designed to protect our capital and limit the likelihood of an economic loss for the year. This ensures that our risk profile or risk-bearing capacity do not fall below an internal limit in the event of an absolutely unprecedented business experience.

Supplementary criteria: This approach limits losses that arise out of individual risk types like natural or environmental hazards.

Other criteria: This approach preserves Capacit'e's reputation and protects its business potential by assigning limits for individual risks that could dent stakeholder confidence without necessarily affecting our financials.

Strategic implementation and the risk management cycle

At Capacit'e, there is always a rationale behind what we describe as acceptable (and unacceptable) risk. The risk appetite, defined by our Board of Directors, is reflected in our project appraisal competence, business plans and integrated into our operations. This appetite rests on a fine balance of risks and settlements, which ensures profits without affecting our latent viability.

Our risk acceptance is an expression of the extent to which our Board of Directors has authorised our management to assume risk within the constraints imposed by its capital resources, strategy, risk appetite and regulatory environment

Our risk acceptance and risk appetite – the amount of risk we seek to take – are enunciated and translated into a consistent limit framework across all risk categories.

The effective implementation of our risk management at the operational level embraces risk identification, measurement, analysis and assessment; our risk reporting, limitation (reduction to a level we have defined as appropriate) and monitoring makes it possible for us to closely follow all significant risks.

Identification	Measurement	Analysis & assessment

Implementation of risk management strategy

Risk reporting	Limitation	Monitoring

Risk identification

At Capacit'e, we identify risks through appropriate systems and indicators (quantitative component). Besides, our inbuilt reporting protocol makes it possible for our executives to report risks as and when they perceive.

Risk measurement

We continuously strengthen our risk measurement tools pertaining to each business function. We compare the results produced by our risk model with those recommended by supervisory authorities, prevailing industry standards.

Analysis and assessment

At Capacit'e, it is important that our competence in the area of risk management translates into a superior financial performance. In view of this, our financial performance serves to validate the effectiveness of our risk management and operating model in an unambiguous way.

Risk reporting

At Capacit'e, we periodically report the effectiveness of our risk management to our Risk Management and other Committees covering project wise risks categories and the overall risks. We recognise that this can potentially generate early alerts that make it possible to engage proactively in initiatives to counter the risks.

Internal Risk Factors

Risk: Any decline in the availability or shortage of construction labourers could affect project progress and cash flows.

- Even as we had around 20,000 sub-contract labourers across our projects, there can be no assurance that disruptions (strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers) will not happen. This could affect our operations and cash flows.

- Over the years, we protected ourselves from this risk through a culture of career growth, attractive remuneration, knowledge building and healthy work environment.

The result is that the quantum of construction labourers sourced from Northern and Eastern section like Uttar Pradesh, Bihar, Jharkhand, West Bengal and Odisha are through reputated contractors.

Risk: An inability to meet project timelines or construction quality could attract liability claims, damages or contracts termination.

- Under agreements, we are required to indemnify our clients and provide performance guarantees for some projects.

- Even as there can be no assurance that we would not be subjected to any monetary penalties, the Company has strengthened its process controls, periodic reviews and investment in advanced technologies to construct right the first time.

The result is that the Company has never been subjected to liquidated damages.

Risk: Any liabilities related to sub-contractors and third parties for under-delivered construction services could affect the Company's brand and attract damages.

- We are dependent on third party suppliers for our raw materials such as ready mix concrete and reinforcement steel.

- A failure of these suppliers to adhere to delivery schedules or quality standards could affect our brand

- The Company progressively invested in the direct ownership of Core Assets, used during the entire lifetime of a project (leaving the Company to only engage subcontractors for non-Core Assets like excavators, piling rigs, concrete batching plants and raw materials).

- We work with established vendors, protecting construction quality. The result is that we now have access to a robust and dependable eco-system, strengthening our project delivery.

Internal Risk Factors

Risk: The business is influenced by the availability and prices of steel and ready-mix concrete and any increase or inability to pass on increased costs could affect financials.

- The key raw materials required for our business are reinforcement steel and ready-mix concrete. We are dependent on third party suppliers for our raw materials including ready mix concrete and reinforcement steel
- Any under-delivery in quality and quantity could affect our respect and viability
- Typically our contracts, excluding design and build contracts, contain price escalation clauses for key raw materials
- In certain projects, our clients provide raw materials at the project site, especially ready mix concrete and reinforcement steel

Risk: Client attrition could affect our cash flows.

- While client attrition would affect our financials, we have invested deeply in new technologies and capabilities to enhance client retention
- The result is that ~50% of the projects awarded in FY18-19 were from existing clients
- The Company started following the 'account concept' during the year under review, with an objective of increasing the quantum of revenues from the existing client Group/ Account

Risk: The Company may be unable to recover dues from clients, affecting profitability.

- The Company focused on working with pedigreed clients possessing strong brands and Balance Sheet and engaged in attractive projects
- The Company was able to maintain the receivables cycle (excluding retention) at 121 days in FY18-19 (122 days in FY17-18) despite liquidity challenges faced because of NBFC issues
- Bad debts and related litigations were negligible, validating the Company's client selection

Risk: The Company's business is concentrated in the Mumbai Metropolitan Region, National Capital Region and Bengaluru, exposing it to related risks.

- The Company is optimistic of sustained growth in these geographies
- The Mumbai Metropolitan Region is likely to retain its position as the country's financial capital, the National Capital Region attracted the largest foreign direct investment and Bengaluru continued to retain its position as the country's technology hub
- We believe that the penetration of super high-rises in these geographies is way below the average reported in some of the fastest growing global cities, indicating a vast potential

Risk: The Company may be unable to manage its growth, affecting its financial condition.

- The Company created the financial foundation of prospective sustainable growth – a net worth of ₹843.04 cr as on March 31, 2019 on the one hand and a debt-equity ratio (long-term debt) of 0.32, on the other, indicating an adequate foundation
- The Company possessed ₹193.05 cr of cash on its books at the end of the financial year under review
- The Company possessed an order book of ₹7177 cr at the close of FY18-19, with attractive revenue visibility for the next three years starting April 2019
- The Company had 2369 employees on its books and access to more than 20,000 contractual construction labourers

Risk: The Company's success is based on its safety operations, any compromise in which could attract censure, loss of respect and operational closure

- The Company highlighted the priority of safe operations, insisting that the best companies are also the ones with the cleanest safety records
- The Company countered operational hazards (extreme vertical heights, fires, mechanical or equipment failure, work accidents etc.) that could result in injury or life loss, equipment damage and environmental damage through an overarching standard operating protocol focused on safe working and the elimination of process deviations
- The Company trained intensively around safety in work practices benchmarked with the best global standards
- The Company continued to invest in cutting-edge technologies that enhanced process safety

Internal Risk Factors

Risk: The inability to obtain additional capital or financing (at favourable terms) could affect our financial condition and capacity to grow.

- The Company generated cash PAT of ₹198.39 cr during the financial year under review, an adequate pipeline to sustain growth
- The Company generated precious funds through mobilisation advances from clients and disciplined receivables cycles.
- The Company intends to grow its business through accruals and capital, with a lower dependence on debt

Risk: Any stagger in the receivables cycle could affect our working capital efficiency and corporate profitability.

- The Company selected to work with pedigreed clients capable of remunerating on schedule and keeping the Company's cash flows moving
- The Company negotiated a relatively short receivables cycle that made it possible to sustain cash flows and pay creditors on schedule
- The Company's receivables cycle (excluding retention), which was 122 days as on March 31, 2018, declined during the first half of the financial year under review to 97 days of turnover equivalent before the sectoral slowdown in the second half increased the cycle to 121 days.

Risk: Increased competitive pressure could affect the Company's market share, operations and financials.

- The Company operates in an intensely competitive and fragmented environment, encountering competition from a large number of integrated Indian real estate development and construction companies as well as standalone construction companies
- Over the years, the Company distinguished itself through a growing focus on the super high-rise segment, marked by relatively low competition
- The Company embraced challenging projects marked by height, size, complexity and location, creating a competitive moat

Risk: **A slowdown in the Indian real estate sector could affect the business and operations.**

- The Company selected to specialise in a niche, whose relevance is only expected to grow
- The acceptability of super high-rises will only increase on account of their premium value and distinctiveness – the ultimate status symbol

Risk: **The obsolescence of core assets could affect our business and financial results.**

- The Company invested in the direct purchase of the latest technologies and knowhow
- The development of increasingly larger, technically complex projects in the building construction sector has enhanced the relevance of cutting-edge building technologies
- Nearly 90% of the Company's gross block additions, excluding site establishments after 2015, comprised core assets
- The Company invested in equipment that could be easily upgraded to the next level, an effective counter-obsolescence priority

Discussion

Super high-rises are emerging as the new urban lifestyle standard the world over

More super-tall skyscrapers were completed in 2017 than in any previous year, with the tallest coming in at 599 metres, according to new industry research.

144 super tall — skyscrapers of 200 metres or higher — were finished in 2017, across 23 different countries, - the fourth consecutive record-breaking year in tall-building construction.

The number of skyscraper construction has grown attractively. The number of new towers built in 2017 was more than double the figure in 2013.

The year 2017 was also the most geographically diverse for high-rises, covering 69 cities in 23 countries. Thirteen cities saw their first 200-metre-plus building completed; 28 cities reported the construction of a new tallest building.

In 2007, only 20 cities across the world completed 200-metre-plus buildings – the highest number on record at the time. A decade later, the number of cities represented in this report more than tripled.

Asia and China in particular – lead the world in 200-metre-plus building completions, but the region may start to lose its dramatic lead as Middle East and India gain pace.

Jakarta is home to more than 160 towers of more than 160m (525 ft).

The Burj Khalifa in Dubai tops the list of global super high-rises at 828m (2717 ft); the Jeddah Tower in Saudi Arabia intends to become the first building to be a kilometre high when completed in 2020.

Profile of Board of directors

Mr. Rahul R. Katyal

Managing Director

With experience spanning over 25 years, he has been associated with the Company since its incorporation. He currently heads business development and operations at the Company.

Mr. Rohit R. Katyal

Executive Director & Chief Financial Officer

With an experience spanning over 27 years, he looks after the financial, commercial and accounts functions at the Company. He has a Bachelors' degree in Commerce from the University of Mumbai with specialisation in financial accounting and auditing.

Mr. Subir Malhotra

Executive Director

With an experience spanning over 30 years, he has been associated with the Company since its incorporation. He currently looks after business development and operations of the Company in Northern India. He has a Bachelor's degree in Civil Engineering (honours) from the Birla Institute of Technology & Science, Pilani.

Mr. Sumeet S. Nindrajog

Non-Executive Director

With an experience spanning over 18 years, he has been associated with the Company for four years. He has a Bachelors' degree in Economics from the University of Pennsylvania. Prior to joining the Company, he worked at Ares Management in Los Angeles and for UBS in investment banking. He is currently a partner at Paragon Advisor Partners LLP.

Mr. Suryakant Balkrishna Mainak

Independent Director

With an experience spanning over 30 years, he has been associated with the Company for more than a year. Prior to joining the Company, he was the Managing Director of Life Insurance Corporation of India. Also, he was on the Board of National Stock Exchange of India Limited and Stock Holding Corporation of India Limited and was also appointed by the Government of India on the Board of Satyam Computer Services Ltd. as Independent Director for restructuring the Company after fraud.

Mr. Arun Vishnu Karambelkar

Independent Director

With an experience spanning over 37 years in the energy, transportation and infrastructure business, he brings to the table his in-depth expertise in the areas of engineering, costing, design, procurement, construction and outsourcing, apart from general management skills. He is a silver medalist with a Bachelor's degree in of Mechanical Engineering from the Mumbai University and a Master's degree in Material Management from the Pune University.

Mr. Siddharth D. Parekh

Non-Executive Director

With an experience spanning over 18 years, he has been associated with the Company for three years. He has a Bachelors' degree in Economics from the University of Pennsylvania. Prior to joining the Company, he worked for the International Finance Corporation in Washington D.C. and the Boston Consulting Group in New York City. He is currently a partner at Paragon Advisor Partners, LLP.

Ms. Farah Nathani Menzies

Independent Director

With an experience spanning over 10 years, she has been associated with the Company for two years. She holds B.A.-B.Sc. degree from the University of Pennsylvania's Wharton School and an MBA degree from the Harvard Business School.

Corporate Information

Board of Directors

Mr. Suryakant Balkrishna Mainak	Chairman of the Board Non Executive Independent Director
Mr. Rahul R. Katyal	Managing Director
Mr. Rohit R. Katyal	Chairman of the Company Executive Director & Chief Financial Officer
Mr. Subir Malhotra	Executive Director
Mr. Siddharth D. Parekh	Non-Executive Non Independent Director
Mr. Sumeet S. Nindrajog	Non-Executive Non Independent Director
Ms. Farah Nathani Menzies	Non-Executive Independent Director
Mr. Arun Vishnu Karambelkar	Non-Executive Independent Director

Company Secretary & Compliance Officer
Ms. Sai Kedar Katkar

Chief Executive Officer
Mr. Saroj Kumar Pati

Board Committees

Audit Committee
Mr. Suryakant Balkrishna Mainak : Chairperson
Mr. Sumeet S. Nindrajog
Ms. Farah Nathani Menzies

Nomination and Remuneration Committee
Ms. Farah Nathani Menzies : Chairperson
Mr. Suryakant Balkrishna Mainak
Mr. Sumeet S. Nindrajog

Stakeholders' Relationship Committee
Mr. Sumeet S. Nindrajog : Chairperson
Mr. Rohit R. Katyal
Mr. Suryakant Balkrishna Mainak

Corporate Social Responsibility Committee
Mr. Rohit R. Katyal : Chairperson
Mr. Sumeet S. Nindrajog
Ms. Farah Nathani Menzies
Mr. Suryakant Balkrishna Mainak

Risk Management Committee
Mr. Rahul R. Katyal :Chairperson
Mr. Rohit R. Katyal
Mr. Subir Malhotra
Mr. Suryakant Balkrishna Mainak
Mr. Sumeet S. Nindrajog
Mr. Arun Vishnu Karambelkar

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Website: www.capacite.in
Email: compliance@capacite.in
CIN: L45400MH2012PLC234318

Statutory Auditors
M/s. S R B C & CO. LLP, Chartered Accountants

Lenders/ Bankers
State Bank of India
Corporation Bank
Union Bank of India
Dena Bank
RBL Bank Limited
Punjab National Bank
IndusInd Bank
Bank of Baroda
HDFC Bank Limited
Yes Bank Limited

Registrar & Transfer Agents
Karvy Fintech Pvt. Ltd.
Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad 500 032
Telangana, India
Tel: 040-67162222, 040-33211000
Fax: 040-23420814
Email: support@karvycomputershare.com
Website: www.karvyfintech.com

Directors' Report

To
The Members of
CAPACIT'E INFRAPROJECTS LIMITED

Your Directors are pleased to present the Seventh Annual Report of the Company along with the Audited Financial Statements for the financial year ended March 31, 2019.

Summary of Financial Performance:

Key highlights of the Financial performance of the Company, for the financial year ended March 31, 2019 compared to previous financial year are as follows:

(₹ in Crore)

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2019	Year Ended March 31, 2018
Revenue from operations	1,787.61	1,335.64	1,797.60	1,341.08
Other income	36.89	24.36	35.96	24.15
Total Income	1,824.50	1,360.00	1,833.56	1,365.23
Profit Before Depreciation and Amortisation & finance costs	285.37	227.67	287.12	227.76
Less: Depreciation & amortisation	(88.99)	67.22	(88.99)	67.22
Less: Finance Costs	(49.12)	39.75	(49.14)	39.87
Profit before tax	147.26	120.70	148.98	120.67
Add: Share of profit/ (loss) of Joint Venture	-	-	0.026	0.84
Less: Tax expenses (including Deferred Tax)	51.68	41.95	51.68	41.95
Net Profit after Tax (1)	95.58	78.75	97.28	79.56
Total Comprehensive Income/ Loss (2)	0.52	0.65	0.52	0.65
Total (1+2)	96.10	79.40	97.80	80.21
Balance of profit/ loss for earlier years	96.10	79.40	97.80	80.21
Less: Transfer to Debenture Redemption Reserve	Not applicable	Not applicable	Not applicable	Not applicable
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	6.79	2.59	6.79	2.59
Less: Dividend paid on Preference Shares	Not applicable	Not applicable	Not applicable	Not applicable
Less: Dividend Distribution Tax	1.44	0.54	1.44	0.54
Balance carried forward	**96.10**	**79.40**	**97.80**	**80.21**

Note: Previous year's figures have been regrouped/ rearranged wherever considered necessary.

a) Review of company's operations:

The Company is engaged in construction of buildings with specialisation in construction of Highrise and Super High-rise residential, commercial, institutional buildings.

There was no change in nature of the business of the Company.

Standalone Performance:

Your Company's total income during the year under review was ₹1,824.50 Crore as compared to ₹1,360.00 Crore in the previous year, registering an increase of 34.15%. EBITDA for FY19 grew by 28.16% to ₹285.37 Crore as compared to ₹227.67 Crore in FY18. Net Profit after Tax in FY19 stood at ₹95.58 Crore as against ₹78.75 Crore in FY18 with an increase of 21.38%. Cash profit for FY19 stood at ₹198.39 Crore as against ₹160.90 Crore in FY18, registering an increase of 23.29%.

Consolidated Performance:

The Consolidated Total Income during the year under review was ₹1,833.56 Crore as compared to ₹1,365.23 Crore in the previous year, registering an increase of 34.30%. Consolidated Net Profit after Tax stood at ₹97.28 Crore as against ₹79.57 Crore in FY18, registering an increase of 22.26%.

b) Share Capital:

The Paid up Equity Share Capital of the Company as on March 31, 2019 was ₹67,89,14,970 divided into 6,78,91,497 Equity shares having face value of ₹10 each. During the year under review, the Company has not issued any shares with differential rights, sweat equity shares and equity shares under Employees Stock Option Scheme.

The Company has paid Listing Fees for the financial year 2019-20 to each of the Stock Exchanges, where its equity shares are listed.

c) Dividend:

Your Directors have recommended a Dividend of ₹1 per Equity Share of Face Value of ₹10 each (10% of face value) payable to those Shareholders whose name appear in the Register of Members as on the Book Closure/ Record Date for the financial year ended March 31, 2019, subject to approval of Shareholders in ensuing Annual General Meeting. The total dividend amount aggregates to ₹6.78 Crore plus applicable Dividend Distribution Tax thereon.

d) Transfer to Reserves:

The Board of Directors of your Company has not recommended transfer of any amount of profit to the Reserves during the year under review.

e) Material changes and commitments, if any, affecting the financial position of the Company, having occurred since the end of the Year and till the date of the Report

There have been no material changes and commitments, affecting the financial performance of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

f) Capital Expenditure:

During financial year 2018-19, Company had incurred ₹94.82 Crore towards capital expenditure primarily towards purchase / lease of equipments, plant & machinery, IT and technology upgradation expenses, administrative expenses.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

Subsidiary Company:

CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited continues to be Wholly-owned Subsidiary of the Company as on March 31, 2019. During the year the Board of Directors of the Company has approved Scheme of Amalgamation of CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited with the Company under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act").

Performance of Subsidiary:

Pursuant to the provisions of section 129(3) of the Act read with rule 5 of Companies (Accounts) Rules, 2014), a statement containing salient features of Financials of the subsidiary in Form AOC-1 is annexed as **Annexure I**.

The Company has adopted a Policy for determining the criteria of material subsidiaries which is available on Company's website at www.capacite.in .

Joint Venture and Associate Company:

During the year, TCC Constructions Private Limited and TPL-CIL Construction LLP are project specific Associate entities formed for execution of project awarded by MHADA for redevelopment of BDD Chwals, Worli, Mumbai.

Consolidated Financial Statements:

In accordance with the provisions of Section 129(3) of the Act and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), the Consolidated Financial Statements form part of this Annual Report and will also be laid before the ensuing Annual General Meeting of the Company. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India.

The Company will make available the said financial statements and related information of the Subsidiary upon written request by any member of the Company . These financial statements are kept open for inspection by any member at the Registered Office of the Company and the Subsidiary company and are also be available at website of the Company www.capacite.in

Credit Rating:

During the year under review, India Ratings and Research (Ind-Ra) has affirmed the Company's Long-Term Issuer Rating at 'Ind A'. The outlook is stable.

Instruments with the above rating affirmations are considered to have high degree of safety regarding timely servicing of financial obligations with low credit risk.

Utilisation of IPO Proceeds:

Company utilised the proceeds from the public issue as per the Objects of the Issue set out in the Prospectus.

Pursuant to the Regulation 32 of Listing Regulations, there is no deviation and/or variation in the utilisation of the IPO proceeds of the Company pursuant to objects of the issue mentioned in the Prospectus.

Particulars of Loans, Guarantees Investments and / or Securities:

The Company is in the business of providing infrastructural facilities, and thus the provisions of Section 186 are not applicable to the Company, except sub-section (1) of Section 186 of the Act.

Fixed Deposits:

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

Pursuant to Companies (Acceptance of Deposits) Amendment Rules, 2019 notified by Ministry of Corporate Affairs on January 22, 2019, the One-time and annual return for particulars of outstanding receipt/s of money or loan by the Company but not considered as Deposits has been filed with Ministry of Corporate Affairs in due course.

Particulars of Contract/s or arrangement/s with Related Parties:

All contracts/ arrangements/ transactions entered into by the Company during the financial year with related parties were in the ordinary course of business, on arm's length basis and in compliance with the applicable provisions of the Act and the Listing Regulations. During the financial year under review, none of the contracts/ arrangements/ transactions entered into with related parties required shareholders' approval under provisions of the Act and the Listing Regulations.

Related Party Transactions were placed before the Audit Committee for prior approval. Particulars of arrangements with related parties for the Financial Year 2018-2019 are given in prescribed format Form AOC – 2 as specified under the provisions of Section 134(3)(h) of the Act & Rule 8 of the Companies (Accounts) Rules, 2014 which is annexed as **Annexure II**.

The Company has adopted a Policy for consideration and approval of related party transactions which is available on Company's website www.capacite.in

Directors and Key Managerial Personnel (KMPs):

Directors:

The Nomination & Remuneration Committee has been mandated to review, recommend appointment/s, terms of appointment/ reappointment of Director/s and KMPs based on the Company policies, industry requirement and business strategy.

During the year Mr. Arun Vishnu Karambelkar was appointed as Additional Director (Independent) on the Board w.e.f. May 18, 2018 and approval of shareholders was obtained in 6th Annual General Meeting held on September 03, 2018 for the period of 3 years with effect from May 18, 2018 on terms of remuneration as recommended by Nomination & Remuneration Committee.

Appointments / Re-Appointment:

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Siddharth D. Parekh (DIN: 06945508), retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

During the year under review, on the recommendation of Nomination and Remuneration Committee the Board has approved re-appointment of :

i) Mr. Subir Malhotra having DIN 05190208 as Whole-Time Director designated as "Executive Director" for term of 5 years with effect from November 01, 2018 to October 31, 2023.

ii) Mr. Rohit R. Katyal having DIN 00252944 as Whole-Time Director designated as "Executive Director" for term of 5 years with effect from June 25, 2019 to June 24, 2024

The details with respect to the above appointments and/or re-appointments form part of the Notice of the ensuing Annual General Meeting and the resolutions along with explanatory statements thereto are recommended for your approval.

Declarations by Independent Directors and Senior Management Personnel on compliance of code of conduct:

The Company has received and taken on record the declarations with respect to independence from all Independent Directors of the Company in accordance with the Section 149(6) of the Act confirming their independence as prescribed thereunder as well as Regulation 16(1)(b) of the Listing Regulations and also regarding compliance with the Code for Independent Directors prescribed in Schedule IV to the Act.

Also Senior Management Personnel including Executive Directors have submitted their disclosures under Regulation 17(5) of the Listing Regulations confirming compliance with the Code of Conduct for Directors and Senior Management Personnel.

Familiarisation Programme:

In compliance with the requirements of the Listing Regulations, the Company undertakes a familiarisation programme for the Independent Directors to familiarise them with their roles, rights and responsibilities as Independent Directors, nature of the industry, the operations of the Company, business model, risk management etc. The details of the programme are available on the Company website at www.capacite.in

Key Managerial Personnel (KMPs):

In terms of Section 203 of the Act, following are the Key Managerial Personnel of the Company:

Mr. Rahul R. Katyal	Managing Director
Mr. Rohit R. Katyal	Whole-time Director & Chief Financial Officer
Mr. Subir Malhotra	Whole-time Director
Mr. Saroj Kumar Pati	Chief Executive Officer
Ms. Sai Kedar Katkar	Company Secretary

During the year under review, there are no changes in Key Managerial Personnel.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

Board Meetings:

The Board of Directors met 7 (Seven) times during the financial year under review. For details of the meetings of the Board, please refer to the Corporate Governance Report which forms part of this Annual Report.

In terms of requirements of Schedule IV of the Act, a separate meeting of Independent Directors was also held on March 22, 2019 to review the performance of Non Independent Directors (including the Chairpersons), the entire Board and its Committees thereof, quality, quantity and timelines of the flow of information between the Management and the Board.

Audit Committee:

The composition of the Audit Committee is in conformity with the provisions of the Section 177 of the Act, and Listing Regulations. The Audit Committee comprises of:

Sr. No.	Name of Director	Designation	Position in the Committee
1.	Mr. Suryakant Balkrishna Mainak	Non-Executive Independent Director	Chairperson
2.	Ms. Farah Nathani Menzies	Non-Executive Independent Director	Member
3.	Mr. Sumeet S. Nindrajog	Non-Executive Non Independent Director	Member
4.	Ms. Sai Kedar Katkar	Company Secretary	Secretary

The terms of reference of the Audit Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of the Annual Report. Further all the recommendations made by the Audit Committee were accepted by the Board during the year.

Nomination and Remuneration Committee:

The composition of the Nomination and Remuneration Committee is in conformity with the provisions of the Section 178 of the Act and Listing Regulations. The Nomination and Remuneration Committee comprises of:

Sr. No.	Name of Director	Designation	Position in the Committee
1.	Ms. Farah Nathani Menzies	Non-Executive Independent Director	Chairperson
2.	Mr. Suryakant B Mainak	Non-Executive Independent Director	Member
3.	Mr. Sumeet S. Nindrajog	Non-Executive Non Independent Director	Member
4.	Ms. Sai Kedar Katkar	Company Secretary	Secretary

The terms of reference of the Nomination and Remuneration Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of this Annual Report.

The Company has Nomination and Remuneration policy, which lays down a framework in relation to appointment and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy broadly lays down guiding principle for appointment or removal of Directors, Key Managerial Personnel and Senior Management and provides the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and formulation of criteria for evaluation of performance of the Board, its Committees and Directors. The above policy is available on the website of the Company www.capacite.in.

Stakeholders' Relationship Committee:

The composition of the Stakeholders Relationship Committee is in conformity with the provisions of the Regulation 20 of the Listing Regulations. The Stakeholders Relationship Committee comprises of:

Sr. No.	Name of Director	Designation	Position in the Committee
1.	Mr. Sumeet S. Nindrajog	Non-Executive Non Independent Director	Chairperson
2.	Mr. Rohit R. Katyal	Executive Director & Chief Financial Officer	Member
3.	Mr. Suryakant Balkrishna Mainak	Non-Executive Independent Director	Member
4.	Ms. Sai Kedar Katkar	Company Secretary	Secretary

The terms of reference of the Stakeholders' Relationship Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of this Annual Report.

Corporate Social Responsibility Committee:

In accordance with the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has constituted Corporate Social Responsibility (CSR) Committee. The Committee is entrusted with the responsibility of:

- Formulating and recommending to the Board, Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken,

- monitoring the implementation of the framework of the CSR Policy, and

- recommending the CSR amount to be spend on the CSR activities.

During the year, the Company has spent ₹1.46 Crore on CSR activities. The details of the Company's CSR activities are specified in **Annexure III**. The CSR Policy is also placed on the website of the Company www.capacite.in. The Present Composition of Committee is :

Sr. No.	Name of Director	Designation	Position in the Committee
1.	Mr. Rohit R. Katyal	Executive Director & Chief Financial Officer	Chairperson
2.	Mr. Sumeet S. Nindrajog	Non-Executive Non Independent Director	Member
3.	Ms. Farah Nathani Menzies	Non-Executive Independent Director	Member
4.	Mr. Suryakant Balkrishna Mainak	Non-Executive Independent Director	Member
5.	Ms. Sai Kedar Katkar	Company Secretary	Secretary

The particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of this Annual Report.

Directors' Responsibility Statement:

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory, Cost and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2018-19.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, in relation to the audited financial statements of the Company for the year ended March 31, 2019 confirm that:

a. in the preparation of the accounts for financial year ended March 31, 2019, the applicable accounting standards had been followed and there are no material departures;

b. they have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for that year;

c. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts of the Company have been prepared on a going concern basis;

e. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively.

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

Vigil Mechanism :

The Company's Board of Directors, pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, has adopted 'Vigil Mechanism Policy' for Directors and employees of the Company. The policy is to provide a mechanism, which ensures adequate safeguards to employees and Directors from any victimisation on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation if any, financial statements and reports, and so on. The employees of the Company have the right/option to report their concern / grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism Policy is available on the Company's website www.capacite.in

There were no such reports, information received by the Chiarman of the Audit Committee during the year under review.

Risk Management :

The Board has constituted Risk Management Committee and has adopted the Risk Management Policy and Guidelines to assist the Board in identification, assessment and management of various operational, strategic, financial, external risks which may have negative impact on the Company's business. Risk identification, assessment and management is a continuous process and is regularly reviewed and updated based on the industry and business requirements .

The Risk Management Committee comprises of:

Sr. No.	Name of Director	Designation	Position in the Committee
1.	Mr. Rahul R. Katyal	Managing Director	Chairman
2.	Mr. Rohit R. Katyal	Executive Director & CFO	Member
3.	Mr. Subir Malhotra	Executive Director	Member
4.	Mr. Sumeet S. Nindrajog	Non-Executive Non Independent Director	Member
5.	Mr. Suryakant Balkrishna Mainak	Non-Executive Independent Director	Member
6.	Mr. Arun Vishnu Karambelkar	Non-Executive Independent Director	Member
7.	Ms. Sai Kedar Katkar	Company Secretary	Secretary

Annual Evaluation of Board's Performance and Performance of its Committees and of Directors:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual performance evaluation of Board, Directors and the working of the Committees based on the evaluation criteria defined by Nomination and Remuneration Committee (NRC).

The Board's performance was evaluated on various aspects, including inter-alia the Structure, meetings, functions, degree of fulfilment of key responsibilities, establishment and delegation of responsibilities to various Committees, Effectiveness of Board Processes, information and functioning.

The Committees of the Board were assessed on the degree of adequacy of Committee composition, fulfilment of key responsibilities, and effectiveness of the meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/Committee Meetings based on technical, financial expertise and industry requirements and guidance/support to the Management with respect to matters other than those discussed at Board/Committee Meetings.

Also performances of Non-Independent Directors, Board as a whole, individual peer review and the Chairman were evaluated in a separate meeting of Independent Directors. The same was also discussed in the meetings of NRC and the Board. Performance evaluation of Independent Directors was done by the Board members, excluding the Independent Directors being evaluated.

Particulars of Employees:

Disclosure regarding remuneration of Directors and employees as required under Section 197 (12) of the Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is in **Annexure IV** and forms part of the Board's Report.

Details of employee remuneration as required under provisions of Section 197 of the Act and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection by any of the the Members at the Registered Office of the Company on any working day of the Company upto the date of the 7th Annual General Meeting and shall be made available to any shareholder on request.

Internal Financial Control Systems and their Adequacy:

The Company's Internal Financial Control framework is commensurate with the size and the nature of its operations. Company has designed and adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, compliance with applicable statutes, regulations the safeguarding disclosure of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation and of reliable financial information.

The details of the internal financial control systems and their adequacy are included in Management Discussion and Analysis Report, which forms part of the Annual Report.

Reporting of Frauds:

There was no instance of fraud during the year under review, which are required by the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

AUDITORS AND REPORTS:

a) Statutory Audit:

The Shareholders of the Company at 4th Annual General Meeting had approved appointment of M/s. S R B C & CO. LLP, Chartered Accountants (Firm Registration No.: 324982E/E300003) as the Statutory Auditors of the Company to hold office for 5 years from the conclusion of Fourth Annual General Meeting till the conclusion of the Ninth Annual General Meeting of the Company.

The Ministry of Corporate Affairs vide its Notification dated May 7, 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting

The Company has received a certificate from M/s. S R B C & CO. LLP, Chartered Accountants, confirming their eligibility and non disqualification from continuing as Statutory Auditors of the Company.

The Auditors Report for the financial year ended March 31, 2019 does not contain any qualification, adverse remark or reservation and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Act.

b) Secretarial Audit :

Pursuant to the provisions of Section 204 of the Act and the rules made there under, the Company had appointed M/s. Shreyans Jain & Co, Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2019. The Secretarial Audit Report issued in this regard is annexed as **Annexure V.**

The Secretarial Audit Report for the financial year ended March 31, 2019, does not contain any qualification or reservation or adverse remark, except an observation remark which is self explanatory.

c) Internal Audit and Controls:

M/s. Mahajan & Aibara LLP, Chartered Accountants, Internal Auditors of the Company have carried out internal audit for the financial year ended March 31, 2019. The findings of the Internal Auditors are discussed on an on-going basis in the meetings of the Audit Committee and various steps have been taken in due course to implement the suggestions of the said Internal Auditor.

The Board of Directors based on review and recommendation of Audit Committee during their Meeting held on July 19, 2019, M/s. Mahajan & Aibara LLP, Chartered Accountants, were appointed as Internal Auditors to carry out internal audit and submit Reports for the financial year 2019-20.

d) Cost Audit:

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s. Y. R. Doshi & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2019-20, on a remuneration as mentioned at Item No. 6 in the Notice of 7th Annual General Meeting.

A Certificate from M/s. Y. R. Doshi & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 7th Annual General Meeting and the same is recommended for your consideration and ratification.

General Disclosures:

General disclosures as per the provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

Extracts of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Act, Extract of the Annual Return for the financial year ended March 31, 2019 made under the provisions of Section 92(3) of the Act is annexed as **Annexure VI**, which forms part of this Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information as required under the provisions of Section 134(3) (m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. as may be applicable are furnished in **Annexure VII** which forms part of this Report.

Report on Corporate Governance and Management Discussion and Analysis

A separate report on Corporate Governance is provided together with the Certificate from the M/s S R B C & Co. LLP, Chartered Accountants confirming compliance of Corporate Governance requirements as stipulated under the Listing Regulations. Pursuant to the provisions of Regulation 34 read with Schedule V of the Listing Regulations, a report on Management Discussion and Analysis is enclosed which forms part of this Annual Report.

Information under Sexual Harassment of Women At Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rule 8 of Companies (Accounts) Rules, 2018:
The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The objective of the policy is to prevent, provide protection against and for redressal of complaints, if any, under sexual harassment and matters connected or incidental thereto of employees at workplace.

Company has always been committed to provide a safe and dignified work environment to all its employees irrespective of gender which is free of discrimination, intimidation and abuse.

The Company has also constituted an Internal Complaints Committee (ICC) to redress the complaints, if any, received regarding sexual harrasment. All employees (permanent, contractual, temporary, trainees) are covered under this policy

The Committee comprises of:

Sr. No.	Name of Member	Designation	Position held in Committee
1.	Ms. Sai Kedar Katkar	Company Secretary	Presiding Officer
2.	Mr. Rohit R. Katyal	Executive Director & CFO	Member
3.	Mrs. Usha Iyengar	President & Head- HR	Member
4.	Mr. Ajay Pardeshi	Vice President Admin & HR	Member
5.	Ms. Manali Damle*	Legal Consultant	Member

*Inclusion pursuant to reconstitution of Committee during Meeting of the Board of Directors held on May 13, 2019

During the financial year under review, Company conducted one awareness program for female employees of the Company and no complaints pertaining to sexual harassment were reported to the ICC of the Company. Company and/or Committee did not receive any complaint during the financial year under review.

The following is a summary of sexual harassment complaints received and disposed of during the year:

(a) Number of complaints pending at the beginning of the year: Nil

(b) Number of complaints received during the year: Nil

(c) Number of complaints disposed off during the year: Not Applicable

(d) Number of cases pending at the end of the year: Not Applicable

Corporate Insolvency Resolution proceedings initiated under the Insolvency and Bankruptcy Code, 2016 (IBC):
Following are the details of applications filed under corporate insolvency resolution proceedings, by operational creditors against the Company :

Sr. No.	Operational Creditor	Subject of application	Date of Notice & Litigation	Status & Authority	Amount (in ₹ Crore)
1.	MITC Rolling Mills Pvt. Ltd.	Operational Dues payable by Company	June 03, 2017	Sub-judice with National Company Law Tribunal, Mumbai	0.23
2.	Vitson Steel	Operational Dues payable by Company	March 27, 2019	Sub-judice with National Company Law Tribunal, Mumbai	0.85

Following are the details of application filed under corporate insolvency resolution proceedings, by the Company against a debtor under the IBC:

Sr. No.	Operational Creditor	Subject of application	Date of Notice & Litigation	Status & Authority	Amount (in ₹ Crore)
1.	Sankalp Siddhi Developers	Operational dues payable by the Developer	April 01, 2019	Sub-judice with National Company Law Tribunal, Mumbai	12.4

Significant & Material Orders passed by Regulators or Courts or Tribunals:

There are no significant, material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operations. However, Members attention is drawn to the Statement on Contingent Liabilities and commitments in the Notes forming part of the Financial Statement.

Disclosure under Section 197(14) of the Act:

There is no receipt of any remuneration or commission from any of its Subsidiary Companies by the Managing Director or the Whole-Time Director of the Company.

Acknowledgments and Appreciation:

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from Financial Institutions and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees, support and co-operation extended by the valued business associates and the continuous patronage of the clients of the Company.

For and on behalf of the Board

	Mr. Rahul R. Katyal	**Mr. Rohit R. Katyal**
Date: July 19, 2019	Managing Director	Executive Director & CFO
Place: Mumbai	DIN: 00253046	DIN: 00252944

ANNEXURE- I

Form AOC-I

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

(Information in respect of each subsidiary/ Associate Companies/ Joint Venture Companies)

Part "A": Subsidiaries

₹ in Lakhs

Sr. No.	Particulars	Name and Details of Subsidiary
1.	Name of the subsidiary/Joint Venture/Associate Companies	CIPL – PPSL – Yongnam Joint Venture Constructions Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 01, 2018 to March 31, 2019
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	INR
4.	Share capital	9.50
5.	Reserves and Surplus	1,182.33
6.	Total Assets	1,333.85
7.	Total Liabilities	1,333.85
8.	Investments	0.00
9.	Turnover	2,076.42
10.	Profit before taxation	81.54
11.	Provision for taxation	-
12.	Profit after taxation	81.54
13.	Proposed Dividend	Nil
14.	% of shareholding	100

Names of subsidiaries which are yet to commence operations: NIL

Names of subsidiaries which have been liquidated or sold during the year: NIL

Part "B": Associates and Joint Ventures

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

Sr. No.	Particulars	Name and Details of Joint Venture			
1.	Name of Associates/Joint Ventures	PPSL- Capacit'e JV	TCC Construction Pvt. Ltd.	TPL-CIL Construction LLP	Capacit'e Viraj AOP
2.	Latest audited Balance Sheet Date	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
3.	Shares of Associate/Joint Ventures held by the Company on the year end (in numbers)				
	i. Number	Not applicable	37,10,000 Equity shares having face value ₹1 each	Not applicable	Not applicable
	ii. Amount of Investment in Associates/Joint Venture	NIL	37,10,000	NIL	NIL
	iii. Extent of direct/indirect holding %	49.00	37.10	35.00	70.00
4.	Description of how there is significant influence	Joint Venture	Associate company	Associate entity	Associate entity
5.	Reason why the associate/ joint venture is not consolidated	Equity Method for consolidation	Equity Method for consolidation	Equity Method for consolidation	Equity Method for consolidation
6.	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Crore)	0.08	0.00	0.62	0.04
7.	Profit / Loss for the year (₹ in Crore)	0.00	0.00	0.00	(0.04)
	i. Considered in Consolidation	No	No	No	No
	ii. Not Considered in Consolidation (₹ in Crore)	NA	NA	NA	NA

Names of associates / joint ventures which are yet to commence operations:- Nil

Names of associates / joint ventures which have been liquidated or sold during the year: Nil

ANNEXURE- II

Form No. AOC-2

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

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

All contracts/arrangements/transactions entered into by the Company with related parties during the financial year ended March 31, 2019 were at arm's length basis.

2. Details of material contract/s or arrangement/s or transaction/s at arm's length basis:

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2019 are as follows:

Name of Related Party	Relation with the Company	Nature of Transaction	Duration of Contracts/ arrangement	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Audit Committee/ Board	Amount paid as advances, if any
CIPL-PPSL Yongnam Joint Venture Constructions Pvt. Ltd.	Subsidiary Company	i) Items covered under relevant sub-contract & work order ii) expenses on behalf of subsidiary	On-going transactions	As per market parameters. Estimated annual value of ₹20 Crore	March 29, 2018	NIL
PPSL Capacit'e JV	Joint Venture	i) Items covered under relevant sub-contract work order ii) Advances, loan, interest and repayment thereof	On-going transactions	As per market parameter. Estimated annual value of ₹5 Crore	March 29, 2018	NIL
Capacit'e Engineering Pvt Ltd	Group Company	i) Items covered under relevant sub-contract & work orders	On-going transactions	In tune with market parameters Estimated annual value of ₹20 Crore	March 29, 2018	NIL
Katyal Ventures Pvt Ltd (Formerly known as Capacit'e Ventures Pvt. Ltd.)	Group Company	Advance Received against sale of equity of Capacit'e Engineering Pvt Ltd	One time transaction	As per market parameters. Estimated annual value: not applicable	March 29, 2018	NIL
Katyal Merchandise Pvt Ltd	Group Company	Inter corporate deposit/s (ICD), interest on ICD & refund of ICDs	Requirement basis	As per market parameters. Estimated annual value of ₹5 Crore	March 29, 2018	NIL
Asutosh Katyal	Relative of Director	Remuneration	On-going	₹0.09 Crore	March 29, 2018	NIL

Name of Related Party	Relation with the Company	Nature of Transaction	Duration of Contracts/ arrangement	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Audit Committee/ Board	Amount paid as advances, if any
Asutosh Trade Links	Firm in which Directors & relatives are interested	Vehicle rentals	On-going	₹0.30 Crore	March 29, 2018	NIL
Mrs. Monita Malhotra	Relative of Director	Rentals	On-going	₹0.30 Crore	March 29, 2018	NIL

For CAPACIT'E INFRAPROJECTS LIMITED

Mr. Rahul R. Katyal
Managing Director
DIN: 00253046

Mr. Rohit R. Katyal
Executive Director & Chief Financial Officer
DIN: 00252944

ANNEXURE-III

Annual Report on Corporate Social Responsibility (CSR) activities during FY 2019:

1. Brief outline of the Company's CSR Policy, including overview of the projects or programs proposed to be undertaken:

Company strives to be a socially responsible and strongly believes that long term success and growth depends on the development and well being of the society at large. Company understands its co-extensive responsibility to put efforts to make positive contribution to the benefits of the society at large through small steps that help bring about big change in long term.

Currently, the focus areas of CSR activities are :

1. Medical and health care facilities.
2. Educational infrastructure & facilities, skill development.
3. Women and children empowerment.

The Company has framed a CSR policy in compliance with the provisions of the Act and the same is available on the Company's website at www.capacite.in

2. The Composition of the CSR Committee

i)	Mr. Rohit R. Katyal	Chairman
ii)	Mr. Sumeet S. Nindrajog	Member
iii)	Mr. Suryakant Balkrishna Mainak	Member
iv)	Ms. Farah Nathani Menzies	Member
v)	Ms. Sai Kedar Katkar	Secretary

3. Average net profit of the Company for last three financial years: 99.98 Crore

4. Prescribed CSR Expenditure (2% of the amount as in item 3 above): 1.99 Crore

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: ₹1.99 Crore

(b) Amount unspent, if any: ₹0.53 Crore

(c) Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1.	Renovation, Educational Facilities	Promotion of Education	Nasik, Maharashtra	1,64,30,000	1,11,57,000	1,11,57,000	Direct
2.	Indian Music Experience School	Promotion of art & Indian culture	Mumbai, Maharashtra	25,00,000	25,00,000	1,36,57,000	Direct

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
3.	Tata Memorial Hospital	Healthcare facilities	Mumbai, Maharashtra	5,00,000	5,00,000	1,41,57,000	Direct
4.	Janakalyan Foundation	Medical & healthcare for underprivileged	Mumbai, Maharashtra	2,00,000	2,00,000	1,43,57,000	Direct
5.	Muktangan Mahila Pratishthan	Promotion of medical & healthcare for underprivileged	Mumbai, Maharashtra	1,25,000	1,25,000	1,44,82,000	Direct
6.	Lt Adv. Dayanand Mohite Foundation	Medical & healthcare for underprivileged	Mumbai, Maharashtra	1,45,000	1,45,000	1,46,27,000	Direct
Total				**1,99,00,000**	**1,46,27,000**		

6. In case the Company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

   Company has spent an amount of ₹1.46 Crore with respect to suitable programmes identified/ proposed, discussed upon and approved covered under education, health care & medical facilities, promotion of art & culture.

   Company's CSR activities are on the focus areas approved by the CSR Committee/Board, however Company couldn't identify more feasible projects/programmes other than those mentioned herein. Thus, Company's CSR spent is less than the limits prescribed under the Act. The Company will endeavour to spend on CSR by identifying suitable projects, widening focus areas and will take further initiatives in future.

7. The CSR Committee confirms that the implementation of CSR activities is in compliance with the Section 135 of the Act and rules made thereunder along with CSR Policy of the Company.

For CAPACIT'E INFRAPROJECTS LIMITED

Mr. Rahul R. Katyal
Managing Director
DIN: 00253046

Mr. Rohit R. Katyal
Executive Director & Chief Financial Officer
DIN: 00252944

ANNEXURE- IV

Particulars of Employees

Information relating to Directors and KMPs under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The Ratio of the Remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-2019 is as follows:

Name of Director	Remuneration (In ₹)	Sitting Fees (In ₹)	Ratio of Remuneration of Director to the Median Remuneration
Mr. Rohit R. Katyal	97,20,000	NA	25.77
Mr. Rahul R. Katyal	94,20,000	NA	24.97
Mr. Subir Malhotra	86,19,996	NA	22.85
Mr. Sumeet S. Nindrajog	NA	NA	NA
Mr. Siddharth Parekh	NA	NA	NA
Ms. Farah Nathani Menzies	NA	2,55,000	0.67
Mr. Suryakant Balkrishna Mainak	NA	3,50,000	0.93
Mr. Arun Vishnu Karambelkar	NA	2,40,000	0.64

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2018-19 are as follows:

Name of Director	Designation	Fixed Increase/ (Decrease) (%)	Variable Increase/ (Decrease) (%)
Mr. Rohit R. Katyal	Executive Director & CFO	3.14	(100)
Mr. Rahul R. Katyal	Managing Director	3.24	(100)
Mr. Subir Malhotra	Executive Director	0.34	(100)
Ms. Farah Nathani Menzies	Non-Executive Independent Director	183.33	-
Mr. Suryakant Balkrishna Mainak	Non-Executive Independent Director	600	-
Mr. Arun Vishnu Karambelkar (w.e.f. May 18, 2018)	Non-Executive Independent Director	100	-
Mr. Saroj Kumar Pati	Chief Executive Officer	17.04	(9.90)
Ms. Sai Kedar Katkar	Company Secretary	(4.48)	121.57

Notes:

1. Remuneration comprises salary, allowances, Company's contribution to provident fund and taxable value of perquisites.
2. The median remuneration of the Company for all its employees is ₹3,77,222 for the financial year 2018-19. For calculation of median remuneration, the employee count taken is 1618 which comprises employees who have served for whole of the financial year 2018-19.
3. The percentage increase in the median remuneration of employees other than managerial personnel in the financial year 2018-19 was 5.72%.
4. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 2.82% whereas the increase in the managerial remuneration was 3.41%. The increments given to employees are based on their potential, performance and contribution, which is benchmarked against applicable Industry norms.
5. The number of permanent employees on the rolls of Company as on March 31, 2019 was 1329.
6. It is affirmed that the remuneration is as per the Nomination and Remuneration Policy adopted by the Company.

Information required under section 197 of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of the Top Ten Employees of the Company in terms of remuneration drawn for Financial Year 2018-19:

Employee Name	Designation	Nature of Employment whether Contractual or Otherwise	Educational Qualification	Age	Experience (in Years)	Date of Joining	Gross Remuneration paid per annum	Previous Employment	% of Equity held by employee in the Company within the meantime of clause (iii) of Sub-rule 2	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
Saroj Kumar Pati	Chief Executive Officer	Employee	B.Sc. & BE- Civil NIIT	52	29	17-03-2016	1,21,53,180	JMC Projects India Ltd	Nil	No
Gopal Krishna Parmeshwar	Chief Operating Officer	Employee	Post Graduate certificate Program in Management -IIT	58	33	03-10-2016	1,09,99,992	Confident Group	Nil	No
Alok Mehrotra	President, Finance	Employee	B. Com	51	26	12-02-2018	75,00,000	Sunil Hitech Engineers Limited	Nil	No
Milind Madhukar Joshi	Chief Operating Officer	Employee	BE- Civil	52	32	15-02-2016	65,00,004	Unity Infraprojects Ltd	Nil	No
Pramod Ranjan Singh	Head Estimation & Tendering	Employee	BE- Civil	53	31	21-01-2013	60,00,000	Pratibha Industries Ltd	Nil	No
Tushar Kunwarji Srivastava	President, BD & Marketing	Employee	*NICMAR Construction Management & Financial Engineering, BE Civil MRICS EPBA: Business Analytics IIM Kolkata	40	18	25-01-2016	54,99,996	Steiner India Ltd	Nil	No
Soumen Mukherjee	Vice President, Procurement	Employee	Masters in Economics, B. Com, Diploma in material Management	54	33	16-01-2018	50,00,004	Howe Engineering Projects	Nil	No
Rajendra Kumar Sharma	Senior Vice President	Employee	MBA Finance & M. Tech	54	32	02-11-2015	45,57,300	Unity Infraprojects Ltd	Nil	No
Anil Kumar Sharma	Assistant Vice President	Employee	BE- Civil	43	18	12-09-2016	45,00,000	L&T Constructions	Nil	No
Dhiman Kumar Majumder	Vice President, Formwork	Employee	BE- Civil	43	19	22-02-2016	41,55,300	L&T MMH Head Office	Nil	No

ANNEXURE- V

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

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

To,
The Members,
Capacit'e Infraprojects Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Capacit'e Infraprojects Limited** having CIN: L45400MH2012PLC234318 (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 authorised 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, 2019 has 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, 2019 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, 2015;

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

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not Applicable to the Company during the audit period);

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable to the Company during the audit period);

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer

Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the audit period);

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the audit period);

(vi) All other relevant laws as are applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited including the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above. However the statement(s) of deviation(s) or variation(s) of utilisation of issue proceeds and report of monitoring agency for quarter ended September 2018 was submitted to stock exchanges with delay as required under listing Regulations.

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 took place in the composition of the Board of Directors during the period under review was 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 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.

All the decisions were carried through, while there were no dissenting views of members as verified from the minutes.

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

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

a) The Board of Directors of the Company has approved Scheme of Amalgamation of its Wholly Owned Subsidiary namely CIPL-PPSL Yongnam Joint Venture Construction Private Limited with itself;

b) The Company has formed a special purpose vehicle namely TCC Construction Private Limited with Tata Projects Limited and CITIC Construction Co. Ltd. for execution of redevelopment of BDD Chawl, Worli, Mumbai project awarded to it.

For **Shreyans Jain & Co.**
Company Secretaries

Mr. Shreyans Jain
(Proprietor)
FCS No. 8519
C.P. No. 9801

Place: Mumbai
Date: July 16, 2019

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

Annexure A to the Secretarial Audit Report

for the year March 31, 2019

To
The Members,
Capacit'e Infraprojects Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence, information and details obtained from the Company's management are adequate and appropriate for us to provide a basis for our opinion.
4. Where ever required, we have obtained the management's representation for the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Shreyans Jain & Co.**

Mr. Shreyans Jain
FCS No. - 8519
CP. No. - 9801

Place : Mumbai
Date : July 16, 2019

ANNEXURE- VI

Form MGT-9

Extracts of Annual Return

for the financial year ended March 31, 2019

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L45400MH2012PLC234318
2	Registration Date	August 09, 2012
3	Name of the Company	Capacit'e Infraprojects Limited
4	Category / Sub-category of the Company	Public Company / Limited by Shares
5	Address of the Registered office	605-607, Shrikant Chambers, 6th Floor, Phase I, Adjacent to RK Studios, Sion -Trombay Road, Mumbai-400 071
	Contact Detail	Tel: 022-71733717 Fax: 022-71733733
	Website	www.capacite.in
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Fintech Pvt. Ltd. Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda,Hyderabad 500 032 Telangana, India Tel: 040-67162222, 040-33211000 Fax: 040-23420814 www.karvyfintech.com

II. Principal Business Activities of the Company

Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the Company under the NIC
Building & Construction	41001	100.00

III. Particulars of Holding, Subsidiary and Associate Companies / Body Corporate

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
CIPL- PPSL -Yongnam Joint Venture Constructions Private Limited Add: 602-607, Shrikant Chambers, 6th Floor, Phase I, Adjacent to R K Studios, Sion -Trombay Road, Mumbai- 400 071	U45400MH2013PTC243496	Subsidiary	100.00^	Sec. 2 (87)
TCC Construction Pvt Ltd Add: 605-607, Shrikant Chambers, 6th Floor, Phase I, Adjacent to R K Studios, Sion -Trombay Road, Mumbai- 400 071	U45202MH2018PTC314429	Associate Company	37.10	Sec 2(6)

III. Particulars of Holding, Subsidiary and Associate Companies / Body Corporate (Contd.)

Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
TPL-CIL Construction LLP Add: 605-607, Shrikant Chambers, 6th Floor, Phase I, Adjacent to R K Studios, Sion -Trombay Road, Mumbai- 400 071	AAN-3823	Body Corporate	35.00	Sec 2(27)

^One Equity share having face value of ₹10 is held by Mr. Rohit R. Katyal, as Nominee Shareholder of holding Company i.e. Capacit'e Infraprojects Limited.

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity):

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2018]				No. of Shares held at the end of the year [As on March 31, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2,06,55,852	-	2,06,55,852	30.42	2,06,55,852	-	2,06,55,852	30.42	0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	9,072,994	-	9,072,994	13.36	90,72,994	-	90,72,994	13.36	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Partnership Firm)	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	**2,97,28,846**	**-**	**2,97,28,846**	**43.79**	**2,97,28,846**	**-**	**2,97,28,846**	**43.79**	**0.00**
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL (A)	**2,97,28,846**	**-**	**2,97,28,846**	**43.79**	**2,97,28,846**	**-**	**2,97,28,846**	**43.79**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	37,65,233	-	37,65,233	5.55	31,62,811	-	31,62,811	4.66	(0.89)
b) Banks / FI	6,77,260	-	6,77,260	1.00	2,67,591	-	2,67,591	0.39	(0.61)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Foreign Portfolio Investors	37,74,175	-	37,74,175	5.56	51,57,470	-	51,57,470	7.60	2.04
i) Others (specify)	169	-	169	0.00	1,249	-	1,249	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2018]				No. of Shares held at the end of the year [As on March 31, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (B)(1):-	**82,16,837**	**-**	**82,16,837**	**12.11**	**85,89,121**	**-**	**85,89,121**	**12.65**	**0.54**
2. Non-Institutions									
a) Bodies Corp.	97,67,792	-	97,67,792	14.39	91,29,913	-	91,29,913	13.46	(0.93)
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	7,567,499	2	7,567,501	11.15	70,65,085	7	70,65,092	10.41	(0.74)
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	2,249,758	-	2,249,758	3.31	24,94,657	-	24,94,657	3.67	0.36
NBFCs registered with RBI	8,201	-	8,201	0.01	576	-	576	0.00	(0.01)
c) Others (specify)									
Non Resident Indians	3,38,292	-	3,38,292	0.50	3,60,311	-	3,60,311	0.53	0.03
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	2,00,672	-	2,00,672	0.30	38,728	-	38,728	0.06	(0.24)
Non Resident Indian Non Repatriable	64,066	-	64,066	0.09	68,370	-	68,370	0.10	0.01
Trusts	98,395	-	98,395	0.14	-	-	-	-	(0.14)
Funds	4,951,562	-	4,951,562	7.29	60,36,303		60,36,303	8.89	1.60
Alternative Investment Fund	4,699,575	-	4,699,575	6.92	43,79,580		43,79,580	6.45	(0.47)
Foreign Bodies - D R	-	-	-	-	-	-	-	-	
Sub-total (c)	1,03,52,562		1,03,52,562	15.24	1,08,83,292		1,08,83,292	16.03	0.78
Sub-total (B)(2):-	2,99,45,812	2	29,945,814	44.10	2,95,73,530	7	2,95,73,530	43.56	(0.55)
Total Public (B)	**38,162,649**	**2**	**38,162,651**	**56.21**	**3,81,62,651**	**7**	**3,81,62,651**	**56.21**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Total (A+B+C)	**6,78,91,495**	**2**	**6,78,91,497**	**100.00**	**6,78,91,490**	**7**	**6,78,91,497**	**100.00**	**0.00**

(ii) Shareholding of Promoters:

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total paid-up Equity	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total paid-up Equity	% of Shares Pledged / encumbered to total shares	
1	Rohit R. Katyal	10,816,190^	15.93	Nil	10,816,190^	15.93	Nil	0.00
2	Rahul R. Katyal	6,124,930	9.02	Nil	6,124,930	9.02	Nil	0.00
3	Subir Malhotra	2,525,439	3.72	Nil	2,525,439	3.72	Nil	0.00
4	Asutosh Trade Links (Through Partners Mr. Rohit R. Katyal, Mr. Rahul R. Katyal & Mrs. Sakshi Katyal)	1,189,153	1.75	Nil	1,189,153	1.75	Nil	0.00
5	Sakshi Katyal jointly with Rohit R. Katyal	70	0.00	Nil	70	0.00	Nil	0.00
6	Nidhi Katyal jointly with Rahul R. Katyal	70	0.00	Nil	70	0.00	Nil	0.00
7	Katyal Merchandise Private Ltd	9,072,994	13.36	Nil	9,072,994	13.36	Nil	0.00
	Total	**29,728,846**	**43.79**	**100.000**	**29,728,846**	**43.79**	**Nil**	0.00

^ Note: Includes 4,512,046 Equity Shares jointly held with Mr. Rahul R. Katyal

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

Sr. No.	Name of the Promoters	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	**Rohit R. Katyal**	10,816,190^	15.93	1-Apr-18	No change			
	At the end of the year						10,816,190	15.93
2.	**Rahul R. Katyal**	6,124,930	9.02	1-Apr-18	No change			
	At the end of the year						6,124,930	9.02
3.	**Subir Malhotra**	2,525,439	3.72	1-Apr-18	No change			
	At the end of the year						2,525,439	3.72
4.	**Asutosh Trade Link* (Held through partners Mr. Rohit R. Katyal, Mr. Rahul R. Katyal & Mrs. Sakshi Katyal)**	1,189,153	1.75	1-Apr-18	No change			
	At the end of the year						1,189,153	1.75
5.	**Sakshi Katyal jointly with Rohit R. Katyal**	70	0.00	1-Apr-18	No change			
	At the end of the year						70	0.00
6.	**Nidhi Katyal jointly with Rahul R. Katyal**	70	0.00	1-Apr-18	No change			
	At the end of the year						70	0.00
7.	**Katyal Merchandise Private Limited**	9,072,994	13.36	1-Apr-18	No change			
	At the end of the year						9,072,994	13.36

^Includes 4,512,046 Equity Shares jointly held with Mr. Rahul R. Katyal

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name of the Promoters	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	NewQuest Asia Investments II Limited	6617254	9.75					
	At the end of the year			31.03.2019			6617254	9.75
2	Paragon Partners Growth Fund A/C Paragon Partners	6036303	8.89					
	At the end of the year			31.03.2019			6036303	8.89
3.	Sundaram Mutual Fund A/c Sundaram Smile Fund	2221120	3.27					
				27.04.2018	4333	Sold	2216787	3.27
				22.06.2018	1429	Sold	2215358	3.26
				02.11.2018	22499	Sold	2192859	3.23
				09.11.2018	21261	Sold	2171598	3.20
				16.11.2018	20000	Sold	2151598	3.17
				04.01.2019	21114	Sold	2130484	3.14
				11.01.2019	20000	Acquisition	2150484	3.17
				01.03.2019	15569	Sold	2134915	3.14
				01.03.2019	17765	Acquisition	2152680	3.17
	At the end of the year			31.03.2019			2152680	3.17
4.	Goldman Sachs India Limited	1404996	2.07	01.04.2018				
	At the end of the year			31.03.2019			1404996	2.07
5.	Infina Finance Private Limited	1265439	1.86	01.04.2018				
	At the end of the year			31.03.2019			1265439	1.86

Sr. No.	Name of the Promoters	Shareholding at the beginning of the year (01.04.2018)		Date	Increase/ (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
6.	Mirae Asset India Mid cap Equity Fund	1239194	1.83					
				06.04.2018	95384	Acquisition	1334578	1.97
				01.06.2018	85171	Acquisition	1419749	2.09
				02.11.2018	25803	Acquisition	1445552	2.13
				09.11.2018	999	Acquisition	1446551	2.13
	At the end of the year			31.03.2019			1446551	2.13
7.	Sundaram Alternative Opportunities Fund - Nano cap	997230	1.47					
				01.02.2019	94	Acquisition	997324	1.47
				08.02.2019	1006	Acquisition	998330	1.47
				15.02.2019	5081	Acquisition	1003411	1.48
				30.03.2019	0		1003411	1.48
	At the end of the year			31.03.2019			1003411	1.48
8	IIFL Special Opportunities Fund	967202	1.42	01.04.2018				
	At the end of the year			31.03.2019			967202	1.42
9.	Jyotiprasad Taparia	758768	1.10					
				28.12.2018	5438	Sold	753330	1.11
				31.12.2018	15120	Sold	738210	1.09
				04.01.2019	49725	Sold	688485	1.01
				11.01.2019	46964	Sold	641521	0.94
				18.01.2019	9165	Sold	632356	0.93
				22.02.2019	90000	Sold	542356	0.80
	At the end of the year			31.03.2019			542356	0.80
10	IIFL Special Opportunities Fund - Series 2	674060	0.99					
				08.03.2019	385	Sold	673675	0.99
				08.03.2019	385	Acquisition	674060	0.99
	At the end of the year			31.03.2019			674060	0.99
11.	ICICI PRUDENTIAL INFRASTRUCTURE FUND	0	0.00	01.04.2019				
				08.02.2019	4,772.00	Acquisition	4,772	0.01
				07.09.2018	2,41,713.00	Acquisition	2,46,485	0.36
				14.09.2018	2,58,287.00	Acquisition	500000	0.74
				28.09.2018	11,345.00	Acquisition	511345	0.75
				05.10.2018	69,699.00	Acquisition	581044	0.86
				26.10.2018	29,800.00	Acquisition	610844	0.90
				02.11.2018	21,220.00	Acquisition	632064	0.93
				01.02.2019	2,512.00	Acquisition	634576	0.93
				08.02.2019	12,946.00	Acquisition	647522	0.95
				15.02.2019	13,837.00	Acquisition	661359	0.97
	At the end of the year			31.03.2019			661359	0.97

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Promoters	Date	Reason	Shareholding at the beginning of the year (April 01, 2018)		Cumulative Shareholding during the year (March 31, 2019)	
				No. of shares	% of total shares	No. of shares	% of total shares
	A. DIRECTORS						
1.	**Rohit R. Katyal**						
	At the beginning of the year	1-Apr-18		10,816,190^	15.93		
	Changes during the year	-	-	-	-		
	At the end of the year					10,816,190	15.93
2.	**Rahul R. Katyal**						
	At the beginning of the year	1-Apr-18		6,124,930	9.02		
	Changes during the year	-	-				
	At the end of the year					6,124,930	9.02
3.	**Subir Malhotra**						
	At the beginning of the year	1-Apr-18		2,525,439	3.72		
	Changes during the year	-	-				
	At the end of the year					2,525,439	3.72
4.	**Arun Vishnu Karambelkar**	NA	NA	Nil	Nil	Nil	Nil
5.	**Sumeet Nindrajog**	NA	NA	Nil	Nil	Nil	Nil
6.	**Siddharth Parekh**	NA	NA	Nil	Nil	Nil	Nil
7.	**Farah Nathani Menzies**	NA	NA	Nil	Nil	Nil	Nil
8.	**Suryakant Balkrishna Mainak**	NA	NA	Nil	Nil	Nil	Nil
	B. KEY MANAGERIAL PERSONNEL						
1.	**Rohit R Katyal, Chief Financial Officer**						
	At the beginning of the year	1-Apr-18		10,816,190	15.93		
	Changes during the year						
	At the end of the year					10,816,190	15.93
2.	**Sai Kedar Katkar, Company Secretary**						
	At the beginning of the year	1-Apr-18		60	0.00		
	Changes during the year	-	-				
	At the end of the year					60	0.00
3.	**Saroj Kumar Pati, Chief Executive Officer**						
	At the beginning of the year	NA	NA	Nil	Nil	Nil	Nil
	Changes during the year	NA	NA	Nil	Nil	Nil	Nil
	At the end of the year	NA	NA	Nil	Nil	Nil	Nil

^Includes 4,512,046 Equity Shares jointly held with Mr. Rahul R. Katyal

V. INDEBTEDNESS:

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

₹ in Crore

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 2018-19				
i) Principal Amount	238.93	-	-	238.93
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	3.01	-	-	3.01
Total (i+ii+iii)	**241.95**	**-**	**-**	**241.95**
Change in Indebtedness during the financial year 2018-19	-	-		
- Addition	61.87	-	-	61.87
- Reduction	(30.26)		-	(30.26)
Net Change	31.61	-	-	31.61
Indebtedness at the end of the financial year 2018-19	-	-		
i) Principal Amount	273.56	-	-	273.56
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i +ii+iii)	**273.56**	**-**	**-**	**273.56**

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director (MD), Executive Directors (ED) and/or Manager:

Sr. No.	Particulars of Remuneration (In ₹)	Mr. Rahul R. Katyal	Mr. Rohit R. Katyal	Mr. Subir Malhotra
1.	Gross salary:			
	a) Salary as per sec 17(1) of the Income tax Act,1961	94,20,000	97,20,000	86,19,996
	b) Value of perquisites u/s 17(2) Income tax Act,1961			
	c) Profits in lieu of salary u/s17(3) Income taxAct,1961			
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit -Others, please specify	NIL	NIL	NIL
5.	Others, pls. specify			
	Total(A)	**94,20,000**	**97,20,000**	**86,19,996**
	Ceiling as per the Act	₹8,66,22,944 (Being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

B. Remuneration to other Directors:

Pursuant to approval from the Board of Directors, Non - Executive Independent Directors are paid sitting fees for every Meeting of the Board of Directors attended by them, the details of which are as follows for the financial year under review:

Particulars of Remuneration (In ₹)	**Non- Executive Independent Directors**		
Sitting fees for the meeting of:	Mr. Suryakant Balkrishna Mainak	Mr. Arun Vishnu Karambelkar	Ms. Farah Nathani Menzies
a) The Board of Directors	2,70,000	1,90,000	1,90,000
b) Committees	80,000	50,000	65,000
Total	**3,50,000**	**2,40,000**	**2,55,000**

Note:

1. Nominee/ investor Directors are not eligible for sitting fees for Meeting/s of any committee / Board of Directors attended by them.

C. Remuneration to Key Managerial Personnel other than Managing Director /Manager /ED:

Sr. No.	**Particulars of Remuneration (In ₹)**	**Key Managerial Personnel**		
		CEO Mr. Saroj Kumar Pati	**CS Ms. Sai Kedar Katkar**	**Total (₹ in Lakhs)**
1.	Gross salary:			
	a) Salary as per provisions in sec.17(1)of the Income-tax Act,1961	1,21,53,180	15,83,362	1,37,36,542
	b) Value of perquisites u/s17(2)Income-tax Act,1961	-	-	-
	c) Profits in lieu of salary u/s 17(3) Income-tax Act,1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit -others, specify...	NA	NA	NA
	Others, please specify	NA	NA	NA
	TOTAL	**1,21,53,180**	**15,83,362**	**1,37,36,542**

VII. Penalties, Punishment/ Compounding of offences:

There were no penalties/punishment/compounding of offences against the Company, Directors and Officers in Default during the Financial Year ended March 31, 2019.

The suo-moto application made on March 31, 2017 by the Company to the Ministry of Corporate Affairs Registrar of Companies, Mumbai, for compounding of certain offences under Section 42 read with Section 62 and rules made thereunder is pending with Registrar of Companies, Mumbai for Order.

ANNEXURE- VII

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

(A) Conservation of Energy:

Steps taken or impact on conservation of energy	The Company is not required to spend any substantial amount on Conservation of Energy to be disclosed here.
Steps taken by the Company for utilising alternate sources of energy	
Capital investment on energy conservation equipments	

(B) Technology Absorption:

Efforts made towards technology absorption	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
• Details of technology imported	Nil
• Year of import	Not Applicable
• Whether the technology has been fully absorbed	Not Applicable
• If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Nil

(C) Foreign exchange earnings and Outgo:

(₹ in Lakhs)

Particulars	April 01, 2018 to March 31, 2019	April 01, 2017 to March 31, 2018
Actual Foreign Exchange earnings	NIL	NIL
Actual Foreign Exchange outgo	5,077.94	2,329.79

Management Discussion and Analysis

Indian economic overview

India retained its position as the sixth-largest economy and the fastest-growing trillion-dollar economy through a major part of the year under review (except in the last quarter of 2018-19). After growing at 7.2% in 2017-18, the Indian economy is estimated to have grown 6.8% in 2018-19 as per the Central Statistics Office release, May 2019.

The principal developments during the year under review comprised a sustained increase in per capita income, decline in national inflation, steadying interest rates and weakened consumer sentiment from the second half of the financial year. The weaker sentiment was on account of a large non-banking financial institution announcing its inability to address liabilities. This affected credit expansion, financial markets and consumer sentiment, which in turn resulted in slower GDP growth that declined to 5.8% by the fourth quarter of 2018-19, the slowest growth in a single quarter in years.

In 2018, the country attracted ~US$ 42 billion in FDI inflows as per the World Investment Report 2019. Driven by strong policy reforms, India witnessed a record 23-notch jump to the 77th position in the World Bank's latest report on the 'Ease of Doing Business' that captured the performance of 190 countries.

The commencement of the US-China trade war opened a new opportunities for India, particularly in the agro sector. Inflation (including food and energy prices) was estimated at 2.6% on an annual basis, one of the lowest in years and well below the Reserve Bank of India's medium-term target of 4%. The rupee rebounded after touching a low of ₹74.45 to a dollar to close the financial year at ₹69.44. During the fiscal under review, the Indian Government continued to invest deeper in digitisation, renewable energy capacity generation and infrastructure building.

Key government initiatives

The Indian government continued to take a number of initiatives to strengthen the national economy.

Bank recapitalisation scheme: In addition to infusing ₹2.1 lakhs crore in public sector units, the Indian Government announced a capital infusion of ₹41,000 crore to boost credit for a strong impetus to the economy in FY2018-19. The Budget 2019-20 mandated that the Union Government will infuse ₹70,000 crore to strengthen and enhance their lending capacity. *(Source: Hindu Business Line)*

Expanding infrastructure: India's proposed expenditure of ₹5.97 trillion (US$89.7 billion) towards infrastructural development In the Union Budget 2018-19 is expected to strengthen the national economy. As of November 2018, total length of projects awarded under Bharatmala Pariyojana (including residual NHDP works) was 6,460 kms for a total cost of ₹1.52 trillion (US$ 21.07 billion). The Government has announced an investment of ₹10,000,000 crore (US$ 1.5 trillion) in infrastructure over the next five years in Budget 2019-20. *(Source: IBEF)*

Ujjwala Yojana and Saubhagya Yojana: With the help of this initiative, the Government helps to transform the lives of every rural family, dramatically improving the ease of their living by providing electricity and clean cooking facility to all willing rural families by 2022.

UDAN: This Scheme is directed towards providing air connectivity to smaller Indian cities, enabling the common citizens to avail the option of travelling via air. A number of airports are likely to be constructed under this scheme.

The Insolvency and Bankruptcy code (Amendment), Ordinance 2018: Passed in June 2018, the ordinance provides significant relief to home-buyers by recognising their status as financial creditors. The major beneficiary of the ordinance are the MSMEs as it empowers the Indian Government to provide them with a special dispensation under the code. *(Source: PIB)*

Pradhan Mantri Kisan Samman Nidhi: In February, 2019, the Indian Government announced the Pradhan Mantri Kisan Samman Nidhi, a scheme promising an annual assured income of ₹6,000 (US$84.5) for any farmer owning less than or equal to two hectares of farmland. The budget for the fiscal year 2020 allocated ₹75,000 crore for the scheme, benefiting ~120 million land-owning farmer households. *(Source: PIB)*

Direct Benefit Transfer: The Direct Benefit Transfer initiative re-engineered the cash disbursement process in welfare schemes through simpler and faster flow of information/funds to ensure accurate targeting of beneficiaries, de-duplication and reduction of fraud. In 2018-19 alone, this scheme is estimated to have transferred over ₹3,00,000 crore and the gains to have accrued since scheme implementation (upto March 2019) was estimated at ₹1,41,677.56 crore.
(Source: www.dbtbharat.gov.in)

Outlook

India is expected to be sluggish in 2019-20 before reviving thereafter. *(Source: CSO, Fitch, Economic Times, Business Standard, IBEF, Business Today, India Today)*

Indian real estate sector overview

The Indian residential construction segment in the public sector contributed ~80% to the overall real estate development in India. The year 2018 was mixed for the segment, marked by sluggishness across most residential segments (premium and mid-market) on account of high prices and a large finished inventory on the hand and a policy push for affordable housing on the other.

India's commercial real estate segment fared better across a number of pockets. The pan-India office vacancy rate was 14%, considered a natural vacancy rate. In 2017, the commercial market saw new completions at more than 26 million square feet and in 2018 this number reached 42 million square feet. Commercial assets attracted ~80% of the total investments between 2016 and YTD-2018.

In 2017, net absorption of malls was at 3.2 million square feet, which reached 5.2 million square feet by end-2018 and is likely to be higher (6.7 million square feet) for 2019. Delhi-NCR accounted for ~32% of total retail space in India, followed by Mumbai at 23% and Bengaluru at 14%.
(Source: JLL, KPMG, Colliers)

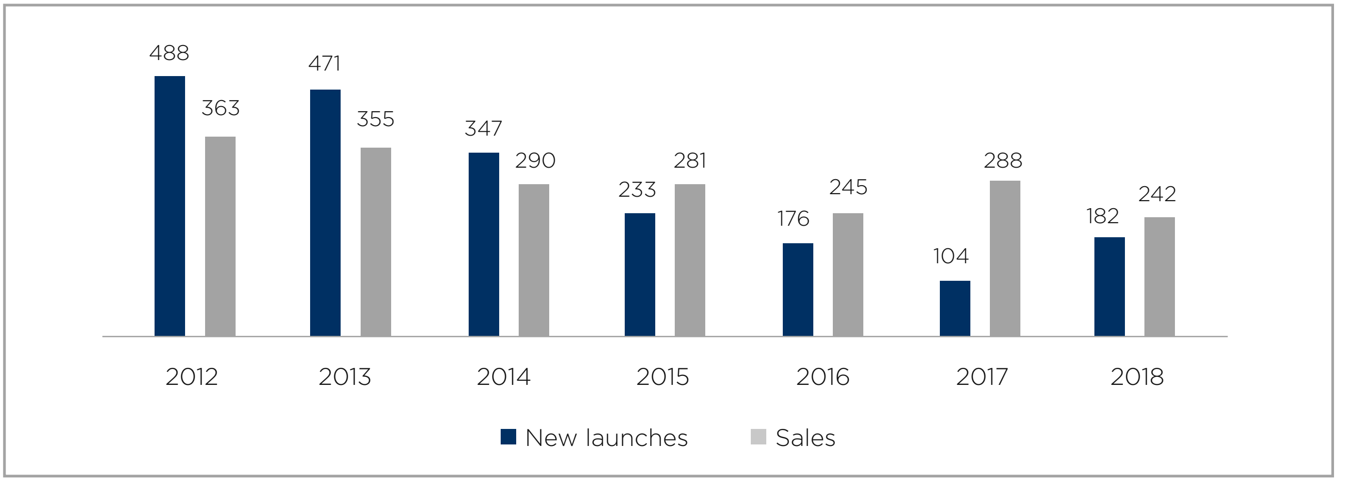
Indian construction sector overview

The Indian construction sector accounted for ~11 % of India's GDP, contributing to the national economy by providing extensive employment. The GDP contribution from the country's construction sector averaged ₹2171.28 billion from 2011 until 2018, reaching ₹2754.48 billion in 2018.

The residential and commercial building construction segments grew at a CAGR of 11.7% and 18.3% respectively during 2013-2017.

Cumulative FDI inflows in the country's construction sector (including infrastructure), reached US$ 13.11 billion between April 2000 to June 2018 and US$ 24.87 billion in the construction development sector.
(Source: India servicesMake in India, Trading India)

Housing – new launches and sales (in '000)



(Source: Knight Frank)

Cumulative housing demand-supply in eight leading Indian cities, 2016-20 ('000 units)		
Category	**Demand**	**Supply**
Higher income group	717	351
Middle income group	1,457	647
Lower income group	1,982	25

(Source: IBEF)

5 tallest Indian buildings compared with the world

5 tallest buildings in India	Height (m)	Storeys	5 tallest buildings in world	Height (m)	Storeys
The 42, Kolkata	268	62	Burj Khalifa, Dubai	828	163
The Imperial, Mumbai	256	60	Shanghai Tower, China	632	128
One Avighna Park, Mumbai	251	54	Makkah Royal Clock Tower, Mecca, Saudi Arabia	601	120
Ahuja Towers, Mumbai	248.5	54	Ping An Finance Centre, China	599	115
L&T Crescent Bay 1, Mumbai	245	64	Lotte World Tower, South Korea	554.5	123

Observation: This vast gap between the tallest Indian and global standards indicates an operating headroom that could make Indian super high-rises even taller, growing the segment in which a company like Capacit'e has selected to specialise in.

5 tallest Capacit'e super high rises in progress/completed	Height (m)
Trump Tower	279
Piramal	266
Four Seasons	239
Auris Serenity	220
One Altmount	206

Evolving construction technologies

Drones: Autonomous drones are being used to digitally map out hazardous construction sites for higher accuracy. This results in fewer errors and a reduction in timeline from months to days (even hours in some cases).

Modular construction: The use of standardised processes to assemble as much as possible off site before the project commences on-site has helped reduce cost and lead time.

Building information modelling: BIM technology allows designers to produce 3D mock-ups of a planned structure to compare costs of different techniques and materials used.

Virtual reality / augmented reality: This technology allows workers to visualise what they are learning instead of just reading. It makes worksites safer through informed design decisions.

Prefabricated construction: This technology assembles components of a structure at a manufacturing site and transports to the construction jobsite to be assembled, reducing the cycle time from design to completion.

Government incentives for the real estate sector

Allocation of ₹5.97 trillion for India's infrastructure in Union Budget 2018.

Classification of affordable housing under 'Infrastructure'.

To boost demand in the real estate sector, the GST Council has slashed tax rates for flats under-construction of flats to 5 % and affordable homes to 1%, effective April 01, 2019.

Rollover of capital gains allowed for two houses as a one-time benefit of less than or equal to ₹2 crore.

Exemptions of tax for unsold inventories extended from one year to two years.

Section 801A benefits extended for one more year for affordable housing projects approved by March 31, 2020.

Allocations of Pradhan Mantri Awaas Yojana decreased by 13% in the revised estimates for 2018-19 and by another 5% in 2019.

5 key sectoral reforms

RERA: Aims at increasing transparency and accountability

Impact: Of the total 35 states and Union Territories, more than 55% had no appellate tribunals.

GST: Replaced the multi-layered taxation system with a unified tax economy.

Impact: Implementation of the GST generated mixed responses from the real estate sector.

Ind AS 115: Directed the realty firms to shift from the percentage completion method to project completion method.

Impact: The change is expected to have cause some short-term inconvenience until developers get comfortable with the new standard.

Insolvency and Bankruptcy Code: Instils urgency among stakeholders to resolve bad loans that have affected banks.

Impact: At the end of 2017, developers accounted for US$20 billion worth of stressed bank loans.

REITs: Aims at providing avenues for fundraising and alternative investments.

Impact: More than 20 billion worth of REIT-able office stocks, remains underutilised.
(Source: KPMG)

Super high-rise segment

The shortage of urban space is encouraging developers to build upwards. The rising cost of land and rising per floor building cost has created an incentive to build taller to spread the land cost over a larger number of floors.

In major cities that find themselves adjacent to agricultural land, there is a restriction on random expansion and urban sprawl. Therefore, as the expansion of the city hits this external boundary, going upwards has emerged as a possible option.

The 'going higher' phenomenon is driving a significant proportion of the high-rise market, particularly in the Middle East and Asia, with seven of the world's ten tallest buildings being in these locations. Of all high-rise buildings completed in 2016, 84% were in Asia, where these structures were positioned around pride, progress and premiumness.

Growth drivers

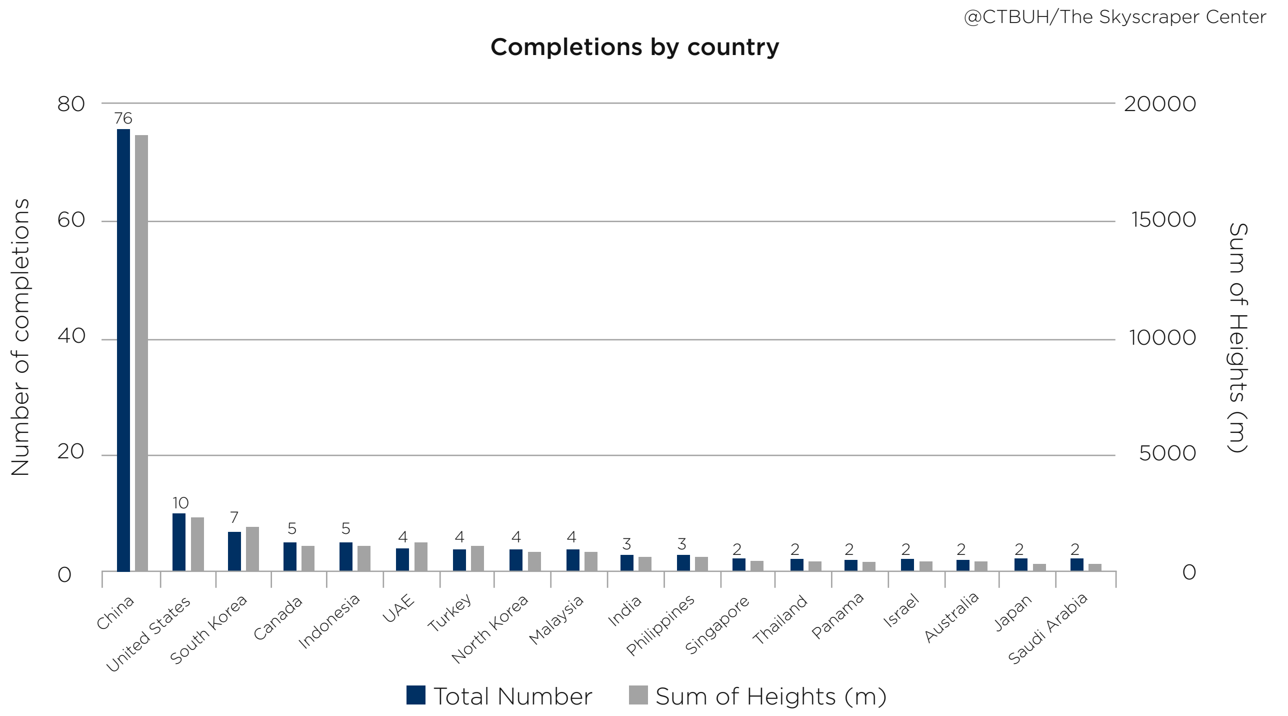
The growth of the super high-rise segment has been driven by a number of catalysts.

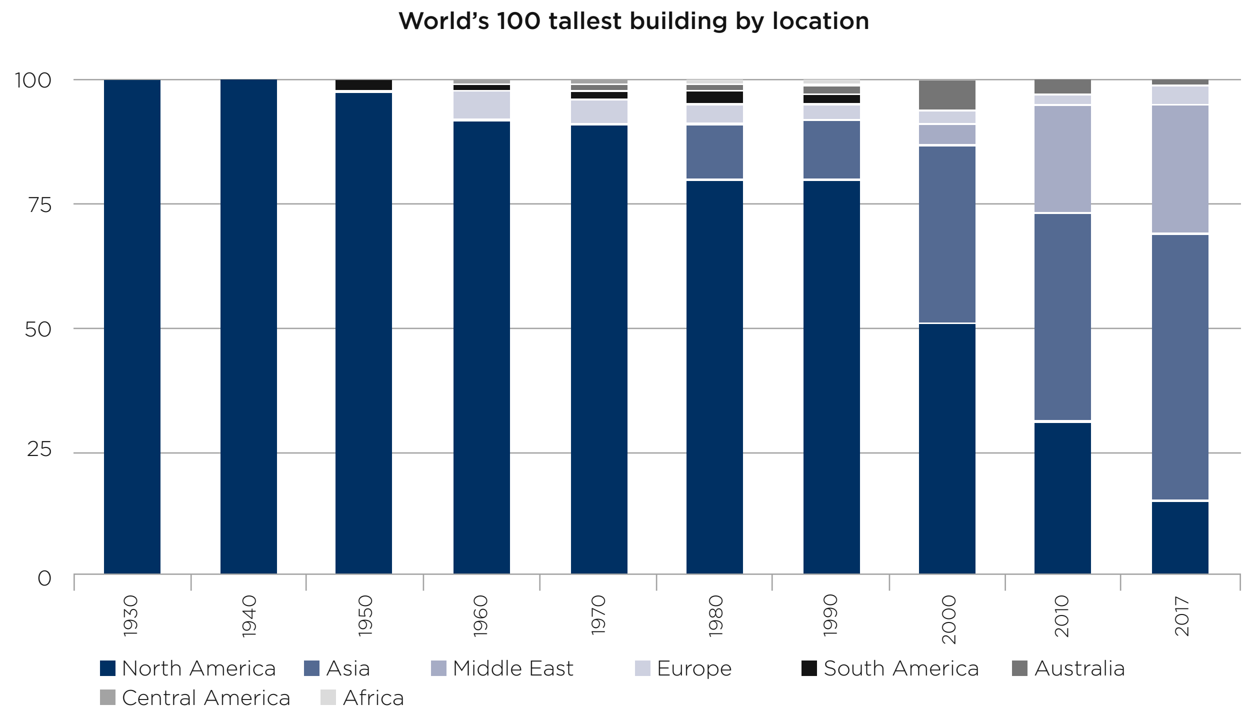
Rising wealth: India's GDP growth rate is the fastest in the world among major economies. In 2017, India had 119 billionaires, 20,730 multi-millionaires with $10 million-and-above wealth and 330,400 high net worth individuals with $1 million and above, catalysing the demand for super high-rise apartments.

Growing urbanisation: Urbanisation is one of the major factors behind the growth of the housing sector. As migration from rural areas to cities continues due to reasons such as better job opportunities and education, India's rate of growth of urbanisation, 33.2% in 2018 is expected to reach 36.2% by 2025 *(Source: Worldometers)*. As an extension, India's urban population is expected to reach 543 million by 2025 from 461 million estimated in 2018.

Easier financing: The availability of home financing proved to be an effective catalyst for residential demand across all ticket sizes. Home loans in India were expected to grow 17-19% in FY19. *(Source: ICRA)*

Growing nuclear families: Family nuclearisation is expected to add about 6-7 million households per year, strengthening the demand for super high-rises.





The distribution of the world's 100 tallest buildings broadly reflects that of the wider set of 200 meter-plus buildings worldwide. Asia leads with 54, followed by the Middle East with 26, North America with 15, and Europe with four.

(Source: CTBUH, WEFORUM, Line Sight)

Geographies

Mumbai: The total estimated new residential units stood at ~74,360 across India's top-eight cities, with Mumbai constituting ~31%. Mumbai has the maximum number of approved or under construction high-rises - around 71 buildings, ranging between 150 metres and 450 metres. Barring six, the rest are residential. To create more residential avenues, the Maharashtra State Government has introduced a new rule under the Development Control Regulations. Under it, plots measuring more than 2,125 square metres will be allowed to build more vertically. According to the new regulation, the Municipal Corporation of Greater Mumbai will calculate the development potential of a plot on its gross area, without deducting the area reserved for recreational ground. The developers will now be able to construct more apartments in a building with a proportionate increase in the open spaces in the building. This will result in builders developing more in the designated floor space index.

The Development Control and Promotions Regulation 2034 will allow all under-construction and ongoing projects across Mumbai to be built higher than what was approved under the earlier Development Control Regulations, 1991. Under the Development Control and Promotions Regulation 2034, the maximum floor space index in the city is 3, up from 1.33 under the old rules. *(Source: Hindustan Times, Cushman & Wakefield)*

NCR: In 2018, Delhi-NCR saw a rise of 8% year-on-year in sales of 40,643 residential units owing to a rise in new launches and a renewed confidence in the market. In 2018, Delhi's office market recorded gross absorption of 770,000 sq ft while Gurugram witnessed a gross absorption of 5.4 million sq ft. Noida's office market witnessed record leasing activity in 2018 at 3.9 million sq ft. Across NCR, IT-ITeS sector accounted for 24.1% of total leasing followed by the banking, finance and insurance services (BFSI) sector with 16.7% and engineering and manufacturing which accounted for about 15.1% of total leasing. The permissible FSI is between 1.2 and 3.5, as per the Delhi Master Plan 2021. However, it encourages higher FSI and height along 500m on both sides from the centre line of MRTS/ major transport corridor earmarked as influenced zone. Redevelopment projects are also granted a maximum FSI value of 4. For residential plots in NCR, the FSI decreases as the plot size increases.*(Source: The Hindu, Economic Times, housing.com)*

Bengaluru: In 2018, Bengaluru's housing sales rose by 27% at 43,775 units. The city has adopted TOD regulations for plots abutting 60m or more road width and within 150m radius of any transit hub, giving an additional FSI of 0.5 over and above normally permissible FSI. There was no difference in FSI variation in residential and commercial plots. The maximum FSI including the additional FSI in TOD zone can be achieved maximum up to four.
(Source: The Hindu, Economic Times, housing.com)

Outlook

Real estate sector in India is expected to reach a market size of US$ 1 trillion by 2030 and contribute 13% of the country's GDP by 2025 while generating employment opportunities for over 66 million people. Private equity investments are estimated to grow to USD 100 billion by 2026 with tier 1 and 2 cities benefiting the most. Office space leasing in the top eight cities is expected to cross 100 million square feet during 2018-20.The size of India's construction industry is expected to be USD 1 trillion by 2025 and potentially the world's third largest construction market with its contribution to GDP increasing to 15% by 2030. The industry is poised to become the largest employer by 2022, employing more than 75 million people.

Company overview

Capacit'e Infraprojects Limited was established in 2012. The Company is headquartered in Mumbai and extended its footprint beyond Mumbai Metropolitan Region (MMR) to Pune, National Capital Region, Varanasi, Bengaluru, Chennai, Kochi and Vijayawada, among others.

Capacit'e provides end-to-end construction services for high rise and super high rise buildings, townships, mass housing, etc. in residential spaces, office complexes, IT & ITES parks in the commercial space and hospitality, healthcare facilities, industrial buildings, MLCPs in the institutional space.

Capacit'e has emerged as a marquee contractor in the building space. The Company's focus on buildings, technologies, assets and experience enabled it to emerge as a respected player. The Company worked with most major real estate developers including Oberoi Realty, Piramal Realty, Kalpataru Group, TATA Trust, Saifee Burhani Upliftment Trust, The Wadhwa Group, Raymond Group, K Raheja Group, Godrej Properties, Rustomjee, Brookfield, Prestige Group, Brigade Group, Puravankara Projects, Sheth Creators, Furien, Market City, MHADA, MCGM and BSNL, among others.

Financial analysis, FY2018-19

Capacit'e Infraprojects Limited followed the accrual basis of accounting under the historical cost convention. Its accounts were prepared on the basis of accounting standards as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014.

Balance Sheet

- Net worth increased to ₹843.12 Crore as on March 31, 2019 compared to ₹749.48 Crore as on March 31, 2018
- Borrowings for FY2018-19 stood at ₹273.56 Crore compared to ₹238.93 Crore during FY2017-18
- Total non-current assets for FY2018-19 stood at ₹725.83 Crore compared to ₹541.44 Crore in FY2017-18

Profit & Loss statement

- Revenues increased 34% from ₹1,360 Crore in FY2017-18 to ₹1,824.50 Crore in FY2018-19
- EBITDA increased from ₹227.67 Crore in FY 2017-18 compared to ₹285.37 Crore in FY2018-19.
- Profit after tax increased 21.38% from ₹78.74 Crore in FY2017-18 to ₹95.58 Crore in FY2018-19
- Gross profit margin increased by 1,395 bps from 14.25% in FY2017-18 to 28.02 % in FY2018-19
- Total expenses for FY2018-19 stood at ₹1,677.24 Crore compared to ₹1,239.30 Crore in FY2017-18
- Depreciation and amortisation stood at ₹88.99 Crore in FY2018-19 compared to ₹67.22 Crore in FY2017-18

Working capital management

- Current assets as on March 31, 2019 stood at ₹1324.18 Crore compared to ₹1,192.23 Crore as on March 31, 2018
- Current ratio as on March 31, 2019 stood at 1.36 compared to 1.50 as on March 31, 2018
- Inventories decreased from ₹215.55 Crore as on March 31, 2018 to ₹91.05 Crore as on March 31, 2019.
- Short-term loans and advances dropped to ₹28.90 Crore in FY2018-19 compared to ₹40.23 Crore in FY2017-18.
- Current liabilities stood at ₹972.16 Crore as on March 31, 2019 compared to ₹792.32 Crore as on March 31, 2018.
- Cash and bank balances stood at ₹193.05 Crore as on March 31, 2019 compared to ₹323.72 Crore as on March 31, 2018.

Key ratios

Particulars	FY2018-19	FY2017-18
EBIDTA/Turnover	15.64%	16.74%
EBIDTA/Net interest	17.21%	17.46%
Debt-equity ratio	0.32	0.32
Return on equity (%)	11.34%	10.51%
Book value per share (₹)	10	10
Earnings per share (₹)	14.08	13.71

Follows of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations:

Debtors' turnover: The Company's debtors' turnover stood at 121 days in FY2018-19 as compared to 122 days in FY2017-18. The Company was able to maintain similar debtors' level despite a challenging industry environment.

Inventory turnover: Inventory turnover improved to 55 days FY2018-19 compared to 58 days FY2017-18 because of standardisation of inventory management processes and also because of reduction in number of project sites

Interest coverage ratio: The Company's interest coverage ratio stood at 7.53 in FY2018-19 against 7.33 in FY2017-18. This was because of increase in turnover without a corresponding increase in an debt.

Current ratio: The Company's current ratio stood at 1.36 in FY2018-19 compared to 1.50 in the previous year

Operating profit: The operating profit of the Company stood at ₹285.37 Crore in FY2018-19 compared to ₹227.67 Crore in FY2017-18, because of the overall growth in business

Net profit: The net profit margins stood at ₹95.58 Crore in FY2018-19 as compared to ₹78.74 Crore in FY2017-18 as a result of higher execution, resulting in an increase in turnover.

Return on net worth: The return on net worth improved by 136 bps to 17.59% as a result of efficient deployment of capital, higher asset turnover and improved profitability.

Industrial relations

The industrial relations of the Company during FY2018-19 were cordial. The Directors wish to express their sincere gratitude and appreciation for the devoted services of all employees and workers on record.

Internal control systems and their adequacy

The Company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The Audit Committee reviews reports presented by the internal auditors on a routine basis. The Committee makes note of the audit observations and takes corrective actions, if necessary. It maintains a constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Cautionary statement

The management discussion and analysis report containing your Company's objectives, projections, estimates and expectation may consist of certain statements which are forward-looking within the meaning of applicable laws and regulations. The statements in this Management Discussion and Analysis Report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operation include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the Company conducts business and other incidental factors.

Report on Corporate Governance

The Board of Directors of the Company present the Company's Report on Corporate Governance for the year ended March 31, 2019 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

1. Corporate Governance Philosophy:

The Company endeavors not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholders' value. The Company has professionals on its Board who are actively involved in the deliberations of the Board on all important policy matters. Your Company has adopted various codes and policies to carry out duties and functions in a most ethical and compliant manner and some of them are:

i. Vigil mechanism policy;

ii. Policy for consideration and approval of related party transactions;

iii. Code of conduct for Regulating, Monitoring and Reporting of Insider Trading;

iv. Policy for determining material subsidiaries;

v. Code of practices and procedures for fair disclosure of unpublished price sensitive information;

vi. Corporate social responsibility policy;

vii. Risk management policy;

viii. Policy for determination of materiality of event/ information;

ix. Archival policy; and

x. Policy on preservation of documents.

xi. Familarisation Programme for Independent Directors

2. Meetings of the Board of Directors:

The Board meeting is conducted at least once in every quarter to discuss the performance of the Company and its Quarterly Financial Results, along with other Corporate matters. The Board also meets to consider other business(es), whenever required, from time to time. Agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereto are drafted and circulated to the Board of Directors of the Company. The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under Part A of Schedule II of Regulation 17(7) of the Listing Regulations. Every Board Member is free to suggest the inclusion of any item on the agenda and hold due discussions thereto.

Our Board has Eight Directors, headed by the Chairman who is an Independent Director. Further, your Company has three Independent Directors on the Board, in addition to three Executive Directors and two Non-Executive Directors. In compliance with the provisions of the Act at least two-third of our Directors, other than our Independent Directors, are liable to retire by rotation.

The Board of Directors met 7 times during the year 2018 - 19:

May 18, 2018	July 30, 2018	August 09, 2018	September 29, 2018
November 03, 2018	February 04, 2019	March 22, 2019	

Name of Other listed entities where Directors of the Company are Director and the category of Directorship:

Sr. No.	Name of Director	Name of listed entities in which the concerned Director is a Director	Category of Directorship
1.	Mr. Suryakant Balkrishna Mainak	Gloster Limited Himadri Speciality Chemical Limited The Investment Trust of India Limited Care Ratings Limited	Independent Director

The composition of the Board of Directors, their attendance at Board meeting, last Annual General Meeting, number of other Directorship, committee membership and Chairmanship are as under:

Name of Director	Category	No. of Board Meeting Attended	Attendance at Last AGM held on 03.09.2018	Directorship in Other Public Companies	No. of Committee Positions held in Other Public Companies
Mr. Suryakant Balkrishna Mainak (DIN: 02531129)	Chairman and Non- Executive Independent Director	7	Yes	7	7
Mr. Rahul R. Katyal (DIN: 00253046)	Managing Director	7	Yes	Nil	Nil
Mr. Subir Malhotra (DIN:05190208)	Executive Director	4	Yes	Nil	Nil
Mr. Rohit R. Katyal (DIN: 00252944)	Executive Director & Chief Financial Officer	7	Yes	Nil	Nil
Mr. Sumeet S. Nindrajog (DIN: 00182873)	Non-Executive Non Independent Director	5	No	1	Nil
Mr. Siddharth D. Parekh (DIN: 06945508)	Non-Executive Non Independent Director	5	Yes	1	Nil
Ms. Farah Nathani Menzies (DIN: 06610782)	Independent Director	5	No	Nil	Nil
Mr. Arun Vishnu Karambelkar (w.e.f. May 18, 2018) (DIN: 02151606)	Independent Director	5	Yes	1	Nil

Notes:

#In accordance with Regulation 26 of the Listing Regulations, Chairmanships / Memberships of Board Committees include only Audit Committee, and Stakeholders' Relationship Committee of public limited companies (listed & Unlisted) only.

None of the Directors are related to each other except Mr. Rahul R. Katyal and Mr. Rohit R. Katyal who are brothers.

None of the Directors on the Board serve as an Independent Director in more than seven listed companies. Further, there are no Directors on the Board of the Company, who serve as Wholetime Directors with any listed company.

No Director is a member of more than ten Committees or acts as the Chairman of more than five Committees across all companies in which he or she is a member.

None of the Non-Executive Directors hold shares of the Company.

Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

Board hereby confirms that the Independent Directors fulfill the conditions specified in regulations and are independent of the Management.

List of core skills/expertise/competencies identified by Board of Directors as required in the context of its business(es) and sectors for an effecient functioning and those actually available with the Board:

Board hereby confirms that Current Composition of Board has suitable Independent Directors who hold required skills Qualificaitons and expertise, that fulfill the Conditions specified in SEBI (LODR) Regulations, 2015 which enable Board to take efficient Decision Making and further Board hereby state Independent Directors are not connected with management.

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided.

During Current year no Independent Director has resigned before the expiry of his tenure.

Independent Directors' Meeting:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Act, a meeting of Independent Directors was held on March 22, 2019 without the attendance of Non-Independent Directors and members of the Management.

3. Audit Committee:

The Audit Committee of the Company is duly constituted as per Regulation 18 of Listing Regulations, read with the provisions of Section 177 of the Act. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company.

The Composition and terms of reference of Audit Committee is in compliance with the section 177 of the Act and rules made thereunder and relevant clauses of Listing Regulations. During financial year 2018-19 the Audit Committee met on 5 times.

The details of composition of members and attendance at the Audit Committee are as follows:

Name of the Members	Designation in the Committee	Directorship	Particulars of attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Suryakant Balkrishna Mainak	Chairperson	Non-Executive Independent Director	5	5
Farah Nathani Menzies	Member	Non-Executive Independent Director	5	5
Sumeet S. Nindrajog	Member	Non – Executive Non Independent Director	5	5

All the members of the Audit Committee are financially literate and possess necessary expertise in finance, accounting.The Company Secretary is the Secretary of the Committee. Chief Financial Officer and Statutory Auditors are also invited to attended the Meetings.

Dates on which Meetings of Audit Committee was held during Financial Year 2018-19

May 18, 2018	August 09, 2018	November 02, 2018
February 04, 2019	March 22, 2019	

Terms of Reference:

The terms of reference of the Audit Committee has been reviewed by the Board of Directors at its meeting held on March 22, 2019, which covers the areas mentioned in Section 177 of the Act and Regulation 18 with Part C of Schedule II to the Listing Regulations

The role of the audit committee shall include the following:

(i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;

(b) changes, if any, in accounting policies and practices and reasons for the same;

(c) major accounting entries involving estimates based on the exercise of judgment by management;

(d) significant adjustments made in the financial statements arising out of audit findings;

(e) compliance with listing and other legal requirements relating to financial statements;

(f) disclosure of any related party transactions; and

(g) modified opinion(s) in the draft audit report.

(v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(vii) Reviewing and monitoring the auditor's independence, performance and effectiveness of audit process;

(viii) Approval or any subsequent modification of transactions of the Company with related parties;

(ix) Scrutiny of inter-corporate loans and investments;

(x) Valuation of undertakings or assets of the Company, wherever it is necessary;

(xi) Evaluation of internal financial controls and risk management systems;

(xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xiv) Discussion with internal auditors of any significant findings and follow up there on;

(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xviii) To review the functioning of the vigil mechanism;

(xix) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate; and

(xx) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

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

Further, the Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;

4. internal audit reports relating to internal control weaknesses; and
5. appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. statement of deviations:
   a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
   b. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

4. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of Listing Regulations read with the provisions of Section 178 of the Act. The Nomination and Remuneration Committee recommends the nomination of Directors, and carries out evaluation of performance of individual Directors.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration and for performance evaluation of Independent Directors. During financial year 2018-19, the Nomination and Remuneration Committee met 2 times.

The details of composition of members and attendance at the Nomination and Remuneration Committee are as follows:

Name of the Member	Designation in the Committee	Directorship	Particulars of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Farah Nathani Menzies	Chairperson	Non-Executive Independent Director	2	1
Suryakant Balkrishna Mainak	Member	Non-Executive Independent Director	2	2
Sumeet S. Nindrajog	Member	Non-Executive Non Independent Director	2	2

Meetings of Nomination and Remuneration Committee during Financial Year 2018-19:

May 18, 2018	November 3, 2018

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee (NRC) has been reviewed by the Board of Directors at its meeting held on March 22, 2019, which covers the areas mentioned in Section 178 of the Act and Regulation 19 with Part D(A) of Schedule II to the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee are as follows:

(i) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(ii) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(iii) devising a policy on diversity of board of directors;

(iv) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal; and

(v) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(vi) Recommend to the board, all remuneration, in whatever form, payable to Senior management.

Performance evaluation of Independent Directors:

In compliance with Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Board of Directors has formulated criteria for evaluation of the Company's Independent Directors' performance. The performance evaluation of Independent Directors is carried out on the basis of their role and responsibilities, effective participation in the Board and Committee meetings, expertise, skills and exercise of independent judgment in major decisions of the Company.

The Company also conducts familiarisation programme for Independent Directors covering business overview, project site visits, operational updates & such other matters Which can be accesed at the website of the Company.

5. Remuneration of Directors:

a) All Pecuniary relationship or transactions of the Non- Executive Directors:

There is no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company. The Independent Directors of the Company are paid sitting fees, due to their responsibilities, and professional expertise and knowledge they bring across. The details of remuneration during the financial year are as under:

(Amount in ₹)

Particulars	Mr. Suryakant Balkrishna Mainak Independent Director	Ms. Farah Nathani Menzies Independent Director	Mr. Arun Vishnu Karambelkar Independent Director
Sitting fees for the Board Meetings	2,70,000	1,90,000	1,90,000
Sitting fees the Committee Meetings	80,000	65,000	50,000
Commission (2018-19) payable in FY 2019-20	3,00,000	3,00,000	3,00,000
Others, please specify	-	-	-
Total	**6,50,000**	**5,55,000**	**5,40,000**

b) Managing Director & Executive Directors:

During the year, Company has paid remuneration to its Executive Directors by way of salary and perquisites, within the limits stipulated under the Act and as per the approval sought from the shareholders of the Company. The details of remuneration paid to the Executive Directors of the Company during the Financial year 2018-19 are as under:

Name	Designation	Gross Remuneration (in ₹)				
		Basic Salary	Contribution to Provident Fund	Perquisites	Variable	Total
Mr. Rohit R. Katyal	Whole-time Director & CFO	97,20,000	NA	-	-	97,20,000
Mr. Rahul R. Katyal	Managing Director	94,20,000	NA	-	-	94,20,000
Mr. Subir Malhotra	Whole-time Executive Director	86,19,996	NA	-	-	86,19,996

The performance criteria of the above-mentioned Directors are laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company.

6. Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee of the Board was constituted in compliance with the provisions of Section 178 of the Act and Regulation 20 of Listing Regulations. This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors. The Committee oversees the performance of the Registrar and Share Transfer Agents of the Company relating to investor services and recommends measures for improvement.

The details of composition of members and attendance at the Stakeholders Relationship Committee are as follows:

Name of the Member	Designation in the Committee	Directorship	Particulars of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Sumeet S. Nindrajog	Chairperson	Non-Executive Non Independent Director	1	0
Rohit R. Katyal	Member	Executive Director and Chief Financial Officer	1	1
Suryakant Balkrishna Mainak	Member	Non - Executive Independent Director	1	1

During financial year 2018-19, the Stakeholders Relationship Committee was held on March 22, 2019.

Terms of Reference:

The terms of reference of the Stakeholders Relationship Committee (SRC) has been reviewed by the Board of Directors at its meeting held on March 22, 2019, which covers the areas mentioned in Section 178(5) of the Act and Regulation 20 with Part D(B) of Schedule II to the Listing Regulations

The terms of reference of SRC, inter-alia are as follows:

(i) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(ii) Review of measures taken for effective exercise of voting rights by shareholders.

(iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Investor Grievance Redressal:

The details of investor complaints received / redressed to the satisfaction of investors during the financial year are as under:

Complaints as on April 01, 2018	Received during the year	Resolved during the year	Pending as on March 31, 2019
Nil	8	8	Nil

7. Risk Management Committee:

The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of the Listing Regulations.

The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the Risk Management Plan for the Company.The Committee is responsible for reviewing the Risk Management Plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The composition of the Risk Management Committee and the details of the meetings attended by its members during the financial year are as under:

Name of the Member	Designation in the Committee	Directorship	Particulars of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Rahul R. Katyal	Chairman	Managing Director	1	1
Rohit R. Katyal	Member	Executive Director and Chief Financial Officer	1	1
Subir Malhotra	Member	Executive Director	1	1
Sumeet S. Nindrajog	Member	Non - Executive Non Independent Director	1	0
Suryakant Balkrishna Mainak	Member	Non-Executive Independent Director	1	1
Arun Vishnu Karambelkar	Member	Non-Executive Independent Director	1	1

During financial year 2018-19, the meeting of Risk Management Committee was held on March 22, 2019.

Terms of Reference:

The terms of reference of the Risk Management Committee are as follows:

(i) framing, implementing, reviewing and monitoring the risk management plan for the Company;

(ii) laying down risk assessment and minimisation procedures and the procedures to inform Board of the same;

(iii) oversight of the risk management policy/ enterprise risk management framework (identification, impact assessment, monitoring, mitigation and reporting);

(iv) review key strategic risks at domestic/international, macro-economic & sectoral level (including market, competition, political and reputational issues);

(v) review significant operational risks; and

(vi) performing such other activities as may be delegated by the Board of Directors or specified/ provided under the Act and the rules made thereunder, as amended, or by the Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

8. Corporate Social Responsibility Committee:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

The composition of the CSR Committee and the details of the meetings attended by its members during the financial year are as under:

Name of the Member	Designation in the Committee	Directorship	Particulars of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Rohit R. Katyal	Chairman	Executive Director and Chief Financial Officer	2	2
Sumeet S. Nindrajog	Member	Non - Executive Non Independent Director	2	2
Farah Nathani Menzies	Member	Non-Executive Independent Director	2	2
Suryakant Balkrishna Mainak	Member	Non-Executive Independent Director	2	2
Sai Kedar Katkar	Secretary	Company Secretary	2	2

During financial year 2018-19, the meeting of CSR Committee was held on August 09, 2018 and February 04, 2019.

Terms of Reference:

The terms of reference of the CSR Committee are:

(i) recommend the CSR Policy to the Board;

(ii) identify suitable projects/activities which may be undertaken by the Company for CSR

(iii) recommend to the Board CSR Activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;

(iv) monitor the CSR Policy of the Company from time to time;

(v) ensure compliance of CSR Policy and the Rules;

(vi) such other functions as may be delegated and/or assigned by the Board from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at www.capacite.in

The Annual Report on CSR activities for the financial year 2018-19 forms part of the Board's Report.

9. Other Committees of the Board:

In addition to committees of the Board in accordance with the Listing Regulations mentioned above, the Finance committee has been constituted by our Board: to take care of day-to-day operational, banking & finance, project related requirements.

10. General Body Meetings:

The details of Annual General Meetings convened during the last three years are as follows:

Financial Year	Venue	Date, Day & Time	Special Resolution passed
2017-2018	Emerald Hall, The Acres Club, 411-B, Opp. Bhakti Bhawan, Hemu Kalani Marg, Chembue East, Mumbai – 400071	September 03, 2018, Monday at 11.30 A.M.	Alteration of Articles of Association of the Company
2016-2017	605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Mumbai 400 071, Maharashtra, India;	June 30, 2017, Friday at 10:00 A.M.	Nil
2015-2016	605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Mumbai 400 071, Maharashtra, India;	September 30, 2016 Friday at 11:00 A.M.	Nil

No Extra-Ordinary General Meeting was held in the Financial Year under review.

Details of special resolutions passed through Postal Ballots:

During the year 2018-19, no Special Resolution has been passed by conducting Postal Ballot. There is no special resolution proposed to be passed by way of Postal Ballot till the date of ensuing Annual General Meeting of the Company.

11. Means of Communication

Quarterly Results	The Company communicates to the Stock Exchanges about the quarterly financial results within 30 minutes after the Board approves the same. The results are usually published in (Business Standard) English newspaper having country-wide circulation and in (Tarun Bharat) Mararthi newspaper. These results are also available on the Company's website www.capacite.in
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and the Act are being posted at Company's website: www.capacite.in
The official news, releases and presentations to the institutional investors or analysts, if made are disseminated to the Stock Exchange at www.nseindia.com and www.bseindia.com and the same is also uploaded on the website of the Company www.capacite.in within time stipulated under relevant regulations.	
Designated E-mail address for investor services	To serve the investors better and as required under Listing Regulations, the designated e-mail address for investors complaints is compliance@capacite.in

12. General Shareholder Information:

I	AGM date, time and venue	Date : August 28, 2019, Time: 11.30 A.M. Venue: Grand Hall, the Acres Club, 411-B, Opp. Bhakti Bhawan, Hemu Kalani Marg, Chembur East, Mumbai – 400071
II	Financial Year	April 2018 to March 2019
III	Book Closure Date	August 22, 2019 to August 28, 2019 (Both days inclusive).
IV	Dividend Payment	Within 30 days from the date of the approval by members during Annual General Meeting
V	Registered Office	605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Mumbai 400 071, Maharashtra, India
VI	Corporate Office	605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Mumbai 400 071, Maharashtra, India
VII	Name and Address of Stock Exchanges where Company's securities are listed	i) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 540710 ii) National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Trading Symbol – CAPACITE
VIII	Listing fees	Payment of the Annual Listing fees for the financial year 2019-20 is made to BSE Limited and National Stock Exchange of India Limited within prescribed time.
IX	Share Registrar and Transfer Agents	Karvy Fintech Private Limited Add: Karvy Selenium Tower B, Plot no. 31 & 32 Financial District Nanakramguda Serilingampally Mandal Hyderabad – 500032 Tel No.: +91-40-67162222 Fax No.: +91-40-23420814 Investor query registration: support@karvy.com subrahmanyam.mrv@karvy.com
X	Company Secretary & Compliance Officer	Ms. Sai Kedar Katkar

The Company has paid Listing Fees for the financial year 2019 - 20 to each of the Stock Exchanges, where the equity shares of the Company are listed.

XI. Market Price Data:

The high and low share prices and volumes at BSE and NSE for the financial year 2018-19 are as under:

Month	NSE			BSE		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
Apr-18	367.55	308.85	49,88,518	365.65	309.40	4,87,583
May-18	354.75	273.75	57,40,840	353.60	273.50	6,59,886
Jun-18	302.95	262.85	41,87,920	303.50	262.85	5,62,122
Jul-18	278.75	252.35	16,90,416	278.30	253.30	2,26,973
Aug-18	288.35	263.75	28,13,544	288.05	264.10	3,70,585
Sep-18	268.00	220.20	17,04,031	268.20	217.80	2,67,811
Oct-18	214.20	178.05	11,62,351	213.60	176.85	2,09,077
Nov-18	241.95	209.70	10,34,982	241.70	209.00	1,00,105
Dec-18	260.75	233.65	5,12,346	260.85	232.85	73,613
Jan-19	251.25	205.70	8,91,780	249.85	203.70	2,01,934
Feb-19	218.40	190.65	6,74,841	217.60	190.15	1,44,497
Mar-19	242.35	219.30	15,15,075	245.85	217.50	2,72,644

Period	NSE (₹)		SENSEX (₹)		BSE (₹)		NIFTY (₹)	
	High	Low	High	Low	High	Low	High	Low
From April 01, 2018 to March 31, 2019	367.55	178.05	38,896.63	33,019.07	365.65	176.85	11,738.50	10,030.00

[Source: This information is compiled from the data available on the websites of BSE and NSE]

XII. Registrar and Share Transfer Agent:

Nomination Facility:

Shareholders who hold shares in physical form and wish to make/ change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit request to Registrar and Transfer Agent (RTA) the prescribed Forms SH-13/SH-14.

Share Transfer System:

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent. For lodgment of transfer deeds and any other documents or for any grievances/complaints, kindly contact any of the offices of Karvy Fintech Limited which are open from 10.00 a.m. to 3.30 p.m. between Monday to Friday (except on bank holidays).

Share Transfer Physical System:

Shares in physical form should be lodged for transfer at the office of the Company's Registrar & Transfer Agent, Karvy Fintech Limited at their branch offices at the addresses mentioned in the Corporate Information. The transfers are processed, if technically found to be in order and complete in all respects.

As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialised form. Effective April 01, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can relodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialisation of shares will continue to be accepted.

Dematerialisation of Shares and Liquidity:

The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerialisation the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialised, and an electronic credit of shares is given in the account of the Shareholder.

XIII. Distribution of Shareholding:

Distribution of shareholding of shares of your Company as on March 31, 2019 is as follows:

Sr. No.	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1.	1 - 5000	51993	99.56	67,01,440	9.87
2.	5001 - 10000	99	0.19	7,31,555	1.08
3.	10001 - 20000	44	0.08	6,32,747	0.93
4.	20001 - 30000	23	0.04	5,68,805	0.84
5.	30001 - 40000	11	0.02	3,77,907	0.56
6.	40001 - 50000	5	0.01	2,16,286	0.32
7.	50001 - 100000	12	0.02	8,54,270	1.26
8.	100001 and above	36	0.07	5,78,08,487	85.15
	TOTAL:	**52223**	**100.00**	**6,78,91,497**	**100.00**

XIV. Catagory of Shareholding:

Distribution of shareholding of shares of your Company as on March 31, 2019 is as follows:

Category	No. of Shareholders	Total number of shares held	% of total Equity
Promoter & Promoter Group	7	29,728,846	43.79
Bodies Corporates	363	91,29,913	13.45
Resident individuals	51121	95,59,749	14.09
Funds	1	60,36,303	8.89
Alternative Investment Fund	13	43,79,580	6.45
Foreign Portfolio Investors	28	51,57,470	7.60
Mutual Funds	4	31,62,811	4,66
Non- Resident Indians	457	3,60,311	0.53
Banks/ Financial Institutional	3	2,67,591	0.39
Clearing Members	51	38,728	0.06
Non-Resident Indian Non Repatriable	170	68,376	0.10
NBFC	2	576	0.00
Foreign Nationals	3	1,249	0.00
TOTAL	**52,223**	**6,78,91,497**	**100.00**

XV. Dematerialisation of Shares and Liquidity:

The Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialisation of shares and the same are available in electronic segment under ISIN INE264T01014. As on March 31, 2019, 6,78,91,490 Equity Shares out of 6,78,91,490 Equity Shares were in electronic form. The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensure the necessary liquidity to shareholders.

Physical/ Demat Shares as on March 31, 2019	No. of Shares	% of Total Issued Capital
Shares held in dematerialised form in CDSL	3,40,74,461	50.19
Shares held in dematerialised form in NSDL	3,38,17,029	49.81
No. of Physical Shares	7	0.00
Total	**6,78,91,497**	**100.00**

XVI. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:

There are no GDR/ ADR/ Warrants or any Convertible Instruments pending conversion or any other instruments which can have an impact on the equity share capital of the Company.

XVII. Foreign Exchange risk and Hedging activities:

The Company has taken suitable steps from time to time for protecting it against foreign exchange risk(s). The Company does not enter into hedging activities.

XVIII. Address for Correspondence

Company's Registrar and Share Transfer Agent Address:	Registered Office Address:
Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, Telangana, India Tel: 040-67162222, 040-33211000 Fax: 040-23420814 Email: support@karvyfintech.com Website: www.karvyfintech.com	605-607, Shrikant Chambers, Phase – I, 6th Floor, Adjacent to R K Studios, Sion-Trombay Road, Mumbai – 400 071, Maharashtra, India Tel: +91- 22- 71733717, Fax: +91- 22- 71733733 Website: www.capacite.in Email: compliance@capacite.in

XIX. Green Initiative:
Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address registered with the Depository Participant (DPs) and Registrar and Transfer Agent (RTA).

Shareholders who have not registered their e-mail addresses so far are requested to do the same.

Those holding shares in demat form can register their e-mail address with their concerned DPs.

Shareholders who hold shares in physical form are requested to register their e-mail addresses with RTA, by sending a letter, duly signed by the first/joint holder quoting details of Folio Number.

13. Other Disclosures:

A. Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of the Company:
During the year, the Company entered into agreements / contracts with its Group Companies with the prior approval granted by the Audit Committee and Board of Directors at their respective meetings. All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and at an arm's length basis.

During the year, the Company had not entered into any contract/ arrangement / transaction with related parties, which could be considered material in accordance with the policy of the Company on materiality of related party transactions. None of the transactions with any of related parties were in conflict with the Company's interest.

B. Details of Non-Compliance/s, if any, by the Company, Penalties imposed on the Company by Stock Exchange(s) or any Statutory Authority, on any matter related to Capital Markets during the last three years:
There are no such instances of non-compliance by the Company. No penalties were imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority on any matter related to Capital Markets.

C. Vigil Mechanism :
The Company has formulated Vigil Mechanism Policy, pursuant to which the Director(s) and employee(s) of the Company (including their representative bodies, if any) have open access to the Authorised Persons/ Committee member, as the case may be, and also to the Chairman of Audit Committee, whenever exceptionally required, in connection with any grievance, which is concerned with unethical behavior, frauds and other illegitimate activities, activities prejudicial to or not in best interest of the Company either carried out or suspected to be carried out by any Director/s, employee (s), group of employees of Company. The Vigil Mechanism Policy adopted by the Company is available on the website of the Company www.capacite.in

The Company and/or Chairman of the Audit Committee did not receive any complaint covered under vigil mechanism from any Director and/or employee during the financial year 2018-19.

D. Policy for determining 'Material' Subsidiaries:
The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations which is available on the website of the Company www.capacite.in.

The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies. The minutes of the Board meetings of the subsidiary Company are placed at the meeting of the Board of Directors of the Company. The management of the unlisted subsidiary company periodically brings to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary, if any.

E. Policy on Materiality and dealing with Related Party Transactions:
The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions in line with the requirements of Section 177 (4) (iv) and 188 of the Act read with Rules framed thereunder and the Listing Regulations. This Policy has been posted on the website of the Company i.e. www.capacite.in.

F. Insider Trading Regulations :
Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, and amendments thereto applicable with effect from April 01, 2019 the Company has adopted revised Code of conduct for insider trading, revised Code for fair disclosure of Unpublished Price Sensitive Information and Policy and procedures for inquiry in

case of leakage or suspected leakage of unpublished price sensitive information which is available on the website of the Company www.capacite.in

G. There was no funds raised during the year under review through private placement/s, preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the listing Regulations.

H. All the Directors of the Company have submitted declarations that they are not debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. A Company Secretary in practice has submitted a Certificate to this effect.

I. During the year under review, the Board has accepted all recommendations of the Audit Committee

Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.

J. Professional fees to Statutory Auditors:
Professional fees paid, on consolidated basis, for all services availed by the Company , from the Statutory Auditors and entities or firms within the network of the the Statutory Auditors, are as follows:

Sr. No.	Particulares of services	Professional fees paid during FY19 (₹ in Crore)
1.	Statutory Audit	0.74
2.	Other services	0.01
3.	Out of pocket expenses	0.03
	Total	**0.78**

There are no services availed by the Company from Statutory Auditors of the Company with respect to subsidiary.

K. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a. number of complaints filed during the financial year : Nil

b. number of complaints disposed of during the financial year : Not applicable

c. number of complaints pending as on end of the financial year. : Not applicable.

L. Non-compliance with any requirement of Corporate Governance :

There have been no instances of non-compliance of any requirement of the Corporate Governance as prescribed by Listing Regulations.

M. Compliance with discretionary requirements:
The Company has voluntarily complied with the discretionary requirements as per Regulation 27(1) of the Listing Regulations.

N. Disclosure on compliance with coporate goverance requirements:
The Company has complied with all the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, wherever applicable to your Company.

O. Disclosures with respect to demat suspense account/ unclaimed suspense account:
The Company is not required to have a demat suspense account/ unclaimed suspense account.

Declaration pursuant to Code of Conduct:

In terms of Listing Regulations, and a Code of Conduct for Board of Directors and Senior Management Personnel of the Company, I hereby confirm that all the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct as applicable for the year ended March 31, 2019.

Rahul R. Katyal
Managing Director
DIN: 00253046

Date: July 19, 2019
Place: Mumbai

Certificate on Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Capacit'e Infraprojects Limited
605-607, Shrikant Chambers, Phase-1,
6th Floor, Adjacent to R.K. Studios, Sion-Trombay Road,
Chembur, Mumbai – 400071.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Capacit'e Infraprojects Limited** having CIN: **L45400MH2012PLC234318** and having registered office at 605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road Mumbai – 400071, Maharashtra (hereinafter referred to as the "**Company**") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **March 31, 2019** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Rahul Katyal	00253046	August 09, 2012
2.	Mr. Rohit Katyal	00252944	March 01, 2014
3.	Mr. Subir Malhotra	05190208	August 09, 2012
4.	Mr. Suryakant Balkrishna Mainak	02531129	March 29, 2018
5.	Mr. Sumeet Singh Nindrajog	00182873	August 06, 2015
6.	Mr. Siddharth Parekh	06945508	October 18, 2016
7.	Ms. Farah Nathani Menzies	06610782	November 09, 2017
8.	Mr. Arun Vishnu Karambelkar	02151606	May 18, 2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SHREYANS JAIN & CO.**
Company Secretaries

SHREYANS JAIN
(Proprietor)

Place: Mumbai
Date : July 16, 2019

FCS No. 8519
C.P. No. 9801

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

We hereby certify that:

A. We have reviewed Audited financial results of the Company for the quarter and year ended March 31, 2019 and to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. These statements together present a true and fair view of the listed entity affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the quarter ended March 31, 2019 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and they have disclosed to the auditors and audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to Auditors and Audit Committee:

i) That there are no significant changes in internal control over financial reporting during the quarter;

ii) That there are no significant changes in accounting policies during the quarter; and that the same have been disclosed in the notes to the financial results; and

iii) That no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

This certificate is being given to the Board in Compliance with Regulation 17(8) read with schedule II Part B of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015

For **CAPACIT'E INFRPAORJECTS LIMITED**

Saroj Kumar Pati
Chief Executive Officer
Pan: ADEPP8381L

Rohit R Katyal
Executive Director & Chief Financial Officer
DIN: 00252944

Date: May 13, 2019
Place: Mumbai

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members of
Capacit'e Infraprojects Limited
605-607, Shrikant Chambers
Phase- I, 6th Floor,
Adjacent to R.K. Studios,
Sion- Trombay Road,
Mumbai - 400 071

1. The Corporate Governance Report prepared by **Capacit'e Infraprojects Limited** (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") (applicable criteria) for the year ended March 31, 2019 as required by the Company for annual submission to the Stock exchange and to the Shareholders.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

   i. Reading and understanding the information prepared by the Company and included in its Corporate Governance Report;

   ii. Obtained and verified that the composition of the Board of Directors with respect to Executive and Non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Register of Directors as on March 31, 2019 and verified that at least one woman director was on the Board of Directors throughout the year;

   iv. Obtained and read the minutes of the following meetings held from April 01, 2018 to March 31, 2019:

(a) Board of Directors meetings;

(b) Audit Committee;

(c) Annual General Meeting (AGM);

(d) Nomination and Remuneration Committee;

(e) Stakeholders' Relationship Committee;

(f) Risk Management Committee;

(g) Corporate Social Responsibility Committee;

(h) Independent directors meeting;

v. Obtained and verified necessary declarations from Directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the Audit Committee meeting/s where in such related party transactions have been pre-approved by the Audit Committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 1 above.

Other matters and Restriction on Use

9. This report 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.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S R B C & Co. LLP**
Chartered Accountant
ICAI Firm Registration Number : 324982E/E300003

per Jayesh Gandhi
Partner
Membership Number: 37924

Place: Mumbai
Date: July 19, 2019

INDEPENDENT AUDITOR’S REPORT

To the Members of
Capacit’e Infraprojects Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Capacit'e Infraprojects Limited (“the Company”), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profits including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Standalone Ind AS Financial Statements’ section of our report. We are independent of the Company in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition for construction contracts (as described in note 37 of the standalone Ind AS financial statements)	
The Company's significant portion of business is undertaken through engineering, procurement and construction contracts. Revenue from these contracts is recognised over a period of time in accordance with the requirements of Ind AS 115, 'Revenue from Contracts with Customers'. The Company has applied Ind AS 115 "Revenue from Contracts with Customers" with effect from April 1, 2018 using modified retrospective approach. The application of Ind AS 115 has impacted the Company's accounting for construction work in progress, with consequential impact on revenue and has resulted in credit to retained earnings (net of taxes) as at April 1, 2018 by ₹5.44 crores. Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based survey of work done by the company. This involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance obligation completed till date. Accuracy of revenues and onerous obligations involves significant judgements and estimates, which may impact the profits. Accordingly, this is considered as a key audit matter.	• Our audit procedures included reading the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of Ind AS 115. • We obtained and tested the adjustment to retained earnings balance as at April 1, 2018 in view of adoption of Ind AS 115 as per the modified retrospective approach. • We performed test of controls over revenue recognition with specific focus on determination of progress of completion. • We performed tests of details, on a sample basis, and read the underlying customer contracts for terms and conditions. • We understood the management's process to recognise revenue over a period of time, status of completion of projects and total cost estimates. • We tested contracts with low or negative margins to assess the level of provisioning required. • We tested that the contractual positions and revenue for the year are presented and disclosed in compliance of Ind AS 115 in the standalone Ind AS financial statements. • We read the disclosures made by management in compliance of Ind AS 115, tested the disclosures made with underlying transactions.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

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

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

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

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

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

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid /provided by the Company to its directors in accordance provided with the provisions of section 197 read with Schedule V to the Act; and

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 38 to the standalone Ind AS financial statements;

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

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

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Jayesh Gandhi
Partner
Membership Number: 037924
Place of Signature: Mumbai
Date: May 13, 2019

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON THE OTHER LEGAL AND REGULATORY REQUIREMENTS" 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) Fixed Assets [other than site establishment assets (Gross Block of ₹24,625.55 Lakhs; Net Block of ₹14,286.32 Lakhs referred to in Note 4 to the standalone financial statements) which is charged absorbed / charged off to the statement of profit and loss as per the life of the project] have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

(ii) Management has conducted the physical verification of inventory at reasonable intervals during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.

(iii) (a) The Company has granted loans to two entities covered in the register maintained under section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.

(b) The Company has granted interest free loans to one wholly owned subsidiary (converted into unsecured subordinated perpetual securities) and interest bearing loans to one entity which are covered in the register maintained under section 189 of the Companies Act, 2013. The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayments/ receipts are regular.

(c) There are no amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction and infrastructural development, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions of the duty of excise are not applicable to the company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions of the duty of excise are not applicable to the company.

(c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute. The provisions of the duty of excise are not applicable to the company.

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilised the monies raised by way of initial public offer and term loans were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been gainfully invested in liquid investments payable on demand. The maximum amount of idle/surplus funds invested during the year was ₹12,941.51 Lakhs of which ₹5,722.80 Lakhs was outstanding at the end of the year.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

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

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Jayesh Gandhi
Partner
Membership Number: 037924
Place of Signature: Mumbai
Date: May 13, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF CAPACIT'E INFRAPROJECTS LIMTED

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

We have audited the internal financial controls over financial reporting of Capacit'e Infraprojects Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Jayesh Gandhi
Partner
Membership Number: 037924
Place of Signature: Mumbai
Date: May 13, 2019

STANDALONE BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lakhs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4	53,897.04	40,852.88
Capital work-in-progress	4	426.48	6.10
Intangible assets	5	159.98	138.09
Financial Assets			
Investments	6	1,231.33	1,923.21
Trade receivables	12	6,622.48	4,999.42
Loans	7	39.00	49.00
Other financial assets	8	2,757.88	2,902.15
Non Current Tax Assets (net)	10	1,291.33	33.33
Other non-current assets	9	6,157.08	3,239.93
Total non current assets		**72,582.60**	**54,144.11**
Current assets			
Inventories	11	9,105.69	21,555.79
Financial assets			
Investments	6	46.76	43.36
Trade receivables	12	52,889.68	41,465.96
Cash and cash equivalents	13	2,964.19	1,291.59
Bank balances other than cash and cash equivalents	14	16,341.42	31,080.53
Loans	7	2,890.36	4,023.58
Other financial assets	8	39,055.35	14,189.74
Other current assets	9	9,124.46	5,572.89
Total current assets		**1,32,417.91**	**1,19,223.44**
Total Assets		**2,05,000.51**	**1,73,367.55**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15A	6,789.15	6,789.15
Other equity	15B	77,523.81	68,159.53
Total Equity		**84,312.96**	**74,948.68**
Non-current liabilities			
Financial liabilities			
Borrowings	16	5,798.38	4,803.49
Other financial liabilities	18	4,185.88	2,940.04
Provisions	19	149.21	125.01
Deferred tax liabilities (net)	21	5,691.18	4,043.83
Other non-current liabilities	22	7,646.85	7,273.69
Total non current liabilities		**23,471.50**	**19,186.06**
Current Liabilities			
Financial liabilities			
Borrowings	16	17,772.63	13,906.60
Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		409.62	177.18
- Total outstanding dues of creditors other than micro enterprises and small enterprises.		52,938.15	44,505.51
Other financial liabilities	18	6,111.38	7,667.16
Provisions	19	2,162.72	1,801.37
Current Tax Liabilities (net)	20	1,201.52	471.66
Other current liabilities	22	16,620.03	10,703.33
Total current liabilities		**97,216.05**	**79,232.81**
Total Equity and Liabilities		**2,05,000.51**	**1,73,367.55**
Summary of significant accounting policies	3		

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

per **Jayesh Gandhi**
Partner
Membership No : 37924

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Place: Mumbai
Date: May 13, 2019

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

Particulars	Notes	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
INCOME			
Revenue from operations	23	1,78,761.27	1,33,564.20
Other income	24	3,688.96	2,435.77
TOTAL INCOME		**1,82,450.23**	**1,35,999.97**
EXPENSES			
Cost of material consumed	25	76,672.99	63,230.74
(Increase)/ decrease in construction work-in-progress	26	-	(3,763.64)
Construction expenses	27	55,370.33	37,158.96
Employee benefit expense	28	14,616.19	11,663.34
Finance costs	29	4,912.11	3,975.16
Depreciation and Amortisation Expense	30	8,899.30	6,721.84
Other expenses	31	7,253.39	4,943.31
TOTAL EXPENSE		**1,67,724.31**	**1,23,929.71**
Profit before tax		**14,725.92**	**12,070.26**
Current tax	32	3,837.89	2,765.80
Deferred tax	32	1,329.77	1,429.65
Total Tax Expense		**5,167.66**	**4,195.45**
Net Profit for the year		**9,558.26**	**7,874.81**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans		79.23	98.65
Income tax effect		(27.42)	(34.14)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**51.81**	**64.51**
Total comprehensive income for the year, net of tax		**9,610.07**	**7,939.32**
EARNING PER SHARES (EPS)	34		
- Basic		14.08	13.71
- Diluted		14.08	13.71
Summary of significant accounting policies	3		

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Cash flow from operating activities		
Profit before Tax	14,725.92	12,070.26
Adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation	8,899.30	6,721.84
Finance cost	4,912.11	3,975.16
Provision for doubtful debts	678.90	30.94
Loss on Sale of fixed assets	13.98	19.21
Impairment of investment	90.67	-
Unrealised foreign exchange (Gain)/loss	-	23.54
Income on change in fair value of financial instruments	(3.39)	-
Profit on sale of investments	(2.18)	(272.70)
Sundry Balance written back	(50.77)	(168.97)
Interest income	(3,334.82)	(1,713.74)
Operating profit before working capital changes	**25,929.73**	**20,685.54**
Movement in working capital :		
(Increase)/Decrease in Trade Receivables (Including bills discounted with banks)	(12,208.80)	(4,689.47)
(Increase)/Decrease in Loans	(1,133.19)	(2,583.73)
(Increase)/Decrease in Inventories	(8,354.44)	(4,514.35)
(Increase)/Decrease in Other Assets and other financial assets	(10,343.94)	(11,836.65)
Increase/(Decrease) in Trade payables	8,747.81	13,886.17
Increase/(Decrease) in Provisions	464.78	1,590.10
Increase/(Decrease) in Other Liabilities and other financial liabilities	7,370.45	(1,049.64)
Cash generated from operations	**10,472.40**	**11,487.97**
Direct Taxes paid (net of refunds)	(4,075.85)	(2,413.25)
Net cash flow from operating activities (A)	**6,396.55**	**9,074.72**
Cash flow from investing activities		
Purchase of property, plant and equipment including CWIP and capital advances	(22,403.49)	(14,082.09)
Proceeds from sale of property, plant and equipment	3.78	395.93
Proceeds from sale of investments	624.88	55.00
Purchase of Investments	(21.50)	(541.09)
Loans from related party, net	2,276.41	(973.80)
Investments in bank deposits (having original maturity of more than three months), net	15,072.08	(28,776.58)
Interest received	3,505.13	1,854.83
Net cash used in investing activities (B)	**(942.71)**	**(42,067.80)**
Cash flow from financing activities		
Repayment of long-term borrowings	(6,891.66)	(3,581.68)
Proceeds from long-term borrowings	6,488.28	3,725.38

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

Particulars		For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Proceeds/ (Repayments) from short-term borrowings, net		2,349.15	(273.99)
Dividend paid including dividend distribution taxes		(822.64)	(313.74)
Interest paid		(4,904.36)	(3,842.51)
Share issue expenses		-	(2,525.45)
Proceeds from issue of Share Capital		-	40,000.00
Net cash from/(used in) financing activities (C)		**(3,781.24)**	**33,188.01**
Net increase in cash and cash equivalents (A + B + C)		**1,672.60**	**194.93**
Effect of exchange differences on cash & cash equivalents held in foreign currency		-	1.42
Cash and Cash Equivalents at the beginning of the period		1,291.59	1,095.23
Cash and cash equivalents at end of the period (note 13)		**2,964.19**	**1,291.58**
Components of cash and cash equivalents			
Cash in hand		22.43	20.73
Foreign currency on hand		9.79	9.45
Balances with banks:			
- on current accounts		238.35	231.41
- Term Deposits with less than 3 months of original maturity		2,693.62	1,030.00
Total cash & cash equivalents (note 13)		**2,964.19**	**1,291.59**
Non Cash Investing & financing transaction			
Conversion of CCPS into equity		-	1,159.67
Summary of significant accounting policies	3		

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A) Equity Share Capital

(₹ in lakhs)

Particulars	Notes	Amount
Balance as at March 31, 2017		**4,029.47**
Changes in equity share capital during the year	15A	2,759.68
Balance as at March 31, 2018		**6,789.15**
Changes in equity share capital during the year	15A	-
Balance as at March 31, 2019		**6,789.15**

B) Instruments entirely Equity in Nature

(₹ in lakhs)

Compulsorily Convertible Preference Shares - Series A

Particulars	Notes	Amount
Balance as at March 31, 2017		**201.47**
Changes in Compulsorily Convertible Preference Shares	15A	(201.47)
Balance as at March 31, 2018		**-**
Changes in Compulsorily Convertible Preference Shares	15A	-
Balance as at March 31, 2019		**-**

Compulsorily Convertible Preference Shares - Series B

(₹ in lakhs)

Particulars	Notes	Amount
Balance as at March 31, 2017		**129.86**
Changes in equity Compulsorily Convertible Preference Shares	15A	(129.86)
Balance as at March 31, 2018		**-**
Changes in equity Compulsorily Convertible Preference Shares	15A	-
Balance as at March 31, 2019		**-**

C) Other equity

(₹ in lakhs)

Particulars	Attributable to the equity holders		Total
	Reserves and surplus		
	Securities premium	Retained earnings	
Balance as at March 31, 2017	**10,666.94**	**14,852.77**	**25,519.71**
Profit / (Loss) for the year	-	7,874.81	7,874.81
Other comprehensive income for the year	-	64.51	64.51
Total comprehensive income for the year	**10,666.94**	**22,792.09**	**33,459.03**
Amounts capitalised during the year		-	-
Premium on issue of equity shares during the year	38,400.00	-	38,400.00
Utilised for conversion of CCPS into equity shares	(828.33)	-	(828.33)
Share issue expenses	(2,557.42)	-	(2,557.42)
Final Dividend paid	-	(259.46)	(259.46)
Dividend distribution tax	-	(54.29)	(54.29)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

C) Other equity

(₹ in lakhs)

Particulars	Attributable to the equity holders		Total
	Reserves and surplus		
	Securities premium	Retained earnings	
Balance as at March 31, 2018	**45,681.19**	**22,478.34**	**68,159.53**
Profit / (Loss) for the year	-	9,558.26	9,558.26
Other comprehensive income for the year	-	51.81	51.81
Impact on adoption of Ind AS 115 (refer note 37 c)	-	544.88	544.88
Total comprehensive income for the year	**45,681.19**	**32,633.29**	**78,314.48**
Excess provision related to share issue expenses written back	31.97	-	31.97
Final Dividend paid	-	(678.91)	(678.91)
Dividend distribution tax	-	(143.73)	(143.73)
Balance as at March 31, 2019	**45,713.16**	**31,810.66**	**77,523.81**
Summary of significant accounting policies 3			

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

1 Corporate information

The standalone financial statements comprise financial statements of Capacit'e Infraprojects Limited ("the Company") for the year ended March 31, 2019. The Company is a Company domiciled in India and incorporated under the provisions of Companies Act, 1956 on August 9, 2012. The Company is an ISO-9001:2015, ISO-14001:2015 and OHSAS-45001:2018 certified Company. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 605-607, Shrikant Chambers, 6th Floor, Phase I, Adjacent to R K Studios, Sion- Trombay Road, Mumbai- 400 071.

The Company is primarily engaged in the business of Engineering, Procurement and Construction business. The Company was incorporated as a Private Limited Company and became a Limited Company in March 2014 (Public limited in September 2017). The financial statements were authorised for issue in accordance with a resolution of directors on May 13, 2019.

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time).

2.2 Basis of preparation and presentation

These financial statements have been prepared in Indian Rupee ("₹") which is the functional currency of the Company. These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.3 Change in Accounting Policy

Ind AS 115 Revenue from Contracts with Customers:

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

The Company adopted Ind AS 115 using the modified retrospective approach of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at April 1, 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and continues to be reported under Ind AS 11 and Ind AS 18 (refer note 37 c).

3 Summary of significant accounting policies

a Current versus non-current classification

The Company presents assets and liabilities in the standalone balance sheet based on current/ non-current classification. An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle,

ii. Held primarily for the purpose of trading,

iii. Expected to be realised within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle,

ii. It is held primarily for the purpose of trading,

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b Fair value measurement of financial instruments

The Company measures financial instruments, such as, Investments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

c Revenue Recognition

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Ind AS which the Company has applied as they are effective for annual periods beginning on or after April 1, 2018: Ind AS 115 Revenue from Contracts with Customers ('Ind AS 115').

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 supersedes the current revenue recognition standard Ind AS 18 - Revenue, Ind AS 11 - Construction Contracts.

Description of performance obligation:

Contract revenue is recognised over time by measuring progress towards complete satisfaction of the performance obligation at the reporting date, measured on the basis of stage of completion which is as per joint survey of work done (output method). Contract costs related to work performed in projects are recognised on an accrual basis. Costs incurred in connection with the work performed are recognised as an expense.

Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when that uncertainty associated with the variable consideration is subsequently resolved.

The Company accounts for a contract modification (change in the scope or price (or both)) when that is approved by the parties to the contract. Where the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognised to the extent of costs incurred in satisfying the performance obligation that is expected to be recovered.

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Contract balances:

i) Contract assets

A contract asset is recognised for amount of work done but pending billing/acknowledgement by customer or amounts billed but payment is due on completion of future performance obligation, since it is conditionally receivable. The provision for Expected Credit Loss on contract assets is made on the same basis as financial assets (refer note no 37 c).

ii) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received advance payments from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the consideration received.

Supply Contracts-Sale of goods

Revenue from supply contract is recognised when the control is transferred to the buyer.

Management Consultancy & other services

Revenues from Management consultancy & other services are recognised pro-rata over the period of the contract as and when services are rendered.

Interest

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d Property, plant and equipment

Property, plant and equipment, capital work in progress are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Plant and equipment received from customers:

Contributions by customers of items of property, plant and equipment (such as moulds, formworks), which require an obligation to supply goods to the customer in the future, are recognised at the fair value when the Company has control of the item. A corresponding credit to deferred revenue is made. The Company may agree to deliver one or more services in exchange for the transferred item of property, plant and equipment. The Company identifies the separately identifiable services included in the agreement. - If only one service is identified, the Company recognises revenue when the service is performed. - If an ongoing service is identified as part of the agreement, the period over which revenue is recognised for that service is generally determined by the terms of the agreement with the customer. If the agreement does not specify a period, the revenue is recognised over a period no longer than the useful life of the transferred asset used to provide the ongoing service. - If more than one separately identifiable service is identified, the fair value of the total consideration received or receivable for the agreement will be allocated to each service and the recognition criteria of Ind AS 115 are then applied to each service.

Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

e Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

f Depreciation & Amortisation

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

Intangible assets in the form of computer software are amortised over their respective individual estimated useful lives on a straight line basis.

The Company has assessed the following useful life to depreciate and amortise on its property, plant and equipment and intangible assets respectively.

Particulars	**Useful Lives of the Assets estimated by the management (years)**
Plant and Machinery *	20
Furniture and Fixture *	10
Office Equipment	10
Formwork *	7 to 15
Vehicles	10
Computer & Hardware	5
Computer Software	5

* Company has used useful life other than as indicated in Schedule II which is as per management estimate, supported by independent assessment by professionals. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Site Establishments are amortised systematically over the life of the contract.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The amortization period and the amortization method are reviewed at least at each financial year end.

g Impairment of Non-financial assets

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

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use. (The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Company suitably adjusted for risks specified to the estimated cash flows of the asset). For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

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

h Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Subsequent measurement of financial assets:

All recognised financial assets are subsequently measured in their entirely at either amortised cost or fair value, depending on the classification financial assets. Following are the categories of financial instrument:

a) Financial assets at amortised cost

b) Financial assets at fair value through other comprehensive income (FVTOCI)

c) Equity instruments measured at fair value through other comprehensive income (FVOCI)

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

c) **Financial assets at fair value through profit or loss (FVTPL)**

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

Investment in Subsidiaries, Jointly Controlled Entities and Associates Investment in subsidiaries, jointly controlled entities and associates are accounted using equity method less impairment.

Impairment of investments: The Group reviews its carrying value of investments carried at cost, amortised cost or equity method annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset, and i. the Company has transferred substantially all the risks and rewards of the asset, or ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured at FVTOCI.

c) Financial guarantee contracts which are not measured as at FVTPL. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider: i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount. Offsetting: Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below: Loans and borrowings This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

i Inventories

Inventories are valued at the lower of cost and net realisable value.

a. Construction material, raw materials, components, stores and spares are valued at lower of cost and net realizable value. However material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost are determined on weighted average method.

b. Ply and Batten (included in cost of material consumed).

   Ply and Batten : Cost less amortisation/charge based on their usages.

j Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency. For each entity the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

k Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. Actual gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

l Taxes on Income

Current Income Tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the standalone statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except: i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss ii) In respect of taxable temporary differences associated with investments in subsidiary and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. All other acquired tax benefits realised are recognised in profit or loss.

m Cash and Cash Equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

n Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

o Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

p Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the standalone financial statements. Provisions and contingent liability are reviewed at each balance sheet."

q Accounting for Proposed Dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

4. Property plant and equipment

(₹ in lakhs)

	Plant and Machinery	Furniture & Fixtures	Office Equipment	Site Establishment	Computers	Formwork	Vehicles	Building	Total
Cost or Valuation									
At April 1, 2018	**9,811.81**	**707.80**	**101.58**	**13,060.48**	**293.74**	**24,475.40**	**352.73**	**1,342.49**	**50,146.03**
Additions	2,030.94	214.93	4.94	12,502.79	102.99	6,909.47	25.18	97.53	21,888.77
Disposals	(22.82)	-	-	(937.72)	-	-	-	-	(960.54)
At March 31, 2019	**11,819.93**	**922.73**	**106.52**	**24,625.55**	**396.73**	**31,384.87**	**377.91**	**1,440.02**	**71,074.26**
Depreciation									
At April 1, 2018	876.97	65.81	24.57	5,385.28	104.44	2,754.08	39.16	42.84	9,293.15
Depreciation charge for the year	603.64	71.54	16.48	5,891.67	73.50	2,111.18	37.03	21.80	8,826.84
Disposals	(5.05)	-	-	(937.72)	-	-	-	-	(942.77)
At March 31, 2019	**1,475.56**	**137.35**	**41.05**	**10,339.24**	**177.94**	**4,865.26**	**76.19**	**64.64**	**17,177.22**
Net Book Value									
At March 31, 2019	10,344.37	785.38	65.41	14,286.31	218.79	26,519.61	301.72	1,375.38	53,897.04
At March 31, 2018	8,934.84	641.99	77.01	7,675.20	189.30	21,721.32	313.57	1,299.65	40,852.88

Net Book Value

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Property, plant and equipment	53,897.04	40,852.88
Capital Work-in-Progress	426.48	6.10

Note 1:

Charge on the Assets:

Please refer note 16 for the details of charge created on assets.

Note 2:

No borrowing costs are capitalised.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

5. Intangible Assets

(₹ in lakhs)

Particulars	Computer Software	Total
Cost or Valuation		
At April 1, 2018	269.54	269.54
Additions	94.35	94.35
Disposals	-	-
At March 31, 2019	**363.89**	**363.89**
Depreciation		
At April 1, 2018	131.45	131.45
Depreciation charge for the year	72.46	72.46
Disposals	-	-
At March 31, 2019	**203.91**	**203.91**
Net Book Value		
At March 31, 2019	159.98	159.98
At March 31, 2018	138.09	138.09

(₹ in lakhs)

Net Book Value	March 31, 2019	March 31, 2018
Intangible Assets	159.98	138.09

6. Financial Assets: Investments

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
I. Investments valued at Deemed cost, Fully paid up		
a) Investment in Equity Shares (Unquoted)		
In Subsidiary Companies in India		
-CIPL PPSL Yongnam Joint Ventures Constructions Pvt. Limited [95,000 (March 31, 2018: 95,000) shares of ₹10 each]	9.50	9.50
	9.50	**9.50**
Investment in Associates		
- TPL - CIL Construction LLP	21.50	-
	21.50	**-**
b) Investment in Perpetual Securities (Unquoted)		
-CIPL PPSL Yongnam Joint Ventures Constructions Pvt. Limited*	1,282.50	1,905.21
Less:- Impairment on fair value of investment	(90.67)	
	1,191.83	**1,905.21**
II. Investment in equity shares in others carried at Fair value through profit and loss, fully paid up (Unquoted)		
-Janakalyan Sahakari Bank [85,000 (March 31, 2018: 85,000) shares of ₹10 each]	8.50	8.50
	8.50	**8.50**
Total	**1,231.33**	**1,923.21**
Details:		
Aggregate value of unquoted investments	1,231.33	1,923.21

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

6. Financial Assets: Investments *(Contd)*

*During previous year, the Company had converted the outstanding balance of loan given to CIPL PPSL Yongnam Joint Ventures Constructions Pvt. Limited, its subsidiary company into unsecured subordinated perpetual securities. During the year there has been a net reduction in same securities amounting to ₹622.70 Lakhs. These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. The interest can be deferred if the issuer does not pay any dividend on its ordinary shares for the financial year. The issuer has classified this instrument as equity under Ind AS -32 Financial Instruments Presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS -27 Separate Financial Statements.

Current Investments

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
I. Investment in Mutual funds carried at Fair value trough profit and loss, fully paid up (Unquoted) (under lien)		
- Birla Sun Life Mutual Fund [7,748.349 Units (March 31, 2018: 7,748.349)]	18.06	16.68
- Union Capital Protection Oriented Fund [2,50,000 units (March 31, 2018: 2,50,000]	28.70	26.68
Total	**46.76**	**43.36**
Details:		
Aggregate value of unquoted investments	46.76	43.36

7. Loans

Unsecured, considered good

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current		
Security deposits - others	39.00	49.00
Total Non-Current Loans	**39.00**	**49.00**
Particulars	**As at March 31, 2019**	**As at March 31, 2018**
Current		
Security deposits - others	1,490.36	1,147.17
Loans to related party		
- PPSL Capacit'e JV	-	2,276.41
Loans to others	1,400.00	600.00
Total	**2,890.36**	**4,023.58**

8. Other Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Deposits with Banks (under lien)	440.04	744.16
Margin money deposits	1,841.66	1,870.50
Interest accrued but not due on deposits	285.85	127.94
Unbilled revenue	190.33	159.55
Total	**2,757.88**	**2,902.15**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

8. Other Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Interest accrued but not due on deposits	-	205.75
Interest accrued on Loans to related parties		
- PPSL Capacit'e JV	-	122.47
Unbilled revenue (refer note 37)	36,631.33	12,346.01
Security deposits- unsecured	1,951.50	1,405.82
Other receivables	472.52	109.69
Total	**39,055.35**	**14,189.74**

9. Other Assets

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
i. Capital Advances	3,687.72	1,184.64
ii. Others		
Balances with Government Authorities	2,308.17	1,949.53
Prepaid expenses	161.19	105.76
Total	**6,157.08**	**3,239.93**

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
i. Advances		
Advances to employees	24.48	23.40
Advances to related parties	1,025.11	385.44
Advances to others	4,604.91	2,753.25
ii. Others		
Balances with Government Authorities	2,396.52	1,705.73
Prepaid expenses	1,073.44	705.07
Total	**9,124.46**	**5,572.89**

10. Non Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Advance tax (net of provision for taxation ₹8,186.74 Lakhs (March 31, 2018 ₹4,274.68 Lakhs))	1,291.33	33.33
	1,291.33	**33.33**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

11. Inventories

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw Materials (at cost)	9,105.69	6,785.97
Construction material (at cost)	-	14,769.82
Total	**9,105.69**	**21,555.79**

12. Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current		
Trade receivables including retention balance- unsecured	6,622.48	4,999.42
(including retention of ₹6,622.48 lakhs (March 31, 2018 ₹4,999.42 lakhs))		
Total	**6,622.48**	**4,999.42**
Current		
Trade Receivables- Unsecured	48,679.50	40,813.77
(including retention of ₹5,768.34 lakhs (March 31, 2018 ₹6,501.07 lakhs))		
Receivable from related party- (Refer Note below)	2,909.21	37.93
Impairment allowance	1,300.97	614.26
Total	**52,889.68**	**41,465.96**
Break-up for security details:		
Trade Receivables		
Considered good - Unsecured	60,771.05	47,037.56
Trade Receivables which have significant increase in credit Risk	-	-
Receivables - credit impaired	42.08	42.08
	60,813.13	**47,079.64**
Impairment allowances (allowed for bad and doubtful debts)		
Considered good - Unsecured	1,258.89	572.18
Trade Receivables which have significant increase in credit Risk	-	-
Receivables - credit impaired	42.08	42.08
Total	**59,512.16**	**46,465.38**

Notes:

1) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

2) Receivable from related party:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
TPL- CIL Construction LLP	2,014.20	-
Realcon Infrastructures LLP	739.80	-
Capacit'e Viraj AOP	155.21	-
PPSL Capacit'e JV	-	37.93
Total	**2,909.21**	**37.93**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

12. Trade Receivables *(Contd)*

3) Trade receivables are non-interest bearing and are generally on terms of 45 to 90 days.

Expected credit loss allowances on receivables

Impairment of financial assets: The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

Movement in expected credit loss allowance

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	614.26	583.32
Impact on adoption of Ind AS 115 (refer note 37 c)	7.81	-
Allowance during the year	678.90	30.94
Total	**1,300.97**	**614.26**

13. Cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks:		
-On current accounts	450.35	575.23
-Deposits with original maturity of less than three months	2,693.62	1,030.00
Cash on hand	22.43	20.73
Foreign currency on hand	9.79	9.45
	3,176.19	**1,635.41**
Less: Book overdrafts	(212.00)	(343.82)
Total	**2,964.19**	**1,291.59**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

14. Bank balances other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits kept as margin money- Less than 12 months	100.00	100.00
Deposits having maturity more than three months but less than 12 months	16,241.42	30,980.53
Total	**16,341.42**	**31,080.53**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

15A. Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Authorised capital		
7,66,50,000 (March 31, 2018: 7,66,50,000) Equity shares of ₹10/- each	7,665.00	7,665.00
16,75,000 (March 31, 2018: 16,75,000) Compulsory convertible preference shares of ₹20/- each	335.00	335.00
Total	**8,000.00**	**8,000.00**
(b) Issued, subscribed and paid up		
6,78,91,497 Equity shares of ₹10/- each fully paid (March 31, 2018: 6,78,91,497)		
Total issued, subscribed and fully paid-up share capital	6,789.15	6,789.15
	6,789.15	**6,789.15**

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	3,45,38,298	-	-
Equity shares allotted as fully paid-up pursuant to conversion of CCPS in ratio 7:1	-	1,15,96,816	-	-	-
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	-	-	-	8,14,457	-

(d) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

(₹ in lakhs)

Particulars	March 31, 2019		March 31, 2018	
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
At the beginning of the year	6,78,91,497	6,789.15	4,02,94,681	4,029.47
Shares issued on conversion of CCPS during the year (refer note below)	-	-	1,15,96,816	1,159.68
Shares issued on account of Initial Public offer	-	-	1,60,00,000	1,600.00
Outstanding at the end of the year	**6,78,91,497**	**6,789.15**	**6,78,91,497**	**6,789.15**

Note: In the previous year, the Company had issued 1,15,96,816 Equity Shares of face value of ₹10 each upon conversion of 10,07,366 Series A CCPS & 6,49,322 Series B CCPS of face value of ₹20 each in the ratio of 7:1.

(e) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. 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 of the Company, the holders of shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of shares held by the shareholder INR

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

15A. Share Capital *(Contd)*

(f) Details of Shareholders holding more than 5% Equity Shares

(₹ in lakhs)

Name of shareholders	March 31, 2019		March 31, 2018	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Rohit Ramnath Katyal	63,04,144	9.29%	63,04,144	9.29%
Rahul Ramnath Katyal	61,24,930	9.02%	61,24,930	9.02%
Rohit Katyal jointly with Rahul Katyal	45,12,046	6.65%	45,12,046	6.65%
Katyal Merchandise Private Limited	90,72,994	13.36%	90,72,994	13.36%
New Quest Asia Investments II Limited	66,17,254	9.75%	66,17,254	9.75%
Paragon Partners Growth Fund	60,36,303	8.89%	60,36,303	8.89%

As per the records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(g) Reconciliation of 0.0001% Compulsorily Convertible Preference Shares Series A outstanding at the beginning and at the end of the reporting period

(₹ in lakhs)

Particulars	March 31, 2019		March 31, 2018	
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
At the beginning of the period Series A	-	-	10,07,366	201.47
Shares issued during the period Series A	-	-	-	-
Converted into Equity Shares of ₹10 each	-	-	(10,07,366)	(201.47)
Outstanding at the end of the period (Series A)	**-**	**-**	**-**	**-**

(h) Reconciliation of 0.0001% Compulsorily Convertible Preference Shares Series B outstanding at the beginning and at the end of the reporting period

(₹ in lakhs)

Particulars	March 31, 2019		March 31, 2018	
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
At the beginning of the period Series B	-	-	6,49,322	129.86
Shares issued during the period Series B	-	-	-	-
Converted into Equity Shares of ₹10 each	-	-	(6,49,322)	(129.86)
Outstanding at the end of the period (Series B)	**-**	**-**	**-**	**-**

15B. Other Equity

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Securities premium		
Balance as per the last financial statements	45,681.19	10,666.94
Add: Premium on Issue of Equity shares	-	38,400.00
Less: Utilised for conversion of CCPS into Equity Shares	-	(828.33)
Less: Share issue expenses/related provision written back	31.97	(2,557.42)
Total	**45,713.16**	**45,681.19**

Note: Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

15A. Share Capital *(Contd)*

(b) Retained earnings

Particulars	As at March 31, 2019	As at March 31, 2018
Balance as per last financial statement	22,478.34	14,852.77
Add: Profit for the year	9,558.26	7,874.81
Add: Other Comprehensive income for the year	51.81	64.51
Add: Impact on adoption of Ind AS 115 (refer note 37 c)	544.88	-
Less: Appropriation		
Dividend	(678.91)	(259.46)
Dividend distribution tax	(143.73)	(54.29)
Total	**31,810.65**	**22,478.34**
Grand Total	**77,523.81**	**68,159.53**

16. Borrowings

(₹ in lakhs)

Particulars	Effective Interest Rate (%)	As at March 31, 2019	As at March 31, 2018
(a) Non-Current Borrowings			
Term loans			
From banks (secured)	10.68%	4,476.09	2,632.67
From financial institutions (secured)	10.90%	1,322.29	1,847.84
Buyer's credit (secured)	3.18%	-	322.98
Total		**5,798.38**	**4,803.49**
(b) Current Borrowings			
Working Capital Loan (secured)			
From Bank	10.62%	7,301.77	4,698.22
From Financial Institution	11.75%	-	254.41
Bills discounted with Bank	Refer Note Below	10,470.86	8,953.97
Current maturity of Long term loans (secured)			
From Banks	10.68%	2,922.66	1,960.80
From Financial Institutions	10.90%	862.30	3,073.08
For Buyers' credit	3.18%	-	149.36
Total		**21,557.59**	**19,089.84**
Less: Amount clubbed under "Other Current Liabilities"		(3,784.96)	(5,183.24)
Net Current Borrowings		**17,772.63**	**13,906.60**
Aggregate Secured borrowings		27,355.97	23,893.33
Aggregate Unsecured borrowings		-	-

Terms and Conditions of the Borrowings

Term loan from bank carries interest ranging between 8.01% to 14.00%p.a. These loans are repayable in 17 to 84 months with structured monthly instalments ranging between ₹1,749 to ₹25,00,000 each along with interest, from the date of loan. These loans are secured by hypothecation of respective equipments/vehicles against which these loans are taken with additional mortgage/charge aggregating to an amount of ₹118.90. crores (PY ₹79.80 crores), on the plant and machinery and formwork placed at various sites and used for the purpose of construction.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

16. Borrowings *(Contd)*

Further, these loans has been guaranteed by the personal guarantee of the directors of the Company.

Term loan from financial institutions carries interest ranging between 7.99% to 14.16 % p.a. These loans are repayable in 29 to 59 months with structured monthly instalments ranging between ₹8,625 to ₹5,53,160 each along with interest, from the date of loan. These loans are secured by hypothecation of respective equipments against which these loans are taken with additional mortgage/charge aggregating to an amount of ₹35.74 crore (PY ₹38.59 crores), on the plant and machinery placed at various sites and used for the purpose of construction. Further, these loans has been guaranteed by the personal guarantee of the directors of the Company.

Working capital loan from banks is secured against hypothecation of fixed assets, inventory, trade receivables, and other current assets on paripassu basis with other member banks in the consortium. The Working capital loan is repayable on demand and carries interest range between 1 year MCLR + 0.15% to 4.35% presently, in range of 9.40% to 12.35% p.a.

Bills discounted with various banks from various banks are discounted at various rates ranging from 10.75%p.a. to12.50% p.a. Tenure for bills discounted with banks are for 90 days . Bills discounted with banks are secured against the Debtors of the bill discounted.

17. Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises (Refer Note 36)	409.62	177.18
	409.62	**177.18**
Total outstanding dues of creditors other than micro enterprises and small enterprises.		
Acceptances	14,374.43	11,772.15
Trade payables	38,556.44	32,726.08
Trade payables to related parties	7.28	7.28
Sub Total	**52,938.15**	**44,505.51**
Total	**53,347.77**	**44,682.69**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

18. Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non- Current		
Other financial liabilities at amortised cost		
Creditors for capital goods	2,121.72	1,515.56
Retention money	2,007.65	1,185.89
Retention money payable to related parties	56.51	238.59
Total	**4,185.88**	**2,940.04**
Current		
Other financial liabilities at amortised cost		
Current maturity of long term loans (refer note 16)	3,784.96	5,183.24
Interest accrued on borrowings	37.63	32.72
Creditors for capital goods/services	1,129.36	1,546.63
Employee dues	1,159.43	904.57
Total	**6,111.38**	**7,667.16**

19. Provisions

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Provision for employee benefits		
Gratuity	149.21	125.01
Total	**149.21**	**125.01**
Current		
Provision for employee benefits		
Gratuity	21.25	9.67
Leave encashment	100.74	88.30
Other provisions	2,040.73	1,703.40
Total	**2,162.72**	**1,801.37**

20. Current Tax Liabilities (net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for tax (net of advance tax ₹2,355.87 Lakhs (March 31, 2018 ₹2,352.72 Lakhs)	1,201.52	471.66
Total	**1,201.52**	**471.66**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

21. Deferred Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
The movement on the deferred tax account is as follows:		
At the start of the year	4,043.83	2,580.35
Impact on adoption of Ind AS 115 (refer note 37 c)	290.17	-
Charge/(credit) to Statement of Profit and Loss	1,357.18	1,463.48
At the end of the year	**5,691.18**	**4,043.83**

(₹ in lakhs)

Particulars	As at March 31, 2018	Charge/(credit) to profit or loss & Adjustments*	As at March 31, 2019
Component of Deferred tax liabilities/ (assets) in relation to:			
Property, plant and equipment	2,208.93	882.39	3,091.32
Provisions	(283.16)	(285.90)	(569.06)
Retention money	2,135.79	723.28	2,859.07
Impact on adoption of Ind AS 115 (refer note 37 c)	-	290.17	290.17
Others	(17.73)	37.41	19.68
Total	**4,043.83**	**1,647.35**	**5,691.18**

(₹ in lakhs)

Particulars	As at March 31, 2017	Charge/(credit) to profit or loss & Adjustment*	As at March 31, 2018
Component of Deferred tax liabilities/ (assets) in relation to:			
Property, plant and equipment	1,786.15	422.78	2,208.93
Provisions	(324.65)	41.49	(283.16)
Retention money	1,136.58	999.21	2,135.79
Others	(17.73)	-	(17.73)
Total	**2,580.35**	**1,463.48**	**4,043.83**

* Includes effect of transfer from provision for taxes to deferred tax liability.

22. Other liabilities

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Advance from customers (refer note 37)	7,498.36	7,128.76
Deferred income	148.49	144.93
Total	**7,646.85**	**7,273.69**
Current		
Advance from customers (refer note 37)	13,744.67	9,153.09
Deferred income	272.97	198.84
Statutory dues	2,602.39	1,351.40
Total	**16,620.03**	**10,703.33**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

23. Revenue from operations

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Contract revenue	1,77,473.61	1,32,591.08
Other operating income		
- Scrap sales	737.69	355.86
- Trading of construction materials	99.97	617.26
- Others	450.00	-
Total	**1,78,761.27**	**1,33,564.20**

24. Other Income

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Equipment hire charges	15.74	-
Service charge income	106.44	118.54
Profit on sale of investment	5.57	272.70
Interest on fixed deposits	1,812.01	1,318.80
Other interest income	1,522.81	710.63
Miscellaneous income	226.39	15.10
Total	**3,688.96**	**2,435.77**

25. Cost of material consumed

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Opening stock	6,785.97	6,035.26
Add: Purchase of material (refer note 33)	78,992.71	63,981.45
Less: Closing stock	(9,105.69)	(6,785.97)
Total	**76,672.99**	**63,230.74**

26. (Increase)/ Decrease in Construction work in progress

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Opening stock	14,769.82	11,006.18
Less: Impact on adoption of Ind AS 115 (refer note 37 c)	(14,769.82)	-
Closing stock	-	(14,769.82)
Total	**-**	**(3,763.64)**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

27. Construction expenses

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Labour/Subcontractor charges (refer note 33)	47,797.72	30,651.83
Electricity expenses (Site) (refer note 33)	1,174.38	739.59
Equipments hire charges (refer note 33)	1,679.07	1,829.17
Formwork hire charges	2,331.49	1,764.07
Repairs & Maintenance	49.87	66.70
Others construction expenses (refer note 33)	2,337.80	2,107.60
Total	**55,370.33**	**37,158.96**

28. Employee benefit expenses

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Salaries, wages and bonus	13,793.29	11,053.06
Contributions to provident and other funds	375.89	246.36
Staff welfare expenses	447.01	363.92
Total	**14,616.19**	**11,663.34**

29. Finance cost

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Interest on borrowings	2,085.34	2,166.60
Other interest expenses	171.68	127.09
Bank guarantee commission	775.69	474.18
Bank charges	1,879.40	1,207.29
Total	**4,912.11**	**3,975.16**

30. Depreciation and amortisation expenses

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Depreciation of property, plant and equipment	8,826.84	6,654.08
Amortization of intangible assets	72.46	67.76
Total	**8,899.30**	**6,721.84**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

31. Other expenses

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Electricity charges	98.69	55.61
Rent	1,334.41	1,011.56
Rates & taxes	146.89	195.69
Insurance expenses	125.20	131.91
Repairs & maintenance of Plant and machinery	193.55	155.36
CSR expenditure (refer note below)	145.90	28.04
Commission & brokerage	43.52	67.37
Legal and professional charges (refer note 33)	1,610.20	1,153.72
Payment to auditor (refer note below)	75.00	69.00
Advertising and sales promotion	130.01	65.44
Travelling expenses	334.81	237.64
Vehicle hiring charges	616.12	498.51
Communication costs	88.19	73.22
Provision for doubtful debts	678.90	30.94
Impairment of investment	90.68	-
Donation	8.29	6.06
Office expenses	1,077.87	1,012.85
Printing & stationery	192.82	123.64
Miscellaneous expenses	262.34	26.75
Total	**7,253.39**	**4,943.31**

Corporate Social Responsibility expenditure

Amount required to be spent by the Company of Corporate Social Responsibility (CRS) related activities for the year ended March 31, 2019 is ₹199.98 Lakhs (Previous period ₹147.25 Lakhs)

(₹ in lakhs)

Amount Spent during the period ended March 31, 2019 on:	In Cash	Yet to be paid	Total
(i) Construction of any asset	-	-	-
(ii) Purposes other than (i) above	145.90	54.08	199.98

(₹ in lakhs)

Amount Spent during the period ended March 31, 2018 on:	In Cash	Yet to be paid	Total
(i) Construction of any asset	-	-	-
(ii) Purposes other than (i) above	28.04	119.21	147.25

Payment to Auditors (excluding GST)

As auditors:		
Audit fees	74.00	62.50
Others	1.00	6.50
Total	**75.00**	**69.00**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

32. Income Tax

The Company is subject to income tax in India on the basis of standalone financial statements. As per the Income Tax Act, the Company is liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be offset against future tax liabilities.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Income tax expenses in the statement of profit and loss consist of the following:

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current tax	3,837.89	2,765.80
Deferred tax	1,329.77	1,429.65
Total	**5,167.66**	**4,195.45**

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Profit before taxes	14,725.92	12,070.26
Applicable tax rates in India	34.94%	34.61%
Computed tax charge	5,145.82	4,177.28
Tax effect on exempted income	-	(2.10)
Tax effect on permanent non deductible expenses :		
Others	21.84	20.27
Total	**5,167.66**	**4,195.45**

33. During the year, following expenses are capitalised to site establishment

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Raw material consumed	4,967.02	2,785.08
Labour/Subcontractor charges	7,165.19	3,026.25
Electricity expenses (Site)	-	273.29
Equipments hire charges	94.39	45.25
Others construction expenses	-	20.02
Legal and professional charges	276.20	-
Total	**12,502.80**	**6,149.89**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

34. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in lakhs)

Particulars		As at March 31, 2019	As at March 31, 2018
Basic earnings per share			
Profit after tax as per accounts (₹In Lakhs)	A	9,558.26	7,874.81
Weighted average number of equity shares outstanding	B	6,78,91,497	5,74,48,446
Basic EPS	A/B	14.08	13.71
Diluted earnings per share			
Profit after tax as per accounts (₹In Lakhs)	A	9,558.26	7,874.81
Weighted average number of equity shares outstanding for diluted EPS	B	6,78,91,497	5,74,48,446
Diluted EPS	A/B	14.08	13.71
Face Value per share (₹)		10	10

35. Segment Reporting

For management purposes, the Company is organised into business units based on its services and has single reportable segments namely "Engineering, Procurement and Construction Contracts".

The Board of directors of the Company monitors the operating results of this segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

36. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company, the dues payable to micro, small and medium enterprises as defined in "The Micro, Small & Medium Enterprises Development Act, 2006" as at March 31, 2019 amounts to ₹409.62 Lakhs (March 31, 2018: ₹177.18 Lakhs)

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
-Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	409.62	177.18
-Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	14.98	-
-Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest due and payable towards suppliers registered under MSMED Act, for payments already made	14.98	-
-Further interest remaining due and payable for earlier years	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

37. Disclosure pursuant to Ind AS 115

a) Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Contract assets		
Unbilled revenue		
Non current	190.33	159.55
Current	36,631.33	12,346.01
Total Contract assets	**36,821.66**	**12,505.56**
Contract liabilities		
Advance from customers		
Non current	7,498.36	7,128.76
Current	13,744.67	9,153.09
Total Contract Liabilities	**21,243.03**	**16,281.85**
Receivables		
Trade receivables (Gross)	60,813.13	47,079.64
Non current	6,622.48	4,999.42
Current	52,889.68	41,465.96
Less : Impairment allowance	1,300.97	614.26
Net receivables	**59,512.16**	**46,465.38**
Total	**75,090.79**	**42,689.09**

Note: Due to the application of Ind AS 115, current year contract assets are higher by ₹21,349.42 Lakhs.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	
	Contract Assets	Contract Liabilities
Opening Balance (unbilled revenue)	12,505.56	16,281.85
Less : Revenue recognised during the year from balance at the beginning of the year, (net)	10,024.04	9,620.50
Add : Advance received during the year not recognised as revenue	-	14,581.67
Add : Revenue recognised during the year apart from above, (net)	34,340.14	-
Closing Balance	**36,821.66**	**21,243.02**

Note: Due to the application of Ind AS 115, current year contract assets are higher by ₹21,349.42 Lakhs.

b) Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. The aggregate value of performance obligations (completely or partially unsatisfied) as of March 31, 2019 is ₹7,17,673.76 Lakhs (excluding MHADA project), out of which, majority is expected to be recognised as revenue within a period of 18-36 months.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

37. Disclosure pursuant to Ind AS 115 *(Contd)*

c) Inpact on adoption of Ind AS 115

The application of Ind AS 115 has impacted the Company's accounting for construction work-in-progress, with consequential impact on revenue, expected credit loss and tax expense. The Company has chosen to apply the modified retrospective approach and accordingly, impact upto March 31, 2018 of unbilled revenue of ₹15,612.68 lakhs net of cost of material consumed of ₹14,769.82 lakhs, expected credit loss of ₹7.81 lakhs and tax expense of ₹290.17 lakhs, i.e. ₹544.88 lakhs have been credited to the retained earnings as at April 1, 2018.

Due to the application of Ind AS 115, the impact on financials for the year are as follows:

Revenue from Operations for the year ended March 31, 2019 is higher by ₹6,398.95 lakhs, cost of material consumed is higher by ₹5,882.55 lakhs, tax expense is higher by ₹180.43 lakhs & profit after tax is higher by ₹335.97 lakhs. Also, the basic and diluted EPS for the year is ₹14.08 per share, instead of ₹13.59 per share.

38. Contingent Liabilities

(₹ in lakhs)

a)

Particulars	As at March 31, 2019	As at March 31, 2018
Corporate Guarantee given on behalf of subsidiary company	1,095.00	1,095.00
Corporate Guarantee given to project customers	-	180.00
Bank Guarantees	10,537.23	8,996.07
Total	**11,632.23**	**10,271.07**

b) For the year 13-14 & 14-15, Company has received assessment orders under Maharashtra Value Added Tax Act,2002 (MVAT) with disallowance of input Tax Credit & Tax deducted at source amounting to ₹64,13,256/- & ₹55,55,603/- respectively. The Company is contemplating to proceed with an appeal against the said orders. Pending outcome of the same, no adjustment has been made in the financial statements. The outcome of the appeal either ways shall not result into cash outflow for the Company.

c) In addition to above, with respect to certain matters relating to issue of shares in earlier years, the Company has filed a compounding application in earlier years with the National Company Law Tribunal and currently, the impact of the same on these financial statements is not ascertainable.

d) There are numerous interpretative issues relating to the Supreme Court (Sc) judgement on PF dated February 28, 2019. As a matter of Caution, the Company has made a provision of ₹8.78 Lakhs on a prospective basis from the date of the Sc order. The Company will update its provision, on receiving clarity on the subject.

39. Capital and Other Commitments

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Formwork and Plant & Machinery	2,824.03	1,091.17
Immovable Property	-	513.53
Total	**2,824.03**	**1,604.70**

40. Disclosure pursuant to Ind AS 19 "Employee Benefits"

The Company operates one defined benefit plan viz. gratuity benefit for its employees which is funded. The gratuity benefit is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with insurance companies.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity benefit plan:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

40. Disclosure pursuant to Ind AS 19 "Employee Benefits" *(Contd)*

(i) Net benefit expenses (recognised in profit or loss)

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current service cost	160.20	162.65
Net interest cost	12.00	19.04
Net benefit expenses	**172.20**	**181.69**

(ii) Premeasurement (gain)/loss recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Actuarial loss / (gain) due to defined benefit obligation ('DBO') and assumption changes	(53.38)	(59.22)
Return on plan assets less / greater than discount rate	16.96	1.42
Actuarial losses / (gains) due recognised in OCI	**(36.42)**	**(57.80)**

(iii) The amounts recognised in the Balance Sheet are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Defined benefit obligation	481.67	372.41
Fair value of plan assets	311.21	217.74
Net Plan Liability/ (Asset)*	170.46	154.67

* Balance as on March 31, 2018 does not include ₹20,00,000 of premium contribution made on March 31, 2018 effect of which was given by Insurance company in FY 18-19

(iv) The changes in the present value of defined benefit obligation for Gratuity are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening defined benefit obligation	372.41	252.70
Add: Service cost	160.20	162.65
Add: Interest cost	28.86	19.58
Add: Actuarial Gain on obligation arising from changes in experience adjustments	(53.38)	(59.22)
Less: Benefit paid	(26.42)	(3.30)
Closing defined benefit obligation	**481.67**	**372.41**

(v) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance of the fair value of plan assets	217.74	6.91
Add: Interest income on plan assets	16.86	0.55
Add/(Less): Actuarial gains/(losses)	(16.97)	(1.42)
Add: Contribution by employer	120.00	215.00
Less: Benefits paid	(26.42)	(3.30)
Closing balance of the fair value of plan assets	**311.21**	**217.74**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

40. Disclosure pursuant to Ind AS 19 "Employee Benefits" *(Contd)*

(vi) The Major category of plan asset as a percentage of fair value of total plan assets is as follows

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Investments with insurer managed funds	100%	100%

(vii) Principal actuarial assumptions as at Balance Sheet date:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate	7.75%	7.50%
Expected return on assets	7.75%	7.50%
Employee attrition rate	5.00%	5.00%
Salary growth rate	5.00%	5.00%

(viii) Sensitivity Analysis

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Assumptions	Discounted		Future Salary Increase	
Sensitivity Analysis	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on define benefit obligation	**(39.14)**	**43.98**	**44.06**	**(38.34)**

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(ix) The expected maturity analysis of undiscounted defined benefit obligation is as follows:

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Within 1 year	22.72	11.37
Between 1 - 2 years	36.06	16.18
Between 2 - 3 years	31.08	12.44
Between 3 - 4 years	40.81	19.03
Between 4 - 5 years	43.87	19.28
Beyond 5 years	516.57	285.08

The average duration of the defined benefit plan obligation at the end of the reporting period is 17 years (March 31, 2018 - 17 years).

The contribution expected to be made by the Company during the financial year 2019-20 is ₹207.69 Lakhs (2018-19: ₹165.03 Lakhs)

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

41. Related party transactions

Names of related parties and related party relationship

Related parties where control exists - Subsidiary Company	CIPL-PPSL-Yongnam Joint venture Constructions Private Limited
Joint Venture	PPSL Capacit'e JV
Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives.	Katyal Merchandise Pvt Ltd
	Capacit'e Engineering Private Limited (upto March 31, 2017)
	Asutosh Trade links
	Rahul Katyal- HUF
	Rohit Katyal- HUF
	Katyal Ventures Pvt Ltd. (Formerly Capacit'e Ventures)
	MAS designs
	Realcon Infrastructure LLP (from November 20, 2017)
Associates	TPL-CIL Construction LLP (from September 28, 2018)
(where transactions have taken place during the year and previous year/balances outstanding)	Capacit'e Viraj AOP (from November 1, 2018)
	TCC Constructions Pvt Ltd (from September 20, 2018)
Key Management Personnel & their relatives	Rohit Katyal – Executive Director and Chief Financial Officer
	Rahul Katyal – Managing director
	Sai Katkar - Company Secretary
	Subir Malhotra - Executive director
	Deepak Mitra - Independent director (upto February 24, 2018)
	Rupa Vora - Independent director (upto October 31, 2017)
	V. N. Kannimbele - Independent director (upto February 24, 2018)
	Farah Nathani Menzies - Independent director (From November 09, 2017 onwards)
	S. B. Mainak - Independent director (From March 29, 2018 onwards)
	Saroj Kumar Pati - Chief Executive Officer (from September 1, 2017 onwards)
	Asutosh Katyal (from December 1, 2017 onwards)
	Arun Karambelkar (From May 18 , 2018 onwards)
	K.V. Murty (upto February 24, 2018)
	Vishwamitter Katyal - Father-in-Law of Mr. Subir Malhotra
	Monita Malhotra - Wife of Mr. Subir Malhotra

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

41. Related party transactions *(Contd)*

Related Party Transaction (including provisions and accruals)

(₹ in lakhs)

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
CIPL-PPSL Yongnam JV Constructions Private Ltd	Subsidiary Company	Other Income (Formwork, Equipment and HO Charges)	557.49	98.39
		Professional charges Expense	621.25	-
		Payment made	583.70	-
		Payment received	1,240.87	-
		Converted in unsecured perpetual securities (Non cash)	1,282.50	1,364.11
		Investment in unsecured perpetual securities	-	541.10
Capacit'e Viraj AOP	Associates	Sales	163.17	-
		Payment received	38.77	-
		Payment made	2.80	-
Capacit'e Engineering Private Limited (CEPL)	Enterprises directly or indirectly owned / significantly influenced by directors/ key management personnel or their relatives	Expenses Incurred - Subcontractor Charges	1,723.63	1,728.49
		Other Income (Guarantee commission)	-	2.68
		Security deposit	26.08	-
		Purchases	-	324.27
		Contract Retention	205.37	91.12
		Contract With held	33.08	33.08
		Payment Received	200.00	35.00
		Payment made	3,509.36	2,495.71
TPL-CIL Construction LLP	Associates	Professional & Consultancy Income	1,865.00	-
		Payment made	21.50	-
PPSL Capacit'e JV	Joint Venture	Assets Purchased	1,764.50	-
		Site establishment expenses booked	51.71	-
		Payment Received	181.50	-
		Payment Made	267.15	-
Realcon Infrastructure LLP	Enterprises directly or indirectly owned / significantly influenced by directors/ key management personnel or their relatives	Business Support Service	685.00	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

41. Related party transactions *(Contd)*

Related Party Transaction (including provisions and accruals)

(₹ in lakhs)

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
Rahul Katyal	Managing Director	Loan Received	-	25.00
		Loan Repaid (Including interest)	-	25.30
		Interest on Loan	-	0.30
		Directors Remuneration (refer note below)	94.20	94.20
Rohit Katyal	Director and Chief Financial Officer	Directors Remuneration (refer note below)	97.20	87.20
Sai Katkar	Company Secretary	Remuneration	16.00	13.83
Subir Malhotra	Executive Director	Directors Remuneration (refer note below)	86.20	86.20
Deepak Mitra	Independent director	Sitting Fees	0.40	3.30
Rupa Vora	Independent director	Sitting Fees	0.30	2.60
Arun Karambelkar	Independent director	Sitting Fees	2.40	-
Farah Nathani Menzies	Independent director	Sitting Fees	2.55	0.90
K.V. Murty	Independent director	Sitting Fees	0.30	4.10
S B Mainak	Independent director	Sitting Fees	4.00	0.50
Saroj Kumar Pati	Chief Executive Officer	Remuneration	121.53	70.89
Vishwamitter Katyal	Relatives of Directors	Professional Fees	16.00	24.03
		Payment made	19.44	-
Capacit'e Ventures Pvt Ltd	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Payment made	5.40	55.00
		Sale of Investments	-	400.00
		Rent Expenses	4.65	2.25
Mrs. Monita Malhotra	Relatives of Directors	Rent	26.96	27.00
		Payment Made	29.12	-
Asutosh Katyal	Relatives of Directors	Remuneration	8.72	-
Katyal Merchandise Pvt Ltd	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Interest expense (gross)	-	16.63
		ICD Repaid (incl. interest)	213.45	599.97
		ICD Taken	213.45	585.00
Asutosh Trade links	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Vehicle Hiring Charges	-	7.05

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

41. Related party transactions *(Contd)*

Compensation of key management personnel of the Company

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Compensation including sitting fees	425.07	363.72
Total	**425.07**	**363.72**

Closing Balances of Related Parties (including provisions and accruals)

(₹ in lakhs)

Name of Related Party	Relation with related parties	Nature of Balance	As at March 31, 2019	As at March 31, 2018
CIPL-PPSL Yongnam JV Constructions Pvt Ltd	Subsidiary Company	Investment in Perpetual Securities Unquoted	1,282.51	1,905.21
PPSL Capacit'e JV	Joint Venture	Balance Outstanding	6.39	37.93
		Loan Given outstanding including interest	-	2,398.90
Capacit'e Viraj AOP	Associates	Balance Outstanding	155.21	-
Capacit'e Engineering Pvt Ltd	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Advance Outstanding	1,028.71	385.44
		Retention Money Payable	-	238.59
		Trade payable	-	33.08
Capacit'e Ventures Pvt Ltd	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Balance Outstanding	0.42	0.81
TPL-CIL Construction LLP	Associates	Balance Outstanding	2,014.20	-
Realcon Infrastructure LLP	Enterprises directly or indirectly owned / significantly influenced by directors/ key management personnel or their relatives	Balance Outstanding	739.80	-
Vishwamitter Katyal	Relatives of Directors	Professional Fees Payable	-	2.16
Mrs. Monita Malhotra	Relatives of Directors	Rent payable	7.28	7.28

Note: Loans given to related party are repayable on demand. These loans carries interest @ of 11.5% p.a. The Company has not demanded any repayment of the said loan during the period ended March 31, 2019.

Details of Corporate Guarantees given on behalf of Related parties :

(₹ in lakhs)

Name of Related Party	Opening Balance as at April 1, 2018	Issued during the period	Expired during the period	Closing Balance as at March 31, 2019
CIPL-PPSL Yongnam JV Constructions Pvt Ltd	1,095	-	-	1,095
Total	**1,095**	**-**	**-**	**1,095**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

42. Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A) Significant Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

i) Operating lease commitments – Company as lessee

The Company has entered into leases for office premises. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the office premises and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

ii) Taxes

Deferred tax liabilities are recognised to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 32 for further disclosures.

B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to guarantees given by the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

ii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 40.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

42. Significant accounting judgements, estimates and assumptions *(Contd)*

iii) Cost to complete

For assessing onerous contracts the Company is required to estimate the costs to complete of each contract. Survey of work done have been used to measure progress towards completion as there is a direct relationship. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

43. Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the financial statements.

(A) Fair Values:

The following tables presents the carrying amount and fair value of each category of financial assets and liabilities as at March 31, 2019 & March 31, 2018

As at March 31, 2019 (₹ in lakhs)

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
Financial assets					
Investments*	Level 2	55.26	-	55.26	55.26
Trade receivables		-	59,512.16	59,512.16	59,512.16
Cash and cash equivalent		-	2,964.19	2,964.19	2,964.19
Bank balances other than cash and cash equivalent		-	16,341.42	16,341.42	16,341.42
Loans		-	2,929.36	2,929.36	2,929.36
Other Financial Assets		-	41,813.23	41,813.23	41,813.23
Total		**55.26**	**1,23,560.36**	**1,23,615.62**	**1,23,615.62**
Financial Liabilities					
Borrowings (including current maturities)		-	27,355.97	27,355.97	27,355.97
Trade payables		-	53,347.77	53,347.77	53,347.77
Other financial liabilities (excluding current maturities)		-	6,512.30	6,512.30	6,512.30
Total		**-**	**87,216.04**	**87,216.04**	**87,216.04**

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

43. Disclosures on Financial instruments *(Contd)*

As at March 31, 2018

(₹ in lakhs)

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
Financial assets					
Investments*	Level 2	51.86	-	51.86	51.86
Trade receivables		-	46,465.38	46,465.38	46,465.38
Cash and cash equivalent		-	1,291.59	1,291.59	1,291.59
Bank balances other than cash and cash equivalent		-	31,080.53	31,080.53	31,080.53
Loans		-	4,072.58	4,072.58	4,072.58
Other Financial Assets		-	17,091.89	17,091.89	17,091.89
Total		**51.86**	**1,00,001.97**	**1,00,053.83**	**1,00,053.83**
Financial Liabilities					
Borrowings (including current maturities)		-	23,893.32	23,893.32	23,893.32
Trade payables		-	44,682.69	44,682.69	44,682.69
Other financial liabilities (excluding current maturities)		-	5,423.96	5,423.96	5,423.96
Total		**-**	**73,999.97**	**73,999.97**	**73,999.97**

*Other than investments in subsidiary accounted at cost in accordance with Ind AS 27

The management assessed that cash and cash equivalents, trade receivables, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

44. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

(iii) The amounts recognised in the Balance Sheet are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Debt (i)	27,355.97	23,893.33
Less: Cash and Bank balances	2,964.19	1,291.59
Net debt	**24,391.78**	**22,601.74**
Total Capital (ii)	84,312.96	74,948.68
Capital and Net Debt	**1,08,704.75**	**97,550.42**
Net debt to Total Capital plus net debt ratio (%)	22.44%	23.17%

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

44. Capital Management *(Contd)*

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings.

(ii) Equity is defined as equity share capital and other equity including reserves and surplus.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

45. Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other bank balances and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

b) Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for long-term debt obligations with floating interest rates at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Increase in basis points	+50	+50
Effect on profit before tax	(128.12)	(108.55)
Decrease in basis points	(50)	(50)
Effect on profit before tax	128.12	108.55

c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign exchange risk through its overseas borrowings. The results of the Company's operations can be affected as the rupee appreciates/depreciates against these currencies.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

45. Financial risk management objectives and policies *(Contd)*

The following table analyses foreign currency assets and liabilities on balance sheet dates:

(₹ in lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Foreign currency lakhs	₹ lakhs	Foreign currency lakhs	₹ lakhs
Foreign currency liabilities				
In USD	-	-	5.14	332.83
In Euro	-	-	1.73	139.51
Foreign currency assets	**-**	**-**	**-**	**-**

d) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Company's profit before tax and pre-tax equity is due to changes in the fair value of monetary assets and liabilities:

Year ended	Rupee movement	Effect on profit before tax	Effect on pre-tax equity
March 31, 2019	Rupee depreciate by ₹1 against USD	-	-
	Rupee appreciate by ₹1 against USD	-	-
	Rupee depreciate by ₹1 against Euro	-	-
	Rupee appreciate by ₹1 against Euro	-	-
March 31, 2018	Rupee depreciate by ₹1 against USD	(5.14)	(5.14)
	Rupee appreciate by ₹1 against USD	5.14	5.14
	Rupee depreciate by ₹1 against Euro	(1.73)	(1.73)
	Rupee appreciate by ₹1 against Euro	1.73	1.73

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on companies internal assessment.

The Company's customer profile includes mainly large private corporates. The Company's average project execution cycle is around 36 to 48 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

Non certification of works billed.

The costs incurred on projects are regularly monitored through the Project budgets. Costs which are incurred beyond the agreed terms and conditions of the contract, would be claimed from the customer, based on the actual works performed. The realisability of such claims, is verified by professionals, who certify the tenability of such claims and also the collectible amounts, by applying appropriate probabilities. Costs, which are identified as non tenable or costs beyond the collectible amounts, as mentioned above, would be provided in the books of accounts.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

45. Financial risk management objectives and policies *(Contd)*

C) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(₹ in lakhs)

Particulars	On demand	Within 12 months	After 12 months	Total
Year ended March 31, 2019				
Borrowings (including current maturities)	7,301.77	14,255.82	5,798.38	27,355.97
Other financial liabilities	-	6,111.38	4,185.88	10,297.26
Trade payables	-	53,347.77	-	53,347.77
	7,301.77	**73,714.97**	**9,984.26**	**91,001.00**
Year ended March 31, 2018				
Borrowings (including current maturities)	4,952.63	14,137.21	4,803.49	23,893.33
Other financial liabilities	-	7,667.16	2,940.04	10,607.20
Trade payables	-	44,682.69	-	44,682.69
	4,952.63	**66,487.06**	**7,743.53**	**79,183.22**

C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, investments, other financial assets and other financial liabilities.

46. Standards amendment but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new amendments to Ind AS which the Company has not applied as they are effective for annual periods beginning on or after April 1, 2019 :

Ind AS 116- Leases

Ind AS 116 was issued on March 30, 2019. The Company is required to adopt Ind AS 116 Leases from April 1, 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees.

The new lease Standard will supersede existing leases guidance, including Ind AS 17 Leases. Either a full retrospective application or a modified retrsopective application is required for annual period beginning on or after April 1, 2019.

The Company is in the business of construction and infrastructure development. It has income primarily from contract revenue relating to construction work, interest on deposits and sales of scrap. The management believes that application of Ind AS 116 is not expected to have material impact on the financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

46. Standards amendment but not yet effective *(Contd)*

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and year ended March 31, 2018.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

47. Significant event after the reporting period

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the balance sheet.

48. Previous year figures

Figure for the previous year have been regrouped and reclassified where ever necessary to conform to the current year's presentation.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of
Capacit'e Infraprojects Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Capacit'e Infraprojects Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), its associates and joint venture comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary, associates and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">(a) Revenue recognition for construction contracts (as described in note 37 of the Consolidated Ind AS financial statements)</td></tr>
<tr><td>The Group’s significant portion of business is undertaken through engineering, procurement and construction contracts.

Revenue from these contracts is recognised over a period of time in accordance with the requirements of Ind AS 115, ‘Revenue from Contracts with Customers’.

The Group has applied Ind AS 115 “Revenue from Contracts with Customers” with effect from April 1, 2018 using modified retrospective approach. The application of Ind AS 115 has impacted the Group’s accounting for construction work in progress, with consequential impact on revenue and has resulted in credit to retained earnings (net of taxes) as at April 1, 2018 by ₹5.44 crores.

Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based survey of work done by the group.

This involves significant judgments, identification of contractual obligations and the Group’s rights to receive payments for performance obligation completed till date. Accuracy of revenues and onerous obligations involves significant judgements and estimates, which may impact the profits.

Accordingly, this is considered as a key audit matter.</td><td>• Our audit procedures included reading and the Group’s revenue recognition accounting policies and assessing compliance with the policies in terms of Ind AS 115.
• We obtained and tested the adjustment to retained earnings balance as at April 1, 2018 in view of adoption of Ind AS 115 as per the modified retrospective approach.
• We performed test of controls over revenue recognition with specific focus on determination of progress of completion.
• We performed tests of details, on a sample basis, and read the underlying customer contracts for terms and conditions.
• We understood the management’s process to recognise revenue over a period of time, status of completion of projects and total cost estimates.
• We tested contracts with low or negative margins to assess the level of provisioning required.
• We tested that the contractual positions and revenue for the year are presented and disclosed in compliance of Ind AS 115 in the standalone Ind AS financial statements.
• We read the disclosures made by management in compliance of Ind AS 115, tested the disclosures made with underlying transactions.</td></tr>
</table>

Other Information

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

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

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

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

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of one subsidiary, whose Ind AS financial statements include total assets of ₹1,333.85 lakhs as at March 31, 2019, and total revenues of ₹2,076.42 lakhs and net cash inflows of ₹2,984.44 lakhs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.

(b) The consolidated Ind AS financial statements also include the Group's share of net loss of ₹2.62 lakhs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of three associates and one joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these associates and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the joint venture and associates, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, associates and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, associates and joint venture, none of the directors of the Group's companies, its associates and joint venture incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary company, associates and joint venture incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditor of the subsidiary incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid/ provided by the Holding Company and its subsidiary incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of the subsidiary, associates and joint venture, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint venture in its consolidated Ind AS financial statements – Refer Note 38 to the consolidated Ind AS financial statements;

ii. The Group, its associates and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary, associates and joint venture incorporated in India during the year ended March 31, 2019.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Jayesh Gandhi
Partner
Membership Number: 037924
Place of Signature: Mumbai
Date: May 13, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF CAPACIT'E INFRAPROJECTS LIMITED

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

In conjunction with our audit of the consolidated Ind AS financial statements of Capacit'e Infraprojects Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Capacit'e Infraprojects Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, its associates and joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary company, its associates and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements of the Holding Company, insofar as it relates to this one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary which is incorporated in India.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Jayesh Gandhi
Partner
Membership Number: 037924
Place of Signature: Mumbai
Date: May 13, 2019

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(₹ in lakhs)

Particulars	Notes	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	4	53,897.04	40,852.88
Capital work-in-progress	4	426.48	6.10
Intangible assets	5	159.98	138.09
Financial Assets			
Investments	6	30.00	8.50
Trade receivables	12	6,839.05	5,205.16
Loans	7	39.00	49.00
Other financial assets	8	2,757.88	2,902.16
Non Current Tax Assets (net)	10	1,509.82	33.33
Other non-current assets	9	6,157.08	3,239.93
Total non current assets		**71,816.33**	**52,435.15**
Current assets			
Inventories	11	9,105.69	22,406.93
Financial assets			
Investments	6	46.76	43.36
Trade receivables	12	53,330.82	41,883.44
Cash and cash equivalents	13	2,984.44	1,301.19
Bank balances other than cash and cash equivalents	14	16,341.42	31,080.53
Loans	7	2,904.86	4,038.08
Other financial assets	8	39,093.49	14,227.57
Current Tax Assets (net)	10	-	47.01
Other current assets	9	9,496.85	5,921.11
Total current assets		**1,33,304.33**	**1,20,949.22**
Total Assets		**2,05,120.66**	**1,73,384.37**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15A	6,789.15	6,789.15
Other equity	15B	77,515.48	67,981.61
Equity attributable to equity holders of parent		**84,304.63**	**74,770.76**
Non-controlling interests		**-**	**-**
Total equity		**84,304.63**	**74,770.76**
Non-current liabilities			
Financial liabilities			
Borrowings	16	5,798.38	4,803.49
Other financial liabilities	18	4,185.88	2,940.04
Provisions	19	149.21	125.01
Deferred tax liabilities (net)	21	5,721.12	4,073.76
Other non-current liabilities	22	7,646.85	7,273.69
Total non current liabilities		**23,501.44**	**19,215.99**
Current Liabilities			
Financial liabilities			
Borrowings	16	17,788.46	13,921.17
Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		409.62	177.18
- Total outstanding dues of creditors other than micro enterprises and small enterprises.		52,965.60	44,554.89
Other financial liabilities	18	6,111.37	7,682.91
Provisions	19	2,162.72	1,801.37
Current Tax Liabilities (net)	20	1,201.52	471.66
Other current liabilities	22	16,675.30	10,788.44
Total Current Liabilities		**97,314.59**	**79,397.62**
Total Equity and Liabilities		**2,05,120.66**	**1,73,384.37**
Summary of significant accounting policies	3		

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003
per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

Particulars	Notes	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
INCOME			
Revenue from operations	23	1,79,760.10	1,34,107.57
Other income	24	3,596.23	2,415.32
TOTAL INCOME		**1,83,356.33**	**1,36,522.89**
EXPENSES			
Cost of material consumed	25	77,860.45	63,324.27
(Increase)/ decrease in construction work-in-progress	26	-	(3,594.60)
Construction expenses	27	55,526.52	37,356.28
Employee benefit expense	28	14,617.08	11,665.62
Finance costs	29	4,914.33	3,987.43
Depreciation and Amortisation Expense	30	8,899.30	6,721.84
Other expenses	31	6,640.52	4,994.68
TOTAL EXPENSE		**1,68,458.19**	**1,24,455.52**
Profit before non controlling interest/share of net profit/(loss) of a Joint Venture, Associates and tax		**14,898.13**	**12,067.37**
Share of profit/(loss) of Joint Venture	43	-	84.93
Share of profit/(loss) of Associates	43	(2.62)	-
Profit Before Tax		**14,895.51**	**12,152.30**
Current tax	32	3,837.89	2,765.80
Deferred tax	32	1,329.77	1,429.65
Total Tax Expense		**5,167.66**	**4,195.45**
Net Profit for the year		**9,727.86**	**7,956.85**
OTHER COMPREHENSIVE INCOME			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans		79.23	98.65
Income tax effect		(27.42)	(34.14)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		51.81	64.51
Total comprehensive income for the year, net of tax		**9,779.67**	**8,021.36**
Profit for the Year attributable to :			
-Equity holders of the Parent		9,727.86	7,956.85
-Non Controlling Interest		-	-
Other comprehensive income for the year attributable to :			
-Equity holders of the Parent		51.81	64.51
-Non Controlling Interest		-	-
Total comprehensive income for the year attributable to :			
-Equity holders of the Parent		9,779.67	8,021.36
-Non Controlling Interest		-	-
EARNING PER SHARES (EPS)	34		
- Basic		14.33	13.85
- Diluted		14.33	13.85
Summary of significant accounting policies	3		

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

		For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Cash flow from operating activities			
Profit before Tax		14,895.51	12,152.30
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortisation expenses		8,899.30	6,721.84
Finance cost		4,914.33	3,987.43
Provision for doubtful debts		678.90	30.94
Loss on Sale of fixed assets		13.98	19.21
Income on change in fair value of financial instruments		(3.39)	-
Unrealised foreign exchange (Gain)/loss		-	23.54
Profit on sale of investments		(2.18)	-
Profit on sale of business		-	(97.23)
Sundry Balance written back		(50.77)	(168.97)
Interest income		(3,337.92)	(1,888.69)
Operating profit before working capital changes		**26,007.77**	**20,780.37**
Movement in working capital :			
(Increase)/Decrease in Trade Receivables (Including bills discounted with banks)		(12,243.29)	(4,246.43)
(Increase)/Decrease in Loans		(1,133.19)	(1,307.61)
(Increase)/Decrease in Inventories		(7,503.31)	(4,316.54)
(Increase)/Decrease in Other Assets and other financial assets		(10,341.58)	(13,227.23)
Increase/(Decrease) in Trade payables		8,725.88	13,083.32
Increase/(Decrease) in Provisions		464.78	1,568.45
Increase/(Decrease) in Other Liabilities and other financial liabilities		7,344.44	(1,414.85)
Cash generated from operations		**11,321.52**	**10,919.48**
Direct Taxes paid (net of refunds)		(4,280.50)	(2,424.03)
Net cash flow from operating activities	**(A)**	**7,041.02**	**8,495.45**
Cash flow from investing activities			
Purchase of property, plant and equipment including CWIP and capital advances		(22,403.49)	(14,098.57)
Proceeds from sale of property, plant and equipment		3.78	395.93
Proceeds from sale of business		-	147.76
Purchase of Investments		**(21.50)**	**-**
Proceeds from sale of investments		2.18	-
Loans given/repaid back to related party, net		2,276.41	(884.32)
Proceeds/ (purchase) of investments in bank deposits (having original maturity of more than three months), net		15,072.08	(28,751.58)
Interest received		3,502.73	1,797.04
Net cash used in investing activities	**(B)**	**(1,567.81)**	**(41,393.74)**

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(₹ in lakhs)

		For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Cash flow from financing activities			
Repayment of long-term borrowings		(6,891.66)	(3,581.68)
Proceeds from long-term borrowings		6,488.28	3,690.61
Proceeds/ (Repayments) from short-term borrowings, net		2,350.40	(336.83)
Dividend paid including dividend distribution taxes		(822.64)	(313.75)
Interest paid		(4,914.33)	(3,854.78)
Share issue expenses		-	(2,525.45)
Proceeds from issue of Share Capital		-	40,000.00
Net cash from/(used in) financing activities	**(C)**	**(3,789.96)**	**33,078.11**
Net increase in cash and cash equivalents (A + B + C)		**1,683.25**	**179.83**
Effect of exchange differences on cash & cash equivalents held in foreign currency		-	1.42
Cash and Cash Equivalents at the beginning of the period		1,301.19	1,119.94
Cash and cash equivalents at end of the period (note 13)		**2,984.44**	**1,301.19**
Components of cash and cash equivalents			
Cash in hand		22.63	20.79
Foreign currency on hand		9.79	9.45
Balances with banks:			
- on current accounts		258.40	240.95
- Term Deposits with less than 3 months of original maturity		2,693.62	1,030.00
Total cash & cash equivalents (note 13)		**2,984.44**	**1,301.19**
Non Cash Investing & financing transaction			
Conversion of CCPS into equity		-	1,159.67
Summary of significant accounting policies	3		

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A) Equity Share Capital

(₹ in lakhs)

Particulars	Notes	Amount
Balance as at March 31, 2017		**4,029.47**
Changes in equity share capital during the year	15A	2,759.68
Balance as at March 31, 2018		**6,789.15**
Changes in equity share capital during the year	15A	-
Balance as at March 31, 2019		**6,789.15**

B) Instruments entirely Equity in Nature

(₹ in lakhs)

Compulsorily Convertible Preference Shares - Series A

Particulars	Notes	Amount
Balance as at March 31, 2017		**201.47**
Changes in Compulsorily Convertible Preference Shares	15A	(201.47)
Balance as at March 31, 2018		**-**
Changes in Compulsorily Convertible Preference Shares	15A	-
Balance as at March 31, 2019		**-**

Compulsorily Convertible Preference Shares - Series B

(₹ in lakhs)

Particulars	Notes	Amount
Balance as at March 31, 2017		**129.86**
Changes in equity Compulsorily Convertible Preference Shares	15A	(129.86)
Balance as at March 31, 2018		**-**
Changes in equity Compulsorily Convertible Preference Shares	15A	-
Balance as at March 31, 2019		**-**

C) Other equity

(₹ in lakhs)

Particulars	Attributable to the equity holders		Total
	Reserves and surplus		
	Securities premium	Retained earnings	
Balance as at March 31, 2017	**10,666.94**	**14,852.77**	**25,519.71**
Profit / (Loss) for the year	-	7,956.85	7,956.85
Other comprehensive income for the year	-	64.51	64.51
Total comprehensive income for the year	**10,666.94**	**22,874.13**	**33,541.07**
Premium on issue of equity shares	38,400.00	-	38,400.00
Utilised for conversion of Compulsorily Convertible Preference Shares into equity shares	(828.34)	-	(828.34)
Share issue expenses	(2,557.42)	-	(2,557.42)
Final Dividend paid	-	(259.46)	(259.46)
Dividend distribution tax	-	(54.30)	(54.30)
Balance as at March 31, 2018	**45,681.18**	**22,560.37**	**68,241.55**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

C) Other equity

(₹ in lakhs)

Particulars	Attributable to the equity holders		Total
	Reserves and surplus		
	Securities premium	Retained earnings	
Profit / (Loss) for the year	-	9,727.86	9,727.86
Other comprehensive income for the year	-	51.81	51.81
Impact on reserves due to Ind AS 115 (refer note 37 c)	-	544.88	544.88
Total comprehensive income for the year	**45,681.18**	**32,884.92**	**78,566.10**
Excess provision related to share issue expense written back	31.97	-	31.97
Final Dividend paid	-	(678.91)	(678.91)
Dividend distribution tax	-	(143.73)	(143.73)
Balance as at March 31, 2019	**45,713.15**	**32,062.27**	**77,775.42**
Summary of significant accounting policies 3			

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

(All amounts in Indian Rupees unless otherwise stated)

1. Corporate information

The consolidated financial statements comprise financial statements of Capacit'e Infraprojects Limited ("the Company") and its subsidiary (collectively, the Group) for the year ended March 31, 2019. The Company is a public limited company domiciled in India and its incorporated under the provisions of Companies Act, 1956 on August 09, 2012. The Company is an ISO-9001:2015, ISO-14001:2015 and OHSAS-45001:2018 certified Company. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 6th Floor, 605-607, "A" Wing, Shrikant Chambers, Next to R. K. Studios, Sion Trombay Road, Chembur, Mumbai, Maharashtra 400071. The Group is primarily engaged in the business of Engineering, Procurement and Construction business. The Company was incorporated as a Private Limited Company and became a Limited Company in March 2014 (Public limited in September 2017). The financial statements were authorised for issue in accordance with a resolution of directors on May 13, 2019.

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time).

2.2 Basis of preparation and presentation

These consolidated financial statements have been prepared in Indian Rupee ("₹") which is the functional currency of the Group.These consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.3 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent company and its subsidiary as at March 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has: 1. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee) 2. Exposure, or rights, to variable returns from its involvement with the investee, and 3. The ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: 1. The contractual arrangement with the other vote holders of the investee; 2. Rights arising from other contractual arrangements; 3. The Group's voting rights and potential voting rights; 4. The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders. The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

1. Derecognises the assets (including goodwill) and liabilities of the subsidiary
2. Derecognises the carrying amount of any non-controlling interests
3. Derecognises the cumulative translation differences recorded in equity
4. Recognises the fair value of the consideration received
5. Recognises the fair value of any investment retained
6. Recognises any surplus or deficit in profit or loss
7. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.4 Change in Accounting Policy

Ind AS 115 Revenue from Contracts with Customers:

Ind AS 115 supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires relevant disclosures.

The Group adopted Ind AS 115 using the modified retrospective approach of adoption with the date of initial application of April 1, 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard to all contracts as at April 1, 2018.

The cumulative effect of initially applying Ind AS 115 is recognised at the date of initial application as an adjustment to the opening balance of retained earnings. Therefore, the comparative information was not restated and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

continues to be reported under Ind AS 11 and Ind AS 18 (refer note 37 c)

3. Summary of significant accounting policies

a) Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

b) Investment in Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Investment in joint venture are accounted for using equity method. Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date. The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of profit and loss. The financial statements of the joint venture is prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

c) Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is: i. Expected to be realised or intended to be sold or consumed in normal operating cycle, ii. Held primarily for the purpose of trading, iii. Expected to be realised within twelve months after the reporting period, or iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current. A liability is current when: i. It is expected to be settled in normal operating cycle, ii. It is held primarily for the purpose of trading, iii. It is due to be settled within twelve months after the reporting period, or iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

d) Fair value measurement of financial instruments

The Group measures financial instruments, such as, Investments at fair value at each balance sheet date using valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: a) In the principal market for the asset or liability, or b) In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole: Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above."

e) Revenue Recognition

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new Ind AS which the Group has applied as they are effective for annual periods beginning on or after April 1, 2018: Ind AS 115 Revenue from Contracts with Customers.

Ind AS 115 – Revenue from Contracts with Customers Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Ind AS 115 supersedes the current revenue recognition standard Ind AS 18 - Revenue, Ind AS 11 - Construction Contracts

Description of performance obligation:

Contract revenue is recognised over time by measuring progress towards complete satisfaction of the performance obligation at the reporting date, measured on the basis of stage of completion which is as per joint survey of work done (output method). Contract costs related to work performed in projects are recognised on an accrual basis. Costs incurred in connection with the work performed are recognised as an expense.

Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when that uncertainty associated with the variable consideration is subsequently resolved.

The Group accounts for a contract modification (change in the scope or price (or both)) when that is approved by the parties to the contract. Where the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognised to the extent of costs incurred in satisfying the performance obligation that is expected to be recovered.

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Contract balances:

i) Contract assets

A contract asset is recognised for amount of work done but pending billing/acknowledgement by customer or amounts billed but payment is due on completion of future performance obligation, since it is conditionally receivable. The provision for Expected Credit Loss on contract assets is made on the same basis as financial assets (refer note no 37 c).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

ii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section Financial instruments – initial recognition and subsequent measurement.

iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received advance payments from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the consideration received.

Supply Contracts-Sale of goods

Revenue from supply contract is recognised when the control is transferred to the buyer.

Management Consultancy & other services

Revenues from Management consultancy & other services are recognised pro-rata over the period of the contract as and when services are rendered.

Interest

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

f) Property, plant and equipment

Property, plant and equipment, capital work in progress are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. Plant and equipment received from customers: Contributions by customers of items of property, plant and equipment (such as moulds, formworks) received on or after April 1, 2016, which require an obligation to supply goods to the customer in the future, are recognised at the fair value when the Group has control of the item. A corresponding credit to deferred revenue is made. The Group may agree to deliver one or more services in exchange for the transferred item of property, plant and equipment. The Group identifies the separately identifiable services included in the agreement. - If only one service is identified, the Group recognises revenue when the service is performed. - If an ongoing service is identified as part of the agreement, the period over which revenue is recognised for that service is generally determined by the terms of the agreement with the customer. If the agreement does not specify a period, the revenue is recognised over a period no longer than the useful life of the transferred asset used to provide the ongoing service. - If more than one separately identifiable service is identified, the fair value of the total consideration received or receivable for the agreement will be allocated to each service and the recognition criteria of Ind AS 18 are then applied to each service.

Gains or losses arising from derecognition of Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

g) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

h) Depreciation and amortisation

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

Intangible assets in the form of computer software are amortised over their respective individual estimated useful lives on a straight line basis.

The Group has assessed the following useful life to depreciate and amortise on its Property, plant and equipment and intangible assets respectively.

Particulars	Useful Lives of the Assets estimated by the management (years)
Plant and Machinery *	20
Furniture and Fixture *	10
Office Equipment	10
Formwork *	7 to 15
Vehicles	10
Computer & Hardware	5
Computer Software	5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

*Group has used useful life other than as indicated in Schedule II which is as per management estimate, supported by independent assessment by professionals. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. Site Establishments are amortised systematically over the life of the contract.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The amortization period and the amortization method are reviewed at least at each financial year end.

i) Impairment of Non-financial assets

As at the end of each accounting year, the Group reviews whether there is any indication that an asset may be impaired. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. The intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined: (i) in the case of an individual asset, at the higher of the net selling price and the value in use; and (ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use. (The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Group suitably adjusted for risks specified to the estimated cash flows of the asset). For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

j) Financial instruments

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

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Subsequent measurement of financial assets: All recognsied financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification financial assets. Following are the categories of financial instrument: a) Financial assets at amortised cost b) Financial assets at fair value through other comprehensive income (FVTOCI) c) Equity instruments measured at fair value through other comprehensive income (FVOCI)

a) Financial assets at amortised cost Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI) A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. On initial recognition, the Group makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

c) Financial assets at fair value through profit or loss (FVTPL) Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Investment in Subsidiaries, Jointly Controlled Entities and Associates Investment in subsidiaries, jointly controlled entities and associates are accounted using equity method less impairment.

Impairment of investments: The Group reviews its carrying value of investments carried at cost, amortised cost or equity method annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss."

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Group has transferred its rights to receive cash flows from the asset, and

   i. the Group has transferred substantially all the risks and rewards of the asset, or

   ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance.

b) Financial assets that are debt instruments, and are measured at FVTOCI.

c) Financial guarantee contracts which are not measured as at FVTPL. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date. ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. In the balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below: Loans and borrowings This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

De-recongnition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations. If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k) Inventories

Inventories are valued at the lower of cost and net realisable value.

a. Construction material (excluding scaffoldings), raw materials, components, stores and spares are valued at lower of cost and net realizable value. However material and a. Construction material, raw materials, components, stores and spares are valued at lower of cost and net realizable value. However material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost are determined on weighted average method.

b. Ply and Batten (included in cost of material consumed).

Ply and Batten : Cost less amortisation/charge based on their usages.

l) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

In preparing the financial statements, transactions in the currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

m) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognises contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. Actuarial gains and losses for both defined benefit plans are recognised in full in the period in which they occur in the statement of profit and loss.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

The Group recognises termination benefit as a liability and an expense when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

n) Tax on Income

Current Income Tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Income Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except: i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss ii) In respect of taxable temporary differences associated with investments in subsidiary and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except: i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. All other acquired tax benefits realised are recognised in profit or loss.

o) Cash and Cash Equivalent

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

p) Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

q) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement. For arrangements entered into prior to April 1, 2016, the Group has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Where the Group is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

r) Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the consolidated financial statements. Provisions and contingent liability are reviewed at each balance sheet.

s) Accounting for Proposed Dividend

The Company recognises a liability to make cash distributions to equity holders of the Parent Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

4. Property plant and equipment

(₹ in lakhs)

Particulars	Plant and Machinery	Furniture & Fixtures	Office Equipment	Site Establishment	Computers	Formwork	Vehicles	Building	Total
Cost or Valuation									
At April 1, 2018	**9,811.81**	**707.80**	**101.58**	**13,060.48**	**293.74**	**24,475.40**	**352.73**	**1,342.49**	**50,146.03**
Additions	2,030.94	214.93	4.94	12,502.79	102.99	6,909.47	25.18	97.53	21,888.77
Disposals	(22.82)	-	-	(937.72)	-	-	-	-	(960.54)
At March 31, 2019	**11,819.93**	**922.73**	**106.52**	**24,625.55**	**396.73**	**31,384.87**	**377.91**	**1,440.02**	**71,074.26**
Depreciation									
At April 1, 2018	**876.97**	**65.81**	**24.57**	**5,385.28**	**104.44**	**2,754.08**	**39.16**	**42.84**	**9,293.15**
Depreciation charge for the year	603.64	71.54	16.48	5,891.67	73.50	2,111.18	37.03	21.80	8,826.84
Disposals	(5.05)	-	-	(937.72)	-	-	-	-	(942.77)
At March 31, 2019	**1,475.56**	**137.35**	**41.05**	**10,339.24**	**177.94**	**4,865.26**	**76.19**	**64.64**	**17,177.22**
Net Book Value									
At March 31, 2019	10,344.37	785.38	65.47	14,286.32	218.80	26,519.61	301.72	1,375.38	53,897.04
At March 31, 2018	8,934.84	641.99	77.01	7,675.19	189.31	21,721.32	313.58	1,299.65	40,852.88

Net Book Value

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
Property, plant and equipment	53,897.04	40,852.88
Capital Work-in-Progress	426.48	6.10

Note 1:

Charge on the Assets:

Please refer note 16 for the details of charge created on assets.

Note 2:

No borrowing costs are capitalised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

5. Intangible Assets

(₹ in lakhs)

Particulars	Computer Software	Total
Cost or Valuation		
At April 1, 2018	269.54	269.54
Additions	94.35	94.35
At March 31, 2019	**363.89**	**363.89**
Depreciation		
At April 1, 2018	131.45	131.45
Depreciation charge for the year	72.46	72.46
At March 31, 2019	**203.91**	**203.91**
Net Book Value		
At March 31, 2019	159.98	159.98
At March 31, 2018	138.09	138.09

(₹ in lakhs)

Net Book Value	March 31, 2019	March 31, 2018
Intangible Assets	159.98	138.09

6. Financial Assets: Investments

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
I. Investment valued at Deemed cost, Fully paid up		
Investment in Equity Shares (unquoted)		
Investment in Associates		
-TPL - CIL Construction LLP	21.50	
	21.50	**-**
II. Investment in equity shares in others carried at Fair value through profit and loss, fully paid up (Unquoted)		
-Janakalyan Sahakari Bank [85,000 (March 31, 2018: 85,000) shares of ₹10 each]	8.50	8.50
	8.50	8.50
Total	**30.00**	**8.50**
Details:		
Aggregate value of unquoted investments	30.00	8.50
Current Investments		
Investment in Mutual funds carried at Fair value through profit and loss, fully paid up (Unquoted) (under lien)		
-Birla Sun Life Mutual Fund [7,748.349 Units (March 31, 2018: 7,748.349)]	18.06	16.68
-Union Capital Protection Oriented Fund [2,50,000 units (March 31, 2018: 2,50,000]	28.70	26.68
Total	**46.76**	**43.36**
Details:		
Aggregate value of unquoted investments	46.76	43.36

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

7. Loans

Unsecured, considered good

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non Current		
Security deposits - others - secured	39.00	49.00
Total Non-Current Loans	**39.00**	**49.00**
Current		
Security deposits - others - unsecured	1,504.86	1,161.67
Loans to related party		
- PPSL Capacit'e JV	-	2,276.41
Loans to others- unsecured	1,400.00	600.00
Total	**2,904.86**	**4,038.08**

8. Other Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Deposits with banks (under lien)	440.04	744.16
Margin money deposits	1,841.66	1,870.50
Interest accrued but not due on deposits	285.85	127.95
Unbilled revenue	190.33	159.55
Total	**2,757.88**	**2,902.16**
Current		
Deposits with banks (under lien)	25.00	25.00
Interest accrued but not due on deposits	11.96	214.78
Interest accrued on loans to related parties		
- PPSL Capacit'e JV	-	122.47
Unbilled revenue (refer note 37 c)	36,631.33	12,346.01
Group's share in joint venture	1.18	3.80
Security deposits - unsecured	1,951.50	1,405.82
Other receivables	472.52	109.69
Total	**39,093.49**	**14,227.57**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

9. Other Assets

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
i. Capital Advances	3,687.72	1,184.64
ii. Advances other than capital advances		
Security deposits	-	0.25
iii. Others		
Balances with government authorities	2,308.17	1,949.28
Prepaid expenses	161.19	105.76
Total	**6,157.08**	**3,239.93**
Current		
i. Advances other than capital advances		
Advances to employees	24.48	25.00
Advances to related parties	1,025.11	385.44
Advances to others	4,834.70	2,927.95
ii. Others		
Balances with government authorities	2,539.12	1,877.66
Prepaid expenses	1,073.44	705.06
Total	**9,496.85**	**5,921.11**

10. Non Current Tax Assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Advance tax (net of provision for taxation ₹8,186.74 Lakhs (March 31, 2018 ₹4,274.68 Lakhs)	1,509.82	33.33
	1,509.82	**33.33**
Current		
Advance tax	-	47.01
	-	**47.01**

11. Inventories

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Raw materials (at Cost)	9,105.69	6,824.50
Construction material (at cost)	-	15,582.43
Total	**9,105.69**	**22,406.93**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

12. Trade Receivables

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Trade Receivables including retention balance- unsecured	6,839.05	5,205.16
(including retention of ₹6,839.05 lakhs (March 31, 2018 ₹5,205.16 lakhs))		
Total	**6,839.05**	**5,205.16**
Current		
Trade Receivables including retention balance- unsecured (Including retention of ₹6,435.28 (March 31, 2018 ₹6,706.74 lakhs)	49,120.64	41,231.25
Receivable from related party- (Refer note below)	2,909.21	37.93
Impairment allowance	1,300.97	614.26
Total	**53,330.82**	**41,883.44**
Break-up for security details:		
Trade Receivables		
Considered good - unsecured	61,428.76	46,465.38
Trade Receivables which have significant increase in credit Risk	-	-
Receivables - credit impaired	42.08	42.08
	61,470.84	**46,507.46**
Impairment allowances (allowed for bad and doubtful debts)		
Considered good - unsecured	1,258.89	572.18
Trade Receivables which have significant increase in credit Risk	-	-
Receivables - credit impaired	42.08	42.08
Total	**60,169.87**	**45,893.20**

Notes:

1) No trade or other receivable are due from directors or other officers of the group either severally or jointly with any other person.

2) Receivable from related party:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
PPSL Capacit'e JV	-	37.93
TPL- CIL LLP	2,014.20	-
Realcon Infrastructures LLP	739.80	-
Capacit'e Viraj AOP	155.21	-
Total	**2,909.21**	**37.93**

3) Trade receivables are non-interest bearing and are generally on terms of 45 to 90 days.

Expected credit loss allowances on receivables

Impairment of financial assets: The Group recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

12. Trade Receivables *(Contd)*

Movement in expected credit loss allowance

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the year	614.26	583.32
Impact on adoption of Ind AS 115 (refer note 37 c)	7.81	-
Allowance during the year	678.90	30.94
Total	**1,300.97**	**614.26**

13. Cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks:		
-On current accounts	470.40	584.77
-Deposits with original maturity of less than three months	2,693.62	1,030.00
Cash on hand	22.63	20.79
Foreign currency on hand	9.79	9.45
	3,196.44	**1,645.01**
Less: Book overdrafts	(212.00)	(343.82)
Total	**2,984.44**	**1,301.19**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

14. Bank balances other than cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Deposits kept as margin money	125.00	100.00
Deposits having maturity more than three months but less than 12 months	16,216.42	30,980.53
Total	**16,341.42**	**31,080.53**

15A. Share Capital

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Authorised capital		
7,66,50,000 (March 31, 2018: 7,66,50,000) Equity shares of ₹10/- each	7,665.00	7,665.00
16,75,000 (March 31, 2018: 16,75,000) Compulsory convertible preference shares of ₹20/- each	335.00	335.00
Total	**8,000.00**	**8,000.00**
(b) Issued, subscribed and paid up		
6,78,91,497 Equity shares of ₹10/- each fully paid (March 31, 2018: 6,78,91,497)		
Total issued, subscribed and fully paid-up share capital	6,789.15	6,789.15
	6,789.15	**6,789.15**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

15A. Share Capital *(Contd)*

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Equity shares allotted as fully paid bonus shares by capitalization of securities premium	-	-	3,45,38,298	-	-
Equity shares allotted as fully paid-up pursuant to conversion of CCPS in ratio 7:1	-	1,15,96,816	-	-	-
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	-	-	-	8,14,457	-

(d) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	March 31, 2019		March 31, 2018	
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
At the beginning of the year	6,78,91,497	6,789.15	4,02,94,681	4,029.47
Shares issued on conversion of CCPS during the year (refer note below)	-	-	1,15,96,816	1,159.68
Shares issued on account of Initial Public offer	-	-	1,60,00,000	1,600.00
Outstanding at the end of the year	**6,78,91,497**	**6,789.15**	**6,78,91,497**	**6,789.15**

Note: In the previous year, the Group had issued 1,15,96,816 Equity Shares of face value of ₹10 each upon conversion of 10,07,366 Series A CCPS & 6,49,322 Series B CCPS of face value of ₹20 each in the ratio of 7:1.

(e) Terms/Rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. 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 of the parent company, the holders of shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of shares held by the shareholder:

(f) Details of Shareholders holding more than 5% Equity Shares

Name of shareholders	March 31, 2019		March 31, 2018	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Rohit Ramnath Katyal	63,04,144	9.29%	63,04,144	9.29%
Rahul Ramnath Katyal	61,24,930	9.02%	61,24,930	9.02%
Rohit Katyal jointly with Rahul Katyal	45,12,046	6.65%	45,12,046	6.65%
Katyal Merchandise Private Limited	90,72,994	13.36%	90,72,994	13.36%
New Quest Asia Investments II Limited	66,17,254	9.75%	66,17,254	9.75%
Paragon Partners Growth Fund	60,36,303	8.89%	60,36,303	8.89%

As per the records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

15A. Share Capital *(Contd)*

(g) Reconciliation of 0.0001% Compulsorily Convertible Preference Shares Series A outstanding at the beginning and at the end of the reporting period

(₹ in lakhs)

Particulars	March 31, 2019		March 31, 2018	
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
At the beginning of the period Series A	-	-	10,07,366	201.47
Shares issued during the period Series A	-	-	-	-
Converted into Equity Shares of ₹10 each	-	-	(10,07,366)	(201.47)
Outstanding at the end of the period (Series A)	**-**	**-**	**-**	**-**

(h) Reconciliation of 0.0001% Compulsorily Convertible Preference Shares Series B outstanding at the beginning and at the end of the reporting period

(₹ in lakhs)

Particulars	March 31, 2019		March 31, 2018	
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
At the beginning of the period Series B	-	-	6,49,322	129.86
Shares issued during the period Series B	-	-	-	-
Converted into Equity Shares of ₹10 each	-	-	(6,49,322)	(129.86)
Outstanding at the end of the period (Series B)	**-**	**-**	**-**	**-**

15B. Other Equity

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
(a) Securities premium		
Balance as per the last financial statements	45,681.17	10,666.93
Add: Premium on Issue of Equity shares	-	38,400.00
Less: Utilised for conversion of CCPS into Equity Shares	-	(828.34)
Less: Share issue expenses/related provision written back	31.97	(2,557.42)
Total	**45,713.14**	**45,681.17**

Note: Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.

(b) Capital Reserve (on consolidation)		
Balance as per last financial statement	-	113.24
Less: Derecognised on Sale of Business	-	(113.24)
Total	**-**	**0.00**

(c) Retained earnings		
Balance as per last financial statement	22,300.44	14,765.60
Add: Profit for the period before share of profit / Loss of Associates	9,727.86	7,956.85
Add: Other Comprehensive income for the year	51.81	64.51
Add: Impact on adoption of Ind AS 115 (refer note 37 c)	544.88	-
Less: Derecognition on Sale of Business	-	(172.76)
Less: Appropriation		
Dividend	(678.91)	(259.46)
Dividend distribution tax	(143.73)	(54.30)
Total	**31,802.34**	**22,300.44**
Grand Total	**77,515.48**	**67,981.61**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

16. Borrowings

(₹ in lakhs)

Particulars	Effective Interest Rate (%)	As at March 31, 2019	As at March 31, 2018
(a) Non-Current Borrowings			
Term loans			
From banks (secured)	10.68%	4,476.09	2,632.67
From financial institutions (secured)	10.90%	1,322.29	1,847.84
Buyer's credit (secured)	3.18%	-	322.98
Total		**5,798.38**	**4,803.49**
(b) Current Borrowings			
Working Capital Loan (secured)			
From Bank	10.62%	7,301.76	4,698.22
From Financial Institution	11.75%	-	254.41
ICD from related party	14.00%	15.84	14.58
ICD from Others	13.50%		
Bills discounted with Bank	Refer Note Below	10,470.85	8,953.96
Current maturity of Long term loans (secured)			
From Banks	10.68%	2,922.66	1,972.64
From Financial Institutions	10.90%	862.30	3,073.08
For Buyers' credit	3.18%	-	149.36
Total		**21,573.41**	**19,116.25**
Less: Amount clubbed under "Other Current Liabilities"		(3,784.95)	(5,195.08)
Net Current Borrowings		**17,788.46**	**13,921.17**
Aggregate Secured borrowings		27,371.78	23,919.74
Aggregate Unsecured borrowings		-	-

Terms and Conditions of the Borrowings

Term loan from bank carries interest ranging between 8.01% to 14.00%p.a. These loans are repayable in 17 to 84 months with structured monthly instalments ranging between ₹1,749 to ₹25,00,000 each along with interest, from the date of loan. These loans are secured by hypothecation of respective equipments/vehicles against which these loans are taken with additional mortgage/charge aggregating to an amount of ₹118.90. crores (PY ₹79.80 crores), on the plant and machinery and formwork placed at various sites and used for the purpose of construction. Further, these loans has been guaranteed by the personal guarantee of the directors of the Group.

Term loan from financial institutions carries interest ranging between 7.99% to 14.16 % p.a. These loans are repayable in 29 to 59 months with structured monthly instalments ranging between ₹8,625 to ₹5,53,160 each along with interest, from the date of loan. These loans are secured by hypothecation of respective equipments against which these loans are taken with additional mortgage/charge aggregating to an amount of ₹35.74 crore (PY ₹38.59 crores), on the plant and machinery placed at various sites and used for the purpose of construction. Further, these loans has been guaranteed by the personal guarantee of the directors of the Group.

Working capital loan from banks is secured against hypothecation of fixed assets, inventory, trade receivables, and other current assets on paripassu basis with other member banks in the consortium. The Working capital loan is repayable on demand and carries interest range between 1 year MCLR + 0.15% to 4.35% presently, in range of 9.40% to 12.35% p.a.

Bills discounted with various banks from various banks are discounted at various rates ranging from 10.75%p.a. to12.50% p.a. Tenure for bills discounted with banks are for 90 days . Bills discounted with banks are secured against the Debtors of the bill discounted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

17. Trade Payables

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Total outstanding dues of micro enterprises and small enterprises (Refer Note 36)	409.62	177.18
	409.62	**177.18**
Total outstanding dues of creditors other than micro enterprises and small enterprises.		
Acceptances	14,374.43	11,772.16
Trade payables	38,583.89	32,775.45
Trade payables to related parties	7.28	7.28
Sub Total	**52,965.60**	**44,554.89**
Total	**53,375.22**	**44,732.07**

18. Other Financial Liabilities

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non- Current		
Other financial liabilities at amortised cost		
Creditors for capital goods	2,121.72	1,515.56
Retention money	2,007.65	1,185.89
Retention money payable to related parties	56.51	238.59
Total	**4,185.88**	**2,940.04**
Current		
Other financial liabilities at amortised cost		
Current maturity of long term loans (refer note 16)	3,784.95	5,195.08
Interest accrued on borrowings	37.63	32.72
Creditors for capital goods/services	1,129.36	1,546.63
Employee dues	1,159.43	908.48
Total	**6,111.37**	**7,682.91**

19. Provisions

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Provision for employee benefits		
Gratuity	149.21	125.01
Total	**149.21**	**125.01**
Current		
Provision for employee benefits		
Gratuity	21.25	9.67
Leave encashment	100.74	88.30
Other provisions	2,040.73	1,703.40
Total	**2,162.72**	**1,801.37**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

20. Current Tax Liabilities (net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for tax (net of advance tax ₹2,355.87 Lakhs (March 31, 2018 ₹2,352.72 Lakhs)	1,201.52	471.66
Total	**1,201.52**	**471.66**

21. Deferred Tax Liabilities (Net)

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
The movement on the deferred tax account is as follows:		
At the start of the year	4,073.76	2,610.28
Impact on adoption of Ind AS 115 (refer note 37 c)	290.17	-
Charge/(credit) to Statement of Profit and Loss	1,357.19	1,463.48
At the end of the year	**5,721.12**	**4,073.76**

(₹ in lakhs)

Particulars	As at March 31, 2018	Charge/(credit) to profit or loss & Adjustments*	As at March 31, 2019
Component of Deferred tax liabilities/ (assets) in relation to:			
Property, plant and equipment	2,238.86	882.40	3,121.26
Provisions	(283.16)	(285.90)	(569.06)
Retention money	2,135.79	723.28	2,859.07
Impact on adoption of Ind AS 115 (refer note 37 c)	-	290.17	290.17
Others	(17.73)	37.41	19.68
Total	**4,073.76**	**1,647.36**	**5,721.12**

(₹ in lakhs)

Particulars	As at March 31, 2017	Charge/(credit) to profit or loss & Adjustment*	As at March 31, 2018
Component of Deferred tax liabilities/ (assets) in relation to:			
Property, plant and equipment	1,810.15	428.71	2,238.86
Provisions	(324.65)	41.49	(283.16)
Retention money	1,136.58	999.21	2,135.79
Others	(17.73)	-	(17.73)
Total	**2,604.35**	**1,469.41**	**4,073.76**

* Includes effect of transfer from provision for taxes to deferred tax liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

22. Other liabilities

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Advance from customers (refer note 37)	7,498.36	7,128.76
Deferred income	148.49	144.93
Total	**7,646.85**	**7,273.69**
Current		
Advance from customers (refer note 37)	13,751.66	9,202.59
Deferred income	272.98	198.84
Statutory dues	2,603.32	1,387.01
Other liabilities	47.34	-
Total	**16,675.30**	**10,788.44**

23. Revenue from operations

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Contract revenue	1,77,770.53	1,33,028.98
Other operating income		
- Scrap sales	737.69	357.65
- Trading of construction materials	98.13	720.94
- Others	1,153.75	-
Total	**1,79,760.10**	**1,34,107.57**

24. Other Income

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Equipment hire charges	15.74	-
Service charge income	5.29	20.16
Profit on sale of business	-	97.23
Profit on sale of investment	5.57	2.70
Interest on fixed deposits	1,815.10	1,320.98
Other interest income	1,522.81	883.39
Miscellaneous income	231.72	90.86
Total	**3,596.23**	**2,415.32**

25. Cost of material consumed

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Opening stock	6,824.50	6,102.57
Add: Purchase of material (refer note 33)	80,141.64	64,046.20
Less: Closing stock	(9,105.69)	(6,824.50)
Total	**77,860.45**	**63,324.27**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

26. (Increase)/ Decrease in Construction work in progress

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Opening stock	17,105.45	13,510.85
Less: Impact on adoption of Ind AS 115 (refer note 37 c)	(17,105.45)	-
Closing stock	-	(17,105.45)
Total	**-**	**(3,594.60)**

27. Construction expenses

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Labour/Subcontractor charges (refer note 33)	47,951.58	30,807.41
Electricity expenses (Site) (refer note 33)	1,174.38	755.13
Equipments hire charges (refer note 33)	1,680.25	1,830.98
Formwork hire charges	2,329.66	1,775.09
Repairs & Maintenance	49.87	66.83
Others construction expenses (refer note 33)	2,340.77	2,120.84
Total	**55,526.52**	**37,356.28**

28. Employee benefit expenses

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Salaries, wages and bonus	13,793.29	11,053.06
Contributions to provident and other funds	375.89	246.36
Staff welfare expenses	447.90	366.20
Total	**14,617.08**	**11,665.62**

29. Finance cost

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Interest on borrowings	2,087.19	2,171.50
Other interest expenses	171.86	127.11
Bank guarantee commission	775.69	480.73
Bank charges	1,879.59	1,208.09
Total	**4,914.33**	**3,987.43**

30. Depreciation and amortisation expenses

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Depreciation of property, plant and equipment	8,826.84	6,654.08
Amortization of intangible assets	72.46	67.76
Total	**8,899.30**	**6,721.84**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

31. Other expenses

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Electricity charges	98.87	55.62
Rent	1,340.61	1,033.95
Rates & taxes	220.52	196.01
Insurance expenses	125.20	131.91
Repairs & maintenance of Plant and machinery	193.63	155.41
CSR expenditure (refer note below)	145.90	28.04
Commission & brokerage	43.52	72.48
Legal and professional charges	989.01	1,155.72
Payment to auditor (refer note below)	77.00	69.00
Advertising and sales promotion	130.01	66.45
Travelling expenses	335.19	252.38
Vehicle hiring charges	619.46	499.03
Communication costs	88.26	73.22
Provision for doubtful debts	678.90	30.94
Donation	8.29	6.06
Office expenses	1,088.87	1,016.26
Printing & stationery	192.94	124.19
Interest on Micro Small and Medium Enterprise	14.98	-
Miscellaneous expenses	249.36	28.01
Total	**6,640.52**	**4,994.68**

Corporate Social Responsibility expenditure

Amount required to be spent by the Group for Corporate Social Responsibility (CRS) related activities for the year ended March 31, 2019 is ₹199.98 Lakhs (Previous period ₹147.25 Lakhs)

(₹ in lakhs)

Amount Spent during the period ended March 31, 2019 on:	In Cash	Yet to be paid	Total
(i) Construction of any asset			
(ii) Purposes other than (i) above	145.90	54.08	199.98

(₹ in lakhs)

Amount Spent during the period ended March 31, 2018 on:	In Cash	Yet to be paid	Total
(i) Construction of any asset			
(ii) Purposes other than (i) above	28.04	119.21	147.25

Payment to Auditors (excluding GST)

As auditors:		
Audit fees	76.00	62.50
Others	1.00	6.50
Total	**77.00**	**69.00**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

32. Income Tax

The Group is subject to income tax in India on the basis of consolidated financial statements. As per the Income Tax Act, the Group is liable to pay income tax which is the higher of regular income tax payable or the amount payable based on the provisions applicable for Minimum Alternate Tax (MAT).

MAT paid in excess of regular income tax during a year can be carried forward for a period of 15 years and can be offset against future tax liabilities.

Business loss can be carried forward for a maximum period of eight assessment years immediately succeeding the assessment year to which the loss pertains. Unabsorbed depreciation can be carried forward for an indefinite period.

Income tax expenses in the statement of profit and loss consist of the following:

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current tax	3,837.89	2,765.80
Deferred tax	1,329.77	1,429.65
Total	**5,167.66**	**4,195.45**

Reconciliation of taxes to the amount computed by applying the statutory income tax rate to the income before taxes is summarised below:

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Profit before taxes	14,898.13	12,067.37
Applicable tax rates in India	34.94%	34.61%
Computed tax charge	5,206.00	4,176.28
Tax effect on exempted income	12.22	(2.10)
Tax effect on permanent non deductible expenses :		
Others	(50.56)	21.27
Total	**5,167.66**	**4,195.45**

33. During the year, following expenses are capitalised to site establishment

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Raw Material Consumed	4,967.02	2,785.08
Labour/Subcontractor charges	7,165.19	3,026.25
Electricity expenses (Site)	-	273.29
Equipments hire charges	94.39	45.25
Others Construction Expenses	-	20.02
Professional & Consultancy	276.20	-
Total	**12,502.80**	**6,149.89**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

34. Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ in lakhs)

Particulars		As at March 31, 2019	As at March 31, 2018
Basic earnings per share			
Profit after tax as per accounts (₹ in Lakhs)	A	9,727.86	7,956.85
Weighted average number of equity shares outstanding	B	6,78,91,497	5,74,48,446
Basic EPS	A/B	14.33	13.85
Diluted earnings per share			
Profit after tax as per accounts (₹ in Lakhs)	A	9,727.86	7,956.85
Weighted average number of equity shares outstanding for diluted EPS	B	6,78,91,497	5,74,48,446
Diluted EPS	A/B	14.33	13.85
Face Value per share (₹)		10	10

35. Segment Reporting

For management purposes, the group is organised into business units based on its services and has single reportable segments namely "Engineering, Procurement and Construction Contracts.

The Board of directors of the group monitors the operating results of this segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

36. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on the information available with the group, the dues payable to micro, small and medium enterprises as defined in "The Micro, Small & Medium Enterprises Development Act, 2006" as at March 31, 2019 amounts to ₹393.46 Lakhs (March 31, 2018: ₹177.18 Lakhs)

(₹ in lakhs)

Particulars	March 31, 2019	March 31, 2018
-Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	409.62	177.18
-Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	14.98	-
-Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest due and payable towards suppliers registered under MSMED Act, for payments already made	14.98	-
-Further interest remaining due and payable for earlier years	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

37. Disclosure pursuant to Ind AS 115

a) Contract Balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers (Para 116 (a))

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Contract assets		
Unbilled revenue (refer note below)		
Non current	190.33	159.55
Current	36,631.33	12,346.01
Total Contract assets	**36,821.66**	**12,505.56**
Contract liabilities		
Advance from customers:-		
Non current	7,498.36	7,128.76
Current	13,751.66	9,202.59
Total Contract Liabilities	**21,250.02**	**16,331.34**
Receivables		
Trade receivables (Gross)	61,470.84	46,507.46
Non current	6,839.05	5,205.16
Current	53,330.82	41,883.44
Less : Impairment allowance	1,300.97	614.26
Net receivables	**60,169.87**	**45,893.20**
Total	**75,741.51**	**42,067.43**

Note: Due to the application of Ind AS 115, current period's contract assets are higher by ₹21,349.42 Lakhs .

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the group has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognised as and when the performance obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year/period are as follows

(₹ in lakhs)

Particulars	As at March 31, 2019	
	Contract Assets	Contract Liabilities
Opening Balance	12,505.56	16,331.35
Less : Revenue recognised during the year from balance at the beginning of the year	12,505.56	12,905.81
Add : Advance received during the year not recognised as revenue	-	17,824.48
Add : Revenue recognised during the year apart from above (refer note below)	36,821.66	-
Closing Balance	**36,821.66**	**21,250.02**

Note: Due to the application of Ind AS 115, current period's contract assets are higher by ₹21,349.42 Lakhs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

37. Disclosure pursuant to Ind AS 115 *(Contd)*

b) Transaction Price - Remaining Performance Obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Group expects to recognise these amounts in revenue. The aggregate value of performance obligations that are completely or partially satisfied as of March 31, 2019, other than those meeting the exclusion criteria mentioned above, is ₹7,17,673.76 Lakhs (excluding MHADA project). Out of this, the Group expects to recognise revenue over the next 18 - 36 months.

c) Impact on adoption of Ind AS 115

The application of Ind AS 115 has impacted the Group's accounting for construction work-in-progress, with consequential impact on revenue, expected credit loss and tax expense. The group has chosen to apply the modified retrospective approach and accordingly, impact upto March 31, 2018 of unbilled revenue of ₹15,612.68 lakhs net of cost of material consumed of ₹14,769.82 lakhs, expected credit loss of ₹7.81 lakhs and tax expense of ₹290.17 lakhs, i.e. ₹544.88 lakhs have been credited to the retained earnings as at April 1, 2018.

Due to the application of Ind AS 115, the impact on financials for the year are as follows: Revenue from Operations for the year ended March 31, 2019 is higher by ₹6,398.95 lakhs, cost of material consumed is higher by ₹5,882.55 lakhs, tax expense is higher by ₹180.43 lakhs & profit after tax is higher by ₹335.97 lakhs. Also, the basic and diluted EPS for the year is ₹14.33 per share, instead of ₹13.84 per share.

38. Contingent Liabilities

(₹ in lakhs)

a)

Particulars	As at March 31, 2019	As at March 31, 2018
Corporate Guarantee given on behalf of subsidiary group	1,095.00	1,095.00
Corporate Guarantee given to project customers	-	180.00
Bank Guarantees	10,537.23	8,996.07
Total	**11,632.23**	**10,271.07**

b) For the year 13-14 & 14-15, group has received assessment orders under Maharashtra Value Added Tax Act,2002 (MVAT) with disallowance of input Tax Credit & Tax deducted at source amounting to ₹64,13,256 & ₹55,55,603 respectively. The group is contemplating to proceed with an appeal against the said orders. Pending outcome of the same, no adjustment has been made in the financial statements. The outcome of the appeal either ways shall not result into cash outflow for the group.

c) In addition to above, with respect to certain matters relating to issue of shares in earlier years, the parent company has filed a compounding application in earlier years with the National Company Law Tribunal and currently, the impact of the same on these consolidated financial statements is not ascertainable.

d) There are numerous interpretative issues relating to the Supreme Court (Sc) judgement on PF dated February 28, 2019. As a matter of Caution, the group has made a provision of ₹8.78 Lakhs on a prospective basis from the date of the Sc order. The group will update its provision, on receiving clarity on the subject.

39. Capital and Other Commitments

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Formwork and Plant & Machinery	2,824.03	1,091.17
Immovable Property	-	513.53
Total	**2,824.03**	**1,604.70**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

40. Disclosure pursuant to Ind AS 19 "Employee Benefits"

The group operates one defined benefit plan viz. gratuity benefit for its employees which is funded. The gratuity benefit is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with insurance companies.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity benefit plan:

(i) Net benefit expenses (recognised in profit or loss)

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Current service cost	160.20	162.65
Net interest cost	12.00	19.04
Net benefit expenses	**172.20**	**181.69**

(ii) Premeasurement (gain)/loss recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Actuarial loss / (gain) due to defined benefit obligation ('DBO') and assumption changes	(53.38)	(59.22)
Return on plan assets less / greater than discount rate	16.96	1.42
Actuarial losses / (gains) due recognised in OCI	(36.42)	(57.80)

(iii) The amounts recognised in the Balance Sheet are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Defined benefit obligation	481.68	372.42
Fair value of plan assets	311.21	237.74
Net Plan Liability/ (Asset)*	**170.46**	**134.68**

*Balance as on March 31, 2018 does not include ₹20,00,000 of premium contribution made on March 31, 2018 effect of which was given by Insurance group in FY 18-19

(iv) The changes in the present value of defined benefit obligation for Gratuity are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening defined benefit obligation	372.41	252.70
Add: Service cost	160.20	162.65
Add: Interest cost	28.86	19.58
Add: Actuarial Gain on obligation arising from changes in experience adjustments	(53.38)	(59.22)
Less: Benefit paid	(26.42)	(3.30)
Closing defined benefit obligation	**481.67**	**372.41**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

40. Disclosure pursuant to Ind AS 19 "Employee Benefits" *(Contd)*

(v) Changes in the fair value of plan assets representing reconciliation of the opening and closing balance thereof are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance of the fair value of plan assets	217.74	6.91
Add: Interest income on plan assets	16.86	0.55
Add/(Less): Actuarial gains/(losses)	(16.97)	(1.42)
Add: Contribution by employer	120.00	215.00
Less: Benefits paid	(26.42)	(3.30)
Closing balance of the fair value of plan assets	**311.21**	**217.74**

(vi) The Major category of plan asset as a percentage of fair value of total plan assets is as follows

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Investments with insurer managed funds	100%	100%

(vii) Principal actuarial assumptions as at Balance Sheet date:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Discount rate	7.75%	7.50%
Expected return on assets	7.75%	7.50%
Employee attrition rate	5.00%	5.00%
Salary growth rate	5.00%	5.00%

(viii) Sensitivity Analysis

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Assumptions	Discounted		Future Salary Increase	
Sensitivity Analysis	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on define benefit obligation	**(39.14)**	**43.98**	**44.06**	**(38.34)**

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

40. Disclosure pursuant to Ind AS 19 "Employee Benefits" *(Contd)*

(ix) The expected maturity analysis of undiscounted defined benefit obligation is as follows:

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Within 1 year	22.72	11.37
Between 1 - 2 years	36.06	16.18
Between 2 - 3 years	31.08	12.44
Between 3 - 4 years	40.81	19.03
Between 4 - 5 years	43.87	19.28
Beyond 5 years	516.57	285.08

The average duration of the defined benefit plan obligation at the end of the reporting period is 17 years (March 31, 2018 - 17 years).

The contribution expected to be made by the group during the financial year 2019-20 is ₹207.69 Lakhs (2018-19: ₹165.03 Lakhs)

41. Related party transactions

Names of related parties and related party relationship

Joint Venture	PPSL Capacit'e JV
Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives (where transactions have taken place during the year and previous year / balances outstanding)	Katyal Merchandise Pvt Ltd
	Capacit'e Engineering Private Limited (upto March 31, 2017)
	Asutosh Trade links
	Mr. Rahul Katyal- HUF
	Mr. Rohit Katyal- HUF
	Katyal Ventures Pvt Ltd. (Formerly Capacit'e Ventures)
	MAS designs
	Realcon Infrastructure LLP (from November 20, 2017)
Associates (where transactions have taken place during the year and previous year / balances outstanding)	TPL-CIL Construction LLP (from September 28, 2018)
	Capacite Viraj AOP (from November 1, 2018)
	TCC Constructions Pvt Ltd (from September 20, 2018)
Key Management Personnel & their relatives (where transactions have taken place during the year and previous year / balances outstanding)	Mr. Rohit Katyal – Executive Director and Chief Financial Officer
	Mr. Rahul Katyal – Managing director
	Mr. Sai Katkar - Company Secretary
	Mr. Subir Malhotra - Executive director
	Mr. Deepak Mitra - Independent director (upto February 24,2018)
	Mr. Rupa Vora - Independent director (upto October 31, 2017)
	Mr. V.N. Kannimbele - Independent director (upto February 24, 2018)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

41. Related party transactions

Names of related parties and related party relationship

	Mr. Farah Nathani Menzies - Independent director (From November 09, 2017 onwards)
	Mr. S B Mainak - Independent director (From March 29, 2018 onwards)
	Mr. Saroj Kumar Pati - Chief Executive Officer (from September 1, 2017 onwards)
	Mr. Ashutosh Katyal (from December 1, 2017 onwards)
	Mr. Arun Karambelkar (From May 18, 2018)
	Mr. K.V. Murty (upto February 24, 2018)
	Mr. Vishwamitter Katyal - Father-in-Law of Mr. Subir Malhotra
	Mr. Monita Malhotra - Wife of Mr. Subir Malhotra

Related Party Transaction (including provisions and accruals)

(₹ in lakhs)

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
Capacite Viraj AOP	Associates	Sales	163.17	-
		Payment received	38.77	-
		Payment Made	2.80	-
Capacit'e Engineering Private Limited (CEPL)	Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives	Expenses Incurred - Subcontractor Charges	1,723.63	1,728.49
		Other Income (Guarantee commission)	-	2.68
		Security deposit	26.08	-
		Purchases	-	324.27
		Contract Retention	205.37	91.12
		Contract With held	33.08	33.08
		Payment Received	200.00	35.00
		Payment Made	3,509.36	2,495.71
TPL-CIL Construction LLP	Associates	Professional & Consultancy Income	1,865.00	-
		Payment	21.50	-
PPSL Capacite JV	Joint Venture	Assets Purchased	1,764.50	-
		Site establishment expenses booked	51.71	-
		Payment Received	181.50	-
		Payment Made	267.15	-
Realcon Infrastructure LLP	Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives	Business Support Service	685.00	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

41. Related party transactions *(Contd)*

Related Party Transaction (including provisions and accruals)

(₹ in lakhs)

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
Mr. Rahul Katyal	Managing Director	Loan Received	-	25.00
		Loan Repaid (Including interest)	-	25.30
		Interest on Loan	-	0.30
		Directors Remuneration (refer note below)	94.20	94.20
Mr. Rohit Katyal	Director and Chief Financial Officer	Directors Remuneration (refer note below)	97.20	87.20
Mr. Sai Katkar	Company Secretary	Remuneration	16.00	13.83
Mr. Subir Malhotra	Executive Director	Directors Remuneration (refer note below)	86.19	86.20
Mr. Deepak Mitra	Independent director	Sitting Fees (for meeting held on 21.09.17)	0.40	3.30
Ms. Rupa Vora	Independent director	Sitting Fees	0.30	2.60
Mr. Arun Karambelkar	Independent director	Sitting Fees	2.40	-
Ms. Farah Nathani Menzies	Independent director	Sitting Fees	2.55	0.90
Mr. K.V. Murty	Independent director	Sitting Fees (for meeting held on 21.09.17)	0.30	4.10
Mr. S B Mainak	Independent director	Sitting Fees	4.00	0.50
Mr. Saroj Kumar Pati	Chief Executive Officer	Remuneration	121.53	70.89
Mr. Vishwamitter Katyal	Relatives of Directors	Professional Fees	16.00	24.03
		payment made	19.44	-
Capacit'e Ventures Pvt Ltd	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Amount Paid	5.40	55.00
		Sale of Investments	-	400.00
		Rent Expenses	4.65	2.25
Mrs. Monita Malhotra	Relatives of Directors	Rent	26.96	27.00
		Payment Made	29.12	-
Mr. Asutosh Katyal	Relatives of Directors	Remuneration	8.72	-
Katyal Merchandise Pvt Ltd	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Interest expense (gross)	-	16.63
		ICD Repaid (incl. interest)	213.45	599.97
		ICD Taken	213.45	585.00
Asutosh Trade Links		Vehicle Hiring Charges	-	7.05

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

41. Related party transactions *(Contd)*

Compensation of key management personnel of the Company

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Short term employee benefit	425.07	363.72
Total	**425.07**	**363.72**

Closing Balances of Related Parties (including provisions and accruals)

(₹ in lakhs)

Name of Related Party	Relation with related parties	Nature of Balance	As at March 31, 2019	As at March 31, 2018
PPSL Capacit'e JV	Joint Venture	Balance Outstanding	(6.39)	37.93
		Loan Given outstanding including interest	-	2,398.90
Capacit'e Viraj AOP	Associates	Balance Outstanding for Trade receivables	155.21	-
Capacit'e Engineering Pvt Ltd	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Advance Outstanding	1,028.71	385.44
		Retention Money Payable	-	238.59
		Trade payable	-	33.08
Capacit'e Ventures Pvt Ltd	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Balance Outstanding	0.42	0.81
TPL-CIL Construction LLP	Associates (where transactions have taken place during the year and previous year / balances outstanding)	Balance Outstanding	2,014.20	-
Realcon Infrastructure LLP	Enterprises directly or indirectly owned / significantly influenced by directors/ key management personnel or their relatives	Balance Outstanding	739.80	-
Mr. Vishwamitter Katyal	Relatives of Directors	Professional Fees Payable	-	2.16
Mrs. Monita Malhotra	Relative of directors	Rent payable	7.28	7.28

Note: Loans given to related party are repayable on demand. These loans carries interest @ of 11.5% p.a. The Company has not demanded any repayment of the said loan during the period ended March 31, 2019.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

42. Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

(₹ in lakhs)

Name	Incorporated in	Principle Activities	% Equity Interest	
			March 31, 2019	March 31, 2018
CIPL-PPSL-Yongnam Joint Venture Constructions Pvt. Ltd.	India	Engineering Procurement & Construction	100%	100%

Joint arrangement in which the Group is a joint venture

The Group has a 49% interest in PPSL CAPACIT'E JV (March 31, 2018: 49%). For more details, refer to Note 43.

43. Interest in Joint Ventures and Associates

The Group has a 49% interest in PPSL Capacit'e JV, a joint venture involved in the construction and infrastructure development in India. PPSL Capacit'e JV is an unincorporated entity. The Group's interest in PPSL Capacit'e JV is accounted for using the equity method in the consolidated financial statements. The Group has 70% profit/(loss) sharing in Capacit'e-Viraj AOP and 35% profit/(loss) sharing in TPL-CIL-LLPand 37.10% profit/(loss) in TCC Constructions Pvt Ltd . Summarised financial information of the joint venture, based on its Ind AS financial statements are set out below:

Summarised balance sheet of the PPSL Capacit'e JV as at March 31, 2019:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Non-current assets		
Property, plant and equipment	-	100.47
Non-current Tax Assets (net)	-	91.14
Current assets		
Inventories	-	1,684.89
Financial assets		
Trade receivables	-	1,341.93
Cash and cash equivalent	1.35	5.34
Loans	-	0.95
Other current assets	6.40	382.23
Total Assets	**7.75**	**3,606.94**
EQUITY AND LIABILITIES		
Equity		
Other equity	7.75	7.75
Non-current liabilities		
Financial liabilities		
Other financial liabilities	-	55.93
Other non-current liabilities	-	430.03
Current Liabilities		
Financial liabilities		
Trade payables	-	656.04
Other current liabilities	-	2,457.18
Total Equity and Liabilities	**7.75**	**3,606.94**
Proportion of the Group's ownership	49%	49%
Carrying amount of the investment	3.80	1,767.40

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

43. Interest in Joint Ventures and Associates *(Contd)*

Summarised statement of profit and loss of the PPSL Capacit'e JV

(₹ in lakhs)

Particulars	For the Year Ended March 31, 2019	For the Year Ended March 31, 2018
Contract revenue	287.19	1,452.89
Cost of raw material consumed	(227.89)	(774.99)
(Increase)/ decrease in construction work-in-progress	-	636.18
Construction expenses	(7.01)	(735.43)
Employee benefits expense	(0.54)	(3.35)
Finance costs	-	(305.88)
Depreciation and amortization expenses	(51.73)	(33.05)
Other expenses	(0.02)	(63.03)
Profit before tax	**-**	**173.34**
Tax Expenses	-	-
Profit/(Loss) for the year	**-**	**173.34**
Group's share of profit/(loss) for the year	**-**	**84.94**

The Group had no contingent liabilities or capital commitments relating to its share in PPSL Capacit'e JV as at March 31, 2019 and 2018.

44. Statutory Group Information

(₹ in lakhs)

Name of the entity in the Group	Net Assets i.e total assets minus total liabilities		Share in Profit/(Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Capacit'e Infraprojects Limited								
Balance as at March 31, 2019	99%	83,111.63	99%	9,648.93	100%	51.81	99%	9,700.74
Balance as at March 31, 2018	87%	73,033.97	81%	7,874.81	125%	64.51	81%	7,939.32
Subsidiaries(Indian)								
CIPL-PPSL-Yongnam Joint Venture Constructions Pvt. Ltd.								
Balance as at March 31, 2019	1%	1,191.83	1%	81.54	0%	-	1%	81.54
Balance as at March 31, 2018	2%	1,733.00	0%	(2.90)	0%	-	0%	(2.90)
Joint Ventures (investment as per equity method)								
PPSL Capacit'e JV								
Balance as at March 31, 2019	0%	3.80	0%	-	0%	-	0%	-
Balance as at March 31, 2018	0%	3.80	1%	84.93	0%	-	1%	84.93
Associates (investment as per equity method)								
Capacit'e Viraj AOP								
Balance as at March 31, 2019	0%	(2.61)	0%	(2.61)	0%	-	0%	(2.61)
Balance as at March 31, 2018	0%	-	0%	-	0%	-	0%	-
Total								
Balance as at March 31, 2019	100%	84,304.65	100%	9,727.86	100%	51.81	100%	9,779.67
Balance as at March 31, 2018	100%	74,770.77	100%	7,956.84	100%	64.51	100%	8,021.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

45. Significant accounting judgements, estimates and assumptions

The preparation of the Group's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A) Significant Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated financial statements:

i) Operating lease commitments – Group as lessee. The Group has entered into leases for office premises. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the office premises and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

ii) Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 32 for further disclosures.

B) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to guarantees given by the Group. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

ii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 40.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

45. Significant accounting judgements, estimates and assumptions *(Contd)*

iii) Cost to complete

Provisions for onerous contracts are reconised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established the Group recognises any impairment loss on the assets associated with that contract.

46. Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the financial statements.

(A) Fair Values:

The following tables presents the carrying amount and fair value of each category of financial assets and liabilities as at March 31, 2019 & March 31, 2018

As at March 31, 2019 (₹ in Lakhs)

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
Financial assets					
Investments*	Level 2	55.26	-	55.26	55.26
Trade receivables		-	60,169.87	60,169.87	60,169.87
Cash and cash equivalent		-	2,984.44	2,984.44	2,984.44
Bank balances other than cash and cash equivalent		-	16,341.42	16,341.42	16,341.42
Loans		-	2,943.86	2,943.86	2,943.86
Other Financial Assets		-	41,851.37	41,851.37	41,851.37
Total		**55.26**	**1,24,290.96**	**1,24,346.22**	**1,24,346.22**
Financial Liabilities					
Borrowings (including current maturities)		-	27,371.79	27,371.79	27,371.79
Trade payables		-	53,375.22	53,375.22	53,375.22
Other financial liabilities (excluding current maturities)		-	6,512.30	6,512.30	6,512.30
Total		**-**	**87,259.31**	**87,259.31**	**87,259.31**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

46. Disclosures on Financial instruments *(Contd)*

As at March 31, 2018 (₹ in Lakhs)

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
Financial assets					
Investments*	Level 2	51.86	-	51.86	51.86
Trade receivables		-	47,088.59	47,088.59	47,088.59
Cash and cash equivalent		-	1,301.19	1,301.19	1,301.19
Bank balances other than cash and cash equivalent		-	31,080.53	31,080.53	31,080.53
Loans		-	4,087.08	4,087.08	4,087.08
Other Financial Assets		-	17,129.73	17,129.73	17,129.73
Total		**51.86**	**1,00,687.13**	**1,00,738.99**	**1,00,738.99**
Financial Liabilities					
Borrowings (including current maturities)		-	18,724.66	18,724.66	18,724.66
Trade payables		-	44,732.07	44,732.07	44,732.07
Other financial liabilities (excluding current maturities)		-	10,622.95	10,622.95	10,622.95
Total		**-**	**74,079.67**	**74,079.67**	**74,079.67**

*Other than investments in subsidiary accounted at cost in accordance with Ind AS 27

The management assessed that cash and cash equivalents, trade receivables, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

47. Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the parent company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows: (₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Debt (i)	27,371.79	23,919.74
Less: Cash and Bank balances	2,984.44	1,301.19
Net debt	**24,387.35**	**22,618.55**
Total Capital (ii)	84,304.63	74,770.76
Capital and Net Debt	**1,08,691.99**	**97,389.30**
Net debt to Total Capital plus net debt ratio (%)	**22.44%**	**23.22%**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

47. Capital Management *(Contd)*

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings.

(ii) Equity is defined as equity share capital and other equity including reserves and surplus.

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

48. Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other bank balances and other financial assets that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified measured and managed in accordance with the Group's policies and risk objectives.The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

b) Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for long-term debt obligations with floating interest rates at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates:

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Increase in basis points	+50	+50
Effect on profit before tax	(128.23)	(108.62)
Decrease in basis points	(50)	(50)
Effect on profit before tax	128.23	108.62

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

48. Financial risk management objectives and policies *(Contd)*

c) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is exposed to foreign exchange risk through its overseas borrowings. The results of the Group's operations can be affected as the rupee appreciates/depreciates against these currencies.

The following table analyses foreign currency assets and liabilities on balance sheet dates:

(₹ in lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
Foreign currency liabilities				
In USD	-	-	5.14	332.83
In Euro	-	-	1.73	139.51
Foreign currency assets	-	-	-	-

d) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit before tax and pre-tax equity is due to changes in the fair value of monetary assets and liabilities:

(₹ in Lakhs)

Year ended	Rupee movement	Effect on profit before tax	Effect on pre-tax equity
March 31, 2019	Rupee depreciate by ₹1 against USD	-	-
	Rupee appreciate by ₹1 against USD	-	-
	Rupee depreciate by ₹1 against Euro	-	-
	Rupee appreciate by ₹1 against Euro	-	-
March 31, 2018	Rupee depreciate by ₹1 against USD	(5.14)	(5.14)
	Rupee appreciate by ₹1 against USD	5.14	5.14
	Rupee depreciate by ₹1 against Euro	(1.73)	(1.73)
	Rupee appreciate by ₹1 against Euro	1.73	1.73

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group only deals with parties which has good credit rating/ worthness given by external rating agencies or based on companies internal assessment.

The Group's customer profile includes mainly large private corporates. The Group's average project execution cycle is around 36 to 48 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. The Group has not acquired any credit impaired asset. There was no modification in any financial assets. Non certification of works billed.

The costs incurred on projects are regularly monitored through the Project budgets. Costs which are incurred beyond the agreed terms and conditions of the contract, would be claimed from the customer, based on the actual works performed. The realisability of such claims, is verified by professionals, who certify the tenability of such claims and also the collectible amounts, by applying appropriate probabilities. Costs, which are identified as non tenable or costs beyond the collectible amounts, as mentioned above, would be provided in the books of accounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

48. Financial risk management objectives and policies *(Contd)*

C) Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's Financial liabilities based on contractual undiscounted payment.

(₹ in lakhs)

Particulars	On demand	Within 12 months	After 12 months	Total
Year ended March 31, 2019				
Borrowings (including current maturities)	7,301.76	14,255.81	5,798.38	**27,355.95**
Other financial liabilities	-	6,111.37	4,185.88	**10,297.25**
Trade payables	-	53,375.22	-	**53,375.22**
	7,301.76	**73,742.39**	**9,984.26**	**91,028.42**
Year ended March 31, 2018				
Borrowings (including current maturities)	4,952.63	14,149.04	4,803.49	**23,905.16**
Other financial liabilities	-	7,682.91	2,940.04	**10,622.95**
Trade payables	-	44,732.07	-	**44,732.07**
	4,952.63	**66,564.02**	**7,743.53**	**79,260.18**

C) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, investments, other financial assets and other financial liabilities.

49. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2018 has notified the following new amendments to Ind AS which the Group has not applied as they are effective for annual periods beginning on or after April 1, 2019 :

Ind AS 116- Leases

Ind AS 116 was issued on March 30, 2019. The Group is required to adopt Ind AS 116 Leases from April 1, 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees.

The new lease Standard will supersede existing leases guidance, including Ind AS 17 Leases. Either a full retrospective application or a modified retrospective application is required for annual period beginning on or after April 1, 2019.

The Group is in the business of construction and infrastructure development. It has income primarily from contract revenue relating to construction work, interest on deposits and sale of scrap. The management believes that application of Ind AS 116 is not expected to have material impact on the consolidated financial statements.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

49. Standards issued but not yet effective *(Contd)*

Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements.

Ind AS 109 – Prepayment Features with Negative Compensation

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2019 and year ended March 31, 2018.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Group does not expect this amendment to have any significant impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

50. Significant event after the reporting period

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the consolidated balance sheet.

51. Previous year figures

Figures for the previous year have been regrouped and reclassified where ever necessary to conform to the current year's presentation.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 13, 2019

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Sai Katkar
Company Secretary

Saroj Kumar Pati
Chief Executive Officer

NOTICE

NOTICE IS HEREBY GIVEN THAT the seventh Annual General Meeting of **CAPACIT'E INFRAPROJECTS LIMITED** will be held at Grand Hall, The Acres Club, 411-B, opp. Bhakti Bhavan, Hemu Kalani Marg, Chembur East, Mumbai-400071 on August 28, 2019 at 11:30 AM to transact the following business:

ORDINARY BUSINESS:

1. **To receive, consider & adopt:**
   a) the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2019 together with Reports of the Board of Directors and Statutory Auditors thereon:

   b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019, together with the Report of the Statutory Auditors thereon:

2. To declare Dividend of ₹1.00 (i.e. 10% on face value) per Equity share of face value of ₹10/- each fully paid-up of the Company for the financial year ended March 31, 2019:

3. To appoint Mr. Siddharth Parekh, Non-Executive Director having DIN 06945508, who retires by rotation and being eligible, has offered himself for re-appointment.

SPECIAL BUSINESS:

4. **Re-appointment of Mr. Subir Malhotra, having DIN 05190208, as a Whole-time Director for further term of five years:**

   To consider and if thought fit, to pass with or without modification, the following resolution as ORDINARY RESOLUTION:

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactments thereof), read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Subir Malhotra, having DIN 05190208, as Whole-time Director designated as Executive Director of the Company, liable to retire by rotation, for a period of five (5) years with effect from November 1, 2018, on such terms and conditions including remuneration as may be approved by the members, with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner, as may be agreed to between the Board of Directors and Mr. Subir Malhotra.

   RESOLVED FURTHER THAT the remuneration payable to Mr. Subir Malhotra, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

   RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

5. **Re-appointment of Mr. Rohit R. Katyal, having DIN 00252944, as a Whole-time Director for further term of five years:**

   To consider and if thought fit, to pass with or without modification, the following resolution as ORDINARY RESOLUTION:

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Rohit R Katyal, having DIN 00252944, as Whole-time Director designated as Executive Director of the Company, liable to retire by rotation for a period of five (5) years with effect from June 25, 2019, on such terms and conditions including remuneration as may be approved by the members, with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Rohit R Katyal.

RESOLVED FURTHER THAT the remuneration payable to Mr. Rohit R Katyal, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

6. **Ratification of remuneration payable to M/s Y R Doshi & Associates, Cost Auditors of the Company:**

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 148 and rules made thereunder and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration of ₹2,00,000/- (Rupees Two Lakh only) per annum plus applicable taxes thereon and reimbursement of out-of-pocket expenses at actuals be paid to M/s. Y. R. Doshi & Associates, Cost Accountants, as Cost Auditors appointed by the Board of Directors of the Company for conducting audit of the cost records for the financial year ending March 31, 2020 be and is hereby ratified"

7. **Remuneration payable to Mr. Rahul R. Katyal, Managing Director of the Company for the financial year 2019-20:**

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"**RESOLVED THAT** pursuant to the recommendation from Nomination and Remuneration Committee and the Board during their respective meetings held on May 13, 2019 and subject to the provisions of section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification or re-enactment(s) thereof) read with Schedule – V thereto, consent of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Rahul R. Katyal, Managing Director (DIN: 00253046) of the Company with effect from April 1, 2019 to March 31, 2020 upon principal terms and conditions as set out in the explanatory statement annexed hereto, terms of his appointment including designation, duties & responsibilities remaining the same,.

RESOLVED FURTHER THAT the Nomination & Remueneration Committee be and is hereby authorised to vary, alter or modify the terms of remuneration specified above from time to time to the extent it may deem appropriate, provided that such variation/s, alteration/s or modification/s, as the case may be, shall not exceed the aggregate managerial remuneration payable to all such Executive/ Whole-time Directors of the Company pursuant to the provisions of Section 197, 198 & 203 of the Companies Act, 2013 and rules made thereunder.

"**RESOLVED FURTHER THAT** no sitting fees shall be paid to Mr. Rahul R. Katyal, Managing Director for attending meetings of the Board of Directors or any committee thereof."

"**RESOLVED FURTHER THAT** Board of Directors and / or Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, things and matters as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution."

8. **Remuneration payable to Mr. Rohit R. Katyal, whole-time Director & Chief Financial Officer of the Company for the financial year 2019-20:**

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"**RESOLVED THAT** pursuant to the recommendation from Nomination and Remuneration Committee and approval of the Board during their respective meetings held on May 13, 2019 and subject to the provisions of section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment(s) thereof) read with Schedule - V thereto , consent of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Rohit R. Katyal (DIN: 00252944), Whole-time Director and Chief Financial Officer of the Company with effect from April 1, 2019 to March 31, 2020 upon principal terms and conditions as set out in the explanatory statement annexed hereto, terms of his appointment including designation, duties & responsibilities remaining the same

RESOLVED FURTHER THAT the Nomination & Remuneration Committee be and is hereby authorised to vary, alter or modify the terms of remuneration specified above from time to time to the extent it may deem appropriate, provided that such variation/s, alteration/s or modification/s, as the case may be, shall not exceed the aggregate managerial remuneration payable to all such Executive/ Whole-time Directors of the Company pursuant to the provisions of Section 197, 198 & 203 of the Companies Act, 2013 and rules made thereunder.

"**RESOLVED FURTHER THAT** no sitting fees shall be paid to Mr. Rohit R. Katyal, Whole-time Director and CFO of the Company for attending meetings of the Board of Directors or any committee thereof."

"**RESOLVED FURTHER THAT** Board of Directors and / or Company Secretary of the Company be and are hereby authorised to do all such acts, deed, things and matters as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution."

9. **Remuneration payable to Mr. Subir Malhotra, Whole-time Director of the Company for the financial year 2019-20:**

To consider and if thought fit, to pass with or without modification, the following resolution as an ORDINARY RESOLUTION:

"**RESOLVED THAT** pursuant to the recommendation from Nomination and Remuneration Committee and approval of the Board during their respective meetings held on May 13, 2019 and subject to the provisions of section 196, 197, 198 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment(s) thereof) read with Schedule - V thereof , consent of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Subir Malhotra, having DIN 05190208, whole-time Director of the Company with effect from April 1, 2019 to March 31, 2020 upon principal terms and conditions as set out in the explanatory statement annexed hereto, terms of his appointment including designation, duties & responsibilities remaining the same,.

RESOLVED FURTHER THAT the Nomination & Remuneration Committee be and is hereby authorised to vary, alter or modify the terms of remuneration specified above from time to time to the extent it may deem appropriate, provided that such variation/s, alteration/s or modification/s, as the case may be, shall not exceed the aggregate managerial remuneration payable to all such Executive/ Whole-time Directors of the Company pursuant to the provisions of Section 197, 198 & 203 of the Companies Act, 2013 and rules made thereunder.

"**RESOLVED FURTHER THAT** no sitting fees shall be paid to Mr. Subir Malhotra, whole-time Director of the Company for attending meetings of the Board of Directors or any committee thereof."

"**RESOLVED FURTHER THAT** Board of Directors and / or Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, things and matters as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution."

10. **Re-classification of Authorised Share Capital and Consequent Alteration of Memorandum of Association:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution for re-classification of Authorised Capital of the Company, as an ORDINARY RESOLUTION:

"**RESOLVED THAT** pursuant to the provisions of Section 13, 61 and all other applicable provisions, if any, of the Companies Act, 2013, as amended, read with the rules framed thereunder including any statutory modification(s) or re-enactment for the time being in force) and the Articles of Association of the Company, the consent and approval of the members of the Company be and is hereby accorded for re-classification of the Authorised Share Capital of the Company of ₹80,00,00,000/- (Rupees Eighty Crore only) divided into 7,66,50,000 (Seven Crore Sixty Six Lakhs Fifty Thousand) Equity shares of ₹10/- (Rupees Ten only) each aggregating to ₹76,65,00,000/- (Rupees Seventy Six Crore Sixty Five Lakhs only) and 16,75,000 (Sixteen Lakhs

Seventy Five Thousand) Compulsory Convertible Cumulative Preference Shares of face value of ₹20/- (Rupees Twenty only) each to be re-classified to ₹80,00,00,000/- (Rupees Eighty Crore only) divided into 8,00,00,000 (Eight Crore) Equity shares of ₹10/- (Rupees Ten only) each and consequently the existing Clause V of the Memorandum of Association of the Company, relating to the Share Capital be and is hereby altered by substituting the following existing Clause V(a) thereof with the following new Clause V(a) as under:

Existing clause:

"V (a) The Authorised Share Capital of the Company is ₹80,00,00,000/- (Rupees Eighty Crore only) divided into 7,66,50,000 (Seven Crore Sixty Six Lakhs Fifty Thousand) Equity shares of ₹10/- (Rupees Ten only) each aggregating to ₹76,65,00,000/- (Rupees Seventy Six Crore Sixty Five Lakhs only) and 16,75,000 (Sixteen Lakhs Seventy Five Thousand) Compulsory Convertible Cumulative Preference Shares of face value of ₹20/- (Rupees Twenty only) each."

Revised clause:

"V (a) The Authorised Share Capital of the Company is ₹80,00,00,000/- (Rupees Eighty Crore only) divided into 8,00,00,000 (Eight Crore) Equity shares of ₹10/- (Rupees Ten only) each."

"**RESOLVED FURTHER THAT** any of the Executive Directors and/ or Company Secretary of the Company be and is hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution, including but not limited to sign/ digitally sign, submit the relevant e-Forms with Ministry of Corporate Affairs in this regard and are hereby severally/ jointly authorised to take all such necessary steps and actions and give such directions as may be in its absolute discretion deem necessary and required in this regard."

"**RESOLVED FURTHER THAT** certified copies of this resolution be provided to those concerned under the hands of a Director or Company Secretary wherever required."

11. **Fund Raising:**

To consider and if thought fit, to pass with or without modification, the following resolution as an SPECIAL RESOLUTION:

"**RESOLVED THAT** subjected to provisions of Sections 42 and 62(1)(c) read with the rules and regulations made thereunder, and other applicable provisions, if any, of the Companies Act, 2013 (including any amendments, any statutory modification or re-enactment thereof, for the time being in force) (the "Companies Act"), the provisions of the Memorandum of Association and Articles of Association of the Company, and in accordance with any other applicable law or regulation, including without limitation, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI LODR Regulations"), the listing agreements entered into with the respective stock exchanges where the equity shares of the Company of ₹10 each ("Equity Shares") are listed (the "Stock Exchanges"), the provisions of the Foreign Exchange Management Act, 1999, as amended (the "FEMA"), including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares through (Depository Receipt Mechanism) Scheme, 1993, as amended and the Depository Receipts Scheme, 2014 and all other applicable statutes, rules, regulations, guidelines, notifications, circulars and clarifications as may be applicable, as amended from time to time, issued by the Government of India (the "GoI") from time to time, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued from time to time by the GoI, the Reserve Bank of India (the "RBI"), the Securities and Exchange Board of India (the "SEBI"), the Registrar of Companies, Maharashtra at Mumbai (the "RoC"), the Stock Exchanges, and / or any other competent authorities and subject to any required approvals, consents, permissions and / or sanctions from the SEBI and any other appropriate statutory, regulatory or other authority and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and / or sanctions, the consent of the members of the Company be and is hereby accorded to to create, issue, offer and allot Equity Shares, Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), and/or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non- convertible debentures with warrants and / or convertible preference shares or any security convertible into Equity Shares and such other securities as stated in the resolution ("Securities") or any combination thereof, in one or more tranches, in the course of Indian and / or international offering(s) in one or more foreign markets, for cash, at such price or prices, in terms of the applicable regulations and as permitted under the applicable laws, in such manner in consultation with the merchant bankers and / or other advisor(s) or otherwise, for an aggregate amount up to not exceeding ₹250,00,00,000 (Rupees Two Hundred & Fifty Crore) (the "Issue") by way of a public issue or a private placement, including by way of a qualified institutions placement ("QIP") in accordance with Chapter VI of the SEBI ICDR Regulations to such investors that may be permitted to invest in such issuance of Securities, including eligible qualified institutional buyers ("QIBs") (as defined under the SEBI ICDR Regulations) whether or not such investors are members of the Company jointly or severally through an offer / placement document and / or other letter or circular ("Offering Document") as may be deemed appropriate, in the sole discretion by the Board in such manner and on such terms and conditions, including the terms of the issuance, security, fixing of record date, and at a price not less than the price calculated as per the applicable pricing formula and as may be permitted by the relevant regulatory / statutory authority, together with any amendments and modifications thereto, but without requiring any further approval or consent from the shareholders.

RESOLVED FURTHER THAT price determined for a the issue shall be subject to appropriate adjustments as per the provisions of Regulation 166 of the SEBI ICDR Regulations, if required.

RESOLVED FURTHER THAT in the event the Securities or a combination thereof are offered to QIBs pursuant to a QIP, the allotment of Securities (or any combination thereof as may be decided by the Board) shall only be to QIBs, such Securities shall be fully paid-up (subject to allottees having the option to pay either full or part consideration for warrants, with the balance consideration being payable at or by the time of exercise of such warrants, where the tenure of any convertible or exchangeable Securities shall not exceed 60 (sixty) months from the date of allotment) and the allotment of such Securities shall be completed within 12 (twelve) months from the date of passing of the special resolution, approving the issue or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations and the Securities shall not be eligible to be sold by the allottees pursuant to the QIP for a period of 12 (twelve) months from the date of allotment, except on a recognised stock exchange, or as may be permitted from time to time under the SEBI ICDR Regulations. Furthermore, the Board may, at its absolute discretion, issue Securities at a discount of not more than 5.00% (five percent) to the floor price or such other percentage as permitted in accordance with the SEBI ICDR Regulations. Alternatively, preferential issuance and allotment of Securities (other than as issued and allotted to QIBs by way of QIP) shall be subject to pricing requirements prescribed under Chapter V of the SEBI ICDR Regulations. Issuances of FCCBs or ADRs / GDRs shall be subject to pricing requirements prescribed under relevant schemes in compliance with applicable law.

RESOLVED FURTHER THAT subject to relevant provisions of applicable laws, rules, regulations, as amended, from time to time, in the event there is a preferential allotment of Securities in terms of Chapter V of the SEBI ICDR Regulations (other than as issued and allotted to QIBs by way of QIP), the "relevant date" for the purpose of pricing of the Equity Shares shall be 30 days prior to the date of the shareholders meeting on which the preferential issue was considered, and in the event of allotment of eligible convertible securities, the "relevant date" for the purpose of pricing of such convertible securities, shall be 30 days prior to the date of the shareholders meeting on which the preferential issue was considered or a date 30 days prior to the date on which the holders of such securities become entitled to apply for the Equity Shares.

RESOLVED FURTHER THAT subject to relevant provisions of applicable laws, rules, regulations, as amended, from time to time, in the event the Equity Shares are issued to QIBs by way of QIP, in terms of Chapter VI of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board or a duly authorised committee thereof decides to open the proposed issue of Equity Shares, and in the event of allotment of eligible convertible securities, the "relevant date" for the purpose of pricing of such convertible securities, shall be the date of the meeting in which the Board or a duly authorised committee thereof decides to open the issue of such securities or the date on which the holders of such securities become entitled to apply for the Equity Shares.

RESOLVED FURTHER THAT the Company and / or any agency or body authorised by the Company may issue ADRs or GDRs representing the underlying Equity Shares or other securities issued by the Company, in registered form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations, and under the forms and practices prevalent in the international markets including filing any registration statement and any amendment thereto with the respective regulatory authorities.

RESOLVED FURTHER THAT in pursuance of the aforesaid resolutions:

a) the Securities to be so offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and

b) any Equity Shares that may be created, offered, issued and allotted by the Company shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution described above the Board or Finance Committee duly authorised thereof be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalisation and approval of the private placement offer letter, preliminary as well as final placement document(s), as applicable, determining the form and manner of the issue, the nature and number of Securities to be allotted, determination of person(s) to whom the Securities will be offered and allotted in accordance with applicable law, issue price, face value, discounts permitted under applicable law (now or hereafter), premium amount on issue / conversion of the Securities, if any, rate of interest, execution of various agreements, deeds, instruments and other documents, including the private placement offer letter and signing of declarations, as it may in its absolute discretion deem fit, necessary, proper or desirable, and to give instructions or directions and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilisation of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by the SEBI, the RoC, the Book Running Lead Manager(s), or other authorities or agencies involved in or concerned with the issue of Securities and as the Board or Finance Committee duly authorised thereof may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to this resolution may be exercised by the Board or duly authorised Finance Committee to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and all actions taken by the Board or a duly authorised committee thereof to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board or a duly authorised Finance Committee thereof be and is hereby authorised to engage/appoint book running lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilising agents, trustees, bankers, lawyers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with such agencies and to seek the listing of the Securities on the Stock Exchanges.

RESOLVED FURTHER THAT Ms Sai Kedar katkar, Company Secretary of the Company be and is hereby appointed as the Compliance Officer in terms of regulation 63 of SEBI ICDR Regulations, who shall be responsible for the compliance of relevant laws, monitoring issue, reporting to the Board, liasoning with regulatory authorities, implementation of applicable requirements redressal of investor grievances with respect to the issue

RESOLVED FURTHER THAT any Executive Director (of the Company) and the Company Secretary, be and are hereby severally authorised to file / submit such application(s) to RBI and /or SEBI and / or Stock Exchanges and / or such other regulatory / statutory authorities, as may be required, for intimating / seeking their approval in respect of the Issue, to sign such documents as may be required in furtherance of, or in relation to, or ancillary to, the Issue, and to do all such acts, deeds, matters and things and execute such papers, deeds and documents as may be necessary or expedient for the aforesaid purpose.

RESOLVED FURTHER THAT certified copies of this resolution be provided to those concerned under the hands of a Director or Company Secretary wherever required."

12. **Borrowings by the Company and Delegation to the Board thereto:**

To consider and if thought fit, to pass with or without modification, the following resolution as SPECIAL RESOLUTION:

"**RESOLVED THAT** in supersession of the Ordinary Resolution adopted at the Annual General Meeting of the Company held on June 25, 2014 and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company, to borrow from time to time any sum or sums of monies from any one or more persons, firms, bodies corporate, banks, financial institutions or from any others by way of advances, deposits, loans, debentures or otherwise and whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties, whether movable or immovable including stock-in-trade and debts and advances notwithstanding that the sum or sums of monies so borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from Company's Bankers in the ordinary course of business) will or may exceed the aggregate of the paid- up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose so however that the total amount up to which the money may be borrowed by the Board of Directors shall not at any one time exceed the limit of ₹3,000 Crore (Rupees Three Thousand Crore only) on account of the principal amount."

"**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, any of the Executive Directors and/ or Company Secretary of the Company be and are hereby severally authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as they may think fit."

13. **Mortgage and/or create charge on any of the assets of the company:**

To consider and if thought fit, to pass with or without modification, the following resolution as SPECIAL RESOLUTION:

"**RESOLVED THAT** in supersession of the Ordinary Resolution adopted at the Annual General Meeting held on June 25, 2014 and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors of the Company, to mortgage and/or charge, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any of the movable and/ or immovable, tangible and/or intangible properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the lender(s), agent(s), trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (comprising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/ bonds or other debt instruments), issued/to be issued by the Company, from time to time, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest at the respective agreed rates, additional interest, compounded interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of agent(s)/ trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed or any other document entered into/to be entered into between the Company and the lender(s)/ agent(s)/ trustees, in respect of the said loans/ borrowings/ debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors and the lender(s)/ agent(s)/trustee(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the Executive Directors and / or Company Secretary of the Company be and are hereby severally authorised to finalise, settle and execute such documents/ deeds/ writings/ papers/ agreements as may be required and to do all acts, deeds, matters and things, including but not limited to filing e-forms with the Registrar of Companies, as it may in their absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid."

By order of the Board of Directors
Sai Kedar Katkar
Company Secretary
Membership No. A-25463

Date: July 19, 2019
Place: Mumbai

Registered Office:
605-607, Shrikant Chambers,
Phase – I, 6th Floor, Adjacent to R K Studios,
Sion-Trombay Road, Mumbai – 400071,
Maharashtra, India

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF SUCH A PROXY/ PROXIES NEED NOT BE MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of total share capital of the Company carrying voting rights. A member holding more than 10%, of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other 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 less than 48 hours before the commencement of the Annual General Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/ authority, as applicable.

2. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

3. Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, concerning the Special Businesses in the Notice of this Annual General Meeting is annexed hereto and forms part of this Notice.

4. Statement giving details of the Directors seeking appointment / re-appointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Secretarial Standard on General Meeting ("SS-2").

5. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered

office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting.

6. Members / Proxies/ Authorised Persons attending the Annual General Meeting (AGM) of the Company are requested to hand over the Attendance Slip, duly filled in for admission to the AGM hall.

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

8. Members holding Shares in demat/electronic form are requested to write their Client ID and DP ID and those holding Shares in physical form are requested to write their folio number in the attendance slip and deliver duly signed attendance slip at the entrance of the meeting hall.

9. Members may also note that the Notice of the Seventh Annual General Meeting and the Company's Annual Report 2018-19 will be available on the Company's website www.capacite.in . All the relevant documents referred to in this AGM Notice and Explanatory Statement etc. shall remain open for inspection purpose at the Registered Office of the Company during its business hours on all working days up to the date of AGM.

10. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 and Register of Contracts or Arrangement in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.

Book Closure and Dividend:

11. The Register of Members and Share Transfer Books of the Company will be closed from August 22, 2019 to August 28, 2019 for the payment of Dividend (Both days inclusive).

12. If Dividend on Equity as recommended by the Board is approved Members holding shares of the Company as on August 21, 2019, shall be entitled to receive dividend.

13. The Annual Accounts of the Subsidiary Company shall be available at the Registered Office of the Company for inspection by any shareholder. The copies of the accounts of subsidiaries required by any shareholders will be provided on written request to the Company Secretary of the Company at the Registered Office of the Company and also available at the website of the Company.

14. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2018-19 are being sent by e-mail to those Members who have registered their e-mail address with the Company or Registrar and Share Transfer Agent or Depository Participant unless any Member has requested for the hard copy of the same. Physical copies of the Annual Report will be sent by way of permitted modes in case where the email addresses of the Members are not registered.

15. Members holding shares in dematerialised form are requested to intimate changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their depository participant (DP). These Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrar and Transfer Agent, Karvy Fintech Pvt. Ltd to provide efficient and better services to the members.

16. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent, Karvy Fintech Pvt. Ltd. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or Karvy Fintech Pvt. Ltd for assistance in this regard.

    Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Karvy Fintech Pvt. Ltd, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

17. Information and other instructions relating to voting through electronic means:

    a. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Listing Regulations, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed in this notice by electronic means and the business may be transacted through e-voting services, the said resolutions will not be decided on a show of hands at the AGM.

    b. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by Karvy Fintech Pvt. Ltd.

    c. The facility for voting through ballot paper shall be made available at the AGM venue and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

    d. The Company has appointed CS Shreyans Jain, Practicing Company Secretary, to act as scrutiniser (the 'Scrutiniser') for conducting the voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner.

    e. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

    f. The members who have cast their vote by remote e-voting may attend the meeting but shall not be entitled to cast their vote again.

    g. The remote e-voting period commences on August 24, 2019 at 9:00 AM and ends on August 27, 2019 at 5:00 PM. During this period members of the Company, holding shares as on the cut-off date of August 21, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be forthwith blocked by Karvy Fintech Pvt. Ltd. for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

The instructions, process and manner for remote e-voting are as under:

(i) To use the following URL for e-voting:

https://evoting.karvy.com/

(ii) Enter the login credentials i.e., user id and password mentioned below this communication. Folio No/ DP ID/ Client ID will be your user ID.

User - ID	For Members holding shares in Demat Form
	a) For NSDL : 8 Character DP ID followed by 8 Digits Client ID
	b) For CDSL : 16 digits beneficiary ID
	c) For Members holding shares in Physical Form Event No. followed by Folio Number registered with the Company
Password	In case of Members who have not registered their e-mail addresses, their User-Id and Password is printed below.
Captcha	Enter the verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

(iii) After entering the details appropriately click on LOGIN.

    a) Password change menu will appear. Change the password with a new password of your choice. The new password has to be a minimum of 8 (eight) characters consisting of at least 1 (one) upper case (A-Z), 1 (one) lower case (a-z), 1 (one) numeric value (0-9) and a special character.

Kindly note that this password can be used by the Demat holders for voting on any resolution of any other company on which they are eligible to vote, provided that company opts for e-voting through Karvy Fintech Pvt. Ltd. e-voting platform.

System will prompt you to change your password and update any contact details like mobile #, email ID etc., on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it.

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

(iv) Login again with the new credentials.

(v) On successful login, system will prompt to select the 'EVENT' (E-voting Event Number) i.e., the Company's name 'Capacit'e Infraprojects Limited'.

(vi) On the voting page, you will see the 'Resolution Description' and against the same the option 'FOR/ AGAINST/ ABSTAIN' from voting.

Enter the number of shares (which represents number of votes) under 'FOR/ AGAINST/ ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/ AGAINST' taken together should not exceed your total shareholding. If the member does not want to cast his vote, select 'ABSTAIN'.

(vii) Members holding multiple folios/ demat account shall choose the voting process separately for each folios/ demat account.

(viii) After selecting the resolution you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on 'CANCEL' and accordingly modify your vote.

(ix) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

(x) Corporate/ Institutional Members (Corporate/ FIs/ FIIs/ Trust/ Mutual Funds/ Banks etc.) are required to send scan (PDF format) of the relevant authorisation in board resolution to the Scrutinizer through e-mail to shreyanscs@gmail.com with a copy to evoting@karvy.com.

(xi) In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting User Manual for Members available at the download section of https://evoting.karvy.com or contact Mr. Raju S.V. of Karvy Fintech Pvt. Ltd. at +91 40 67162222 or at 1800 345 4001 (toll free).

(xii) This Notice is dispatched/ emailed to Members, whose names appear in the Register of Members/ list of Beneficial Owners as on July 26, 2019. However, the Members, whose names appear in the Register of Members/ list of Beneficial Owners as on August 21, 2019 are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 9.00 a.m. on August 24, 2019 and will end at 5.00 p.m. on August 27, 2019. Members are eligible to cast vote electronically only if they are holding shares as on that date. Members who have acquired shares after the dispatch of the Notice and before the Cut-off Date may approach the Registrar for issuance of the User ID and Password for exercising their right to vote by electronic means.

(xiii) Members are eligible to cast vote electronically only if they are holding shares as on August 21, 2019.

(xiv) The voting period shall commence at 9.00 a.m. on August 24, 2019 and will end at 5.00 p.m. on August 27, 2019. The e-voting module shall be disabled by Karvy at 5.00 p.m. on August 27, 2019.

18. Members have the option to vote either through e-voting or through physical postal ballot form. If a Member has opted for e-voting, then he/she should not vote by physical postal ballot form also and vice-versa. However, in case Members cast their vote both via physical postal ballot form and e-voting, then voting through e-voting shall prevail and voting done by postal ballot shall be treated as invalid.

19. The Scrutiniser will submit his report to the Chairman of the Board after completion of the scrutiny of the postal ballots including e-votes submitted. The Scrutinizer's decision on the validity of the vote (including e-votes) shall be final. The results of the postal ballot including e-voting will be announced latest by August 30, 2019.

20. The results, together with the Scrutiniser's report, will be displayed at the registered office of the Company and on the website of the Company (www.capacite.in) and also on the website of Karvy (https://evoting.karvy.com) besides being communicated to BSE Limited and the National Stock Exchange of India Limited on which the shares of the Company are listed.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 4 to 13 of the accompanying Notice;

Item No. 4:

The term of appointment of Mr. Subir Malhotra, as a Whole-time Director, designated as an Executive Director, expired on October 31, 2018. Pursuant to recommendation of Nomination & Remuneration Committee and consequent approval of the Board during their respective meetings held on November 3, 2018, he is proposed to be appointed as Whole-time Director designated as an Executive Director of the Company for a further term of 5 years commencing from November 1, 2018. The present appointment is subject to approval of the Shareholders' in terms of the applicable provisions of the Companies Act, 2013.

Except Mr. Subir Malhotra, none of the Directors and/ or Key Managerial Personnel of the Company are concerned or interested, financially or otherwise in the above resolution.

The profile & other details of the Director proposed to be reappointed form part of this explanatory statement. The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

Item No. 5:

The current term of appointment of Mr. Rohit R Katyal, as a Whole-time Director, designated as an Executive Director, expired on June 24, 2019. Pursuant to recommendation of Nomination & Remuneration Committee and consequent approval of the Board during their respective meetings held on May 13, 2019, he is proposed to be appointed as Whole-time Director designated as an Executive Director of the Company for a term of 5 years commencing from June 25, 2019. The present appointment is subject to approval of the members in terms of the applicable provisions of the Companies Act, 2013.

Except Mr. Rohit R. Katyal and Mr. Rahul R. Katyal who is brother of Mr. Rohit R. Katyal, none of the Directors and/or Key Managerial Personnel of the Company are concerned or interested, financially or otherwise in the above resolution.

The profile & other details of the Director proposed to be reappointed form part of this explanatory statement. The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

Item No. 6:

The Board, on the recommendations of the Audit Committee, has considered and approved appointment of M/s. Y. R. Doshi & Associates, Cost Accountants as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020 at the remuneration as mentioned in the relevant item of the Notice.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, during their respective meetings held on July 19, 2019 has to be ratified by the members of the Company.

Accordingly, ratification by the shareholders is sought to the remuneration payable to the Cost Auditors for the financial year ending March 31, 2020 by passing an Ordinary Resolution as set out at Item No. 6 of the Notice.

None of the Directors and/or Key Managerial Personnel of the Company and/ or their relatives, in any way, are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary resolution set forth in Item No. 6 for the approval of the members.

Item No. 7:

Pursuant to recommendations of the Nomination & Remuneration Committee and the Board of Directors, during their Meetings held on May 13, 2019, the proposed terms of remuneration payable to Mr. Rahul R. Katyal, Managing Director during the financial year 2019-20 are as follows:

Sr. No.	Particulars	Linked to	% / Fixed	Amount	
				Per Month	Per Annum
1	**Salary & Allowances**				
1.1	Basic	N.A.	Fixed	4,00,000	48,00,000
1.2	HRA	N.A.	Fixed	2,00,000	24,00,000
1.3	Management Allowance	N.A.	Fixed	1,85,000	22,20,000
	Total			**7,85,000**	**94,20,000**

Perquisites:

i) Company will provide vehicle with fuel & driver, for official/ business purpose.

ii) Leave Travel Allowance (LTA) for self and family for domestic travelling once in a financial year, subject to the ceiling of Basic salary of one month.

iii) Medical expenses for self and family members at actuals, subject to applicable provisions of the Income Tax Act 1961

iv) Annual membership fees of any one club, at actuals. Life membership fees are not covered.

v) Premium on Term Insurance, as may be recommended by the Nomination and Remuneration Committee, subject to the approval of Board of Directors.

vi) Contribution to superannuation fund or annuity fund, as per Company's policy,

vii) Gratuity as per Company's policy

All other existing terms and conditions pursuant to designation, role, duties, responsibilities with respect to the appointment shall remain unchanged.

In terms of Rule 7 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company, is not required to obtain approval of the Central Government, Ministry of Corporate Affairs, as the remuneration proposed to be paid to its Executive Director does not exceed the limits specified under Section 196, 197 read with Schedule V and applicable rules of the Companies Act, 2013.

The Board of Directors recommends the resolution set forth in Item No. 7 for the approval of members of the Company.

Except Mr. Rahul R. Katyal and Mr. Rohit R. Katyal, who is brother of Mr. Rahul R. Katyal, none of the Directors and/or Key Managerial Personnel of the Company are concerned or interested, financially or otherwise in the above resolution.

Item No. 8:

Pursuant to recommendations of the Nomination & Remuneration Committee and the Board of Directors, during their Meetings held on May 13, 2019, the proposed terms of remuneration payable to Mr. Rohit R. Katyal, whole-time Director & CFO during the financial year 2019-20 are as follows:

Sr. No.	Particulars	Linked to	% / Fixed	Amount	
				Per Month	Per Annum
1	**Salary & Allowances**				
1.1	Basic	N.A.	Fixed	4,00,000	48,00,000
1.2	HRA	N.A.	Fixed	2,00,000	24,00,000
1.3	Management Allowance	N.A.	Fixed	2,10,000	25,20,000
	Total			**8,10,000**	**97,20,000**

Perquisites:

i) Company will provide vehicle with fuel & driver, for official/ business purpose.

ii) LTA for self and family for domestic travelling once in a financial year, subject to the ceiling of Basic salary of one month.

iii) Medical expenses for self and family members at actuals, subject to applicable provisions of the Income Tax Act 1961

iv) Annual membership fees of any one club, at actuals. Life membership fees are not covered.

v) Premium on Term Insurance, as may be recommended by the Nomination and Remuneration Committee, subject to the approval of Board of Directors.

vi) Contribution to superannuation fund or annuity fund, as per Company's policy,

vii) Gratuity as per Company's policy

All other existing terms and conditions pursuant to role, duties, responsibilities with respect to the appointment shall remain unchanged.

In terms of Rule 7 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company, is not required to obtain approval of the Central Government, Ministry of Corporate Affairs, as the remuneration proposed to be paid to its whole-time Director does not exceed the limits specified under Section 196, 197 read with Schedule V and applicable rules of the Companies Act, 2013.

The Board of Directors recommends the resolution set forth in Item No. 8 for the approval of members of the Company.

Except Mr. Rohit R. Katyal and Mr. Rahul R. Katyal, who is brother of Mr. Rohit R. Katyal, none of the Directors and Key Managerial Personnel of the Company are concerned or interested, financially or otherwise in the above resolution.

Item No. 9:

Pursuant to recommendations of the Nomination & Remuneration Committee and the Board of Directors, during their Meetings held on May 13, 2019, the proposed terms of remuneration payable to Mr. Subir Malhotra, whole-time Director during the financial year 2019-20 are as follows:

Sr No	Particulars	Linked to	% / Fixed	Amount	
				Per Month	Per Annum
1	**Salary & Allowances**				
1.1	Basic	N.A.	Fixed	4,00,000	48,00,000
1.2	HRA	N.A.	Fixed	2,00,000	24,00,000
1.3	Management Allowance	N.A.	Fixed	1,85,000	22,20,000
	Total			**7,18,333**	**86,20,000**

Perquisites:

i) Company will provide vehicle with fuel & driver, for official/ business purpose.

ii) LTA for self and family for domestic travelling once in a financial year, subject to the ceiling of Basic salary of one month.

iii) Medical expenses for self and family members at actuals, subject to applicable provisions of the Income Tax Act 1961

iv) Annual membership fees of any one club, at actuals. Life membership fees are not covered.

v) Premium on Term Insurance, as may be recommended by the Nomination and Remuneration Committee, subject to the approval of Board of Directors.

vi) Contribution to superannuation fund or annuity fund, as per Company's policy

vii) Gratuity as per Company's policy

All other existing terms and conditions pursuant to role, duties, responsibilities with respect to the appointment shall remain unchanged.

In terms of Rule 7 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company, is not required to obtain approval of the Central Government, Ministry of Corporate Affairs, as the remuneration proposed to be paid to its whole-time Director does not exceed the limits specified under Section 196, 197 read with Schedule V and applicable rules of the Companies Act, 2013.

The Board of Directors recommends the resolution set forth in Item No. 9 for the approval of shareholders of the Company.

Except Mr. Subir Malhotra, none of the Directors and Key Managerial Personnel of the Company are concerned or interested, financially or otherwise in the above resolution.

Item no. 10:

Pursuant to Company's business expansion and consequent funding requirements, it is proposed to re-classify the Authorised Share Capital of the Company from the existing ₹80,00,00,000/- (Rupees Eighty Crore only) divided into 7,66,50,000 (Seven Crore Sixty Six Lakhs Fifty Thousand) Equity shares of ₹10/- (Rupees Ten only) each aggregating to ₹76,65,00,000/- (Rupees Seventy Six Crore Sixty Five Lakhs only) and 16,75,000 (Sixteen Lakhs Seventy Five Thousand) Compulsory Convertible Cumulative Preference Shares of face value of ₹20/- (Rupees Twenty only) each to ₹80,00,00,000/- (Rupees Eighty Crore only) divided into 8,00,00,000 (Eight Crore only) Equity shares of ₹10/- (Rupees Ten only) each.

Accordingly, the Board recommends the Ordinary Resolution set out at Item No. 10 of the Notice of Annual General Meeting for approval of the members of the Company.

None of the Directors/ Key Managerial Personnel of the Company or their relatives, in any way, are concerned or interested, financially or otherwise, in proposed resolution, set out at Item No. 10 of the Notice.

Item No. 11:

Members may note that this special resolution is to enable the Company to create, issue, offer and allot Equity Shares, Global Depository Receipts ("GDRs"), American Depository Receipts("ADRs"), Foreign Currency Convertible Bonds ("FCCBs"), and / or other securities convertible into Equity Shares (including warrants, or otherwise), fully convertible debentures, partly convertible debentures, non- convertible debentures with warrants and / or convertible preference shares or any security convertible into Equity Shares and such other securities as stated in the resolution ("Securities") or any combination thereof, by way of a public issue or a private placement, including by way of a qualified institutions placement ("QIP") in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations"). Accordingly, the Board has, subject to approval of the shareholders, approved by its resolution dated July 19, 2019 as stated in the resolution at such price or prices, at a discount or premium to market price or prices in such manner and on such terms and conditions as may be deemed appropriate by the Board at its discretion, taking into consideration market conditions and other relevant factors and wherever necessary in consultation with book running lead manager(s) and / or other advisor(s) appointed in relation to the proposed issue, all in accordance with applicable laws. The Company intends to issue Securities for an aggregate amount not exceeding ₹250,00,00,000 (Rupees Two Hundred & Fifty Crore only).

This special resolution seeks to enable the Board (including any duly authorised committee thereof to undertake the above-mentioned fund raise in accordance with the SEBI ICDR Regulations for the purposes mentioned above, without the need for fresh approval from the members.

Purpose / objects of the fund raise:

Our Company proposes to utilise the funds raised through the proposed issuance to meet, amongst other things, capital expenditure of the Company including any acquisition opportunities, working capital requirements of the Company and general corporate purposes.

Basis or Justification of Price:

The pricing of the Securities to be issued to QIBs pursuant to Chapter VI of the SEBI ICDR Regulations shall be determined by the Board in accordance with the regulations on pricing of securities determined in accordance with Chapter VI of the SEBI ICDR Regulations. In the event the Equity Shares are issued to QIBs by way of QIP, in terms of Chapter VI of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board or a Finance Committee duly authorised by the Board decides to open the proposed issue of Equity Shares, in the event of allotment of eligible convertible securities, the "relevant date" for the purpose of pricing of such convertible securities, shall be the date of the meeting in which the Board or Finance Committee duly authorised thereof decides to open the issue of such securities or the date on which the holders of such securities become entitled to apply for the Equity Shares.

In the event the Securities or a combination thereof are offered to QIBs pursuant to a QIP, the resolution enables the Board to, in accordance with applicable laws, offer a discount of not more than 5.00% (five percent) or such other percentage as permitted under applicable law, on such price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations on such price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations. Alternatively, issuances of FCCBs or ADRs / GDRs shall be subject to pricing requirements prescribed under relevant schemes in compliance with applicable law.

The special resolution will enables the Board to issue Securities in tranches, at such times, at such prices and to such person(s) as the Board deems fit, in accordance with applicable law.

The detailed terms and conditions for the offer will be determined by the Board in consultation with the book running lead manager(s) and / or other advisor(s) appointed in relation to the proposed issue, if any, and such other authorities as may be required, taking into consideration market conditions and in accordance with applicable law. The Equity Shares allotted will be listed and traded on Stock Exchanges where Equity Shares of the Company are currently listed, on the National Stock Exchange of India Limited and BSE Limited subject to obtaining necessary approvals. The offer / issue / allotment of the Securities would be subject to obtaining regulatory approvals, if any by the Company. As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the stock exchanges as may be required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "SEBI LODR Regulations").

The Company has not allotted any securities on a preferential basis in the current year.

The consent of the members is being sought pursuant to Section 42 and Section 62(1)(c) and other applicable provisions, if any, of the Companies Act and any other law for the time being in force and applicable under the SEBI LODR Regulations.

The Promoters, Directors or KMPs of the Company or their relatives may be deemed to be concerned or interested in the resolution to the extent of shares held by them in the Company.

The Board recommends the Resolution as set out above for your consideration and approval by way of a special resolution.

Item No. 12 & 13:

The Members of the Company at the Annual General Meeting held on June 25, 2014 approved by way of an ordinary resolution under Section 180 (1) (a) of the Companies Act, 2013 and delegated to the Board of Directors power to borrow over and above the aggregate of the paid- up capital and free reserves of the Company provided that total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of ₹2000 Crore (Rupees Two Thousand Crore Only).

The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorising the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves but not exceeding ₹3000 Crore (Rupees Three Thousand Crore Only).

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in excess of the Company's paid up capital and free reserves, apart from temporary loans obtained from Company's bankers in the ordinary course of business, except with the consent of the members of the Company accorded by way of a special resolution.

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s). The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the lenders/agent(s)/trustees, with a power to take over the management of the business and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

The Members of the Company at their Annual General Meeting held on June 25, 2014 approved by way of an ordinary resolution under Section 180(1)(c) of the Companies Act, 2013, consent to the Board of Directors for creating mortgage or charge on its movable or immovable properties for an amount not exceeding ₹2,000 Crore (Rupees Two Thousand Crore Only).

Section 180(1)(a) of the Companies Act, 2013 requires that the Board of Directors shall not create mortgage or charge on its movable or immovable properties, except with the consent of the members of the Company accorded by way of a special resolution to the extent upto ₹3,000 Crore (Rupees Three Thousand Crore Only).

The Promoters, Directors or KMPs of the Company or their relatives may be deemed to be concerned or interested in the resolution to the extent of shares held by them in the Company.

The Board recommends the Resolution as set out above for your consideration and approval by way of a special resolutions as stated in.

By order of the Board of Directors
Sai Kedar Katkar
Company Secretary
Membership No. A25463

Date : July 19, 2019
Place : Mumbai

Registered Office:
605-607, Shrikant Chambers, Phase – I, 6th Floor,
Adjacent to R K Studios, Sion-Trombay Road, Mumbai – 400071, Maharashtra, India

Details of Directors Seeking Appointment/ Re-Appointment at the Annual General Meeting:

Name of Director	**Subir Malhotra**	**Rohit R. Katyal**	**Siddharth Parekh**
Date of Birth	October 11, 1965	January 9, 1971	May 4, 1979
Age (years)	53	48	40
Date of Appointment	November 1, 2013	March 1, 2014	October 18, 2016
Qualification	Bachlore of Engineering from BITS Pilani.	Bachelor's degree in commerce from University of Mumbai.	Bachelor's degree in economins from University of Pennsylvania.
Relation with other Director/ s (Inter-se)	Not applicable	Brother of Mr. Rahul R. Katyal, Managing Director	Not applicable
Expertise in specific functional areas	Whole-time director of the Company	Currently CFO of the Company, other functional areas include Accounts, taxation	Finance & economics
Directorship held in other companies as on date	1. Capacit'e Engineering Pvt Ltd: Managing Director & Member	1. CIPL-PPSL-Yongnam Joint Venture Constructions Pvt. Ltd.: Director & Nominee member 2. Capacit'e Engineering Pvt Ltd: Director 3. Katyal Merchandise Pvt Ltd: Director & Member 4. TCC Constructions Pvt. Ltd. : Nominee Director	1. Maini Precision Pvt. Ltd.: Director 2. Mountain Trail Foods Pvt. Ltd.: Director 3. Eshakti.Com Pvt Ltd.: Director 4. Proud Securities and Credits Pvt Ltd: Additional Director 5. Faraway Foods Pvt Ltd. : Director
Chairman/ Member of the Committee of the Board of Directors of the Company	Nil	2	Nil
Committee positions^ in other Public Companies	Nil	Nil	Nil
Number of shares of the Company, held	25,25,439 Equity Shares as on date of this Notice	61,24,930^ Equity Shares as on date of this Notice	Nil

Note:

*Audit Committee, Shareholders'/ Investors' Grievance Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee are considered.

^Includes 45,12,046 Equity shares jointly held with Mr. Rahul R, Katyal.

CAPACIT'E INFRAPROJECTS LIMITED

CAPACIT'E INFRAPROJECTS LIMITED
CIN: L45400MH2012PLC234318
Regd. Office: 605-607, Shrikant Chambers, Phase – I, 6th Floor, Adjacent to R. K. Studios,
Sion – Trombay Road, Mumbai - 400 071, Maharashtra, India.
Tel.: +91 22 717 33 717 Fax.: +91 22 71 733 733
Website: www.capacite.in Email: compliance@capacite.in

FORM NO. 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(s):			
Registered Address:			
E-mail ID:			
DP ID- Client ID*		Folio No:#	

#applicable for Members holding shares in physical form.
**applicable for Members holding shares in electronic form.*

I/We, being the member(s) of _______shares of the above named Company, hereby appoint:

1. Name: ....
Address:..
....
E-mail ID: ....Signature.., or failing him
2. Name: ....
Address:..
....
E-mail ID: ....Signature.., or failing him
3. Name: ....
Address:..
....
E-mail ID: ....Signature..

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the Company, to be held on August 28, 2019 at 11:30 A.M. at Grand Hall, The Acres Club, 411-B, opp. Bhakti Bhavan Hemu Kalani Marg Chembur East, Mumbai- 400071 and at any adjournment thereof in respect of such resolutions as are indicated overleaf .

Signed this.. day of......................... 2019

Please affix
₹1/-
Revenue
Stamp

....
Signature of Members

....
Signature of Proxy holder(s)

Resolution No. as per Notice of the Annual General Meeting	Type of Resolution (Ordinary/ Special)	Particulars of the proposed Resolutions	Vote		
			Consent	Dissent	Neutral
Item No 1	Ordinary	To receive, consider and adopt Financial Statements, Standalone and consolidated, for the Financial year ended March 31, 2019			
Item No 2	Ordinary	Declaration of Dividend of ₹1 per equity share having face value of ₹10 each (10% of the face value)			
Item No 3	Ordinary	To appoint Mr. Siddharth Parekh having DIN 06945508, who retires by rotation as a Non-Executive Director, and being eligible, has offered himself for re-appointment			
Item No 4	Ordinary	Ratification of Remuneration of Cost Auditor			
Item No 5	Ordinary	Re-appointment of Mr. Subir Malhotra, as an Executive Director for further term of five years			
Item No 6	Ordinary	Re-appointment of Mr. Rohit R. Katyal, as an whole-time Director for further term of five years			
Item No 7	Ordinary	Revision in remuneration of Mr. Rahul R. Katyal, Managing Director of the Company			
Item No 8	Ordinary	Revision in remuneration of Mr. Rohit R. Katyal, whole-time Director & CFO of the Company			
Item No 9	Ordinary	Revision in remuneration of Mr. Subir Malhotra, whole-time Director of the Company			
Item No 10	Ordinary	Re-classification of Authorised Share Capital of the Company			
Item No 11	Special	Fund raising			
Item No 12	Special	Borrowings by the Company and Delegation to the Board thereto			
Item No 13	Special	Mortgage and/or create charge on any of the assets of the company			

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of Members up to and not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. Further, a Member holding more than 10%, of the total share capital of the Bank carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

CAPACIT'E INFRAPROJECTS LIMITED
CIN: L45400MH2012PLC234318
Regd. Office: 605-607, Shrikant Chambers, Phase – I, 6th Floor, Adjacent to R. K. Studios,
Sion – Trombay Road, Mumbai - 400 071, Maharashtra, India.
Tel.: +91 22 717 33 717 Fax.: +91 22 71 733 733
Website: www.capacite.in Email: compliance@capacite.in

ATTENDANCE SLIP

DP ID- Client ID* / Folio No.# :

Name of Member :

Name of Proxy holder :

No. of Share(s) Held :

I hereby record my presence at the 7th Annual General Meeting of CAPACIT'E INFRAPROJECTS LIMITED held on of August 28, 2019 at 11:30 A.M. at Grand Hall, The Acres Club, 411-B, opp. Bhakti Bhavan, Hemu Kalani Marg, Chembur East, Mumbai- 400071 Mumbai – 400 071.

....
Members/Proxy's Signature

Note:

(1) Members / Proxy-holders are requested to produce the attendance slip duly signed for admission to the Meeting hall.
(2) Members are requested to bring their copy of Annual Report for reference at the Meeting.

**Applicable for members holding shares in electronic form.*
#Applicable for members holding shares in physical form.

Complete particulars of the venue of the meeting are provided as follows:

The Acres Club, 411-B, opp. Bhakti Bhavan, Hemu Kalani Marg, Chembur East, Mumbai- 400071 on August 28, 2019 at 11:30 AM

CAPACIT'E

Registered & Corporate Office

605-607, Shrikant Chambers,
Phase - I, 6th Floor, Adjacent to R K Studios,
Sion-Trombay Road, Mumbai - 400 071, Maharashtra, India

Tel: +91-22-71733717, Fax: +91-22-71733733
Website: www.capacite.in
Email: compliance@capacite.in

CIN: L45400MH2012PLC234318