



IL&FS ENGINEERING AND CONSTRUCTION COMPANY LIMITED

**31<sup>st</sup>**  
**ANNUAL REPORT**  
**2019-20**

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## Bankers

Indian Bank	Bank of India
Bank of Maharashtra	ICICI Bank Limited
IDBI Bank Limited	Indian Overseas Bank
Punjab National Bank	State Bank of India
Vijaya Bank (Now merged with Bank of Baroda)	

## Registrar & Share Transfer Agent :

**KFin Technologies Private Limited,**  
Selenium Building, Tower B, Plot No. 31-32,  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad - 500 032,  
Telephone No. 040 - 6716 2222  
Fax No. 040 – 2342 0814,  
Email ID: einward.ris@karvy.com

## Board of Directors :

**Mr Chandra Shekhar Rajan**

**Mr Bijay Kumar**

**Mr Dilip Lalchand Bhatia**

### Chief Executive Officer

Mr Kazim Raza Khan

### Chief Financial Officer

Mr Naveen Kumar Agrawal

### Company Secretary

Mr Sistla Srinivasa Kiran

## Auditors :

### M. Bhaskara Rao & Co.

Chartered Accountants  
ICAI Firm Regn No. : 000459S  
5-D, Fifth Floor, "KAUTILYA"  
6-3-652, Raj Bhavan Quarters Colony,  
Somajiguda, Hyderabad- 500082

## Registered Office :

**CIN: L45201TG1988PLC008624**  
Door No.8-2-120/113, Block B,  
1st Floor, Sanali Info Park, Road No.2,  
Banjara Hills, Hyderabad - 500 034.  
Tel: +91 40 40409333, Fax: +91 40 40409444  
Website: www.ilfsengg.com  
Email : cs@ilfsengg.com

# NOTICE

**NOTICE** is hereby given that the 31st Annual General Meeting (AGM) of the Members of IL&FS Engineering and Construction Company Limited will be held through Video Conference (VC) / Other Audio Visual Means (OAVM) on Wednesday, September 30, 2020 at 01.30 P.M. (IST) to transact the following business:

## ORDINARY BUSINESS :

- (1) To consider and adopt:
  - (a) the audited financial statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and Auditors thereon, and
  - b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2020 and the report of the Auditors thereon.

## SPECIAL BUSINESS :

- (2) To consider and ratify the remuneration payable to Cost Auditors and for that purpose to pass, as an **Ordinary Resolution** the following:

### Remuneration to Cost Auditors:

**“RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, the Company hereby ratifies the remuneration of Rs. 4,50,000/- (Rupees Four lacs Fifty Thousand only) plus applicable taxes and out of pocket expenses at actuals for travelling and boarding/lodging for the financial year ending March 31, 2021 to M/s Narasimha Murthy & Co., Cost Accountants (Regn. No. 00042), who are appointed as Cost Auditors to conduct the audit of cost records maintained by the Company for the Financial Year 2020-21.

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, to give effect to this resolution.”

By order of the Board

For IL&FS Engineering and Construction Company Limited

Sd/-

**Sistla Srinivasa Kiran**

Company Secretary

(Membership No. A27444)

Place: Hyderabad

Date: September 3, 2020

Regd. Office:

IL&FS Engineering and Construction Company Limited

Door No: 8-2-120/113, Block B,

1st Floor, Sanali Info Park, Road No. 2,

Banjara Hills, Hyderabad – 500 034.

Website: [www.ilfsengg.com](http://www.ilfsengg.com)

CIN : L45201TG1988PLC008624

## NOTES:

- (1) **IN VIEW OF THE CONTINUING COVID-19 PANDEMIC, THE MINISTRY OF CORPORATE AFFAIRS (“MCA”) HAS VIDE ITS CIRCULAR DATED MAY 5, 2020 READ WITH CIRCULARS DATED APRIL 8, 2020 AND APRIL 13, 2020 (COLLECTIVELY REFERRED TO AS “MCA CIRCULARS”) PERMITTED THE HOLDING OF THE ANNUAL GENERAL MEETING (“AGM”) THROUGH VC / OAVM, WITHOUT THE PHYSICAL PRESENCE OF THE MEMBERS AT A COMMON VENUE. IN COMPLIANCE WITH THE**

**PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”), SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (“SEBI LISTING REGULATIONS”) AND MCA CIRCULARS, THE AGM OF THE COMPANY IS BEING HELD THROUGH VC / OAVM.**

- (2) **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC / OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.**

3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [yrvifcs@gmail.com](mailto:yrvifcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
4. The Company has fixed Tuesday, September 22, 2020 as the 'Cut-off Date' for determining entitlement of members to e-voting at the 31<sup>st</sup> AGM.
5. Book closure for the purpose of 31st Annual General Meeting will be from Wednesday, September 23, 2020 to Tuesday, September 29, 2020 (both days inclusive)
6. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFin Technologies Private Limited (“KFinTech”) for assistance in this regard.
7. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with KFinTech in case the shares are held by them in physical form.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to

their DPs in case the shares are held by them in electronic form and to KFintech in case the shares are held by them in physical form.

9. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to KFintech in case the shares are held in physical form.
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or KFintech, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 28, 2020 through email on [cs@ilfsengg.com](mailto:cs@ilfsengg.com). The same will be replied by the Company suitably.
13. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in). For details, please refer to corporate governance report which is a part of this Annual Report.
14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website [www.ilfsengg.com](http://www.ilfsengg.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL <https://www.evoting.nsdl.com>
15. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
16. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
17. Instructions for e-voting and joining the AGM are as follows:

## A. Voting through electronic means

- i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
- ii. The remote e-voting period commences on Sunday, September 27, 2020 (9:00 a.m. IST) and ends on Tuesday, September 29, 2020 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on Tuesday, September 22, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- iii. The Board of Directors has appointed Mr. Y Ravi Prasada Reddy (Membership No. FCS 5783) of RPR & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
- iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
- vi. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.
- vii. The details of the process and manner for remote e-voting are explained herein below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below:

How to Log-in to NSDL e-voting website?

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal computer or on a mobile.
2. Once the home page of e-voting system is launched, click on the icon "Login" which is available under "Shareholders" section.



3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
A) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
B) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
C) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if EVEN is 123456 and folio number is 001*** then user ID is 123456001***

5. Your password details are given below:

- a. If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c. How to retrieve your 'initial password'?
  - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL in your mailbox from [evoting@nsdl.com](mailto:evoting@nsdl.com). Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form.

The .pdf file contains your 'User ID' and your 'initial password'.

- ii. In case you have not registered your email address with the Company/ Depository, please follow instructions mentioned below in this notice.

6. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:
  - a) Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-voting will open.

#### Details on Step 2 are mentioned below:

How to cast your vote electronically on NSDL e-voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company, which is 114460
4. Now you are ready for e-voting as the Voting page opens
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### General Guidelines for shareholders

1. Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to [yvafics@gmail.com](mailto:yvafics@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on <https://www.evoting.nsdl.com> to reset the password.
3. In case of any grievances connected with facility for e-voting, please contact the Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. Email: [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in), Tel: 91 22 2499 4545/ 1800-222-990
4. Process for registration of email id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate for receipt of dividend:

Physical Holding	<p>Send a request to the Registrar and Transfer Agents of the Company, KFinTech at <a href="mailto:einward.ris@kavy.com">einward.ris@kavy.com</a> providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) for registering email address.</p> <p>Following additional details need to be provided in case of updating Bank Account Details:</p> <ol style="list-style-type: none"> <li>a) Name and Branch of the Bank in which you wish to receive the dividend,</li> <li>b) the Bank Account type,</li> <li>c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions</li> <li>d) 9 digit MICR Code Number, and</li> <li>e) 11 digit IFSC Code f) a scanned copy of the cancelled cheque bearing the name of the first shareholder</li> </ol>
Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

#### B. Instructions for members for attending the AGM through VC / OAVM are as under:

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting login credentials and

selecting the EVEN for Company's AGM.

2. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further Members can also use the OTP based login for logging into the e-voting system of NSDL.
3. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
4. Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990 or contact Mr. Amit Vishal, Senior Manager – NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in)/ 022-24994360 / +91 9920264780 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at [sagar.ghosalkar@nsdl.co.in](mailto:sagar.ghosalkar@nsdl.co.in)/ 022-24994553/ +91 9326781467.
5. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [cs@ifhsengg.com](mailto:cs@ifhsengg.com)/ [ss\\_kiran@ifhsengg.com](mailto:ss_kiran@ifhsengg.com) from September 22, 2020 (9:00 a.m. IST) to September 25, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

#### Other Instructions

1. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
  2. The result declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ifhsengg.com](http://www.ifhsengg.com) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.
18. Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.

## EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out material facts relating to the business under item no. 2 of the accompanying Notice dated September 3, 2020.

### Item No. 2:

In accordance with the provisions of Section 148 of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 ("the Rules") the Company is required to appoint a cost auditor to audit the cost records of the Company, for products and services, specified under Rules issued in pursuance to the above section. On the recommendation of the Audit Committee, the Board of Directors had approved the appointment of M/s. Narasimha Murthy & Co., Cost Accountants (Firm Registration No. 000042), as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2020-21, at a remuneration of Rs. 4,50,000 (Rupees Four Lacs Fifty Thousand only) plus applicable taxes and out of pocket expenses at actuals for travelling and boarding/ lodging.

M/s. Narasimha Murthy & Co., Cost Accountants, have furnished certificates regarding their eligibility for appointment as Cost Auditors of the Company. In accordance with the provisions of Section 148 of the Act read with the Rules, the remuneration payable to the cost auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for the aforesaid purpose.

The Directors recommend this resolution for approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, in the resolution set out at Item No. 2.

By order of the Board

For IL&FS Engineering and Construction Company Limited

Sd/-

**Sistla Srinivasa Kiran**

Place: Hyderabad

Company Secretary

Date: September 3, 2020

(Membership No. A27444)

Regd. Office:

IL&FS Engineering and Construction Company Limited

Door No: 8-2-120/113, Block B,

1st Floor, Sanali Info Park, Road No. 2,

Banjara Hills, Hyderabad – 500 034.

Website: [www.ilfsengg.com](http://www.ilfsengg.com)

CIN : L45201TG1988PLC008624

# DIRECTORS' REPORT

## The Members

### IL&FS Engineering and Construction Company Limited

Your Directors take pleasure in presenting the Thirty-first Annual Report along with the Audited Financial Statements for the Financial Year Ended March 31, 2020

#### (I) STANDALONE FINANCIAL RESULTS :

Your Company has adopted Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2017. Accordingly, the Standalone and Consolidated Financial Statements along with the comparatives for the year ended March 31, 2020 have been prepared in accordance with Ind AS prescribed under Section 133 of the Companies Act, 2013 read with Rules made thereunder.

#### I. FINANCIAL RESULTS :

(Rs in Crore)

Particulars	STANDALONE	
	FY 2020	FY 2019
Revenue from Operations	562.39	1239.14
Other Income	45.50	22.08
Share of Profit in Joint Ventures accounted for using the equity method	-	1.01
<b>Total Income</b>	<b>607.89</b>	<b>1262.23</b>
Profit / (Loss) before Interest, Depreciation, Exceptional Items and Tax	51.49	(58.67)
Less: Finance Cost	26.11	290.18
Profit before Depreciation, Exceptional Items and Tax	25.38	(348.84)
Less: Depreciation and Amortization Expenses	32.19	36.75
<b>Profit before Exceptional Items &amp; Tax</b>	<b>(6.81)</b>	<b>(385.59)</b>
Exceptional Item (Net)	399.45	1640.42
<b>Profit Before Tax</b>	<b>(406.26)</b>	<b>(2026.01)</b>
Provision for Tax	-	10.44
<b>Profit After Tax</b>	<b>(406.26)</b>	<b>(2036.45)</b>
Other comprehensive income/(loss) for the year	-	1.14
<b>Total Comprehensive Income for the year</b>	<b>(406.26)</b>	<b>(2035.31)</b>
<b>Paid up Equity Capital</b>	<b>131.12</b>	<b>131.12</b>
Earnings per share (in Rupees)		
- Basic	(30.98)	(155.31)
- Diluted	(30.98)	(155.31)

#### II. FINANCIAL PERFORMANCE REVIEW :

During the year ended March 31, 2020, your Company achieved a turnover of Rs 562.39 crore on standalone basis as against Rs 1,239.14 crore in FY 2019. The Net Profit/(Loss) for the year amounted to Rs. (406.26) crore as against Net Profit/(Loss) of Rs (2,036.45) crore in FY 2019.

#### III. DIVIDEND :

Due to accumulated losses of the Company from the previous years, your Directors express their inability to recommend any dividend for the year on Preference as well as on Equity Shares

#### IV. RESERVES :

No amount is recommended for transfer to Reserves of the Company for FY 2020.

#### V. THE STATE OF AFFAIRS OF THE COMPANY :

During the year under review, your Company has not bagged any orders. The Company already had orders worth Rs.1,615 crore (approx.) at the beginning of the year. Out of the total orders in hand, the unexecuted order value stands at Rs. 1370.22 crore (approx.) at the end of the year. The detailed position on the order book and financial performance of the Company was provided under Management Discussions & Analysis Report

IL&FS Engineering & Construction Co. Ltd. (IECCL) is part of the Infrastructure Leasing and Financial Services Limited ("IL&FS") group. The board of directors of IL&FS has been reconstituted pursuant to the orders passed by the National Company Law Tribunal, Mumbai Bench ("NCLT") in Company Petition No. 3638 of 2018 filed by the Union of India, acting through the Ministry of Corporate Affairs under Sections 241 and 242 of the Companies Act, 2013, as amended ("Companies Act") on the grounds

of mismanagement of public funds by the erstwhile board of IL&FS and the affairs of IL&FS being conducted in a manner prejudicial to the public interest.

Further, the National Company Law Appellate Tribunal ("NCLAT") by way of its order on October 15, 2018 ("Interim Order") in the Company Appeal (AT) 346 of 2018 by way of which the NCLAT, after taking into consideration the nature of the case, larger public interest and economy of the nation and interest of IL&FS and its group companies (including IECCL) has stayed certain coercive and precipitate actions against IL&FS and its group companies including IECCL. IL&FS and its group companies are currently undergoing resolution process under the aegis of the NCLAT and NCLT.

The developments at the IL&FS Group have had negative impact on IECCL and its brand equity. These developments severely impacted the ongoing projects and order book.

Your Company is having overseas Subsidiary, Maytas Infra Saudi Arabia (MISA), there being no employees at Saudi Arabia and the other partner being in the process of Government takeover, the accounts could not be finalized for the last 2 years.

The Board of Directors is hopeful of securing sizeable orders in the future and is confident of effective execution of the existing works in the order book, subject to approval of the Resolution Plan by all the stakeholders

#### **Covid 19:**

During March 2020, the COVID pandemic increased rapidly forcing Governments of most countries to enforce a lockdown of all activities. Heeding to the various guidelines issued in India by the Central and State Governments and abroad by various agencies on the Covid-19 pandemic, all establishments, offices & factories of the Company had shut down operations from March 25, 2020. Your Company immediately took several measures to ensure health and safety of its workers and other employees and thereafter, steps were taken to ensure business continuity of essential services including Security and IT lights-on operations. Special permissions were also taken for ensuring that very critical operations such as water supply business, dewatering in Metro projects, etc. continued with all the precautionary measures.. This response has reinforced customer confidence in IECCL and many of them have expressed their appreciation and gratitude for keeping their businesses running under most challenging conditions.

#### **VI. SHARE CAPITAL :**

During the year under review, there was no change in the share capital of the Company

##### **Shares held by Directors :**

None of the Directors of the Company holds any Shares or convertible instruments of the Company.

#### **VII. DEPOSITS :**

During the year under review, your Company had not accepted any deposit from public under Chapter V of the Companies Act, 2013

#### **VIII. DIRECTORS :**

The new Board members of Infrastructure Leasing and Financial Services Limited (IL&FS) with the powers to supersede the nominated board of IECCL, nominated the following as Directors on the Board of IECCL

Sl.No.	Name of the Director	Date of Appointment
1.	Mr Chandra Shekhar Rajan	October 25, 2018
2.	Mr Bijay Kumar	April 4, 2019
3.	Mr Dilip Lalchand Bhatia	December 24, 2018

During the year, Mr. Bijay Kumar was appointed as Additional Director on April 04, 2019 and all the above mentioned directors were appointed (regularized) as Non-executive Non-Independent Director in the 30th AGM of the Company held on December 30, 2019.

None of the Directors of the Company are inter-se related to each other

##### **Status on compliance of having Independent Directors and Women Directors on the Board of Directors of the Company**

As you are aware that the newly appointed directors of IL&FS, who exercise control, directly or indirectly, over the Company have been appointed by the National Company Law Tribunal ("NCLT") on the recommendation of Central Government, and are performing function similar to that of the independent directors by discharging an important public duty of resolving the financial problems and other issues. Further, NCLT via order dated April 26, 2019 ("April Order") has granted dispensation in relation to the requirement for appointment of independent directors and women directors in light of the difficulties faced by the new board of IL&FS. Further, please note that in April Order, NCLT has observed that the new directors nominated by the Central Government/Tribunal are independent directors and there is no requirement to appoint independent director during the pendency of stay order granted on October 15, 2018 by National Company Law Appellate Tribunal ("NCLAT") on the institution or continuation of suits or any other proceedings by any party/person/bank/company etc. against 'IL&FS' and its group companies in any Court of Law/Tribunal/Arbitration Panel or Arbitration Authority ("October Order").

Accordingly furnishing the details of declarations by the Independent Directors and Familiarization programme of Independent Directors does not arise

### Non-Executive Directors :

The Non-Executive Directors are entitled for sitting fee and the details of the same are as follows;

- |       |                               |   |                         |
|-------|-------------------------------|---|-------------------------|
| (i)   | Board Meeting                 | : | Rs 15,000/- per meeting |
| (ii)  | Audit Committee Meeting       | : | Rs 10,000/- per meeting |
| (iii) | Other Committees of the Board | : | Rs 5,000/- per meeting  |

Additionally, the actual out of pocket expenses incurred by the Non-Executive Directors for attending the meetings are also borne by the Company. Except as mentioned above, no other payments were made by the Company to Non-Executive Directors and the Company does not have any pecuniary relationship or transactions with the Non-Executive Directors. The details of amount paid to the Directors of the Company towards Sitting Fee are mentioned in the Form MGT-9 annexed to the Directors' Report as well as the Corporate Governance Section of this Annual Report

### Performance Evaluation :

In terms of the provisions of the Companies Act, 2013 and Listing Regulations, the Board of Directors of the Company had in its Meeting held on November 10, 2014 approved the policy on Performance Evaluation of the Board of Directors, which laid down the criteria for performance evaluation of Board of Directors, its Committees, Executive Directors, Independent Directors and Non-Executive Directors. Further, in terms of the provisions of Section 178 of the Companies Act, 2013 read with Companies Amendment Act, 2017, the Nomination and Remuneration Committee of the Board had decided that the evaluation of performance of the Board, its Committees, individual directors and the Chairman will be carried out by the Board of Directors as per the parameters evolved from the policy on Performance Evaluation of the Board of Directors. The Board of Directors evaluated the performance of its own, all its Committees, and Individual Directors (excluding the Director being evaluated) as satisfactory. The policy on performance evaluation is available on the website of the Company at <http://www.ilfsengg.com/html/policies/PerformanceEvaluationPolicy.pdf>

### Managerial Remuneration Policy :

In terms of the provisions of Section 178 of the Companies Act, 2013 read with Rules made thereunder and Regulation 19 of Listing Regulations, the Board of Directors of the Company had framed Managerial Remuneration Policy which includes the criteria for determining qualifications, positive attributes, independence of directors and other matters as specified under Section 178(3) of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of Listing Regulations. The policy is available on the website of the Company at <http://www.ilfsengg.com/html/policies.php>

## IX. KEY MANAGERIAL PERSONNEL :

In terms of the provisions of Section 203 of the Companies Act, 2013, the Board of Directors have designated Mr Kazim Raza Khan, Chief Executive Officer, Mr Naveen Kumar Agrawal, Chief Financial Officer and Mr Srinivasa Kiran Sistla, Company Secretary as the Key Managerial Personnel of the Company.

During the year/period, the following Key Managerial Personnel have resigned from the Company and the details of the same are as follows;

Sl.No.	Name of the Key Managerial Personnel	Effective Date of Resignation
1.	Ms Saheli Banerjee – CS	August 16, 2019
2.	Mr J Veerajulu – CS	January 20, 2020

During the year/period, the following Key Managerial Personnel were appointed and the details of the same are as follows;

Sl.No.	Name of the Key Managerial Personnel	Date of Appointment
1.	Mr Kazim Raza Khan – CEO	May 16, 2019*
2.	Mr J Veerajulu – CS	September 5, 2019
3.	Mr Sistla Srinivasa Kiran - CS	February 06, 2020

\*Mr. Kazim Raza Khan who was initially appointed as Manager on December 24, 2018 was re- designated as CEO of the Company w.e.f. May 16, 2019.

## (X) DIRECTORS RESPONSIBILITY STATEMENT :

In terms of Section 134 (5) of the Companies Act, 2013, the Board of Directors wish to state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis, however IL&FS and its group companies are currently undergoing resolution process under the aegis of the NCLAT and NCLT which will impact the going concern status of the Company;
- the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and