

G. S. Mathur & Co.

Chartered Accountants

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Independent Auditors' Report

To The Members of M/s PLN Construction Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **M/s PLN Construction Limited ("the Company")**, which comprise the balance sheet as at 31st March 2019 and the Statement of profit and loss (including other comprehensive income), the cash flow statement and statement of changes in Equity for the year then ended 31st March 2019, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit for the year ended on that date.

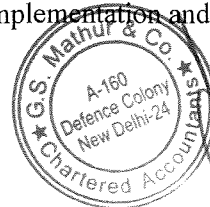
Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 on the Standalone Ind AS financial statements.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance(including other comprehensive income), statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

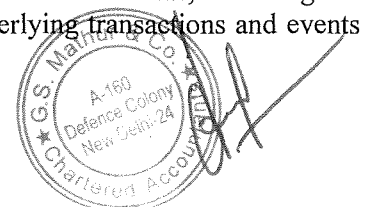
The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.



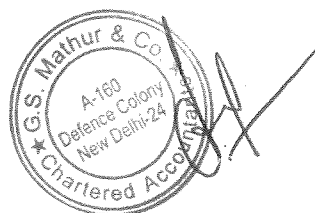
Materiality is the magnitude of misstatement in the stand alone financial statement that, individually or in aggregate, makes it probable that the economic decision of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the result of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

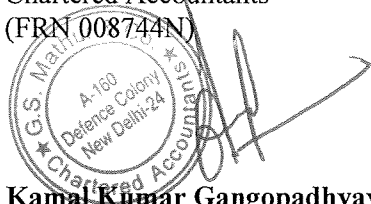


- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation during the year.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **G. S. Mathur & Co.**

Chartered Accountants

(FRN 008744N)



Kamal Kumar Gangopadhyay

Partner

M. No. 013442

Place: New Delhi

Date: May 24, 2019

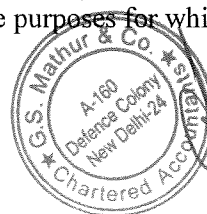
Annexure - A to the Auditors' Report

Referred to in paragraph 1 under the heading report on other legal and regulatory requirements of the Auditors' Report of even date

Re: PLN Construction Limited

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- ii. The Company does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the company has not granted any loans, investments, guarantees and securities in respect of which provision of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73, 74, 75 & 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act, for any of the service rendered by the Company.
- vii. (a) According to information and explanations given to us and the records of the Company examined by us, in our opinion, company is generally regular in depositing undisputed statutory dues in respect of Provident Fund, Employee's State Insurance, Service Tax, cess and Income Tax though, and any other Statutory dues, as applicable, with the appropriate authorities. No such statutory dues were outstanding at the year end, for a period of more than six months from the date they become payable.
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- viii. The company has not borrowed any loans from financial institutions /banks. The company did not have any outstanding dues in respect of debentures during the year.
- ix. According to the records of the company examined by us and the information and explanations given to us, during the year no money were raised by way of initial public offer or further public offer (including debt instruments). Further in our opinion and according to the information and explanations given by the management, that the company has utilized the monies raised by way of terms of loans for the purposes for which they were raised.

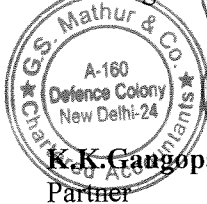


- x. According to the audit procedures performed and the information and explanations given to us by management, no fraud noticed by the Company, or its officers, or employees during the year.
- xi. According to the records of the company examined by us and the information and explanations given to us, no managerial remuneration paid during the year, hence provisions of section 197 read with schedule V to the Companies Act not applicable.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us by management, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards
- xiv. According to the information and explanations given to us by management, the company has made private placement of shares during the year under review and partially utilized the fund according to purpose for which shares has been allotted and rest of the amount kept separately for future utilization.
- xv. According to the audit procedures performed and the information and explanations given to us by management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. According to the information and explanations given to us, company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

FOR G.S. MATHUR & CO.

Chartered Accountants

Firm Registration Number: 008744N



K.K. Gangopadhyay

Partner

Membership No. 013442

Place: New Delhi

Date: May 24, 2019

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **PLN Construction Limited** ("the Company") as of March 31, 2019, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

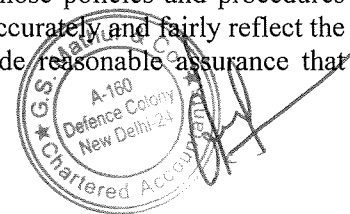
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

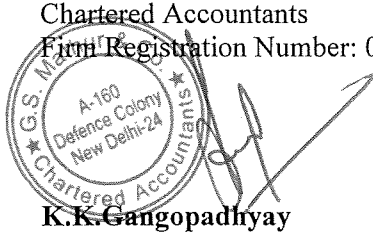
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR G.S. MATHUR & CO.

Chartered Accountants

Firm Registration Number: 008744N



K.K. Gangopadhyay

Partner

Membership No. 013442

Place: New Delhi

Date: May 24, 2019

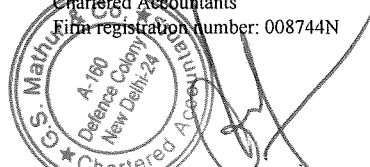
PLN Construction Limited
Standalone Balance Sheet as at March 31, 2019
(All amounts in INR, unless otherwise stated)

	Notes	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current assets			
Property Plant and Equipments	3	144,757,102	164,218,086
Trade receivables	6	60,139,751	308,474,130
Other Assets	4	14,984,959	34,590,178
Current assets			
Other Assets	4	19,034,972	4,807,310
Current tax receivable (net)	4	25,178,570	36,910,991
Financial Assets			
Trade receivables	6	33,245,536	102,623,228
Unbilled revenue (work-in-progress)		18,347,676	-
Cash and bank balances	7	43,302,868	18,203,119
Loans	5	46,021,091	635,951,538
Total Assets		405,012,525	1,305,778,580
Equity			
Equity Share Capital	8	50,000,000	20,000,000
Other Equity			
Retained Earnings	9	263,663,060	151,700,055
Other reserves	9	2,210,000	2,210,000
Total Equity		315,873,060	173,910,055
Non-current liabilities			
Deferred tax liabilities (net)	10	4,316,949	4,316,949
Financial Liabilities			
Other liabilities	11	-	1,072,729,732
Provisions	12	31,450,055	-
Current liabilities			
Financial Liabilities			
Trade payables - MSME		4,848,943	3,568,030
Trade payables - Others		31,753,541	29,603,871
Other non financial liabilities	13	16,760,742	21,649,943
Provisions	12	9,236	-
Total Liabilities		89,139,465	1,131,868,525
Total equity and liabilities		405,012,525	1,305,778,580
Summary of significant accounting policies	2.1		

The accompanying notes form integral part of the financial statements

This is the balance sheet referred to in our report of even date

For **G. S. Mathur & Co**
Chartered Accountants
Firm registration number: 008744N



per **K. K. Gangopadhyay**
Partner
Membership No. : 013442

Company
Secretary

For and on behalf of the Board of Directors of
PLN Construction Limited

Director
Din

Director
Din

Place: New Delhi
Date : May 24, 2019

PLN Construction Limited

Standalone statement of profit and loss for the year ended March 31, 2019

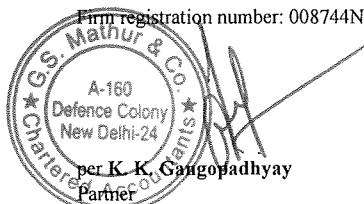
(All amounts in INR, unless otherwise stated)

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Income			
Revenue from operations	14	312,608,512	226,657,121
Other income	15	54,552,542	41,160,967
Total income (I)		367,161,053	267,818,088
Expenses			
Cost of material and spares consumed		50,798,381	76,312,239
Employee benefits expense	16	25,794,125	17,741,475
Other expenses	17	156,668,739	149,290,863
Total expenses (II)		233,261,245	243,344,577
Earning before interest, tax, depreciation and amortization (EBITDA) (I-II)		133,899,809	24,473,511
Depreciation	3	21,816,344	25,122,045
Finance costs	18	120,461	743,548
Profit/ (loss) before tax		111,963,005	(1,392,081)
Tax expenses			
Current tax		129,315	-
MAT credit entitlement		(129,315)	-
Deferred tax credit		-	-
Total tax expenses		-	-
Profit/ (loss) for the year		111,963,005	(1,392,081)
Other Comprehensive Income		-	-
Total comprehensive Income for the year attributable to equity holders of the parent		111,963,005	(1,392,081)
Earnings per share (nominal value per share Rs.10 each (previous year Rs.10))			
Basic and diluted	19	22.39	(0.70)
Summary of significant accounting policies	2.1		

The accompanying notes form an integral part of the financial statements

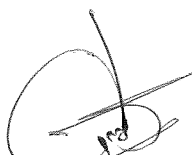
This is the statement of profit and loss referred to in our report of even date

For **G. S. Mathur & Co**
Chartered Accountants
Firm registration number: 008744N



Membership No. : 013442

Place: New Delhi
Date : May 24, 2019


Company
Secretary

For and on behalf of the Board of Directors of
PLN Construction Limited


Director
Din


Director
Din

PLN Construction Limited

Cash flow statements for the year ended March 31, 2019

(All amounts in INR, unless otherwise stated)

	Year ended March 31, 2019	Year ended March 31, 2018
Cash flow from/ (used in) operating activities		
Profit/(Loss) before tax	111,963,005	(1,392,081)
Non-cash adjustment to reconcile Profit/(Loss) before tax to meet cash flow		
Depreciation	21,816,344	25,122,045
Expected Credit Loss Provision	-	4,616,703
Increase/ (decrease) in provisions	31,459,291	-
Irrecoverable Balance written Off	-	1,012,350
Interest expense	-	615,997
Interest income	(3,798,714)	(40,618,018)
Operating profit before working capital changes	161,439,925	(10,643,004)
Movement in working capital:		
Decrease in trade payables	3,430,582	(34,744,102)
Increase in other current liabilities	(4,889,203)	8,833,661
Increase in trade receivables	317,712,071	(30,205,041)
Decrease in Unbilled revenue (work-in-progress)	(18,347,676)	-
Decrease/(Increase) in loans and advances	595,308,004	(41,153,019)
Cash generated from/ (used in) operations	1,054,653,703	(107,911,505)
Direct taxes paid (net of refunds)	11,732,421	(8,865,749)
Net cash flow from/ (used in) operating activities (A)	1,066,386,125	(116,777,254)
Cash flow from investing activities		
Purchase of fixed assets	(2,355,360)	(1,184,751)
Increase in margin money deposits	14,202,600	(13,684,491)
Interest received	3,798,714	40,618,018
Net cash flow from investing activities (B)	15,645,954	25,748,776
Cash flow from (used in) financing activities		
Proceeds/ (Repayment) from long-term borrowings (net)	(1,072,729,732)	72,526,836
Proceeds from Issue of Equity Shares	30,000,000	-
(Repayment)/Proceeds from short-term borrowings (net)	-	(340,199)
Interest paid	-	(615,997)
Net cash flow from (used in) financing activities (C)	(1,042,729,732)	71,570,640
Net increase/(decrease) in cash and cash equivalents (A+B+C)	39,302,347	(19,457,837)
Cash and cash equivalents at the beginning of the year	3,360,521	22,818,358
Cash and cash equivalents at the end of the year	42,662,868	3,360,521
Components of cash and cash equivalents		
Cash on hand	628,224	402,638
Balances with banks:		
On current accounts	42,034,644	2,957,883
Total cash and cash equivalents (also refer note 7)	42,662,868	3,360,521

The accompanying notes form integral part of the financial statements
This is the cash flow statement referred to in our report of even date

For G. S. Mathur & Co

Chartered Accountants

Firm registration number: 008744N



per K. K. Gangopadhyay

Partner

Membership No. : 013442

Place: New Delhi

Date : May 24, 2019

Company
Secretary

For and on behalf of the Board of Directors of

PLN Construction Limited

Director
Din

Director
Din

PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

1. Corporate information

PLN Construction Limited the Company ("The Company") is a public Limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (Revised) which has since been replaced with Companies Act, 2013. The company is a subsidiary of Punj Lloyd Construction Contracting Company Limited and is primarily engaged in the business of laying of pipelines by Horizontal Directional Drilling (HDD) Method.

2. Basis of preparation

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on a accrual basis and under historical cost convention, except for the assets and liabilities which have been measured at fair value or revalued amount for certain financial assets and liabilities.

2.1. Summary of significant accounting policies

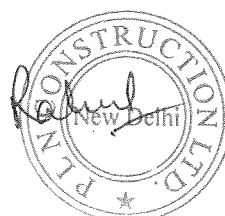
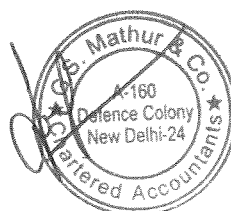
(a) Use of estimates:

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring an adjustment to the carrying amounts of assets or liabilities in future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurements and valuation process

Some of the Companies assets and liabilities are measured at fair value for financial reporting purposes. The management of the Company has determine the appropriate valuation techniques an inputs for fair value measurements. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available, wherever market observable data is not available, the Company engages third party qualified valuers to perform the valuation.



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

(b) Property, Plant and Equipments

Plant and Equipments are stated at cost, net off accumulated depreciation and impairment losses, if any. The cost comprises the purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the assets to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the Purchase Price. The Company considered the previous GAAP carrying cost of plant and equipments as deemed cost, as the fair value of these assets does not differ materially from its carrying cost.

Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible 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 period during which such expenses are incurred.

Gains or losses arising from de-recognition of tangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(c) Depreciation on Property, Plant and Equipments

Depreciation on tangible fixed assets is calculated on a straight line basis, at the rates prescribed under Schedule II to the Companies Act, 2013, which are based on estimated useful life of the assets.

Individual assets costing upto Rs. 5,000 are depreciated @ 100%.

(d) Financial Instruments

Financial Instruments (assets and liabilities) are recognized when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

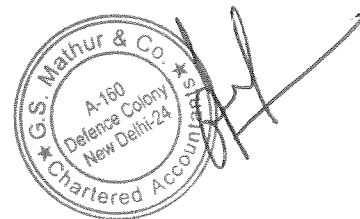
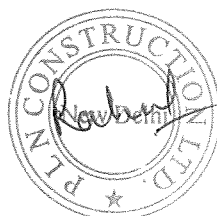
Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognized immediately in statement of profit and loss.

Financial assets

(1) Subsequent measurement

Subsequent measurement depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its financial assets.



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the Effective Interest Rate (EIR) method. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.
- **Fair value through other comprehensive income (FVTOCI):** The Company has investments which are not held for trading. The Company has elected an irrevocable option to present the subsequent changes in fair values of such investments in other comprehensive income. Amounts recognized in OCI are not subsequently reclassified to the statement of profit and loss.
- **Fair value through profit and loss (FVTPL):** FVTPL is a residual category for financial assets in the nature of debt instruments. Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. This category also includes derivative financial instruments, if any, entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

(2) Impairment of financial assets

The Company applies Ind AS 109 for recognizing impairment losses using Expected Credit Loss (ECL) model. Impairment is recognized for all financial assets subsequent to initial recognition, other than financial assets in FVTPL category. The impairment losses and reversals are recognized in statement of profit and loss.

(3) De-recognition

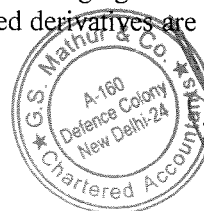
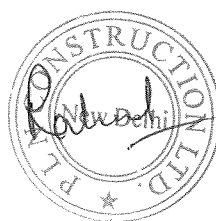
The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or the same are transferred.

Financial liabilities

(a) Subsequent measurement

There are two measurement categories into which the Company classifies its financial liabilities.

- **Amortised cost:** After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
- **Financial liabilities at FVTPL:** Financial liabilities are classified as FVTPL when the financial liabilities are held for trading or are designated as FVTPL on initial recognition. 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



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

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.

(b) De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

(c) Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the 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 or to realise the assets and settle the liabilities simultaneously.

(d) Fair value measurement

The fair value of a financial asset or liability is measured using the assumption that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Where fair value is based on quoted prices from active market.

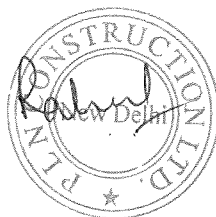
Level 2 – Where fair value is based on significant direct or indirect observable market inputs.

Level 3 – Where fair value is based on one or more significant input that is not based on observable market data.

For financial assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers is required between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) (a) on the date of the event or change in circumstances or (b) at the end of each reporting period

Financial liabilities

Financial liabilities are classified at initial reorganization at fair value. Interest bearing loans are subsequently measured at amortized cost using the EIR method, gain and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance cost in the statement of profit and loss. A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

(e) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(f) Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

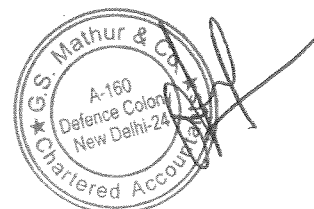
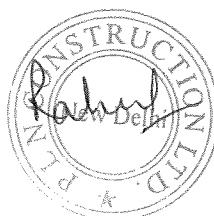
(g) Unbilled revenue (Work-in-progress)

Unbilled revenue (Work-in-progress) is valued at Net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(h) Revenue recognition

Revenue is recognized 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 measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from hiring contracts is accounted for in accordance with the terms of agreements with the customer's recognised pro-rata over the period of the contract as and when services are rendered.



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument, but does not consider the expected credit losses. Interest income is included in other income in the statement of Profit and Loss.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

(i) Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(j) Foreign currency transaction

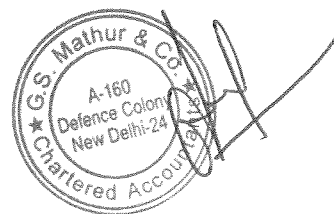
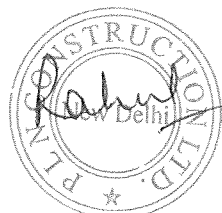
The financial statements are presented in Indian Rupee, which is also the functional currency of the Company. The overseas branches of the Company separately determines the functional currency and items included in the financial statements of each branch are measured using the functional currency.

Appendix B to Ind AS 21, foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

i. 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.



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are carried at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

The Company accounts for exchange differences arising on translation/settlement of foreign currency monetary items as below:

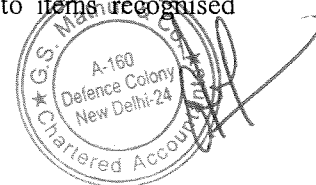
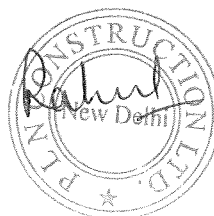
- a. Exchange differences arising on a monetary item that, in substance, forms part of the Company's net investment in a non-integral foreign operation is accumulated in OCI until the disposal of the net investment. On the disposal of such net investment, the cumulative amount of the exchange differences which have been deferred and which relate to that investment is recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.
- b. Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
- c. Exchange differences arising on other long-term foreign currency monetary items are accumulated in the "Foreign Currency Monetary Item Translation Difference Account" and amortized over the remaining life of the concerned monetary item.
- d. All other exchange differences are recognized as income or as expenses in the period in which they arise.

(k) Employee benefits

- i. The Company makes contribution to statutory provident fund and pension funds in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan. The Company has no obligation, other than the contribution payable to respective funds. The Company recognizes contribution payable to respective funds 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.
- ii. Gratuity and accumulated leave balance payable to the employees is provided on actual basis as at the close of the accounting year

(l) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

directly in Shareholders' funds is recognised in Shareholders' funds and not in the statement of profit and loss.

Deferred tax is provided using the liability method on temporary difference between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses, to the extent that it is probable that taxable profit will be available against which the deduction temporary differences and the carry forward of unused tax credits and unused tax loss can be utilized.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It reduced to the extent that it is no longer probable that sufficient taxable profit will be available to all or part of deferred tax assets to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

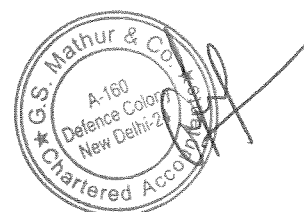
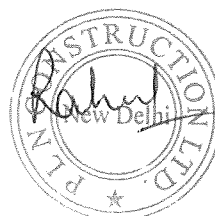
Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(m) Segment reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker, in deciding how to allocate resources and assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

(n) Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events of bonus issue and share split.



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

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.

(o) Provisions

Provisions are recognized when the entity has a present obligation (legal or constructive) 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. When the entity expects some or all of a provision to be reimbursed, 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.

(p) Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(q) Functional Currency

The financial statements are presented in Indian Rupee, which is also the functional currency of the Company.

3. Segment Information

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Unallocated items

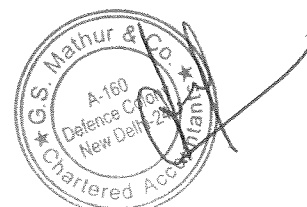
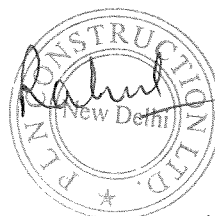
Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

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

4. Fair Value

The management assessed that cash and cash equivalents and trade payables approximate to their carrying amounts largely due to the short term maturities of these instruments.



PLN Construction Limited

Standalone notes to financial statements for the year ended March 31, 2019

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.

5. Financial risk management objectives and policies

Exposure to credit, interest rate, foreign currency risk and liquidity risk arises in the normal course of the Company's business. The Company has risk management policies which set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control the hedging of transactions in a timely and accurate manner. Such policies are reviewed by the management with sufficient regularity to ensure that the Company's policy guidelines are adhered to.

The management reviews and agrees policies for managing each of these risks, which are summarized below.

Credit Risk

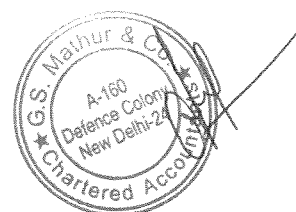
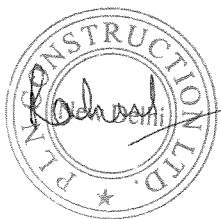
Credit risk is the risk that counterparty will not meet its obligations under financial instrument or customer contract, leading to financial loss. The company is not exposed to credit risk as the commercial operation has not been commenced.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in the market interest rate. The Company's exposure to the risk of changes in market interest rates related primarily to the Companies long term debt obligation with floating interest rate. As on March 31, 2019 the Company does not have any bank borrowing at floating interest rate.

6. There is nothing to report under the additional information required to be disclosed under paragraph 5 (viii) of general instructions for preparation of Statement of profit and loss as per Schedule III to the Companies Act, 2013
7. Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.



PLN Construction Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2019
(All amounts in INR, unless otherwise stated)

	Numbers	Amount
Equity share of Rs. 10 each issued, subscribed and fully paid		
At 31, March 2018	2,000,000	20,000,000
At 31, March 2019	5,000,000	50,000,000

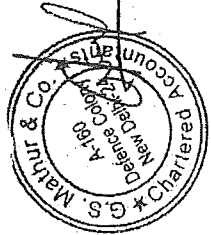
Other Equity

For the year ended March 31, 2018

Description	General Reserve	Reserves and Surplus Retained earning	OCI	Total
As at March 31, 2017	2,210,000	153,092,136	-	155,302,136
Profit for the year	-	(1,392,081)	-	(1,392,081)
Other comprehensive Income	-	-	-	-
Total Comprehensive Income	2,210,000	151,700,055	-	153,910,055
As at March 31, 2018	2,210,000	151,700,055	-	153,910,055

For the year ended March 31, 2019

Description	General Reserve	Reserves and Surplus Retained earning	OCI	Total
As at March 31, 2018	2,210,000	151,700,055	-	153,910,055
Profit for the year	-	111,963,005	-	111,963,005
Other comprehensive Income	-	-	-	-
Total Comprehensive Income	2,210,000	263,663,060	-	265,873,060
As at March 31, 2019	2,210,000	263,663,060	-	265,873,060



3 Property, Plant and Equipments

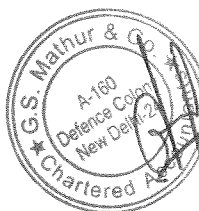
Particulars	Plant and equipment	Office equipment	Vehicles	Total
Cost				
At April 01, 2017	557,567,765	957,798	1,117,260	559,642,823
Additions during the year	-	-	1,184,751	1,184,751
Disposals	-	-	-	-
At March 31, 2018	557,567,765	957,798	2,302,011	560,827,574
Additions during the year	2,324,682	30,678	-	2,355,360
Disposals	-	-	-	-
As at March 31, 2019	559,892,447	988,476	2,302,011	563,182,934
Depreciation				
At April 01, 2017	369,486,522	957,798	1,043,123	371,487,443
Charge for the year	25,067,435	-	54,610	25,122,045
Disposals	-	-	-	-
At March 31, 2018	394,553,957	957,798	1,097,733	396,609,488
Charge for the year	21,632,746	4,706	158,892	21,816,344
Disposals	-	-	-	-
As at March 31, 2019	416,206,703	962,504	1,256,625	418,425,832
Net block				
At March 31, 2018	163,013,808	0	1,204,278	164,218,086
As at March 31, 2019	143,685,744	25,972	1,045,386	144,757,102

4 Other Assets

Particulars	Long-term		Short-term	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
a. Advance recoverable in kind or for value to be received				
Unsecured, considered good	-	-	19,034,972	1,092,667
	-	-	19,034,972	1,092,667
b. Other advances				
Advance income-tax (net of provision for taxation)	25,178,570	36,910,991	-	-
WCT Recoverable	-	23,083,377	-	-
GST Recoverable	9,975,519	6,497,361	-	-
MAT credit entitlement	5,009,440	5,009,440	-	-
Balances with statutory/ government authorities	-	-	-	3,714,643
	40,163,529	71,501,169	-	3,714,643
	40,163,529	71,501,169	19,034,972	4,807,310

5 Loans

Particulars	Long-term		Short-term	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Security deposits				
Unsecured, considered good	-	-	46,021,091	3,607,700
	-	-	46,021,091	3,607,700
Loans to related parties				
Unsecured, considered good	-	-	-	632,343,838
	-	-	46,021,091	635,951,538



6 Trade receivables

Particulars	Non Current		Current	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good	60,139,751	318,428,720	33,245,536	102,623,228
Less: Provision for Expected Credit Loss	-	(9,954,590)	-	-
	60,139,751	308,474,130	33,245,536	102,623,228
	60,139,751	308,474,130	33,245,536	102,623,228

7 Cash and bank balances

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents		
Cash on hand	628,224	402,638
Balances with banks:		
On current accounts	42,034,644	2,957,883
	42,662,868	3,360,521
Other bank balances		
Margin money deposits	640,000	14,842,598
	640,000	14,842,598
	43,302,868	18,203,119

8 Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised shares		
13,000,000 (previous year 5,000,000) equity shares of Rs. 10 each	130,000,000	50,000,000
Issued, subscribed and fully paid-up shares		
5,000,000 (previous year 2,000,000) equity shares of Rs. 10 each	50,000,000	20,000,000
	50,000,000	20,000,000

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

Particulars	As at March 31, 2019		As at March 31, 2018	
	Nos.	Amount	Nos.	Amount
At the beginning of the year	2,000,000	20,000,000	2,000,000	20,000,000
Issued during the year	3,000,000	30,000,000	-	-
Outstanding at the end of the year	5,000,000	50,000,000	2,000,000	20,000,000

(b) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 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 shareholders.

(c) Shares held by holding company

Out of equity shares issued by the Company, shares held by its holding company and its nominees are as below:

	As at March 31, 2019	As at March 31, 2018
Punj Lloyd Limited, the holding company	20,000,000	20,000,000
2,000,000 (previous year 2,000,000) equity shares of Rs. 10 each		
Punj Lloyd Construction Contracting Company Limited		
3,000,000 (previous year Nil) equity shares of Rs. 10 each	30,000,000	-

(d) Details of shareholders holding more than 5% of the equity share capital of the Company

Name of Shareholder	As at March 31, 2019			As at March 31, 2018		
	Nos.	% of Holding		Nos.	% of Holding	
Punj Lloyd Limited	2,000,000	40%		2,000,000	100%	
Punj Lloyd Construction Contracting Company Limited	3,000,000	60%				
	5,000,000	100%		2,000,000	100%	

(e) No bonus shares or shares issued for consideration other than cash or shares bought back over the last five years immediately preceding the reporting date.



9 Other Reserves

Particulars	As at March 31, 2019	As at March 31, 2018
General reserve	2,210,000	2,210,000
Surplus in the statement of profit and loss		
Balance as per last financial statements	151,700,055	153,092,136
Depreciation Reserve	-	-
Profit/(Loss) for the year	111,963,005	(1,392,081)
Net surplus in the statement of profit and loss	263,663,060	151,700,055
Total reserves and surplus	265,873,060	153,910,055

10 Deferred tax liabilities (net)

Particulars	As at March 31, 2019	As at March 31, 2018
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	16,680,542	16,680,542
Impact of expenditure charged to the statement of profit and loss in current year but allowed for tax purposes on payment basis	-	-
Unabsorbed losses/carried forward losses	12,363,593	12,363,593
Net Deferred Tax Asset/(Liability)	4,316,949	4,316,949

11 Other liabilities

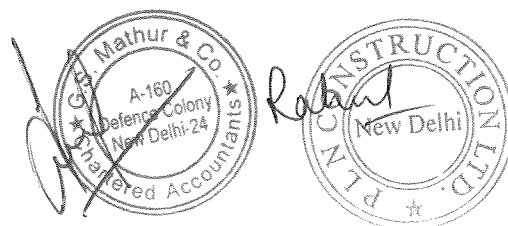
Particulars	Non Current Portion		Current Maturities	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Due to Holding Co	-	1,072,729,732	-	-
	-	1,072,729,732	-	-

12 Long Term provisions

Particulars	Long-term		Short-term	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Provision for Defect liability period	31,260,851	-	-	-
Provision for employee benefits				
Provision for gratuity	114,067	-	9,016	-
Provision for compensated absences	75,137	-	220	-
	31,450,055	-	9,236	-

13 Other non financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Unaccrued revenue	-	15,966,609
Others	15,737,164	5,203,063
TDS payable	1,023,578	480,272
	16,760,742	21,649,943



PLN Construction Limited
Standalone Notes to financial statements for the year ended March 31, 2019
(All amounts in INR, unless otherwise stated)

14 Revenue from operations

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Job Revenue	312,608,512	242,623,730
Less: Unaccrued Billing	-	(15,966,609)
	<u>312,608,512</u>	<u>226,657,121</u>

15 Other income

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest income on others	3,798,714	40,618,018
Unspent liabilities & Advance written Back (net) (also refer Note No. 22)	50,245,064	-
Exchange difference (net)	-	542,949
Excess provision written Off	508,764	-
	<u>54,552,542</u>	<u>41,160,967</u>

16 Employee benefit expenses

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salaries, wages and bonus	24,514,437	16,990,639
Contribution to provident fund and LWF	231,608	-
Gratuity expense	75,357	-
Compensated absences	123,083	-
Staff welfare expenses	849,640	750,836
	<u>25,794,125</u>	<u>17,741,475</u>

17 Other expenses

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Contractor charges	25,807,856	19,421,022
Site expenses	12,672,642	12,963,500
Freight and cartage	13,754,861	17,995,142
Diesel and fuel	30,718,655	62,718,663
Hire charges	23,145,539	16,630,804
Rates and taxes	10,679,966	7,972,017
Insurance	1,034,902	660,002
Expected Credit Loss Provision	-	4,616,703
Repairs and maintenance - Plant and machinery	1,369,902	1,529,921
Payment to auditors (refer details below)	100,000	100,000
Consultancy and professional charges	1,062,059	330,795
Irrecoverable Balance written off	-	1,012,350
Defect liability period expenses	31,260,851	-
Travelling and conveyance	2,058,875	1,933,577
Miscellaneous expenses	931,956	1,406,367
	<u>156,668,739</u>	<u>149,290,863</u>

Payment to auditors:

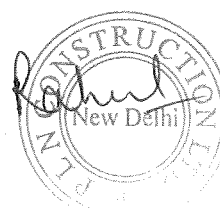
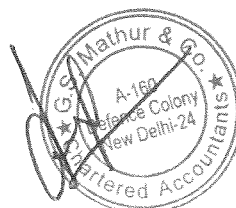
As auditors:

Audit fee

100,000	100,000
<u>100,000</u>	<u>100,000</u>

18 Finance costs

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense	-	615,997
Bank charges	38,319	127,551
Other Borrowing costs	82,142	-
	<u>120,461</u>	<u>743,548</u>



19 Earnings per share

Basic and diluted earnings

	As at March 31, 2019	As at March 31, 2018
a) Calculation of weighted average number of equity shares of Rs. 10 each		
Number of equity shares at the beginning of the year	5,000,000	2,000,000
Equity shares at the end of the year	5,000,000	2,000,000
Weighted average number of equity shares outstanding during the year	5,000,000	2,000,000
b) Net (loss)/ profit after tax available for equity share holders (Rs.)	111,963,005	(1,392,081)
c) Basic and diluted (loss)/earnings per share (Rs.)	22.39	(0.70)
d) Nominal value of share (Rs.)	10	10

20 Segment Reporting

Business Segment:

The Company's business activity falls within a single business segment i.e. Laying of Pipelines by Horizontal Directional Drilling (HDD) Method. Therefore, segment reporting in terms of Ind AS 108 on Segmental Reporting is not applicable.

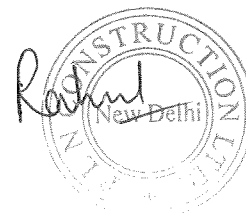
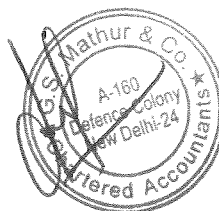
Geographical Segment

The Company's operations are within India and does not operate in any other Country and hence there are no geographical segments.

21 The disclosures as per provisions of Clause 39, 40 and 42 of Ind AS 11 issued by Institute of Chartered Accountants of India are as under:

Particulars	As at March 31, 2019	As at March 31, 2018
a) Contract revenue recognised as revenue in the period (Clause 39 (a))	312,608,512	226,657,121
b) Aggregate amount of costs incurred and recognised profits up to the reporting date Contracts under progress (Clause 40 (a))	-	-
c) Advance received on Contracts under progress (Clause 40 (b))	-	15,966,609
d) Retention amount on Contract under progress (Clause 40 (c))	-	-
e) Gross amount due from customers for contract work as an asset (Clause 42 (a))	-	-
f) Gross amount due from customers for contract work as a liability (Clause 42 (b))	-	-

22 Other Income is net off Provision of Loans and Advances to Punj Lloyd Upstream Limited, Punj Lloyd Aviation Limited and Indraprastha Renewables Pvt Ltd as Net Worth of these companies is eroded.



Names of related parties and related party relationship

Related parties where control exists irrespective of whether transactions have occurred or not
Holding company Punj Lloyd Construction Contracting Company Limited

Related parties with whom transactions have taken place during the year

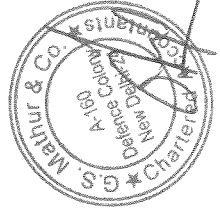
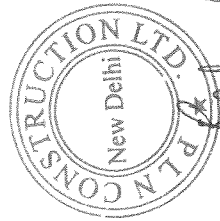
Holding company Punj Lloyd Construction Contracting Company Limited
Associated Company Punj Lloyd Limited

Key Managerial Personnel

Mr. Atul Kumar Jain Director (upto May 29, 2018)
Mr. Shiv Punj Director (upto November 03, 2018)
Mr. Dwarika Nath Mishra Director (upto February 08, 2019)
Mr. Vinay Dalmia Director (upto February 08, 2019)
Mr. Sanjiv Syal Director (upto March 13, 2019)
Ms. Kavita Syal Director (upto March 13, 2019)
Mr. Ajay Agarwal Director (upto May 24, 2019)
Mr. Amitava Paul Director
Mr. Rahul Maheshwari Director
Mr. Ravi Sudan Director

Related party transactions

Particulars	Holding company		Associate company		Subsidiaries of Associate company		Total	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
INCOME								
Job Revenue	-	-	-	5,000,000	-	-	-	5,000,000
Punj Lloyd Limited								
Interest Income								
Punj Lloyd Upstream Limited	-	-	-	-	-	33,935,790	-	33,935,790
Punj Lloyd Aviation Limited	-	-	-	-	-	6,054,151	-	6,054,151
Indraprastha Renewables Pvt Ltd	-	-	-	-	-	130,000	-	130,000
EXPENSES								
Hire Charges	-	-	-	-	-	-	-	-
Punj Lloyd Limited								
Rent	-	-	-	-	-	-	-	-
Punj Lloyd Limited								
Interest	-	-	-	-	-	-	-	-
Punj Lloyd Limited								
Balance outstanding as at end of the year								
Receivable/(payable)	-	-	-	(783,678,384)	-	-	-	(783,678,384)
Punj Lloyd Limited	-	-	-	-	-	556,808,232	-	556,808,232
Punj Lloyd Upstream Limited	-	-	-	-	-	74,111,340	-	74,111,340
Punj Lloyd Aviation Limited	-	-	-	-	-	1,424,266	-	1,424,266
Indraprastha Renewables Pvt. Ltd.	-	-	-	-	-	-	-	-
Surety Bonds								
Punj Lloyd Limited	-	-	46,826,588	-	-	-	46,826,588	-
Spectra Punj Lloyd Ltd	-	-	-	-	3,996,716	-	3,996,716	-



24 Due to micro, small and medium enterprises

Information in respect of Micro, small and Medium Enterprises:

Particulars	2018-19 (₹)	2017-18 (₹)
1. The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
(i) Principal Amount due; and	48,48,943/-	35,68,030/-
(ii) Interest due thereon	NIL	NIL
2. The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year as announced by any dispute resolution council/authority.	NIL	NIL
3. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act:	NIL	NIL
(i) Payment made to supplier (Other than interest) beyond the appointed day during the year;	NIL	NIL
(ii) Interest paid to supplier on principal amount paid beyond the appointed day during the year; and	NIL	NIL
(iii) Interest due and payable to supplier on principal amount paid beyond the appointed day during the year.	NIL	NIL
4. The amount of interest accrued and remaining unpaid at the end of each accounting year; and	NIL	NIL
5. 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".	NIL	NIL

The above information has been provided to the extent such parties have been identified on the basis of information made available by the Company's Management.

25 Fair Value

The management assessed that cash and cash equivalents, trade payables, borrowings and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

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 value.

Trade receivables and loans and advances recoverable from related parties are evaluated by the company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.



26 Financial risk management objectives and policies

Exposure to credit, interest rate, foreign currency risk and liquidity risk arises in the normal course of the Company's business. The Company has risk management policies which set out its overall business strategies, its tolerance or risk and its general risk management philosophy and has established processes to monitor and control the hedging of transactions in a timely and accurate manner. Such policies are reviewed by the management with sufficient regularity to ensure that the Company's policy guidelines are adhered to.

The management reviews and agrees policies for managing each of these risks, which are summarized below.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under financial instrument or customer contract, leading to financial loss. The company is exposed to credit risk mainly from its operating activities i.e trade receivable.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and other receivables (including related party balances), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Trade receivable : Customer credit risk is managed with the Companies established policy, procedures and control relating to customer credit risk management, such as the outstands from customer receivables are regularly monitored. As at March 31, 2019 the Company has two numbers of customers having outstanding of Rs. 1 crore or more.

The Company does not hold collateral as security against these receivables, however it evaluates the concentration of risk with respect to trade receivables as low, as the customers operate in largely independent market.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in the market price. The only financial instruments affected by market risk is bank borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in the market interest rate. The Company's exposure to the risk of changes in market interest rates related primarily to the Companies long term debt obligation with floating interest rate. As on March 31, 2019 the Company does not have any bank borrowing at floating interest rate.

27 Capital Management

For the purpose of the company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the parent. The primary objective of the company's capital management is to maximise the shareholders value.

The company manages its capital structure and makes adjustment in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

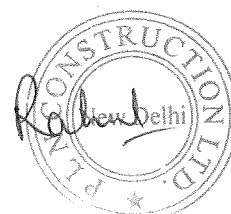
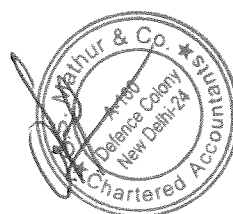
	As at March 31, 2019	As at March 31, 2018
Borrowings	-	-
Trade payables	36,602,484	33,171,901
Other Payables	16,760,742	1,094,379,675
Less:		
Cash and cash equivalents	(43,302,868)	(18,203,119)
Net Debts	10,060,357	1,109,348,458
Equity	315,873,060	173,910,055
Capital & net debts	325,933,417	1,283,258,513
Gearing Ratio	3%	86%

28 Capital Commitments

Capital expenditure contracted for as at the end of the reporting period but not recognized as liabilities (net of advance) is Rs. 1,25,00,000 /- (previous year Nil)

29 Contingent Liabilities

The Company has given Surety Bonds Rs. 5,08,23,304/- (previous year Nil) on behalf of Associated Company and Others.



30 Employee Benefits

a) Gratuity

The Company has a defined benefit gratuity plan. Under the plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss amounts recognised in the balance sheet for the plan.

Statement of profit and loss

Net employee benefit expense recognised in the employee cost

Particulars	March 31, 2019	March 31, 2018
Current service cost	75,357	-
Interest cost on benefit obligation	-	-
Expected return on plan assets	-	-
Net actuarial gain	-	-
Net benefit expenses	-	-

Balance sheet

Benefit asset/liability

Particulars	March 31, 2019	March 31, 2018
Present value of defined benefit obligation	75,357	-
Fair value of plan assets	-	-
Unrecognized past service cost	-	-
Plan (assets) / liabilities	75,357	-

Changes in the present value of the defined benefit obligation are as follows:

Particulars	March 31, 2019	March 31, 2018
Opening defined benefit obligation	-	-
Interest cost	-	-
Current service cost	75,357	-
Benefits paid	-	-
Actuarial gain on obligation	-	-
Closing defined benefit obligation	75,357	-

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

	March 31, 2019	March 31, 2018
Opening fair value of plan assets	-	-
Expected return	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains/(losses)	-	-
Closing fair value of plan assets	-	-

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

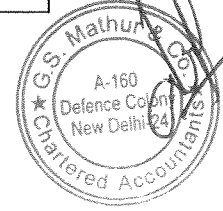
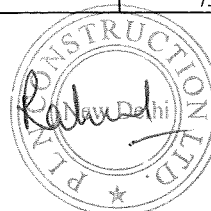
Particulars	Gratuity	
	March 31, 2019	March 31, 2018
Discount rate	8.00%	-
Future salary increase	5.50%	-
Employee turnover up to 30 years	5.00%	-
Above 31 years but up to 44 years	5.00%	-
Above 44 years	3.00%	-
Retirement Age	60 years	-
Weighted Average Duration	13 years	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current period are as follows:

Amount recognized in the statement of financial position

Particulars	March 31, 2019	March 31, 2018
Defined benefit obligation	75,357	-
Fair value of Plan assets	-	-
Funded status	75,357	-
Effect of asset ceiling /onerous liability	-	-
Net defined benefit liability (asset)	75,357	-



b) Leave Encashment

The Company has recognizes the leave encashment expenses in the statement of Profit and Loss based on actuarial valuation. These expenses recognizes in the statement of Profit and Loss and the Leave encashment Liability at the beginning and at the end of the year:

Particulars	March 31, 2019	March 31, 2018
Current service cost	123,083	-
Interest Expenses /(income)	-	-

Amount recognized in the statement of financial position

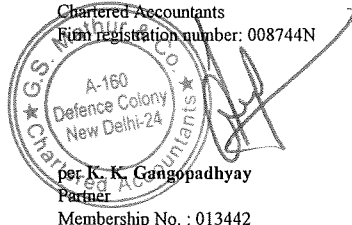
Particulars	March 31, 2019	March 31, 2018
Defined benefit obligation	123,083	-
Fair value of Plan assets	-	-
Funded status	123,083	-
Effect of asset ceiling /onerous liability	-	-
Net defined benefit liability (asset)	123,083	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

- 31 In the opinion of the management, the current assets, loans and advances appearing in the balance sheet have a value equivalent to the amount stated therein if realized during the ordinary course of business and all known liabilities have been provided.

As per our report of even date

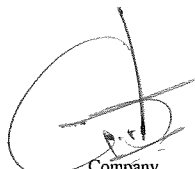
For G. S. Mathur & Co
Chartered Accountants
Firm registration number: 008744N



per K. K. Gangopadhyay
Partner
Membership No. : 013442

Place: New Delhi
Date : May 24, 2019

For and on behalf of the Board of Directors of
PLN Construction Limited


Company
Secretary


Director
Din


Director
Din