

**CORPORATE INFORMATION****BOARD OF DIRECTORS**

VIKRAM MANKAL	Managing Director & Chief Executive Officer
R. RAMAKRISHNAN	Director
MALKA KOMARAI AH	Director
K.N. NARAYANAN	Director
SUCHARITHA PARTHASARATHY	Director

**CHIEF FINANCIAL OFFICER**

A. SRIRAM

**COMPANY SECRETARY & COMPLIANCE OFFICER**

V. SRIRAMALAKSHMI

**REGISTRAR AND SHARE TRANSFER AGENTS**

Cameo Corporate Services Ltd  
Subramaniam Building  
#1 Club House Road  
Chennai - 600 002

**REGISTERED OFFICE**

Karunai Kudil,  
I Floor  
No. 226, Cathedral Road  
Chennai – 600 086  
Tel: + 91 44 - 28110252

**AUDITORS**

M/s Sreedhar, Suresh & Rajagopalan  
Chartered Accountants  
3-B, "Green Haven"  
New No. 26, Third Main Road,  
Gandhi Nagar, Adyar,  
Chennai - 600 020.

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**PREMIER ENERGY AND INFRASTRUCTURE LIMITED**

Registered Office: 1st Floor, Karunai Kudil, 226 Cathedral Road, Chennai 600 086

Phone No. 044-28110252, Fax 28110254 Email: premierinfra@gmail.com

Website: www.premierenergy.in

CIN: L45201TN1988PLC015521

**NOTICE**

**NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD AT 11 A.M ON WEDNESDAY THE 31<sup>ST</sup> DECEMBER, 2014 AT BHARATHIYA VIDHYA BHAVAN (MINI HALL – II Floor) 18,20,22, EAST MADA STREET, MYLAPORE, CHENNAI 600 004 TO TRANSACT THE FOLLOWING BUSINESS :**

**ORDINARY BUSINESS**

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

**“RESOLVED THAT** the Audited Balance Sheet as at 30th June, 2014, and the Statement of Profit and Loss of the Company for the year ended 30th June, 2014 together with the Directors’ Report and the Auditors Report thereon be and are hereby considered approved and adopted.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mrs. Sucharitha Parthasarathy (DIN 00942913), who retires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for five consecutive years from the date of this 22nd Annual General Meeting.”

**SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation made by the Audit Committee of the Board, M/s. S. H. Bhandari & Co., Chartered Accountants, bearing Firm Reg. No. 000438S be and are hereby appointed as the Statutory Auditors of the Company in the place of the retiring Auditors M/s. Sreedhar, Suresh & Rajagopalan, Chartered Accountants, bearing Firm Reg. No. 003957S who have not opted for re-appointment, to hold office from the conclusion of this Annual General Meeting until the conclusion of Twenty Seventh Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) and that the Board be and is hereby authorised to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

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

**RESOLVED THAT** pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. R Ramakrishnan (holding DIN 00809342), who was appointed as a Director liable to retire by rotation and in respect of whom the company has received a notice in writing from a member under Section 160 of the Companies Act, 2013,signifying the intention to propose Mr. R Ramakrishnan as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for Five (5) consecutive years with effect from 31st December, 2014, being the date of the 22nd Annual General Meeting, for a term up to the conclusion of the 27th Annual General Meeting of the Company, who is not liable to retire by rotation”.

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

**RESOLVED THAT** pursuant to the provisions of Sections 149,150, 152 and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. K N Narayanan (holding DIN 01543391), who was appointed as a Director liable to retire by rotation and in respect of whom the company has received a notice in writing from a member under Section 160 of the Companies Act, 2013,signifying the intention to propose Mr. K N Narayanan as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for Five (5) consecutive years with effect from 31st December, 2014, being the date of the 22nd Annual General Meeting, for a term up to the conclusion of the 27th Annual General Meeting of the Company, who is not liable to retire by rotation”.

By order of the Board

V. SRIRAMALAKSHMI  
Company Secretary

Place : Chennai  
Date : 6<sup>th</sup> September, 2014  
Regd. Office:  
I Floor, KARUNAI KUDIL,  
No. 226, Cathedral Road,  
Chennai - 600 086

**Notes:**

1. The relative explanatory statement of material facts pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business under items 3 to 5 as set out in the notice is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll only instead of him/ her. The proxy need not be a member of the company. A blank form of proxy is enclosed herewith and if intended to be used, it should be returned duly completed at the registered office of the company not later than forty eight hours before the scheduled time of the commencement of 22<sup>nd</sup> annual general meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder
4. The Register of Members and Share Transfer Books of the Company will remain closed from Monday the 29<sup>th</sup> December, 2014 to Wednesday the 31<sup>st</sup> December, 2014 (both days inclusive).
5. Members/Proxies should bring their Attendance slip duly completed for attending the meeting. The signature on the attendance slip should match with the signature(s) registered with the Depositories / Company / RTA, as the case may be. Members holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification.
6. The Register of Directors' Shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection of the Members at the venue of the Annual General Meeting.
7. The Register of Contracts or Arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM
8. The members are requested to address all the correspondences to the Registrar and Share Transfer Agents M/s Cameo Corporate Services Ltd, Subramanian Building, 1 Club House Road, Chennai 600 002.
9. The members whose shareholding is in electronic mode are requested to direct change of address, notifications and updates on bank account details, if any, to the respective depository participants.
10. The documents referred to in the proposed resolutions are available for inspection at the registered office of the company on all working days between 10 a.m. to 2 p.m. up to the date of the Annual General Meeting.
11. The company is concerned about the environment and utilises natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the communications via email.
12. As an economic measure, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of Annual Report to the meeting.



**13. Voting through electronic means**

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the members the facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL) on all resolutions set forth in this Notice:

The procedure and instructions for the same are as follows :

**E-VOTING INSTRUCTIONS:-**

- A. In case of members receiving e-mail:
- i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
  - ii) Click on **“Shareholders”** tab
  - iii) Now, select the **“COMPANY NAME”** from the drop down menu and click on **“SUBMIT”**
  - iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company. Next enter the Image Verification as displayed and Click on Login.
  - v) If you are holding shares in dematerialised form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.

If you are a first time user, follow the steps given below :

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.(Sequence number has been provided as SI No in the address label)</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. # Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- vi) After entering these details appropriately, click on **“SUBMIT”** tab.
- vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in dematerialised form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password can also be used by the members holding shares in dematerialised form for voting in respect of resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) In case of members holding shares in physical form, the details can be used only for e- voting on the resolutions contained in this Notice.
- ix) Click on the EVSN of the Company on which you choose to vote.
- x) On the voting page, you will see Resolution Description and against the same the option **“YES/NO”** for voting. Select the option YES or NO as desired. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.
- xi) Click on the Resolution file link if you wish to view the entire notice.

- xii) After selecting the resolution you have decided to vote on, click on **“SUBMIT”**. A confirmation box will be displayed. If you wish to confirm your vote, click on **“OK”**, else to change your vote, click on **“CANCEL”** and accordingly modify your vote.
- xiii) Once you **“CONFIRM”** your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take out a print out of the voting done by you by clicking on **“Click here to print”** option on the Voting page.
- xv) If dematerialized account holder has forgotten the same password then Enter the User ID and the image verification code and click on **Forgot Password** & enter the details as prompted by the system.
- xvi) Note for Institutional Shareholders
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created who would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- B. In case of members receiving the physical copy of Notice of AGM(for members whose email Ids are not registered with the company/ depository participant(s) or requesting physical copy)
- a. Please follow all the steps above to cast vote.
  - b. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQs) and e-voting manual available at [https:// www.evotingindia.co.in](https://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

Other Information:

- (i) The e-voting period commences on Monday, 22nd December, 2014 (10.00 A.M. IST) and ends on Wednesday, 24th December, 2014 (5.30 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 1st December, 2014 may cast their vote electronically.
- (ii) The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by a Member, he shall not be allowed to change it subsequently.
- (iii) The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on 1st December, 2014.
- (iv) M/s.R.Sridharan & Associates, Company Secretaries, Chennai has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (v) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against forthwith to the Chairman of the Company.
- (vi) Voting is provided to the members through e- voting and at the annual general meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
- (vii) If a Member casts votes by both modes, then voting done through e-voting shall prevail.

The results shall be declared not later than two days from the date of Annual General Meeting (AGM) of the Company.

The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.premiereenergy.in](http://www.premiereenergy.in) and on the website of CDSL within forty eight hours of AGM and communicated to the BSE Limited, where the shares of the Company are listed.

By order of the Board

V. SRIRAMALAKSHMI  
Company Secretary

Place : Chennai

Date : 6<sup>th</sup> September, 2014

Regd. Office:

I Floor, KARUNAI KUDIL, No. 226, Cathedral Road, Chennai - 600 086



## **STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

### **ITEM No. 3**

The retiring auditors, M/s. Sreedhar, Suresh & Rajagopalan, Chartered Accountants, Chennai, have not opted for re-appointment and a special notice in terms of the provisions of Section 140(4)(i) of the Companies Act, 2013 has been received from a Shareholder of the Company for the appointment of M/s. S. H. Bhandari & Co., Chartered Accountants, Chennai, as the statutory auditors in the place of the retiring auditors Messrs. Sreedhar, Suresh & Rajagopalan, Chartered Accountants, Chennai.

As per the requirements of the Companies Act, 2013 ('the Act'), M/s. S. H. Bhandari & Co., Chartered Accountants, have confirmed that their appointment if made would be within the limits specified under Section 141(3)(g) of the Act and they are not disqualified to be appointed as statutory auditors.

Their appointment has been proposed for a period of five years commencing from the current Annual General Meeting till the conclusion of the Twenty Seventh Annual General Meeting subject to approval of the shareholders.

A copy of the special notice shall be made available for inspection at the Registered Office of the Company on all working days between 10 a.m. to 2 p.m. up to the date of the Annual General Meeting and will also be placed before the meeting.

The Directors recommend the Resolution set out under Item No. 3 of the Notice for approval of the shareholders.

### **Memorandum of Interest**

None of the Directors or Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise in the resolution.

### **ITEM No. 4 & 5**

Messrs. R Ramakrishnan and K N Narayanan are Non-Executive Independent Directors of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Messrs. R Ramakrishnan and K N Narayanan being eligible are proposed to be appointed as Independent Directors for Five (5) consecutive years with effect from 31st December, 2014, being the date of the 22nd Annual General Meeting, for a term up to the conclusion of the 27th Annual General Meeting of the Company.

The Company has received the requisite consent and disclosure forms from the above Directors. The Company has also received notices under Section 160 of the Act, along with a deposit of Rs.1,00,000/- in respect of each of the above Directors from member(s) proposing their respective appointments.

In the opinion of the Board, Messrs. R Ramakrishnan and K N Narayanan fulfill the conditions specified in the Act for their appointments as Independent Directors of the Company and are independent of the management. Copies of the draft letter of appointment of the above Directors as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day up to the date of the AGM. The profile of the Directors is provided in the Annual Report and the information under clause 49 is provided in the annexure.

The Board considers that the continued association of Messrs. R Ramakrishnan and K N Narayanan would be of immense benefit to the Company and hence it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends each of the Resolutions in relation to the appointment of Directors for approval by the Shareholders of the Company.

### **Memorandum of Interest**

Messrs. R Ramakrishnan and K N Narayanan are deemed to be interested in their respective appointments. No other Director or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise in the aforesaid Ordinary Resolutions detailed in the item Nos.4 & 5 of the Notice and the Board recommends the Resolutions set forth herein for approval of the members.

By order of the Board

V. SRIRAMALAKSHMI  
Company Secretary

Place : Chennai  
Date : 6<sup>th</sup> September, 2014

Regd. Office:  
I Floor, KARUNAI KUDIL,  
No. 226, Cathedral Road,  
Chennai - 600 086

## DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AS AN INDEPENDENT DIRECTOR AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Clause 49 (IV)(G) of the Listing Agreement)

### Profile of the Directors seeking Re-appointment

Mrs. Sucharitha Parthasarathy is a fellow member of the Institute of Chartered Accountants of India. She has been a Chartered Accountant in Practice for more than a decade. Channeling through her proprietary concern, she built up her expertise in Statutory Audit, Personal Taxation, Company Law, Project Finance and Merchant Banking. She has varied exposure and experience in Financial Management, Company Law & Affairs, Financial Services, Secretarial Matters, Land Management and Legal Affairs. She has handled a diverse portfolio of responsibilities ranging from managing a software venture to the finance & compliance function. She joined the Board of Directors of the Company on 14<sup>th</sup> December 2011.

She is Member of the following committees.

1. Audit committee
2. Stakeholders Relationship Committee

Details of other Directorships and other Committee Memberships in other companies are as under:

1. Vaata Infra Limited	Managing Director
2. Vaata Wind Energy Private Limited	Director
3. Kaavanoor Energy Products Private Limited	Director
4. Greenergy Research Private Limited	Director

### **R Ramakrishnan – Non Executive Independent Director**

He is a Member of the following committees.

1. Audit committee
2. Stakeholders Relationship Committee.

Details of other Directorships and other Committee Memberships in other companies are as under:

1. Madras Race Club	Director
2. Swetha Enterprises Private Limited	Managing Director
3. Ennore Coke Limited	Director
4. Simply Sofas Private Limited	Director
5. Stanley Boutique Private Limited	Director
6. TVS Motor Company Limited	Director
7. Designo India Furnitures Private Limited	Director
8. Designo Life Style Solutions Private Limited	Director
9. TVS Credit Services Limited	Director
10. Haldia Coke And Chemicals Private Limited	Director
11. Thansa Inspirations Private Limited	Director
12. Cantata Home Furnitures Private Limited	Director
13. Thansa Home Furnitures Private Limited	Director
14. Asia Coke Limited	Director
15. PT TVS Motor Indonesia	Commissioner

### **K N Narayanan – Non Executive Independent Director**

He is a Member of the following committees.

1. Audit committee
2. Stakeholders Relationship Committee.

Details of other Directorships and other Committee Memberships in other companies are as under:

1. Parkins Management Services Private Limited	Director
2. EMAS Engineers & Contractors Private Limited	Director
3. Kumbhat & Co	Partner



## DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the Twenty Second Annual Report along with the Audited Accounts for the financial year ended 30<sup>th</sup> June, 2014.

The performance of the Company for the year ended 30<sup>th</sup> June, 2014 is summarized below :

(Rs. in Lacs)

	Consolidated		Standalone	
	2013-14	2012-13	2013-14	2012-13
Sales	<b>14622.60</b>	16378.30	<b>3373.95</b>	3912.71
Other Income	<b>20.29</b>	2262.52	<b>18.56</b>	476.54
Profit / (Loss) before Depreciation, Interest and Tax	<b>2724.55</b>	2923.37	<b>652.94</b>	1073.85
Interest	<b>1454.75</b>	1420.56	<b>56.39</b>	33.19
Depreciation	<b>293.73</b>	343.60	<b>1.37</b>	2.20
Profit (Loss) before Tax	<b>976.07</b>	1159.21	<b>595.18</b>	1038.46
Less : Provision for Tax	<b>312.87</b>	433.37	<b>195.61</b>	343.37
Less : Provision for Deferred Tax	<b>(13.62)</b>	9.83	<b>(13.62)</b>	2.19
Minority Interest	<b>42.41</b>	12.13	-	-
Profit carried to Balance Sheet	<b>634.41</b>	703.88	<b>413.19</b>	692.90

### PERFORMANCE REVIEW

The Consolidated Sales for the year under review stands at Rs. 14622.60 lacs as against Rs. 16378.30 lacs in the previous year. While the Standalone Turnover for the year is Rs. 3373.95 lacs as compared to Rs. 3912.71 lacs in the previous year. With potential for infrastructure projects increasing, the construction business will see a boost in the current year and coming years.

### Business Highlights

There was a delay in taking up the second phase of the Tadipatri Project from the customer's side and it is expected that the same will be completed by December 2015. The company executed some small construction projects on back to back basis using sub contractors. Your company is negotiating for a large construction project in Sri Lanka for construction of 5000 units. The company is also negotiating for an investment in Municipal Solid Waste Project in Karnataka.

### Depository System

Your Company's Equity Shares are available in dematerialised form through National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As per the Securities and

Exchange Board of India (SEBI) Circular No: Cir/ISD/3/2011 dated June 17, 2011 on "Trading rules and shareholding in dematerialized mode", all the Listed Companies were required to achieve 100% of the promoters and promoter group's holding in dematerialized form within the prescribed time limit. Accordingly, the shares held by the promoters of your Company were held 100% in electronic mode as at 30th June, 2014. 87.84% of the Equity Shares of the Company were held in demat mode as at 30th June, 2014.

### Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, in terms of Clause 49 of the Listing Agreement with the Stock Exchanges is reproduced in a separate section elsewhere in the Annual Report.

### CEO / CFO Certification

Mr. Vikram Mankal, Managing Director & Chief Executive Officer and Mr. A. Sriram, Chief Financial Officer have given a Certificate to the Board as required in Clause 49 (V) of the Listing Agreement.

### Consolidated Financial Statements

In accordance with Accounting Standard AS - 21 on Consolidated Financial Statements issued by the Institute

of Chartered Accountants of India, the Audited Consolidated Financial Statements are provided as a part of this Annual Report.

The Ministry of Corporate Affairs, Government of India has vide Circular No: 2 /2011 dated February 8, 2011 granted general exemption, subject to the fulfilment of certain conditions, from attaching the Balance Sheet of the Subsidiaries to the Balance Sheet of the Company without obtaining prior approval from the Central Government for such exemption. Accordingly, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. Financial Information of the subsidiary companies are disclosed elsewhere in the Annual Report. The Annual Accounts of these subsidiaries and related detailed information will be made available for inspection to any member of the Company at the Registered office of the Company.

### SUBSIDIARY COMPANIES

As at 30th June, 2014, your Company had a total of 3 subsidiaries and 2 step down subsidiaries. The following are the details of the subsidiaries, step down subsidiaries of your Company.

### SUBSIDIARY/STEP DOWN SUBSIDIARY COMPANIES EMAS ENGINEERS AND CONTRACTORS PRIVATE LIMITED

EMAS is engaged in the business of Civil and Electro Mechanical contracting. The business portfolio of EMAS includes construction of residential buildings and commercial establishments. It has carried out projects in states of Tamil Nadu, Karnataka and Andhra Pradesh. Financial Highlights of EMAS for 2013-14 are as under:

(Rupees in Lacs)

Particulars	2013-14
Sales & Other Income	1096.82
Equity Capital	1202.40
Reserves & Surplus	3286.42
Earnings per share	0.64

### RCI POWER LIMITED & RCI POWER (AP) LIMITED

These are the Companies that hold land on which Wind Farm is being developed. Further, RCI Power Limited has two subsidiaries.

- i) RCI Windfarm 30MW Private Limited and
- ii) RCI Windfarm 50 MW Private Limited

### Dividend

Considering the significant expansion plans and implementation of the same your Company requires substantial investments and hence the Board of Directors finds it prudent not to recommend declaration of dividend for the year.

### Deposits

The Company has not accepted any deposits during the financial year.

### Directors

Mrs. Sucharitha Parthasarathy retires by rotation at the ensuing Annual General Meeting and she being eligible, offers herself for election for a period of 5 years as an independent director.

In accordance with the provisions of Section 149 the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation. Accordingly, resolutions proposing appointment of Independent Directors form part of the Notice of the Annual General Meeting.

### Changes during the year

Mr. Rajesh Devarajan stepped down as Director, The Board places on record its appreciation for the contribution made by him during his tenure of office.

Ms. V. Sriramalakshmi has been appointed as Company Secretary & Compliance officer with effect from 13th May, 2014 subsequent to the resignation of Ms. Rohini Ramanathan from the post of Secretary & Compliance officer with effect from 25th January, 2014.

### Directors' Responsibility Statement

Your directors confirm:

- (i) That in the presentation of the Annual Accounts for the year ended 30th June 2014, the applicable accounting standards have been followed.
- (ii) That they had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th June 2014 and of the profit of the Company for the year ended on that date ;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities ; and
- (iv) That they had prepared the annual accounts of the Company on a 'going concern' basis.



**Auditors and Auditors Report**

M/s. S. H. Bhandari & Co., Chartered Accountants, bearing Firm Reg. No. 000438S are proposed to be appointed as the Statutory Auditors of the Company in the place of the retiring Auditors M/s. Sreedhar, Suresh & Rajagopalan, Chartered Accountants, bearing Firm Reg. No. 003957S who have not opted for re-appointment.

The Company has received a letter from M/s S. H. Bhandari & Co., Chartered Accountants to the effect that their appointment, if made, would be within the prescribed limits under the Companies Act, 2013 and that they are not disqualified for appointment.

**Accounting Year**

With the introduction of the new Companies Act, 2013 effective from 1st April 2014 it has become mandatory for the companies to have uniform financial year i.e. from April to March. Our company will also fall in line with the new Companies Act and in view of this the financial year for 2014-15 will be for a period of 9 months i.e. from July 2014 to March 15.

**Energy conservation, technology absorption and foreign exchange earnings and outgo**

The Company has no activities, relating to conservation of energy or technology absorption during the year under

review. The out go on expenditure in foreign currency on account of travel was Rs. 3,86,881/-.

**Particulars of Employees**

There were no employees covered under sub-section 2A of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended vide Notification No.GSR 289 (E) dated 31st March, 2011.

**Acknowledgement and Appreciation**

Your Directors wish to express their appreciation for the assistance, support and cooperation extended by the bankers, Shareholders, Customers and suppliers. The Directors also wish to place on record their appreciation to all employees of the company for their contribution.

For and on behalf of the Board

**Vikram Mankal**  
Managing Director & C.E.O.

**K.N. Narayanan**  
Director

Place : Chennai

Date : 6<sup>th</sup> September, 2014

## MANAGEMENT DISCUSSION AND ANALYSIS FY - 2013-14

### COMPANY OVERVIEW

Premier Energy and Infrastructure Limited (PEIL) is focused on the construction, housing development and energy sector and has executed several projects in the states of Tamil Nadu, Karnataka and Andhra Pradesh. PEIL undertook estate development projects with business focus on residential and commercial developments. PEIL has completed more than 20 projects in residential and construction space with a built up area of around 9.50 Lakhs Square feet.

PEIL, further has expanded to the sector of developing infrastructural facilities in the Power generation.

There was a delay in taking up the second phase of Tadipatri Project from the customer's side and now it is expected to be completed by December 2015.

### INDUSTRY OVERVIEW

The Government is focusing on development of Infrastructure and Energy sectors. The 12<sup>th</sup> Planning commission has projected huge investment for the infrastructure sector with lot of funds coming from the private sector as well. Hence the opportunity in areas of Energy and Infrastructure is expected to be encouraging.

### SWOT ANALYSIS

#### Strengths

- PEIL, is also a developer of renewable energy power plants in India based on aggregate installed capacity.
- Operates in the rapidly growing renewable energy sector, which benefits from increasing demand for electricity and regulatory support.
- Experienced management and operating team with relevant industry knowledge and expertise.

#### Weakness

- Revenues from our business of renewable power generation are exposed to market based electricity prices.
- We are also susceptible to any delay in execution or escalation in cost by sub-contractors executing our projects and these delays or cost escalations may make new energy projects too expensive to complete or unprofitable to operate.
- Development activities and operations through third party developers, over which we may not have full control.
- The SEBs that we deal with may face challenges on financial viability and hence may delay or defer payments.

### Opportunities

- The gap between demand and supply for power in the country presents a large and lucrative business opportunity that is expected to sustain for a number of years
- There is large amount of interest in renewable energy generation and the benefits lead to premium pricing.

### Threats

- We face constraints to expand our renewable energy business due to unavailability of suitable operating sites, which are in limited supply.
- Our business is governed by a tight regulatory mechanism across various regions that we operate and any negative impact due to change in regulations could affect the viability of the business.

### RISKS AND CONCERNS

#### Industry Risks – Housing Sector

Due to increased demand for land for development of residential and commercial properties, we are experiencing increasing competition in acquiring land in various geographies where we operate or propose to operate. In addition, the unavailability or shortage of suitable parcels of land for development leads to an escalation in land prices. Any such escalation in the price of developable land could materially and adversely affect our business, prospects, financial condition and results of operations. Additionally, the availability of land, its use and development, is subject to regulations by various local authorities. For example, if a specific parcel of land has been delineated as agricultural land, no commercial or residential development is permitted without the prior approval of the local authorities

#### Industry Risks – Renewable Power Generation Sector

The company is exposed to typical industry risk factors including competition, regulatory environment and liquidity risks. The company tries to manage these risks by maintaining conservative financial policies and by adopting prudent risk management practices.

#### Regulatory environment risk – Housing Sector

The present Government of India has announced its general intention to continue India's current economic and financial sector liberalization and deregulation policies. However, there can be no assurance that such policies will be continued and a significant change in the Government of India's policies in the future could affect business and economic conditions in India and could also adversely affect our business, prospects, financial condition and results of operations.



**Regulatory environment risk – Renewable Power Generation Sector**

The Company is in a business which is dependent in a major way on regulatory policies as well as pricing. Any adverse change in the regulatory policy framework could impact the company's operations and financial results.

Besides the above risks, the Company has perceived risks arising from delay in execution of projects and delivery of products and services and these could arise due to external factors like lack of infrastructure and non availability of finance and resources at reasonable costs.

**INTERNAL CONTROLS**

The company has adequate internal control systems commensurate within its size and nature of business. The Management has overall responsibility for the Company's internal control system to safeguard the assets, usage of resources, compliance with applicable laws & regulations and to ensure reliability of financial records.

**MANAGEMENT'S RESPONSIBILITY STATEMENT**

The management is responsible for preparing the company's consolidated financial statements and related information that appears in this annual report. It believes that these financial statements fairly reflect the form and substance of transactions, and reasonably represent the company's financial condition and results of operations in conformity with Indian Generally Accepted Accounting Principles.

**FINANCIAL PERFORMANCES WITH RESPECT TO OPERATIONS**

**Income from Operations:** Consolidated revenues for the year ended 30<sup>th</sup> June 2014 were Rs. 146.22 crores as against Rs. 163.78 crores in the previous year.

	Rs. In Crores	
Consolidated	2013-14	2012-13
Revenue	<b>146.43</b>	186.41
Materials consumed	<b>107.25</b>	140.67
Employee benefit Expenses	<b>5.84</b>	7.32
Other Expenses	<b>6.10</b>	9.18
Finance Cost	<b>14.55</b>	14.21
Depreciation	<b>2.93</b>	3.44
Total Expenditure	<b>136.67</b>	174.82
Tax	<b>2.99</b>	4.43
Net Profit	<b>6.77</b>	7.16

**NETWORTH:** The Networth of the company as on 30<sup>th</sup> June 2014 197.62 crores as against 191.27 crores as on 30<sup>th</sup> June 2013.

**HUMAN RESOURCES**

Our Human resources are a very valuable asset for our Company and employee involvement is encouraged and harnessed towards attainment of the Company's goals. A good pool of human resources is the biggest competitive advantage of PEIL.

The company is planning to employ senior professionals to add to the human capital which is the main contributor for the growth of business.

## CORPORATE GOVERNANCE GUIDELINES

Corporate governance is a set of systems and practices to ensure corporate fairness, transparency and accountability in the various transactions of the Company. The corporate governance structure specifies the distribution of rights and responsibilities of the Board, Managers, Shareholders and other Stakeholders, and spells out the rules and procedures for making decisions on corporate affairs. The fundamental concept of Corporate Governance is to ensure the conditions whereby a Company's Directors and Managers act in the interests of the Company and its various Stakeholders.

The Company is committed to achieve and maintain fair, transparent and ethical governance practices. The Board supervises the functioning of the management and protects the long-term interests of all stakeholders of the Company. The majority of our Board comprises of independent Directors. We have Audit Committee, Remuneration Committee, and Share Transfer & Investors Grievance Committee comprising of the Members of the Board that reviews periodically the matters that fall under its terms of reference.

### 1) BOARD OF DIRECTORS

#### Size and composition of the Board

Name of Director	Position	Relationship with other directors	Directorships held as on 30 <sup>th</sup> June, 2014	Member in Committees - Position held
Mr. R. Ramakrishnan	Director	None	14	1
Mr. Vikram Mankal	Managing Director & C.E.O	None	1	-
Mr. K.N. Narayanan	Director	None	2	-
Mr. Rajesh Devarajan (resigned)	Director	None	-	-
Ms. Sucharitha P	Director	None	4	2
Mr. Malka Komaraiah	Director	None	12	-

None of the Directors on the Board is holding Directorships in more than 20 Companies, which also includes alternate directorships. They have also confirmed that they are not holding directorships in not more than 20 companies (including private companies that are either holding or subsidiary of a public company).

The Independent Directors have confirmed that they satisfy the 'criteria of independence' as stipulated in the amended Clause 49 of the Listing Agreements.

Changes in the composition of the Board during the year.

Mr. Rajesh Devarajan stepped down as Director, The Board places on record its appreciation for the contribution made by them him during their his tenure of office.

Ms. V. Sriramalakshmi has been appointed as Company Secretary & Compliance officer with effect from 13th May, 2014 subsequent to the resignation of Ms. Rohini Ramanathan from the post of Company Secretary & Compliance officer with effect from 25th January, 2014.

#### Number of Board meetings held and the dates on which held

Five Board meetings were held during the year as against the minimum requirement of four meetings. The Board Meetings were held on 06<sup>th</sup> September, 2013, 11<sup>th</sup> September, 2013, 18<sup>th</sup> November, 2013, 20<sup>th</sup> February, 2014 and 13<sup>th</sup> May, 2014.

The Company has held at least one Board Meeting in every three months and the maximum time gap between any such two Meetings was not more than four months.



The Attendance particulars of the Directors at the Board Meetings and at the previous Annual General Meeting is as under

<b>Name of Director</b>	<b>Attendance at the Previous Annual General Meeting</b>	<b>No. of Board Meetings</b>
Mr. R. Ramakrishnan	Yes	3
Mr. Vikram Mankal	Yes	5
Mr. K.N. Narayanan	Yes	5
Mr. Rajesh Devarajan (resigned)	No	3
Ms. Sucharitha P	Yes	3
Mr. Malka Komaraiah	No	Nil

### **Membership Terms**

The Board periodically recommends the Shareholders about re-appointments as per statue and the provisions of the Companies Act, 2013 requires the retirement of one third of the Board Members (who are liable to retire by rotation) to retire at every Annual General Meeting and eligible for re-appointment.

### **Compensation Policy**

The Remuneration Committee determines and recommends to the Board, the compensation payable to the Executive Directors. All Board-level compensation is approved by the Shareholders, and separately disclosed in the financial statements.

## **2) COMMITTEES OF THE BOARD**

The Board is responsible for constituting, reconstituting, appointing Committee Members and also defining its Charters.

The Chairman of the Committee or Members in consultation with the Company Secretary, determine the frequency and duration of the Committee Meetings.

Details of the Committees of the Board and other related information are provided hereunder :

### **Audit Committee**

Our Audit Committee comprises three Independent Directors.

1. R. Ramakrishnan - Member
2. K.N. Narayanan - Member
3. Sucharitha P - Member

Quorum : The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the Audit Committee whichever is higher.

### **Audit Committee Attendance for the Meetings held for the Financial year 2013-14**

Four Audit Committee meetings were held during the year. These were held on 06<sup>th</sup> September, 2013, 18<sup>th</sup> November, 2013, 20<sup>th</sup> February, 2014 and 13<sup>th</sup> May, 2014.

<b>Members</b>	<b>No. of Meetings Attended</b>
Mr. R. Ramakrishnan	2
Mr. K.N. Narayanan	4
Mr. Rajesh Devarajan (resigned)	2
Ms. Sucharitha Parthasarathy	2

**Stakeholder Relationship Committee:**

The Stakeholder Relationship Committee comprises three Independent Directors.

1. R. Ramakrishnan - Member
2. K. N. Narayanan - Member
3. Sucharitha P - Member

The Company has appointed Ms. V. Sriramalakshmi, as the Compliance Officer.

Quorum : The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the committee whichever is higher.

**Stakeholder Relationship Committee Attendance for the Meetings held for the Financial year 2013-14**

Four Stakeholder Relationship Committee meetings were held during the year. These were held on 6<sup>th</sup> September 2013, 18<sup>th</sup> November, 2013, 20<sup>th</sup> February 2014 and 13<sup>th</sup> May 2014.

Members	No. of Meetings Attended
Mr. R. Ramakrishnan	2
Mr. K. N. Narayanan	4
Ms. Sucharitha Parthasarathy	2

**Nomination & Remuneration Committee**

The Nomination & Remuneration Committee comprises three independent directors.

1. Mr. R. Ramakrishnan - Member
2. Mr. K.N.Narayanan - Member
3. Mr. M Komaraiah - Member

The quorum of the meeting of the committee shall be either two members or one third of the total number of members of the committee whichever is higher.

Brief Charter of the Committee is as under

1. To fix and finalise remuneration including salary, perquisites, benefits, bonuses, allowances, etc.;
2. Fixed and performance linked incentives along with the performance criteria;
3. Increments and Promotions;
4. Service Contracts, notice period, severance fees; and
5. Ex-gratia payments.

During the year, the Nomination & Remuneration Committee was not required to meet since there were no items during the year that necessitated the approval of the remuneration Committee.

**Non-Executive Directors**

Remuneration by way of Sitting Fees is paid to all Non-executive Directors at Rs. 5,000/- for attending each Meeting of the Board.

Particulars of Sitting Fees including for attending the Board / Committee Meeting paid to Non-Executive Directors during the financial year 2013-14 are as follows:-

Name	Sitting fees paid for Board meetings (Rs.)
Mr. R. Ramakrishnan	15,000
Mr. K.N.Narayanan	25,000
Ms. Sucharitha Parthasarathy	15,000
Mr. Rajesh Devarajan (resigned)	15,000
Mr. Malka Komaraiah	-



**3) CODE OF CONDUCT**

The Board has laid down “Code of Conduct” (Code) for all the Board members and the Senior Management of the Company. A declaration to this effect signed by the Managing Director and C.E.O. is forming part of the Corporate Governance Report.

**4) GENERAL BODY MEETINGS**

The location and time where the last three Annual General Meeting held are given below:-

<b>For the year ended</b>	<b>Venue</b>	<b>Day and Date</b>	<b>Time</b>
30 <sup>th</sup> June, 2013	Bharatiya Vidya Bhavan (Mini Hall) East Mada Street, Mylapore, Chennai- 600 004	Tuesday, 31 <sup>st</sup> December, 2013	11.00 A.M.
30 <sup>th</sup> June, 2012	Bharatiya Vidya Bhavan (Mini Hall) East Mada Street, Mylapore, Chennai- 600 004	Wednesday, 12 <sup>th</sup> December, 2012	11.00 A.M.
30 <sup>th</sup> June, 2011	Bharatiya Vidya Bhavan (Mini Hall) East Mada Street, Mylapore, Chennai- 600 004	Wednesday, 14 <sup>th</sup> March, 2012	11.00 A.M

Details of Special Resolution passed during the last three Annual General Meeting

<b>Date of AGM</b>	<b>Whether any Special Resolution was passed</b>	<b>Particulars</b>
14 <sup>th</sup> March, 2012	Yes	Appointment of Mr. Vikram Mankal as the Managing Director and C.E.O of the Company for a period of three years from 14 <sup>th</sup> February, 2012 to 13 <sup>th</sup> February, 2015 on a remuneration of Rs. 24,00,000 p.a under Section 269 read with Schedule XIII of the Companies Act, 1956.

**Postal Ballot**

No special resolution was passed through Postal Ballot during the Financial Year 2013-14. None of the businesses proposed to be transacted at the ensuing Annual General Meeting requires passing of special resolution through Postal Ballot.

**5) OTHER DISCLOSURES**

- a) A Management Discussion and Analysis report highlighting individual businesses has been included in the Annual Report.
- b) There were no materially significant related party transactions, with Directors/Promoters/Management which had potential conflict with the interests of the Company at large. Transactions with the related parties are disclosed in Note 34 to the accounts in the Annual Report.
- c) The Managing Director and Chief Executive Officer (MD & C.E.O) and the Chief Financial Officer (CFO) have certified to the Board in accordance with Clause 49 (v) of the Listing Agreement pertaining to CEO/CFO certification for the Financial year ended 30th June, 2014.
- d) There were no instances of non compliance on any matter relating to capital market during the last three years.
- e) Details of information on appointment of new directors / re appointment of directors  
A brief resume, nature of expertise in specific functional areas, number of equity shares held in the Company by the Director or by other person on a beneficial basis, names of companies in which the person already holds directorship, membership of committees of the Board and the relationship with other directors, forms part of the Notice convening the Twenty Second Annual General Meeting.

## 6) COMPLIANCE WITH CORPORATE GOVERNANCE NORMS

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. The Company has submitted the compliance report in the prescribed format to the stock exchanges for all the quarters including the quarter ended 30th June, 2014.

CS. R. Sridharan, of M/s R. Sridharan & Associates, Company Secretaries, Chennai has certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreements with the Stock Exchanges. The said certificate is annexed to the this Report. .

The Ministry of Corporate Affairs, Government of India, has issued in December 2009 Corporate Governance Voluntary Guidelines, 2009. While the Board welcomes the issue of these guidelines intended for better governance of corporates, introduction of the recommended measures will be considered carefully at the appropriate time.

## 7) MEANS OF COMMUNICATION

1. The Unaudited Standalone Quarterly Results are published in the pro forma prescribed by the Stock Exchanges, in English newspaper and Tamil newspaper in News Today and Malai Chudar respectively.
2. The Annual Financial Results of the Company are also communicated in the prescribed pro forma to the Stock Exchanges and also published in the newspapers
3. The financial results of the Company are displayed on the Company's website -[www.premierenergy.in](http://www.premierenergy.in)

### **Management Discussion and Analysis**

A Management Discussion and Analysis forms part of the Directors Report.

### **Green Initiative**

In support of the Green Initiative undertaken by the Ministry of Corporate Affairs, the Company had during the previous year sent communication to all the shareholders of the Company requesting the shareholders to register their e-mail address with the company for supporting the Go Green initiative.

Your company strongly urges you to support the Green Initiative by giving positive consent by registering / updating your email addresses with the Depository Participants or the Registrar and Share Transfer Agents for receiving soft copies of various communications including Annual Reports.



**GENERAL SHAREHOLDER INFORMATION**

**Registered Office**

Karunai Kudil, I Floor, No. 226, Cathedral Road, Chennai – 600 086.

**Annual General Meeting**

Day	Date	Time	Venue
Wednesday	31 <sup>st</sup> December, 2014	11.00 A.M.	Bharathiya Vidhya Bhavan (Mini Hall), II Floor, East Mada Street, Mylapore, Chennai - 600 004

**Tentative Financial Calender**

Annual General Meeting	
Financial reporting for the 01 <sup>st</sup> Quarter ending 30 <sup>th</sup> September, 2014	On or before 14 <sup>th</sup> November 2014
Financial reporting for the 02 <sup>nd</sup> Quarter ending 31 <sup>st</sup> December 2014	On or before 14 <sup>th</sup> February 2015
Financial reporting for the 03 <sup>rd</sup> Quarter ending 31 <sup>st</sup> March 2015	On or before 14 <sup>th</sup> May 2015
Financial reporting for the year ended 30 <sup>th</sup> June, 2015	On or before 30 <sup>th</sup> August 2015

**Financial Year**

The Financial year for 2014-15 will be for a period of 9 months i.e. from 1st July, 2014 to 31st March 2015.

**Book Closure**

Monday 29<sup>th</sup> December 2014 to Wednesday 31<sup>st</sup> December, 2014 (both days inclusive)

**LISTING ON STOCK EXCHANGES AND STOCK CODE**

**Equity Shares**

STOCK EXCHANGES	STOCK CODE
BSE Limited	533100

The Company's Equity shares are traded in Group 'B' category in the BSE Limited.

**MARKET PRICE DATA**

Month	Bombay Stock Exchange Limited (in Rs.)	
	High	Low
JULY - 2013	17.70	16.05
AUGUST - 2013	15.95	12.40
SEPTEMBER- 2013	15.75	11.83
OCTOBER - 2013	15.00	12.25
NOVEMBER- 2013	14.09	11.60
DECEMBER- 2013	15.29	10.97
JANUARY - 2014	16.35	14.80
FEBRUARY - 2014	15.00	14.10
MARCH - 2014	14.05	7.73
APRIL - 2014	10.08	7.50
MAY - 2014	14.75	9.55
JUNE - 2014	18.34	11.00

**REGISTRAR AND SHARE TRANSFER AGENT**

**Members are requested to correspond with the Company's Registrar & Share Transfer Agent-**

**Cameo Corporate Services Limited**

1, Subramanian Building, Club House Road,  
CHENNAI 600 002

Tel: +91 044 - 2846 0084/0395

Fax: +91 044 - 28460129

Email: [cameo@cameoindia.com](mailto:cameo@cameoindia.com)

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

Contact Person: Mr. R. D. Ramaswamy

SEBI Registration Number: INR000003753

**REGISTRAR AND SHARE TRANSFER AGENT****Share Transfer and Investor Service System**

A Committee of the Board constituted for the purpose, approves share transfers in the physical form and also in Electronic mode.

<b>SHARE HOLDING PATTERN AS ON 30.06.2014</b>		
<b>Particulars</b>	<b>Shares</b>	<b>Percentage</b>
Promoters	27116440	65.58
Foreign Institutional Investors	200	0.00
Mutual Fund	55900	0.14
Financial Institutions	0	0.00
Corporate Bodies	5640044	13.64
Foreign Corporate Bodies	0	0.00
Banks	400	0.00
Non-Resident Indian (Non Repat)	6804	0.02
Non-Resident Indian ( Repat)	0	0.00
Clearing Member	1658	0.00
Hindu Undivided Families	222108	53
Directors and their relatives	190500	0.46
Public	8116006	19.63
<b>TOTAL</b>	<b>41350060</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 30<sup>TH</sup> JUNE, 2014**

<b>Category (Amount)</b>	<b>No. of Cases</b>	<b>% of Cases</b>	<b>Total Shares</b>	<b>Amount</b>	<b>% of Amount</b>
1 - 5000	9989	90.97	1637700	16377000	3.96
5001 - 10000	566	5.16	455030	4550300	1.10
10001 - 20000	199	1.81	300810	3008100	0.73
20001 - 30000	53	0.48	137416	1374160	0.33
30001 - 40000	30	0.27	109955	1099550	0.27
40001 - 50000	24	0.22	113105	1131050	0.27
50001 - 100000	51	0.46	363107	3631070	0.88
100001 - And Above	69	0.63	38232937	382329370	92.46
<b>Total</b>	<b>10981</b>	<b>100.00</b>	<b>41350060</b>	<b>413500600</b>	<b>100.00</b>



**DISTRIBUTION OF HOLDINGS - NSDL & CDSL & PHYSICAL RECORD DATE: 30-JUNE-2014**

<b>SHAREHOLDING SUMMARY AS ON 30-JUNE -2014</b>			
<b>Category</b>	<b>No. of holders</b>	<b>Total Positions</b>	<b>% of Holdings</b>
PHYSICAL	9284	5015309	12.13
NSDL	1150	35101426	84.89
CDSL	547	1233325	2.98
<b>TOTAL</b>	<b>10981</b>	<b>41350060</b>	<b>100.00</b>

The Company's Equity Shares are regularly traded on the BSE Limited.

**Nomination facility**

The shareholders may avail of the nomination facility under Section 109A of the Companies Act, 1956. The nomination form (Form 2B), along with instructions, will be provided to the members on request. In case the members wish to avail of this facility, they are requested to write to the Company's Registrar, M/s. Cameo Corporate Services Limited.

**Dematerialisation of Shares**

The shares of the Company are compulsorily traded in dematerialized form. The code number allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd., (CDSL) to Premier Energy and Infrastructure Limited is ISIN INE429K01012.

All the promoters' shares of your Company are held in electronic mode as 30th June, 2014, and in total 87.87% of the Equity Shares of the Company were held in demat mode.

**Address for Investor Correspondence**

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, or any other query relating to shares, please write to :

**Cameo Corporate Services Limited**

1, Subramanian Building, Club House Road,  
Chennai - 600 002  
Tel: +91 044 - 2846 0084/0395  
Fax: +91 044 - 28460129  
Email: [cameo@cameoindia.com](mailto:cameo@cameoindia.com)  
Website: [www.cameoindia.com](http://www.cameoindia.com)

**Ms. V. Sriramalakshmi**

Company Secretary and Compliance Officer  
Premier Energy and Infrastructure Limited,  
Karunai Kudil, I Floor  
No. 226, Cathedral Road  
Chennai – 600 086  
India  
Tel: + 91 44 - 28110252  
Email: [cs@premierenergy.in](mailto:cs@premierenergy.in)  
Website:[www.premierenergy.in](http://www.premierenergy.in)

**Online Information**

Shareholders are requested to visit [www.premierenergy.in](http://www.premierenergy.in) , the website of the Company for online information about the Company. The financial results, share price information, dividend announcements of the Company if any are posted on the website of the Company and are periodically updated with all developments. Besides this the shareholders have the facility to write any query at the e-mail ID of the Compliance officer at [cs@premierenergy.in](mailto:cs@premierenergy.in) and the Company shall act on the same within the reasonable time on receipt of such query.

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**DECLARATION ON CODE OF CONDUCT**

I, Vikram Mankal, Managing Director & C.E.O of Premier Energy and Infrastructure Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49 (I) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended June 30, 2014.

For **Premier Energy and Infrastructure Limited**

Place : Chennai  
Date : 6<sup>th</sup> September, 2014

**VIKRAM MANKAL**  
Managing Director & C.E.O.

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**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

TO THE MEMBERS OF PREMIER ENERGY AND INFRASTRUCTURE LIMITED

We have examined the compliance of conditions of Corporate Governance by Premier Energy and Infrastructure Limited, for the year ended on June 30, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

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

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

For R. SRIDHARAN & ASSOCIATES  
Company Secretaries

Place : Chennai  
Date : 6<sup>th</sup> September, 2014

CS. R. SRIDHARAN  
CP. No. 3239  
FCS No. 4775



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PREMIER ENERGY AND INFRASTRUCTURE LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **PREMIER ENERGY AND INFRASTRUCTURE LIMITED** ("the Company"), which comprise the Balance Sheet as at June 30, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act,

1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at June 30, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

### **Emphasis of Matter**

We draw attention of the shareholders to:

1. Note 4A of Notes to Financial Statements relating to the land at Luz Church Road purchased during the year 2007-08 (in joint name with another company) which has not been registered and given as a primary security for loan taken from SIDBI amounting to Rs.10 Crores.
2. Note 26 of Notes to Financial Statements regarding non availability of confirmation of balances in respect of certain trade receivables and trade payables.
3. Note 27 of Notes to Financial Statements regarding cost provision made for a sum of Rs.12.16 Crores.

Our opinion is not qualified in respect of the matter mentioned above.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. On the basis of written representations received from the directors as on June 30, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on June 30, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.
- g. *The company has applied for and awaits the approval of the central government as required under section 295 of companies act 1956, for the loan amounting to Rs.18.92 Crores given in the Financial year 2012-2013 to a partnership firm in which a director of the company is a partner (outstanding as on 30.6.2013 is NIL) and the approval from central government has not yet been received.*

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No: 003957S

**S. SUBRAMANIAM**  
Partner  
Membership No. 025433

Place: Chennai  
Date : 06.09.2014



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF PREMIER ENERGY AND INFRASTRUCTURE LIMITED, ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014**

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion, a substantial part of fixed assets has not been disposed-off during the year.
- (ii) (a) The inventories have been physically verified by the management .In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) **In respect of Loan given:**
  - (a) The company has not granted loans to parties covered in the register maintained under section 301 of the Act and hence clause (iii)(b),(c) and (d) are not applicable .
- In respect of Loan taken:-**
  - (e) The Company has taken unsecured loan from one Company, which is covered in the register maintained under Section 301 of the Act. The maximum amount outstanding during the year was Rs.1,30,345/- and year-end balance is Rs. Nil.
  - (f) In respect of the above loan taken, since such loan was taken without any stipulation as regards repayment of interest, we are unable to comment on whether the rate of interest is prima facie prejudicial to the interests of the company.
  - (g) In respect of the above loan taken, the terms of repayment have not been stipulated and hence we are unable to comment as to whether repayment of principal amount is as stipulated.
- (iv) In our opinion, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. On the basis of our examination and according to the information and explanation given to us, there is no continuing failure to correct major weakness in respect of purchase of inventory and fixed assets.
- (v) (a) In our opinion, the particulars of all contracts or arrangements that need to be entered into the register maintained under Section 301 of the Act have been so entered.
- (b) In respect of transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lakhs entered into during the financial year, because of the unique and specialized nature of transaction involved and absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposit from the public within the meaning of sections 58A of the Act and the Companies (Acceptance of Deposits) Rules, 1975.
- (vii) *The Company did not carry out any internal audit during the year.*
- (viii) In The Central Government has prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act, in respect of Company's activities. We are of the opinion that the Company has maintained such books of accounts and records as prescribed above.
- (ix) (a) *Undisputed statutory dues towards income-tax, sales-tax, service-tax, custom duty, excise duty, cess and other material statutory dues have not been regularly deposited with the appropriate authorities and there have been delays in large number of cases.*

- (b) *Undisputed amounts payable in respect thereof, which were outstanding, at the year- end for a period of more than six months from the date they became payable are as follows:*

<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Amount in Rs</b>	<b>Period to which it relates</b>	<b>Due date</b>
<i>Income Tax Act</i>	<i>TDS</i>	<i>5,90,895</i>	<i>Up to December 2013</i>	<i>Various</i>

- (c) *There are no dues in respect of, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited with the appropriate authorities except income tax.*

<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Amount in Rs</b>	<b>Period to which it relates</b>	<b>IT Order</b>
<i>Income Tax Act</i>	<i>Income tax</i>	<i>47,59,439</i>	<i>Assessment Year 2008-09</i>	<i>IT Order Dated on 29-September-2010</i>
<i>Income Tax Act</i>	<i>Income Tax</i>	<i>1,61,07,098</i>	<i>Assessment Year 2013-14</i>	<i>Order not yet received</i>

- (x) In our opinion, the Company does not have any accumulated losses at the end of the year and has not incurred any cash losses in the current year and the immediately preceding financial year.
- (xi) Based on our audit procedure and as per the information and explanation given by the management, the company has not defaulted in repayment of dues to financial institutions or bank or debenture holders during the year except that the company has an earlier year's liability to pay to HUDCO Rs.56, 00,000/- pursuant to a scheme of arrangement approved by the court in February 2007, which is being contested by HUDCO and hence the payment for the same is being rejected by the party.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi /mutual benefit fund / society. Accordingly, the provisions of clause 4(xiii) of the Order are not applicable.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable.
- (xv) In our opinion and according to the information given to us , the terms and conditions on which the Company has given a guarantee for a loan taken by its subsidiary company for a sum of Rs.17,00,00,000/- from a bank is not prima facie prejudicial to the interest of the Company.
- (xvi) In our opinion and according to the information and explanation given to us, the Company has availed new term loan during the year. The loan amount was utilised towards reimbursement against self-financed assets acquired in last one year and inorganic business growth.
- (xvii) In our opinion, no funds raised on short-term basis have been used for long-term investment.
- (xviii) In our opinion, the company has not made any preferential allotment of shares to parties covered under section 301 registered during the year.
- (xix) The Company has neither issued nor had any outstanding debentures during the year. Accordingly, the provisions of clause 4(xix) of the Order are not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Order are not applicable.
- (xxi) No fraud on or by the Company has been noticed or reported during the year covered by our audit.

For **Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No: 003957S

**S. SUBRAMANIAM**  
Partner

Membership No. 025433

Place : Chennai  
Date : 06.09.2014



**Standalone Balance sheet as at June 30, 2014**

(Amount in INR)

Particulars	Note No.	As at June 30, 2014	As at June 30, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	<b>413,500,600</b>	413,500,600
Reserves and Surplus	3	<b>1,280,427,061</b>	1,239,107,247
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	<b>93,336,000</b>	–
Deferred tax liability (Net)	5	–	433,138
Long-term Provisions	6	<b>657,473</b>	539,057
<b>Current Liabilities</b>			
Short Term Borrowings	7	<b>22,893,112</b>	–
Trade payables	8	<b>294,122,200</b>	8,093,889
Other current liabilities	9	<b>587,040,319</b>	607,143,518
Short-term provisions	10	<b>80,625,536</b>	61,394,711
<b>Total</b>		<b><u>2,772,602,301</u></b>	<b><u>2,330,212,160</u></b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
- Tangible assets	11	<b>93,112,291</b>	93,248,787
- Intangible assets		–	–
Non-current investments	12	<b>1,449,371,293</b>	1,449,371,293
Deferred Tax Asset	13	<b>929,120</b>	–
<b>Current assets</b>			
Current investments			
Inventories	14	–	588,356
Trade receivables	15	<b>142,023,764</b>	1,437,060
Cash and bank balances	16	<b>1,654,145</b>	1,292,318
Short-term loans and advances	17	<b>425,135,204</b>	355,263,432
Other current assets	18	<b>660,376,484</b>	429,010,914
<b>Total</b>		<b><u>2,772,602,301</u></b>	<b><u>2,330,212,160</u></b>
Statement of Significant Accounting Policies & Notes to Financial Statements	1 to 40		

As per our report attached

For and on behalf of the board

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No : 003957S

**Vikram Mankal**  
Managing Director & CEO

**K.N. Narayanan**  
Director

**V. Sriramalakshmi**  
Company Secretary

**S. Subramaniam**  
Partner  
M.No: 025433

Place : Chennai  
Date : 06-09-2014

**Standalone Statement of Profit & Loss for the year ended June 30, 2014**

(Amount in INR)

Particulars	Note No.	For the Year ended June 30, 2014	For the year ended June 30, 2013
Revenue from operations	19	<b>337,394,704</b>	391,271,060
Other Income	20	<b>1,856,300</b>	47,654,480
<b>Total Revenue</b>		<b><u>339,251,004</u></b>	<u>438,925,540</u>
Expenses			
Direct Expenses			
- Cost of materials consumed	21	<b>248,298,107</b>	305,789,428
Indirect Expenses			
- Employee benefits	22	<b>11,058,519</b>	13,627,849
- Selling, Administration & other expenses	23	<b>14,599,619</b>	12,123,633
Finance costs	24	<b>5,639,445</b>	3,319,039
Depreciation and amortization expense	11	<b>136,496</b>	220,012
<b>Total Expenses</b>		<b><u>279,732,186</u></b>	<u>335,079,961</u>
Profit before tax		<b><u>59,518,818</u></b>	<u>103,845,580</u>
Tax expense:			
Current tax		<b>22,144,760</b>	33,800,000
Previous years		<b>(2,583,498)</b>	536,784
Deferred tax		<b>(1,362,258)</b>	219,156
Profit/(Loss) for the year		<b><u>41,319,814</u></b>	<u>69,289,640</u>
Earnings per equity share:			
Basic / Diluted		<b>1.00</b>	1.68
Statement of Significant Accounting Policies & Notes to Financial Statements	1 to 40		

As per our report attached

For and on behalf of the board

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No : 003957S

**Vikram Mankal**  
Managing Director & CEO

**K.N. Narayanan**  
Director

**V. Sriramalakshmi**  
Company Secretary

**S. Subramaniam**  
Partner  
M.No: 025433

Place : Chennai  
Date : 06-09-2014



## **Notes forming part of Financial Statements**

### **Notes forming part of Standalone Financial Statements for the year ended June 30, 2014**

#### **General information**

- a) The financial statements have been prepared and presented as per the revised Schedule VI notified under the Companies Act 1956.
- b) All amounts in the financial statements are presented in rupees, except as otherwise stated
- c) Premier Energy and Infrastructure Limited (PEIL) is focused on the Construction, housing development and energy sector.

The following are the subsidiaries:

- a) RCI Power Limited - 100 %
- b) RCI Power AP Limited - 100 %
- c) EMAS Engineers & Contractors Pvt Ltd - 50.1 %

#### **Note 1 : Significant accounting policies**

##### **a) Basis of preparation of financial statements**

The financial statements are prepared in accordance with Generally Accepted Accounting Principles ("GAAP") applicable in India. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956. 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 management evaluates all recently issued or revised accounting standards on an on-going basis.

##### **b) Use of estimates**

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities as at the date of the financial statements and reported amounts of revenue and expenses for the year. The key estimates made by the Company in preparing these financial statements comprise provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of assets. Actual results could differ from those estimates.

##### **c) Tangible fixed assets**

Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an asset comprises its purchase price, duties, taxes, freight and other directly attributable cost incurred to bring the assets to its working condition for the intended use.

##### **d) Intangible assets**

Goodwill on Amalgamation has been fully amortised using Straight line method over a period of 5 years.

##### **e) Depreciation**

Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except for Fixed Assets costing less than Rs 5,000/-, which are fully depreciated in the year of Purchase. Depreciation for assets purchased/sold during a period is proportionately charged. Incremental Depreciation on account of enhancement in value of Fixed Assets due to revaluation is charged against Fixed Assets Revaluation Reserve

##### **f) Revenue recognition**

Revenue from Infrastructure Development is recognised on percentage completion method as per Accounting Standard AS-7 (Revised).

Long Term Contracts are progressively evaluated at the end of each accounting period. On contracts under execution which have reasonably progressed, profit is recognised by evaluation of the percentage of work completed at the end of each accounting period. Whereas, foreseeable losses are fully provided for in the respective accounting period. The percentage of work completed is determined by the expenditure incurred on the job till each review date to total expected expenditure of the job based on technical estimates.

## Notes forming part of Financial Statements *(continued)*

Additional Claims (including for escalation), which in the opinion of the Management are recoverable on the contract, are recognised at the time of evaluating the job.

Dividend Income on Investments is accounted for when the right to receive the payment is established.

Interest on short term investments are recognised on time proportion basis taking into account the amounts invested and the rate of interest.

Profit / (Loss) on Sale of Current Investments, being the difference between the contracted rate and the cost (determined on weighted average basis) of the investments is recognised on sale.

Rental income is recognised on straight line basis over the primary period of the arrangement.

### g) **Investments**

Investments which are readily realizable and intended to held for not more than one year from the date on which such investments are made , are classified as current investments .All other investments are classified as long term investments. On initial recognition ,all investments are recognised at cost . The cost comprises purchase price and directly attributable acquisition charges such as brokerage ,fees and dutiesCurrent investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost . However, provision for diminution in values is made to recognise a decline other than temporary in the value of the investments On disposal of an investment, the difference between its carrying cost and net disposal proceeds is charged or credited to statement of profit and loss.

### h) **Inventories**

Inventories are valued at cost or net realizable value, whichever is lower.

### i) **Cash and cash equivalents**

Cash and cash equivalents consists of cash, balance in bank and Deposits with Bank.

### j) **Employee benefits**

#### 1 **Short term employee benefits**

All short term employee benefit plans such as salaries, bonus, medical benefits and, leave salary which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the Statement of profit and loss.

#### 2 **Defined contribution plan - Provident Fund**

The Company had only 6 employees during the reporting period. Due to number of employees being lesser than threshold limit required under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952. Hence Employer and employee contribution towards Provident fund is not made.

#### 3 **Defined benefit plan - Gratuity**

Employees in India are entitled to benefits under the Payment of Gratuity Act, 1972, a defined benefit retirement plan covering eligible employees of the Company. The Plan provides a lump-sum payment to eligible employees at retirement or on termination of employment. The gratuity benefit conferred by the Company on its employees is equal to or greater than the statutory minimum. The year-end gratuity liability is determined based on actuarial valuation performed by an independent actuary using the Projected Unit Credit Method.

#### 4 **Leave encashment:**

Liability in respect of leave encashment becoming due to the employees is recognised on the basis of undiscounted value of salary eligible for the unavailed leaves required to be paid to the employees.

### k) **Income taxes:**

#### 1 **Income tax**

Provision for current income tax is made based on the estimated tax liability in accordance with the relevant tax rates and tax laws. Current income tax is payable on taxable profits, which differ from profit or loss in the financial statements. Current income tax is computed based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.



## **Notes forming part of Financial Statements (continued)**

### **2 Deferred tax**

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

### **3 Minimum alternate tax**

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay Normal Income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in the Guidance Note issued by the Institute of Chartered Accountants of India if it is recognized, by way of credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet Date and writes down the Carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

#### **l) Borrowing cost**

Borrowing costs are recognised in the financial statements in accordance with the Accounting Standard -16 of Companies (Accounting Standards) Rules, 2006 .Borrowing cost includes interest. Such costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **m) Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In determining Earnings per Share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

#### **n) Provision and contingencies**

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

#### **o) Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is the higher of the asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of profit and loss. If at the balance sheet date

## Notes forming part of Financial Statements (continued)

there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

p) **Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of leased term 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 term of the lease.

q) **Segment reporting**

The company carries out business operations only in one business segment viz. infrastructure and hence segmental reporting does not arise.

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 2 : Share Capital</b>		
<b>Authorized:</b>		
44,150,000 (Previous Year 44,150,000) Equity shares of Rs.10 each	<u>441,500,000</u>	<u>441,500,000</u>
<b>Issued, Subscribed &amp; Paid up:</b>		
41,350,060 (Previous Year 41,350,060) Equity shares of Rs.10 each fully paid up	<u>413,500,600</u>	<u>413,500,600</u>
<b>Total</b>	<u><b>413,500,600</b></u>	<u><b>413,500,600</b></u>

(a) **Reconciliation of number of shares**

<i>Particulars</i>	As at June 30, 2014	As at June 30, 2013
Number of equity shares at the beginning of the year	41,350,060	41,350,060
Add: Fresh Issue of shares	-	-
Number of equity shares at the end of the year	<u>41,350,060</u>	<u>41,350,060</u>

b) **Details of share holders holding more than 5% of total shares**

Name of the Shareholder	% of holding	As at June 30, 2014	% of holding	As at June 30, 2013
<b>Equity share of Rupee 10 each:</b>				
Shri Housing Pvt Ltd	32.08%	13,266,380	32.08%	13,266,380
Vidya Narayanamurthy (On behalf of Shriram Auto Finance)	25.12%	10,387,545	25.12%	10,387,545
Vatsala Ranganathan (On behalf of Shriram Auto Finance)	8.37%	3,462,515	8.37%	3,462,515
Vaata Infra Limited	9.67%	4,000,000	9.67%	4,000,000

c) **Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held by him. Dividend proposed if any by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation, equity shareholders are eligible to receive any of the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

d) **Shares reserved for issue under options and contracts - NIL**

e) **Shares convertible into securities - NIL**

f) **Calls Unpaid - NIL**



**Notes forming part of Financial Statements (continued)**

Particulars	(Amount in INR)	
	As at June 30, 2014	As at June 30, 2013
<b>Note 3 : Reserves and Surplus</b>		
<b>Capital reserve</b>		
Opening balance	146,827,447	146,827,447
Add: Addition / (reduction)	-	-
Closing balance	<u>146,827,447</u>	<u>146,827,447</u>
<b>Securities premium</b>		
Opening balance	950,864,127	950,864,127
Add: Addition / (reduction)	-	-
Closing balance	<u>950,864,127</u>	<u>950,864,127</u>
<b>General reserve</b>		
Opening balance	12,880,424	12,880,424
Add: Transfer from Profit & Loss Account	-	-
Closing balance	<u>12,880,424</u>	<u>12,880,424</u>
<b>Surplus in Profit &amp; Loss account</b>		
Opening balance	128,535,249	59,245,609
Add: Current year surplus	41,319,814	69,289,640
Closing balance	<u>169,855,063</u>	<u>128,535,249</u>
	<u>1,280,427,061</u>	<u>1,239,107,247</u>

**Note 4 : Long Term Borrowings**

<b>Secured Loans</b>		
-From Bank (Refer Note - 4A to 4B)	93,336,000	-
<b>Unsecured Loans</b>		
-From Others	-	-
<b>Total</b>	<u>93,336,000</u>	<u>-</u>

The company has availed a Term loan of Rs.10 crores during the period from Small Industries Development Bank of India carrying interest at the rate of 12.75% per annum.

**4A. Term Loan with Small Industries development bank of India are Secured by charges:**

**(i) Primary Security:**

First charge by way of mortgage in favour of SIDBI of all the immovable property belonging to **M/s PL Finance and Investments Limited and M/s Premier Energy and Infrastructure Limited** located at Luz church road, part Mylapore village and Triplicane -Mylapore tank, Chennai .The land given as a primary security which was purchased during the year 2007-08 (In joint name with another company ) has not been registered and the charge under the Companies Act has not yet been created by the company.

**(ii) Guarantee:**

Irrevocable and unconditional, (i) Corporate guarantee for the total amount borrowed was given by: a) Shri Housing Private Limited, b) PL Finance and Investment Limited, c) Premier Energy and Infrastructure Limited and (ii) Shriram Auto Finance (firm)

**4B. Disclosure in respect of continuing default for the term loan from SIDBI of Rs.10 crores:**

There is no default in the repayment of interest during the period and the principal repayment starts only after the moratorium period of 6 months which is on 7-November-2014.

**Notes forming part of Financial Statements** (continued)

	(Amount in INR)	
Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 5 : Deferred Tax Liability (Net)</b>		
Opening liability	–	213,982
Add: Current year provision	–	219,156
Closing liability	–	433,138
<b>Break up of closing liabilities/(Asset)</b>		
On account of timing difference in claiming :		
(a) Depreciation allowance	–	433,138
(b) Expenses claimed on payment basis	–	–
<b>Total</b>	<b>–</b>	<b>433,138</b>
<b>Note 6 : Long Term Provisions</b>		
Provision for Gratuity (refer note:37)	657,473	539,057
<b>Total</b>	<b>657,473</b>	<b>539,057</b>
<b>Note 7 : Short Term Borrowings</b>		
<b>Unsecured</b>		
Loans and advances from others	22,893,112	–
<b>Total</b>	<b>22,893,112</b>	<b>–</b>
<b>Note 8 : Trade Payables</b>		
Due to Micro and Small Enterprises*	–	–
Due to others	294,122,200	8,093,889
<b>Total</b>	<b>294,122,200</b>	<b>8,093,889</b>
*Based on the information available with the management, there are no amounts due to Micro, Small and Medium Enterprises, which has been relied upon by the auditors.		
<b>Note 9 : Other Current Liabilities</b>		
Salaries Payable	1,909,437	1,193,312
Leave Salary payable	1,627,586	1,375,465
Statutory Liabilities	2,366,032	4,860,688
Creditors pursuant to scheme of arrangement	5,600,000	5,600,000
Liability for other expenses	4,651,493	3,902,631
Advances from customers	564,221,771	590,211,422
Current Maturities of Long term loan	6,664,000	–
<b>Total</b>	<b>587,040,319</b>	<b>607,143,518</b>
<b>Note 10 : Short Term Provisions</b>		
Provision for income tax ( Net of advance tax)	80,625,536	61,394,711
<b>Total</b>	<b>80,625,536</b>	<b>61,394,711</b>



**Notes forming part of Financial Statements (continued)**

**Note 11 : Fixed Assets**

Asset	Gross Block				Depreciation				Net Block	
	Opening balance as at July 1, 2013	Additions	Deletions	Closing balance as at June 30, 2014	Opening balance as at July 1, 2013	Additions	Deletions	Closing balance as at June 30, 2014	As at June 30, 2014	As at June 30, 2013
<b>Tangible asset</b>										
Land*	92,470,000	-	-	92,470,000	-	-	-	-	92,470,000	92,470,000
Building	-	-	-	-	-	-	-	-	-	-
Plant & Equipment	188,838	-	-	188,838	98,208	18,979	-	117,187	71,651	90,630
Vehicles	1,237,023	-	-	1,237,023	548,866	117,517	-	666,383	570,640	688,157
<b>Total #</b>	93,895,861	-	-	93,895,861	647,074	136,496	-	783,570	93,112,291	93,248,787
Previous year	97,676,490	6,775	-	97,683,265	4,214,466	220,012	-	4,434,478	93,248,787	93,462,024

**Note:**

\* The Land at Luz church Road has been given as Primary Security to SIDBI for a Long Term Loan.

The land at Luz Church Road purchased during the year 2007-08 (in joint name with another company) has not been registered.

# Amalgamation Goodwill amounting to Rs 37,87,404 has been fully written off in the earlier years and hence not been considered in the opening gross block as well as in the opening depreciation, in the current year.

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
-------------	---------------------	---------------------

**Note 12 : Non current investments**

**Trade**

**in Equity shares - Not quoted (at cost-fully paid)**

**Subsidiaries**

Emas Engineers & Contractors Pvt Ltd - 6,024,050 equity shares of Rs. 10/- each  
(Previous year 6,024,050)

**185,462,500**      185,462,500

\* RCI Power Limited- 15,000,000 equity shares of Rs 10/- each  
(Previous year 15,000,000)

**609,280,591**      609,280,591

\* RCI Power AP Limited- 50,000 equity shares of Rs 10/- each  
(Previous Year 50,000)

**78,588,176**      78,588,176

**873,331,267**      873,331,267

**Associate**

# Haldia Coke & Chemicals Limited- 13,750,000 equity shares of Rs10/- each  
(Previous year 13,750,000 )

**527,587,500**      527,587,500

**Sub-Total**

**1,400,918,767**      1,400,918,767

**Non Trade**

**in Equity shares - Quoted (at cost-fully paid)**

@ Ennore Coke Limited - 575,430 equity shares of Rs 10/- each  
(Previous Year 575,430)

**48,452,526**      48,452,526

**Sub-Total**

**48,452,526**      48,452,526

**Total**

**1,449,371,293**      1,449,371,293

**Market value of quoted instruments**

**11,640,949**      10,875,627

\* Shares held is inclusive of shares held by individuals in their names, as nominees of the Company.

# Includes 91,74,860 Equity shares pledged with a lender for amounts borrowed by the Associate company.

@ Shares available in demat form.

**Notes forming part of Financial Statements** *(continued)*

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 13 : Deferred Tax Asset (Net)</b>		
Opening Asset	-	-
Add: Current year addition	<u>929,120</u>	-
Closing Asset	<u>929,120</u>	-
<b>Break up of closing Asset</b>		
Difference between book value and tax written down value of fixed assets	<u>118,469</u>	-
Disallowances under Income tax act ,1961	<u>810,651</u>	-
<b>Total</b>	<u>929,120</u>	-
<b>Note 14 : Inventories</b>		
<b>(At lower of cost and net realizable value)</b>		
Other traded goods	-	588,356
<b>Total</b>	<u>-</u>	<u>588,356</u>
<b>Note 15 : Trade Receivables</b>		
<b>(Unsecured, considered good)</b>		
Outstanding for more than 6 months from due date	<u>40,823,764</u>	1,437,060
Others	<u>101,200,000</u>	-
<b>Total</b>	<u>142,023,764</u>	<u>1,437,060</u>
<b>Note 16 : Cash and bank balances</b>		
Cash & Cash equivalents:		
Cash in hand	<u>1,518,888</u>	95,513
Balance with banks		
- in current accounts	<u>135,257</u>	1,196,805
<b>Total</b>	<u>1,654,145</u>	<u>1,292,318</u>
<b>Note 17 : Short Term Loans and Advances</b>		
<b>(Unsecured , considered good)</b>		
Advance to supplier	-	1,960,000
Advance to subsidiary	<u>291,027,932</u>	115,934,112
Advance to other related parties	<u>112,177,507</u>	178,147,677
Rent advance	<u>3,000,000</u>	3,000,000
Staff advance	<u>658,414</u>	1,032,013
Advance to others	<u>18,271,351</u>	55,189,630
<b>Total</b>	<u>425,135,204</u>	<u>355,263,432</u>
<b>Note 18 : Other Current Assets</b>		
Unbilled revenue	<u>654,000,000</u>	422,649,896
Prepaid expenses	<u>208,538</u>	193,072
Income Tax refund due	<u>1,529,543</u>	1,529,543
Mat credit	<u>4,638,403</u>	4,638,403
<b>Total</b>	<u>660,376,484</u>	<u>429,010,914</u>



Notes forming part of Financial Statements (continued)

	(Amount in INR)	
Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>Note 19 : Revenue From Operations</b>		
Development of infrastructure for power projects	332,550,104	188,349,547
Sale of traded land	-	195,672,313
Sale of traded goods	684,600	1,369,200
Service Income	4,160,000	5,880,000
<b>Total</b>	<b>337,394,704</b>	<b>391,271,060</b>
<b>Note 20 : Other Income</b>		
Write back of unclaimed balances in creditors pursuant to scheme of arrangement	-	47,647,005
Dividend Income	-	7,475
Interest on income tax refund	31,560	-
Sundry Balances written back	1,492,646	-
Interest no longer required written back	332,094	-
<b>Total</b>	<b>1,856,300</b>	<b>47,654,480</b>
<b>Note 21 : Direct Expenses</b>		
Project expenses for development of infrastructure for power projects	247,704,637	158,930,176
Cost of traded land	-	145,672,313
Cost of traded goods	593,470	1,186,939
<b>Total</b>	<b>248,298,107</b>	<b>305,789,428</b>
<b>Note 22 : Employee benefit expense</b>		
Salaries & Wages	9,524,291	11,910,050
Leave Encashment	566,286	429,956
Bonus	445,000	510,000
Gratuity	118,416	145,105
Leave Travel Allowance	120,000	135,000
Medical	103,677	357,659
Welfare expenses	180,849	140,079
<b>Total</b>	<b>11,058,519</b>	<b>13,627,849</b>

**Notes forming part of Financial Statements** *(continued)*

	(Amount in INR)	
Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>Note 23 : Selling, Administration &amp; other expenses</b>		
Advertisement	167,767	449,012
Legal expenses	25,000	200,000
Professional charges	2,853,861	3,951,475
Office Rent	3,661,219	1,030,800
Electricity	289,156	284,155
Rates and taxes	30,353	388,617
Repairs & Maintenance		
- Buildings	45,462	81,837
- Vehicles	182,067	201,993
- Office equipment	57,318	28,500
- Others	68,036	28,885
Insurance	23,853	15,839
Printing & Stationery	203,052	210,528
Communication expenses	233,526	325,227
Travelling & conveyance	1,467,129	2,039,415
Listing & Depository Fees	243,729	258,214
Sitting fees to Directors	70,000	85,000
Auditors remuneration	2,135,000	1,550,000
Other Expenses	221,643	264,146
Loss on sale of current / non- current Investments	-	729,990
Sundry Advances Written off	2,206,990	-
Sundry Balances Written off	414,458	-
<b>Total</b>	<b>14,599,619</b>	<b>12,123,633</b>
<b>Note 24 : Finance costs</b>		
Interest on loans	4,654,420	340,891
Interest on statutory dues	391,755	2,772,530
Bank charges	593,270	205,618
<b>Total</b>	<b>5,639,445</b>	<b>3,319,039</b>



**Notes forming part of Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 25 : Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	1,061,200,000	1,061,200,000

**Note 26 : Balance Confirmation:**

The Company has not obtained confirmation of balances in respect of Trade Receivables amounting to Rs 10,12,00,000/- and Trade payables amounting to Rs 59,45,250/-

Pending receipt of confirmation/reconciliation of balances, no adjustments have been carried out to the carrying values of the above amounts for the year ended 30 June 2014. In the opinion of the Management, the amounts stated in the Balance Sheet are fully receivable/payable.

**Note 27 :** The Company has made a provision for cost for an amount of Rs 12,16,00,000, based on a memorandum of understanding to erect and commission wind power projects at Tadipatri.

**Note 28 : Taxation**

- a) Provision for Income tax made during the year is Rs.2,21,44,760 under the provisions of the Income Tax Act 1961.
- b) Excess provision created for the assessment year 2010-11 of Rs.3,83,498 and for the assessment year 2011-12 of Rs.22,00,000 have been reversed during the period.

**Note 29 : Contingent Liabilities**

- a) HUDCO has filed a case against the company for recovery of Rs 21,251,771 (Previous year Rs 21,251,771 ) as against Rs 5,600,000 (Previous year Rs. 5,600,000 ) payable by the Company as per the Scheme sanctioned by Hon'ble High Court of Madras vide CP 367/2003. The company has won the case at the DRT, Chennai. Matter is now sub judice before DRAT Chennai.
- b) The Company has entered into agreement with a Company M/s Orient Green Power Limited and its associates/ subsidiaries to erect and commission wind power projects at Tadipatri. The Company executes this through Vaata Infra Limited. The Company has not provided for Works contract tax on the said transactions.
- c) The land at Luz Church Road purchased during the year 2007-08 (in joint name with another company) has not been registered. Liability of registration charges for the land amount is not quantifiable. The land has been provided as a security for the term loan of Rs.10 crores taken from SIDBI.
- d) The Company had acquired land for development from M/s Amrit Technologies Private Limited at Rs. 145,672,313 and a sum of Rs.48,071,313 is still due to them . Subsequently the Company has sold the land to Beta Wind Farms Limited. The purchase of the land and its sale have not been registered. Liability of registration charges for land amount is not quantifiable.
- e) The Company has pledged part of its investment viz., 91,74,860 Equity shares of Haldia Coke and Chemicals Private Limited with a lender for moneys borrowed by the above company. The liability, if any, that may arise on account of the pledge is not quantifiable.
- f) Corporate Guarantee given by the Company in favour of the Bank towards moneys borrowed by the subsidiary- Rs.17 Crores.

**Notes forming part of Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 30 : Audit fees</b>		
Statutory audit	1,600,000	1,500,000
Certification fees	35,000	50,000
Other Services	500,000	-
<b>TOTAL</b>	<b>2,135,000</b>	<b>1,550,000</b>

**Note 31 Earnings per share**

Net profit/loss attributable to shareholders	41,319,814	69,289,639
Basic and diluted weighted average no. of equity shares issued	41,350,060	41,350,060
Earnings per share of Rs.10 each - basic and diluted	1.00	1.68

**Note 32 :** The company received during the year an amount of Rs.1,20,00,000 from parties for onward remittance to a fellow subsidiary. Further an amount of Rs 5,40,00,000/-has been shown as payables/receivables .The receipts and payments also include cases where receipts and payments from/ to a party have been treated as a settlement of payables/ receivables of another party based on mutual understanding.

Confirmation of balances from the above mentioned parties is available. The management is confident of recovering the receivables stated in the accounts.

**Note 33 : Impairment of Assets**

There is no impairment of cash generating assets during the year in terms of Accounting Standards (AS-28) "Impairment of Assets".

**Note 34 : Related Party Disclosure**

List of related parties and the relationship.

(a) Ultimate controlling entity	Shriram Auto Finance (Partnership firm)
(b) Subsidiaries	Emas Engineers & Contractors Pvt Ltd. RCI Power Ltd. RCI Power (AP) Ltd.
(c) Step down subsidiaries	RCI Wind Farm 30 MW Pvt. Ltd. RCI Wind Farm 50 MW Pvt. Ltd.
(d) Fellow subsidiary	Shri Housing Pvt. Ltd.
(e) Entities with common director	Vaata Infra Limited S R Fabricators Pvt. Ltd. Haldia Coke & Chemicals Pvt. Ltd. Ennore Coke Limited
(f) Key managerial Personnel	Vikram Mankal, Managing Director & CEO

**\* Note :**

Consequent to the merger of M/s Valagam Power Projects Pvt. Limited and M/s Black Gold Chemicals Private Limited with the Company with effect from 1st July 2010, the Company has ceased to be a subsidiary of Shri Housing Private Limited and here after Shri Housing Private Limited holds 32.08% and Shriram Auto Finance (the 100% owner of Shri Housing Private Limited) holds 33.49% in the capital.

The related parties have been identified on the basis of the requirements of the Accounting Standards 18 'Related Party Disclosures' under the Companies (Accounting Standards) Rules, 2006, by the management and the same have been relied upon by the auditors.



**Notes forming part of Financial Statements (continued)**

**Transactions with related parties during the year**

(IN INR)

Description	Name of the related party	Relationship	As at June 30, 2014	As at June 30, 2013
Sale of Services	Emas Engineers & Contractors Pvt Ltd	Subsidiary	<b>943,824</b>	-
Purchase of Materials	Vaata Infra Limited	Common Director	-	155,188,358
Purchase of Fixed Assets	Haldia Coke & Chemicals Pvt Ltd	Associate	-	6,775
Expenses Reimbursed to	Vaata Infra Limited	Common Director	<b>7,606,106</b>	-
Expenses Reimbursed by	RCI Power 30MW Private limited	Step subsidiary	<b>20,330</b>	-
Expenses Reimbursed by	RCI Power AP limited	Subsidiary	<b>79,096</b>	-
Expenses Reimbursed by	RCI Power limited	Subsidiary	<b>249,850</b>	-
Expenses Reimbursed by	RCI Power 50MW Private limited	Step subsidiary	<b>20,330</b>	-

**Loans and advances given to/taken from related parties**

(IN INR)

Party	Relationship	Opening balance as at June 30, 2013	Received during the year	Paid during the year	Closing Balance as at June 30, 2014
Shri Housing Pvt Ltd	Fellow Subsidiary	13,872,185	239,580,345	225,708,160	-
Emas Engineers & Contractors Pvt Ltd	Subsidiary	115,934,112	216,604,904	391,698,724	<b>291,027,932</b>
Haldia Coke & Chemicals Private Ltd	Common Director	(130,345)	-	130,345	-
Vaata Infra Limited	Common Director	164,275,492	88,764,347	36,666,362	<b>112,177,507</b>
RCI Power limited	Subsidiary	-	5,949,850	5,949,850	-

**Note 35 : Derivatives and foreign currency exposure**

The Company has not entered into any derivative contracts during the year under review and also does not have any foreign currency exposure as at June 30, 2014.

**Note 36 : Foreign currency transactions**

There are no inflows in foreign currency during the reporting period June 30,2014 and during the previous reporting period June 30,2013. Expenditure in Foreign Currency on account of Foreign Travel - Rs.3,86,881/ - (Previous Year: Rs.1,150,227/-)

**Notes forming part of Financial Statements (continued)****Note 37 : Employee benefits: Gratuity:**

(IN INR)

S. No.	Particulars	As at 30 <sup>th</sup> June 2014	As at 30 <sup>th</sup> June 2013
<b>A</b>	<b>Net asset/ (liability) recognized in the Balance Sheet</b>		
	Present value of funded obligation	<b>(657,473)</b>	(539,057)
	Fair value of plan assets	–	–
	( Deficit) / surplus	–	–
	Present value of unfunded obligation	–	–
	Unrecognised past service cost	–	–
	Net asset / liability	–	–
	- Assets	–	–
	- Liability	(657,473)	(539,057)
<b>B</b>	<b>Expense recognized in the Profit &amp; loss account</b>		
	Current service cost	<b>115,443</b>	187,760
	Interest cost	<b>45,820</b>	33,486
	Expected return on plan assets	–	–
	Actuarial (gains) / losses	<b>(42,847)</b>	(76,141)
	Past service cost	–	–
	Adjustments made in the Current period	–	–
	<i>Total expense</i>	<b>118,416</b>	145,105
<b>C</b>	<b>Change in present value of obligation during the year</b>		
	Present value of defined benefit obligation as at the Beginning of the year	<b>539,057</b>	393,952
	Adjustment to opening balance	–	–
	Current service cost	<b>115,443</b>	187,760
	Interest cost	<b>45,820</b>	33,486
	Past service cost	–	–
	Actuarial (gains) /losses	<b>(42,847)</b>	(76,141)
	Benefits paid	–	–
	Present value of defined benefit obligation as at the end of the year	–	–
	<b>Accrued Liability as at the end of the period</b>	<b>657,473</b>	539,057
	<b>Principal actuarial assumptions :</b>		
	Discount rate	<b>8.50%</b>	8.50%
	Mortality-Indian Assured Lives (2006-08) (Ultimate)	<b>Yes</b>	Yes
	Resignation rate per annum	<b>0.00%</b>	0.00%
	Salary Escalation per annum	<b>10.00%</b>	10.00%



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**Notes forming part of Financial Statements (continued)**

**Note 38 : Disclosure as per Clause 32 of Listing agreement**

- a) Loans and advances given to in the nature of loan to subsidiaries/ Fellow Subsidiaries

<b>Name of the company</b>	<b>Maximum Amount due</b>	<b>Outstanding as on 30.6.2014</b>
Emas Engineers & Contractors Pvt Ltd	406,103,065	<b>291,027,932</b>
Shri Housing Pvt Ltd	36,447,185	<b>Nil</b>

- b) Loans and advances in the nature of loan given to Companies in which directors are interested

<b>Name of the company</b>	<b>Maximum Amount due</b>	<b>Outstanding as on 30.6.2014</b>
Vaata Infra Limited	164,275,492	<b>112,177,507</b>

**Note 39 : Operating Leases**

The Company has its office premises under operating lease arrangement which is cancellable at the option of the Company, by providing 3 months prior notice.

**Note 40 : Previous year figures**

Previous year figures have been regrouped / rearranged wherever necessary to conform to current year classification.

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As per our report attached

For and on behalf of the board

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No : 003957S

**Vikram Mankal**  
Managing Director & CEO

**K.N. Narayanan**  
Director

**V. Sriramalakshmi**  
Company Secretary

**S. Subramaniam**  
Partner  
M.No: 025433

Place : Chennai  
Date : 06-09-2014

## Standalone Cash Flow Statement

(Amount in Rs.)

Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	59,518,818	103,845,580
Profit before tax from discontinuing operations	—	—
Profit before tax	<u>59,518,818</u>	<u>103,845,580</u>
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation / Amortization	136,496	220,012
Interest Expense	5,639,445	3,319,039
Interest Income	(31,560)	
Provision for Gratuity	118,416	145,105
Profit/Loss on Sale of Investments	—	729,990
Dividend From Investments	—	(7,475)
Interest -written back	(332,094)	—
Sundry Advances written back	(1,492,646)	—
Sundry Advances written off	2,206,990	—
Sundry Balances written off	414,458	—
<b>Operating Profit before working capital changes</b>	<b>66,178,323</b>	<b>108,252,250</b>
<b>Adjustments for:</b>		
Increase/ (Decrease) in Trade Payables	286,360,405	(56,418,055)
Increase/ (Decrease) in Short Term Provisions		
Increase/ (Decrease) in Other Current Liabilities	(18,610,553)	(239,709,405)
Increase/ (Decrease) in Short Term borrowings	22,893,112	—
Decrease/ (Increase) in Trade Receivables	(140,586,704)	(1,437,060)
Decrease/ (Increase) in Inventories	588,356	145,083,957
Decrease/ (Increase) in Short Term Loans & Advances	(72,493,220)	71,014,284
Decrease/ (Increase) in Other Current Assets	(231,365,567)	(13,087,448)
<b>Cash Generated from/ (used in) operations</b>	<b>(87,035,848)</b>	<b>13,698,524</b>
Direct Taxes (Net of Refunds)	(330,440)	(10,532,459)
<b>Net Cash Flow From/ (Used in) operating Activities</b>	<b>(A) (87,366,288)</b>	<b>3,166,065</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including intangible assets, CWIP	—	(6,775)
Sale of Investments	—	1,033,236
Dividend from Investments	—	7,475
Interest Received	31,560	—
<b>Net Cash Flow From/ (Used in) Investing Activities</b>	<b>(B) 31,560</b>	<b>1,033,936</b>



**Cash Flow Statement (Contd.)**

(Amount in Rs.)

Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(5,639,445)	(3,319,039)
Proceeds from long-term borrowings	93,336,000	-
<b>Net Cash Flow From/ (Used in) Financing Activities</b>	<b>(C) 87,696,555</b>	<b>(3,319,039)</b>
<b>Net Increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C) 361,827</b>	<b>880,962</b>
Cash and Cash equivalents at the beginning of the year	1,292,318	411,356
<b>Cash and Cash equivalents at the end of the year</b>	<b>1,654,145</b>	<b>1,292,318</b>
<b>NOTE :</b>		
Cash and Cash equivalents as per Balance Sheet	1,654,145	1,292,318
Cash and Cash equivalents as per Cash Flow Statement	1,654,145	1,292,318

As per our report attached

For and on behalf of the board

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No : 003957S

**Vikram Mankal**  
Managing Director & CEO

**K.N. Narayanan**  
Director

**V. Sriramalakshmi**  
Company Secretary

**S. Subramaniam**  
Partner  
M.No: 025433

Place : Chennai  
Date : 06-09-2014

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**CONSOLIDATED  
FINANCIAL ACCOUNTS 2013-14**

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**INDEPENDENT AUDITOR'S REPORT**  
**ON CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF**  
**PREMIER ENERGY AND INFRASTRUCTURE LIMITED**

**Report on the Consolidated Financial Statements**

We have audited the accompanying Consolidated financial statements of **PREMIER ENERGY AND INFRASTRUCTURE LIMITED** ("the Company") and its subsidiaries ("the Group") which comprise of the Consolidated Balance Sheet as at June 30, 2014, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

The Company's Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the Consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used

and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries noted below in the Other Matters paragraph, the aforesaid Consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at June 30, 2014;
- b) in the case of the Consolidated statement of Profit and Loss, of the profit for year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Emphasis of Matter**

We draw attention of the shareholders to:

- 1. Note 4A of Notes to Financial Statements relating to the land at Luz Church Road purchased during the year 2007-08 (in joint name with another company) which has not been registered and given as a primary security for loan taken from SIDBI amounting to Rs.10,00,00,000.
- 2. Note 35 of the Notes to Financial Statements regarding non availability of confirmation of balances in respect of certain Trade Receivables, Retention Receivable, Loans & Advances, Deposits, Trade Payables, Retention Payable and Advance received from customers.
- 3. Note 36 of the Notes to Financial Statements regarding cost provision made for a sum of Rs.12,16,00,000/-.
- 4. In respect of EMAS Engineers and Contractors Private Limited, in the absence of audited financial statements, the unaudited financial information provided by the management, has been used for consolidation purpose. The Company's total assets as at June 30, 2014 amounts to Rs.2,53,48,89,741/-, revenue amounts to Rs.1,09,68,26,150/-and net cash

flows amounts to Rs.1,29,92,020/-for the year ended on that date.

5. No impairment of "Goodwill on Consolidation" of RCI Power AP Limited amounting to Rs.33,71,440/- has been considered by the management.
6. We did not audit the standalone and the consolidated financial statements of RCI Power Limited, comprising of RCI Power Limited RCI Wind farm 30MW Private Limited and RCI Wind farm 50MW Private Limited and standalone financial statements of RCI Power AP Limited, whose financial statements reflect total assets (net) of Rs 74,62,09,906/- as at June 30, 2014, total revenues of Rs. 2,82,12,748/- and net cash flows amounting to Rs.2,78,91,280/-for the year ended on that date, as considered in the consolidated financial statements. These Financial Statements have been audited by other auditors whose report has been furnished to us and our opinion in so far as it relates to the amount included in the Financial Statements is solely on the reports of the other auditors.
7. The Company holds investment in an Associate viz Haldia Coke and Chemicals Private Limited, whose consolidated audited Financial Statements has a financial year ending March 31, 2014, which is different from the year-end of the "Group", which is June 30, 2014. Further, no share of profit or loss of the above

Associate has been included in the Consolidated Profit and Loss accounts for the year ended June 30, 2014 of the Group, as the Group does not have "significant influence" in the said Associate and retains only its investment, as defined in Accounting Standard (AS) 23-"Accounting for Investments in Associates in Consolidated Financial Statements"

Our opinion is not qualified in respect of matters mentioned under "Emphasis of Matter".

#### **Report on Other Legal and Regulatory Requirements**

*The company has applied for and awaits the approval of the central government as required under section 295 of companies act 1956, for the loan amounting to Rs.18.92 Crores given in the Financial year 2012-2013 to a partnership firm in which a director of the company is a partner (outstanding as on 30.6.2013 is NIL) and the approval from central government has not yet been received.*

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No: 003957S

**S. SUBRAMANIAM**

Place : Chennai  
Date : 06.09.2014

Partner  
Membership No. 025433



**Consolidated Balance Sheet as at June 30, 2014**

(Amount in INR)

Particulars	Note No.	As at June 30, 2014	As at June 30, 2013
<b>I EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	413,500,600	413,500,600
(b) Reserves and Surplus	3	1,562,690,285	1,499,249,002
<b>(2) Non-Current Liabilities</b>			
(a) Long-term Borrowings	4	528,341,247	336,016,836
(b) Deferred tax liabilities (Net)	5	4,081,712	4,514,850
(c) Other Long term liabilities	6	15,000,000	49,092,990
(d) Long-term Provisions	7	15,867,849	13,529,722
(e) Minority interest		224,382,099	220,140,289
<b>(3) Current Liabilities</b>			
(a) Short-term Borrowings	8	711,732,086	851,376,897
(b) Trade payables	9	606,719,010	954,256,836
(c) Other current liabilities	10	945,047,036	960,981,053
(d) Short-term provisions	11	86,763,373	61,394,711
<b>Total</b>		<u>5,114,125,297</u>	<u>5,364,053,786</u>
<b>II ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Goodwill on consolidation	12	3,371,440	3,371,440
(b) Fixed assets			
(i) Tangible assets	13	961,539,671	983,340,612
(ii) Intangible assets		336,904	336,904
(ii) Capital Work In progress		27,022,062	27,022,062
(c) Non-current investments	14	801,013,678	801,013,678
(d) Differed Tax Asset	15	929,120	-
(e) Long term loans & advances	16	61,968,139	79,359,857
(f) Other non current assets	17	116,860,383	161,482,346
<b>(2) Current assets</b>			
(a) Current investments	18	-	-
(b) Inventories	19	1,533,927,038	1,948,073,010
(c) Trade receivables	20	326,768,797	48,281,173
(d) Cash and bank balances	21	81,978,711	40,733,583
(e) Short-term loans and advances	22	444,637,004	685,303,493
(f) Other current assets	23	753,772,350	585,735,628
<b>Total</b>		<u>5,114,125,297</u>	<u>5,364,053,786</u>
Statement of Significant Accounting Policies & Notes to Financial Statements	1 to 50		

As per our report attached

For and on behalf of the board

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No : 003957S

**Vikram Mankal**  
Managing Director & CEO

**K.N. Narayanan**  
Director

**V. Sriramalakshmi**  
Company Secretary

**S. Subramaniam**  
Partner  
M.No: 025433

Place : Chennai  
Date : 06-09-2014

**Consolidated Statement of Profit & Loss for the year ended June 30, 2014**

(Amount in INR)

Particulars	Note No.	For the Year ended June 30, 2014	For the year ended June 30, 2013
I. Revenue from operations	24	<b>1,462,260,499</b>	1,637,830,518
II. Other Income	25	<b>2,029,403</b>	226,251,862
III. <b>Total Revenue (I +II)</b>		<b><u>1,464,289,902</u></b>	<b><u>1,864,082,380</u></b>
IV. Expenses:			
Direct Expenses			
Cost of materials consumed	26	<b>1,072,463,406</b>	1,406,662,665
Indirect Expenses			
Employee benefit expenses	27	<b>58,378,242</b>	73,237,827
Selling, Administration & other expenses	28	<b>60,992,413</b>	91,845,302
Finance costs	29	<b>145,475,371</b>	142,055,728
Depreciation and amortization expense	13	<b>29,373,373</b>	34,360,083
<b>Total Expenses</b>		<b><u>1,366,682,805</u></b>	<b><u>1,748,161,605</u></b>
V. Profit before tax		<b><u>97,607,097</u></b>	<b><u>115,920,775</u></b>
VI. Tax expense:			
Current tax		<b>33,869,760</b>	39,800,000
Previous years		<b>(2,583,498)</b>	3,536,784
Deferred tax		<b>(1,362,258)</b>	982,968
VII. Profit/(Loss) for the year		<b>67,683,093</b>	71,601,023
Less : Minority interest		<b>4,241,810</b>	1,213,371
Add : Share of profit from investment in Associate		—	—
VIII. <b>Profit/(Loss) for the period carried to Balance sheet</b>		<b>63,441,283</b>	70,387,653
IX. Earning per equity share:			
Basic/Diluted		<b>1.53</b>	1.70
Statement of Significant Accounting Policies & Notes to Financial Statements	1 to 50		

As per our report attached

For and on behalf of the board

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No : 003957S

**Vikram Mankal**  
Managing Director & CEO

**K.N. Narayanan**  
Director

**V. Sriramalakshmi**  
Company Secretary

**S. Subramaniam**  
Partner  
M.No: 025433

Place : Chennai  
Date : 06-09-2014



## Consolidated Notes forming part of Financial Statements

### General information

- The financial statements have been prepared and presented as per the revised Schedule VI notified under the Companies Act 1956.
- All amounts in the financial statements are presented in rupees, except as otherwise stated.
- Premier Energy and Infrastructure Limited (PEIL) is focused on the Construction, housing development and energy sector.

The following are the subsidiaries:

- RCI Power Limited(Consolidated) - 100 %
- RCI Power AP Limited - 100 %
- EMAS Engineers & Contractors Pvt Ltd - 50.1 %

### Note 1 : SIGNIFICANT ACCOUNTING POLICIES

#### Principles of consolidation

The consolidated financial statements relate to **Premier Energy and Infrastructure Limited** ('the Company') and its subsidiary companies (collectively referred to as "the Group").

The subsidiary companies considered for consolidation in the financial statements are as follows:

S.No.	Name of the subsidiary	Audited / Unaudited	Year end dated	Proportion of ownership interest
1	EMAS Engineers and Contractors Private Limited	Unaudited	June 30,2014	50.10%
2	RCI Power Limited (Consolidated)	Audited	June 30,2014	100%
3	RCI Power AP Limited	Audited	June 30,2014	100%

The company which has been considered as "Associate" in this Consolidated Financial statements is as follows:

S.No.	Name of the subsidiary	Audited / Unaudited	Year end dated	Proportion of ownership interest
1	Haldia Coke and Chemicals Private Limited (Consolidated)	Audited	March 31,2014	29.97%

#### a) Basis of preparation of financial statements

The financial statements are prepared in accordance with Generally Accepted Accounting Principles ("GAAP") applicable in India. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the provisions of the Companies Act, 1956. 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 management evaluates all recently issued or revised accounting standards on an on-going basis.

#### The consolidated financial statement has been prepared on the following basis:

- The financial statements of the company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 - "**Consolidated Financial Statements**" notified by Companies (Accounting Standards) Rules, 2006.
- The results of the subsidiaries prior to the date of acquisition has been considered as capital profit/(loss) and adjusted with the cost of Investment.
- The difference between the cost of investment in the subsidiaries and the company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.

## Notes forming part of Consolidated Financial Statements *(continued)*

- d) The Goodwill arising on consolidation is not tested for impairment as at the Balance Sheet date.
- e) The consolidated financial statements include the share of profit / loss of associate company, which are accounted for under "Equity Method" as per which the share of profit of the associate has been added to the cost of the investment. An associate is an enterprise in which investor has a significant influence and which is neither a subsidiary nor a joint venture.
- f) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
- g) Minority interest in the net assets of consolidated subsidiaries consists of:
  - (i) The amount of equity attributable to minority at the date on which investment in a subsidiary is made and
  - (ii) The minority share of movements in equity since the date of holding subsidiary relationship came into existence.
- h) Minority interest share of net profit/loss of consolidated subsidiaries for the year is identified and adjusted against the profit/loss after tax of the group in order to arrive at the net income attributable to shareholders of the Company.
- i) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the company i.e. 30th June 2014.
- j) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements except in respect of the following policies.

### **Depreciation:**

For RCI Power (AP)Limited , calculation of depreciation is not applicable as they do not have any depreciable tangible/intangible Fixed assets :

EMAS Engineers & Contractors Private Limited and RCI Power Limited( Consolidated) have adopted written down value method of depreciation which is different from that of the holding company.

### **Gratuity and Leave encashment:**

For the following companies , gratuity and leave encashment is not provided for since there are no employees being employed in the companies during the period:

- a) RCI Power(AP)limited
- b) RCI Power limited (Consolidated)
- c) EMAS Engineers & Contractors Private Limited has made provision for gratuity on the basis of actuarial valuation and the company has not formulated any leave encashment policy.

### **b) Use of estimates**

The preparation of the financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities as at the date of the financial statements and reported amounts of revenue and expenses for the year. The key estimates made by the Company in preparing these financial statements comprise provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of assets. Actual results could differ from those estimates.

### **c) Tangible fixed assets**

- 1 Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses ,if any. The cost of an asset comprises its purchase price, duties, taxes, freight and other directly attributable cost incurred to bring the assets to its working condition for the intended use.
- 2 Land of RCI Power Limited (Consolidated), RCI Power AP Limited and Emas Engineers and Contractors Private Limited are stated at revalued amount.
- 3 Interest on borrowing specifically for the project is capitalised and added to the cost of fixed assets in RCI Power (AP) Limited. Capital work in progress includes advances for capital expenditure in RCI Power (AP) Limited.



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## **Notes forming part of Consolidated Financial Statements (continued)**

- 4 In case of RCI Power Limited (Consolidated), Capital Work-in-Progress includes advances for capital expenditure. Interest on borrowing specifically for the project is capitalised and added to the cost of fixed assets.

**d) Intangible assets**

Goodwill on Amalgamation has been fully amortised using Straight line method over a period of 5 years.

**e) Depreciation**

In Premier Energy and Infrastructure Limited Depreciation on Fixed Assets is provided on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 except for Fixed Assets costing less than Rs 5,000/-, which are fully depreciated in the year of Purchase.

Depreciation for assets purchased/sold during a period is proportionately charged.

Incremental Depreciation on account of enhancement in value of Fixed Assets due to revaluation is charged against Fixed Assets Revaluation Reserve.

In Emas Engineers and Contractors Private Limited expenditure on improvements to leasehold premises is written off over a period of three years.

**f) Revenue recognition**

Revenue from Infrastructure Development is recognised on percentage completion method as per accounting standard AS-7 (Revised),

Long Term Contracts are progressively evaluated at the end of each accounting period. On contracts under execution which have reasonably progressed, profit is recognised by evaluation of the percentage of work completed at the end of each accounting period. Whereas, foreseeable losses are fully provided for in the respective accounting period. The percentage of work completed is determined by the expenditure incurred on the job till each review date to total expected expenditure of the job based on technical estimates.

Additional Claims (including for escalation), which in the opinion of the Management are recoverable on the contract, are recognised at the time of evaluating the job.

Dividend Income on Investments is accounted for when the right to receive the payment is established.

Interest on short term investments are recognised on time proportion basis taking into account the amounts invested and the rate of interest.

Profit / (Loss) on Sale of Current Investments, being the difference between the contracted rate and the cost (determined on weighted average basis) of the investments is recognised on sale.

Rental income is recognised on straight line basis over the primary period of the arrangement.

**g) Investments**

Investments which are readily realizable and intended to held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. On initial recognition, all investments are recognised at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in values is made to recognise a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying cost and net disposal proceeds is charged or credited to statement of profit and loss.

**h) Inventories**

Inventories are valued at cost or net realizable value, whichever is lower.

**Work in progress (Emas Engineers and Contractors Private Limited) consists of:**

- a) Construction contracts which reflects value of material inputs and expenses incurred on contracts including estimated profits in evaluated jobs and
- b) Costs incurred during the period for future projects.

**i) Cash and cash equivalents**

Cash and cash equivalents consists of cash, balance in bank and Deposits with Bank.

## Notes forming part of Consolidated Financial Statements (continued)

### j) Employee benefits

#### 1 Short term employee benefits

All short term employee benefit plans such as salaries, bonus, medical benefits and, leave salary which fall due within 12 months of the period in which the employee renders the related services which entitles him to avail such benefits are recognized on an undiscounted basis and charged to the Statement of profit and loss.

#### 2 Defined contribution plan - provident fund

The Premier Energy and Infrastructure Limited had only 6 employees during the reporting period. Due to number of employees being lesser than threshold limit required under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952.Hence Employer and employee contribution towards Provident fund is not made.

There are no employees in RCI Power Ltd.(Consolidated) , RCI Power (AP) Ltd, and hence provision for provident fund have not been made.

In Emas Engineers and Contractors Private Limited , the Company's Contributions to Provident fund are charged to Profit and Loss account.

#### 3 Defined benefit plan - Gratuity

Employees in India are entitled to benefits under the Payment of Gratuity Act, 1972, a defined benefit retirement plan covering eligible employees of the Company. The Plan provides a lump-sum payment to eligible employees at retirement or on termination of employment. The gratuity benefit conferred by the Company on its employees is equal to or greater than the statutory minimum. The year-end gratuity liability is determined based on actuarial valuation performed by an independent actuary using the **Projected Unit Credit Method**.

##### **Emas Engineers and Contractors Private Limited :**

The year-end gratuity liability is determined and provided based on company's own workings and the gratuity is not funded.

There are no employees in RCI Power Ltd.(Consolidated) , RCI Power (AP) Ltd and hence provision for gratuity has not been made.

#### 4 Leave encashment:

Liability in respect of leave encashment becoming due to the employees is recognised on the basis of undiscounted value of salary eligible for the unavailed leaves required to be paid to the employees.

### k) Income taxes:

#### 1 Income tax

Provision for current income tax is made based on the estimated tax liability in accordance with the relevant tax rates and tax laws. Current income tax is payable on taxable profits, which differ from profit or loss in the financial statements. Current income tax is computed based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

#### 2 Deferred tax

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

#### 3 Minimum alternate tax

Minimum Alternate Tax (MAT) Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay Normal Income tax during the specified period. In the year in which the MAT Credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in the Guidance Note issued by the Institute of Chartered Accountants of India if it is recognized, by way of credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the



## Notes forming part of Consolidated Financial Statements *(continued)*

same at each Balance Sheet Date and writes down the Carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

### l) **Borrowing cost**

Borrowing costs are recognised in the financial statements in accordance with the Accounting Standard -16 of Companies (Accounting Standards) Rules, 2006 .Borrowing cost includes interest. Such costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### m) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. In determining Earnings per Share, the Company considers the net profit after tax and includes the post-tax effect of any extra-ordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

### n) **Provision and contingencies**

The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

### o) **Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. Recoverable amount is the higher of the asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

### p) **Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of leased term 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 term of the lease.

#### **EMAS Engineers and Contractors Private Limited:**

Operating Lease payments are recognized as an expense in Profit and Loss Account on a straight line basis over there term of the lease.

### q) **Segment reporting**

The Group has identified business segments Viz. Infrastructure development and Engineering as the primary segments. Revenue and expenses directly attributable to segment are reported under each reporting segment.

**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 2 : Share Capital</b>		
<b>Authorized Share Capital:</b>		
44,150,000 (Previous Year 44,150,000) Equity shares of Rs.10 each	<u>441,500,000</u>	<u>441,500,000</u>
<b>Issued, Subscribed and Fully Paid up:</b>		
41,350,060 (Previous Year 41,350,060) Equity shares of Rs.10 each fully paid up	<u>413,500,600</u>	<u>413,500,600</u>
<b>Total</b>	<u><b>413,500,600</b></u>	<u><b>413,500,600</b></u>
<b>Reconciliation of number of shares</b>		
Number of equity shares at the beginning of the year	<u>41,350,060</u>	41,350,060
Add: Fresh Issue of shares	-	-
Number of equity shares at the end of the year	<u><b>41,350,060</b></u>	<u>41,350,060</u>

**Details of share holders holding more than 5% of total shares**

Name of the Shareholder	% of holding	As at June 30, 2014	% of holding	As at June 30, 2013
Shri Housing Pvt Ltd	32.08%	13,266,380	32.08%	13,266,380
Vidya Narayanamurthy (On behalf of Shriram Auto Finance)	25.12%	10,387,545	25.12%	10,387,545
Vatsala Ranganathan (On behalf of Shriram Auto Finance)	8.37%	3,462,515	8.37%	3,462,515
Vaata Infra Pvt Ltd	9.67%	4,000,000	9.67%	4,000,000

**Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held by him. Dividend proposed if any by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation, equity shareholders are eligible to receive any of the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

**Shares reserved for issue under options and contracts - NIL****Shares convertible into securities - NIL****Calls Unpaid - NIL**



**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 3 : Reserves and Surplus</b>		
<b>Capital reserve</b>		
Opening balance	146,827,447	146,827,447
Capital reserve on consolidation	20,626,075	20,626,075
Closing balance	<u>167,453,522</u>	<u>167,453,522</u>
<b>Securities premium</b>		
Opening balance	950,864,127	950,864,127
Add: Addition / (reduction)	-	-
Closing balance	<u>950,864,127</u>	<u>950,864,127</u>
<b>Revaluation reserve</b>		
Opening balance	-	-
Add: On revaluation of fixed assets	-	-
Less: Transfer to General Reserve (for asset sold)	-	-
Closing balance	<u>-</u>	<u>-</u>
<b>General reserve</b>		
Opening balance	12,880,424	12,880,424
Add: Transfer from Profit & Loss Account	-	-
Closing balance	<u>12,880,424</u>	<u>12,880,424</u>
<b>Surplus in Profit &amp; Loss account</b>		
Opening balance	368,050,929	297,663,277
Add: Current year surplus	63,441,283	70,387,653
Closing balance	<u>431,492,212</u>	<u>368,050,929</u>
<b>Total</b>	<u><u>1,562,690,285</u></u>	<u><u>1,499,249,002</u></u>

**Note 4 : Long Term Borrowings**

<b>Unsecured Loans</b>		
Loans from Related Parties	434,777,632	317,166,113
Others	-	18,800,000
<b>Secured loans</b>		
From Banks - SIDBI (Note 4A-4B)	93,336,000	-
Car Loan (Note 4C)	227,615	50,723
<b>Total</b>	<u><u>528,341,247</u></u>	<u><u>336,016,836</u></u>

**Note:**

The company has availed a Term loan of Rs.10 crores during the period from Small Industries Development Bank of India carrying interest at the rate of 12.75% per annum.

**4A. Term Loan with Small Industries development bank of India are Secured by charges :**

**(i) Primary Security:**

- a) First charge by way of mortgage in favour of SIDBI of all the immovable property belonging to **M/s PL Finance and Investments Limited and M/s Premier Energy and Infrastructure Limited** located at Luz Church Road part, Mylapore village and Triplicane-Mylapore tank, Chennai. The land given as a primary security which was purchased during the year 2007-08 (In joint name with another company ) has not been registered and the Charge under the Companies Act has not yet been created by the company .

**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 4 : Long Term Borrowings (continued)</b>		
<b>(ii) Guarantee:</b>		
Irrevocable and unconditional		
(i) Corporate guarantee for the total amount borrowed was given by:		
a) Shri housing private limited		
b) PL Finance and Investment Limited and		
c) Premier energy and infrastructure limited		
(ii) Guarantee given by Shriram Auto Finance (firm)		
<b>4B. Disclosure in respect of continuing default for the term loan from SIDBI of Rs.10 crores :</b>		
There is no default in the repayment of interest during the period and the principal repayment starts only after the moratorium period of 6 months which is on 7-November-2014.		
<b>4C. Car Loan :</b>		
Car Loan facility with Federal Bank Limited is secured by way of hypothecation of the vehicle acquired under the car loan.		
<b>Note 5 : Deferred Tax Liability (Net)</b>		
Opening liability	4,081,712	5,727,405
Add: Current year provision	-	(1,212,555)
Closing Deferred Tax Liability	<u>4,081,712</u>	<u>4,514,850</u>
<b>Break up of closing liabilities/(Asset)</b>		
Timing difference in claiming depreciation allowance	4,081,712	5,513,423
Others	-	433,138
Expenses claimed on payment basis	-	(1,431,711)
<b>Total</b>	<u>4,081,712</u>	<u>4,514,850</u>
<b>Note 6 : Other Long Term Liabilities</b>		
Advances Received From Customers	-	34,092,990
Share Application Money	15,000,000	15,000,000
<b>Total</b>	<u>15,000,000</u>	<u>49,092,990</u>
<b>Note 7 : Long Term Provisions</b>		
Provision for Income Tax	12,000,000	9,000,000
Provision for Gratuity (Refer Note - 47)	3,867,849	4,529,722
<b>Total</b>	<u>15,867,849</u>	<u>13,529,722</u>



**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 8 : Short Term Borrowings</b>		
<b>Unsecured Loans</b>	-	-
<b>Secured loans</b>		
Loan from Banks		
- Cash Credit (Note 8A)	570,070,889	724,165,111
- Letter Of credit (Note 8B)	115,968,085	123,859,786
<b>Unsecured loans</b>		
Loan From subsidiary		
Loan From Related party	-	552,000
Lease deposit	2,800,000	2,800,000
Loan From Others	22,893,112	-
<b>Total</b>	<u>711,732,086</u>	<u>851,376,897</u>
<b>Note 8A : The Cash Credit Facility with State Bank of Travancore and Federal Bank are secured by the way of:</b>		
a) First charge on entire current assets of the company on pari passu basis between the above banks.		
b) First charge on entire unencumbered fixed assets of the company on pari passu basis between the above banks.		
c) Second charge on the specific fixed assets of the company on pari passu basis between the above banks.		
d) Personal guarantee given by a former director.		
e) Corporate guarantee given by a former firm.		
<b>Note 8B : Letter of credit</b>		
Letter of credit facilities and bank guarantee facilities with state bank of travancore and federal bank limited are secured by way of 10% cash margin, LC application cum indemnity letter duly signed by the company, hypothecation of goods purchased under LC to bank exclusively, together with collateral security by way of pari passu first charge on the unencumbered fixed assets and pari passu second charge on the specific fixed assets with the above mentioned basis.		
<b>Note 9 : Trade Payable</b>		
Due to Micro Enterprises and Small Enterprises*	-	-
Due to others	606,719,010	954,256,836
<b>Total</b>	<u>606,719,010</u>	<u>954,256,836</u>
* Based on the information available with the management, there are no amounts due to Micro, Small and Medium Enterprises, which has been relied upon by the auditors.		
<b>Note 10 : Other Current Liabilities</b>		
Current Maturities of Long Term Loan	6,664,000	10,617,302
Salaries Payable	1,909,437	1,193,312
Leave salary payable	1,627,586	1,375,465
Statutory Liabilities	5,737,087	4,921,735
Creditors pursuant to scheme of arrangement	5,600,000	5,600,000
Liability for other expenses	4,977,061	4,422,553
Advances from customers	564,221,771	590,211,422
Advances Received From Customers	280,060,980	259,268,840
Other Payables - Expenses	1,898,138	2,702,658
Other Payables - Employees	1,182,532	2,245,819
Other Payables - Retention	52,145,304	50,031,914
Other Payables - Taxes	19,023,139	28,390,033
<b>Total</b>	<u>945,047,036</u>	<u>960,981,053</u>

**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 11 : Short Term Provisions</b>		
Provision for income tax (Net of advance tax)	<b>86,763,373</b>	61,394,711
<b>Total</b>	<b>86,763,373</b>	61,394,711
<b>Note 12 : Goodwill (on consolidation)</b>		
Opening Balance	<b>3,371,440</b>	3,371,440
For the year Addition/(Deletion)	-	-
Closing Balance	<b>3,371,440</b>	3,371,440

In the opinion of the management no impairment is required for Goodwill .

**Note 13 : Fixed Assets**

Asset	Gross Block				Depreciation				Net Block	
	Opening balance as on 01-07-13	Additions	Deletions	Closing balance as on 30-06-14	Opening balance as on 01-07-13	Additions	Deletions	Closing balance as on 30-06-14	As at 30 <sup>th</sup> June 2014	As at 30 <sup>th</sup> June 2013
<b>Tangible asset</b>										
Land & Building *	698,770,000	-	-	<b>698,770,000</b>	-	-	-	-	<b>698,770,000</b>	698,770,000
Lease hold land	74,831,750	-	-	<b>74,831,750</b>	-	-	-	-	<b>74,831,750</b>	74,831,750
Interior decoration	4,493,496	1,204,590	-	<b>5,698,086</b>	4,322,232	23,823	-	<b>4,346,055</b>	<b>1,352,031</b>	171,264
Air Conditioner	2,599,077	40,850	-	<b>2,639,927</b>	1,853,942	103,648	-	<b>1,957,590</b>	<b>682,337</b>	745,135
Plant & Equipments	490,440,808	4,986,617	-	<b>495,427,425</b>	289,233,833	28,117,929	-	<b>317,351,763</b>	<b>178,075,662</b>	201,206,975
Vehicles	11,656,132	-	-	<b>11,656,132</b>	9,217,669	360,985	-	<b>9,578,654</b>	<b>2,077,478</b>	2,438,463
Computer and accessories	7,511,253	63,100	-	<b>7,574,353</b>	6,992,541	119,016	-	<b>7,111,557</b>	<b>462,796</b>	518,712
Office equipment	5,208,637	825,109	-	<b>6,033,746</b>	3,229,525	275,294	-	<b>3,504,819</b>	<b>2,528,927</b>	1,979,112
Furniture & Fixtures	6,489,084	452,166	-	<b>6,941,250</b>	3,832,568	369,521	-	<b>4,202,090</b>	<b>2,739,160</b>	2,656,516
Met Mast	175,000	-	-	<b>175,000</b>	152,314	3,156	-	<b>155,470</b>	<b>19,530</b>	22,686
Capital Work in Progress	27,022,062	-	-	<b>27,022,062</b>	-	-	-	-	<b>27,022,062</b>	27,022,062
<b>Total</b>	<b>1,329,197,299</b>	<b>7,572,432</b>	<b>-</b>	<b>1,336,769,731</b>	<b>318,834,625</b>	<b>29,373,373</b>	<b>-</b>	<b>348,207,998</b>	<b>988,561,733</b>	<b>1,010,362,674</b>
<b>Intangible asset</b>										
Software	344,454	-	-	<b>344,454</b>	7,550	-	-	<b>7,550</b>	<b>336,904</b>	336,904
<b>Total assets #</b>	<b>1,329,541,753</b>	<b>7,572,432</b>	<b>-</b>	<b>1,337,114,185</b>	<b>318,842,175</b>	<b>29,373,373</b>	<b>-</b>	<b>348,215,548</b>	<b>988,898,637</b>	<b>1,010,699,578</b>
Previous year@	1,330,446,968	2,882,189	-	1,333,329,157	288,269,496	34,360,083	-	322,629,579	1,010,699,578	1,042,177,472

**Notes:**

- \* The Land at Luz church Road has been given as Primary Security to SIDBI for a Long Term Loan. The land at Luz Church Road purchased during the year 2007-08 (in joint name with another company) has not been registered.
- # Goodwill on amalgamation amounting to Rs 37,87,404 has been fully written off in the earlier years and hence not been considered in the opening gross block as well as in the opening depreciation block in the current year.
- @ Previous year figures have been modified due to the consideration of Audited accounts of EMAS Engineers and Contractors Private Limited for consolidation purposes which has resulted in increase in the original cost by Rs. 29,68,815 and increase in the depreciation by Rs. 69,717.



**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 14 : Non current investments</b>		
<b>Trade</b>		
<b>in Equity Shares - Not quoted (at cost, fully paid)</b>		
<b>In Subsidiaries</b>		
Emas Engineers & Contractors Pvt Ltd - 6,024,050 equity shares of Rs. 10/- each (Previous year 6,024,050)	-	-
* RCI Power Limited- 15,000,000 equity shares of Rs 10/- each (Previous year 15,000,000)	-	-
* RCI Power AP Limited- 50,000 equity shares of Rs 10/- each (Previous Year 50,000)	-	-
<b>In Associate</b>		
# Haldia Coke & Chemicals Limited- 13,750,000 equity shares of Rs10/- each (Previous year 13,750,000 )	<b>527,587,500</b>	527,587,500
Add/Less :Share of profit/(Loss)	<b>224,973,652</b>	224,973,652
<b>Sub-Total</b>	<b><u>752,561,152</u></b>	<u>752,561,152</u>
<b>Non Trade</b>		
<b>in Equity Shares - Quoted ( At Cost - Fully paid)</b>		
@ Ennore Coke Limited - 575,430 equity shares of Rs 10/- each (Previous Year 575,430)	<b>48,452,526</b>	48,452,526
<b>Sub-Total</b>	<b>48,452,526</b>	48,452,526
<b>Total</b>	<b><u>801,013,678</u></b>	<u>801,013,678</u>
<b>Market value of quoted instruments</b>	<b>11,640,949</b>	<b>10,875,627</b>
* Shares held is inclusive of shares held by individuals in their names as nominees of the Company		
# Includes 91,74,860 Equity shares pledged with a lender for amounts borrowed by the Associate company.		
@ Shares available in demat form.		
<b>Note 15 : Deferred Tax Asset (Net)</b>		
Opening Asset	-	-
Add: Current year addition	<b>929,120</b>	-
Closing Asset	<b>929,120</b>	-
<b>Break up of closing Asset</b>		
Difference between book value and tax written down value of fixed assets	<b>118,469</b>	-
Disallowances under Income tax act, 1961	<b>810,651</b>	-
<b>Total</b>	<b><u>929,120</u></b>	<u>-</u>

**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 16 : Long term Loans &amp; advances</b>		
<b>Unsecured, considered good, unless otherwise stated</b>		
Loan to subsidiaries	-	-
Security Deposits	-	238,750
Loans & advances given to companies under same management	<b>43,138,592</b>	43,138,592
Loans & advances given to other companies	-	20,000,000
Other Long-term Loans & advances	-	-
- Advance Tax	<b>18,829,547</b>	15,982,515
<b>Total</b>	<b><u>61,968,139</u></b>	<b><u>79,359,857</u></b>
<b>Note 17 : Other non current assets</b>		
<b>Unsecured, considered good, unless otherwise stated</b>		
<b>Long Term Trade Receivables</b>	<b>5,374,434</b>	49,996,397
Deposits	<b>4,005,139</b>	4,005,139
Others	-	-
Long Term Retention money Receivables	<b>39,188,221</b>	39,188,221
Unbilled Revenue (Note - 17A)	<b>68,292,589</b>	68,292,589
<b>Total</b>	<b><u>116,860,383</u></b>	<b><u>161,482,346</u></b>
<b>Note 17A : EMAS Engineers &amp; Contractors Pvt Ltd:</b>		
Unbilled revenue relates to certain projects for which no billing has taken place for three years and above, due to stoppage of work .The company is confident of billing the entire amount and recovering the same from customers in the ensuing years.		
<b>Note 18: Current investments</b>		
(At Lower of Cost and Fair Value)		
<b>NIL</b>	-	-
<b>Note 19 : Inventories</b>		
<b>(At lower of cost and net realizable value)</b>		
Raw materials	<b>32,622,638</b>	31,728,686
Work In progress (Note 19A) *	<b>1,501,304,400</b>	1,915,755,968
Other traded goods	-	588,356
<b>Total</b>	<b><u>1,533,927,038</u></b>	<b><u>1,948,073,010</u></b>

**Note 19A : EMAS Engineers & Contractors Pvt Ltd:**

\* Work -in-Progress includes unbilled revenue reflecting the value of material inputs and expenses incurred on contracts including estimated profit in evaluated jobs as per accounting standard AS-7 (revised ) and certified by the management. The above unbilled revenue includes (i) an amount of Rs.23,11,99,895 /- relating to certain projects which are under dispute and (ii) an amount of Rs.28,91,25,382/- relates to certain projects for which no billing has taken place for three years and above, due to stoppage of work. The company is confident of billing the entire amount and recovering the same from the customers in the ensuing year.



**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	As at June 30, 2014	As at June 30, 2013
<b>Note 20 : Trade Receivables</b>		
<b>(Unsecured, considered good)</b>		
Outstanding for more than 6 months from due date	40,823,764	32,648,569
Others	285,945,033	15,632,604
<b>Total</b>	<b>326,768,797</b>	<b>48,281,173</b>
<b>Note 21: Cash and bank balances</b>		
<b>Cash &amp; Cash equivalents</b>		
Cash in hand	4,707,698	1,185,062
Balance with banks		
-in current account	43,035,559	2,660,807
-Deposits	504,351	426,156
- Margin money	33,731,102	36,446,189
- Others	-	15,369
<b>Total</b>	<b>81,978,711</b>	<b>40,733,583</b>
<b>Note 22 : Short Term Loans and Advances</b>		
<b>(Unsecured considered good)</b>		
Advance to supplier	-	137,122,622
Advance to subsidiary	-	-
Advance to other related parties	141,889,412	484,536,888
Advance to employees	658,414	1,161,920
Loans & advances given to companies other companies	254,017	1,400,000
Loans & advances given to companies under same management	273,689,928	-
Rent Advance	3,000,000	3,000,000
Advance to others	25,145,233	58,082,063
<b>Total</b>	<b>444,637,004</b>	<b>685,303,493</b>
<b>Note 23 : Other Current Assets</b>		
<b>(Unsecured considered good)</b>		
Advance Tax paid and Tax Deducted at source	4,511	85,774
Prepaid expenses	208,538	193,072
Unbilled revenue	654,000,000	422,649,896
Retention receivable	91,189,601	120,543,962
Deposits	224,100	1,190,419
Other Current Assets	1,977,654	34,904,557
Income Tax Refund due	1,529,543	1,529,543
Mat credit	4,638,403	4,638,404
<b>Total</b>	<b>753,772,350</b>	<b>585,735,628</b>

**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>Note 24 : Revenue From Operations</b>		
Development of infrastructure for power projects	332,550,104	188,349,547
Sale of traded land	-	195,672,313
Sale of traded goods	2,090,226	1,369,200
Contract Receipts	1,096,680,169	1,246,559,458
Lease Rental	26,780,000	-
Service Income	4,160,000	5,880,000
<b>Total</b>	<b><u>1,462,260,499</u></b>	<b><u>1,637,830,518</u></b>
<b>Note 25 : Other Income</b>		
Write back of unclaimed balances in creditors pursuant to scheme of arrangement	-	47,647,005
Dividend Income	-	7,475
Interest on deposits	173,103	1,937,547
Insurance Claims received	-	176,346,123
Sale of Scraps	-	242,255
Sundry Balances Written back	1,492,646	-
Interest no Longer Required written back	332,094	-
Interest on Income tax Refund	31,560	-
Others	-	71,457
<b>Total</b>	<b><u>2,029,403</u></b>	<b><u>226,251,862</u></b>
<b>Note 26 : Direct Expenses</b>		
Project expenses for development of infrastructure for power projects	247,704,637	158,930,176
Consumption of materials	12,200,201	179,153,810
Labour charges	807,974,790	915,170,313
Cost of traded land	-	145,672,313
Cost of traded goods	593,470	1,186,939
Hire charges	3,990,308	6,549,114
<b>Total</b>	<b><u>1,072,463,406</u></b>	<b><u>1,406,662,665</u></b>
<b>Note 27 : Employee benefit expense</b>		
Salaries & Wages	54,606,312	63,508,263
Contribution to PF & ESI	1,201,164	2,167,070
Leave Encashment	566,286	610,059
Bonus	445,000	510,000
Gratuity	118,416	4,228,077
Leave Travel Allowance	120,000	135,000
Medical	103,677	357,659
Welfare expenses	1,217,387	1,721,698
<b>Total</b>	<b><u>58,378,242</u></b>	<b><u>73,237,827</u></b>



**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>Note 28 : Selling, Administration &amp; other expenses</b>		
Advertisement	167,767	465,966
Legal expenses	25,000	200,000
Professional charges	5,635,472	10,921,742
Office Rent	11,128,202	12,500,758
Business promotion	47,203	805,369
Consumables	-	751,890
Electricity	289,156	284,155
Rates and taxes	11,744,792	31,393,896
ROC Filing fee	35,100	52,100
Repairs & Maintenance	2,467,727	2,191,822
- Buildings	45,462	81,837
- Vehicles	182,067	201,993
- Office equipment	57,318	28,500
- Others	68,036	28,885
Insurance	1,653,198	2,592,643
Freight & Forwarding Charges	-	264,944
Fuel expenses	3,446,377	2,264,999
Hire charges	110,136	490,048
Postage & Courier	-	42,061
Donations	1,500	1,565,000
Discount	-	-
Printing & Stationery	533,909	833,748
Communication expenses	1,271,782	1,948,825
Travelling & conveyance	2,803,798	4,946,975
Transportation	4,095,972	6,246,902
Listing & Depository Fees	243,729	258,214
Sitting fees to Directors	70,000	85,000
Auditors remuneration	3,348,600	2,763,600
Provision for Diminution in Value of Investments	-	-
Loss on sale of current / non- current Investments	-	729,990
Other Expenses	2,958,854	881,873
Preliminary expenses written off	-	32,000
Other administrative expenses	3,706,309	2,882,442
Security Charges	2,233,498	3,107,126
Sundry Advances Written off	2,206,990	-
Sundry Balances Written off	414,458	-
<b>Total</b>	<b>60,992,413</b>	<b>91,845,302</b>

**Notes forming part of Consolidated Financial Statements (continued)**

(Amount in INR)

Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>Note 29 : Finance costs</b>		
Interest on loans	4,654,420	340,891
Interest on term loans	661,524	7,360,921
Interest on Cash Credit	110,251,668	99,370,814
Interest to Banks - Others	5,764,536	30,690,960
Interest on Statutory Dues	391,755	2,772,530
Finance Charges	23,152,042	1,311,365
Bank charges	599,426	208,247
<b>Total</b>	<b>145,475,371</b>	<b>142,055,728</b>

**Note 30 : Particulars of Subsidiaries :**

Name of the Company	Country of incorporation	Percentage of voting power
Emas Engineers and Contractors Private Limited	India	50.1%
RCI Power Limited	India	100%
RCI Power (AP) Limited	India	100%

**Note 31 : Contribution of Subsidiaries During the year is as under:**

(Rs. In Million)

Name of the Company	Revenue	Net Profit	Net Assets
EMAS Engineers & Contractors Pvt. Limited	1,096.83	4.26	2,534.89
RCI Power Limited	23.96	14.98	662.71
RCI Power AP Limited	4.26	2.88	83.50

**Note 32 :** The Company holds investment in an Associate viz Haldia Coke and Chemicals Private Limited, whose consolidated audited Financial Statements has a financial year ending March 31, 2014, which is different from the year-end of the "Group", which is June 30, 2014. Further, no share of profit or loss of the above Associate has been included in the Consolidated Profit and Loss accounts for the year ended June 30, 2014 of the Group, as the Group does not have "significant influence" in the said Associate and retains only its investment, as defined in Accounting Standard (AS) 23-"Accounting for Investments in Associates in Consolidated Financial Statements"

**Note 33 :** The company received during the year an amount of Rs.1,20,00,000 from parties for onward remittance to a fellow subsidiary. Further an amount of Rs 5,40,00,000/-has been shown as payables/receivables .The receipts and payments also include cases where receipts and payments from/ to a party have been treated as a settlement of payables/receivables of another party based on mutual understanding.

Confirmation of balances from the above mentioned parties is available. The management is confident of recovering the receivables stated in the accounts.

**Note 34 : Capital Commitment**

Particulars	(In Rs.) 30-Jun-14	(In Rs.) 30-Jun-13
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	1,061,200,000	1,061,200,000



**Notes forming part of Consolidated Financial Statements (continued)**

**Note 35 : Balance Confirmation:**

The Company has not obtained confirmation of balances in respect of :

	<b>Amount in Rs</b>
a) Short term loans and advances amounting to	303,655,850
b) Trade receivables amounting to	262,616,908
c) Trade payables amounting to	290,497,113
d) Retention receivable	91,189,601
e) Deposit	4,204,739
f) Retention payable	52,145,304
g) Advance received from customers	280,060,980

Pending receipt of confirmation/reconciliation of balances, no adjustments have been carried out to the carrying values of the above amounts for the year ended 30 June 2014. In the opinion of the Management, the amounts stated in the Balance Sheet are fully realisable/ payable.

**Note 36 :** The Company has made a provision for cost for an amount of Rs 12,16,00,000, based on a memorandum of understanding to erect and commission wind power projects at Tadipatri.

**Note 37 : Taxation**

For Premier Energy and Infrastructure Limited, Provision for Income tax made during the year is Rs.2,21,44,760 under the provisions of the Income Tax Act 1961 .

Excess provision created for the assessment year 2010-11 of Rs.3,83,498 and for the assessment year 2011-12 of Rs.22,00,000 have been reversed during the period.

For EMAS Engineers and Contractors Private limited Provision for income tax of Rs.30,00,000 has been made based on the total income for the year ended 31.3.2013 computed under the provision of the income tax act 1956. Provision for income tax of Rs.60,00,000 for an earlier year made during FY 2012-13 , based on the income tax return filed for the year ended 31.3.2012 under the provision of the income tax act 1961.

**Note 38 : Contingent Liabilities**

- a) HUDCO has filed a case against the company for recovery of Rs 21,251,771 (Previous year Rs 21,251,771 ) as against Rs 5,600,000 (Previous year Rs. 5,600,000 ) payable by the Company as per the Scheme sanctioned by Hon'ble High Court of Madras vide CP 367/2003. The company has won the case at the DRT, Chennai. Matter is now sub judice before DRAT Chennai.
- b) The Company has entered into an agreement with a Company M/s Orient Green Power Limited and its associates/ subsidiaries to erect and commission wind power projects at Tadipatri. The Company executes this through Vaata Infra Limited. The Company has not provided for Works contract tax on the said transactions.
- c) The land at Luz Church Road purchased during the year 2007-08 (in joint name with another company) has not been registered. Liability of registration charges for the land amount is not quantifiable . The land has been provided as a security for the term loan of Rs.10 crores taken from SIDBI bank.
- d) The Company had acquired land for development from M/s Amrit Technologies Private Limited at Rs. 145,672,313 and a sum of Rs.48,071,313 is still due to them . Subsequently the Company has sold the land to Beta Wind Farms Limited. The purchase of the land and its sale have not been registered. Liability of registration charges for land amount is not quantifiable.
- e) The Company has pledged part of its investment viz., 91,74,860 Equity shares in Haldia Coke and Chemicals Private Limited with a lender towards Security. The liability arising out of the pledge is not quantifiable.

<b>f) Particulars</b>	<b>As at 30-6-14</b>	<b>As at 30-6-13</b>
Bank Guarantee Outstanding	<b>405,050,000</b>	222,606,120
VAT Disputed and under appeal	<b>5,959,320</b>	5,959,320

**Notes forming part of Consolidated Financial Statements (continued)****Note 39 : Payment To Auditor(Including Service Tax)**

Particulars	2013-14	2012-13
Statutory Audit	2,190,000	2,390,000
Consolidation and Special purpose Audit	300,000	0
Tax Audit	200,000	200,000
Certification and Other Services	658,600	173,600
<b>Total</b>	<b>3,348,600</b>	<b>2,763,600</b>

**Note 40 : Earnings per share**

Particulars	30-Jun-14	30-Jun-13
Net profit/Loss attributable to shareholders	63,441,283	70,387,653
Basic and diluted weighted average no. of equity shares issued	41,350,060	41,350,060
Earnings per share of Rs.10 each - basic and diluted	1.53	1.70

**Note 41 : Segment Reporting**

The group has identified business segments as the primary segment. Revenues and Expenses directly attributable to segments are reported under each reportable segment.

(Amounts in Rs. millions)

Particulars	As at June 30, 2014			As at June 30, 2013		
	Infrastructure Development	Engineering & construction	Total	Infrastructure Development	Engineering & construction	Total
Revenue	367.46	1,096.83	1,464.29	439.096	1,424.987	1,864.08
Direct expenses	249.70	822.76	1,072.46	305.79	1,100.87	1,406.66
Un-allocable expenses			294.22			341.50
Profit before taxes			97.61			115.92
Exceptional items			-			-
Taxes			29.92			44.32
Profit before minority interest and share of profit/ (loss) of associate			67.68			71.60
Minority interest			4.24			1.21
Share of profit / (loss) of associate			-			-
Net profit for the year			63.44			70.39

**Segment Assets & Liabilities**

(Amount in Rs. Lacs)

	As at June 30, 2014			As at June 30, 2013		
	Infrastructure Development	Engineering & construction	Total	Infrastructure Development	Engineering & construction	Total
Assets	2,579.24	2,535	5,114	2,257	3,107	5,364
Liabilities	1,343.74	1,570	2,914	905	2,326	3,231

**Note 42 : Impairment of Assets**

There is no impairment of cash generating assets during the year in terms of Accounting Standards (AS-28) "Impairment of Assets".



**Notes forming part of Consolidated Financial Statements (continued)**

**Note 43 : Impact on Statement of Profit and Loss of previous year**

The Consolidated Financial Statements has been recast taking into consideration, the audited financials of subsidiary Emas Engineers and Contractors Private Limited. The difference arising between audited and unaudited financial statements pertaining to previous year in excess of 10% are given below :

(Amounts in Rs. millions)

Impact on Profit and loss	Consolidation			Emas Engineers and Contractors Private Limited		
	June 13 in June 14	June 13 in June 13	Difference	June 13 in June 14	June 13 in June 13	Difference
Revenue	1,864	1,728	136	1,425	1,289	136
Expenses	1,748	1,608	140	1,413	1,273	140

Changes in computation as per AS-7 for revenue recognition due to certain cost escalation in the estimates.

**Note 44 : Related party disclosures**

List of related parties and the relationship.

(a) Ultimate Controlling entity	Shriram Auto Finance (Partnership firm)*
(b) Subsidiaries	Emas Engineers & Contractors Pvt Ltd. RCI Power Ltd. RCI Power (AP) Ltd.
(c) Step down subsidiaries	RCI Wind Farm 30 MW Pvt. Ltd. RCI Wind Farm 50 MW Pvt. Ltd.
(d) Fellow subsidiary	Shri Housing Pvt. Ltd.
(e) Entities with common director	Vaata Infra Limited S R Fabricators Pvt. Ltd. Haldia Coke & Chemicals Pvt. Ltd. Ennore Coke Limited
(f) Key management personnel	
Managing Director of Premier Energy and Infrastructure Limited	Vikram Mankal
Managing Director of Emas Engineers and Contractors Private Limited	S.Srinivasan

Note:

\* \*Consequent to the merger of M/s Valagam Power Projects Pvt. Limited and M/s Black Gold Chemicals Private Limited with the Company with effect from 1st July 2010, the Company has ceased to be a subsidiary of Shri Housing Private Limited and here after Shri Housing Private Limited holds 32.08% and Shriram Auto Finance (the 100% owner of Shri Housing Private Limited) holds 33.49% in the capital.

The related parties have been identified on the basis of the requirements of the Accounting Standards 18 'Related Party Disclosures' under the Companies (Accounting Standards) Rules, 2006, by the management and the same have been relied upon by the auditors.

**Notes forming part of Consolidated Financial Statements (continued)****Transactions with related parties during the year :**

(IN INR)

Description	Name of the related party	Relationship	As at June 30,2014	As at June 30,2013
Sale of Services	Emas Engineers & Contractors Pvt Ltd	Subsidiary	943,824	-
Purchase of Materials	Vaata Infra Ltd	Common Director	-	155,188,358
Purchase of Fixed Assets	Haldia Coke & Chemicals Pvt Ltd	Associate	-	6,775
Expenses Reimbursed to	Vaata Infra Ltd	Common Director	7,606,106	-
Expenses Reimbursed by	RCI Power 30MW Private limited	Step subsidiary	20,330	-
Expenses Reimbursed by	RCI Power AP limited	Subsidiary	79,096	-
Expenses Reimbursed by	RCI Power limited	Subsidiary	249,850	-
Expenses Reimbursed by	RCI Power 50MW Private limited	Step subsidiary	20,330	-

**Loans and advances given to/taken from related parties**

(IN INR)

Party	Relationship	Opening balance as at June 30, 2013	Received during the year	Paid during the year	Closing Balance as at June 30, 2014
Shri Housing Pvt Ltd	Fellow Subsidiary	13,872,185	239,580,345	225,708,160	-
Emas Engineers & Contractors Pvt Ltd	Subsidiary	115,934,112	216,604,904	391,698,724	291,027,932
Haldia Coke & Chemicals Private Ltd	Common Director	(130,345)	-	130,345	-
Vaata Infra Limited	Common Director	164,275,492	88,764,347	36,666,362	112,177,507
RCI Power limited	Subsidiary	-	5,949,850	5,949,850	-

**Related party transaction - EMAS Engineers and contractors Private Limited**

- Holding Company Premier Energy and Infrastructure Limited
- Key Managerial Personnel
  - S. Srinivasan - Managing Director
  - Vikram Mankal - Director (Resigned on 30 Sep 2013)
  - Sita Srinivasan - Relative of Managing Director
  - Malathi Chandrasekharan - Relative of Managing Director
- Enterprises over which persons listed in (1) & (2) above are able to exercise significant influence.
  - Ennore Coke Limited
  - Haldia Coke and Chemicals Pvt Ltd
  - Shriram Auto Finance

**4. Transactions with Related parties during the period**

	Holding Company		Parties referred in (2) & (3) above	
	30-Jun-14	30-Jun-13	30-Jun-14	30-Jun-13
Loans received	39 16 98 724	25 69 50 000	3 84 11 460	10 90 89 350
Loans repaid	21 66 04 904	28 20 00 000	3 18 34 512	3 93 87 350
Factoring				30 63 89 211
Remuneration to Managing Director			48 00 000	48 00 000
Expense reimbursed to				417,431.00
Expense reimbursed by			-	
<b>Balance Outstanding as on:</b>				
Unsecured loans Received	29 10 27 932	11 59 34 112	32 42 95 061	31 77 18 113
Loans & Advances			30 63 89 211	30 63 89 211
Share Application Money			1 50 00 000	1 50 00 000



**Notes forming part of Consolidated Financial Statements (continued)**

**Details of Material Related Party Transactions**

<b>Particulars</b>	<b>Relationship</b>	<b>2013-14</b>	<b>2012-13</b>
<b>Loans Received</b>			
Premier Energy and Infrastructure Ltd	Holding Company	<b>39 16 98 724</b>	25 69 50 000
Ennore Coke Limited	Key Managerial Personnel		45 00 000
Haldia Coke and Chemicals Pvt Ltd	Key Managerial Personnel		
Shriram Auto Finance	Key Managerial Personnel		8 36 50 000
S. Srinivasan	Key Managerial Personnel	<b>3 84 11 460</b>	2 06 25 000
Sita Srinivasan	Relative of Key Managerial Personnel		3 14 350
<b>Loans Repaid</b>			
Premier Energy and Infrastructure Ltd	Holding Company	<b>21 66 04 904</b>	28 20 00 000
Ennore Coke Limited	Key Managerial Personnel		
Haldia Coke and Chemicals Pvt Ltd	Key Managerial Personnel		
Shriram Auto Finance	Key Managerial Personnel		1 90 00 000
S. Srinivasan	Key Managerial Personnel	<b>3 18 07 512</b>	2 01 00 000
Sita Srinivasan	Relative of Key Managerial Personnel	<b>27 000</b>	2 87 350
<b>Factoring:</b>			
Shriram Auto Finance	Key Managerial Personnel	-	306,389,211
<b>Remuneration to Managing Director</b>			
S.Srinivasan	Key Managerial Personnel	<b>48 00 000</b>	48 00 000
<b>Expense Reimbursed to</b>			
S. Srinivasan	Key Managerial Personnel	-	417431
<b>Expense Reimbursed by</b>			
S. Srinivasan	Key Managerial Personnel	-	6 40 261
<b>BALANCES OUTSTANDING AT THE YEAR END</b>			
<b>Unsecured Loans</b>			
Premier Energy and Infrastructure Ltd	Holding Company	<b>29 10 27 932</b>	11 59 34 112
Ennore Coke Limited	Key Managerial Personnel	<b>3 79 58 082</b>	3 79 58 082
Haldia Coke and Chemicals Pvt Ltd	Key Managerial Personnel	<b>24 24 42 143</b>	24 24 42 143
Malathi Chandrasekharan	Relative of Key Managerial Personnel	<b>9 00 000</b>	9 00 000
Shriram Auto Finance	Key Managerial Personnel	<b>3 58 65 888</b>	3 58 65 888
S. Srinivasan	Key Managerial Personnel	<b>71 28 948</b>	5 25 000
Sita Srinivasan	Relative of Key Managerial Personnel		27 000
		<b>61 53 22 993</b>	43 36 52 225
<b>Short term Loans &amp; Advances</b>			
Shriram Auto Finance-Factoring due	Key Managerial Personnel	<b>30 63 89 211</b>	30 63 89 211
Shriram Auto Finance	Key Managerial Personnel		
		<b>30 63 89 211</b>	30 63 89 211
<b>Share Application Money</b>			
Shriram Auto Finance	Key Managerial Personnel	<b>1 50 00 000</b>	1 50 00 000

**Note 45 : Derivatives and foreign currency exposure**

The Company has not entered into any derivative contracts during the year under review and also does not have any foreign currency exposure as at June 30, 2014.

**Note 46 : Foreign currency transactions**

There are no inflows in foreign currency during the reporting period June 30,2014 and during the previous reporting period June 30,2013. Expenditure in Foreign Currency on account of Foreign Travel - Rs.3,86,881/ - (Previous Year: Rs.1,150,227/-)

**Notes forming part of Consolidated Financial Statements (continued)****Note 47 : Employee benefits - Gratuity**

Particulars	As at June 30, 2014	(IN INR) As at June 30, 2013
<b>A. Net asset/ (liability) recognized in the balance Sheet.</b>		
Present value of funded obligation	(3,867,849)	(4,529,721)
Fair value of plan assets	-	-
(Deficit) / surplus	-	-
Present value of unfunded obligation	-	-
Unrecognised past service cost	-	-
Net asset / liability	-	-
- Assets	-	-
- Liability	(3,867,849)	(4,529,721)
<b>B. Expense recognized in the Profit &amp; loss account.</b>		
Current service cost	833,756	1,290,742
Interest cost	342,591	115,434
Expected return on plan assets	-	-
Actuarial (gains) / losses	(839,738)	(76,141)
Past service cost	-	-
Adjustments made in the Current period	-	-
<b>Total expense</b>	<b>336,609</b>	<b>1,330,035</b>
<b>C. Change in present value of obligation during the year</b>		
Present value of defined benefit obligation as at the beginning of the year	1,723,987	393,952
Adjustment to opening balance	-	-
Current service cost	833,756	1,290,742
Interest cost	342,591	115,434
Past service cost	-	-
Actuarial (gains) / losses	(839,738)	(76,141)
Benefits paid	-	-
Present value of defined benefit obligation as at the end of the year	-	-
<b>Accrued Liability as at the end of the period</b>	<b>2,060,596</b>	<b>1,723,987</b>
<b>Principal actuarial assumptions :</b>		
Discount rate	8.50%	8.50%
Mortality: Indian Assured Lives (2006-08) (Ultimate)	Yes	Yes
Resignation rate per annum	0.00%	0.00%
Salary Escalation per annum	10.00%	10.00%

**Note 48 : Disclosure as per Clause 32 of Listing agreement**

a) Loans and advances given to in the nature of loan to subsidiaries:		
<b>Name of the company</b>	<b>Maximum Amount due</b>	<b>Outstanding as on 30.6.2014</b>
Emas Engineers & Contractors Pvt Ltd	406,103,065	291,027,932
Shri Housing Pvt Ltd	36,447,185	Nil
b) Loans and advances in the nature of loan given to Companies in which directors are interested		
<b>Name of the company</b>	<b>Maximum Amount due</b>	<b>Outstanding as on 30.6.2014</b>
Vaata Infra Limited	164,275,492	112,177,507

**Note 49 : Operating Leases**

The Company has its office premises under operating lease arrangement which is cancellable at the option of the Company, by providing 3 months prior notice.

**Note 50 : Previous year figures**

Previous year figures have been regrouped / rearranged wherever necessary to conform to current year classification.

For and on behalf of the board

As per our report attached

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No : 003957S

**Vikram Mankal**  
Managing Director & CEO

**K.N. Narayanan**  
Director

**V. Sriramalakshmi**  
Company Secretary

**S. Subramaniam**  
Partner  
M.No: 025433

Place : Chennai  
Date : 06-09-2014



## Consolidated Cash Flow Statement

(Amount in INR)

Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	97,607,097	115,920,775
Profit before tax from discontinuing operations	-	-
<b>Profit before tax</b>	<b>97,607,097</b>	<b>115,920,775</b>
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation / Amortization	29,373,373	34,360,083
Interest Expense	121,723,903	140,536,116
Interest Income	(173,103)	(1,937,547)
Provision for Gratuity	(661,873)	4,135,770
Profit/Loss on Sale of Investments	-	-
Dividend From Investments	-	(7,475)
Interest -written back	(332,094)	-
Sundry Advances written back	(1,492,646)	(47,647,005)
preliminary Expenses written-off	-	32,000
Sundry Advances written off	2,206,990	-
Sundry Balances written off	414,458	-
<b>Operating Profit before working capital changes</b>	<b>248,666,106</b>	<b>245,392,716</b>
<b>Adjustments for:</b>		
Increase/ (Decrease) in Trade Payables	(346,045,180)	604,509,285
Increase/ (Decrease) in Short Term Provisions	-	-
Increase/ (Decrease) in Other Current Liabilities	(15,601,923)	(192,457,892)
Increase/ (Decrease) in Long term Liabilities	(34,092,990)	34,092,990
Increase/ (Decrease) in Short Term borrowings	(139,644,811)	212,840,733
Decrease/ (Increase) in Trade Receivables	(278,902,082)	259,185,337
Decrease/ (Increase) in Inventories	414,145,972	(723,689,889)
Decrease/ (Increase) in Short Term Loans & Advances	238,459,499	(175,054,066)
Decrease/ (Increase) in Long Term Loans & Advances	17,391,718	(79,359,857)
Decrease/ (Increase) in Other Current Assets	(168,036,722)	40,846,253
Decrease/ (Increase) in Current Investment	-	452,432
Decrease/ (Increase) in Other Non - Current Assets	44,621,963	(87,887,785)
<b>Cash Generated from/ (used in) operations</b>	<b>(19,038,450)</b>	<b>138,870,257</b>
Direct Taxes (Net of Refunds)	(2,917,600)	(34,976,656)
<b>Net Cash Flow From/ (Used in) operating Activities</b>	<b>(A) (21,956,050)</b>	<b>103,893,601</b>

**Consolidated Cash Flow Statement (Contd.)**

(Amount in INR)

Particulars	For the year ended June 30, 2014	For the year ended June 30, 2013
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including intangible assets, CWIP	<b>(7,572,432)</b>	(2,882,188)
Sale of Investments	–	1,310,792
Sale of Fixed assets	–	–
Dividend from Investments	–	7,475
Interest Received	<b>173,103</b>	1,937,547.15
<b>Net Cash Flow From/ (Used in) Investing Activities</b>	<b>(B) (7,399,329)</b>	<u>373,627</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	<b>(121,723,903)</b>	(140,536,115)
Proceeds from long-term borrowings	<b>192,324,411</b>	45,996,507
<b>Net Cash Flow From/ (Used in) Financing Activities</b>	<b>(C) 70,600,508</b>	<u>(94,539,609)</u>
<b>Net Increase/ (decrease) in cash and cash equivalents</b>	<b>(A+B+C) 41,245,128</b>	9,727,619
Cash and Cash equivalents at the beginning of the year	<b>40,733,583</b>	31,005,964
<b>Cash and Cash equivalents at the end of the year</b>	<b>81,978,711</b>	<u><u>40,733,583</u></u>
<b>NOTE:</b>		
Cash and Cash equivalents as per Balance Sheet	81,978,711	40,733,583
Cash and Cash equivalents as per Cash Flow Statement	<b>81,978,711</b>	<b>40,733,583</b>

As per our report attached

For and on behalf of the board

**For Sreedhar, Suresh & Rajagopalan**  
Chartered Accountants  
Firm Regn No : 003957S

**Vikram Mankal**  
Managing Director & CEO

**K.N. Narayanan**  
Director

**V. Sriramalakshmi**  
Company Secretary

**S. Subramaniam**  
Partner  
M.No: 025433

Place : Chennai  
Date : 06-09-2014



## DISCLOSURE OF INFORMATION RELATING TO SUBSIDIARIES

(Vide MCA Circular No. 47/85/2011 - CL III dated 08.02.2011)

Particulars	EMAS Engineers & Contractors Pvt Ltd		RCI Power Ltd		RCI Power (AP) Ltd Power		RCI Wind Farm 30 MW Pvt Ltd		RCI Wind Farm 50 MW Pvt Ltd	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013	30.06.2014	30.06.2013	30.06.2014	30.06.2013	30.06.2014	30.06.2013
Capital	1202.41	1202.41	1500.00	1500.00	5.00	5.00	1.00	1.00	1.00	1.00
Reserves	3294.23	3209.22	4742.17	4591.39	775.22	746.44	-1.35	-0.86	-1.36	-0.92
Total	4496.64	4411.63	6242.17	6091.39	780.22	751.44	-0.35	0.14	-0.36	0.08
Total Liabilities	20852.26	28861.57	386.67	33.12	54.81	35.85	0.99	0.63	0.99	0.63
Total Assets	25348.90	31071.80	6628.84	6124.51	835.03	787.29	0.64	0.77	0.63	0.71
Investments										
- Quoted	-	-	-	-	-	-	-	-	-	-
- Unquoted	-	-	2.00	2.00	-	-	-	-	-	-
Turnover / Total Income	10968.26	14249.86	239.58	1.26	42.55	0.44	-	-	-	-
Profit Before Taxation	115.01	121.95	224.79	0.39	42.03	-0.23	-0.49	-0.65	-0.71	-0.71
Provision for Taxation	30.00	97.64	74.00	-	13.25	-	-	-	-	-
Profit after Taxation	85.01	24.31	150.79	0.39	28.78	-0.23	-0.65	-0.65	-0.71	-0.71
Proposed Dividend	-	-	-	-	-	-	-	-	-	-

(Rs. in lacs)

Notes :

1. Total Liabilities include: Secured Loans, Unsecured Loans, Current Liabilities & Provisions and Deferred Tax Liability.
2. Total Assets include: Net Fixed Assets, Investments, Current Assets, Loans & Advances, Deferred Tax Assets and Miscellaneous Expenditure.
3. Emas Engineers & Contractors' figures are based on the Unaudited Financial Results as on 30th June 2014.
4. Details financial statements, Directors' Report and Auditors' Report of the individual subsidiaries are available for inspection at the Registered Office of the Company. Upon written request from a Share Holder we will arrange to deliver copies of the Financial Statements, Directors Report and Auditors' Report for the individual subsidiaries.



# PREMIER ENERGY AND INFRASTRUCTURE LIMITED

Registered Office : Karunai Kudil, I Floor,  
No. 226, Cathedral Road, Chennai – 600 086.

## Form No. MGT – 11 Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

**CIN** : L45201TN1988PLC015521  
**Name of the Company** : Premier Energy and Infrastrucutre Limited  
**Registered Office** : 1<sup>st</sup> Floor, Karunai Kudil  
226 Cathedral Road, Chennai-600086.  
**Ph.:** 044-28110252 **Fax:** 044-28110254  
**Email:** premierinfra@gmail.com

Name of Member(s)	Website:www.premierenergy.in
Registered Address	
Email ID	
Folio No./ Client ID	
DP ID	

I/We, being a Member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint

1. Name :
Address :
Email ID :
Signature : _____ or failing him

2. Name :
Address :
Email ID :
Signature : _____ or failing him

3. Name :
Address :
Email ID :
Signature :

as my/our proxy to attend and vote (on a poll) for me/us, on my/our behalf at the **TWENTY SECOND ANNUAL GENERAL MEETING** of the Company to be held on Wednesday 31<sup>st</sup> December, 2014 at 11.00 A.M. at Mini Hall, at Bharathiya Vidhiya Bhavan (Mini Hall – II Floor) 18, 20, 22, East Mada Street, Mylapore, Chennai 600 004 and at any adjournment thereof in respect of such resolutions set out in the Notice dated 6<sup>th</sup> September 2014.

Signed this ..... day of ..... 2014.

Signature of Share holder : .....

Signature of Proxy holder(s) : .....

Affix  
Re. 1/-  
Revenue  
Stamp



## PREMIER ENERGY AND INFRASTRUCTURE LIMITED

Registered Office : Karunai Kudil, I Floor,  
No. 226, Cathedral Road, Chennai – 600 086.  
Phone No. 044-28110252, Fax 28110254 Email: [premierinfra@gmail.com](mailto:premierinfra@gmail.com)  
Website: [www.premierenergy.in](http://www.premierenergy.in)  
CIN: L45201TN1988PLC015521

### ATTENDANCE SLIP

To be handed over at the entrance of the Meeting Hall

Full Name of the Member attending (in Block Letters)	
Full Name of the first joint-holder	
Name of the Proxy	

I hereby record my presence at the **TWENTY SECOND ANNUAL GENERAL MEETING** of the Company to be held on Wednesday 31st December, 2014 at 11.00 A.M. at Mini Hall, at Bharathiya Vidhiya Bhavan (Mini Hall – II Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004 and at any adjournment thereof.

Number of Shares held	
Regd. Folio No.	
DP. ID	
Client ID	

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Member's/Proxy's Signature