

ANNUAL REPORT 2015-16



PREMIER ENERGY AND INFRASTRUCTURE LIMITED

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

Tel.: +91 44 2811 0252

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

M. NARAYANAMURTHI (from 13.11.2015)	Managing Director
S. KRISHNAN MD (upto 12.09.2015)	
R. RAMAKRISHNAN	Non Executive Independent Director
VIKRAM MANKAL	Director
K.N. NARAYANAN	Non Executive Independent Director
KOKHILA RAMACHANDRAN	Non Executive Independent Director

CHIEF FINANCIAL OFFICER

A. SRIRAM

REGISTAR 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

S.H. Bhandari & Co.,
Chartered Accountants
No. 824, EVR Periyar Road,
Kilpauk, Chennai - 600 010

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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 044-28110254 Email: premierinfra@gmail.com

Website:www.premierenergy.in

CIN: L45201TN1988PLC015521

NOTICE CONVENING THE TWENTY FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT 11.00 A.M ON THURSDAY, THE 10TH NOVEMBER, 2016 AT BHARATHIYA VIDHYA BHAVAN (MINI HALL) 18,20,22, EAST MADA STREET, MYLAPORE, CHENNAI-600 004 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report and Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2016 and the reports of the Auditors thereon.
2. To appoint a Director in the place of Mr. Vikram Mankal (DIN:03097118) who retires by rotation and being eligible offers himself for reappointment and in this connection to consider and if deemed fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Vikram Mankal, Director (DIN: 03097118) retires by rotation and who is eligible for re-appointment be and is hereby re-appointed as a Director of the Company."

3. To ratify the appointment of Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the Twenty Fifth Annual General Meeting and to fix their remuneration and in this connection, to consider and if deemed fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), pursuant to the recommendations of the Audit Committee of the Board of Directors, the appointment of M/s. S.H. Bhandari & Co, Chartered Accountants, Chennai bearing Firm Registration No:000438S as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of Twenty Fifth Annual General Meeting to be held in the year 2017 be and is hereby ratified on a remuneration of Rs.15 Lakhs (Rupees Fifteen Lakhs only) plus the applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them".

SPECIAL BUSINESS:

4. To consider and if deemed fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 149 and 152, and other applicable and related provisions of the Companies Act, 2013 and read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. M Narayanamurthi (DIN:00332455) who was appointed as an Additional Director of the Company by the Board of Directors with effect from November, 13 2015 and who holds office till the date of the Annual General Meeting and in terms of Section 161 of the Act and whose term of office expires at this Annual General Meeting 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 his intention to propose Mr. M. Narayanurthi as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company, not liable to retire by rotation."

5. To consider and, if deemed fit, to pass the following resolution as a **Special Resolution**:-

"RESOLVED THAT pursuant to Sections 196,197,203 and other applicable provisions if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule V to the Act and subject to such consents, permissions, approvals, if any required, from any appropriate authority, consent of the members of the Company be and is hereby accorded to the appointment of Mr. M Narayanamurthi (DIN:00332455) as the Managing Director of the Company who is not liable to retire by rotation for a period of 2 years with effect from 13th November, 2015 to 12th November, 2017 at a remuneration including perquisites and upon and subject to the terms and conditions contained

in the agreement between the Company and Mr. M Narayanamurthi (DIN:00332455) placed before the meeting and as detailed in the Explanatory Statement attached to the Notice.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of the appointment including as to remuneration to Mr. M Narayanamurthi (DIN:00332455) from time to time to the extent the board of directors may consider necessary in accordance with the applicable provisions of the Act, Rules, Regulations and schedules thereunder for the time being in force, provided however that the remuneration after such alteration or variation does not exceed the limit specified under section 197 of the Act read with Schedule V to the Act.”

“**RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby accorded to the payment of the said remuneration to Mr. M Narayanamurthi (DIN:00332455) as minimum remuneration, even in the event of loss or inadequacy of profits of the company though the remuneration as such not exceeding the limits prescribed under Section II Part II of Schedule V to the Act and that the Board of Directors be and is hereby further authorised to do all such act(s), deed(s), matter(s) and thing(s), necessary or desirable in connection with or incidental or ancillary thereto for the purpose of giving effect to the aforesaid resolution including but not limited to seeking consent of the appropriate authority, as may be required.”

Terms and Conditions of the appointment as below:

REMUNERATION:

Component of Remuneration	Amount P.M.	Amount P.A.
Salary	2,00,000	24,00,000
Total	2,00,000	24,00,000

Apart from the above, he is also entitled for:

1. Free use of mobile phone and telephone at residence.
2. Provision of Car with driver.

6. To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and any other applicable and related provision of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Ms. R. Kohila (DIN:00966622) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 13th November, 2015 and whose term of office expires at this Annual General Meeting and in respect of whom the company has received a notice from a member under Section 160 of the Companies Act, 2013 signifying her intention to propose Ms. R Kohila as a candidate for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of 5 years with effect from 13th November, 2015 up to 12th November, 2020 who is not liable to retire by rotation”

On behalf of the Board

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 21st August, 2016

Notes:

1. **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 24th Annual General Meeting.**
2. 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.



3. The statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business is annexed herewith.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.
5. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
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. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
9. Additional information pursuant to Regulation 36 of the Listing Regulations viz. Soft Copy of full annual report to all those shareholders who have registered their email address(es) for the purpose, Hard copy of statement containing the salient features of all the documents as prescribed in Section 136 of Companies Act, 2013 or rules made thereunder to those shareholders who have not so registered, Hard copies of full annual reports to those shareholders, who request for the same inter-se are provided in the Explanatory Statement forming part of the notice.
10. The Register of Members and the Share Transfer Books of the Company shall remain closed from Thursday, 3rd November, 2016 to Thursday, 10th November, 2016 (both days inclusive), for the purpose of Annual General Meeting.
11. Members are requested to notify the change in their address, if any, immediately, so that all communications can be sent to the latest address. In case of members holding shares in physical form, all intimations regarding change of address and change of bank account details are to be sent to M/s. Cameo Corporate Services Ltd, Subramanian Building, No:1 Club House Road, Chennai-600002. Members, who hold shares in electronic form, are requested to notify any change in their particulars like change in address, bank particulars etc. to their Depository Participants immediately.
12. Copies of the Annual Report 2016 are being sent by electronic mode only to all the members, who's Email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. In the case of members holding shares in physical mode whose Email IDs are registered with the Company/ Registrars M/s. Cameo Corporate Services Limited, and have given consent for receiving communication electronically, copies of the Annual Report 2016 are being sent by electronic mode only. For members who have not registered their Email addresses, physical copies of the Annual Report 2016 are being sent by the permitted mode.
13. The Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode to all the members whose Email addresses are registered with the Company/ Depository Participants unless any member has requested for a hard copy of the same. In the case of members holding shares in physical mode whose Email IDs are registered with the Company/ Registrars M/s. Cameo Corporate Services Limited, and have given consent for receiving communication electronically, the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode. For members who have not registered their Email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
14. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report 2016 will also be available on the Company's website www.premierenergy.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's Registrars M/s. Cameo Corporate Services Limited at investor@cameoindia.com.

15. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days up to the date of the AGM.

16. Voting through Electronic means

(i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to the members the facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

(i) The members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting.

(ii) The members who have cast their vote by remote e-voting may also attend the Meeting, but shall not be entitled to cast their vote again.

(iii) The Company has engaged the services of Central Depository Securities Limited (CDSL) as the Agency to provide e-voting facility.

(iv) The Board of Directors of the Company has appointed Mr. R Sridharan of Messrs. R Sridharan & Associates, Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.

(v) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e 3rd November, 2016.

(vi) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 3rd November, 2016 only shall be entitled to avail the facility of remote e-voting.

(vii) The remote e-voting facility will be available during the following period:

Commencement of remote e-voting : From 9.00 a.m. (IST) on, November 7, 2016 End of remote e-voting : Up to 5.00 p.m. (IST) on November 9, 2016.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon the expiry of the aforesaid period.

(ii) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, within 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.premierenergy.in and on the website of CDSL [https:// www.evotingindia.com](https://www.evotingindia.com). The results shall simultaneously be communicated to the Stock Exchange.

(iii) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. November 10, 2016.

(iv) Instructions and other information relating to remote e-voting:

A.I. E-VOTING INSTRUCTIONS:-

A. IN CASE OF MEMBERS RECEIVING E-MAIL

i. The shareholders should log on to the e-voting website www.evotingindia.com.

ii. Click on Shareholders.

iii. 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.



- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">• 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.• 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.
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.
Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or 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 as mentioned in instruction (iii).

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat 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 is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that 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
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xi. 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.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat 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.

- xvii. Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow instructions as prompted by the mobile app while voting on your mobile.
- xviii. Note for Non-Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate and Custodians respectively.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
 - The list of accounts should be mailed to 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.
- xix. 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 www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

A. Other Instructions

- i. The e-voting period commences on Monday, 7th November, 2016 at 9.00 a.m (IST) and ends on Wednesday 9th November 2016 at 5.00 p.m (IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3rd November, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently.
- ii. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 3rd November, 2016.
- iii. The Board of Directors has appointed Mr. R Sridharan, practicing Company Secretary (Membership No. FCS 4775) of M/s. R Sridharan & Associates, Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process and the polling in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.
- iv. The Scrutinizer shall immediately after the conclusion of voting at the annual general meeting first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, to the Chairman of the Company. For the purpose of ensuring that members who have cast their votes through remote e-voting do not vote again at the general meeting, the scrutinizer shall have access, after closure of the period for remote e-voting and before commencement of the meeting, to the details relating to members as the Scrutinizer may require except the manner in which they have cast their votes.

The results shall be declared on the date of the 24th Annual General Meeting or not later than 48 hours of conclusion of the meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.premierenergy.in and, on the website of CDSL immediately after the declaration of results by the Chairman and the Company shall simultaneously forward the results to the stock exchanges on which its equity shares are listed for placing it on their respective websites.

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. November 10, 2016.



STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM Nos. 4 & 5

The Board of Directors, (based on the recommendation of Nomination and Remuneration Committee) had appointed Mr. M. Narayanamurthi (DIN: 00332455) as an Additional Director of the Company with effect from November 13, 2015.

Brief Profile of the Director

Mr. M Narayanamurthi aged 68 years is a Chartered Accountant, Cost Accountant and Company Secretary by qualification. He has taken over as Managing Director of Premier Energy and Infrastructure Limited on 13th November 2015. He has an experience of more than 35 years in Finance, General Management and Property Development areas.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. M Narayanamurthi (DIN:00332455) will hold office up to the date of the 24th Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member, along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. M Narayanamurthi (DIN:00332455) for the office of Director, to be appointed as such under the provisions of Section 152 of the Companies Act, 2013.

The Company has received from Mr. M Narayanamurthi (DIN:00332455) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Sub-section (2) of Section 164 of the Companies Act, 2013.

The Board of Directors have also appointed Mr. M Narayanamurthi (DIN:00332455) as the Managing Director of the company who is not liable to retire by rotation for a period of two years with effect from 13th November, 2015 to 12th November, 2017 at the remuneration including perquisites and upon and subject to the terms and conditions contained in the agreement between the company and Mr. M Narayanamurthi (DIN:00332455) placed before the meeting and as given below:

TERMS OF APPOINTMENT:

Mr. M. Narayanamurthi would hold office of Managing Director for a period of 2 years w.e.f November 13, 2015.

REMUNERATION:

Component of Remuneration	Amount P.M.	Amount P.A.
Salary	2,00,000	24,00,000
Total	2,00,000	24,00,000

Apart from the above, he is also entitled for:

1. Free use of mobile phone and telephone at residence.
2. Provision of Car with driver.

The resolutions under Item Nos. 4 & 5 seek the approval of members for the appointment of Mr. M Narayanamurthi as a Director and also as Managing Director of the Company for a period up to November 12, 2017 pursuant to Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made there under.

Memorandum of Interest

No Director, Key Managerial Personnel or their relatives, except Mr. M Narayanamurthi, to whom the resolution relates, are interested or concerned in the resolution.

Information as required under SEBI (LODR) Regulations, 2015

Name	Mr. M Narayanamurthi
Age	68 years
Date of Appointment	13.11.2015
Qualifications	Chartered Accountant, Cost Accountant and Company Secretary
Expertise in functional areas	He has an experience of more than 35 years in Finance, General Management and Property Development areas
Directorships held in other public companies (Excluding foreign companies)	Nil
Membership / Chairmanship/Committees of other public companies (includes only Audit Committee and Stake holders Relationship Committee)	NIL
Shareholding in the company (No. of shares)	NIL
Inter se relationship with any director	Mr. Vikram Mankal, Director is the son of Mr. M Narayanamurthi

Item No. 6

The Board of Directors (based on the recommendation of the Nomination and Remuneration Committee) has appointed Ms. R Kohila (DIN:00966622) as an Additional Director of the Company with effect from 13th November, 2015.

Brief Profile of the Director

In terms of the provisions of Sections 149,150, 152 and any other applicable and related provisions of the Companies Act, 2013, read with the Companies (Appointment And Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Schedule IV to the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Ms. R. Kohila (DIN:00966622), Director of the Company, is proposed to be appointed as an Independent Director of the Company not liable to retire by rotation, to hold office for 5 consecutive years for a term upto November 12, 2020. The Company has received a notice in writing from a member proposing her candidature as a Director as required under Section 160 of the Companies Act, 2013 along with deposit of Rs.1,00,000/-.

A copy of the Draft letter of appointment to Ms. R Kohila as Independent Director setting out the terms and conditions is available for inspection without any fees at the Company's registered office during the normal business hours on any working day till the date of the Annual General Meeting.

Memorandum of Interest

None of the Directors, Key Managerial Personnel (KMPs) or relatives of Directors and KMPs, except Ms. R Kohila (DIN:00966622) is concerned or interested in the resolution at item No:6 of the Notice.

Information as required under SEBI (LODR) Regulations, 2015

Name	R Kohila
Age	53 years
Date of Appointment	13.11.2015
Qualifications	A.C.A, M.B.A, P.G.D.I.T., C.F.A., CISA
Expertise in functional areas	Finance & General Management
Directorships held in other public companies (Excluding foreign companies)	NIL
Membership/Chairmanship/Committees of other public companies (includes only Audit Committee and Stake holders Relationship Committee)	NIL
Shareholding in the company (No of shares)	NIL
Inter se relationship with any director	NIL

The Board of Directors commend the Resolutions under Item No 6 for approval of the members.

On behalf of the Board

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 21st August, 2016



ROUTE MAP TO THE VENUE

of the 24th Annual General Meeting

Venue: Bharathiya Vidhya Bhawan, (Mini Hall – I Floor), 18, 20, 22, East Mada Street, Mylapore, Chennai – 600 004



BOARD'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Fourth Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2016.

FINANCIAL RESULTS

(Rs. in Lacs)

	Consolidated		Standalone	
	2015-2016	2014-2015	2015-2016	2014-2015
Gross Income	322.03	8295.79	402.02	3197.98
Profit before interest and depreciation	(154.90)	1449.57	181.32	321.59
Finance charges	216.46	1356.97	159.66	101.21
Provision for depreciation	255.87	192.99	1.60	1.29
Net Profit before tax	(627.23)	(100.39)	20.06	219.09
Provision for tax	40.57	(178.24)	6.44	(202.90)
Net Profit after tax	(667.80)	77.85	13.62	421.99
Minority Interest	369.81	(214.16)	-	-
Surplus carried to Balance Sheet after adjustment of depreciation	(297.99)	292.01	13.62	421.99

OPERATIONS AND PERFORMANCE:

The Consolidated Sales for the year under review stands at Rs. 322.04 lacs as against Rs. 8295.79 lacs in the previous year. While the Standalone Turnover for the year is Rs.402.02 lacs as compared to Rs. 3197.98 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

The Company is in the process of looking for some big projects.

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 any dividend for the year ended 31st March, 2016. The company has not transferred any amount to the general reserve.

SHARE CAPITAL

The paid up Equity share capital of the Company as on 31st March, 2016 was Rs. 413,500,600. During the year under review, the Company has not issued shares with

differential voting rights or granted stock options or sweat equity shares.

DETAILS OF DEPOSITS

The Company has not accepted any Deposits covered under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not extended any loans, guarantees nor made any investments covered under the provisions of Section 186 of the Companies Act, 2013.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL 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. Apart from Internal Audit function which scrutinizes all the financial transactions, there are also processes laid down, leading to CFO/CEO certification to Board on the adequacy of



Internal Financial Controls as well as internal controls over financial reporting.

SUBSIDIARY COMPANIES

As at 31st March, 2016, 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

i) **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 2015-16 are as under:

Rs. in lacs

Particulars	2015-16
Sales & Other Income	140.07
Equity Capital	1202.41
Reserves & Surplus	2123.95
Earnings per share	(1.79)

ii) **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. The Companies have given the land held by them on a lease for 25 years.

Rs. in lacs

Particulars	RCI Wind Farm Ltd	RCI Wind Farm (AP) Ltd
	2015-16	201516
Sales & Other Income	147.51	34.15
Equity Capital	1500.00	5.00
Reserves & Surplus	4866.88	796.87
Earnings per share	0.33	22.92

Step down Subsidiaries

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

Particulars	RCI Wind Farm (30MW) Pvt Ltd	RCI Wind Farm (50MW) Pvt Ltd
	2015-16	2015-16
Sales & Other Income	-	-
Equity Capital	1.00	1.00
Reserves & Surplus	(2.19)	(2.15)
Earnings per share	(4.05)	(4.58)

RISK MANAGEMENT

Your Company has a robust Risk Management policy. The Company through a steering committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. A detailed Risk Management policy of the Company to have good Corporate Governance is hosted in the Company’s official website.

REAPPOINTMENT OF RETIRING DIRECTOR

Based on the recommendation of Nomination and Remuneration Committee and approved of the Board, Mr. Vikram Mankal (DIN:03097118), retires by rotation pursuant to Section 152(6) of the Companies Act, 2013 at the forth coming Annual General Meeting and being eligible offers himself for re-appointment.

DIRECTORS

APPOINTMENT OF DIRECTOR

During the year, Mr. M Narayanamurthi (DIN:00332455) was appointed as an additional Director of the Company at the Board Meeting held on 13th November, 2015 and he will hold office till the conclusion of the 24th AGM. He was also appointed by the Board of Directors as Managing Director for a period of 2 years with effect from, 13th November, 2015 subject to the approval of the members at the ensuing Annual General Meeting. The approval of the members for the proposed appointments is being sought at the ensuing annual general meeting.

Ms. R. Kohila (DIN:00966622) was appointed as an Additional Director of the Company on 13th November, 2015. On the recommendation of the Nomination & Remuneration Committee and with the approval of the Board, Ms. R. Kohila (DIN:00966622) is proposed to be appointed as an Independent Director for a period of 5 years with effect from 13th November, 2015 and necessary resolution seeking the approval of the members for her appointment is included in the Notice convening the Annual General Meeting. She is not liable to retire by rotation.

RESIGNATION OF DIRECTOR

During the year Mr. S Krishnan, Managing Director resigned from the company with effect from 12.09.2015.

EVALUATION OF BOARD’S PERFORMANCE

As per the provisions of Section 134(3) (p) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarization programmes for Independent Directors of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company www.premierenergy.in

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (Act) stating that the Independent Directors of the Company met with the criteria of Independence laid down in Section 149(6) of the Act and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

REMUNERATION POLICY

Pursuant to Section 178(3) of the Companies Act, 2013, the Board on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and other employees and their remuneration.

The details of the Remuneration Policy are stated in the Corporate Governance Report.

NUMBER OF MEETINGS OF THE BOARD

The Board had met Six (6) times during the Financial year ended 31st March, 2016 on 25.04.2015, 30.05.2015, 21.08.2015, 30.09.2015, 13.11.2015 and 13.02.2016. The Audit Committee had met Four (4) times on 30.05.2015, 14.08.2015, 13.11.2015 and 13.02.2016. The details of the said meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual accounts for the year ended March 31, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. that the directors had selected such accounting policies as mentioned in Note No:1 of the Financial Statements and applied them consistently and judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2016 and of the loss of the Company for the year ended on that date;

- c. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the directors had prepared the annual accounts on a going concern basis;
- e. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All transactions with Related Parties entered during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company other than reimbursement of expenses incurred, if any, for attending the Board meeting. The Related Party Transactions are placed before the Audit Committee for review and approval as per the terms of the Policy for dealing with Related Parties. The statement containing the nature and value of the transactions entered into during the quarter is presented at every Audit Committee by the CFO for the review and approval of the Committee. Further, transactions proposed in subsequent quarter are also presented. Besides, the Related Party Transactions are also reviewed by the Board on an annual basis. The details of the Related Party Transactions are also provided in the accompanying financial statements. There are no contracts or arrangements entered into with Related Parties during the year ended 31st March 2016 to be reported under section 188(1). The policy on dealing with Related Parties as approved by the Board is uploaded and is available on the Company's website at the following link. <http://www.Premierenergy.in>.

EXPLANATIONS OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMER MADE BY THE STATUTORY AUDITORS AND THE PRACTISING COMPANY SECRETARY IN THEIR REPORT

The explanations/comments made by the Board relating to qualification, reservations or adverse remarks made by



the Statutory Auditors and the Practising Company Secretary in their respective reports are furnished below:

QUALIFICATIONS OF STATUTORY AUDITORS

Regarding the qualification with reference to Note 10(iv)(a) to Standalone Financial Statements and Note 13(ii)(a) to Consolidated Financial Statement: The company, Haldia Coke & Chemicals Limited has accumulated losses and its Networth is fully eroded as at 31st March, 2016. However, the promoters of the said company propose to initiate certain restructuring plans in the coming years. Also, the overall business prospects combined with the restructuring efforts are expected to yield results in the near term. Hence the decline in investments due to the losses incurred by the said company is considered temporary in nature and accordingly no diminution in value is considered.

Regarding qualification in adopting unaudited financial statements of Emas Engineers & Contractors Private Limited: The audit could not be completed due to various reasons for the said company. Based on the discussions with the respective management, we do not foresee any material impacts arising out of audit in the financial statement of the said company.

Regarding the qualification with reference to Note 12 and 23(a) in standalone financial statements and Note 16(ii) & 28 in consolidated financial statements: The company has transferred the land at Door No. 62 & 63, Luz Church Road, Chennai to inventory as it intends to develop the land for business purposes. The registration charges will be borne by the ultimate buyers. Hence there will not be any liability on account of registration to the company.

Regarding the qualification with reference to Note 22 in standalone financial statements and Note 27 in consolidated financial statements: Confirmation of balances has not been received from parties in respect of certain outstandings. In the opinion of the management, the amounts stated in the Balance sheet are fully receivable / payable.

Regarding Note 11(ii) in respect of loans to the company's subsidiary (Emas Engineers & Contractors Private Limited) which have exceeded the subsidiary's Networth: Emas is having considerable infrastructure and its current order books position show an optimistic trend. Despite the enforcement of security by Bank, the company is confident of recovering the entire amounts due.

Regarding the qualification with reference to Note 31 in standalone financial statements and Note 37 in consolidated financial statements: The company has plans to expand its business and involve in new activities, it is the right thing to apply going concern concept.

QUALIFICATIONS OF SECRETARIAL AUDITORS

In view of the exodus of employees in the organisation and poor performance of the company and also in the

absence of Company Secretary and Compliance Officer, the Company was not able to comply with some of the statutory filings.

However, the Company will comply with the required statutory formalities from the Financial Year 2016-2017.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

There are no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

COMPOSITION OF AUDIT COMMITTEE

Pursuant to Section 177 of the Companies Act, 2013, during the year, the Audit Committee was reconstituted by the Board of Directors which consists of the following members:

Name of the Member	Designation
R. Ramakrishnan	Chairman
M. Narayanamurthi	Member
K.N. Narayanan	Member

The Board has accepted the recommendations of the Audit Committee and there were no incidences of deviation from such recommendations during the financial year under review.

VIGIL MECHANISM

The Company has devised a vigil mechanism in pursuance of provisions of Section 177(10) of the Companies Act, 2013 for Directors and employees to report genuine concerns or grievances to the Audit Committee in this regard and details whereof are available on the Company's website.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178 of the Companies Act, 2013, during the year, the Board had reconstituted the Nomination and Remuneration Committee consisting of the following members:

Name of the Member	Designation
R. Ramakrishnan	Chairman
M. Narayanamurthi	Member
Vikram Mankal	Member
K.N. Narayanan	Member

The said committee has been empowered and authorized to exercise powers as entrusted under the provisions of Section 178 of the Companies Act, 2013. The Company has laid out and is following the policy on director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub section 3 of Section 178 of the Companies Act, 2013.

Policy on Criteria for Board Nomination and Remuneration is available in the website of the Company under the link <http://www.premierenergy.in/policies.html>

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company through its Corporate Social Responsibility Committee had formulated a CSR policy as required under Section 135 of the Companies Act, 2013.

The following is the composition of the Corporate Social Responsibility Committee

Name of the Member	Designation
R. Ramakrishnan	Chairman
M. Narayanamurthi	Member
Vikram Mankal	Member
K.N. Narayanan	Member

SCOPE OF CSR POLICY

This policy will apply to all projects/programmes undertaken as part the Company's Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices. The policy will maintain compliance and alignment with the activities listed in Schedule VII and Section 135 of the Companies Act 2013 and the rules framed there under.

CSR POLICY IMPLEMENTATION

The Company shall undertake CSR project/programmes identified by the CSR Committee and approved by the Board of Directors in line with the CSR Policy. The CSR Policy of the Company is uploaded in the website of the Company, <http://www.Premierenergy.in>.

REASON FOR NOT SPENDING ON CSR ACTIVITIES

The Company is in the process of indentifying good projects for CSR activities.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

The company has not received any significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015 issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective from 1st December, 2015.

AUDITORS

M/s. S.H. Bhandari & Co, Chartered Accountants, Chennai bearing Firm Registration No. 000438S was appointed as Statutory Auditors of the Company to hold office from the conclusion of 22nd Annual General Meeting until the conclusion of 27th Annual General Meeting subject to ratification of the appointment by the members at every Annual General Meeting held after 22nd Annual General Meeting of the Company. The Board of Directors based on the recommendation of Audit Committee proposes the appointment of M/s. S.H Bhandari & Co as Statutory Auditors of the Company to hold office from the conclusion of Twenty Fourth Annual General Meeting till the conclusion of Twenty Fifth Annual General Meeting of the Company subject to the approval and ratification by the members at 24th Annual General Meeting. The Statutory Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for their re-appointment as Auditors of the Company. And pursuant to the Regulation 33(1) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors have also confirmed that they hold a valid certificate issued by the peer review board of the Institute of Chartered Accountants of India.

SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed Messrs R Sridharan & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is annexed herewith.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report, highlighting the business details, is attached and forms part of this report.

CORPORATE GOVERNANCE

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of the Listing Regulations.

In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Report on Corporate Governance along with a Certificate from the Practicing Company Secretary confirming the compliance with the conditions of Corporate Governance as stipulated under Part E of Schedule V of Sub- Regulation 34(3) of the Listing Regulations is attached to this report.



DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16.

No. of complaints received – Nil

No. of complaints disposed off - Not Applicable

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has no activities, relating to conservation of energy or technology absorption and foreign exchange earnings and outgo during the year under review.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in the prescribed form MGT 9 as per Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed to and forms part of this Report.

Place : Chennai
Date : 21st August, 2016

PARTICULARS OF EMPLOYEES

The ratio of remuneration of each Director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed to and forms part of this report.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with Section 129(3) of the Companies Act, 2013 and relevant Accounting Standards (AS) viz. AS 21, AS 23 and AS 27 issued by the Institute of Chartered Accountants of India form part of this Annual Report. Further, a statement containing the salient features of the financial statement of the subsidiary in the prescribed format AOC-1 is appended to the Directors Report. The statement also provides the details of performance and financial position of the subsidiary.

LISTING OF SECURITIES IN STOCK EXCHANGES

The Company's shares are presently listed on BSE Ltd.

APPRECIATION & ACKNOWLEDGEMENTS

The Directors wish to thank the bankers for their continued assistance and support. The Directors also wish to thank the Shareholders of the company for their continued support even during this testing period. Further, the Directors also wish to thank the customers and suppliers for their continued cooperation and support. The Directors further wishes to place on record their appreciation to all employees at all levels for their commitment and their contribution.

On behalf of the Board
M. NARAYANA MURTHI
(DIN: 00332455)
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

INDUSTRY OVERVIEW

The Government is focusing on development of Infrastructure and Energy sectors. The Planning commission has projected huge investment for the infrastructure sector with lot of funds coming from the private sector as well. The benefits from reforms to governance and business conditions are potentially large and could help offset the effects of slow growth. The growth is expected to pick up owing to Government's strengthening of public sector banks' capital and operations, private investments etc., Hence the opportunity in areas of Energy and Infrastructure is expected to grow.

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 31st March 2016 were Rs. 322.04 lakhs as against Rs. 8295.79 lakhs in the previous year.

	Rs. in lakhs	
Consolidated	2015-16	2014-15
Revenue	322.03	8295.79
Materials consumed	26.39	6181.06
Employee benefit Expenses	160.29	323.83
Other Expenses	290.25	338.60
Finance Cost	216.46	1359.69
Depreciation	255.87	192.99
Total Expenditure	949.26	8396.18
Tax	40.57	(178.24)
Net Profit for the year	(667.80)	77.85

NETWORTH: The Net worth of the company as on 31st March 2016, 17506.23 Lakhs as against 17804.22 lakhs as on 31st March, 2015.

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.

Form No. MGT-9**EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31st March, 2016**

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

I. REGISTRATION AND OTHER DETAILS:

Corporate Identification Number (CIN)	L45201TN1988PLC015521
Registration Date	25 th March, 1988
Name of the Company	PREMIER ENERGY AND INFRASTRUCTURE LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	KARUNAI KUDIL, 1ST FLOOR, No. 226, Cathedral Road, CHENNAI – 600086 premierinfra@gmail.com www.premierenergy.in Ph: 044-28110252
Listed company (Yes / No)	Yes
Name, address and contact details of Registrar and transfer agent, if any	M/s. Cameo Corporation Services Limited "Subramaniam Building" No.1 Club House Road Anna Salai, Chennai-600 002 Tel.:044-2846 0390 (5 Lines) Fax: 044-28460129 Email: investor@cameoindia.com Website: www.cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S. No.	Name and description of main products / services	NIC Code of the product/ Service*	% to total turnover of the company
1	EPC	4220	100%

*As per National Industrial Classification, Ministry of Statistics and Programme Implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1.	M/s. Emas Engineers & Contractors Private Limited Karunai Kudil, 3rd Floor, No. 226, Cathedral Road, Chennai - 600 086	U45201TN1995PTC032770	SUBSIDIARY	50.10 %	2(87)
2.	M/s. RCI Power Limited Karunai Kudil, 1st Floor, No. 226, Cathedral Road, Chennai - 600 086	U40101TN2000PLC045040	SUBSIDIARY	100%	2(87)
3.	M/s. RCI power (AP) Limited Ground Floor A, Water Works Road, R K Paradise, Tadapatra, Andhra Pradesh - 515 411.	U40105AP2007PLC056402	SUBSIDIARY	100%	2(87)



IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

(i) Category-wise Share Holding

S. No.	Category of Shareholders	No. of Shares held on the date of Incorporation (01-APR-2015)				No. of Shares held at the end of the year (31-MAR-2016)				% Change during the year
		Demat	Physical	Total No. of Shares	% to Total No. of Shares	Demat	Physical	Total No. of Shares	% to Total No. of Shares	
(A)	PROMOTERS AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individuals / HUF*	13850060	-	13850060	33.50	13462715	-	13462715	32.56	0.94
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	13266380	-	13266380	32.08	11100000	-	11100000	26.84	5.24
(d)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any Other :	-	-	-	-	-	-	-	-	-
	Sub-Total A(1):	27116440	-	27116440	65.58	24562715	-	24562715	59.40	6.18
(2)	FOREIGN									
(a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any Other:	-	-	-	-	-	-	-	-	-
	Sub-Total A(2):	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group A = A(1)+A(2)	27116440	-	27116440	65.58	24562715	-	24562715	59.40	6.18
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds / UTI	-	55900	55900	0.14	-	55900	55900	0.14	-
(b)	Banks / Financial Institutions	-	400	400	0.00	-	400	400	0.00	-
(c)	Central Government	-	-	-	-	-	-	-	-	-
(d)	State Government (s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	Foreign Institutional Investors	-	200	200	0.00	-	200	200	0.00	-
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
(i)	Any Other:	-	-	-	-	-	-	-	-	-
	- Multilateral Financial Institution	-	-	-	-	-	-	-	-	-
	- Foreign Corporate Bodies	-	-	-	-	-	-	-	-	-
	Sub-Total B(1):	-	56500	56500	0.14	-	56500	56500	0.14	-
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	4080816	1558100	5638916	13.64	4080536	1558100	5638636	13.63	0.01
	(i) Indian	-	-	-	-	-	-	-	-	-
	(ii) Overseas	-	-	-	-	-	-	-	-	-

S. No.	Category of Shareholders	No. of Shares held on the date of Incorporation (01-APR-2015)				No. of Shares held at the end of the year (31-MAR-2016)				% Change during the year
		Demat	Physical	Total No. of Shares	% to Total No. of Shares	Demat	Physical	Total No. of Shares	% to Total No. of Shares	
(b)	Individuals	-	-	-	-	-	-	-	-	-
	Hindu Undivided Families	238766	-	238766	0.57	389519	-	389519	0.94	-0.37
	(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1040646	2063255	3103901	7.5	1112019	2050753	3162772	7.65	0.15
	(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	4258979	927524	5186503	12.54	6602940	927524	7530464	18.21	5.67
(c)	Any Other:	-	-	-	-	-	-	-	-	-
	NON RESIDENT INDIANS	7204	200	7404	0.01	9254	200	9454	0.02	0.01
	TRUST	-	-	-	-	-	-	-	-	-
	CLEARING MEMBERS	1630	-	1630	0.03	-	-	-	-	-
	Sub-Total B(2):	9628041	4549079	14177120	34.28	12194268	4536577	16730845	40.46	6.18
	Total Public shareholding=B(1)+B(2):	9628041	4605579	14233620	34.42	12194268	4593077	16787345	40.60	6.18
	Total (A+B):	36744481	4605579	41350060	100	36756983	4593077	41350060	100	-
(C)	Shares held by custodians, for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Sub-Total (C):	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C):	36744481	4605579	41350060	100	36756983	4593077	41350060	100	-

(ii) Shareholding of Promoters :

S. No.	Shareholder's Name	Shareholding as on the date of incorporation (01-APR-2015)			Shareholding at the end of the year (31-MAR-2016)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	PROMOTERS							
1	SHRI HOUSING PRIVATE LIMITED	13266380	32.06	26.84	11100000	26.84	26.84	5.24
2	VIDYANARAYANAMURTHI M	10387545	25.12	24.18	10000200	24.18	24.18	0.94
3	VATHSALA RANGANATHAN	3462515	8.37	-	3462515	8.37	-	-
	Total	27116440	65.55	51.02	24562715	59.39	-	-



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

Sl. No.		Shareholding at the beginning / end of the year (31.03.2016)		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	SHRI HOUSING PRIVATE LIMITED	13266380	32.06	09.10.15	2166380	TRANSFER	11100000	26.84
2	VIDYANARAYANAMURTHI M	10387545	25.12	09.10.15	387345	TRANSFER	10000200	24.18

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	VAATA INFRA PRIVATE LIMITED						
	At the beginning of the year 01-Apr-2015	4000000	9.6735	4000000	9.6735	'IN30131321257166	AADCC3678E
	At the end of the Year 31-Mar-2016	4000000	9.6735	4000000	9.6735		
2	VIJAYALAKSHMI R						
	At the beginning of the year 01-Apr-2015	1300000	3.1438	1300000	3.1438	'IN30131321248995	ADQPV3329L
	Sale 29-May-2015	-8592	0.0207	1291408	3.1231		
	Sale 05-Jun-2015	-3	0.0000	1291405	3.1231		
	Sale 26-Jun-2015	-12700	0.0307	1278705	3.0923		
	Sale 30-Jun-2015	-1200	0.0029	1277505	3.0894		
	Sale 03-Jul-2015	-15199	0.0367	1262306	3.0527		
	Sale 10-Jul-2015	-3000	0.0072	1259306	3.0454		
	Sale 17-Jul-2015	-89340	0.2160	1169966	2.8294		
	Sale 24-Jul-2015	-5000	0.0120	1164966	2.8173		
	Sale 31-Jul-2015	-50	0.0001	1164916	2.8172		
	Sale 14-Aug-2015	-23530	0.0569	1141386	2.7603		
	Sale 21-Aug-2015	-102	0.0002	1141284	2.7600		
	Sale 13-Nov-2015	-6500	0.0157	1134784	2.7443		
	Sale 25-Dec-2015	-2000	0.0048	1132784	2.7394		
	Sale 31-Dec-2015	-9602	0.0232	1123182	2.7162		
	Sale 01-Jan-2016	-100	0.0002	1123082	2.7160		
	Sale 08-Jan-2016	-4004	0.0096	1119078	2.7063		
	Sale 15-Jan-2016	-1430	0.0034	1117648	2.7028		
	Sale 22-Jan-2016	-1	0.0000	1117647	2.7028		
	Sale 29-Jan-2016	-3500	0.0084	1114147	2.6944		

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
	Sale 05-Feb-2016	-4102	0.0099	1110045	2.6845		
	Sale 25-Mar-2016	-2000	0.0048	1098760	2.6572		
	At the end of the Year 31-Mar-2016	1098760	2.6572	1098760	2.6572		
3	V R RAGHUNATHAN						
	At the beginning of the year 01-Apr-2015	1250000	3.0229	1250000	3.0229	'IN30002011453858	AADPR5357E
	At the end of the Year 31-Mar-2016	1250000	3.0229	1250000	3.0229		
4	INDUSTRIAL VENTURE CAPITAL LTD						
	At the beginning of the year 01-Apr-2015	446400	1.0795	446400	1.0795	'I0000284	
	At the end of the Year 31-Mar-2016	446400	1.0795	446400	1.0795		
5	YOGYA INVESTMENT AND FINANCES CO LTD						
	At the beginning of the year 01-Apr-2015	430400	1.0408	430400	1.0408	'00010374	
	At the end of the Year 31-Mar-2016	430400	1.0408	430400	1.0408		
6	JET AGE FINANCE PVT LTD						
	At the beginning of the year 01-Apr-2015	214500	0.5187	214500	0.5187	'J0001574	
	At the end of the Year 31-Mar-2016	214500	0.5187	214500	0.5187		
7	A SRIRAM						
	At the beginning of the year 01-Apr-2015	213907	0.5173	213907	0.5173	'1204880000174761	AOYPS5145Q
	At the end of the Year 31-Mar-2016	213907	0.5173	213907	0.5173		
8	DEEPAK V R						
	At the beginning of the year 01-Apr-2015	200000	0.4836	200000	0.4836	'IN30131321644518	ARKPD0469R
	Sale 17-Apr-2015	-51279	0.1240	148721	0.3596		
	Sale 24-Apr-2015	-45600	0.1102	103121	0.2493		
	Sale 08-May-2015	-103121	0.2493	0	0.0000		
	At the end of the Year 31-Mar-2016	0	0.0000	0	0.0000		
9	INTERNATIONAL PVT LTD W S						
	At the beginning of the year 01-Apr-2015	200000	0.4836	200000	0.4836	'W0000018	
	At the end of the Year 31-Mar-2016	200000	0.4836	200000	0.4836		
10	JAGANNATHAN SURI						
	At the beginning of the year 01-Apr-2015	198437	0.4798	198437	0.4798	'IN30177413184420	AUXPS1529H
	At the end of the Year 31-Mar-2016	198437	0.4798	198437	0.4798		
11	SITA SRINIVASAN						
	At the beginning of the year 01-Apr-2015	0	0.0000	0	0.0000	'IN30302859135459	AANPS3659J
	Purchase 09-Oct-2015	2553725	6.1758	2553725	6.1758		
	Purchase 18-Mar-2016	2553725	6.1758	2553725	6.1758		



PREMIER ENERGY AND INFRASTRUCTURE LIMITED

Sl. No.	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
12	RAM GOPAL RAMGARHIA HUF						
	At the beginning of the year 01-Apr-2015	132820	0.3212	132820	0.3212	'1203450000691439	AAFHR8082N
	Purchase 17-Apr-2015	3605	0.0087	136425	0.3299		
	Purchase 24-Apr-2015	11100	0.0268	147525	0.3567		
	Purchase 08-May-2015	12500	0.0302	160025	0.3870		
	Purchase 29-May-2015	7000	0.0169	167025	0.4039		
	Purchase 26-Jun-2015	5000	0.0120	172025	0.4160		
	Purchase 03-Jul-2015	10000	0.0241	182025	0.4402		
	Purchase 17-Jul-2015	25000	0.0604	207025	0.5006		
	Purchase 14-Aug-2015	5280	0.0127	212305	0.5134		
	Purchase 21-Aug-2015	5125	0.0123	217430	0.5258		
	Purchase 28-Aug-2015	5000	0.0120	222430	0.5379		
	Purchase 11-Sep-2015	2500	0.0060	224930	0.5439		
	Purchase 18-Sep-2015	8235	0.0199	233165	0.5638		
	Purchase 20-Nov-2015	275	0.0006	233440	0.5645		
	Purchase 27-Nov-2015	1500	0.0036	234940	0.5681		
	Purchase 04-Dec-2015	1	0.0000	234941	0.5681		
	Purchase 11-Dec-2015	2503	0.0060	237444	0.5742		
	Purchase 18-Dec-2015	1049	0.0025	238493	0.5767		
	Purchase 25-Dec-2015	700	0.0016	239193	0.5784		
	Purchase 31-Dec-2015	1500	0.0036	240693	0.5820		
	Purchase 01-Jan-2016	1250	0.0030	241943	0.5851		
	Purchase 08-Jan-2016	1100	0.0026	243043	0.5877		
	Purchase 29-Jan-2016	2500	0.0060	245543	0.5938		
	Purchase 05-Feb-2016	1000	0.0024	246543	0.5962		
	Purchase 12-Feb-2016	431	0.0010	246974	0.5972		
	Purchase 19-Feb-2016	500	0.0012	247474	0.5984		
	Purchase 04-Mar-2016	24	0.0000	247498	0.5985		
	Purchase 11-Mar-2016	551	0.0013	248049	0.5998		
	At the end of the Year 31-Mar-2016	248049	0.5998	248049	0.5998		

(iv) Shareholding of Directors and Key Managerial Personnel :

Sl. No.		Shareholding at the beginning / end of the year (31.03.2016)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Mr. R Ramakrishnan	500	0.00	-	-	-	500	0.00
2	Mr. A Sriram	213907	0.52	-	-	-	213907	0.52

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment :**

Rs.in lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	969.18	256.79		1225.97
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	969.18	256.79		1225.97
Change in Indebtedness during the financial year				
· Addition				
· Reduction	121.81	107.10		228.91
		31.91		31.91
Net Change	121.81	75.19		197.00
Indebtedness at the end of the financial year				
i) Principal Amount	958.33	329.54		1287.87
ii) Interest due but not paid	132.66	2.44		135.10
Total (i+ii+iii)	1090.99	331.98		1422.97



VI. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Mr. M Narayanamurthi and Mr. S Krishnan (resigned during the year)

Rs. In Lakhs

Sl. No.	Particulars of Remuneration	Managing Director – Mr. M Narayanamurthi	Managing Director (Resigned) Mr. S Krishnan	Director Vikram Mangal	Total Amount
1.	Gross salary (a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961 (b) Value of perquisites/s 17(2)Income-taxAct,1961 (c) Profits in lieu of salary under section17(3)Income-taxAct,1961	1.20 NIL NIL	22.27 NIL NIL	1.20 NIL NIL	24.67 NIL NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others,specify...	NIL			NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	1.20	22.97	1.20	24.67
	Ceiling as per the Act – Rs.4641887 -11% net profit of the company				

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Mr.R Ramakrishnan	Mr. K N Narayanan	Total Amount
1.	Independent Directors Sitting fees ·Fee for attending board committee meetings ·Commission ·Others, please specify	0.30	0.30	0.60
	Total (1)	0.30	0.30	0.60
2.	Other Non-Executive Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B) = (1+2)	0.30	0.30	0.60

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD :

Sl. No.	Particulars of Remuneration	Company Secretary	Chief Finance Officer	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1.00 NIL NIL	30.04 NIL NIL	31.04 NIL NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL		NIL
5.	Others, please specify	NIL	NIL	NIL
	Total (A)	1.00	30.04	31.04
	Ceiling as per the Act – Rs.4641887 -11% net profit of the company			

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed / Court	Authority (RD / NCLT made if any (give Details)	Appeal
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL



Statement pursuant to first proviso to sub-section (3) of section 129 of the companies act 2013, read with rule 5 of the companies (accounts) rules, 2014 in the prescribed form aoc-1 relating to subsidiary companies.

(Rs. in lacs)

	Name of the Subsidiary				
	Emas Engineers & Contractors Pvt Ltd	RCI Power Ltd	RCI Power (AP) Ltd	RCI Power 30 MW Pvt Ltd	RCI Power 50 MW Pvt Ltd
AS at 31st March 2016					
Reporting Period of the Subsidiary	31.03.16	31.03.16	31.03.16	31.03.16	31.03.16
% of Shareholding	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
Reporting Currency	INR	INR	INR	INR	INR
Share Capital	120,240,500	150,000,000	500,000	100,000	100,000
Reserves & Surplus	212,394,661	486,687,765	79,687,338	-218,559	-215,293
Other Liabilities	2,300,457,540	19,704,721	5,066,054	150,104	155,411
Total Equity and Liabilities	2,633,092,701	656,392,486	85,253,392	31,545	40,118
Total Assets	2,633,092,701	656,392,486	85,253,392	31,545	40,118
Investments (Excl Investment in Subsidiaries)		-	-	-	-
For the Year ended 31st March 2016					
Turnover	14,006,875	14,750,958	3,414,165	-	-
Profit / (Loss Before Taxation	-74,110,534	7,430,720	2,036,237	-40,536	-45,754
Provision for Taxation		2,522,000	890,000	-	-
Profit / (Loss after Taxation	-74,110,534	4,908,720	1,146,237	-40,536	-45,754
Proposed Dividend	Nil	Nil	Nil	Nil	Nil

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
PREMIER ENERGY AND INFRASTRUCTURE LIMITED
 KARUNAI KUDIL, 1ST FLOOR,
 NO.226, Cathedral Road,
 CHENNAI – 600086

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Messrs. Premier Energy and Infrastructure Limited (hereinafter called “the Company”)** [Corporate Identity No. L45201TN1988PLC015521]. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 and on the basis of our review, we hereby report that during the year under review, the Company has generally complied with the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 (to the extent applicable);
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) During the year, the Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under Foreign Exchange Management Act, 1999 (FEMA) and hence, the question of complying with the provisions of FEMA and the rules and regulations made there under does not arise;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, as amended from time to time;
 - c) During the year under review the Company has not issued any new securities mandating compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d) The Company has not formulated any Scheme of ESOP/ESPS and hence the requirement of compliance of the provisions of The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 does not arise;
 - e) During the period under review, the Company has neither issued any debentures nor has any outstanding debentures to be redeemed and hence the compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) During the year under review, the Company has not delisted its Securities from any of the Stock Exchanges in which it is listed and hence the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable; and
 - h) The Company has not bought back any shares during the period under review and hence the provisions of compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 is not applicable;



(vi) As identified by the Management, no specific laws/acts are applicable to the company. We report that the compliance by the Company of applicable fiscal laws has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and made effective 1st July, 2015.
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except to the extent as mentioned below;

1. The Company has not spent 2% of its average net profits made during the three immediately preceding financial years towards Corporate Social Responsibility Policy as required under the provisions of Section 135 of the Companies Act, 2013.
2. The company has not appointed internal auditor for the financial year 2015-2016 as required under section 138 of the Companies Act, 2013.
3. The Company has not appointed Company Secretary and Chief Financial Officer as Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013

With regard to Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- i. The Company is in the process of entering into Uniform Listing Agreement with BSE Limited in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*
- ii. Clause 41 (III) (b) of the Listing Agreement and Regulation 47 SEBI (LODR) Regulations, 2015 mandate the company to issue a public notice for intimation of Board Meeting in at least in one English language National daily newspaper circulating in the whole or substantially the whole of India, and in one daily newspaper published in the language of the region where the registered office of the company is situated. The Company has not complied with the same for the Board Meetings held on 30.05.15 and 13.02.2016.*

iii. Clause 41 (VI) of the Listing Agreement and Regulation 47 (3) SEBI (LODR) Regulations, 2015 mandate the company to publish a copy of the financial results which were submitted to the stock exchange at least in one English daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the company is situated within 48 hours of conclusion of the Board or Committee meeting at which the financial results were approved. The Company has not complied with the above provisions for the Board Meetings held on 30.05.2015, 14.08.2015 and 13.02.2016.

iv. The company has not given prior intimation of Board meetings held on 30.05.2015 and 14.08.2015 to the Stock Exchanges, in which the financial results were considered under clause 41 of the Listing Agreement.

v. The Board Meeting was actually scheduled on 14th August, 2015 was adjourned due to want of quorum, the Company has approved the unaudited financial results for the quarter ended 30th June, 2015 at its adjourned Board meeting held on 21st August, 2015 and submitted the same to the stock exchanges on 21st August, 2015.

vi. As required under Regulation 41 of SEBI (LODR) Regulations, 2015, the Company has submitted the shareholding pattern for the quarter ended 31st December, 2015 on 25.01.2016 which is beyond the prescribed time limit of 21 days from the end of the quarter.

vii. As required under Regulation 55A of SEBI (Depositories and Participants) Regulation, 1996, the Company has submitted the reconciliation of Share Capital Audit Report for the quarter ended 31st March, 2016 on 22.08.2016 which is beyond the prescribed time limit of 30 days from the end of the quarter.

We further report that

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Based on the verification of the records and minutes, the decisions were carried out with the unanimous consent of the Directors / Committee Members and no Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting, the members who voted against resolutions have been recorded.

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

We further report that during the financial year under review the Company has no specific events/ action having

a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, etc. referred above.

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

PLACE : CHENNAI

CS R. SRIDHARAN

DATE : 21st August, 2016 **CP No. 3239 FCS No. 4775**

*This report is to be read with our letter of even date which is annexed as **ANNEXURE A** and forms an integral part of this report.*

'Annexure A'

To,

The Members

PREMIER ENERGY AND INFRASTRUCTURE LIMITED
KARUNAI KUDIL, 1ST FLOOR,
NO.226, Cathedral Road,
CHENNAI – 600086

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For R. SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES**

PLACE : CHENNAI

CS R. SRIDHARAN

DATE : 21st August, 2016 **CP No. 3239 FCS No. 4775**



REPORT ON CORPORATE GOVERNANCE

Your Directors have great pleasure in presenting the Corporate Governance Report for the year ended 31st March, 2016.

Corporate Governance is the systematic process by which the affairs of the Company are directed and controlled by the Board in the best interest of all the stakeholders. The interest of various stakeholders like the Shareholders, management, employees, customers, suppliers and service providers, regulators and the community at large is sought to be aligned through the process of Corporate Governance. Corporate Governance ensures fairness, transparency and integrity in dealings by the Company.

It is an internal system encompassing policies, processes and people, which serve the needs of Shareholders and other stakeholders, by directing and controlling management activities towards business orientation, objectivity, accountability and integrity.

1. Corporate Governance in Premier Energy & Infrastructure Limited (PEIL)

Premier Energy & Infrastructure Limited adheres to good corporate practices and constantly strives to improve them and adopt the best practices.

PEIL is committed to the spirit by holding the core values of integrity, passion, responsibility, quality and respect in dealing with all stakeholders of the Company.

PEIL’s corporate governance policy includes

- An Independent and effective Board of Directors
- Good audit process and reporting
- Transparency
- Maximizing shareholder value
- Meeting social obligations

Key elements in corporate governance are transparency, internal control, risk management, internal and external communications and high standards of safety & health. The Board has empowered responsible officers to implement broad policies and guidelines and has set up adequate review processes.

The Corporate Governance philosophy of the Company has been further strengthened with the adoption of PEIL’s Code of Conduct. In compliance with the disclosure requirements of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter “Listing Regulations”), the details are set out below:

2. Board of Directors

a) Composition

The Board consisted of 5 (Five) members as at 31st March, 2016 with knowledge and experience in different fields viz., Mechanical Engineering , Procurement, Constructions, Corporate Planning, Corporate Finance, Fund Management, Finance and Business Management etc. The Board comprises of non-executive directors and one half of the Board members are Independent Directors.

Executive Directors	1
Non Executive and Non-Independent Directors	1
Non Executive and Independent Directors	3

All independent directors possess the requisite qualifications and are very experienced in their own fields. Directors other than Independent Directors are liable to retire by rotation. None of the directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorships/ committee memberships and have been taken on record by the Board.

None of the Directors of the Company are related to each other.

The names of the Directors and the details of other chairmanship / directorship / committee membership of each Director as on 31st March, 2016 are given below:

Name of Director	Category	Number of Directorships in other Companies	Number of Committee Chairmanship in other Companies	Number of Committee Memberships in other Companies
Mr. Narayana Mankalmurthi	Managing Director	-	-	-
Mr. R Ramakrishnan	Non Executive – Independent Director	13	-	-
Mr. Vikram Mankal	Non Executive Director	1	-	-
Mr.K N Narayanan	Non Executive – Independent Director	3	-	-
Ms. Kohila Ramachandran	Non Executive – Independent Director	-	-	-

b) Board Meetings

The Board has formal schedule of matters reserved for its consideration and decision. The agenda is circulated well in advance to the Board members. The items in the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of the Listing Regulations, the Board is also kept informed of major events/items and approvals are taken wherever necessary for ensuring adequate availability of financial resources and periodically consider the report on compliance of applicable laws and gives appropriate directions.

The Board also reviews the Board Meeting minutes and financial statements and also takes on record the Committee meeting minutes.

The Board of Directors had met Six (6) times during the financial year ended 31st March, 2016 on 25th April 2015, 30th May 2015, 21st August 2015, 30th September 2015, 13th November, 2015 & 13th February, 2016. The maximum gap between any two meetings was less than one hundred and twenty days. During the year, separate meeting of the Independent Directors was held on 13th February, 2016 without the attendance of non-independent directors and members of the management.

Details of Board members as on 31st March, 2016 and Attendance at Board & General Meetings

Sl. No.	Date	Board Strength	No. of Directors present
1	25.04.2015	4	4
2	30.05.2015	4	4
3	21.08.2015	4	4
4	30.09.2015	3	3
5	13.11.2015	5	4
6	13.02.2016	5	5

The company places before the Board all those details as required under Part A of Schedule II of Sub-Regulation 7 of Regulation 17 of the Listing Regulations. The dates for the board meetings are fixed well in advance after taking into account the convenience of all the directors and sufficient notice is given to them. Detailed agenda notes are sent to the directors. All the information required for decision making are incorporated in the agenda. Those that cannot be included in the agenda are tabled at the meeting. The management



appraises the Board on the overall performance of the company at every board meeting. Legal issues, write-offs, provisions, purchase and disposal of capital assets are all brought to the notice of the Board. The Board reviews the performance, approves capital expenditures, sets the strategy that the company should follow and ensures financial stability. The Board reviews and takes on record the actions taken by the company on all its decisions periodically.

Attendance of each Director at Board Meetings and at the previous Annual General Meeting (AGM)

Sl. No.	Name	No. of Board Meetings Held	No. of Board Meetings attended	Attendance at the last AGM
1.	Mr. Narayanamurthi	2	2	No
2.	Mr. R Ramakrishnan	6	6	Yes
3.	Ms. Kohila Ramachandran	2	1	No
4.	Mr. K N Narayanan	6	6	Yes
5.	Mr. Vikram Mankal	6	6	No

Board Procedure

The Directors are elected based on their qualifications and experience in varied fields as well as company's business needs. The Nomination and Remuneration Committee recommends the appointment of Directors to the Board. At the time of induction on the Board of the Company, an invitation to join the Board of the Company is sent and a directors' handbook comprising a compendium of the role, powers and duties to be performed by a Director is given to the new Director. Presentation is also made to the new Director regarding the business and other details of the Company.

Details of Director seeking appointment / re-appointment

Mr. Vikram Mankal (DIN:03097118), Director of the Company, retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. A brief Resume of the said Director proposed to be reappointed, along with the particulars of Directorships held by him, has been appended to the Notice for the Annual General Meeting which is being circulated to the members along with this Report.

3. Board Committees

a. Audit Committee - Overall purpose/ objective

The role of Audit Committee in brief is to review the financial statements, internal controls, accounting policies and internal audit reports.

The purpose of the Audit Committee (the "Committee") is to assist the Board of Directors (the "Board") in reviewing the financial information which will be provided to the shareholders and others, reviewing the systems of internal controls which management and the Board have established, appointing, retaining and reviewing the performance of statutory auditors and overseeing the Company's accounting and financial reporting processes and the audits of the Company's financial statements.

Composition

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, the Company has in place an Audit Committee with Mr.R.Ramakrishnan (DIN: 00809342) as the Chairman. The Committee consists of two independent non executive Directors and One Non-Independent Non Executive Director. All the members of the Committee have excellent financial & accounting knowledge. Chief Financial Officer of Premier Energy & Infrastructure Limited, Managing Director and Statutory Auditors are the invitees to the meetings of the Audit Committee. The company secretary acts as the secretary to the committee.

The Chairman of the Audit Committee was present at the previous Annual General Meeting of the company held on 30th September, 2015.

Terms of Reference

The terms of reference of the audit committee covers all matters specified in Part C of Schedule II of Sub-Regulation 3 of Regulation 18 of the Listing Regulations and also those specified in section 177 of the Companies Act, 2013. The terms of reference broadly include review of assessment of the efficacy of the internal control systems/ financial reporting systems and reviewing the adequacy of the financial policies and practices followed by the company. The audit committee reviews the compliance with legal and statutory requirements, the quarterly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of statutory auditors.

As a good corporate governance practice, the Company has put in place a system for a separate discussion of the Audit Committee with the statutory auditor without the presence of the management team.

Meetings

The Committee met Four (4) times during the financial year ended 31st March, 2016 viz., and the time gap between the two meetings did not exceed one hundred and twenty days.

The composition of the Audit Committee and particulars of meetings attended by the members of the Committee are given below:

Name of the Member	Chairman / Member	No. of Meetings Attended
Mr. R Ramakrishnan	Chairman	4
Mr. K N Narayanan	Member	4
Mr. Vikram Mankal*	Member	2
Mr. Narayanamurthi*	Member	2

* Mr.Narayanamurthi inducted in to the Committee w.e.f. 13.11.2015 in the place of Mr. Vikram Mankal.

b. Stakeholders Relationship Committee

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Company has constituted a Stakeholders Relationship Committee with Mr.R.Ramakrishnan (DIN: 00809342), Director as the Chairman. The Stakeholders Relationship Committee of the Board looks into the redressal of the investors' complaints like non receipt of annual reports, dividend payments, change or deletion of name, issue of duplicate share certificates, dematerialization, rematerialisation, transfer, transmission, transposition, sub-division, consolidation and other allied transactions. The Board has also delegated to certain executives of the Company, powers to accomplish aforesaid objectives. The Committee also looks into all the communications received from the shareholders and complaints received from the stock exchanges.

Composition & Meetings

- One Committee meeting was held during the financial year 2015-2016 on 13th February, 2016.
- The composition of the Stakeholders Relationship Committee and particulars of meetings attended by the members of the Committee are given below:

Name of the Member	Chairman / Member	No. of Meetings attended
Mr. R Ramakrishnan	Chairman	1
Mr. M Narayanamurthi	Member	1
Mr. K N Narayanan	Member	1

- Details of number of complaints received during the year and Status of Investor Complaints as on March 31, 2016 and reported to BSE Ltd. under Clause 41 of the Listing agreement & Regulation 13 of the Listing Regulations are as follows:



Complaints' as on April 1, 2015	Nil
Received during the year	Nil
Resolved during the year	NA
Pending as on March 31, 2016	Nil

C. Nomination and Remuneration Committee

Nomination and Remuneration Committee was constituted pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations for identifying the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.

The Nomination and Remuneration Committee has framed the criteria for determining qualifications, positive attributes and independence of a director and recommended to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Terms of reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity; and
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. Formulation of criteria for evaluation of independent directors and Board and to carry out evaluation of every director's performance.
6. Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
7. Recommend the remuneration package of the executive directors at the time of initial appointment
8. Determine the increments in the remuneration of executive directors
9. Determine the annual incentive of the executive directors
10. Determine the minimum remuneration of executive directors in the event of inadequacy of profits
11. Recommend to the Board, the remuneration including commission payable to non-executive directors subject to the limits laid down in the Act
12. Exercise all powers and authority as is necessary for implementation, administration and superintendence of the Employees Stock Option Schemes , if applicable shall frame suitable policies and systems to ensure that there is no violation of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003 by any employee.
13. Any other terms of reference as may be required by the Committee to exercise pursuant to any law or changes thereof.

Composition & Meetings

- a. Two Committee meetings were held during the financial year 2015-2016. The dates on which the said meetings were held are 25th April, 2015 and 13th November, 2015.

The composition of Nomination and Remuneration Committee and particulars of meetings attended by the members of the Committee are given below:

Name of the Member	Chairman/ Member	No. of Meetings attended
R. Ramakrishnan	Chairman	2
M Narayanamurthi	Member	-
Vikram Mankal	Member	2
K.N. Narayanan	Member	2

Criteria for Performance Evaluation

Section 178 of the Companies Act, 2013 read with Clause VII (3 a & b) & Clause VIII of Schedule IV of the Companies Act, 2013 lays down specific requirements on performance evaluation of Board/ Chairperson/ Independent Directors. As per Part D of Schedule II of Listing Regulations, the Nomination and Remuneration Committee has to lay down the criteria for the above. The Committee had discussed in detail about the criteria to be adopted and process/format to be followed for evaluation of performance of Board/Committees and Directors. Based on the same, the evaluation process was completed for the year.

Parameters adopted as criteria for evaluation were as follows:

i) Attendance ii) Preparedness for the Meeting iii) Staying updated on developments iv) Active participation at the meetings v) Constructive contribution vi) Engaging with and challenging the management team without being confrontational or obstructionist vii) Speaking one's mind and being objective viii) Protection of interest of all stakeholders

Performance Evaluation

Pursuant to the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment and safe guarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

Remuneration Policy

The Board through the Nomination and Remuneration Committee adopted a Remuneration policy pursuant to Section 178 of the Companies Act, 2013. This Remuneration Policy provides the framework for remuneration of members of the Board of Directors, Key Managerial Personnel and other employees of the Company.

The Independent Directors are entitled for sitting fees for every Board meeting attended by them.

The Company's total compensation for Key Managerial Personnel/other employees consists of:

- fixed compensation
- variable compensation in the form of annual incentive
- benefits
- work related facilities and perquisites

The remuneration policy applicable to the members of the Board and Key Managerial personnel/ Other employees is available in the Company's website <http://www.premierenergy.in/policies.html>

Directors' Remuneration during the Financial year 2015-16

Directors	Remuneration during the year ended 31st March, 2016 (Salary & Perks) (Rupees in Lakhs)	Sitting Fees (Rupees in Lakhs)	Commission (paid during the year and pertains to previous financial year)	Business Relationship with the Company, if any	Severance / Notice period
R Ramakrishnan	-	0.40	-	-	-
K N Narayanan	-	0.40	-	-	-
S Krishnan	22.27	-	-	-	-
M Narayanamurthi	1.20	-	-	-	-
Vikram Mankal	1.20	-	-	-	-



There was no other pecuniary relationship or transaction of Non Executive Independent Directors vis-à-vis the Company. The Company does not have any stock option scheme.

Corporate Social Responsibility Committee

The Company through its Corporate Social Responsibility Committee had formulated a CSR policy as required under Section 135 of the Companies Act, 2013. The following is the composition of the Corporate Social Responsibility Committee.

1. Mr. R. Ramakrishnan – Chairman
2. Mr. M Narayanamurthi – Member
3. Mr. Vikram Mankal – Member
4. Mr. K.N. Narayanan – Member

SCOPE OF CSR POLICY

This policy will apply to all projects/programmes undertaken as part the Company’s Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices. The policy will maintain compliance and alignment with the activities listed in Schedule VII and Section 135 of the Companies Act 2013 and the rules framed there under.

Meeting of Independent Directors:

The Independent Directors of the Company had met once during the year on 13th February, 2016 to review the performance of non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

The Company had also during the year, conducted familiarization programme for Independent Directors of the Company. This was done through regular presentation to the Directors and also discussions with management team. Any fresh induction into the Board of Directors is followed up with detailed briefing on the background of the Company, industry segments where the Company is present and other business details. The details of the familiarisation programme is uploaded in the website of the Company, <http://www.premierenergy.in/policies.html>

Details of shareholding of Directors as on 31st March 2016

Mr. R. Ramakrishnan, Director - 500 shares.

General body Meetings

The location, date and time of General Meetings held during the last 3 years are given below:

Annual General Meeting (AGM):

For the year ended 31st March	Venue	Day and Date	Time
2015	Bharathiya Vidhya Bhavan (Mini Hall - I Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004	Wednesday, the 30th September, 2015	11.00 A.M.
2014	Bharathiya Vidhya Bhavan (Mini Hall - II Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004	Wednesday, the 31st December, 2014	11.00 A.M.
2013	Bharathiya Vidhya Bhavan (Mini Hall - II Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004	Tuesday, the 31st December, 2013	11.00 A.M.

Details of Special Resolutions passed during the previous three Annual General Meetings:

Date of AGM	Whether any Special Resolution was passed	Particulars
30.09.2015	No	-
31.12.2014	Yes	Appointment of M/s. S. H. Bhandari & Co., Chartered Accountants, bearing Firm Reg. No. 000438S 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
31.12.2013	No	-

Code of Conduct

The Board had laid down a 'Code of Conduct', for all the Board members and the Senior Management of the Company, and the code is posted on the website of the Company.

Annual declaration regarding compliance with the code is obtained from every person covered by the code of conduct and a certificate to this effect, signed by Mr.M Narayanamurthi, Managing Director forms part of this report.

CEO and CFO Certification

In terms of Regulation 17(8) of the Listing Regulations, the Chief Executive Officer and Chief Financial Officer have given the annual certification on financial reporting and internal controls to the Board.

The Chief Executive Officer and Chief Financial Officer have also given quarterly certification on financial results, while placing the financial results before the Board, in terms of clause 41 of the Listing Agreement and Regulation 33 of SEBI (LODR) Regulations, 2015. Accordingly, they have certified to the Board, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose, for the year ended March 31, 2016.

Prevention of Insider Trading

The Company has framed a code of conduct for prevention of insider trading based on SEBI (Insider Trading) Regulations, 2015. This code is applicable to all Directors / officers / designated employees. The code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. All the Directors and Senior Management Personnel have confirmed compliance with the code.

Vigil Mechanism / Whistle Blower Policy

The Company has adopted the whistle blower mechanism, a mandatory requirement of the Listing Regulations and the Companies Act, 2013 with the objective to provide employees, customers and vendors, an avenue to raise concerns, in line with the Company's commitment to the highest possible standards of ethical, moral and legal conduct of business, its commitment to open communication and to provide necessary safeguards for protection of employees from reprisals or victimization of whistle blowing in good faith. The Audit Committee reviews periodically the functioning of whistle blower mechanism. The policy also lays down the process to be followed for dealing with complaints and in exceptional cases, also provides for direct appeal to the Chairman of the Audit Committee. The details of establishment of such mechanism are disclosed by the Company on its website and in the Board's Report.

It is hereby affirmed that no person has been denied access to the Audit Committee.

Mr. R.Ramakrishnan Chairman of the Audit Committee has been appointed as the Ombudsperson for Directors and Mr.A.Sriram has been appointed as the Ombudsperson for employees, customers and vendors, who will deal with the complaints received.

DISCLOSURES

Related Party Transactions

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant related party transactions with Directors/ promoters/ management, which had potential conflict with the interests of the Company at large.

Periodical disclosures from Senior Management relating to all material, financial and commercial transactions, where they had or were deemed to have had personal interests, that might have a potential conflict with the interest of the Company at large, are placed before the Board. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors were taken wherever required in accordance with the Policy. The details of such policies for dealing with Related Parties and the Related Party Transactions are disseminated in the website of the Company <http://www.premierenergy.in/policies.html>

The Company has formulated a policy on determining 'Material' Subsidiaries is disseminated in the website of the company <http://www.premierenergy.in/policies.html>

Transactions with the related parties are disclosed in Note No. 25 to the financial statements in the Annual Report.



Statutory Compliances, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges / SEBI and statutory authorities on all matters related to capital markets during the last three years. No strictures or penalties have been imposed on the Company either by Stock Exchanges or by SEBI or any statutory authority.

Compliance with Corporate Governance Norms

The Company has complied with the mandatory requirements of the Code of Corporate Governance as stipulated in the Listing Regulations. The Company has submitted the compliance reports in the prescribed format to the stock exchanges for every quarter during the year ended 31st March, 2016. The certificate of compliance with the conditions of corporate governance as stipulated in Regulation 34(3) of the Listing Regulations forms part of the Annual Report.

The other non-mandatory requirements of the Listing Regulations to certain extent have been adopted by the Company.

Means of Communication

The quarterly unaudited financial results and major announcements like notice of Board Meetings, Book Closure etc. are normally published in daily newspapers viz., Business Standard (English) and Maalai Chudar (Tamil). The annual audited financial results are published in Business Standard (English) and Maalai Chudar (Tamil). The company's website address at www. Premierenergy.in is regularly updated with financial results.

The website contains basic information about the company, news releases, presentations made to investors and such other details as are required under the listing regulations. The company ensures periodical updation of its website. The company has designated the email-id cs@premierenergy.in to enable the shareholders to register their grievances.

The Disclosures of the compliance with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are as follows:

Regulation	Particulars of Regulation	Compliance Status (Yes / No / NA)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	NA
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance Requirements with respect to subsidiaries of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management Personnel	Yes
27	Other Corporate Governance Requirements	Yes
46 (2) (b) to (i)	Disclosures on website	Yes

Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of the Annual Report.

General Shareholder Information

A separate section has been annexed to the Annual Report, furnishing various details viz., AGM venue, distribution of shareholding, means of communication etc., for the general information of the shareholders.

On behalf of the Board

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 21st August, 2016

GENERAL SHAREHOLDER INFORMATION

Registered Office

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

Corporate Identification Number (CIN) : L45201TN1988PLC015521

Annual General Meeting:

- (i) **Date, time and Venue:** 10th November, 2016, 11.00 a.m., Bharathiya Vidhya Bhavan (Mini Hall -1 Floor) 18,20,22, East Mada Street, Mylapore, Chennai-600 004.
- (ii) **Financial Year:** 1st April, 2015 to 31st March, 2016
- (iii) **Date of Book Closure:** Thursday, 3rd November, 2016 to Thursday, 10th November, 2016 (both days inclusive)

(iv) Listing

The Stock Exchanges on which the Company's shares are listed:

- a. BSE Limited (Stock Code : 533100)

Address: 25 th Floor, P. J. Towers, Dalal Street , Fort, Mumbai - 400 001

(v) Stock Code

BSE Limited:533100

The ISIN of the Company for its shares: **INE429K01012**

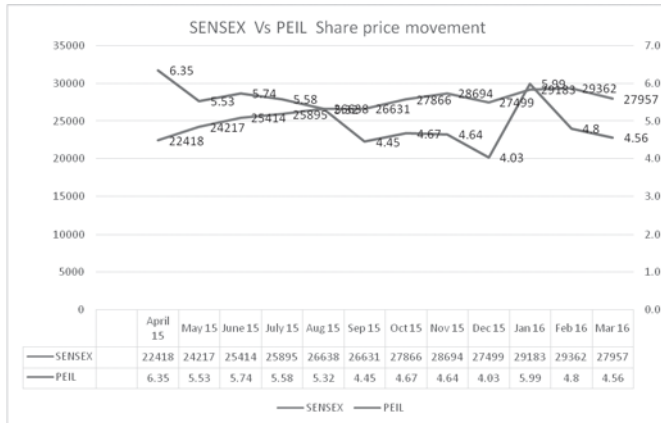
(vi) Market price information

- a. The reported high and low closing prices during the year ended 31 March, 2016 on the BSE Ltd, where your Company's shares are frequently traded vis-à-vis the Share Index, are given below:

BSE PRICE		
Month	High Price (Rs.)	Low Price (Rs.)
Apr-15	9.16	6.35
May-15	7.43	5.53
Jun-15	6.41	5.74
Jul-15	6.73	5.58
Aug-15	6.30	5.32
Sep-15	6.00	4.45
Oct-15	4.67	4.67
Nov-15	6.00	4.64
Dec-15	6.05	4.03
Jan-16	7.00	5.99
Feb-16	6.82	4.80
Mar-16	5.97	4.56



Company's Share performance in comparison to Nifty and Sensex



(vii) Registrars and Share Transfer Agents

The Members are requested to correspond to the Company's Registrars & Share Transfer Agents – M/s. Cameo Corporate Services Limited

Subramanian Building, V Floor
No. 1, Club House Road
Chennai 600 002
India

Tel: (91 44) 2846 0390

Fax: (91 44) 2846 0129

Email: cameo@cameoindia.com; investor@cameoindia.com

Website: www.premierenergy.in

Contact Person:

SEBI Registration Number: INR000003753

Share Transfer and Investors Service System

A committee constituted for this purpose approves transfers in the physical form on fortnightly basis. The Board has authorised its directors and executives to approve the transfer/transmission. As per the directions of SEBI, the company immediately on transfer of shares sends letters to the investors, in the prescribed format, informing them about the simultaneous transfer and dematerialisation option available for the shares transferred in their names. The committee also looks into all communications received from the shareholders and complaints received from the stock exchanges.

(viii) Shareholding as on 31 March, 2016

(a) Distribution of shareholding as on 31 March, 2016

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 100	5812	52.8315	510009	5100090	1.2333
101 - 500	4180	37.9965	1114605	11146050	2.6955
501-1000	575	5.2267	463980	4639800	1.1220
1001-2000	193	1.7543	292324	2923240	0.7069
2001-3000	57	0.5181	145140	1451400	0.3510
3001-4000	29	0.2636	104365	1043650	0.2523
4001-5000	32	0.2908	151603	1516030	0.3666
5001-10000	52	0.4726	381356	3813560	0.9222
10001-and above	71	0.6453	38186678	381866780	92.3497
Total	11001	100.0000	41350060	413500600	100.0000

b) Shareholding pattern as on 31 March, 2016

CLIENT TYPE	NO. OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
Promoters	3	24562715	59.40
Residents	10834	10693236	25.86
Mutual Funds	3	55900	0.14
PI / Banks	3	400	-
Foreign Institutional Investors	2	200	-
NRI - Non Repatriable	7	9454	0.02
Corporate Body	96	5638636	13.64
HUF	53	389519	0.94
TOTAL	11001	41350060	100.00

(c) Capital of the Company

The authorized and paid-up capital of your Company is Rs.44,15,00,000 Rs.41,35,00,600 respectively.

Top ten Shareholders as on 31 March, 2016

S. No	Names	No. of Shares	% of holding
1	M/s. Vaatra Infra Private Limited	4000000	9.6735
2	Ms. Sita Srinivasan	2553725	6.1758
3	Mr. V R Raghunathan	1250000	3.0229
4	Ms. R Vijayalakshmi	1098760	2.6572
5	M/s. Industrial Venture Capital Ltd	446400	1.0795
6	M/s. Yogya Investment and Finances Co Ltd	430400	1.0408
7	M/s. Jet Age Finance Pvt Ltd	214500	0.5187
8	Mr. A Sriram	213907	0.5173
9	M/s. International Pvt Ltd W S	200000	0.4836
10	Mr. Jagannathan Suri	198437	0.4798

(ix) Dematerialisation of shares and liquidity

CATEGORY	NO. OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
PHYSICAL	9207	4593077	11.11
NSDL	1189	35045116	84.75
CDSL	605	1711867	4.14
TOTAL	11001	41350600	100.00



PREMIER ENERGY AND INFRASTRUCTURE LIMITED

The Company's shares can be traded only in dematerialised form as per SEBI notification. The Company has entered into an Agreement with NSDL and CDSL whereby shareholders have the option to dematerialise their shares with either of the depositories. Equity shares are traded in BSE and NSE.

The Code number (ISIN) allotted by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to the Company is INE-429K01012.

(x) Address for correspondence

Premier Energy & Infrastructure Limited
Karunai Kudil, 1st floor,
No.226, Cathedral Road,
Chennai-600 086
Tel: (91 44) 28110252
Fax: (91 44) 28110254
Email: premierinfra@gmail.com
Website: www.premierenergy.in

(xi) Electronic Clearing Service (ECS)

The Company is availing of the ECS facility to distribute dividend in main cities to those Members who have opted for it.

Place : Chennai
Date : 21st August, 2016

On behalf of the Board
M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management of the Company. The code of conduct has also been posted on the website of the Company.

It is further confirmed that all the Directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended 31st March 2016, as envisaged in Part D of Schedule V to the Listing Regulations.

Place : Chennai
Date : 21st August, 2016

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identification No. : L45201TN1988PLC015521

Nominal Capital : Rs. 441,500,000/-

To,

The Members
MESSRS. PREMIER ENERGY & INFRASTRUCTURE LIMITED
Karunai Kudil, 1st floor,
No.226, Cathedral Road,
Chennai – 600 086

We have examined all the relevant records of **M/S. Premier Energy and Infrastructure Limited** having its Registered office at Karunai Kudil, No.226, 1st Floor, Cathedral Road, Chennai 600086 for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement till 30th November, 2015 and Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made applicable with effect from 1st December, 2015 for the financial year ended March 31, 2016. *However, the Company is in the process of entering into Uniform Listing Agreement with BSE Limited in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company. 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 generally complied except wherein some cases has been complied belatedly regarding the conditions of Corporate Governance as stipulated under the Clause 49 of the Listing Agreement till 30th November, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 1st December, 2015 for the financial year ended 31st March, 2016.

For R Sridharan & Associates
Company Secretaries

CS R Sridharan

Place: Chennai
Date : 21st August, 2016

FCS No. 4775
CP No. 3239



**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF
M/S. PREMIER ENERGY AND INFRASTRUCTURE LIMITED
FOR THE PERIOD ENDED 31ST MARCH, 2016**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **PREMIER ENERGY AND INFRASTRUCTURE LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the disclosures in the

standalone 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

Basis for Qualified Opinion

As stated in Note 10(iv)(a) to the standalone financial statements, the Company's long term investments as at 31 March 2016 include investments aggregating Rs. 52,75,87,500 in Haldia Coke Limited, being considered good by the management. However, the said company has accumulated losses and its net worth is fully/substantially eroded as at 31 March 2016. Accordingly, the loss for the year would be understated by Rs. 52,75,87,500 and the net worth of the company would be overstated by Rs. 52,75,87,500. The earnings per share computed in Note 25 is subject to our observation contained herein.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flow for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters in the Notes to the Standalone financial statements:

1. Note 12 and 23 (a) relating to the land at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/16 part, Mylapore Village and

Triplicane - Mylaporetaluk, Chennai district, Chennai - 600004, (in joint name with another company) has not been registered. The land is shown as inventory and also the liability towards registration charges is not ascertained and provided for.

2. Note 22 regarding non availability of confirmation of balances in respect of certain parties.
3. Note 11(ii) in respect of loans to the company's subsidiary (EMAS Engineers and Contractors Private Limited) which have exceeded the subsidiary's net worth.
4. Note 31 in the financial statements which discloses the premise upon which the Company has prepared its financial statements by applying the "Going Concern" assumption.

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, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, except for the effects of the matters specified in the Basis for Qualified

Opinion paragraph above, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- (e) On the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses and
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.H. Bhandari & Co.,**
Chartered Accountants
FRN : 000438S

SREEDHAR SREEKAKULAM

Place : Chennai
Date : 21st August, 2016

Partner
M. No. 026474



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Premier Energy & Infrastructure Limited on the standalone financial statements for the year ended 31st March 2016, 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 accordance with the program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to size of the company and the nature of its assets.
- c. According to the information and explanations given to us and on the basis of examination of the records of the company and as referred to in the Note 23(a), the title deeds of immovable property are not held in the name of the company.
- ii. The management has conducted physical verification of inventory which primarily comprise properties for sale at reasonable intervals. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed on physical verification.
- iii. According to the information and explanations given to us, the Company has granted unsecured loans to its subsidiary covered in the register maintained under section 189 of the Companies Act, 2013 in respect of which :-
 - a. The terms and conditions of the grant of such loans were, in our opinion, prima facie, are not prejudicial to the Company's interest.
 - b. There is no schedule of repayment of principal and payment of interest which has been stipulated; hence, we are unable to comment on the regularities of repayments and receipts.
 - c. In the absence of a repayment stipulations, we are unable to comment on the amounts overdue.
- iv. According to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in respect of loans made and guarantees given during the year.
- v. According to information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable and hence not commented upon.
- vi. In our opinion and according to the information and explanations given to us, the requirements for maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the company for the period under audit.
- vii. a. According to the records of the company and based on the information and explanations given to us, the company is not regular in depositing undisputed statutory dues of service tax, income tax, professional tax with the appropriate authorities. Further, as explained to us, undisputed statutory dues of Service Tax Rs. 1,96,29,012, Professional Tax of Rs. 33,661, Income Tax of Rs. 4,94,15,481 and Tax Deducted at Source payable Rs. 85,77,927 which were in arrears as at 31st March, 2016 for a period of more than 6 months from the date they become payable.
- b. According to the information and explanations given to us, there were no amounts that have not been deposited on account of dispute with any statutory authorities.

- viii. According to the information and explanations given to us and based on the audit procedures, there were instances of default in repayment of dues to banks and financial institutions which are as follows:

Small Industries Development Bank of India			Indiabulls Housing Finance Limited		
Amount in Rs.	Due Date	Date of Payment	Amount in Rs.	Due Date	Date of Payment
8,33,000	10-04-2015	Not Paid	5,84,863	05-07-2015	06-07-2015
8,33,000	10-05-2015	Not Paid	5,84,863	05-08-2015	18-08-2015
8,33,000	10-06-2015	Not Paid	5,84,863	05-09-2015	15-09-2015
8,33,000	10-07-2015	Not Paid	5,84,863	05-10-2015	08-10-2015
8,33,000	10-08-2015	Not Paid	5,84,863	05-11-2015	09-12-2015
8,33,000	10-09-2015	Not Paid	5,84,863	05-12-2015	28-01-2016
8,33,000	10-10-2015	Not Paid	5,84,863	05-01-2016	25-02-2016
8,33,000	10-11-2015	Not Paid	5,84,863	05-02-2016	31-03-2016
8,33,000	10-12-2015	Not Paid	5,84,863	05-03-2016	28-04-2016
8,33,000	10-01-2016	Not Paid			
8,33,000	10-02-2016	Not Paid			
8,33,000	10-03-2016	Not Paid			

- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of paragraph 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 4 (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us by the management, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For **S.H. Bhandari & Co.**,
Chartered Accountants
FRN : 000438S

SREEDHAR SREEKAKULAM

Partner

M. No. 026474

Place : Chennai
Date : 21st August, 2016



ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Premier Energy & Infrastructure Limited on the standalone financial statements for the year ended 31st March 2016

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

We have audited the internal financial controls over financial reporting of Premier Energy and Infrastructure Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.H. Bhandari & Co.**,
Chartered Accountants
FRN : 000438S

SREEDHAR SREEKAKULAM
Partner
M. No. 026474

Place : Chennai
Date : 21st August, 2016



Standalone Balance sheet as at 31st March, 2016

(Amount in INR)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share capital	2	413,500,600	413,500,600
Reserves and surplus	3	1,323,990,704	1,322,629,116
Non-Current Liabilities			
Long Term Borrowings	4	104,302,465	106,780,013
Long-term Provisions	5	2,274,204	803,557
Current Liabilities			
Trade payables	6	115,508,662	110,334,679
Other current liabilities	7	118,809,285	84,177,554
Short-term provisions	8	59,202,001	51,527,233
Total		<u>2,130,487,921</u>	<u>2,089,752,752</u>
ASSETS			
Non-current assets			
Fixed assets - Tangible assets	9	323,431	92,986,269
Non-current investments	10	1,400,918,767	1,456,047,413
Long term loans & advances	11	461,375,808	222,673,428
Deferred tax asset	28	1,552,031	1,196,898
Current assets			
Inventories	12	92,470,000	-
Trade receivables	13	172,034,656	172,034,656
Cash and cash equivalents	14	1,011,355	2,358,636
Short-term loans and advances	15	485,791	11,686,390
Other current assets	16	316,082	130,769,062
Total		<u>2,130,487,921</u>	<u>2,089,752,752</u>
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report attached

For S H Bhandari & Co.,
Chartered Accountants
Firm Registration No. 000438S

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 21st August, 2016

For and on behalf of the board

R Ramakrishnan
DIN: 00809342
Director

M Narayanamurthi
DIN: 00332455
Managing Director

A Sriram
Chief Financial Officer

Standalone Statement of Profit & Loss for the period ended 31st March, 2016

(Amount in INR)

Particulars	Note No.	April 01, 2015 to March 31, 2016	July 01, 2014 to March 31, 2015
INCOME			
Revenue from operations	17	–	319,797,542
Other income	18	40,201,913	–
Total		40,201,913	319,797,542
EXPENDITURE			
Project expenses		–	267,836,461
Employee benefit expense	19	4,163,801	8,985,845
Other expenses	20	17,905,964	10,815,733
Finance costs	21	15,965,726	10,121,057
Depreciation and amortization expense	9	159,968	129,099
Total		38,195,458	297,888,194
Profit before tax		2,006,455	21,909,348
Current tax		1,000,000	8,189,000
Excess provision of tax relating to earlier years		–	(28,210,852)
Deferred tax	28	(355,133)	(267,778)
Profit for the year		1,361,588	42,198,978
Earnings per equity share:			
Basic / Diluted	24	(0.03)	1.02
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report attached

For S H Bhandari & Co.,
Chartered Accountants
Firm Registration No. 000438S

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 21st August, 2016

For and on behalf of the board

R Ramakrishnan
DIN: 00809342
Director

M Narayanamurthi
DIN: 00332455
Managing Director

A Sriram
Chief Financial Officer



Standalone Cash Flow Statement

(Amount in INR)

Particulars	For the period ended 31 st March, 2016	For the year ended 31 st March, 2015
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	2,006,455	21,909,348
Profit before tax from discontinuing operations	-	-
Profit before tax	<u>2,006,455</u>	<u>21,909,348</u>
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / Amortization	159,968	129,099
Interest income	(40,201,913)	-
Interest Expense	24,833,404	10,121,057
Profit on Sale of Asset	(31,630)	-
Provision for Gratuity	296,704	158,946
Provision for leave encashment	748,711	471,304
Sundry Advances written off	-	6,030,925
Operating Profit before working capital changes	(12,188,301)	38,820,678
Adjustments for:		
Increase/ (Decrease) in Trade Payables	5,173,982	(80,859,895)
Increase/ (Decrease) in Other Current Liabilities	12,769,079	2,543,123
Decrease/ (Increase) in Trade Receivables	-	(30,010,892)
Decrease/ (Increase) in Long Term Loans & Advances	(1,811,529)	(571,492)
Decrease/ (Increase) in Short Term Loans & Advances	187,849	80,856,497
Decrease/ (Increase) in Other Current Assets	(94,562)	4,467,837
Cash Generated from / (used in) operations	4,036,517	15,245,856
Direct Taxes (Net of Refunds)	-	(11,188,203)
Net Cash Flow From / (Used in) operating Activities	(A) <u>4,036,517</u>	<u>4,057,654</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	100,000	-
Purchase of Fixed Assets	(35,500)	-
Purchase of Investments	-	(6,676,120)
Net Cash Flow From/ (Used in) Investing Activities	(B) <u>64,500</u>	<u>(6,676,120)</u>

Cash Flow Statement (Contd.)

(Amount in INR)

Particulars	For the period ended 31 st March, 2015	For the year ended 30 th June, 2014
CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(2,970,752)	(10,121,057)
Proceeds from long-term borrowings	(2,477,546)	13,444,013
Net Cash Flow From/ (Used in) Financing Activities	(C)	3,322,956
Net Increase / (decrease) in cash and cash equivalents	(A+B+C)	704,491
Cash and Cash equivalents at the beginning of the year	2,358,636	1,654,145
Cash and Cash equivalents at the end of the year	1,011,355	2,358,636

As per our report attached

For S H Bhandari & Co.,
Chartered Accountants
Firm Registration No. 000438S

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 21st August, 2016

For and on behalf of the board

R Ramakrishnan
DIN: 00809342
Director

M Narayanamurthi
DIN: 00332455
Managing Director

A Sriram
Chief Financial Officer



Notes forming part of Financial Statements

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2016

Background

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 of the Company have been prepared in accordance with the Indian Generally Accepted Accounting Principles (Indian GAAP) and presented under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act 2013 ("The Act") read with Rule 7 of the Companies (Accounts) Rules 2014 and the provisions of the act to the extent notified. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The financial statements are presented in Indian currency rounded off to the nearest Rupee.

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) Depreciation

Depreciation is provided on Straight Line Method over the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in 'the Act', depreciation is provided based on the management's estimate of useful life/ remaining life.

e) 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 investments/ loans are recognised on time proportion basis taking into account the amounts invested and the rate of interest.

Notes forming part of Financial Statements (continued)

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.

f) 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.

g) Inventories

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

h) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

i) 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 9 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 actuarial valuation performed by an independent actuary using the Projected Unit Credit Method.

j) 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



Notes forming part of Financial Statements (continued)

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.

k) Borrowing cost

Borrowing costs are recognised in the financial statements in accordance with the Accounting Standard -16 as prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules 2014 .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.

l) 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.

m) 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.

n) 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.

Notes forming part of Financial Statements (continued)

o) 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.

p) 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 31 st March, 2016	As at 31 st March, 2015
Note 2 : Share Capital		
Authorized:		
44,150,000 (Previous Year 44,150,000) Equity shares of Rs.10 each	<u>441,500,000</u>	<u>441,500,000</u>
Issued, Subscribed & Paid up:		
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>
Total	<u>413,500,600</u>	<u>413,500,600</u>

(a) Reconciliation of number of shares

<i>Particulars</i>	As at 31 st March, 2016	As at 31 st March, 2015
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 31 st March, 2016	% of holding	As at 31 st March, 2015
Equity share of Rupee 10 each:				
Shri Housing Pvt Ltd	26.84%	11,100,000	32.08%	13,266,380
Vidya Narayanamurthy (On behalf of Shriram Auto Finance)	24.18%	10,000,000	25.12%	10,387,545
Vassal 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
Sita Srinivasan	6.18%	2,553,725	–	–

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.



Notes forming part of Financial Statements (continued)

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 3 : Reserves and Surplus		
Capital reserve		
Opening balance	146,827,447	146,827,447
Add: Addition / (reduction)	-	-
Closing balance	<u>146,827,447</u>	<u>146,827,447</u>
Securities premium		
Opening balance	950,864,127	950,864,127
Add: Addition / (reduction)	-	-
Closing balance	<u>950,864,127</u>	<u>950,864,127</u>
General reserve		
Opening balance	12,883,501	12,880,424
Add: Transitional adjustments as per Companies Act, 2013	-	3,077
Closing balance	<u>12,883,501</u>	<u>12,883,501</u>
Surplus in Profit & Loss account		
Opening balance	212,054,041	169,855,063
Add: Surplus from statement of profit & loss	1,361,588	42,198,978
Closing balance	<u>213,415,629</u>	<u>212,054,041</u>
	<u>1,323,990,704</u>	<u>1,322,629,116</u>

Note 4 : Long Term Borrowings

Term loans

Secured Loans - From Bank - Refer Note 4(i) below	75,843,000	85,005,151
Unsecured Loans - From related Parties - Refer Note 25	10,709,653	-
Unsecured Loans - From others - Refer Note 4(ii) below	<u>17,749,812</u>	<u>21,774,862</u>
Total	<u>104,302,465</u>	<u>106,780,013</u>

Note 4(i)

- (a) The company has availed a term loan of Rs. 10 crores from Small Industries Development Bank of India (SIDBI), repayable in 120 monthly installments, carrying interest rate of 12.75% per annum.
- (b) A first charge by way of mortgage in favour of SIDBI has been created by the company on the immovable properties located at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/16 part, Mylapore Village and Triplicane - Mylapore tauk, Chennai district, Chennai - 600 004, admesuring 5919 sq.ft.
- (c) Pending registration, no specific charge has been created on the undivided portion either by the company or by M/s. PL Finance and Investments Limited.
- (d) Additionally secured by irrevocable and unconditional corporate guarantees by the company and M/s. Shri Housing Private Limited and M/s. PL Finance and Investments Limited. Further guaranteed by M/s. Shriram Auto Finance (Firm) and by a Director of the company.
- (e) Period and amount of continuing default :
No of Installments - 12 (Monthly)
Principal Overdue - Rs. 99,96,000
Interest overdue - Rs. 1,32,66,487

Note 4(ii)

- (a) The company has availed a term loan of Rs. 2.57 Crores from M/s. Indiabulls Housing Finance Limited (IHFL), repayable in 60 equated monthly installments effective May 2015, carrying adjustable rate of interest of IHFL-LFRR base rate less 5.75% per annum.
- (b) Secured by immovable property belonging to M/s. Chennai Power & Coke Private Limited.
- (c) Additionally secured by corporate guarantees by the company and M/s. Chennai Power Coke & Private Limited. Further Guaranteed by a director and a relative of a director.
- (d) Period and amount of continuing default :
No of Installments - 1 (Monthly)
Principal Overdue - Rs. 3,41,238
Interest overdue - Rs. 2,43,598

Notes forming part of Financial Statements (continued)

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 5 : Long Term Provisions		
Provision for Gratuity - Refer Note 27	795,250	803,557
Provision for Leave salary - Refer Note 27	1,478,954	-
Total	2,274,204	803,557
Note 6 : Trade Payables		
Due to Micro Small Medium Enterprises Creditors	-	-
Due to Other than Micro Small Medium Enterprises Creditors	115,508,662	110,334,679
Total	115,508,662	110,334,679
Note 6(i)		
There were no dues to Small Scale Industrial undertakings to whom the Company owes any sum which is outstanding for more than 30 days. There were no dues either principal or interest remaining unpaid to any suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, which came into force with effect from 02.10.2006 as at the end of the accounting year. Similarly, no payments have been made to the suppliers beyond the appointed day without adding interest, no interest is accrued and remaining unpaid during the year.		
Note 7 : Other Current Liabilities		
Current Maturities on Long Term Borrowings - Refer Note 4(i)(e) & Note 4(ii)(d)	24,728,203	14,732,736
Statutory Liabilities	37,732,746	22,789,904
Advance from customers	32,473,647	32,425,647
Interest accrued and due - Refer Note 4(i)(e) & Note 4(ii)(d)	13,266,487	1,085,238
Accrued employee benefit expenses	5,008,202	2,294,029
Other Payables	5,600,000	10,850,000
Total	118,809,285	84,177,554
Note 8 : Short Term Provisions		
Provision for Gratuity - Refer Note 27	317,873	12,862
Provision for Leave salary - Refer Note 27	1,368,647	2,098,890
Provision for income tax (Net of advance income tax)	50,415,481	49,415,481
Total	52,102,001	51,527,233



Notes forming part of Financial Statements (continued)

Note 9 : Fixed Assets

Asset	Gross Block			Depreciation				Net Block		
	Balance as at April 01, 2015	Additions	Deletions	Balance as at March 31, 2016	Balance as at April 01, 2015	For the Year	On Deletions	Balance as at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Tangible asset										
Land (Refer Note 12(i))	92,470,000	-	92,470,000	-	-	-	-	-	-	92,470,000
Previour year	92,470,000	-	-	92,470,000	-	-	-	-	92,470,000	92,470,000
Plant & Equipments	188,838	35,500	-	224,338	149,153	35,448	-	184,601	39,737	39,685
Previour year	188,838	-	-	188,838	117,187	31,966	-	149,153	39,685	71,651
Vehicles	1,237,023	-	448,323	788,700	760,439	124,520	379,953	505,006	283,694	476,584
Previour year	1,237,023	-	-	1,237,023	666,383	117,517	-	783,900	453,123	570,640
Total	93,895,861	35,500	92,918,323	1,013,038	909,592	159,968	379,953	689,607	323,431	92,986,269
Previour year	93,895,861	-	-	93,895,861	783,570	129,099	-	909,592	92,986,269	93,112,291

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
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Note 10 : Non current investments

Trade

Unquoted equity shares (at cost-fully paid)

Subsidiaries

Emas Engineers & Contractors Pvt Ltd (EMAS) 6,424,050 equity shares of Rs. 10/- each (Previous year 6,424,050)	185,462,500	185,462,500
RCI Power Limited (Refer Note No. 10(ii) below) 150,00,000 equity shares of Rs 10/- each (Previous year 15,000,000)	609,280,591	609,280,591
RCI Power AP Limited (Refer Note No. 10(iii) below) 50,000 equity shares of Rs 10/- each (Previous year 50,000)	78,588,176	78,588,176

Others

Haldia Coke & Chemicals Private Limited (Refer Note No. 10(iv) below) 13,750,000 equity shares of Rs 10/- each (Previous year 13,750,000)	527,587,500	527,587,500
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Total

1,400,918,767	1,400,918,767
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Non Trade

Quoted equity shares (at cost-fully paid)

Ennore Coke Limited (Refer Note No. 10(v) below) Nil equity shares of Rs 10/- each (Previous Year 10,09,508)	-	55,128,646
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Total

-	55,128,646
1,400,918,767	1,456,047,413

Note No.10 (i)

Market value of quoted instruments	Nil	9,348,044
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Note No.10 (ii)

Includes 1,000 shares held by nominee (Previous Year 1,000 shares)

Note No.10 (iii)

Includes 6 shares held by nominee (Previous Year 6 shares)

Note No.10 (iv)

Includes 91,74,860 equity shares pledged with a lender for amounts borrowed by the Associate Company. Also refer Note No. 26 and 24.

Note No.10 (v)

The Company had entered into a memorandum of understanding with a fellow subsidiary for sale of entire shares held at the actual cost to the company.

However during the year the same shares were pledged with a bank as security for moneys borrowed by its subsidiary EMAS. The said bank enforced the security and appropriated the proceeds towards the outstanding of EMAS. Hence, the entire balance held in investments account has been transferred to EMAS. Also refer Note 25.

Notes forming part of Financial Statements (continued)

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 11 : Long Term Loans & Advances		
Advance share subscription - Refer Note 11(i) below	13,400,640	13,400,640
Rent advance	3,000,000	3,000,000
Income Tax Refund due	1,529,543	1,529,543
Reimbursements due	2,951,061	2,951,061
Prepaid expenses	450,291	571,492
Loans and Advance given to related parties - Refer Note 11(ii) & Note 25	424,270,523	185,788,443
Loans and Advance given to other companies	15,773,750	15,432,250
Total	461,375,808	222,673,428
Note 11 (i)		
In line with the agreement the company made advances towards share subscription in Ecolubes Inc, Delaware, USA. Pending allotment of shares the advance is shown under Long Term Advances.		
Note 11 (ii)		
EMAS is having considerable infrastructure and its current order book position show an optimistic trend. Despite the enforcement of security by Bank (Refer Note 10(v) above) the Company is confident of recovering the entire amounts due.		
Note 12 : Inventories		
(At lower of cost and net realizable value)		
Land - Refer Note 23(a)	92,470,000	-
Total	92,470,000	-
Note 12 (i)		
During the year the company has transferred land at Door No 62 & 63, Luz Church Road, Chennai - 600 004 to inventory as it intends to develop the same for business purposes.		
Note 13 : Trade Receivables		
(Unsecured, considered good)		
Outstanding for more than 6 months from due date	172,034,656	172,034,656
Others	-	-
Total	172,034,656	172,034,656
Note 14 : Cash & Cash equivalents		
Cash in hand	900,311	975,496
Balance with banks		
- in current accounts	111,044	1,383,140
Total	1,011,355	2,358,636
Note 15 : Short Term Loans and Advances		
(Unsecured , considered good)		
Vat Credit	-	11,012,750
Staff advance	357,616	516,056
Prepaid Expenses	128,175	157,584
Total	485,791	11,686,390
Note 16 : Other Current Assets		
Unbilled revenue	-	130,547,542
Others	316,082	221,520
Total	316,082	130,769,062



Notes forming part of Financial Statements (continued)

(Amount in INR)

Particulars	April 01, 2015 to March 31, 2016	July 01, 2014 to March 31, 2015
Note 17 : Revenue From Operations		
Development of projects	-	319,797,542
Total	<u>-</u>	<u>319,797,542</u>
Note 18 : Other Income		
Interest - Others	40,170,283	-
Profit on Sale of Fixed Assets	31,630	-
Total	<u>40,201,913</u>	<u>-</u>
Note 19 : Employee benefit expense		
Salaries & allowances	3,722,820	8,685,506
Gratuity	296,704	158,946
Welfare expenses	144,277	141,393
Total	<u>4,163,801</u>	<u>8,985,845</u>
Note 20 : Other Expenses		
Payment to Auditors :		
Statutory audit	1,500,000	1,445,000
Communication expenses	543,286	362,579
Compensation	1,250,000	-
Professional charges	501,943	788,473
Listing & Depository Fees	358,510	197,335
Repairs & Maintenance	135,180	298,926
Miscellaneous Expenses	772,508	324,802
Printing & Stationery	323,312	243,196
Office Rent	1,941,966	2,709,720
Electricity	231,646	251,129
Travelling & conveyance expenses	1,251,935	1,013,525
Security Charges for Project	228,000	190,000
Interest on Statutory Payment	8,867,678	271,973
Bad Debts written off (Refer Note 19 (i) below)	-	2,719,075
Total	<u>17,905,964</u>	<u>10,815,733</u>
Note 21 : Finance costs		
Interest expense	15,924,365	9,790,145
Other borrowing cost	41,361	330,912
Total	<u>15,965,726</u>	<u>10,121,057</u>

Notes forming part of Financial Statements (continued)

Note 22 : Balance Confirmation:

Confirmation of balances had not been received from parties in respect of certain outstandings. Pending confirmation, no adjustments have been carried out to the carrying values and the balances as per books of account have been adopted. In the opinion of the Management, the amounts stated in the Balance Sheet are fully receivable/payable.

Note 23 : Contingent Liabilities

- a) The land at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/16 part, Mylapore Village and Triplicane - Mylapore tauk, Chennai district, Chennai - 600004 (in joint name with another company) has not been registered in the name of the company. Liability towards registration charges for the land is not ascertained and quantified.
- b) The Company has pledged part of its investment of 91,74,860 Equity shares of Haldia Coke and Chemicals Private Limited with a lender for moneys borrowed by another company. The liability, if any, that may arise on account of the pledge is not quantifiable.

Note 24 : Earnings per share

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Net profit/loss attributable to shareholders	1,361,588	42,198,978
Basic and diluted weighted average no. of equity shares outstanding	41,350,060	41,350,060
Earnings per share of Rs.10 each - basic and diluted	0.03	1.02

Note 25 : Related Party Disclosure

The related parties have been identified by the management and relied upon by the auditors.

a) List of related parties:

(i) Party where control exists

- a) Ultimate controlling entity Shriram Auto Finance (Partnership firm)

(i) Subsidiaries, Fellow Subsidiaries and Associates

- a) Subsidiaries Emas Engineers & Contractors Pvt Ltd.
RCI Power Ltd.
RCI Power (AP) Ltd.
- b) Step down subsidiaries RCI Wind Farm 30 MW Pvt. Ltd.
RCI Wind Farm 50 MW Pvt. Ltd.
- c) Fellow subsidiary Shri Housing Pvt. Ltd.
- d) Entities with common director Haldia Coke & Chemicals Pvt. Ltd.
S R Fabricators Pvt. Ltd.
- e) Key managerial personnel / Relatives of Key managerial personnel M. Narayanamurthi, Managing Director
S. Krishnan, Managing Director (Until 12.09.2015)
R. Ramakrishnan, Director
Vikram Mankal, Director
K.N. Narayanan, Director
R. Kohila, Director
A. Sriram, Chief Financial Officer
V. Sriramalakshmi, Company Secretary (Until 31.07.2015)



Notes forming part of Financial Statements (continued)

Transactions with related parties during the period

(IN INR)

Name of the related party	Relationship	Description	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Emas Engineers & Contractors Pvt Ltd	Subsidiary	Purchase of Materials	–	116,331,461
		Interest Income	40,170,283	–
		Loans given	361,206,606	35,580,832
		Loans repayments received	124,040,296	140,855,321
RCI Power Limited	Subsidiary	Expenses Reimbursed by	7,156,018	–
		Loans received	11,177,000	25,000
		Loans repaid	7,178,490	60,000
RCI Power AP Limited	Subsidiary	Expenses Reimbursed by	1,350,770	–
		Loans given	1,350,770	–
RCI Power 30MW Private Limited	Step subsidiary	Expenses Reimbursed by	11,236	–
RCI Power 50MW Private Limited	Step subsidiary	Expenses Reimbursed by	11,236	–
Shri Housing Private Limited	Fellow Subsidiary	Loans received	20,777,143	104,711,120
		Loans repaid	14,031,000	104,711,120
Vaata infra Limited	Common Director (Until 30th December 2014)	Expenses Reimbursed to	–	2,000,000
M Narayanamurthi	Managing Director	Salary paid	120,000	–
S Krishnan	Former Managing Director	Salary paid	2,226,888	–
Vikram Mankal	Director	Salary paid	120,000	1,350,000
R Ramakrishnan	Director	Sitting Fees	40,000	20,000
K N Narayanan	Director	Sitting Fees	40,000	20,000
A. Sriram	Chief Financial Officer	Salary & Allowances paid	3,004,200	2,644,038
V. Sriramalakshmi	Company Secretary	Salary paid	100,000	225,000

BALANCES OUSTANDING AT THE YEAR END

(IN INR)

Party	Relationship	Nature of Balance	Closing Balance as at 31st March, 2016	Closing Balance as at 31st March, 2015
Emas Engineers & Contractors Pvt Ltd	Subsidiary	Loan given	422,919,753	185,753,443
RCI Power Limited	Subsidiary	Loan taken	3,963,510	(35,000)
RCI Power (AP) Limited	Subsidiary	Loan given	1,350,770	–
Shri Housing Pvt Ltd	Fellow Subsidiary	Loan taken	6,746,143	–
M Narayanamurthi	Managing Director	Remuneration due	526,406	910,086
Vikram Mankal	Director	Remuneration due	479,155	749,655
S. Krishnan	Director	Remuneration due	1,092,488	–
A. Sriram	CFO	Salaries & Allowances due	1,538,500	376,588

Notes forming part of Financial Statements (continued)

(Amount in INR)

Particulars	For the period ended 31 st March, 2016	For the period ended 31 st March, 2015
Note 26 : Expenditure in Foreign currency / Earnings in Foreign currency		
Travel	349,102	123,963

Note 27 : Employee benefits

(IN INR)

Particulars	Gratuity As at 31 st March, 2016	Gratuity As at 31 st March, 2015	Leave Salary* As at 31 st March, 2016
A. Changes in the present value of obligation in the inter-valuation period			
Liability as at beginning of the period	816,419	657,473	2,098,890
Add: Interest Cost	63,681	41,914	612,081
Add: Current Service Cost	172,204	129,353	-
Less: Benefits paid	-	-	-
Add: Past Service Cost	-	-	-
Add: Settlement Cost	-	-	-
Add: Curtailment Cost	-	-	-
Actuarial gain / loss	60,820	(12,321)	136,630
Liability as at end of the period	1,113,124	816,419	2,847,601
B. Recognition of Actuarial gain/loss as on accounting date			
Actuarial (gains) / loss in inter-valuation period: - Obligation	60,820	12,321	136,630
Actuarial (gains) / loss in inter-valuation period: - Plan Assets	-	-	-
Actuarial (gains) / loss recognised in inter-valuation period	60,820	12,321	136,630
Unrecognised Actuarial (gains) / losses	-	-	-
C. The amounts to be recognised in the Balance Sheet			
Present value of obligation	816,419	657,473	2,847,601
Fair value of Plan Assets	-	-	-
Unrecognised Actuarial (gains) / losses	-	-	-
Net Asset / (liability) recognised in Balance Sheet	816,419	657,473	2,847,601
D. Expense to be recognised in P&L			
Interest cost	63,681	41,914	-
Current service cost	172,204	129,353	612,081
Past service cost	-	-	-
Curtailment Cost (Credit)	-	-	-
Settlement Cost (Credit)	-	-	-
Expected return on plan assets	-	-	-
Net actuarial (gain) /loss recognised	60,820	(12,321)	136,360
Accrued Liability as at the end of the period	296,705	158,946	748,441
E. Reconciliation			
Net Liability as at the beginning of the period	816,419	657,473	2,098,890
Expenses recognised in P&L	296,705	158,946	748,441
Less: Adjustments to last valuation closing balance	-	-	-
Less: Benefits paid directly by the Company	-	-	-
Less: Contributions made to the fund	-	-	-
Net Liability as at the end of the period	1,113,124	816,419	2,847,331
Principal actuarial assumptions :			
Discount rate	7.80%	7.21%	7.82%
Mortality-Indian Assured Lives (2006-08) (Ultimate)	Yes	Yes	Yes
Resignation rate per annum	30.00%	3.00%	30.00%
Salary Escalation per annum	10.00%	10.00%	10.00%

* Effective current year provision for leave salary is made based on Actuarial Valuation. Hence, figures for the previous year have not been furnished



Notes forming part of Financial Statements (continued)

Note 28 : Disclosure on AS 22 on “Accounting for taxes on Income”

(IN INR)

Deferred tax has been recognised on the following items:	As at 31st March, 2016	As at 31st March, 2015
Opening Deferred tax asset/(liability)	1,196,898	929,120
Add: Deferred tax asset on timing difference		
On Depreciation	355,133	267,778
Opening Deferred tax asset	1,552,031	1,196,898

Note 29 : Disclosure as per Clause 34(3) read with para A of Schedule V to SEBI Listing Regulations, 2015

a) Loans and advances given to in the nature of loan to subsidiaries

(IN INR)

Name of the company	Maximum Amount due	Outstanding as on 31st March, 2016
EMAS Engineers & Contractors Pvt Ltd	422,919,753	422,919,753
RCI Power AP Limited	1,350,770	1,350,770

Note 30 : 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 31 : The Company's current liabilities exceeded its net realizable current assets and the company had defaulted in meetings its repayment obligations to its lenders. It has plans to sell its prime asset in the near term and thereby expects to settle all material dues. Further, it is working toward certain strategic alliances which are expected to produce improved business results. Considering these, the management has prepared the financial statements by applying the “Going Concern” assumption

Note 32 : Previous year figures

In the previous period the company had changed its financial year closing date from 30th June to 31st March. Accordingly, the figures for the previous period are for the 9 month period from July 1, 2014 to March 31, 2015 and are therefore not comparable with those of the current year which is 12 months from April 1, 2015 to March 31, 2016.

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

As per our report attached

For S H Bhandari & Co.,
Chartered Accountants
Firm Registration No. 000438S

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 21st August, 2016

For and on behalf of the board

R Ramakrishnan
DIN: 00809342
Director

M Narayanamurthi
DIN: 00332455
Managing Director

A Sriram
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF M/S. PREMIER ENERGY AND INFRASTRUCTURE LIMITED
FOR THE PERIOD ENDED 31ST MARCH, 2016

1. Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **M/s. PREMIER ENERGY AND INFRASTRUCTURE LIMITED** (herein referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the period then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation 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 Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding company, as aforesaid.

3. Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters

which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute specified under Section 143(10) of the Act. 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 the 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 financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

4. Basis for Qualified Opinion

- a) The financial statements of a material subsidiary, EMAS Contractors & Engineers Private Limited are based on un-audited management prepared financial statements and have been accounted as such and on which no further audit procedures have been carried out by us. The unaudited financial statements / financial information of the subsidiary reflect total assets (net) of Rs. 33,22,39,678 as at 31st March, 2016, total revenues of Rs. 1,40,06,875 and net cash inflows of Rs. 3,79,577 for the year ended on that date. Since the Subsidiary mentioned above is material and has been unaudited for a 3 consecutive financial periods, the Assets, Revenue and Cash Flow represented in those



financial statements are subject to audit and consequent effect, if any.

- b) As stated in Note 13(ii)(a) to the consolidated financial statements, the Groups's long term investments as at 31 March 2016 include investments aggregating Rs. 52,75,87,500 in Haldia Coke Limited, being considered good by the management. However, the said company has accumulated losses and its net worth is fully/substantially eroded as at 31 March 2016. Accordingly, the loss for the year would be understated by Rs. 52,75,87,500 and the net worth of the Group would be overstated by Rs. 52,75,87,500. The earnings per share computed in Note 29 is subject to our observation contained herein.

5. Qualified 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 reports of other auditors on separate and consolidated financial statements except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31st March, 2016 and their consolidated loss and their consolidated cash flows for the period ended on that date.

6. Emphasis of Matter

We draw attention of the shareholders to:

- a) Note 16 (ii) & 28 relating to the holding company's land at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/16 part, Mylapore Village and Triplicane - Mylaporetaluk, Chennai district, Chennai - 600004, purchased during the year 2007-08 (in joint name with another company) has not been registered. The land is shown as inventory and also the liability towards registration charges is not ascertained and provided for.
- b) Note 27 regarding non availability of confirmation of balances in respect of certain parties.
- c) Note 37 in the financial statements which discloses the premise upon which the Group has prepared its financial statements by applying the "Going Concern" assumption.

7. Other Matters

- a) We did not audit the standalone and the consolidated financial statements of RCI Power

Limited, comprising of RCI Power Limited, RCI Windfarm 30MW Private Limited and RCI Windfarm 50MW Private Limited and the standalone financial statements of RCI Power (AP) Limited, whose financial statements reflect total assets of Rs. 71,68,75,104 as at 31st March, 2016, total revenues of Rs.1,81,65,123 and net cash outflows amounting to Rs.1,38,622 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

- b) The Holding company holds investment in Haldia Coke and Chemicals Private Limited, whose share of profit or loss has not been included in the Consolidated Statement of Profit and Loss for the year ended 31st March, 2016 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".
- c) Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements / financial information certified by the management.

8. Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii) In our opinion, except for the possible effects matters specified in the basis for qualified opinion in paragraph 4 above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as it appears from our examination of those books and the report of other auditors;

- iii) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- iv) In our opinion, aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2015, except for AS 15 on Employee Benefits to the extent that the provision for gratuity in respect of a subsidiary is based on group's estimates and not in line with the Accounting Standard and the possible effects of the matter mentioned in the basis of qualified opinion above;
- v) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2016 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified from being appointed as a director in terms of sub-section (2) of section 164 of the Act;
- vi) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure A", which is based on the Auditors' Reports of the Company and its subsidiary companies incorporated in India.
- vii) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of a subsidiary, as noted in the 'Other Matters' paragraph:
- a. The group has, in accordance with the generally accepted accounting practice, disclosed the impact of pending litigations on its consolidated financial position of the Group in the consolidated financial statements - Refer Note No. 28 to the consolidated financial statements;
 - b. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries.

For **S.H. Bhandari & Co.,**
Chartered Accountants
FRN : 000438S

SREEDHAR SREEKAKULAM

Partner

Place : Chennai

Date : 21st August, 2016

M. No. 026474



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in paragraph 7(vi) under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of **PREMIER ENERGY AND INFRASTRUCTURE LIMITED** on the consolidated financial statements for the year ended 31st March, 2016

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

In conjunction with our audit of the consolidated financial statements of the company as of and for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Premier Energy and Infrastructure Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Basis for Disclaimer of Opinion with respect to a subsidiary

The system of internal financial controls over financial reporting with regard to one of the subsidiaries viz. EMAS Engineers & Contractors Private Limited were not made available to us to enable us to determine if the subsidiary has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2016.

Opinion/Disclaimer

In our opinion, the Holding Company, its subsidiary companies other than the subsidiary for the reasons as stated in the Basis of Disclaimer Opinion above, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the disclaimer identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March 2016 consolidated financial statements of the Group, and the disclaimer and material weakness has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the Group's consolidated financial statements.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 subsidiary companies (RCI Power Limited and RCI Power AP Limited) and 2 step subsidiaries (RCI Windfarm 30MW Private Limited and RCI Windfarm 50MW Private Limited), is based on the corresponding reports of the auditors of such companies.

For **S.H. Bhandari & Co.**,
Chartered Accountants
FRN : 000438S

SREEDHAR SREEKAKULAM
Partner
M. No. 026474

Place : Chennai
Date : 21st August, 2016



Consolidated Balance Sheet as at 31st March, 2016

(Amount in INR)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share capital	2	413,500,600	413,500,600
Reserves and surplus	3	1,337,122,359	1,366,921,482
Non-Current Liabilities			
Long term borrowings	4	982,447,385	956,140,040
Deferred tax liabilities		4,722,444	4,722,444
Other Long - Term Liabilities	5	2,800,000	2,800,000
Long-term provisions	6	6,213,152	4,742,505
Minority Interest		165,984,938	202,966,094
Current Liabilities			
Short term borrowings	7	748,398,570	958,876,623
Trade payables	8	313,559,261	322,900,996
Other current liabilities	9	167,819,930	143,904,051
Short-term provisions	10	70,483,081	67,380,308
Total		<u>4,213,051,719</u>	<u>4,444,855,143</u>
ASSETS			
Non-current assets			
Goodwill on consolidation	11	3,371,440	3,371,440
Fixed assets - Tangible assets	12	816,737,464	934,827,353
Capital Work in Progress		27,022,062	27,022,062
Non-current investments	13	527,587,500	582,716,146
Long term loans & advances	14	903,282,330	865,248,759
Other Non Current Asset	15	365,811,016	231,353,035
Deferred tax asset	29	1,552,031	1,196,898
Current assets			
Inventories	16	1,152,845,509	1,060,375,509
Trade receivables	17	396,150,370	406,514,664
Cash and cash equivalents	18	6,668,028	38,515,506
Short-term loans and advances	19	11,610,948	11,823,587
Other current assets	20	413,021	281,890,184
Total		<u>4,213,051,719</u>	<u>4,444,855,143</u>
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements

As per our report attached

For S H Bhandari & Co.,
Chartered Accountants
Firm Registration No. 000438S

For and on behalf of the board

Sreedhar Sreekakulam
Partner
M. No. 026474

R Ramakrishnan
DIN: 00809342
Director

M Narayanamurthi
DIN: 00332455
Managing Director

Place : Chennai
Date : 21st August, 2016

A Sriram
Chief Financial Officer

Consolidated Statement of Profit & Loss for the period ended 31st March, 2016

(Amount in INR)

Particulars	Note No.	April 01, 2015 to March 31, 2016	July 01, 2014 to March 31, 2015
INCOME			
Revenue from operations	21	21,632,925	805,011,408
Other income	22	10,570,703	24,567,919
Total		<u>32,203,628</u>	<u>829,579,327</u>
EXPENDITURE			
Direct Expenses	23	2,639,230	618,106,402
Employee benefit expense	24	16,028,510	32,383,020
Other expenses	25	29,025,893	34,132,057
Finance costs	26	21,646,388	135,697,297
Depreciation and amortization expense	9	25,587,020	19,299,388
Total		<u>94,927,040</u>	<u>839,618,164</u>
Profit before tax		(62,723,412)	(10,038,837)
Current tax		4,412,000	10,014,000
Excess provision of tax relating to earlier years		-	(28,210,852)
Deferred tax	29	(355,133)	372,954
Profit for the year		<u>(66,780,279)</u>	<u>7,785,061</u>
Less: Minority interest		(36,981,156)	(21,416,005)
Profit/(Loss) for the period carried to Balance sheet		<u>(29,799,123)</u>	<u>29,201,066</u>
Earnings per equity share:			
Basic and diluted	25	(0.72)	0.71
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements

As per our report attached

For S H Bhandari & Co.,
Chartered Accountants
Firm Registration No. 000438S

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 21st August, 2016

For and on behalf of the board

R Ramakrishnan
DIN: 00809342
Director

M Narayanamurthi
DIN: 00332455
Managing Director

A Sriram
Chief Financial Officer



Consolidated Cash Flow Statement

(Amount in INR)

Particulars	For the period ended 31 st March, 2016	For the year ended 31 st March, 2015
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	(62,723,412)	(10,038,837)
Profit before tax from discontinuing operations	—	—
Profit before tax	(62,723,412)	(10,038,837)
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / Amortization	25,587,020	19,299,388
Interest Expense	30,462,436	118,324,606
Interest Income	(48,765)	(196,581)
Interest on Income Tax Refund	(7,030,308)	
Provision for Gratuity	980,408	887,518
Provision for leave encashment	65,007	471,304
Profit/Loss on Sale of Asset	(31,630)	—
Sundry Advances written off	—	6,030,925
Write off of Asset	—	20,236
Operating Profit before working capital changes	(12,739,244)	134,798,559
Adjustments for:		
Increase/ (Decrease) in Trade Payables	(9,341,735)	(235,616,437)
Increase/ (Decrease) in Other Current Liabilities	2,053,225	(764,463,506)
Increase/ (Decrease) in Short Term borrowings	(210,478,053)	272,837,649
Decrease/ (Increase) in Trade Receivables	10,364,294	(79,745,867)
Decrease/ (Increase) in Inventories	—	473,551,529
Decrease/ (Increase) in Long Term Loans & Advances	17,095,075	(11,244,508)
Decrease/ (Increase) in Other Non Current Assets	(134,457,981)	(114,492,652)
Decrease/ (Increase) in Short Term Loans & Advances	212,639	(520,578,961)
Decrease/ (Increase) in Other Current Assets	312,495,555	469,862,900
Cash Generated from/ (used in) operations	(24,796,225)	(375,091,294)
Direct Taxes (Net of Refunds)	6,146,313	(15,293,454)
Net Cash Flow From/ (Used in) operating Activities	(A) (18,649,912)	(390,384,747)

Consolidated Cash Flow Statement (Contd.)

(Amount in INR)

Particulars	For the period ended 31 st March, 2016	For the year ended 31 st March, 2015
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including intangible assets, CWIP	(35,500)	7,733,381
Sale of Fixed Assets	100,000	–
Purchase of Investments	–	(6,676,120)
Interest Received	48,765	196,581
Net Cash Flow From/ (Used in) Investing Activities	(B) 113,265	<u>1,253,842</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(8,599,784)	(118,324,606)
Proceeds from long-term borrowings	26,307,345	463,664,681
Net Cash Flow From/ (Used in) Financing Activities	(C) 17,707,561	<u>345,340,075</u>
Net Increase/ (decrease) in cash and cash equivalents	(A+B+C) (829,086)	<u>(43,790,831)</u>
Cash and Cash equivalents at the beginning of the year	<u>4,456,777</u>	<u>48,247,608</u>
Cash and Cash equivalents at the end of the year	<u>3,627,691</u>	<u>4,456,777</u>
NOTE:		
Cash and Cash equivalents as per Balance Sheet	<u>3,627,691</u>	<u>4,456,777</u>
Cash and Cash equivalents as per Cash Flow Statement	<u>3,627,691</u>	<u>4,456,777</u>

As per our report attached

For S H Bhandari & Co.,
Chartered Accountants
Firm Registration No. 000438S

Sreedhar Sreekakulam
Partner
M. No. 026474
Place : Chennai
Date : 21st August, 2016

For and on behalf of the board

R Ramakrishnan
DIN: 00809342
Director

M Narayanamurthi
DIN: 00332455
Managing Director

A Sriram
Chief Financial Officer



Consolidated Notes forming part of Financial Statements

Note 1 : SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

(a) Basis of Preparation of Consolidated Financial Statements

These consolidated financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India, including the accounting standards notified under the relevant provisions of the Companies Act, 2013.

(b) 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	Country of Incorporation	Audited / Unaudited	Period end dated	Proportion of ownership interest
1	EMAS Engineers and Contractors Pvt Ltd	India	Unaudited	31st March, 2016	50.10%
			Unaudited	31st March, 2015	50.10%
2	RCI Power Limited	India	Audited	31st March, 2016	100%
			Audited	31st March, 2015	100%
3	RCI Power AP Limited	India	Audited	31st March, 2016	100%
			Audited	31st March, 2015	100%
4	RCI Power 30MW Private Limited*	India	Audited	31st March, 2016	100%
			Audited	31st March, 2015	100%
5	RCI Power 50MW Private Limited*	India	Audited	31st March, 2016	100%
			Audited	31st March, 2015	100%

* These companies are subsidiaries of RCI Power Limited and step down subsidiaries of Premier Energy and Infrastructure Limited

The consolidated financial statements have 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**".
- The difference between the cost of investment in the subsidiaries, over the 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.
- The Goodwill arising on consolidation is not tested for impairment as at the Balance Sheet date.
- 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.
- Minority interest in the net assets of consolidated subsidiaries consists of:
 - The amount of equity attributable to minority at the date on which investment in a subsidiary is made and
 - The minority share of movements in equity since the date of holding subsidiary relationship came into existence.
- 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.
- The consolidated financial statements have been 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.

Notes forming part of Consolidated Financial Statements (continued)

Employee Benefits - Gratuity and Leave encashment:

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

- a) RCI Power(AP) Limited
- b) RCI Power Limited (Consolidated)

For EMAS Engineers & Contractors P Ltd the year-end gratuity liability is determined and provided based on the company's own workings and the gratuity is not funded.

Segment reporting

The group has identified business segments viz infrastructure development and engineering as the primary segment. Revenue & Expenses directly attributable to segments are reported under each reportable segment.

Other Significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Holding Company's separate financial statements.

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 2 : Share Capital		
Authorized:		
44,150,000 (Previous Year 44,150,000) Equity shares of Rs.10 each	<u>441,500,000</u>	<u>441,500,000</u>
Issued, Subscribed & Paid up:		
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>
Total	<u>413,500,600</u>	<u>413,500,600</u>

(a) Reconciliation of number of shares

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Number of equity shares at the beginning of the year	41,350,060	41,350,060
Number of equity shares at the end of the year	41,350,060	41,350,060

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

Name of the Shareholder	% of holding	As at 31 st March, 2016	% of holding	As at 31 st March, 2015
Shri Housing Pvt Ltd	26.84%	11,100,000	32.08%	13,266,380
Vidya Narayanamurthy (On behalf of Shriram Auto Finance)	24.18%	10,000,000	25.12%	10,387,545
Vassal 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
Sita Srinivasan	6.18%	2,553,725	-	-

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.



Notes forming part of Consolidated Financial Statements (continued)

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 3 : Reserves and Surplus		
Capital reserve		
Opening balance	167,453,522	167,453,522
Add: Addition / (reduction)	-	-
Closing balance	<u>167,453,522</u>	<u>167,453,522</u>
Securities premium		
Opening balance	950,864,127	950,864,127
Add: Addition / (reduction)	-	-
Closing balance	<u>950,864,127</u>	<u>950,864,127</u>
General reserve		
Opening balance	12,883,501	12,880,424
Transitional adjustments as per Companies Act, 2013	-	3,077
Closing balance	<u>12,883,501</u>	<u>12,883,501</u>
Surplus in Profit & Loss account		
Opening balance	235,720,332	431,492,212
Add: Adjustment from Subsidiary on account of depreciation	-	706
Add: Surplus from statement of profit & loss	(29,799,123)	29,201,066
Less: Reversal of Share of Profit in Haldia Coke & Chemicals Pvt Ltd. (Refer Note 13 (iii))	-	(224,973,652)
Closing balance	<u>205,921,209</u>	<u>235,720,332</u>
	<u>1,337,122,359</u>	<u>1,366,921,482</u>

Note 4 : Long Term Borrowings

Term loans

Secured Loans - From Bank (Ref Note 4 (i) below)	75,843,000	85,005,151
Unsecured Loans - From Related Parties (Refer Note 32)	633,533,295	590,921,264
Unsecured Loans - From others (Refer Note 4 (ii) below)	<u>273,071,090</u>	<u>280,213,625</u>
Total	<u>982,447,385</u>	<u>956,140,040</u>

Note 4 (i)

- The holding company has availed a term loan of Rs.10 crores from Small Industries Development Bank of India (SIDBI), repayable in 120 monthly installments, carrying interest rate of 12.75% per annum.
- A first charge by way of mortgage in favour of SIDBI has been created by the holding company on the immovable properties located at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/16 part, Mylapore Village and Triplicane - Mylapore tauk, Chennai district, Chennai - 600 004, admesuring 5919 sq.ft.
- Pending registration, no specific charge has been created on the undivided portion either by the holding company or by M/s. PL Finance and Investments Limited.
- Additionally secured by irrevocable and unconditional corporate guarantees by the holding company and M/s. Shri Housing Private Limited and M/s. PL Finance and Investments Limited. Further guaranteed by M/s. Shriram Auto Finance (Firm) and by a Director of the company.
- Period and amount of continuing default :
No of Installments - 12 (Monthly)
Principal Overdue - Rs. 99,96,000
Interest overdue - Rs. 1,32,66,487

Note 4 (ii)

- The holding company had availed a term loan of Rs.2.57 Crores from M/s. Indiabulls Housing Finance Limited (IHFL), repayable in 60 equated monthly installments effective May 2015, carrying adjustable rate of interest of IHFL-LFRR base rate less 5.75% per annum.
- Secured by immovable property belonging to M/s. Chennai Power & Coke Private Limited.
- Additionally secured by corporate guarantees by the holding company and M/s. Chennai Power Coke & Private Limited. Further Guaranteed by a director and a relative of a director.
- Period and amount of continuing default :
No of Installments - 1 (Monthly)
Principal Overdue - Rs. 3,41,238
Interest overdue - Rs. 2,43,598

Notes forming part of Consolidated Financial Statements (continued)

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 5 : Other Long Term Liabilities		
Lease deposit	2,800,000	2,800,000
Total	<u>2,800,000</u>	<u>2,800,000</u>
Note 6 : Long Term Provisions		
Provision for Leave salary - Refer Note 32	795,250	-
Provision for Gratuity - Refer Note 32	5,417,902	4,742,505
Total	<u>6,213,152</u>	<u>4,742,505</u>
Note 7 : Short Term Borrowings		
Secured loans		
Loan from Banks		
- Cash Credit Refer Note 7 (i-iv) below	748,398,570	710,070,273
- Letter of credit Refer Note 7 (v) below	-	248,806,350
Unsecured		
Loans and advances from Holding Co	-	-
Total	<u>748,398,570</u>	<u>958,876,623</u>

EMAS Engineers and Contractors Private Limited :

The Cash Credit facilities with State Bank of Travancore and Federal Bank Limited are secured by way :

- 7 (i) First charge on entire current assets of the Company on paripassu basis between the above banks.
- 7 (ii) First charge on entire unencumbered fixed assets of the Company on paripassu basis between the above banks.
- 7 (iii) Second charge on the specific fixed assets of the Company on paripassu basis between the above banks.
- 7 (iv) Additional security for credit facilities from State Bank of Travancore
 - (a) Personal Guarantee given by a former director
 - (b) Corporate Guarantee given by a promoter firm
- 7 (v) Letters 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 the 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 banks .

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 8 : Trade Payable		
Due to Micro Small Medium Enterprises Creditors	-	-
Due to Other than Micro Small Medium Enterprises Creditors	313,559,261	322,900,996
Total	<u>313,559,261</u>	<u>322,900,996</u>
Note 8(i)		
There were no dues to Small Scale Industrial undertakings to whom the Company owes any sum which is outstanding for more than 30 days. There were no dues either principal or interest remaining unpaid to any suppliers under The Micro, Small and Medium Enterprises Development Act, 2006, which came into force with effect from 02.10.2006 as at the end of the accounting year. Similarly, no payments have been made to the suppliers beyond the appointed day without adding interest, no interest is accrued and remaining unpaid during the year.		
Note 9 : Other Current Liabilities		
Current Maturities on Long Term Borrowings - Refer Note 4(i)(e) & Note 4(ii)(d)	24,728,203	14,732,736
Statutory Liabilities	52,715,599	36,540,877
Advance from customers	50,542,484	77,552,933
Interest accrued and due - Refer Note 4(i)(e) & Note 4(ii)(d)	13,266,487	1,085,238
Accrued employee benefit expenses	6,034,718	2,699,258
Other Payables	20,532,438	11,293,009
Total	<u>167,819,929</u>	<u>143,904,051</u>



Notes forming part of Consolidated Financial Statements (continued)

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 10 : Short Term Provisions		
Provision for Gratuity - Refer Note 32	317,873	12,862
Provision for Leave salary - Refer Note 32	1,368,647	2,098,890
Provision for income tax (Net of advance income tax)	<u>68,796,561</u>	<u>65,268,556</u>
Total	<u>70,483,081</u>	<u>67,380,308</u>
Note 11 : Goodwill (on consolidation)		
Opening Balance	3,371,440	3,371,440
For the year Addition / (Deletion)	-	-
Closing Balance	<u>3,371,440</u>	<u>3,371,440</u>

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

Note 12 : Fixed Assets

Asset	Gross Block				Depreciation				Net Block	
	Opening balance as at 01st April 2015	Additions	Deletions	Closing balance as at 31st March, 2016	Opening balance as at 01st April 2015	For the Year	Deletions	Closing balance as at 31st March, 2016	As at 31st March, 2016	As at 31st March, 2015
Air Conditioner	2,639,927			2,639,927	2,028,775	94,913		2,123,689	516,238	611,152
Vehicles	10,806,487		448,323	10,358,164	9,192,572	514,640	379,953	9,327,259	1,030,905	1,613,915
Interior Decoration	5,698,086			5,698,086	4,384,059	50,672		4,434,731	1,263,355	1,314,027
Computer and accessories	7,918,807			7,918,807	7,239,346	26,985		7,266,331	652,476	679,461
Office equipment	6,033,746			6,033,746	3,685,191	240,495		3,925,685	2,108,061	2,348,555
Furniture & Fixtures	6,941,250			6,941,250	4,512,550	413,947		4,926,496	2,014,754	2,428,700
Plant & Machinery	484,915,100	35,500		484,950,600	332,685,307	24,245,368		356,930,675	128,019,925	152,229,793
Land & Building #	773,601,750		92,470,000	681,131,750					681,131,750	773,601,750
Total	1,298,555,153	35,500	92,918,323	1,205,672,330	363,727,799	25,587,020	379,953	388,934,866	816,737,464	934,827,354
Capital Work in Progress	27,022,062			27,022,062					27,022,062	27,022,062
Total	1,325,577,215	35,500	92,918,323	1,232,694,392	363,727,799	25,587,020	379,953	388,934,866	843,759,526	961,849,416
Previous year	1,337,114,185		11,536,970	1,325,577,215	348,215,548	19,299,388	3,780,982	363,727,800	961,849,415	988,898,637

Asset	Gross Block				Depreciation					Net Block	
	Opening balance as at 01st July, 2014	Additions	Deletions	Closing balance as at 31st March, 2015	Opening balance as at 01st July, 2014	For the Year	On Deletions	Transitional Adjust-ment	Closing balance as at 31st March, 2015	As at 31st March, 2015	As at 30th June, 2014
Air Conditioner	2,639,927	-	-	2,639,927	1,957,590	71,185	-	-	2,028,775	611,152	682,337
Vehicles	11,656,132	-	849,645	10,806,487	9,578,654	386,646	772,728	-	9,192,572	1,613,915	2,077,478
Interior Decoration	5,698,086	-	-	5,698,086	4,346,055	38,004	-	-	4,384,059	1,314,027	1,352,031
Computer and accessories	7,918,807	-	-	7,918,807	7,119,107	120,239	-	-	7,239,346	679,461	799,700
Office equipment	6,033,746	-	-	6,033,746	3,504,820	180,371	-	-	3,685,191	2,348,555	2,528,926
Furniture & Fixtures	6,941,250	-	-	6,941,250	4,202,090	310,460	-	-	4,512,550	2,428,700	2,739,160
Plant & Machinery	495,602,425	-	10,687,325	484,915,100	317,507,232	18,192,483	3,011,331	(3,077)	332,685,307	152,229,793	178,095,193
Land & Building	773,601,750	-	-	773,601,750	-	-	-	-	-	773,601,750	773,601,750
Total	1,310,092,123	-	11,536,970	1,298,555,153	348,215,548	19,299,388	3,784,059	(3,077)	363,727,800	934,827,353	961,876,575
Capital Work in Progress	27,022,062	-	-	27,022,062	-	-	-	-	-	27,022,062	27,022,062
Grand Total	1,337,114,185	-	11,536,970	1,325,577,215	348,215,548	19,299,388	3,784,059	(3,077)	363,727,800	961,849,415	988,898,637

Notes forming part of Consolidated Financial Statements (continued)

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 13 : Non current investments		
Others		
Haldia Coke & Chemicals Private Limited - Refer Note No 13(ii) below	527,587,500	527,587,500
13,750,000 equity shares of Rs 10/- each (Previous year 13,750,000)		
Add: Share of Profit for the years upto 31.03.2012 considered in the Consolidated Financial Statements	-	224,973,652
Less: Reversal of the above	-	(224,973,652)
Total	<u>527,587,500</u>	<u>527,587,500</u>
Non Trade		
Quoted equity shares (at cost-fully paid)		
Ennore Coke Limited - Refer Note 13(iii) below	-	55,128,646
Nil equity shares of Rs 10/- each (Previous Year 10,09,508)		
Total	<u>-</u>	<u>55,128,646</u>
	<u>527,587,500</u>	<u>582,716,146</u>
Note No.13 (i)		
Market value of quoted instruments	-	9,348,044
Note No.13 (ii)		
(a) The company, Haldia Coke Limited, has accumulated losses and its net worth is fully eroded as at 31st March, 2016. However, the promoters of the said company propose to initiate certain restructuring plans in the coming years. Also, the overall business prospects combined with the restructuring efforts are expected to yield results in the near term. Hence, the decline in investments due to the losses incurred by the said company is considered temporary in nature and accordingly, no diminution in value is considered.		
(b) Includes 91,74,860 equity shares pledged with a lender for amounts borrowed by the said Company. Also refer Note 28(b) & 30.		
Note No.13 (iii)		
The Holding Company had entered in to memorandum of understanding with a fellow subsidiary for sale of entire shares held at the actual cost to the company. However during the year the same shares were pledged with a bank as security for moneys borrowed by its subsidiary EMAS. The said bank enforced the security and appropriated the proceeds towards the outstanding of EMAS. Hence, the entire balance held in investments account has been transferred to EMAS.		
Note 14 : Long term Loans & advances		
Advance share subscription (Refer Note 14(i) below)	13,400,640	13,400,640
Rent advance	3,000,000	3,000,000
Income Tax Refund due	1,529,543	10,780,855
Reimbursements due	2,951,061	2,951,061
Prepaid expenses	450,291	571,492
Security Deposits	251,250	251,250
Loans and Advance given to related parties - (Refer Note 30)	369,932,464	298,616,916
Loans and Advance given to other companies	511,767,081	535,676,545
Total	<u>903,282,330</u>	<u>865,248,759</u>
Note 14 (i)		
In line with the agreement the holding company made advances towards share subscription in Ecolubes Inc, Delaware, USA. Pending allotment of shares the advance is shown under Long Term Advances.		



Notes forming part of Consolidated Financial Statements (continued)

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 15 : Other non current assets		
Unsecured, considered good, unless otherwise stated		
Long Term Trade Receivables	49,996,397	89,184,617
Long Term Retention money Receivables	137,743,445	–
Deposits	4,898,982	3,611,746
Unbilled Revenue (Refer Note 15 (i) below)	138,556,672	138,556,672
Others	34,615,520	–
Total	365,811,016	231,353,035
Note 15 (i)		
Unbilled revenue relates to certain projects for which no billing has taken place for three years and above, due to stoppage of work. The Subsidiary Company is confident of billing the entire amount and recovering the same from the customers in the ensuing year.		
Note 16 : Inventories		
(At lower of cost and net realizable value)		
Raw materials	21,456,376	21,456,376
Work In progress - Refer Note 16(i) below	1,038,919,133	1,038,919,133
Land - Refer Note 16(ii) below & Note 28(a)	92,470,000	–
Total	1,152,845,509	1,060,375,509
Note 16 (i)		
Work-in-Progress includes unbilled revenue reflecting the value of material inputs and expenses incurred on contracts including estimated profits in evaluated jobs as per Accounting Standard AS 7 (Revised) and certified by the management.		
Unbilled revenue includes Unbilled Revenue of EMAS Engineers and Contractors Private Limited amounting Rs.13,85,56,672 relating to certain projects for which no billing has taken place for two 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.		
Note 16 (ii)		
During the year the holding company has transferred land at Door No 62 & 63, Luz Church Road, Chennai - 600 004 to inventory as it intends to develop the same for business purposes.		
Note 17 : Trade Receivables		
(Unsecured, considered good)		
Outstanding for more than 6 months from due date	384,293,983	137,030,740
Others	11,856,387	269,483,924
Total	396,150,370	406,514,664
Note 18: Cash & Cash equivalents		
Cash in hand	2,591,135	2,100,074
Balance with banks		
- Margin Money	3,040,337	34,058,729
- in fixed deposit accounts	504,351	504,351
- in current accounts	532,205	1,852,352
Total	6,668,028	38,515,506

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

(Amount in INR)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Note 19 : Short Term Loans and Advances		
(Unsecured considered good)		
Advance to subsidiary (Refer Note 26)	-	-
Advance to suppliers	10,482,264	-
Vat Credit	-	11,012,750
Prepaid expenses	128,175	157,584
Staff advance	1,000,509	653,253
Total	11,610,948	11,823,587
Note 20 : Other Current Assets		
Unbilled revenue	-	130,547,542
Retention money receivable	-	115,443,188
Deposits	-	1,267,236
Others	413,021	34,632,218
Total	413,021	281,890,184

(Amount in INR)

Particulars	April 01, 2015 to March 31, 2016	July 01, 2014 to March 31, 2015
Note 21 : Revenue From Operations		
Development of projects	-	319,797,542
Contract Receipts	3,516,567	474,739,266
Lease Rental	18,116,358	10,474,600
Total	21,632,925	805,011,408
Note 22 : Other Income		
Interest on Income tax refund	7,030,308	
Interest - Others	48,765	196,581
Profit on Sale of Fixed Assets	31,630	-
Sale of Scrap	3,460,000	24,371,338
Total	10,570,703	24,567,919
Note 23 : Direct Expenses		
Project Expenses for development of infrastructure for power projects	-	151,505,000
Consumption of Materials	1,558,489	27,330,111
Labour Charges	823,883	437,647,177
Hire Charges	256,858	1,624,114
Total	2,639,230	618,106,402
Note 24 : Employee benefit expense		
Salaries & allowances	14,989,598	30,492,548
Gratuity	296,704	887,517
Welfare expenses	742,208	1,002,955
Total	16,028,510	32,383,020



Notes forming part of Consolidated Financial Statements (continued)

(Amount in INR)

Particulars	April 01, 2015 to March 31, 2016	July 01, 2014 to March 31, 2015
Note 25 : Other Expenses		
Payment to Auditors :		
Statutory audit	2,918,320	2,531,240
Communication expenses	720,151	1,044,232
Compensation expenses	1,250,000	-
Professional charges	2,594,780	7,506,761
Listing & Depository Fees	358,510	197,335
Repairs & Maintenance	419,234	1,074,047
Miscellaneous Expenses	1,137,203	2,096,011
Printing & Stationery	390,705	382,567
Rates & Taxes	-	1,368,598
Sales Promotion Expenses	-	492,615
Office Rent	7,819,605	7,408,195
Electricity	700,419	251,129
Insurance	139,281	1,541,122
Freight & Forwarding	-	15,230
Travelling & conveyance expenses	1,422,903	2,590,205
Transportation	-	1,452,758
Other Administrative Expenses	51,104	365,845
Security Charges for Project	236,000	834,883
Interest on Statutory Payment	8,867,678	271,973
Write off of Assets	-	20,236
Bad Debts written off (Refer Note No. 19 (i) below)	-	2,687,075
Total	<u>29,025,893</u>	<u>34,132,057</u>
Note 26 : Finance costs		
Interest expense	21,594,758	118,052,633
Other Interest payments	-	-
Other borrowing cost	51,630	17,644,664
Total	<u>21,646,388</u>	<u>135,697,297</u>

Notes forming part of Consolidated Financial Statements (continued)

Note 27 : Balance Confirmation

Confirmation of balances had not been received from parties in respect of certain outstanding. Pending confirmation, no adjustments have been carried out to the carrying values and the balances as per books of account have been adopted. In the opinion of the Management, the amounts stated in the Balance Sheet are fully receivable/payable.

Note 28 : Contingent Liabilities

- a) The Holding Company's land at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/16 part, Mylapore Village and Triplicane - Mylapore tauk, Chennai district, Chennai - 600004, purchased during the year 2007-08 (in joint name with another company) has not been registered. Liability towards registration charges for the land is not ascertained and quantified.
- b) The Holding Company has pledged part of its investment of 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.

EMAS Engineers and Contractors Private Limited

(In INR)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Bank Guarantees Outstanding	118,700,000	118,700,000
VAT disputed and under appeal	5,959,320	5,959,320

- b) The Subsidiary Company has entered into a factoring arrangement with Shriram Auto Finance, a related party, under which certain trade receivables & retention moneys receivable (net of outstanding mobilisation advances received), non current assets in the nature of loans & advances and various deposits aggregating to Rs.25.55 Crores have been taken over on non recourse basis. No amount has been received on this account as on the date of Balance Sheet and the outstanding amount due has been disclosed under "Short Term Loans & Advances". In the opinion of the management the amount due is fully recoverable for the value stated therein.

RCI Power Limited

- a) The Income tax department has gone on an appeal with the Honourable High Court of Madras on an order passed by the Income Tax Appellate Tribunal in favour of RCI Power Limited. The amount involved is Rs.1,67,87,132.

Note 29 : Earnings per share

(In INR)

Particulars	As at 31st March, 2016	As at 31st March, 2015
Net profit/loss attributable to shareholders	(29,799,123)	29,201,066
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	(0.72)	0.71



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

Note 30 : Related party disclosures

The related parties have been identified by the management and relied upon by the auditors.

i) **List of related parties:**

- | | |
|---|--|
| a) Ultimate controlling entity | Shriram Auto Finance (Partnership firm) |
| b) Fellow subsidiary | Shri Housing Pvt. Ltd. |
| c) Entities with common director | S R Fabricators Pvt. Ltd.
Ennore Coke Limited
Haldia Coke & Chemicals Pvt. Ltd. |
| d) Key managerial personnel / Relatives of Key managerial personnel | M. Narayanamurthi, Managing Director
S Krishnan, Managing Director (until 12.09.2015)
Vikram Mankal, Relative of Managing Director of Premier Energy and Infrastructure Limited
A. Sriram, Chief Financial Officer of Premier Energy and Infrastructure Limited and Director of RCI Power Limited and RCI Power (AP) Limited
V. Sriramalakshmi, Company Secretary of Premier Energy and Infrastructure Limited
S. Srinivasan, Managing Director of EMAS Engineers and Contractors Private Limited (until 25.04.2015)
K.N. Narayanan, Director of Premier Energy and Infrastructure Limited and EMAS Engineers and Contractors Private Limited
Navneet Ganapathi, Director of EMAS Engineers and Contractors Private Limited
T R Murali, Director of Shri Housing Private Limited, RCI Power Limited and RCI Power (AP) Limited |

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

(In INR)

Name of the related party	Relationship	Description	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Shri Housing Private Limited	Fellow Subsidiary	Loans received	282,685,922	155,536,474
		Loans repaid	272,705,120	203,112,895
		Loans given	10,255,000	18,900,000
		Loan repayments received	110,339	1,410,000
Vaata infra Limited	Common Director (Until 30th December 2014)	Expenses Reimbursed	-	2,000,000
S Srinivasan	Key Managerial Personnel up to 25.04.2015	Salary paid	400,000	3,600,000
S Srinivasan	Key Managerial Personnel up to 25.04.2015	Loans Received	3,847,857	27,152,608
S Srinivasan	Key Managerial Personnel up to 25.04.2015	Loans Repaid	10,200,000	29,077,295
M Narayanamurthi	Managing Director	Salary paid	120,000	1,350,000
S Krishnan	Former Managing Director	Salary paid	2,226,888	0
Vikram Mankal	Director	Salary paid	120,000	1,350,000
R Ramakrishnan	Key Managerial Personnel	Sitting fees	40,000	20,000
K N Narayanan	Key Managerial Personnel	Sitting fees	40,000	20,000
A. Sriram	Chief Financial Officer	Salary & Allowances paid	3,004,200	2,644,038
T R Murali	Key Managerial Personnel	Salary & Allowances paid	1,476,000	1,476,000
V Sriramalakshmi	Company Secretary	Salary paid	100,000	225,000

BALANCES OUTSTANDING AT THE YEAR END**Unsecured Loans**

Ennore Coke Limited	Enterprise in which KMP exercises significant influence	37,958,082	37,958,082
Haldia Coke and Chemicals Pvt Ltd	Associate	242,442,143	242,442,143
Shri Housing Private Limited	Fellow Subsidiary	67,46,143	-

Short term Loans & Advances

Shriram Auto Finance-Factoring due	Key Managerial Personnel	255,478,323	255,478,323
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Note 31 : Expenditure in Foreign currency / Earnings in Foreign currency

Particulars	For the period ended 31st March, 2016	For the period ended 31st March, 2015
Foreign Travel	349,102	123,963



Notes forming part of Consolidated Financial Statements (continued)

Note 32 : Employee benefits

(In INR)

Particulars	Gratuity As at 31st March, 2016	Gratuity As at 31st March, 2015	Leave Salary* As at 31st March, 2016
A. Changes in the present value of obligation in the inter-valuation period			
Liability as at beginning of the period	816,419	657,473	-
Add: Interest Cost	63,681	41,914	612,081
Add: Current Service Cost	172,204	129,353	-
Less: Benefits paid	-	-	-
Add: Past Service Cost	-	-	-
Add: Settlement Cost	-	-	-
Add: Curtailment Cost	-	-	-
Actuarial gain / loss	60,820	(12,321)	136,630
Liability as at end of the period	1,113,124	816,419	748,711
B. Recognition of Actuarial gain/loss as on accounting date			
Actuarial (gains) / loss in inter-valuation period: - Obligation	60,820	12,321	136,630
Actuarial (gains) / loss in inter-valuation period: - Plan Assets	-	-	-
Actuarial (gains) / loss recognised in inter-valuation period	60,820	12,321	136,630
Unrecognised Actuarial (gains) / losses	-	-	-
C. The amounts to be recognised in the Balance Sheet			
Present value of obligation	816,419	657,473	2,847,601
Fair value of Plan Assets	-	-	-
Unrecognised Actuarial (gains) / losses	-	-	-
Net Asset / (liability) recognised in Balance Sheet	816,419	657,473	2,847,601
D. Expense to be recognised in P&L			
Interest cost	63,681	41,914	-
Current service cost	172,204	129,353	612,081
Past service cost	-	-	-
Curtailment Cost (Credit)	-	-	-
Settlement Cost (Credit)	-	-	-
Expected return on plan assets	-	-	-
Net actuarial (gain) /loss recognised	60,820	(12,321)	136,360
Accrued Liability as at the end of the period	296,705	158,946	748,441
E. Reconciliation			
Net Liability as at the beginning of the period	816,419	657,473	-
Expenses recognised in P&L	296,705	158,946	748,441
Less: Adjustments to last valuation closing balance	-	-	-
Less: Benefits paid directly by the Company	-	-	-
Less: Contributions made to the fund	-	-	-
Net Liability as at the end of the period	1,113,124	816,419	748,441
Principal actuarial assumptions :			
Discount rate	7.80%	7.21%	7.82%
Mortality-Indian Assured Lives (2006-08) (Ultimate)	Yes	Yes	Yes
Resignation rate per annum	30.00%	3.00%	30.00%
Salary Escalation per annum	10.00%	10.00%	10.00%

* Effective current year provision for leave salary of the holding company is made based on Actuarial Valuation. Hence, figures for the previous year have not been furnished.

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

Note 33 : Disclosure on AS 22 on “Accounting for taxes on Income”

a. Deferred Tax Liability

(In INR)

Deferred tax liability has been recognised on the following items:	As at 31st March, 2016	As at 31st March, 2015
Opening Deferred tax	4,722,444	4,081,712
Add: Deferred tax on timing difference		
On Depreciation	–	640,732
Closing Deferred tax liability	4,722,444	4,722,444

b. Deferred Tax Asset

Deferred tax liability has been recognised on the following items:	As at 31st March, 2016	As at 31st March, 2015
Opening Deferred tax	1,196,898	929,120
Add: Deferred tax on timing difference		
On Depreciation	355,133	267,778
Closing Deferred tax liability	1,552,031	1,196,898

Note 34 : Operating Leases

The Holding 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 35 : Disclosure pursuant to Accounting Standard-7 “Construction Contracts”

Particulars	For the period ended 31st March, 2016	For the period ended 31st March, 2015
Contract Revenue recognised as Revenue in the year	–	591,070,727
Aggregate of Contract Costs incurred and recognised profits (less recognised losses) up to the reporting date for Contracts in progress	466,601,402	466,601,402
Amount of Advance received for contracts in progress	45,127,286	45,127,286
Amount of Retention money for contracts in progress	154,631,407	154,631,407
Gross Amount due from customers for contract work	268,579,594	268,579,594
Unbilled revenue	1,177,475,805	1,177,475,805



Notes forming part of Consolidated Financial Statements (continued)

Note 36 : Additional information, as required under Schedule III to the Companies Act, 2013, of the enterprises consolidated as Subsidiary.

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share of profit or loss	
	As % of Consolidated net assets	Amount in INR	As % of Consolidated net assets	Amount in INR
Holding				
Premier Energy and Infrastructure Limited	99.25%	1,737,491,304	(2.04%)	1,361,588
Subsidiaries - Indian				
EMAS Engineers & Contractors Private Limited	19.00%	332,635,161	110.98%	(74,110,534)
RCI Power Limited	36.37%	636,687,767	(7.35%)	4,908,720
RCI Power (AP) Limited	4.58%	80,187,337	(1.72%)	1,146,237
RCI Power 30 MW Private Limited	(0.01%)	(118,559)	0.06%	(40,536)
RCI Power 50 MW Private Limited	(0.01%)	(115,293)	0.07%	(45,754)
Minority Interest	9.48%	165,984,938	55.38%	(36,981,156)
Adjustments arising out of consolidation	(68.67%)	(1,202,129,696)	(55.38%)	73,962,313
Total	100.00%	1,750,622,959	100.00%	(29,799,123)

Note 37 : 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.

Particulars	As at 31st March, 2016			As at 31st March, 2015		
	Infrastructure Development	Engineering & Construction	Total	Infrastructure Development	Engineering & Construction	Total
Revenue	18,196,753	14,006,875	32,203,628	213,980,400	615,598,927	829,579,327
Direct expenses	-	2,639,230	2,639,230	151,505,000	466,601,402	618,106,402
Un-allocable expenses	6,809,631	85,478,179	92,287,810			221,511,762
Profit before taxes			(62,723,412)			(10,038,837)
Exceptional items			-			-
Taxes			4,056,867			17,823,898
Profit before minority interest and share of profit/ (loss) of associate			(66,780,279)			7,785,061
Minority interest			(36,981,156)			(21,416,005)
Share of profit / (loss) of associate			-			-
Net profit for the year			(29,799,123)			29,201,066
Segment Assets and Liabilities	As at 31st March, 2016			As at 31st March, 2015		
	Infrastructure Development	Engineering & Construction	Total	Infrastructure Development	Engineering & Construction	Total
Assets	2,123,298,968	2,089,752,751	4,213,051,719	1,759,560,433	2,685,294,710	4,444,855,143
Liabilities	2,081,352,325	215,091,499	2,296,443,823	368,671,399	2,092,795,568	2,461,466,968

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

Note 38 : Previous year figures

In the previous period the company had changed its financial year closing date from 30th June to 31st March. Accordingly, the figures for the previous period are for the 9 month period from July 1, 2014 to March 31, 2015 and are therefore not comparable with those of the current year which is 12 months from April 1, 2015 to March 31, 2016.

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

As per our report attached

For S H Bhandari & Co.,
Chartered Accountants
Firm Registration No. 000438S

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 21st August, 2016

For and on behalf of the board

R Ramakrishnan
DIN: 00809342
Director

M Narayanamurthi
DIN: 00332455
Managing Director

A Sriram
Chief Financial Officer



PREMIER ENERGY AND INFRASTRUCTURE LIMITED

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

Form No. MGT – 11 Proxy Form

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

1. Name	
2. Joint Holder(s)	
3. Address	
4. Email ID	
5. FOLIO / DP ID / Client ID	

I/We, being a Member(s) of shares 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 :	

Resolution No. 1 : 2 : 3 : 4 :

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company held on 10th November 2016 at 11.00 a.m at Bharathiya Vidhya Bhavan (Mini Hall) 18,20,22, East Mada Street, Mylapore, Chennai 600 004 or at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this day of 2016.

Signature of Share holder :

Signature of Proxy holder(s) :

Affix
Re. 1/-
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



PREMIER ENERGY AND INFRASTRUCTURE LIMITED

CIN: L45201TN1988PLC015521

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

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

Website: www.premierenergy.in

CIN: L45201TN1988PLC015521

ATTENDANCE SLIP

1. Name	
2. Joint Holder(s)	
3. Address	
4. Email ID	
5. FOLIO / DP ID / Client ID	

I/We hereby certify that I/We am/are registered Member/Proxy for the registered member of the Company and hereby record my/our presence at the Wednesday, the 10th November 2016 at 11.00 a.m at Bharathiya Vidhya Bhavan (Mini Hall) 18,20,22, East Mada Street, Mylapore, Chennai 600 004 or any adjournment thereof in respect of such resolutions as mentioned in the notice.

Name of the Registered Holder/Proxy (IN BLOCK LETTERS)

Signature of the Registered Holder/Proxy

Note: Members/Proxies to Members are requested to sign and handover this slip at the entrance of the venue of the Meeting.

If undelivered please return to:

Premier Energy and Infrastructure Limited

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