

Financial Statements and Auditors' Report

31 March 2019

Simon India Limited

Walker ChandioK & Co LLP
21st Floor, DLF Square
Jacaranda Marg, DLF Phase II
Gurugram - 122 002
India

T +91 124 462 8000
F +91 124 462 8001

Independent Auditor's Report

To the Members of Simon India Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Simon India Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information, in which are included the returns for the year ended on that date, audited by the branch auditor of the Company's branch located at Kingdom of Saudi Arabia.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the 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 opinion.

Information other than the Financial Statements and Auditor's Report thereon

4. The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Report of the Board of Directors, but does not include the financial statements and our auditor's report thereon.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker ChandioK & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

5. 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 financial statements that give a true and fair view of the state of affairs (financial position), loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the 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.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the 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.



Walker Chandiook & Co LLP

- 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.

Other Matter

11. We did not audit the financial statements of one branch included in the financial statements of the Company whose financial statements reflects total assets and net assets of INR 827.43 lakhs and INR (374.17) lakhs respectively as at 31 March 2019, and the total revenue and net cash inflows of INR 287.33 lakhs and INR 753.55 lakhs respectively for the year ended on that date, as considered in the financial statements. These financial statements have been audited by the branch auditors whose reports have been furnished to us by the management, and our opinion on the financial statements, in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

Our opinion on the financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
13. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
14. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us;



Walker Chandiook & Co LLP

- c) the report on the accounts of the branch office of the Company audited under section 143(8) of the Act by the branch auditor has been sent to us and have been properly dealt with by us in preparing this report;
- d) the financial statements dealt with by this report are in agreement with the books of account and with the return received from the branch not visited by us;
- e) in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;
- f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;
- g) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 16 May 2019 as per Annexure B expressed an unmodified opinion;
- 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, as detailed in note 27(2) to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 099514



Place: New Delhi
Date: 16 May 2019

Walker Chandiook & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of Simon India Limited, on the financial statements for the year ended 31 March 2019

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The Company does not hold any immovable property (in the nature of 'property, plant and equipment'). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Sections 186 of the Act in respect of loans and investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of guarantees and security.
- (v) In our opinion, 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) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.



Walker Chandiook & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of Simon India Limited, on the financial statements for the year ended 31 March 2019

- (b) The dues outstanding in respect of income-tax, sales-tax, service-tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Statement of Disputed Dues

Nature of statute	Nature of Dues	Amount (INR lakhs) in	Amount paid under protest (INR in lakhs)	Period which amount relates to the	Forum where dispute is pending
Income Tax Act, 1961	Income tax	315.91	-	Financial year 2008-09	Hon'ble High Court of Delhi
Income Tax Act, 1961	Income tax	4.07	4.07	Financial year 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income tax	18.35	18.35	Financial year 2013-14	Commissioner of Income Tax (Appeals)
Financial Act, 1994	Service tax demand	86.02	-	Financial year 2009 to 2014	Commissioner of Service tax (Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank. The Company did not have any outstanding debentures, loan from financial institution or government during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.



Walker ChandioK & Co LLP

Annexure A to the Independent Auditor's Report of even date to the members of Simon India Limited, on the financial statements for the year ended 31 March 2019

- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandlok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013



Neeraj Goel
Partner
Membership No.: 099514

Place: New Delhi
Date: 16 May 2019



Annexure B to the Independent Auditor's Report of even date to the members of Simon India Limited on the financial statements for the year ended 31 March 2019

Independent Auditor's Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Simon India limited ('the Company') as at and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting ('IFCoFR') of the Company as at that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on 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 the Company's 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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR includes obtaining an understanding of IFCoFR, 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR include 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



Walker Chandiook & Co LLP

Annexure B to the Independent Auditor's Report of even date to the members of Simon India Limited on the financial statements for the year ended 31 March 2019

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such controls were operating effectively as at 31 March 2019, based on 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 **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 099514

Place: New Delhi
Date: 16 May 2019



	Notes	As at 31 March 2019	As at 31 March 2018
I. ASSETS			
Non-current assets			
Property, plant and equipment	3	103.22	100.51
Other intangible assets	4	72.38	57.76
Financial assets			
(i) Investments	5a	4,772.18	4,560.09
(ii) Loans	5b	-	53.99
(iii) Other financial assets	5c	36.23	0.30
Deferred tax assets (net)	18	1,422.12	1,160.71
Income-tax assets (net)		1,396.18	1,396.38
Other non-current assets	6	1,216.57	1,404.69
Total non-current assets		9,018.88	8,734.43
Current assets			
Financial assets			
(i) Trade receivables	7	4,530.06	7,941.42
(ii) Cash and cash equivalents	8	903.52	193.88
(iii) Bank balances other than (ii) above	9	202.84	140.27
(iv) Loans	5b	1,321.94	1,741.05
(v) Other financial assets	5c	5,612.32	234.97
Other current assets	6	1,994.64	2,290.30
Total current assets		14,565.32	12,541.89
Total assets		23,584.20	21,276.32
II. EQUITY AND LIABILITIES			
Equity			
Equity share capital	10	500.00	500.00
Other equity	11	9,237.53	9,882.99
Total equity		9,737.53	10,382.99
Non-current liabilities			
Financial liabilities			
(i) Borrowings	12	10.54	15.89
Provisions	17	107.79	125.75
Total non-current liabilities		118.33	141.64
Current liabilities			
Financial liabilities			
(i) Borrowings	13	1,750.00	200.00
(ii) Trade payables			
(A) total outstanding due to micro enterprise and small enterprise;	14	442.17	792.36
(B) total outstanding due to creditors other than micro enterprise and small enterprise	14	5,835.35	5,830.69
(iii) Other financial liabilities	15	5.44	5.03
Other current liabilities	16	3,257.91	2,922.16
Provisions	17	2,437.47	1,001.45
Total current liabilities		13,728.34	10,751.69
Total equity and liabilities		23,584.20	21,276.32

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements

This is the Balance Sheet referred to in our report of even date.

For Walker Chandlok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj

Neeraj Goel
Partner
Membership No.: 099514



Place : New Delhi
Date : 16 May 2019



For and on behalf of the Board of Directors of
Simon India Limited

Suresh Krishnan

Narayanan Suresh Krishnan
Chairman
DIN No.: 00021866

Vijay Kathuria
Vijay Kathuria
Chief Financial Officer

Rakesh Verma

Rakesh Verma
CEO & Executive Director
DIN No.: 08103465

Gaurav Dutta
Gaurav Dutta
Company Secretary
Membership No.: 24445

Simon India Limited
Statement of Profit and Loss for the year ended 31 March 2019
(All amounts in INR lakhs, unless stated otherwise)

	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
I. REVENUE			
Revenue from operations	19	25,168.14	19,007.02
Other income	20	852.08	1,277.89
Total Revenue (I)		26,020.22	20,284.91
II. EXPENSES			
Project expenses	21	22,521.19	18,228.48
Employee benefits expense	22	2,512.29	2,521.06
Finance costs	23	184.68	3.34
Depreciation and amortization expense	24	79.89	55.69
Other expenses	25	1,711.68	2,236.43
Total expenses (II)		27,009.73	23,045.00
III. Loss before tax (I-II)		(989.51)	(2,760.09)
IV. Tax expense/(credit):			
Current tax	18	(27.22)	16.04
Deferred tax	18	(262.24)	(675.72)
Total tax credit		(289.46)	(659.68)
V. Loss for the year (III-IV)		(700.05)	(2,100.41)
VI. Other comprehensive income			
A Items that will be reclassified to profit or loss		(0.57)	(0.03)
Foreign currency translation reserve		(0.57)	(0.03)
Income-tax effect		-	-
B Items that will not be reclassified to profit or loss		55.16	1,720.49
Re-measurement gains on defined benefit plans		3.19	3.31
Income-tax effect		(0.83)	(1.02)
Net gain on FVTOCI equity securities		52.80	1,718.20
Income-tax effect	18	-	-
Total (A + B)		54.59	1,720.46
VII. Total comprehensive loss for the year (V + VI)		(645.46)	(379.95)
VIII. Earnings/(loss) per equity share {nominal value of share of INR 10 (31 March 2018: INR 10)}			
Basic (INR)	28	(14.00)	(42.01)
Diluted (INR)	28	(14.00)	(42.01)

Summary of significant accounting policies

2.1

The accompanying notes are an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 099514



Place : New Delhi
Date : 16 May 2019



For and on behalf of the Board of Directors of
Simon India Limited

Suresh Krishna

Narayanan Suresh Krishnan
Chairman
DIN No.: 00021965

Vijay Kathuria

Vijay Kathuria
Chief Financial Officer

Rakesh Verma

Rakesh Verma
CEO & Executive Director
DIN No.: 08103465

Gaurav Dutta

Gaurav Dutta
Company Secretary
Membership No.: 24445

Simon India Limited
Statement of Cash Flows for the year ended 31 March 2019
(All amounts in INR lakhs unless stated otherwise)

	For the year ended 31 March 2019	For the year ended 31 March 2018
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(989.51)	(2,760.09)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	79.89	55.69
Profit on sale of property, plant and equipment "PPE" (net)	-	(1.40)
Provision for doubtful debts	95.49	396.56
Interest income	(248.66)	(230.53)
Dividend income	(44.16)	(104.09)
Finance cost	184.68	3.34
Exchange fluctuation (net)	(38.90)	7.88
Fair value gain on financial assets at fair value through profit or loss	(159.29)	(136.16)
Amortisation of deferred fair valuation loss	159.29	136.16
Provision for warranties	1,506.64	822.94
Excess provision and credit balances written back	(71.41)	(366.36)
	474.06	(2,176.06)
Working capital adjustments:		
Movement in trade payables	(273.41)	3,233.19
Movement in other financial liability	-	0.11
Movement in provisions current and non current liabilities	(85.39)	(435.08)
Movement in other current liabilities	335.75	814.14
Movement in trade receivables	3,354.05	(4,054.24)
Movement in other financial assets	(5,416.62)	1,507.01
Movement in other current and non current assets	324.49	(631.71)
Cash used in operations	(1,287.07)	(1,742.64)
Income-tax (paid)/refund (net)	27.42	(187.41)
Net cash used in operating activities	(1,259.65)	(1,930.05)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of PPE including capital advance	(97.28)	(131.29)
Sale of PPE	0.07	2.22
Purchase of current investments	(2,650.00)	(10,885.00)
Sale of current investments	2,652.36	10,947.29
Dividend received	41.80	41.80
Movement in fixed deposits	(97.16)	198.42
Loans given	(3,061.78)	(2,690.00)
Loans received back	3,542.95	1,981.71
Interest received	278.53	226.41
Net cash flow from/(used in) investing activities	609.49	(308.44)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from non-current borrowings	-	21.98
Repayment of non-current borrowings	(4.92)	(1.17)
Proceeds from current borrowings	7,430.00	200.00
Repayment of current borrowings	(5,880.00)	-
Finance cost paid	(184.71)	(3.34)
Net cash flow from financing activities	1,360.37	217.47
Net increase/(decrease) in cash and cash equivalents (A + B + C)	710.21	(2,021.02)
Exchange fluctuation translation difference	(0.57)	(0.03)
Cash and cash equivalents at the beginning of the year	193.88	2,214.93
Cash and cash equivalents at the end of the year	903.52	193.88
Components of cash and cash equivalents: (note 8)		
Balances with banks-		
Deposit with original maturity of less than 3 months on current accounts	902.04	118.70
Cheque in hand	-	0.23
Cash in hand	1.48	1.53
	903.52	193.88

This is the Statement of Cash Flows referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Neeraj Goel
Partner
Membership No.: 099514



Place : New Delhi
Date : 16 May 2019

For and on behalf of the Board of Directors of
Simon India Limited

Suresh Krishnan
Narayanan Suresh Krishnan
Chairman
DIN No.: 00021965

Vijay Kathuria
Vijay Kathuria
Chief Financial Officer

Rakesh Verma
Rakesh Verma
CEO & Executive Director
DIN No.: 08103465

Gaurav Dutta
Gaurav Dutta
Company Secretary
Membership No.: 24445

Simon India Limited
Statement of Changes in Equity for the year ended 31 March 2019

(All amounts in INR lakhs, unless stated otherwise)

(a) Equity Share Capital

	As at 31 March 2019		As at 31 March 2018	
	Number of shares	Amount	Number of shares	Amount
Equity shares of INR 10 each issued, subscribed and fully paid				
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	5,000,000	500	5,000,000	500
Add: Shares issued during the year	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	5,000,000	500	5,000,000	500

(b) Other equity

For the year ended 31 March 2019

	Retained Earnings	Items of OCI		Total
	Surplus in the statement of profit and loss	FCTR	Equity instruments through OCI	
As at 1 April 2017	9,604.98	(4.13)	662.09	10,262.94
Loss for the year	(2,100.41)	-	-	(2,100.41)
Other comprehensive income	2.29	(0.03)	1,718.20	1,720.46
Total comprehensive income	7,506.86	(4.16)	2,380.29	9,882.99
At 31 March 2018	7,506.86	(4.16)	2,380.29	9,882.99
Loss for the year	(700.05)	-	-	(700.05)
Other comprehensive income	2.36	(0.57)	52.80	54.59
Total comprehensive income	6,809.17	(4.73)	2,433.09	9,237.53
At 31 March 2019	6,809.17	(4.73)	2,433.09	9,237.53

This is the Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel

Neeraj Goel
Partner
Membership No.: 009514



Place: New Delhi
Date: 16 May 2019



For and on behalf of the Board of Directors of
Simon India Limited

Narayanan Suresh Krishnan

Narayanan Suresh Krishnan
Chairman
DIN No.: 00021965

Vijay Kathuria
Vijay Kathuria
Chief Financial Officer

Rakesh Verma

Rakesh Verma
CEO & Executive Director
DIN No.: 08103465

Gaurav Dutta

Gaurav Dutta
Company Secretary
Membership No.: 24445

Simon India Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

1. Corporate information

The financial statements of "Simon India Limited" ("the Company" or "SIL") are for the year ended 31 March 2019. Simon India Limited ("the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Birla Mills complex, P.O. Birla Lines, GT Road, Near Clock Tower, Delhi – 110007

The Company is in the engineering and contracting sector and offers technology, basic engineering, detailed engineering, project management, procurement and construction services and contracting capability covering a wide spectrum of the process industries.

The Company is a wholly owned subsidiary of Zuari Global Limited. Information on related party relationships of the Company is provided in Note 35.

The financial statements were approved for issue in accordance with a resolution of the directors on 16 May 2019.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ('Ind AS') and comply with requirements of Ind AS, stipulations contained in Schedule III (revised) as applicable under Section 133 of the Companies Act, 2013, the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other pronouncements/ provisions of applicable laws.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value, as applicable.

The financial statements of the Company are presented in Indian Rupees (INR), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless otherwise stated.

2.1 Summary of significant accounting policies

a. Basis of classification of current and non-current

Assets and Liabilities in the balance sheet have been classified as either current or non-current based upon the requirements of Schedule III notified under the Companies Act, 2013.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as non-current.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non-current.

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

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

b. Property, plant and equipment ('PPE')

PPE and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met.



Simon India Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Cost comprises the purchase price and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The cost of an item of PPE shall be recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Subsequent expenditure related to an item of PPE is added to its book value only if it increased the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the year during which such expenses are incurred.

Depreciation on property, plant and equipment

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. The Company has used the following rates to provide depreciation on its property, plant and equipment.

Name of the Asset	Useful live considered
Office equipment	
Telephone equipments	3 years
Air-conditioners	5 years
Others	5 years
Furniture and fittings	10 years
Computers	3 years
Technical codes and standards	5 years
Vehicles	8 years

Leasehold improvements are depreciated over the primary lease period of the properties.

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.

c. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization impairment losses, if any.

Recognition:

The costs of intangible asset are recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Intangibles representing computer software are amortized using the straight line method over their estimated useful lives of five years.

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 each financial year end and adjusted prospectively, if appropriate treating them as changes in accounting estimates. The maintenance expenses on intangible assets with finite lives is recognised in the statement of profit and loss, unless such expenditure forms part of carrying value of an asset and satisfies recognition criteria.

Gains/(losses) arising from de-recognition 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 or loss when the asset is de-recognised.



Assets carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

d. 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.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit or the lease payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

e. Impairment of tangible and intangible assets

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

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

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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



f. Borrowing costs

General and specific borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset are capitalised up to the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they occur or accrue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

g. Foreign currency transactions

Functional and presentation currency

The Company's financial statements are presented in INR, which is also its functional currency.

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items that are measured in terms of historical cost denominated in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value denominated in a foreign currency are, translated using the exchange rates that existed when the fair value was determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Translation of a foreign operation

The results and financial position of a foreign operation (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented (i.e. including comparatives) are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each statement of profit and loss presented (i.e. including comparatives) are translated at average exchange rates; and
- (iii) all resulting exchange differences have been recognised in other comprehensive income.

On disposal of a foreign operation, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on disposal.

h. Contingent liabilities

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 recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

i. Provisions

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

Warranty provision

Provisions for warranty-related costs are recognized when the service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually.

j. Revenue recognition

The Company has applied Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method and therefore the comparative information has not been restated and continues to be reported under Ind AS 18 "Revenue".

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, if any. The Company recognizes revenue when it transfers control over a product or service to a customer.

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Identifying the performance obligations

Under Ind AS 115, the Company must evaluate the separability of the promised goods or services based on whether they are 'distinct'. A promised good or service is 'distinct' if both:

- the customer benefits from the item either on its own or together with other readily available resources, and
- it is 'separately identifiable' (i.e. the Company does not provide a significant service integrating, modifying or customizing it).

Determining the transaction price

Under Ind AS 115, the Company shall consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on behalf of third parties. The consideration promised include fixed amounts, variable amounts, or both.

Allocating the transaction price to the performance obligations

The transaction price is allocated to the separately identifiable performance obligations on the basis of their standalone selling price. For services that are not provided separately, the standalone selling price is estimated using adjusted market assessment approach.

Recognising revenue when/as performance obligation(s) are satisfied.



Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is recognised either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

In the comparative period presented in financial statements, revenue was measured at the fair value of the consideration received or receivable. Revenue from the sale of goods was recognised when the significant risks and rewards of ownership had been transferred to the customer, recovery of the consideration was probable, there was no continuing management involvement with the goods and the amount of revenue could be measured reliably.

Income from service- Engineering, procurement and construction (“EPC”)

The Company enters into contracts for the design, development and construction of different structures (like construction of a manufacturing plant) in exchange for a fixed fee and recognises the related revenue over time. Due to the high degree of interdependence between the various elements of these projects, they are accounted for as a single performance obligation. To depict the progress by which the Company transfers control of the systems to the customer, and to establish when and to what extent revenue can be recognised, the Company measures its progress towards complete satisfaction of the performance obligation by comparing actual cost incurred till date with the total estimated to be incurred for design, development and construction. The input method of cost incurred over budgeted cost provides the most faithful depiction of the transfer of goods and services to each customer due to the Company's ability to make reliable estimates, arising from its significant historical experience constructing similar systems. In addition to the fixed fee, some contracts include bonus payments which the Company can earn by completing a project in advance of a targeted delivery date. At inception of each contract the Company begins by estimating the amount of the bonus to be received using the “most likely amount” approach. This amount is then included in the Company's estimate of the transaction price only if it is highly probable that a significant reversal of revenue will not occur once any uncertainty surrounding the bonus is resolved. In making this assessment the Company considers its historical record of performance on similar contracts, whether the Company has access to the labour and materials resources needed to exceed the agreed-upon completion date, and the potential impact of other reasonably foreseen constraints. Most such arrangements include detailed customer payment schedules. When payments received from customers exceed revenue recognised to date on a particular contract, any excess (a contract liability) is reported in the statement of financial position under other liabilities (see Note 16). The construction normally takes 12-36 months (depending upon project size and nature) from commencement of design through to completion. Since revenue is recognised over time, management believes that no significant amount is received from a customer wherein the time lag between customer payment and performance exceeds 12 months and thus the Company applies the practical expedient in Ind AS 115 (Para 63) and does not adjust the promised amount of consideration for the effects of financing.

Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of contract.

Income from engineering and other service contracts is recognized on accrual basis to the extent the services have been rendered and invoices are raised in accordance with the contractual terms with the customers and recoveries are reasonably certain. Contract revenue earned in excess of billing has been reflected under other current assets and billing in excess of contract revenue has been reflected under current liabilities in the balance sheet.

Liquidated damages / penalties are netted off with revenue, based on management's assessment of the estimated liability, as per contractual terms and / or acceptances.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

Dividends

Dividend income is recognized when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.



Other

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

k. Income tax

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognised in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. 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).

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognised to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. 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 Statement of Profit and Loss is recognised outside Statement of Profit or Loss (either in other comprehensive income or in equity).

l. Retirement and other employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Provident Fund:

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 an expense, 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.

Superannuation:

Retirement benefit in the form of Superannuation Fund are defined contribution scheme. The Company has no obligation, other than the contribution payable to the Superannuation Fund to Life Insurance Corporation of India (LIC) against the insurance policy taken with them. The Company recognizes contribution payable to the Superannuation Fund 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 recognized 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 recognized 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:

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. 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 twelve



Simon India Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

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.

Re-measurements, comprising 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 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.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Leave encashment:

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit which are computed based on the actuarial valuation using the projected unit credit method at the period end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the balance is presented as a non-current liability.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

All other employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

m. Fair value measurement

The Company measures financial instruments at fair value which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the 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; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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. For assets and liabilities that are recognised in the balance sheet 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.

n. 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. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Debt instruments at amortised cost
- b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- c) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. 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 in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading.

For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by - instrument basis. The classification is made on initial recognition and is irrevocable.



If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the 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 or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

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, debt securities, deposits, trade receivables and bank balance
- b) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables that do not contain a significant financing component.

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.

Financial liabilities

Initial recognition and measurement



Simon India Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

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 including financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the 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 risks are recognized in OCI. These gains/ loss are not subsequently transferred to statement of profit and loss. 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 de-recognised 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 or loss.

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.

Derivative financial instrument - Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

o. Segment reporting policies

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. Chief Operating Decision Maker review the performance of the Company according to the nature of services provided, with each segment representing a strategic business unit that serves different markets. The analysis of geographical segments is based on the locations of customers.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting financial statements of the Company as a whole.



p. Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired, based on internal or external factors. If any such indication exists, the recoverable amount of the asset or the cash generating unit is estimated. If such recoverable amount of the asset or cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. Impairment losses previously recognized are accordingly reversed in the Statement of Profit and Loss.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques 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.

r. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the year.

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

s. Key sources of estimations

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

t. Application of Indian Accounting Standards issued but not effective

In March 2019, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 (Amendment rules) via notification dated 30 March 2019, notifying amendment to various IND AS. These amendments are in accordance with the recent amendments made by the International Accounting Standards Board (IASB) along with International Financial Reporting Standards (IFRS), Interpretation Committee to IFRS as a part of annual improvement process. Also, along with these amendments, amendment rules inserted a new lease standard IND AS 116, Lease (IND AS 116). These amendments are applicable from 1 April 2019 onwards.

Implementation of Ind AS 116, Leases

Ind AS 116 Leases was notified on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees - leases of 'low-value' assets and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation



expense on the right-of-use asset. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Other amendments

The Company is in the process of evaluation of the possible impact of other amendments to the other existing standards amended by Companies (Indian Accounting Standards) amendment rules, 2019

i. Amended standards adopted by the Company

The Company has applied newly effective Ind AS 115 "Revenue from Contracts with Customers" for the first time in the financial year 2018-19 which requires to recognize revenue when customer has transferred control of goods or service rather than transfer of risks and rewards. Refer note 26 for the disclosures of IND AS 115.



(The space has been left intentionally)

3. Property, plant and equipment

Particulars	Office equipment	Computers	Lease hold improvements	Technical codes and standards	Furniture and fittings	Vehicles*	Total
Gross block							
As at 1 April 2017	13.32	70.71	9.30	1.37	3.72	-	98.42
Additions	14.52	32.76	-	-	0.91	21.98	70.17
Disposals	1.81	0.03	-	-	-	-	1.84
As at 31 March 2018	26.03	103.44	9.30	1.37	4.63	21.98	166.75
As at 1 April 2018	26.03	103.44	9.30	1.37	4.63	21.98	166.75
Additions	1.47	38.35	-	0.05	0.25	-	40.12
Disposals	-	0.07	-	-	-	-	0.07
As at 31 March 2019	27.50	141.72	9.30	1.42	4.88	21.98	206.80
Accumulated depreciation							
As at 1 April 2017	4.98	36.27	4.00	0.79	1.16	-	47.20
Charge for the year	2.77	13.81	2.00	0.22	0.61	0.63	20.04
Disposals	1.00	-	-	-	-	-	1.00
As at 31 March 2018	6.75	50.08	6.00	1.01	1.77	0.63	66.24
As at 1 April 2018	6.75	50.08	6.00	1.01	1.77	0.63	66.24
Charge for the year	4.52	27.52	2.00	0.07	0.62	2.61	37.34
Disposals	-	-	-	-	-	-	-
As at 31 March 2019	11.27	77.60	8.00	1.08	2.39	3.24	103.58
Net block							
As at 31 March 2018	19.28	53.36	3.30	0.36	2.86	21.35	100.51
As at 31 March 2019	16.23	64.12	1.30	0.34	2.49	18.74	103.22

*Refer to note 12 for information on vehicle pledged as security against non-current borrowings.

4. Other intangible assets

Particulars	Software
Gross block	
As at 1 April 2017	121.65
Additions	61.87
Disposals	-
As at 31 March 2018	183.52
As at 1 April 2018	183.52
Additions	57.16
Disposals	-
As at 31 March 2019	240.68
Amortization	
As at 1 April 2017	90.11
Charge for the year	35.65
Disposals	-
As at 31 March 2018	125.76
As at 1 April 2018	125.76
Charge for the year	42.55
Disposals	-
As at 31 March 2019	168.30
Net block	
As at 31 March 2018	57.76
As at 31 March 2019	72.38



5. Financial assets

5a. Investments

Particulars	Non current	
	As at 31 March 2019	As at 31 March 2018
Investments in equity shares		
Investments at fair value through OCI:		
Quoted:		
2,200,000 (31 March 2018: 2,200,000) equity shares of INR 10 each fully paid-up of Chambal Fertilisers and Chemicals Limited	3,675.10	3,622.30
	3,675.10	3,622.30
Unquoted:		
9,800 (31 March 2018: 9,800) equity shares of Omani Riyal 1 each fully paid-up of Simon Engineering and Partners LLC, Sultanate of OMAN (refer note 35 for details of related party balances)	10.45	10.45
Less: Impairment in value of investments	(10.45)	(10.45)
	-	-
Investment in preference shares		
Investments at fair value through profit or loss:		
Unquoted:		
25,000,000 (31 March 2018: 25,000,000) 7% Non-Convertible Non-Cumulative Redeemable Preference Shares ('NCRPS') of INR 10 each fully paid up in Gobind Sugar Mills Limited ('GSML') (refer note 35 for details of related party balances)	1,097.08	937.79
	1,097.08	937.79
	4,772.18	4,660.09
Aggregate amount of quoted investments	3,675.10	3,622.30
Aggregate market value of quoted investments	3,675.10	3,622.30
Aggregate amount of unquoted investments	1,107.53	948.24
Aggregate amount of impairment in value of investments	10.45	10.45

5b. Loans

Particulars	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Loans to related party (refer note 35 for details of related party balances)	-	-	1,257.12	1,738.29
Security deposits	-	53.99	64.82	2.76
	-	53.99	1,321.94	1,741.05

Break-up for security details:

Particulars	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Secured - considered good	-	-	-	-
Unsecured - considered good	-	53.99	1,321.94	1,741.05
Loans which have significant increase in credit risk	-	-	-	-
Loans - credit impaired	-	-	-	-
	-	53.99	1,321.94	1,741.05

(This space has been intentionally left blank)



5c. Other financial assets

Particulars	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Balances with banks - in deposit accounts*	34.89	0.30	-	-
Duty credit scrips	-	-	-	41.75
Interest accrued but not due on loans/ deposits	1.34	-	3.80	35.01
Other receivables from related party (refer note 35 for details of related party balances)	-	-	6.25	-
Contract assets**:				
Unbilled revenue	-	-	5,602.27	158.21
	36.23	0.30	5,612.32	234.97

*Amount pledged with banks of INR 34.89 lakhs (31 March 2018: INR 0.30 lakhs)

**refer note 26 for details of significant changes in contract assets

6. Other assets

Particulars	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Deferred losses on investment in NCRPS of GSML (refer note 35 for details of related party balances)	1,216.57	1,402.92	186.35	159.29
Balance with statutory authorities	-	-	1,431.53	691.72
Advance to employees	-	-	7.39	10.46
Advance to vendors	-	-	327.30	1,391.41
Prepaid expenses	-	-	40.30	33.61
Prepaid lease	-	1.77	1.77	3.81
	1,216.57	1,404.69	1,994.64	2,290.30

7. Trade receivables

Particulars	As at	As at
	31 March 2019	31 March 2018
Trade receivables - related parties (refer note 35 for details of related party balances)	275.66	232.66
Trade receivables - others	4,768.15	8,125.41
	5,043.81	8,358.07
Less: Loss allowances	513.75	416.65
	4,530.06	7,941.42

Break-up for security details:

Particulars	As at	As at
	31 March 2019	31 March 2018
Secured - considered good	-	-
Unsecured - considered good	4,530.06	7,941.42
Trade receivables which have significant increase in credit risk	-	-
Unsecured - credit impaired	513.75	416.65
	5,043.81	8,358.07
Less: Loss allowances	513.75	416.65
	4,530.06	7,941.42

8. Cash and cash equivalents

Particulars	As at	As at
	31 March 2019	31 March 2018
Balances with banks:		
On current accounts	902.04	73.42
Deposit with original maturity of less than 3 months	-	118.70
Cash on hand	1.48	1.53
Cheque on hand	-	0.23
	903.52	193.88

There are no repatriation restriction with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

9. Other bank balances

Particulars	As at	As at
	31 March 2019	31 March 2018
Bank Balances:		
Deposits with original maturity for more than 3 months but less than 12 months*	202.84	140.27
	202.84	140.27

*Including fixed deposit receipts pledged with banks for INR 202.84 lakhs (31 March 2018: INR 128.98 lakhs) as margin money.



Simon India Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts in INR lakhs, unless stated otherwise)

10. Equity share capital

Particulars	As at 31 March 2019	As at 31 March 2018
Authorized:		
5,000,000 (31 March 2018: 5,000,000) equity shares of INR 10 each	500.00	500.00
	500.00	500.00
Issued subscribed and paid up:		
5,000,000 (31 March 2018: 5,000,000) equity shares of INR 10 each	500.00	500.00
	500.00	500.00
A. Reconciliation of shares outstanding at the beginning and end of the reporting year		
At the beginning of the year	5,000,000	5,000,000
Issued during the year	-	-
Shares bought back	-	-
Outstanding at the end of the year	5,000,000	5,000,000

B. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

C. Shares held by holding company

Particulars	As at 31 March 2019	As at 31 March 2018
Zuari Global Limited	500.00	500.00
5,000,000 (31 March 2018: 5,000,000) equity shares of INR 10 each		

D. Details of shareholders holdings more than 5% shares

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	Number of shares held	Percentage of Holding	Number of shares held	Percentage of Holding
Equity shares				
Zuari Global Limited	5,000,000	100%	5,000,000	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

E. Shares issued for consideration other than cash

Particulars	As at 31 March 2019	As at 31 March 2018
Issue of shares for consideration other than cash	Nil	Nil

11. Other equity

Particulars	As at 31 March 2019	As at 31 March 2018
Retained earnings/ Surplus in the statement of profit and loss		
Balance brought forward from last year's account (retained earnings)	7,506.86	9,604.98
Add: Loss for the year	(700.05)	(2,100.41)
Add/Less: Re-measurement gains (losses) on defined benefit plans (net of taxes)	2.36	2.29
	6,809.17	7,506.86
FVTOCI Reserve		
Balance brought forward from last year's account	2,380.29	662.09
Add: Movement during the year	52.80	1,718.20
	2,433.09	2,380.29
Foreign currency translation reserve:		
Balance as per last financial statements	(4.16)	(4.13)
Less: Movement during the year	(0.57)	(0.03)
	(4.73)	(4.16)
	9,237.53	9,882.99

Nature and purpose of other reserves

FVTOCI Reserve

The Company has elected to recognise changes in the fair value of certain investments in equity shares in other comprehensive income. These are accumulated in Fair value through OCI reserve in the equity. The Company transfers this reserves to retained earnings when relevant equity investments are derecognised.

Foreign currency translation reserve:

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed off.



Simon India Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in INR lakhs, unless stated otherwise)

12. Non-current borrowings

Particulars	Non Current	
	As at 31 March 2019	As at 31 March 2018
Secured		
Vehicle loan	15.89	20.81
Less : Amount disclosed under the head "other current liabilities"	5.35	4.92
	<u>10.54</u>	<u>15.89</u>

Vehicle loans from banks

Type of Loan	Principal amount (INR)	Installment	Amount outstanding (INR)	Number of installment	Installment amount (INR)	Date of loan	Rate of interest	Hypothecation of
Vehicle loan	21.98	Monthly	15.89	48	0.54	6 December 2017	8.51%	Vehicle

13. Current borrowings

Particulars	Current	
	As at 31 March 2019	As at 31 March 2018
Secured		
Loan from bank (refer note a below)	1,000.00	-
Unsecured		
Loans from related party (refer note b below and note 35 for details of related party balances)	750.00	200.00
	<u>1,750.00</u>	<u>200.00</u>

(a) Loan from bank

Secured loan taken on 5 March 2019 from ICICI Bank Limited, amounting to INR 1,000 lakhs (31 March 2018: Nil) at annual rate of interest of 11% and maximum tenor of repayment is 6 months. Outstanding book balance of such loan as on 31 March 2019 is for INR 1,000 lakhs (31 March 2018: Nil). The said facility is secured by first pari passu charge over entire current assets of the Company, both present and future.

(b) Loan from related party

(i) 'Unsecured loan taken on 28 March 2018 from Zuari Global Limited ("Holding Company"), amounting to INR Nil (31 March 2018: INR 200 lakhs) at annual rate of interest of 12%, repayable after 3 months. Outstanding book balance of such loan as on 31 March 2019 is for INR Nil (31 March 2018: INR 200 lakhs).

(ii) 'Unsecured loan taken on 29 March 2019 from Zuari Management Services Limited, amounting to INR 750 lakhs (31 March 2018: Nil) at annual rate of interest of 16.75%, repayable after 6 months. Outstanding book balance of such loan as on 31 March 2019 is for INR 750 lakhs (31 March 2018: INR Nil).

13.1 Changes in liabilities arising from financing activities pursuant to Ind AS 7 - Cash flows:

Particulars	Non-current borrowings (including current maturities)	Current borrowings
As at 1 April 2017	-	-
Cash adjustments		
Proceeds from current borrowings	-	200.00
Proceeds from non-current borrowings (including current maturities) (net)	21.98	-
Repayment of non-current borrowing (net)	(1.17)	-
Finance cost payments	(0.47)	(0.27)
Non-cash adjustments		
Finance cost /accruals	0.57	0.27
As at 31 March 2018	<u>20.91</u>	<u>200.00</u>
As at 1 April 2018	20.91	200.00
Cash adjustments		
Proceeds from current borrowings	-	7,430.00
Repayment of non-current borrowing (net)	(4.92)	-
Repayment of current borrowing (net)	-	(5,880.00)
Finance cost payments	(1.57)	(173.10)
Non-cash adjustments		
Finance cost /accruals (refer note 23)	1.56	173.10
As at 31 March 2019	<u>15.98</u>	<u>1,750.00</u>



Simon India Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts in INR lakhs, unless stated otherwise)

14. Trade payables

Particulars	As at 31 March 2019	As at 31 March 2018
Trade payables		
Dues to micro and small enterprises	442.17	792.36
Dues to related parties (refer note 35 for details of related parties balances)	1.69	0.01
Dues to others	5,833.66	5,830.68
	<u>6,277.52</u>	<u>6,623.05</u>

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	31 March 2019	31 March 2018
i) Principal amount due to suppliers under MSMED Act	442.17	792.36
ii) Interest accrued and due to suppliers under MSMED Act on the above amount	-	-
iii) Payment made to suppliers (other than interest) beyond appointed day during the year	-	-
iv) Interest paid to suppliers under MSMED Act	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-
vi) Interest due and payable to suppliers under MSMED Act towards payments already made	-	-
vii) Interest accrued and remaining unpaid at the end of the accounting year	-	-
viii) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act.	-	-
	<u>442.17</u>	<u>792.36</u>

The above disclosure has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

15. Other financial liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Current maturities of non-current borrowings (refer note 12)	5.35	4.92
Interest accrued but not due on borrowings	0.09	0.11
	<u>5.44</u>	<u>5.03</u>

16. Other current liabilities

Particulars	As at 31 March 2019	As at 31 March 2018
Statutory dues	169.06	128.19
Contract liabilities*:		
Deferred revenue	-	21.02
From related parties (refer note 35 for details of related party balances)	-	-
From others	1,125.75	158.39
Advances from customers	1,963.10	2,614.56
	<u>3,257.91</u>	<u>2,922.16</u>

*refer note 26 for details of significant changes in contract liabilities

17. Provisions (current and non-current)

Particulars	Non current		Current	
	As at 31 March 2019	As at 31 March 2018	As at 31 March 2019	As at 31 March 2018
Provision for employee benefits				
Provision for gratuity (refer note 34 for Ind AS 19 disclosures)	-	-	9.21	37.06
Provision for leave benefits (refer note 34 for Ind AS 19 disclosures)	107.79	125.75	24.72	23.36
Provision for warranty*	-	-	2,403.54	896.90
Provision for expected loss	-	-	-	44.12
	<u>107.79</u>	<u>125.75</u>	<u>2,437.47</u>	<u>1,001.44</u>

*A provision for warranty for expected claims / expenditure is based on the past experience of the Company of the level of claims / expense incurred in the past. The Company expects that a significant portion of the cost will have to be incurred / utilised in the next financial year and has accordingly classified the entire amount as current provision.

Provision for warranty

Particulars	As at 31 March 2019	As at 31 March 2018
At the beginning of the year	896.90	89.98
Arising during the year	1,506.64	822.94
Utilised during the year	-	-
Unused amounts reversed	-	16.02
At the end of the year	<u>2,403.54</u>	<u>896.90</u>

Provision for expected loss

Particulars	As at 31 March 2019	As at 31 March 2018
At the beginning of the year	44.12	464.58
Additions during the year	-	-
Reversal during the year	44.12	420.46
At the end of the year	<u>-</u>	<u>44.12</u>



Simon India Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
(All amounts in INR lakhs, unless stated otherwise)

18. Income-tax

The major components of income-tax expense for the years ended 31 March 2019 and 31 March 2018 are:

Profit or loss section

	As at 31 March 2019	As at 31 March 2018
Current income-tax (including earlier years):	(27.22)	16.04
Deferred tax	(262.24)	(675.72)
Income tax expense reported in the statement of profit or loss	(289.46)	(659.68)

OCI section

Deferred tax related to items recognised in OCI during in the year:

	As at 31 March 2019	As at 31 March 2018
Net gain on premeasurements of defined benefit plans	(3.19)	(3.31)
Deferred tax charged to OCI	0.83	1.02

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended 31 March 2019 and 31 March 2018

Particulars	As at 31 March 2019	As at 31 March 2018
Accounting loss before Income-tax	(989.51)	(2,760.09)
At India's statutory income-tax rate of 26.00 % (31 March 2018: 30.90%)	(257.27)	(852.87)
Adjustments in respect of current income-tax of previous year	(27.22)	16.04
Tax effects of non-deductible expenses for tax purposes:		
Donation and CSR expenses	1.99	2.88
Others	1.40	1.13
Tax effects of income not considered for tax purposes:		
Dividend Income on non current investments	(0.61)	(12.92)
Dividend Income on current investments	(10.87)	(19.25)
Impact of others items:		
Change in tax rate deferred tax calculated at 26.00% (31 March 2018: 26.00%)	-	218.71
Items on which deferred tax not made in previous years	-	(13.40)
Others	3.14	-
Income-tax expense reported in the statement of profit and loss	(289.46)	(659.68)

Deferred tax:

Particulars	As at 01 April 2017	Provided during the year	As at 31 March 2018	Provided during the year	As at 31 March 2019
Deferred tax liability:					
Fixed assets Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	(1.89)	2.67	0.78	7.22	8.00
Taxable temporary differences on change in fair value of Investments carried at FVTOCI*	-	9.74	9.74	15.33	25.07
Total deferred tax liability (A)	(1.89)	12.41	10.52	22.55	33.07
Deferred tax assets:					
Provision for loss allowances	6.21	102.12	108.33	25.25	133.58
Expenses allowable in Income-tax on payment basis and deposition of statutory dues	58.10	(9.71)	48.39	(11.56)	36.83
Unabsorbed depreciation and business loss	276.79	716.51	993.30	266.41	1,259.71
Unabsorbed capital losses*	-	9.74	9.74	15.33	25.07
Provision for forecasted loss	143.56	(132.09)	11.47	(11.47)	-
MTM of outstanding derivative contracts	(0.54)	0.54	-	-	-
Total deferred tax assets (B)	484.12	687.12	1,171.23	283.96	1,455.19
Deferred Tax Asset (Net) (B - A)	486.01	674.71	1,160.71	261.41	1,422.12

*Capital gain from sale of Investments carried at FVTOCI can be settled off with the bought forward capital losses on which the Company has not created deferred tax assets, hence, the management of the Company has created deferred tax assets on bought forward capital losses to the extent of taxable temporary differences on change in fair value of Investments carried at FVTOCI. Consequently, the tax impact on fair valuation of Investments carried at FVTOCI is Nil. Refer note (c) here below for details of remaining unused capital tax losses for which no deferred tax assets are recognised.



(This space has been intentionally left blank)



Reconciliation of deferred tax liabilities (net):

	As at 31 March 2019	As at 31 March 2018
Opening balance	(1,180.71)	(486.01)
Tax (income)/expense during the year recognised in profit or loss	(262.24)	(675.72)
Tax (income)/expense during the year recognised in OCI	0.83	1.02
Closing balance	(1,422.12)	(1,160.71)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Notes:

a) As per Finance Act 2018, the current tax rates for domestic companies whose turnover has not exceeded INR 250 crores in year ended 31 March 2017, the applicable rate of Income tax shall be 25% plus applicable cesses i.e. 26%.

b) The Company has recognised deferred tax assets on carried forward tax losses. The Company has incurred the losses over the last two financial years and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved budgets. The Company is expected to generate taxable income from 2020 onwards. The losses can be carried forward for a period of 8 years as per tax regulations and the Company expects to recover the losses.

c) The Company has not recognised deferred tax assets on unused capital losses in absence of reasonable certainty and availability of sufficient future taxable income against which such losses shall be utilised.

The amount of unused capital tax losses on which no deferred tax assets are recognised amounted to:

	As at 31 March 2019		As at 31 March 2018	
	Gross amount	Unrecognised tax effect	Gross amount	Unrecognised tax effect
Unused capital tax losses	96.82	9.72	201.40	20.20

The unused capital tax losses for which no deferred tax assets are recognised representing business losses are as follow:

Year of expiry Financial year ending 31 March	As at 31 March 2019	As at 31 March 2018
2019-20	28.77	133.34
2020-21	67.30	67.30
2024-25	0.76	0.76



(This space has been intentionally left blank)



19. Revenue from operations

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from contracts with customers		
Sale of engineering supplies and services (refer note 26 for disclosure of IND AS 115)	25,168.14	19,007.02
	25,168.14	19,007.02

20. Other income

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Other income		
<u>Interest on</u>		
Bank deposits	19.21	33.36
Loans	225.28	193.05
Delayed receipts	-	342.15
Income-tax refund	175.65	14.15
Other	4.17	4.13
<u>Dividend from</u>		
Investments mandatorily measured at FVTPL	2.36	62.29
Equity investments designated at FVTOCI	41.80	41.80
Excess provision and credit balances written back	71.41	366.36
Profit on sale of PPE (net)	-	1.40
Foreign exchange fluctuation (net)	24.07	-
Fair value gain on financial assets at FVTPL	159.29	136.16
Miscellaneous income	128.84	83.04
	852.08	1,277.89

21. Project expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Project supplies	15,777.67	12,190.40
Travelling and conveyance	218.48	167.09
Sub-contracting fee	4,381.33	4,959.74
Professional fees	362.73	238.54
Insurance	43.61	42.54
Bank charges	104.75	86.00
Site office expenses	101.68	41.69
Printing, stationery and communication	41.94	42.51
Provision for expected loss reversed (refer note 17)	(44.12)	(420.46)
Provision for warranties (refer note 17)	1,506.64	822.94
Miscellaneous expenses	26.48	73.51
Warranty provision of earlier years reversed (refer note 17)	-	(16.02)
	22,521.19	18,228.48

22. Employee benefits expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Salaries, wages and bonus	2,350.14	2,334.01
Contribution to provident and other funds (refer note 34)	85.69	87.27
Gratuity (refer note 34)	20.51	24.41
Leave compensation (refer note 34)	38.63	23.53
Staff welfare expenses	17.32	51.84
	2,512.29	2,521.06



23. Finance costs

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Interest expense	174.66	0.84
Other borrowing cost	10.02	2.50
	184.68	3.34

24. Depreciation and amortization expense

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Depreciation of tangible assets (refer note 3)	37.34	20.04
Amortisation of intangible assets (refer note 4)	42.55	35.65
	79.89	55.69

25. Other expenses

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Power and fuel	61.61	62.53
Rent	308.25	292.20
Travelling and conveyance	66.99	102.30
Communication costs	40.33	44.42
Printing and stationery	7.96	9.96
Rates and taxes	139.25	49.69
Insurance	0.57	3.19
Repairs and maintenance (others)	227.08	254.16
Legal and professional fees	520.38	294.92
Payments to auditors (refer note 25(a) below)	13.84	15.54
Business promotion expenses	10.83	522.03
Recruitment and relocation expenses	33.93	22.20
Provision for doubtful debts	95.49	396.56
Foreign exchange fluctuation (net)	-	13.34
Amortisation of deferred fair valuation loss	159.29	136.16
Bank charges	1.50	3.73
Corporate social responsibility expense (refer note 25(b) below)	7.64	9.31
Miscellaneous expenses	16.74	4.19
	1,711.68	2,236.43

25(a). Details of payments to auditors

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Payment to auditors		
As auditors:		
Audit fee	9.35	8.50
Tax audit fee	1.10	1.00
In other capacities:		
Taxation Matters	-	5.02
Certification fees	2.25	-
Reimbursement of expenses	1.14	1.02
	13.84	15.54



25(b). Detail of Corporate social responsibility expense

In light of Section 135 of Companies Act, 2013, the Company has incurred INR 7.64 lakhs during the current year (31 March 2018: 9.31 lakhs) on Corporate Social Responsibility (CSR) against gross amount required to be spent INR Nil (31 March 2018: INR Nil).

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Gross amount required to be spent by the company during the year	Nil	Nil
Amount spent during the year on the following:*		
1. Promoting education	7.64	9.31
2. Socio economic development	-	-

*The Company has during the year given an advance of INR 6.25 lakhs (31 March 2018: INR 13.75 lakhs) to National Skill Development Corporation for CSR Expense.



(This space has been intentionally left blank)

26. Disclosures of revenue recognition as per IND AS 115**Revenue from contracts with customers**

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

The Company has adopted the standard on 1 April 2018 on a modified retrospective basis with a cumulative catch-up adjustment booked to retained earnings as at 1 April 2018 as if the standard had always been in effect. The standard is applied only to contracts that are not completed as at 1 April 2018. Comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. While the adoption of the new standard did not result in any material adjustments to the Company's revenue or net income. Moreover, as permitted under the transitional provisions in IND AS 115, amounts pertaining to as of 31 March 2018 is not disclosed.

Significant changes in contract assets and liabilities

	As at 31 March 2019
Contract liabilities - Advance from customers	
Opening balance of Contract liabilities - advance from customers	2,614.56
Less: Amount of revenue recognised against opening contract liabilities	1,700.29
Add: Addition in balance of contract liabilities for current year	1,048.83
Closing balance of Contract liabilities - advance from customers (refer note 16)	1,963.10

	As at 31 March 2019
Contract liabilities - Deferred income	
Opening balance of Contract liabilities - Deferred revenue	179.41
Less: Amount of revenue recognised against opening contract liabilities	179.41
Add: Addition in balance of contract liabilities for current year	1,125.75
Closing balance of Contract liabilities - Deferred revenue (refer note 16)	1,125.75

	As at 31 March 2019
Contract assets - Unbilled revenue	
Opening balance of Contract assets - Unbilled revenue	158.21
Less: Amount of unbilled revenue transferred to trade receivables	158.21
Add: Addition in balance of contract assets for current year	5,602.27
Closing balance of Contract assets - Unbilled revenue (refer note 5c)	5,602.27

Revenue recognised in relation to contract liabilities

Ind AS 115 also requires disclosure of 'revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period' and 'revenue recognised in the reporting period from performance obligations satisfied (or partially satisfied) in previous periods. Same has been disclosed as below:

Description	As at 31 March 2019
Amounts included in contract liabilities at the beginning of the year	2,793.97
Performance obligations satisfied in previous years	-
	2,793.97

Disaggregation of revenue

There is only stream of revenue from operations i.e. sale of service though engineering, procurement and construction. Same has been disclosed below:

Description	As at 31 March 2019
Revenue from contract with customer	
-India	24,898.97
-Middle east	269.17
Other revenue	-
	25,168.14



Unsatisfied performance obligations

The following table shows unsatisfied performance obligations resulting from fixed price long-term EPC contracts.

Description	As at 31 March 2019
Aggregate amount of the transaction price allocated to long term EPC contracts that are partially or fully unsatisfied as at reporting date	13,606.37

Management expects that 52.27% of the transaction price allocated to the unsatisfied contracts as of 31 March 2019 will be recognised as revenue during the next reporting period (INR 7,111.93 lakhs). The remaining 47.73% (INR 6,494.43 lakhs) will be recognised in the financial year 2020-21. The amount disclosed above does not include variable consideration which is constrained. All other EPC contracts are for period of one year or less or are billed based on time incurred.

Assets and liabilities related to contracts with customers

Description	Current	
	As at 31 March 2019	As at 31 March 2018
Contract assets related to sale of service		
Unbilled revenue	5,602.27	158.21
Contract liabilities related to sale of service		
Advance from customers	1,963.10	2,614.56
Deferred revenue	1,125.75	179.41

Performance obligation of the Company

The agreement with the customer specifies the obligation of Simon India wherein Simon India is responsible for

- (i) engineering & design of the plant,
- (ii) procurement of material including equipment; and
- (iii) civil, erection & commissioning of plant/structure as per the agreement.

The customer can benefit from each of the above together with other available resources which are available on stand-alone basis as they have a standalone fair value to the Customer. The Company is providing a significant integration service of combining the above mentioned goods and services. Each service offered by the Company to its customer is interlinked with other service in order to achieve one commercial objective as per contract and therefore goods/service customize other goods/service promised in the contract and represent a 'single performance obligation', i.e., to deliver fully developed plant.

(This space has been intentionally left blank)



27. Commitments and Contingencies

(1) Leases

Operating lease — as lessee

a) Motor cars

Till previous year ended 31 March 2018 the Company has obtained vehicles under operating lease. The lease term was for 3 to 5 years and renewable at the option of the Company. There is no escalation clause in the lease agreements. There are no restrictions imposed by the lease arrangements. There are no subleases and in previous year ended 31 March 2018, the Company had terminated such arrangements.

Lease Rentals charged to the Statement of profit and loss and maximum obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreements

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Lease rentals recognized during the year	-	0.06
Lease Obligations		
- Within one year	-	-
- After one year but not more than five years	-	-
- More than five years	-	-

b) Office premises

Office premises are obtained on operating lease. The lease term is for 3 years and renewals for further 6 years at the option of the Company at an escalation of 15% every three years. There are no restrictions imposed by the lease arrangements. There are no subleases.

Lease Rentals charged to the Statement of profit and loss and maximum obligations on long term non-cancellable operating leases payable as per the rentals stated in the respective lease agreements

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Lease rentals recognized during the year	304.44	288.39
Lease Obligations		
- Within one year	126.50	304.44
- After one year but not more than five years	-	126.50
- More than five years	-	-

(This space has been intentionally left blank)



(2) Contingent liabilities

a) Litigations

Particulars	As at 31 March 2019	As at 31 March 2018
Contingent liabilities not provided for in respect of:		
Income-tax demand for Assessment year 2014-15	18.35	18.35
Income-tax demand for Assessment year 2013-14	4.07	29.93
Income-tax demand for Assessment year 2012-13	-	27.18
Income-tax demand for Assessment year 2011-12	-	446.34
Income-tax demand for Assessment year 2010-11	-	40.72
Income-tax demand for Assessment year 2009-10	315.91	315.91
Orissa sales tax demand for Financial Year 2009 to 2014	-	101.98
Service tax demand for financial year 2008-09, 2009-10, 2010-11, 2011-12	86.02	86.02
	424.35	1,066.43

The Company is contesting the above demands and the management based on advice from consultants, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised, other than mentioned above. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and result of operation.

b) The Hon'ble Supreme Court (SC) has, in a recent decision ('SC decision'), ruled that various allowances like conveyance allowance, special allowance, education allowance, medical allowance etc., paid uniformly and universally by an employer to its employees would form part of basic wages for computing the provident fund ('PF' or 'the fund') contribution and thereby, has laid down principles to exclude (or include) a particular allowance or payments from 'basic wage' for the purpose of computing PF contribution.

As the above said ruling has not prescribed any clarification w.r.t to its application, the Company is in the process of evaluating the impact on the provident fund contributions. Pending clarification and evaluation of impact of above said, no provision for contribution has been recognised in the financial statements for the year ended 31 March 2019.

c) The Company enters into contract with MSME vendors as per Indian Contract Act, 1872 and being into EPC business, for safeguarding its interest as it is required to deduct liquidated damages for delay in obligation, if required and to keep retention against the performance warranty or defect liability period in some cases payment terms also include payment to be made within 90 days or may be higher or lessor period from the date of acceptance which is agreed by the MSME vendors as per contracts / agreements.

The Micro and Small Enterprises ("MSE") have a right to waive/forgo/surrender their aforesaid statutory rights contractually in order to abide the terms of the contracts in the larger interest of their own business. In line with accepted trade practices, the Company enters into contracts with MSEs with credit period in excess of the period specified under MSME Act. The Company has not accrued the interest on the payments due to above interpretations, in the financial statements for the year ended 31 March 2019.

28. Earnings per share (EPS)

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31 March 2019	31 March 2018
Loss attributable to equity holders of the parent	(700.05)	(2,100.41)
Weighted Average number of equity shares used for computing Earning Per Share (Basic & Diluted)	5,000,000	5,000,000
Earning Per Share (Basic and Diluted) (INR)	(14.00)	(42.01)
Face value per share (INR)	10.00	10.00



29. Capital management

The Company's objectives for managing capital comprise safeguarding the business as a going concern, creating value for stakeholders and supporting the development of the Company. In particular, the Company seeks to maintain an adequate capitalization that enables it to achieve a satisfactory return for shareholders, ensure access to external sources of financing, in part by maintaining an adequate rating and reducing cost of capital. In this context, the Company manages its capital structure and adjusts that structure when changes in economic conditions so require.

The management constantly monitors and reviews the debt to equity ratio. As part of this review, the management considers the cost of capital and risks associated with each class of capital requirements and maintenance of adequate liquidity buffer. The management of the Company are making due efforts to improve the ratios. The position on reporting date is summarized in the following table:

Particulars	As at 31 March 2019	As at 31 March 2018
Non-current borrowings	10.54	15.89
Current maturities of non-current borrowings	5.35	4.92
Current borrowings	1,750.00	200.00
Total Debt (a)	1,765.89	220.81
Total Equity (b)	9,737.53	10,382.99
Debt to Equity ratio (a/b)	18.13%	2.13%



(This space has been intentionally left blank)



30. Financial risk management objectives and policies

The Company's principal financial liabilities comprises of trade and other payables, advances from customers, deferred revenue and employee liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

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 risk management is carried out by Finance department under the policies approved by the Board of Directors. Finance department identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units.

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 three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2019 and 31 March 2018.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of hedge designations in place at 31 March 2019.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analyses:

- The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2019 and 31 March 2018.

(i) 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 does not have interest rate risk since the rate of interest for all loans taken by the Company is fixed rate interest.

(ii) 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's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities in form of purchases and revenue from operations in foreign currency and the Company's net investments in foreign entity.

The Company manages its foreign currency risk by hedging payables in foreign currency. Based on the judgement of forex market, the Company avails forward cover booking from banks for its liabilities payable in foreign currency if adverse movement is anticipated.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates of USD, Saudi Riyal "SAR" and EURO with INR, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

	Change in USD rate	Effect on profit/ (Loss) before tax
31 March 2019	+7%	28.49
	-7%	(28.49)
31 March 2018	+5%	18.36
	-5%	(18.36)

	Change in SAR rate	Effect on profit/ (Loss) before tax
31 March 2019	+8%	61.12
	-8%	(61.12)
31 March 2018	+5%	0.49
	-5%	(0.49)

	Change in EURO rate	Effect on profit/ (Loss) before tax
31 March 2019	+8%	(13.79)
	-8%	13.79
31 March 2018	+5%	-
	-5%	-



(iii) Equity price risk

The Company's listed equity investments carried at FVTOCI are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Company manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions.

At the reporting date, the exposure to listed equity investments at FVTOCI was INR 3,765.10 lakhs (31 March 2018: INR 3,622.30 lakhs). A decrease of 5% on the NSE market index could have an impact of approximately INR 183.76 lakhs (31 March 2018: INR 181.15 lakhs) on the OCI or equity attributable to the Company. The analysis is based on the assumption that the NSE market index and the equity investment moved inline. An increase of 5% in the value of the listed securities would also impact OCI and equity. These changes would not have an effect on profit or loss.

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.

Concentration of Financial Assets

The Company's principal business activity is execution of engineering, procurement and construction ('EPC') contracts. The Company's outstanding receivables are for EPC business. Loans and other financial assets majorly represents loans to subsidiaries and deposits given for business purposes.

a. Trade receivables

The Company consider the credit risk in relation to trade receivables as Medium. Present, Company is providing services to only to limited customers for which outstanding balances are regularly monitored. Company used to obtain confirmations from the customers on periodic basis and resolve any issues in the balances if any. Regular follow up is made with customers for payment of outstanding invoices. An impairment analysis is performed at each reporting date on an individual basis for customers and if required necessary provision is recognised.

Summary	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Retention money	2,846.07	3,886.05
Not due	628.82	1,910.52
Overdue		
-less than six months	877.32	1,429.20
-more than six months	691.60	1,132.30
Sub-total	5,043.81	8,358.07
Loss allowances	(513.75)	(416.65)
Net trade receivables	4,530.06	7,941.42

Reconciliation of loss allowance - Trade receivable

Particulars	Amount
Loss allowances on 1 April 2017	20.09
Loss allowances recognised during the year*	396.56
Loss allowances on 31 March 2018	416.65
Loss allowances recognised during the year*	97.10
Loss allowances on 31 March 2019	513.75

* Inclusive of change in foreign currency exchange adjustment of outstanding impairment loss of foreign debtor.

b. Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's finance department in accordance with the guidelines framed by the board of directors of the Company. Guidelines broadly covers the selection criterion and overall exposure which the Company can take with a particular financial institution or bank. Further the guideline also covers the limit of overall deposit which the Company can make with a particular bank or financial institution. The Company does not maintain the significant amount of cash and deposits other than those required for its day to day operations.

(This space has been intentionally left blank)



Liquidity risk:

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended				
31 March 2019				
Trade payables	6,277.52	-	-	6,277.52
Other financial liabilities	5.44	-	-	5.44
Current borrowings	1,000.00	-	-	1,000.00
Vehicle loan (including interest liability)	6.41	11.38	-	17.79
Loans from related party	750.00	-	-	750.00
	8,039.37	11.38	-	8,050.75
Year ended				
31 March 2018				
Trade payables	6,623.05	-	-	6,623.05
Other financial liabilities	5.03	-	-	5.03
Vehicle loan (including interest liability)	6.47	17.79	-	24.26
Loans from related party	200.00	-	-	200.00
	6,834.56	17.79	-	6,852.34

Collateral

The Company has pledged its deposits in order to fulfil the collateral requirements for the bank guarantee contracts. At 31 March 2019, the fair values of the deposits pledged were INR 237.73 lakhs (31 March 2018: INR 128.98 lakhs). The counterparties have an obligation to return the securities to the Company.



(This space has been intentionally left blank)



31. Fair value measurements

Particulars	Carrying value	
	As at 31 March 2019	As at 31 March 2018
Financial assets		
A. FVTOCI financial instruments:		
Quoted equity shares	3,675.10	3,622.30
B. FVTPL financial instruments:		
Un-quoted preference shares	1,097.08	937.79
C. Amortised Cost:		
Security deposits	64.82	56.75
Loans	1,257.12	1,738.29
Trade receivables	4,530.06	7,941.42
Cash and cash equivalents	903.52	193.88
Other bank balances	202.84	140.27
Others	5,648.55	235.27
	17,379.09	14,865.96
Financial liabilities		
A. Amortised Cost:		
Non-current borrowings	10.54	15.89
Current borrowings	1,750.00	200.00
Trade payables	6,277.52	6,623.05
Other financial liabilities	5.44	5.03
	8,043.50	6,843.97

Notes:

(i) The equity securities for which the company has made an irrevocable election at initial recognition to recognize changes in fair value through OCI rather than profit and loss are investments which are not held for trading purposes.

(ii) The management assessed that carrying value of financial assets and financial liabilities, carried at amortized cost, are approximately equal to their fair values at respective balance sheet dates and do not significantly vary from the respective amounts in the balance sheets.

(iii) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

-Security deposits / Loans / Advance against purchase of shares pending allotment - the fair value of same approximates the carrying value and hence, the valuation technique and inputs have not been given.

-The fair values of the quoted equity shares are based on price quotations at the reporting date. The fair value of unquoted preference shares is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2019 and 31 March 2018 are as shown below:

Description	Valuation technique	Significant unobservable inputs	Discount rate (weighted average)	Sensitivity of the input to fair value
As on March 31, 2019				
FVTPL assets in unquoted preference shares	DCF method	Average borrowing rate of the instrument issuer company	16%	Increase (decrease) in risk adjusted discount rate by 0.50% would result in decrease (increase) in fair value by INR 27.33 lakhs and INR (-) 28.06 lakhs respectively.
As on March 31, 2018				
FVTPL assets in unquoted preference shares	DCF method	Average borrowing rate of the instrument issuer company	16%	Increase (decrease) in risk adjusted discount rate by 0.50% would result in decrease (increase) in fair value by INR 27.74 lakhs and INR (-) 28.62 lakhs respectively.



32. Fair Value Hierarchy

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis as at 31 March 2019 and 31 March 2018:

Particulars	Total	Fair value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets measured at fair value 31 March 2019				
A. FVTOCI financial instruments:				
Quoted equity shares	3,675.10	3,675.10	-	-
B. FVTPL financial instruments:				
Un-quoted preference shares	1,097.08	-	-	1,097.08
Financial assets measured at fair value 31 March 2018				
A. FVTOCI financial instruments:				
Quoted equity shares	3,622.30	3,622.30	-	-
B. FVTPL financial instruments:				
Un-quoted preference shares	937.79	-	-	937.79

There have been no transfers between Level 1 and Level 2 during the year.
There are not any non recurring fair value measurements.

The following table presents the changes in level 3 items for the year ended 31 March 2019 and 31 March 2018

Particulars	Non-convertible redeemable non-cumulative preference shares ('NCRPS')	Total
As at 1 April 2017	801.63	801.63
Additions	-	-
Gains recognised in statement of profit and loss	136.16	136.16
As at 31 March 2018	937.79	937.79
Additions	-	-
Gains recognised in statement of profit and loss	159.29	159.29
As at 31 March 2019	1,097.09	1,097.09

(This space has been intentionally left blank)



33. Significant accounting judgements, estimates and assumptions

The preparation of the Company's 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.

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 financial statements:

Contingencies:

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. 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

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. 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.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses 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.

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 in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publically available mortality tables for the specific countries. 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 for the respective countries.

Further details about gratuity obligations are given in Note 34.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 31 and 32 for further disclosures.

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Construction contract revenue

Recognised amounts of construction contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty.



Impairment of assets

In assessing impairment, the Company estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. Further, the Company used to obtain confirmations from the customers on periodic basis and resolve any issues in the balances if any. Regular follow up is made with customers for payment of outstanding invoices. An impairment analysis is performed at each reporting date on an individual basis for customers and if required necessary provision is recognised.

Warranty provisions

The Company generally offers 12 months to 24 months warranties for its EPC projects. Management estimated that related provision for future warranty claims based on the historical warranty claims information, as well as recent data available that might suggest that past cost may differ from future claims. The assumptions made in relation to current year are consistent with those in the previous year. Factors that could impact the estimated claim information includes the success of the Company's productivity and quality services delivered.



(This space has been intentionally left blank)

34. Gratuity and other post-employment benefit plans**Defined contribution plan**

Contribution to defined contribution plans, recognised as expense for the year ended is as under:

Particulars	31 March 2019	31 March 2018
Employer's contribution to Provident Fund (refer note 22)	81.85	82.75
Employer's Contribution to Superannuation Fund (refer note 22)	3.84	4.52
	85.69	87.27

Defined benefit plans

The Company has the following Defined Benefit Plans:

- Compensated absences (Unfunded)
- Gratuity (Funded)

These plans typically expose the Company to following actuarial risks:

Salary increases

Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment Risk

If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount Rate

Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality & disability

Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals

Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

a) Compensated absences (Unfunded)

The leave obligations cover the Company's liability for permitted leaves. The amount of provision of INR 24.72 lakhs (31 March 2018: INR 23.36 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. The weighted average duration of the defined benefit obligations 5.23 years (31 March 2018: 5.33 years).

Amount recognised in the statement of profit and loss is as under:

Particulars	31 March 2019	31 March 2018
Total service cost	33.15	35.25
Net interest cost	11.56	12.84
Expenses recovered on account of employees transferred from other companies	(3.43)	-
Net actuarial (gain)/loss for the year	(2.65)	(24.56)
Expense recognized in the statement of profit and loss	38.63	23.53

Actuarial gain/(loss) on obligation

Particulars	31 March 2019	31 March 2018
Actuarial (gain)/loss arising from the change in demographic assumption	-	-
Actuarial (gain)/loss arising from the change in financial assumption	-	(2.18)
Actuarial (gain)/loss arising from experience adjustment	(2.65)	(22.38)

Movement in the liability recognized in the balance sheet is as under:

Particulars	31 March 2019	31 March 2018
Present value of defined benefit obligation at the beginning of the year	149.11	171.10
Acquisition adjustment	-	-
Current service cost	33.15	35.25
Interest cost	11.57	12.83
Actuarial (gain) on obligation	(2.65)	(24.56)
Benefits paid	(58.67)	(45.51)
Present value of defined benefit obligation at the end of the year	132.51	149.11

Bifurcation of projected benefit obligation at the end of the year in current and non-current

Particulars	31 March 2019	31 March 2018
a) Current liability (amount due within one year)	24.72	23.36
b) Non-current liability (amount due over one year)	107.79	125.75
Total projected benefit obligation at the end of the year	132.51	149.11



For determination of the liability of the Company, the following actuarial assumptions were used:

Particulars	31 March 2019	31 March 2018
Discount rate	7.75%	7.75%
Salary escalation rate	9% for first 2 years and 7.5% thereafter	9% for first 2 years and 7.5% thereafter
	100%	100%

Mortality table

As the Company does not have any plan assets, the movement of present value of defined benefit obligation and fair value of plan assets has not been presented.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

Maturity plan of Defined Benefit Obligation	31 March 2019	31 March 2018
a) 0 to 1 year	24.72	23.36
b) 1 to 2 year	19.35	16.16
c) 2 to 3 year	13.85	14.56
d) 3 to 4 year	11.57	13.41
e) 4 to 5 year	10.51	14.88
f) 5 to 6 year	8.84	9.99
g) 6 year onwards	43.68	56.75

Sensitivity analysis for compensated absences liability

Particulars	31 March 2019	31 March 2018
Impact of the change in discount rate		
Present value of obligation at the end of the year	132.51	149.11
a) Impact due to increase of 0.50 %	(3.48)	(4.42)
b) Impact due to decrease of 0.50 %	3.51	4.20
b) Impact of change in salary increase		
Present value of obligation at the end of the year	132.51	149.11
a) Impact due to increase of 0.50 %	3.50	4.18
b) Impact due to decrease of 0.50 %	(3.50)	(4.45)

b) Gratuity (funded)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policies.

Particulars	31 March 2019	31 March 2018
Plans		
- Gratuity (funded)	(9.21)	(37.06)
Total	(9.21)	(37.06)

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Net employee benefit expense (recognized in employee cost) for the year ended 31st March 2019

Particulars	31 March 2019	31 March 2018
Current service cost	20.46	23.14
Net interest cost	2.87	1.27
Expenses recovered on account of employees transferred from other companies	(2.82)	-
Total	20.51	24.41

Amount recognised in other comprehensive income for the year ended 31 March 2019

Particulars	Gratuity	
	31 March 2019	31 March 2018
Actuarial (gain)/ loss on obligations	2.26	4.98
Return on plan assets (excluding amounts included in net interest expense)	0.93	(1.67)
Total	3.19	3.31

Changes in the present value of the defined benefit obligation for the year ended 31st March, 2019 are as follows:

Particulars	Gratuity	
	31 March 2019	31 March 2018
Opening defined obligation	137.34	150.22
Current service cost	20.46	23.14
Interest cost	10.64	11.27
Re-measurement (or actuarial) (gain) / loss arising from:		
- change in demographic assumption	-	-
- change in financial assumptions	-	(1.69)
- experience variance (i.e. actual experiences assumptions)	(2.27)	(3.29)
Benefits paid	(48.00)	(42.31)
Past Services Cost including curtailment Gains/Losses	-	-
Defined benefit obligation	118.17	137.34



Changes in the fair value of plan assets are as follows:

Particulars	31 March 2019	31 March 2018
Gratuity		
Fair value of plan assets	100.27	133.25
Interest income	8.70	8.32
Return on plan assets (excluding amounts included in net interest expense) - OCI	-	-
Benefits paid	(48.00)	(42.31)
Service cost (transfer in)	47.99	1.00
Closing fair value of plan assets	108.96	100.26

The Company expects to contribute INR 18.58 lakhs (31 March 2018: INR 27.01 lakhs) towards gratuity during the year 2019-20.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	31 March 2019	31 March 2018
Investment with insurer (Life Insurance Corporation of India)	100%	100%

Breakup of actuarial (gain)/loss:

Particulars	31 March 2019	31 March 2018
Actuarial (gain)/loss from change in demographic assumption	-	-
Actuarial (gain)/loss from change in financial assumption	-	(1.69)
Actuarial (gain)/loss from experience adjustment	(2.27)	(3.29)
Total actuarial (gain)/loss	(2.27)	(4.98)

The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:

Particulars	31 March 2019	31 March 2018
Discount rate (in %)	7.75%	7.75%
Salary escalation (in %)	9% for first 2 years and 7.5% thereafter	9% for first 2 years and 7.5% thereafter
Mortality rate (% of IALM 06-08)	100%	100%
Withdrawal rate (per annum)	1% - 3%	1% - 3%

A quantitative sensitivity analysis for significant assumption as at 31 March 2019 is as shown below:

Assumptions	Discount rate		Future salary increases	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(2.59)	2.71	2.70	(2.61)

A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

Assumptions	Discount rate		Future salary increases	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(2.89)	3.02	3.01	(2.91)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable

Maturity profile of defined benefit obligation

Expected cash value over the next 10 years (valued on undiscounted basis)

Particulars	31 March 2019	31 March 2018
Within the next 12 months (next annual reporting period)	18.58	27.02
Between 2 and 5 years	47.91	57.73
Between 5 and 10 years	51.68	52.59
Beyond 10 years	-	-
	118.17	137.34



(The space has been intentionally left blank)



35. Related Party disclosures as per IND AS 24 Related Party Disclosures

A. The list of related parties as identified by the management with whom transactions have been executed are as under:

i) **Holding Company:**

Zuari Global Limited

ii) **Fellow Subsidiaries:**

India Furniture Products Limited

Zuari Finserv Limited (Formerly Zuari Finserv Private Limited)

Zuari Infraworld India Limited

Gobind Sugar Mills Limited

Zuari Management Services Limited

iii) **Fellow Associates:**

Zuari Agro Chemicals Limited

iv) **Joint Ventures of the Company:**

Simon Engineering and Partners, LLC

v) **Key Management Personnel**

Mr. Rakesh Verma, Executive director (w.e.f. 1 June 2018) and Chief executive officer ('CEO')

Mr. Ashok Grover, Chief executive officer and Executive director (till 2 May 2017)

Mr. Sandeep Fuller, Non-executive director

Mr. Narayanan Suresh Krishnan, Non-executive director

Mr. Marco Wadia, Independent director

Mr. Vijay Vyankatesh Paranjape, Independent director

Mr. Sunil Sethy, Independent director (till 16 May 2017)

vi) **Post-employment benefit plan**

Simon India Limited Staff Superannuation Fund

Simon India Limited Gratuity Fund



(This space has been intentionally left blank)



Simon India Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

(All amounts in INR lakhs, unless stated otherwise)

35a. Related Party disclosures

S.No.	Transaction details	Holding company		Fellow subsidiary/ associates		Post-employment benefit plan		Key management personnel		Total
		31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	
	Transactions during the year (Amount excluding reimbursement made for expenses in the course of employment)									
1	Managerial Remunerations# - Mr. Rakesh Verma, Chief executive officer and Executive Director (including perquisites) - Mr. Ashok Grover, Chief executive officer and Executive Director (including perquisites) #Does not include gratuity expense as the same is provided in the books on the basis of actuarial valuation for the Company as a whole and hence individual figures can not be determined.	-	-	-	-	-	-	80.64	73.27	73.27
2	Sitting fees - Mr. Marco Wadia (Independent director) - Mr. Sunil Sethy (Independent director) - Mr. Vijay Vyankatesh Paranjape (Independent director)	-	-	-	-	-	-	-	3.81	3.81
3	Other services - Mr. Vijay Vyankatesh Paranjape (Independent director)	-	-	-	-	-	-	3.10	3.35	3.35
4	Sale of engineering services/supplies/projects (Revenue booked) - Gobind Sugar Mills Limited	-	-	20.62	695.55	-	-	3.10	0.65	0.65
5	Sale of duty credit scrips - Zuari Agro Chemicals Limited	-	-	41.75	-	-	-	3.10	1.80	1.80
6	Miscellaneous Expense - Zuari Investments Limited	-	-	-	0.02	-	-	-	-	-
7	Legal and professional services received - Zuari Finserv Private Limited	-	-	0.04	-	-	-	-	-	-
8	Reimbursement of expenses (given)/received - Zuari Global Limited - Zuari Finserv Private Limited	61.67	60.00	0.15	-	-	-	-	-	60.00
9	Expenses recovered on account of employees transferred from other companies to Simon India Limited - Zuari Agro Chemicals Limited	0.23	522.73	-	-	-	-	-	-	522.73
10	Advance received for project - Gobind Sugar Mills Limited	(0.05)	(0.17)	-	-	-	-	-	-	(0.17)
11	Interest income - Zuari Investments Limited	-	-	(205.84)	0.08	-	-	-	-	(205.84)
12	Finance cost - Zuari Global Limited. - Zuari Management Services Limited	97.00	0.26	1.03	-	-	-	97.00	1.03	0.26
13	Loans given - Indian Furniture Products Limited - Zuari Investments Limited	-	-	1,161.78	1,660.00	-	-	1,161.78	840.00	1,660.00
14	Loans received back - Indian Furniture Products Limited - Zuari Investments Limited	-	-	132.88	138.17	-	-	132.88	92.39	138.17
15	Loan received - Zuari Global Limited - Zuari Management Services Limited	-	-	92.39	54.49	-	-	92.39	-	54.49
16	Loan paid back - Zuari Global Limited	3,680.00	200.00	750.00	-	-	-	3,680.00	750.00	200.00
17	Gratuity paid - Simon India Limited Gratuity Fund. - Zuari Global Limited	3,880.00	-	-	-	-	-	3,880.00	-	-
18	Superannuation paid - Simon India Limited Staff Superannuation Fund	-	-	-	-	1.00	-	47.99	-	1.00
19	Corporate guarantee given by Parent Company to bank - Zuari Global Limited	-	-	-	-	4.52	-	3.84	-	4.52
20	Deposit received for appointment of Director/ Key Managerial Person - Zuari Global Limited	-	12,500.00	-	-	-	-	-	-	12,500.00
21	Deposit paid back for appointment of Director/ Key Managerial Person - Zuari Global Limited.	-	1.00	-	-	-	-	-	-	1.00



Simon India Limited
 Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019
 (All amounts in INR lakhs, unless stated otherwise)

S.No.	Balance outstanding at the end of the year	Holding company		Fellow subsidiary/ associates		Joint venture		Key management personnel		Total
		31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018	
1	Trade receivables - Simon Engineering and Partners LLC - Zuari Infraworld India Limited - Gobind Sugar Mills Limited - Zuari Agro Chemicals Limited	-	-	36.93	36.93	21.69	19.89	-	-	21.69 36.93 175.28 41.75
2	Other financial assets - Zuari Agro Chemicals Limited	-	-	6.25	-	-	-	-	-	6.25
3	Loans recoverable - Zuari Investments Limited - Indian Furniture Products Limited	-	-	1,150.00 107.12	1,060.00 678.29	-	-	-	-	1,150.00 107.12
4	Investment - Simon Engineering and Partners LLC	-	-	-	-	10.45	10.45	-	-	10.45
5	Loans payable - Zuari Global Limited - Zuari Management Services Limited	-	200.00	-	-	-	-	-	-	200.00
6	Trade payables - Zuari Global Limited - Zuari Finserv Private Limited	1.67	-	0.02	0.01	-	-	-	-	1.67 0.02
7	Loss allowances - Simon Engineering and Partners LLC	-	-	-	-	21.69	19.89	-	-	21.69
8	Provision for diminution in value of investments - Simon Engineering and Partners LLC	-	-	-	-	10.45	10.45	-	-	10.45
9	Interest accrued but not due on loan - Indian Furniture Products Limited	-	-	1.68	31.39	-	-	-	-	1.68 31.39
10	Investment in preference shares - Gobind Sugar Mills Limited	-	-	1,097.06	937.79	-	-	-	-	1,097.06
11	Advance to vendor - Indian Furniture Products Limited	-	-	-	0.08	-	-	-	-	0.08
12	Remuneration Payable - Mr. Rakesh Verma, Chief executive officer and Executive Director	-	-	-	-	-	-	4.11	-	4.11
13	Deferred revenue - Gobind Sugar Mills Limited	-	-	-	21.02	-	-	-	-	21.02
14	Deferred loss on investment in NCRFS - Gobind Sugar Mills Limited	-	-	1,402.92	1,562.21	-	-	-	-	1,402.92 1,562.21

(This space has been intentionally left blank)



36 Segment Information

Information regarding Primary Segment Reporting as per Ind AS-108

A. Operating Segments:

The Company's operations predominantly comprise of only one segment i.e. engineering and contracting services, hence the entire business has been considered as a single segment by the management.

B. Geographical information

The geographical segments considered for disclosure are based on the services rendered within India and services rendered outside India on the basis of location of customers.

The following is the distribution of the Company's revenues by geographical market:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
India	24,843.45	18,737.31
Middle east	324.69	240.71
United States of America	-	29.00
	25,168.14	19,007.02

The following is the distribution of the Company's trade receivable and unbilled revenue by geographical market:

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
India	9,817.42	7,720.32
Middle east	302.88	368.27
United States of America	12.03	11.03
	10,132.33	8,099.62

The Company has common fixed assets in India for its operations. Management believes that it is currently not practical to provide segment disclosures relating to the carrying amount of segment fixed assets and addition of fixed assets.

C. Information about revenue from major customers which is included in revenue

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from customers accounted for more than 10% of the revenue	23,302.03	18,737.31
	23,302.03	18,737.31

For the year ended 31 March 2019, one (31 March 2018: four) customers, individually, accounted for more than 10% of the revenue.

Revenue from major products and services

Particulars	For the year ended 31 March 2019	For the year ended 31 March 2018
Revenue from contract with customer	25,168.14	19,007.02
Other revenue	-	-
	25,168.14	19,007.02



(This space has been intentionally left blank)



37. Disclosure required under Section 186 (4) of the Companies Act, 2013

a. Particulars of loans given:

Sr. No.	Name of the Loanee	Opening balance	Loan given	Loan repaid	Outstanding balance	Purpose
1	Zuari Investment Limited	1,060.00	1,900.00	1,810.00	1,150.00	General Business Purpose
2	Indian Furniture Product Limited	678.29	1,161.78	1,732.95	107.12	General Business Purpose

38. Change in Estimated Cost and Revenue on Projects

The management update its estimate of budgeted cost on every reporting date and consider cumulative adjustment to revenue. Such changes in budget are results of changes in cost due to better understanding of requirement as well as changes in prices, and also as a result of changes in work order. More often than not, cost changes are cumulative effects of more than factor. Therefore, it is impracticable to disclose effect of such changes on current period and future period for each individual factor.

39. Interest in joint venture

The Company had 49% interest in the assets, liabilities, expenses and output of the Simon Engineering & Partners LLC, incorporated in Sultanate of Oman ('the JV Company'), which is involved in Engineering, Construction and Procurement Services. However, the Company's interest in the JV Company had been reduced to 29% unilaterally in the year ended 31 December 2010. The Company did not have any control on the functioning of the JV Company, the change in shareholding pattern came to light when the termination agreement was in discussion. As of date, the Company is in the process of terminating the agreement with other investor in the JV Company.

The Company had created a provision for diminution in the value of investment in the share capital of the JV Company of INR 10.45 lakhs and provision against amount receivable of INR 21.69 lakhs from the JV Company against the invoices raised by the Company in the financial statements. The Company is of the opinion that they have no control on the said JV Company and hence disclosure related to the JV Company has not been given as required under Ind AS 28 - Investments in Associates and Joint Ventures as specified under Section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

40. The Company has not received the payment of outstanding foreign receivables within the period mentioned in the Master Circular on Export of Goods and Services issued by the Reserve Bank of India ("RBI"). Trade receivables amounting to INR 247.76 lakhs (31 March 2018: 107.42 lakhs) due from overseas parties is outstanding for a period of more than nine months.

In respect of these receivables – the Company has intimated to RBI through its authorised dealer bank for the delays in its realisation. Pending the final outcome of the aforesaid matters, which is presently unascertainable, no adjustments have been made in these financial statements.

41. Particulars of unhedged foreign currency exposure and forward contracts outstanding as at the reporting date

Particulars	As at 31 March 2019	As at 31 March 2018
Export trade receivables	INR 432.10 Lakhs (USD 6.21 lakhs @ closing rate of USD = INR 69.62)	INR 391.89 Lakhs (USD 6.14 lakhs @ closing rate of USD = INR 63.82)
Import trade payables-USD	INR 25.06 Lakhs (USD 0.36000 lakhs @ closing rate of 1USD = INR 69.62)	INR 24.74 Lakhs (USD 0.38770 lakhs @ closing rate of 1USD = INR 63.82)
Import trade payables-EURO	INR 172.31 lakhs (EURO 2.20 lakhs @ closing rate of 1EURO = INR 78.83)	Nil
Saudi Bank (SAR) (Banque Saudi Fransi Bank, Saudi British Bank, Cash)	INR 764.05 lakhs (SAR 41.37 lakhs @ closing rate of 1 SAR = INR 18.47)	INR 9.82 lakhs (SAR 0.61 lakhs @ closing rate of 1 SAR = INR 16.12)

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 098514



Place : New Delhi
Date : 16 May 2019



For and on behalf of the Board of Directors of
Simon India Limited

Narayanan Suresh Krishnan
Chairman
DIN No.: 00021965

Vijay Kathuria
Chief Financial Officer

Rakesh Verma
CEO & Executive Director
DIN No.: 08103465

Gaurav Dutta
Company Secretary
Membership No.: 24445