

# ANNUAL REPORT 2016-17



**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	Managing Director
R. RAMAKRISHNAN	Non Executive Independent Director
VIKRAM MANKAL	Non Executive Non Independent Director
K.N. NARAYANAN	Non Executive Independent Director
KOKHILA RAMACHANDRAN (upto 01.01.2017)	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 FIFTH ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT 11.00 A.M ON THURSDAY, THE 28<sup>TH</sup> SEPTEMBER, 2017 AT BHARATHIYA VIDHYA BHAVAN (MINI HALL -1 FLOOR) 18,20,22, EAST MADA STREET, MYLAPORE, CHENNAI-600 004 TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

**Item No.1 – Adoption of Financial Statements**

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

**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2017 and the Reports of the Board of Directors and the Independent Auditors thereon be and are hereby considered, approved and adopted.

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

**RESOLVED THAT** the Audited Consolidated Financial Statements for the year ended 31<sup>st</sup> March, 2017 and the Independent Auditors Report thereon be and are hereby considered, approved and adopted.

**Item No.2 - Re-appointment of Mr. Vikram Mankal, (DIN:03097118) retiring by rotation as a Director**

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

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

**Item No. 3 - Ratification of appointment of Statutory Auditors**

To consider and if deemed fit, to pass the following 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 Sixth Annual General Meeting to be held in the year 2018 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”.

On behalf of the Board

M. NARAYANAMURTHI  
(DIN: 00332455)  
Managing Director

Place : Chennai  
Date : 22<sup>nd</sup> August, 2017

**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 25<sup>th</sup> 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. 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.
4. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. 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.
6. 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.
7. 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.
8. Additional information pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 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
9. The Register of Members and the Share Transfer Books of the Company shall remain closed from Monday, 21st September, 2017 to Thursday, 28th September, 2017 (both days inclusive), for the purpose of Annual General Meeting.
10. 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.
11. Copies of the Annual Report 2017 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 2017 are being sent by electronic mode only. For members who have not registered their Email addresses, physical copies of the Annual Report 2017 are being sent by the permitted mode.
12. The Notice of the 25th 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 25th 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.
13. Members may also note that the Notice of the 25th Annual General Meeting and the Annual Report 2017 will also be available on the Company's website [www.premiereenergy.in](http://www.premiereenergy.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](mailto:investor@cameoindia.com).



14. 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.
15. 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 25th 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').
- (a) The members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting.
- (b) 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.
- (c) The Company has engaged the services of Central Depository Securities Limited (CDSL) as the Agency to provide e-voting facility.
- (d) 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.
- (e) 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 21st September, 2017.
- (f) 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. 21<sup>st</sup> September, 2017 only shall be entitled to avail the facility of remote e-voting.
- (g) The remote e-voting facility will be available during the following period:  
Commencement of remote e-voting : From 9.00 a.m. (IST) on, 25<sup>th</sup> September, 2017 End of remote e-voting : Up to 5.00 p.m. (IST) on 27<sup>th</sup> September, 2017.  
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](http://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. 28<sup>th</sup> September, 2017.
- (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](http://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](http://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"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
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"> <li>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).</li> </ul>

- 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. 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](http://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](mailto: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](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**A. Other Instructions**

- i. The e-voting period commences on Monday, 25<sup>th</sup> September, 2017 at 9.00 a.m (IST) and ends on Wednesday 27<sup>th</sup> September 2017 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 21<sup>st</sup> September, 2017, 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 21<sup>st</sup> September, 2017.
- 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 25<sup>th</sup> Annual General Meeting or not later those 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](http://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. September 28, 2017.

On behalf of the Board

M. NARAYANAMURTHI  
(DIN: 00332455)  
Managing Director

Place : Chennai  
Date : 22<sup>nd</sup> August, 2017



## Annexure to the Notice

### Statement pursuant to Section 102(1) of the Companies Act, 2013

#### Item No: 2

Brief Resume of Mr. Vikram Mankal, Director

Name	Mr. Vikram Mankal
Age	30 years
Date of appointment	14.12.2011
Qualification	BE., M B A
Experience in Functional Areas	Posses strong analytical skills, experienced in Energy and Infrastructure Sectors with good understanding of Project Management Evaluation
Directorship held in other Public Companies (Excluding Foreign Companies)	1. Asia Coke Limited 2. S R Fabricators Pvt. Ltd.
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	Son of the Managing Director of the company

On behalf of the Board

M. NARAYANAMURTHI

(DIN: 00332455)

Managing Director

Place : Chennai

Date : 22<sup>nd</sup> August, 2017

### ROUTE MAP TO THE VENUE of the 25<sup>th</sup> 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 Fifth Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31<sup>st</sup> March, 2017.

### FINANCIAL RESULTS

(Rs. in Lakhs)

	Consolidated		Standalone	
	2016-2017	2015-2016	2016-2017	2015-2016
Gross Income	<b>202.04</b>	583.67	–	402.02
Profit / (Loss) before interest & depreciation	<b>(178.93)</b>	275.17	<b>(313.28)</b>	181.32
Finance charges	<b>186.96</b>	159.75	<b>186.86</b>	159.66
Provision for depreciation	<b>1.06</b>	1.60	<b>1.06</b>	1.60
Net Profit / (Loss) before tax	<b>(366.95)</b>	113.82	<b>(501.20)</b>	20.06
Extra Ordinary items	<b>901.70</b>		<b>901.70</b>	–
Provision for tax	<b>220.40</b>	40.57	<b>176.53</b>	6.45
Net Profit / (Loss) after tax	<b>(1489.05)</b>	73.25	<b>(1579.43)</b>	13.62
Surplus carried to Balance Sheet	<b>(1489.05)</b>	73.25	<b>(1579.43)</b>	13.62

### OPERATIONS AND PERFORMANCE:

Standalone Turnover for the year is Rs. Nil as compared to Rs. 402.02 lacs in the previous year, while the Consolidated Sales for the year under review stands at Rs. 202.04 lacs as against Rs. 583.67 lacs in the previous year. Standalone Loss for the current year was Rs. 1579.43 lacs as compared to Profit of Rs. 13.62 lacs in the previous year, while the Consolidated Loss for the current year was Rs. 1489.05 lacs as compared to Profit of Rs. 73.25 lacs in the previous year.

### BUSINESS HIGHLIGHTS

During the year the company was unable to do any business due to liquidity pressure.

### DIVIDEND

Considering the loss during the Financial Year 2016-2017, the Board of Directors do not recommend any dividend for the year ended 31<sup>st</sup> March, 2017.

### SHARE CAPITAL

The paid up Equity share capital of the Company as on 31<sup>st</sup> March, 2017 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 during the current year.

### 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, 2017, your Company had a total of 3 subsidiaries and 2 step down subsidiaries. The details are given below:

**SUBSIDIARY / STEP DOWN SUBSIDIARY COMPANIES****i) EMAS ENGINEERS AND CONTRACTORS PRIVATE LIMITED:**

EMAS was engaged in the business of Civil and Electro Mechanical contracting. During the year, the company received a provisional order of winding up by the Hon'ble Madras High Court dated 20<sup>th</sup> December 2016. Hence this company's accounts are not consolidated this year.

**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
	2016-17	2016-17
Sales & Other Income	169.80	32.24
Equity Capital	1500.00	5.00
Reserves & Surplus	4943.56	811.56
Earnings per share	0.51	29.37

**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
	2016-17	2016-17
Sales & Other Income	-	-
Equity Capital	1.00	1.00
Reserves & Surplus	(2.64)	(2.69)
Earnings per share	(4.55)	(5.41)

**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.

**REAPPOINTMENT OF RETIRING DIRECTOR**

Based on the recommendation of Nomination and Remuneration Committee and approval 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****RESIGNATION OF DIRECTOR**

During the year Ms. R. Kohila, (DIN:00966622) Director resigned from the company with effect from 01.01.2017.

**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.premiereenergy.in](http://www.premiereenergy.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 Five (5) times during the Financial year ended 31<sup>st</sup> March, 2017 on 30.05.2016, 21.08.2016, 31.08.2016, 14.11.2016 and 14.02.2017. The Audit Committee had met Four (4) times on 30.05.2016, 31.08.2015, 14.11.2016 and 14.02.2017. 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, 2017, 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, 2017 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 2017 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 11(iii) to the Standalone Financial Statements and Note 13(i) to the Consolidated Financial Statement: The promoters of Haldia coke and chemicals Limited have initiated certain restructuring plans. 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 the qualification with reference to Note 12(ii) to the Standalone Financial Statements and Note 14(ii) to the Consolidated Financial Statement: Despite the provisional order of winding up by the Hon'ble Madras High Court dated 20<sup>th</sup> December, 2016 which the company has decided to contest, EMAS Engineers and Contractors Pvt Ltd is having good prequalification and infrastructure and with the general economy picking up, the company is confident of procuring more business. Hence the management is confident of recovering the entire dues.

Regarding the qualification with reference to note on interest liability on unpaid direct tax dues: No interest has been provided on the delay in payment of direct tax dues as the Management is of the view that provision for

taxation made will be adequate to cover this because of certain deductions claimed in the memo of income for the earlier years.

Regarding the qualification with reference to Note 22 to the standalone financial statements and Note 27 to the 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 the qualification with reference to Note 23 to the standalone financial statements and Note 26 to the consolidated financial statements: The Company has plans to sell this property and the registration charges will be borne by the buyer. Hence no provision is required.

Regarding the qualification with reference to Note 31 to the standalone financial statements and Note 33 to the consolidated Financial Statements regarding extraordinary items: Extraordinary items represent 1) Reversal to the extent of Rs. 5 crores in respect of a sale of land accounted for during the year ended 30<sup>th</sup> June 2013 and 2) In view of the provisional order of winding up of the Hon'ble High Court of Madras in relation to the subsidiary company viz Emas Engineers and Contractors Pvt Ltd, the company has decided to reverse the interest of Rs. 4.02 crores charged in the last financial year as a matter of prudence.

Regarding the qualification with reference to Note 32 to the standalone financial statements and Note 36 to the consolidated Financial Statements: The company has plans to sell its prime asset 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.

Regarding Note 38 to the consolidated Financial Statement: In view of the provisional order of winding up of the Honourable Madras High Court dated 20th December, 2016 in relation to the subsidiary company EMAS Engineers and Contractors Pvt Ltd, the company is unable to consolidate the accounts of this subsidiary.

#### QUALIFICATIONS OF SECRETARIAL AUDITORS

In view of the market conditions in the industry, 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, appointment of women director which were qualified by the Secretarial Auditor.

However, the Company will comply with the required statutory formalities from the Financial Year 2017-2018.

#### 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
K.N. Narayanan	Chairman
R. Ramakrishnan	Member
M. Narayanamurthi	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:

<b>Name of the Member</b>	<b>Designation</b>
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.Premiereenergy.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 2<sup>nd</sup> 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 1<sup>st</sup> 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 22<sup>nd</sup> Annual General Meeting until the conclusion of 27<sup>th</sup> Annual General Meeting subject to ratification of the appointment by the members at every

Annual General Meeting held after 22<sup>nd</sup> 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 Fifth Annual General Meeting till the conclusion of Twenty sixth Annual General Meeting of the Company subject to the approval and ratification by the members at 25<sup>th</sup> 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 2016-17.

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.

#### **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. NARAYANAMURTHI  
(DIN: 00332455)  
Managing Director

Place : Chennai  
Date : 22<sup>nd</sup> August, 2017



## **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 Global environment continued to remain challenging by weak trade and minimal investments. The economy is expected to gradually improve through a re balancing amidst supportive government policies and fiscal stimulus.

### **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 2017 were Rs. 202.04 lakhs as against Rs. 586.67 lakhs in the previous year.

Consolidated	Rs. in lakhs	
	2016-17	2015-16
Revenue	<b>202.04</b>	586.67
Employee benefit Expenses	<b>49.92</b>	105.10
Other Expenses	<b>331.05</b>	203.40
Finance Cost	<b>186.96</b>	159.75
Depreciation	<b>1.06</b>	1.60
Extraordinary items	<b>901.70</b>	-
Total Expenditure	<b>1470.69</b>	469.85
Tax	<b>220.40</b>	40.57
Net Profit for the year	<b>(1489.05)</b>	73.25

**NETWORTH:** The Net worth of the company as on 31st March 2017, 16205.30 Lakhs as against 17694.35 lakhs as on 31st March, 2016.

### 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 31<sup>st</sup> March, 2017**

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:**

<b>Corporate Identification Number (CIN)</b>	L45201TN1988PLC015521
<b>Registration Date</b>	25 <sup>th</sup> March, 1988
<b>Name of the Company</b>	PREMIER ENERGY AND INFRASTRUCTURE LIMITED
<b>Category / Sub-Category of the Company</b>	Company Limited by Shares/Indian Non-Government Company
<b>Address of the Registered office and contact details</b>	KARUNAI KUDIL, 1ST FLOOR, No. 226, Cathedral Road, CHENNAI – 600086 premierinfra@gmail.com www.premierenergy.in Ph: 044-28110252
<b>Listed company (Yes / No)</b>	Yes
<b>Name, address and contact details of Registrar and transfer agent, if any</b>	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, Tadapatri, 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-2016)				No. of Shares held at the end of the year (31-MAR-2017)				% 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>(A)</b>	<b>PROMOTERS AND PROMOTER GROUP</b>									
(1)	<b>INDIAN</b>									
(a)	Individuals / HUF*	13462715	-	13462715	32.56	13462715	-	13462715	32.56	-
(b)	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	11100000	-	11100000	26.84	11100000	-	11100000	26.84	-
(d)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any Other :	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(1):</b>	<b>24562715</b>	<b>-</b>	<b>24562715</b>	<b>59.40</b>	<b>24562715</b>	<b>-</b>	<b>24562715</b>	<b>59.40</b>	<b>-</b>
(2)	<b>FOREIGN</b>									
(a)	NRIs - Individuals	-	-	-	-	-	-	-	-	-
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(d)	Banks / Financial Institutions	-	-	-	-	-	-	-	-	-
(e)	Any Other:	-	-	-	-	-	-	-	-	-
	<b>Sub-Total A(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group A = A(1)+A(2)</b>	<b>24562715</b>	<b>-</b>	<b>24562715</b>	<b>59.40</b>	<b>24562715</b>	<b>-</b>	<b>24562715</b>	<b>59.40</b>	<b>-</b>
<b>(B)</b>	<b>PUBLIC SHAREHOLDING</b>									
(1)	<b>INSTITUTIONS</b>									
(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	-	-	-	-	-	-	-	-	-
	<b>Sub-Total B(1):</b>	<b>-</b>	<b>56500</b>	<b>56500</b>	<b>0.14</b>	<b>-</b>	<b>56500</b>	<b>56500</b>	<b>0.14</b>	<b>-</b>
(2)	<b>NON-INSTITUTIONS</b>									
(a)	Bodies Corporate	4080536	1558100	5638636	13.64	4118787	1558100	5676887	13.73	0.09
	(i) Indian	-	-	-	-	-	-	-	-	-
	(ii) Overseas	-	-	-	-	-	-	-	-	-



# PREMIER ENERGY AND INFRASTRUCTURE LIMITED

S. No.	Category of Shareholders	No. of Shares held on the date of Incorporation (01-APR-2016)				No. of Shares held at the end of the year (31-MAR-2017)				% 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	-	-	-	-	-	-	-	-	-
	(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1111519	2050753	3162272	7.65	1049739	-	389519	0.94	-0.37
	(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	6602940	927524	7530464	18.21	6541970	927524	7469494	18.06	-0.15
(c)	Any Other:	-	-	-	-	-	-	-	-	-
	NON RESIDENT INDIANS	9254	200	9454	0.02	101104	200	101304	0.24	0.22
	Directors and their relatives	500	-	500	-	500	-	500	-	-
	Hindu Undivided Families	389519	-	389519	0.94	385169	-	385169	0.93	-0.01
	<b>Sub-Total B(2):</b>	<b>12194268</b>	<b>4536577</b>	<b>16730845</b>	<b>40.46</b>	<b>12197269</b>	<b>4533576</b>	<b>16730845</b>	<b>40.46</b>	<b>0.00</b>
	<b>Total Public shareholding=B(1)+B(2):</b>	<b>12194268</b>	<b>4605579</b>	<b>16787345</b>	<b>40.60</b>	<b>12197269</b>	<b>4590076</b>	<b>16787345</b>	<b>40.60</b>	<b>0.00</b>
	<b>Total (A+B):</b>	<b>36756983</b>	<b>4593077</b>	<b>41350060</b>	<b>100</b>	<b>36759984</b>	<b>4590076</b>	<b>41350060</b>	<b>100</b>	<b>0.00</b>
(C)	Shares held by custodians, for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (C):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL (A+B+C):</b>	<b>36744481</b>	<b>4605579</b>	<b>41350060</b>	<b>100</b>	<b>36756983</b>	<b>4593077</b>	<b>41350060</b>	<b>100</b>	<b>-</b>

## (ii) Shareholding of Promoters :

S. No.	Shareholder's Name	Shareholding as on the date of incorporation (01-APR-2016)			Shareholding at the end of the year (31-MAR-2017)			% 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	
	<b>PROMOTERS</b>							
1	SHRI HOUSING PRIVATE LIMITED	11100000	26.84	26.84	11100000	26.84	26.84	-
2	VIDYANARAYANAMURTHI M	10000200	24.19	24.19	10000200	24.19	24.19	-
3	VATHSALA RANGANATHAN	3462515	8.37	-	3462515	8.37	-	-
	<b>Total</b>	<b>24562715</b>	<b>59.40</b>	<b>-</b>	<b>24562715</b>	<b>59.40</b>	<b>-</b>	<b>-</b>

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

Sl. No.		Shareholding at the beginning / end of the year (31.03.2017)		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	11100000	26.84	-	-	-	-	-
2	VIDHYANARAYANAMURTHI M	10000200	24.18	-	-	-	-	-
3	VATHSALA RANGANATHAN	3462515	8.37	-	-	-	-	-

**(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-2016	4000000	9.6735	4000000	9.6735	'IN30131321257166	AADCC3678E
	At the end of the Year 31-Mar-2017	4000000	9.6735	4000000	9.6735		
2	VIJAYALAKSHMI R						
	At the beginning of the year 01-Apr-2016	1098760	2.6572	1098760	2.6572	'IN30131321248995	ADQPV3329L
	Sale on 06.05.16	-11694	2.3870	987066	2.3870		
	Sale on 03.06.16	-14460	2.3521	972606	2.3521		
	Sale on 17.06.16	-1		972605	2.3521		
	At the end of the Year 31-Mar-2017	972602	2.3521	972605	2.3521		
3	V R RAGHUNATHAN						
	At the beginning of the year 01-Apr-2016	1250000	3.0229	1250000	3.0229	'IN30131321671592	AADPR5357E
	At the end of the Year 31-Mar-2017	1250000	3.0229	1250000	3.0229		
4	INDUSTRIAL VENTURE CAPITAL LTD						
	At the beginning of the year 01-Apr-2016	446400	1.0795	446400	1.0795	'I0000284	
	At the end of the Year 31-Mar-2017	446400	1.0795	446400	1.0795		
5	YOGYA INVESTMENT AND FINANCES CO LTD						
	At the beginning of the year 01-Apr-2016	430400	1.0408	430400	1.0408	'00010374	
	At the end of the Year 31-Mar-2017	430400	1.0408	430400	1.0408		
6	A SRIRAM						
	At the beginning of the year 01-Apr-2016	213907	0.5173	213907	0.5173	'1204880000174761	AOYPS5145Q
	At the end of the Year 31-Mar-2017	213907	0.5173	213907	0.5173		



# 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		
7	Jet Age Finance Pvt Ltd						
	At the beginning of the year 01-Apr-2016	214500	0.5187	214500	0.5187	J0001574	
	At the end of the Year 31-Mar-2017	214500	0.5187	214500	0.5187		
8	SITA SRINIVASAN						
	At the beginning of the year 01-Apr-2016	2553725	6.1758	2553725	6.1758	'IN30302859135459	AANPS3659J
	At the end of the Year 31-Mar-2017	2553725	6.1758	2553725	6.1758		
9	RAM GOPAL RAMGARHIA HUF						
	At the beginning of the year 01-Apr-2016	248049	0.5998	248049	0.5998	'1203450000691439	AAFHR8082N
	Purchase on 29.04.2016	15450					
	Purchase on 13.05.16	275					
	At the end of the Year 31-Mar-2017	263774	0.5998	248049	0.5998		
9	RAM GOPAL RAMGARHIA						
	At the beginning of the year 01-Apr-2016	10550	0.0255	10550	0.0255	'IN30210510561753	AAFHR8082N
	At the end of the Year 31-Mar-2017	10550	0.0255	10550	0.0255		
10	Sujit Ranjan Maity						
	At the beginning of the year 01-Apr-2016	180424	0.4363	180424	0.4363	1203450000145649	AENPM1192A
	Purchase on 22.04.16	750	0.0018	181174	0.4481		
	Purchase on 29.04.16	1000	0.0024	182174	0.4405		
	Purchase on 27.05.16	30900	0.0747	213074	0.5152		
	Sale on 24.06.16	-2	0.0000	213072	0.5152		
	Purchase on 11.11.16	200	0.0004	213272	0.5157		
	Purchase on 18.11.16	50	0.0001	213322	0.5158		
	At the end of the Year 31-Mar-2017	213322	0.5158	213322	0.5158		
10	Sujit Ranjan Maity						
	At the beginning of the year 01-Apr-2016	10606	0.2560	10606	0.0256	'IN30290241257375	AENPM1192A
	At the end of the Year 31-Mar-2017		10606	0.2560	10606	0.0256	

**(v) Shareholding of Directors and Key Managerial Personnel :**

Sl. No.		Shareholding at the beginning / end of the year (31.03.2017)		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	-	-	-	-	500	-
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	958.35	331.96		1290.31
ii) Interest due but not paid	132.66	2.43		135.09
iii) Interest accrued but not due				
Total (i+ii+iii)	1091.01	334.39	-	1425.40
Change in Indebtedness during the financial year				
· Addition (Principal)	-	501.97		501.97
· Addition (Interest)	152.79	3.97		156.76
- Reduction	(10.00)	(43.47)		(53.47)
Net Change	142.49	462.47	-	605.26
Indebtedness at the end of the financial year				
i) Principal Amount	948.35	790.46		1738.81
ii) Interest due but not paid	285.45	6.40		291.85
Total (i+ii+iii)	1233.80	796.86	-	2030.66



**VI. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Mr. M Narayanamurthi**

Rs. In Lakhs

Sl. No.	Particulars of Remuneration	Managing Director – Mr. M Narayanamurthi		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	2.40 NIL NIL		2.40 NIL NIL
2.	Stock Option	NIL		NIL
3.	Sweat Equity	NIL		NIL
4.	Commission - as % of profit - others,specify...	NIL		NIL
5.	Others, please specify	NIL		NIL
	Total (A)	2.40		2.40
	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	Vikram Mankal	Mr. K N Narayanan	Total Amount
1.	Independent Directors Sitting fees ·Fee for attending board committee meetings ·Commission ·Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2.	Other Non-Executive Directors ·Fee for attending board committee meetings ·Commission ·Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B) = (1+2)	Nil	Nil	Nil	Nil



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

Sl. No.	Particulars of Remuneration	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	28.54 NIL NIL	28.54 NIL NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	28.54	28.54

**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
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
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			
	RCI Power Ltd	RCI Power (AP) Ltd	RCI Power 30 MW Pvt Ltd	RCI Power 50 MW Pvt Ltd
Reporting Period of the Subsidiary	31.03.2017	31.03.2017	31.03.2017	31.03.2017
% of Shareholding	31.03.2017	31.03.2017	31.03.2017	31.03.2017
Reporting Currency	INR	INR	INR	INR
Share Capital	150,000,000	500,000	100,000	100,000
Reserves & Surplus	494,356,140	81,155,964	-264,094	-269,400
Other Liabilities	23,046,738	7,298,128	164,094	169,400
Total Equity and Liabilities	667,402,878	88,954,092	-	-
Total Assets	667,402,878	88,954,092	-	-
Investments (Excl Investment in Subsidiaries)	-	-	-	-
For the Year ended 31st March 2016				
Turnover	1,690,000	3,224,027	-	-
Profit / (Loss Before Taxation)	11,351,376	2,173,628	-45,535	-54,108
Provision for Taxation	3,683,000	705,000	-	-
Profit / (Loss after Taxation)	7,668,376	1,468,628	-45,535	-54,108
Proposed Dividend	Nil	Nil	Nil	Nil

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017

**[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 – 600 086

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 31<sup>st</sup> March, 2017 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 31<sup>st</sup> March, 2017 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) 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 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.
- (ii) The Uniform 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, Standards etc. mentioned above except to the extent as mentioned below;

1. The Company has not appointed Women Director pursuant to Section 149 (1) of the Companies Act, 2013
2. 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.
3. The company has not appointed internal auditor for the Financial Year 2016-2017 as required under section 138 of the Companies Act, 2013.
4. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:*

- i. *The Company had not submitted its annual audited financial results for the year ended 31st March, 2016 within 60 days from the end of the Financial Year to the Stock Exchanges in which it is listed in compliance with Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- ii. *The Company had not submitted its un-audited financial results for the quarter ended 30th June, 2016 within 45 days from the end of the quarter to the Stock Exchanges in which it is listed in compliance with Regulation 33 (3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

iii. *The Annual General Meeting of the Company was held beyond the statutory period without obtaining approval of the Registrar of Companies.*

iv. *The trading in the equity shares of the Company was suspended in BSE Limited vide Notice No. 20161107-26 dated 7th November, 2016 effective from 29th November, 2016 on account of non-compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for two consecutive quarters i.e. March, 2016 and June, 2016.*

v. *The Company had not given the outcome of Meetings of the Board to Stock Exchange which is not in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

vi. *The company had not published 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 for the quarters ended 30.06.2016 and 30.09.2016 which is not in compliance with Regulation 47(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

vii. *The company had not submitted the shareholding pattern within 21 days from the end of quarter for the quarter ended 31st March, 2016 and 30th June, 2016 which is not in compliance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

viii. *The company had not submitted the statement of investor complaints within 21 days from the end of each quarter for the quarter ended 30th June, 2016 which is not in compliance with Regulation 13 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

ix. *The company had not filed the annual filing forms namely i.e E-form AOC-4 xbrl for filing of financial statements under Section 137 of the Companies Act, 2013 and E-form MGT-7 for Annual Return under Section 92 of the Companies Act, 2013.*

**We further report that**

The Board of Directors of the Company is constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors except the compliance of Women Director. 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 SRINIDHI SRIDHARAN & ASSOCIATES  
COMPANY SECRETARIES**

PLACE : CHENNAI                      **CS SRINIDHI SRIDHARAN**  
DATE : 22<sup>nd</sup> August, 2017    **CP No. 17990 ACS No. 47244**

*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 SRINIDHI SRIDHARAN & ASSOCIATES  
COMPANY SECRETARIES**

PLACE : CHENNAI                      **CS SRINIDHI SRIDHARAN**  
DATE : 22<sup>nd</sup> August, 2017    **CP No. 17990 ACS No. 47244**



## **REPORT ON CORPORATE GOVERNANCE**

Your Directors have great pleasure in presenting the Corporate Governance Report for the year ended 31<sup>st</sup> March, 2017.

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**

The Company 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 4 (Four) members as at 31<sup>st</sup> March, 2017 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	2

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.

Mr.Vikram Mankal, Director is a son of Mr. Narayanamurthi, Managing Director of the Company. None of the other 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 31<sup>st</sup> March, 2017 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. Narayanamurthi	Managing Director	1	-	-
Mr. R Ramakrishnan	Non Executive – Independent Director	10	-	-
Mr. Vikram Mankal	Non Executive Director	2	-	-
Mr. K N Narayanan	Non Executive – Independent Director	2	-	-

#### 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 31<sup>st</sup> March, 2017 on 30<sup>th</sup> May 2016, 21<sup>st</sup> August 2016, 31<sup>st</sup> August 2016, 14<sup>th</sup> November 2016, 14<sup>th</sup> February, 2017 & 31<sup>st</sup> March, 2017. 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 14<sup>th</sup> February, 2017 without the attendance of non-independent directors and members of the management.

#### Details of Board members as on 31<sup>st</sup> March, 2017 and Attendance at Board & General Meetings

Sl. No.	Date	Board Strength	No. of Directors present
1	30.05.2016	5	4
2	21.08.2016	5	4
3	31.08.2016	5	3
4	14.11.2016	5	3
5	14.02.2017	4	4
6	31.03.2017	4	3

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. M Narayanamurthi	6	6	Yes
2.	Mr. R Ramakrishnan	6	3	No
3.	Mr. Vikram Mankal	6	6	Yes
4.	Mr. K N Narayanan	6	6	Yes
5.	Ms. R. Kohila (Resigned from the Board w.e.f. 01.01.2017)	4	-	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. K.N. Narayanan (DIN: 01543391) 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 Chairman of the Audit Committee was present at the previous Annual General Meeting of the company held on 10<sup>th</sup> November, 2016.



### 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, 2017 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. K N Narayanan	Chairman	4
Mr. R Ramakrishnan	Member	1
Mr. Narayanamurthi	Member	4

### 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. K.N. Narayanan (DIN: 01543391), 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, subdivision, 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

- Two Committee meeting was held during the financial year 2016-2017 on 30<sup>th</sup> May, 2016 and 14<sup>th</sup> November, 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. K N Narayanan	Chairman	2
Mr. R Ramakrishnan	Member	1
Mr. M Narayanamurthi	Member	2

- Details of number of complaints received during the year and Status of Investor Complaints as on March 31, 2017 and reported to BSE Ltd. under Regulation 13 of the Listing Regulations are as follows:



Complaints' as on April 1, 2016	Nil
Received during the year	Nil
Resolved during the year	NA
Pending as on March 31, 2017	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 recommend 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;
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 2016-2017. The dates on which the said meetings were held are 30<sup>th</sup> May 2016 and 14<sup>th</sup> November, 2016.

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
K.N. Narayanan	Chairman	2
R. Ramakrishnan	Member	1
M Narayanamurthi	Member	2
Vikram Mankal	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 2016-17

Directors	Remuneration during the year ended 31 <sup>st</sup> March, 2017 (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	-	-	-	-	-
K N Narayanan	-	-	-	-	-
M Narayanamurthi	2.40	-	-	-	-
Vikram Mankal	-	-	-	-	-

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 14th February, 2017 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 2017**

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
2016	Bharathiya Vidhya Bhavan (Mini Hall - I Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004	Thursday, the 10th November, 2016	11.00 A.M.
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.

**Details of Special Resolutions passed during the previous 3 Annual General Meetings:**

Date of AGM	Whether any Special Resolution was passed	Particulars
10.11.2016	Yes	Appointment of Mr. M Narayanamurthi (DIN 00332455) as 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
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

**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 Managing Director and Chief Financial Officer have given the annual certification on financial reporting and internal controls to the Board.

The Managing Director and Chief Financial Officer have also given quarterly certification on financial results, while placing the financial results before the Board, in terms of 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, 2017.

**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. K N Narayanan, 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 SEBI or any statutory authority except a penalty imposed by BSE Limited for delay in submission of Audited Financial Results for the year ended 31.03.2016.

**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, 2017. 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 Chudra (Tamil). The annual audited financial results are published in Business Standard (English) and Maalai Chudra (Tamil). The company's website address at [www.premierenergy.in](http://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](mailto: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 : 22<sup>nd</sup> August, 2017

## 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:** 28<sup>th</sup> September, 2017, 11.00 a.m., Bharathiya Vidhya Bhavan (Mini Hall - 1 Floor) 18,20,22, East Mada Street, Mylapore, Chennai-600 004
- (ii) **Financial Year:** 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017
- (iii) **Date of Book Closure:** Thursday, 21<sup>st</sup> September, 2017 to Thursday, 28<sup>th</sup> September, 2017 (both days inclusive)

### (iv) Listing

The Company's shares are listed in BSE Limited (Stock Code : 533100)  
Address: 25<sup>th</sup> 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**

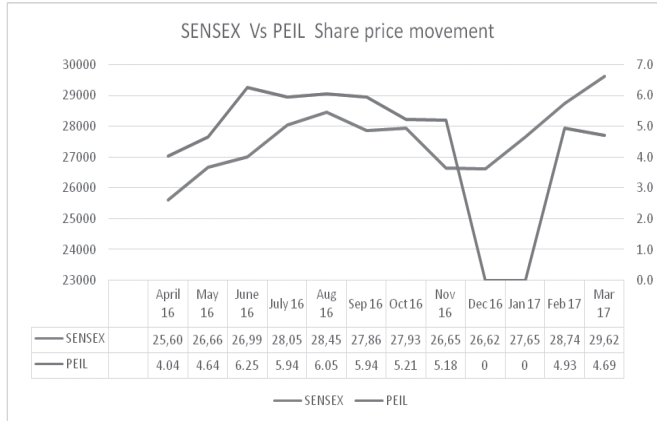
### (vi) Market price information

- a. The reported high and low closing prices during the year ended 31 March, 2017 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-16	4.95	3.85
May-16	4.89	3.84
Jun-16	6.31	4.41
Jul-16	5.94	5.65
Aug-16	6.05	5.90
Sep-16	6.35	5.94
Oct-16	6.01	4.74
Nov-16	5.47	4.94
Dec-16	No Trade	No Trade
Jan-17	No Trade	No Trade
Feb-17	4.93	4.93
Mar-1	4.69	4.69



**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](mailto:cameo@cameoindia.com); [investor@cameoindia.com](mailto:investor@cameoindia.com)

Website: [www.premierenergy.in](http://www.premierenergy.in)

Contact Person: D. Narasimhan, Joint Manager

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, 2017**

**(a) Distribution of shareholding as on 31 March, 2017**

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 5000	9992	90.795	1623671	16236710	3.93
5001 - 10000	577	5.243	465800	4658000	1.13
10001 - 20000	191	1.7355	289457	2894570	0.70
20001 - 30000	58	0.527	148282	1482820	0.36
30001 - 40000	30	0.2726	108282	1082820	0.26
40001 - 50000	32	0.2907	151203	1512030	0.37
50001 - 100000	53	0.4815	392032	3920320	0.95
100001 & Above	72	0.6542	38171333	381713330	92.31
Total :	11005	100	41350060	413500600	100.00



**b) Shareholding pattern as on 31 March, 2017**

CLIENT TYPE	NO. OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
Promoters	3	24562715	59.40
Residents	10841	10567485	25.55
Mutual Funds	3	55900	0.14
FI / Banks	3	400	-
Foreign Institutional Investors	2	200	-
NRI - Non Repatriable	3	91000	0.22
NRI –Repatriable	5	10304	0.02
Corporate Body	92	5676887	13.73
HUF	53	385169	0.94
TOTAL	11005	41350060	100.00

**(c) Capital of the Company**

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

**Top ten Shareholders as on 31 March, 2017**

S. No	Names	No. of Shares	% of holding
1	M/s. Vaata 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	972602	2.3521
5	M/s. Industrial Venture Capital Ltd	446400	1.0795
6	M/s. Yogya Investment and Finances Co Ltd	430400	1.0408
7	Mr. Ramgopal Ramgarhia	274324	0.6634
8	M/s. Jet Age Finance Pvt Ltd	214500	0.5187
9	Mr. A Sriram	213907	0.5173
10	Mr. Sujit Ranjan Maity	223928	0.5414

**(ix) Dematerialisation of shares and liquidity**

CATEGORY	NO. OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
PHYSICAL	9197	4590076	11.10
NSDL	1191	34908282	84.42
CDSL	617	1851702	4.48
TOTAL	11005	41350600	100.00



## PREMIER ENERGY AND INFRASTRUCTURE LIMITED

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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, 1<sup>st</sup> floor,  
No.226, Cathedral Road,  
Chennai-600 086  
Tel: (91 44) 28110252  
Fax: (91 44) 28110254  
Email: [premierinfra@gmail.com](mailto:premierinfra@gmail.com)  
Website: [www.premierenergy.in](http://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 : 22<sup>nd</sup> August, 2017

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

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**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 31<sup>st</sup> March 2017, as envisaged in Part D of Schedule V to the Listing Regulations.

Place : Chennai  
Date : 22<sup>nd</sup> August, 2017

M. NARAYANAMURTHI  
(DIN: 00332455)  
Managing Director

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**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

**Corporate Identification No.** : L45201TN1988PLC015521

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

To,

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

We have examined all relevant records of **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 Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E 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 for the financial year ended March 31, 2017 except Regulations 17 and 18 of the 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 purpose 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 and the representations made by the Directors and the Management, we certify that the Company has generally complied regarding the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2017.

**For R Sridharan & Associates**  
**Company Secretaries**

**CS R Sridharan**

**CP No. 3239**

**FCS No. 4775**

**UIN : S2003TN063400**

**Place: Chennai**  
**Date : 22<sup>nd</sup> August, 2017**



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
M/S. PREMIER ENERGY AND INFRASTRUCTURE LIMITED**

**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, 2017, 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 11(iii) to the standalone financial statements, the Company's non-current investments as at 31 March 2017 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 24 is subject to our observation contained herein. Our opinion on the standalone financial statements for the year ended 31st March, 2017 was also qualified in respect of the said matter.

As stated in Note 12(ii) to the standalone financial statements, the Company's non-current investments as at 31st March 2017 include investments aggregating Rs. 18,54,62,500 in one of its subsidiaries, EMAS Engineers and Contractors Private Limited (EMAS) and non-current loans as at that date include dues from such company amounting to Rs. 38,27,49,470, being considered good by the management. However, the loans to the said subsidiary have exceeded the subsidiary's net worth as at 31 March 2016 based on the last available unaudited financial statements produced by the management. There is an ex parte order passed by the Honorable High Court of Madras Judicature for provisional winding up of the subsidiary. In view of these and in the absence of credible and sufficient appropriate evidence we are unable to comment upon the carrying value of these investments and recoverability of the aforesaid dues and the consequential impact, if any, on the accompanying standalone financial statements.

Company is subject to interest liability on unpaid direct tax dues, the same has neither been provided or quantified. We are unable to quantify the effect of the above for want of relevant information and the effect thereof on the financials for the year ended 31st March, 2017.

### 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, 2017, and its net loss 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 22 to the standalone financial statement regarding unconfirmed/un-reconciled balances of long standing trade receivables of Rs. 17,20,27,656, advances of Rs. 1,35,00,000 and trade payables of Rs. 6,57,08,888. The advances and trade receivables are considered good and recoverable by the management.
2. Note 31 to the standalone financial statement regarding extraordinary items.
3. Note 32 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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.
  - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 33 to the standalone financial statements.

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

**SREEDHAR SREEKAKULAM**

Place : Chennai  
Date : 30<sup>th</sup> May, 2017

Partner  
M. No. 026474



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## **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 2017, 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 are, in our opinion, prima facie, not prejudicial to the Company's interest other than a loan to the a subsidiary have exceeded the subsidiary's net worth as at 31 March 2016 based on the last available unaudited financial statements produced by the management. There is an ex-parte order passed by the Honorable High Court of Madras Judicature for provisional winding up of the subsidiary. Also, there are no stipulations regarding payment of interest/principal. In view of these and in the absence of credible and sufficient appropriate evidence the terms and conditions of the grant of such loans were, in our opinion, prima facie, prejudicial to the Company's interest.
  - b. In the absence of terms and conditions stipulating the repayment of principal and/or payment of interest, we are unable to comment on the regularities of repayments and receipts.
  - c. In the absence of terms and conditions stipulating the repayment of principal and/or payment of interest, we are unable to comment on the amounts overdue. In the absence of any credible evidence, we are of the opinion, the company has not taken reasonable steps for recovery of the outstanding.
- 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. 70,552, Income Tax of Rs. 6,65,15,481 and Tax Deducted at Source payable Rs. 92,57,974 which were in arrears as at 31st March, 2017 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					
Amount in Rs.	Due Date	Date of Payment	Amount in Rs.	Due Date	Date of Payment
6,66,000	10-05-2015	Not Paid	8,33,000	10-04-2016	Not Paid
8,33,000	10-06-2015	Not Paid	8,33,000	10-05-2016	Not Paid
8,33,000	10-07-2015	Not Paid	8,33,000	10-06-2016	Not Paid
8,33,000	10-08-2015	Not Paid	8,33,000	10-07-2016	Not Paid
8,33,000	10-09-2015	Not Paid	8,33,000	10-08-2016	Not Paid
8,33,000	10-10-2015	Not Paid	8,33,000	10-09-2016	Not Paid
8,33,000	10-11-2015	Not Paid	8,33,000	10-10-2016	Not Paid
8,33,000	10-12-2015	Not Paid	8,33,000	10-11-2016	Not Paid
8,33,000	10-01-2016	Not Paid	8,33,000	10-12-2016	Not Paid
8,33,000	10-02-2016	Not Paid	8,33,000	10-01-2017	Not Paid
8,33,000	10-03-2016	Not Paid	8,33,000	10-02-2017	Not Paid
8,33,000	10-03-2016	Not Paid	8,33,000	10-03-2017	Not Paid
India bulls Housing Finance Limited					
Amount in Rs.	Due Date	Date of Payment			
5,84,863	05-03-2017	27-04-2017			

- 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 : 30<sup>th</sup> May, 2017



## **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 31<sup>st</sup> March 2017.

### **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, 2017 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.

### **Basis for Qualified opinion**

In our opinion, according to the information and explanations given to us and based on our audit procedure performed, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at 31 March 2017:

The Company's internal financial controls in respect of supervisory and review controls over process of determining of (a) carrying value of the Company's noncurrent investments in its associate (Haldia Coke Limited) and subsidiary (EMAS Engineers and Contractors Private Limited); (b) recoverability of non-current loans due from such subsidiary; and (c) provisions for interest liability on unpaid direct tax dues were not operating effectively. Absence of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in the carrying value of investments in such associate and subsidiary, the aforesaid dues from such subsidiary and provision for interest on unpaid direct tax dues and consequently, could also impact the loss after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

### **Qualified Opinion**

In our opinion, except for the possible effects of the material weakness described above in the Basis for Qualified Opinion paragraph, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as at 31 March 2017, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI and the Company's internal financial controls over financial reporting were operating effectively as at 31 March 2017.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2017, and the material weakness has affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

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

**SREEDHAR SREEKAKULAM**  
Partner  
M. No. 026474

Place : Chennai  
Date : 30<sup>th</sup> May, 2017



**Standalone Balance sheet as at 31<sup>st</sup> March, 2017**

(Amount in INR)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share capital	2	413,500,600	413,500,600
Reserves and surplus	3	1,166,047,989	1,323,990,704
<b>Non-Current Liabilities</b>			
Long Term Borrowings	4	139,501,443	104,302,465
Long-term Provisions	5	1,747,730	2,274,204
<b>Current Liabilities</b>			
Short Term Borrowings	6	10,774,042	–
Trade payables	7	117,389,345	115,265,063
Other current liabilities	8	154,503,070	119,052,884
Short-term provisions	9	68,222,567	52,102,001
<b>Total</b>		<b><u>2,071,686,786</u></b>	<b><u>2,130,487,921</u></b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets - Tangible assets	10	217,883	323,431
Non-current investments	11	1,400,918,767	1,400,918,767
Long term loans & advances	12	405,315,907	461,375,808
Deferred tax asset	27	–	1,552,031
<b>Current assets</b>			
Inventories	13	92,470,000	92,470,000
Trade receivables	14	172,034,656	172,034,656
Cash and cash equivalents	15	106,339	1,011,355
Short-term loans and advances	16	307,152	485,791
Other current assets	17	316,082	316,082
<b>Total</b>		<b><u>2,071,686,786</u></b>	<b><u>2,130,487,921</u></b>
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 : 30<sup>th</sup> May, 2017

For and on behalf of the board

**M Narayanamurthi**  
Managing Director  
DIN: 00332455

**K N Narayanan**  
Director  
DIN 01543391

**A Sriram**  
Chief Financial Officer

**Standalone Statement of Profit & Loss for the period ended 31<sup>st</sup> March, 2017**

(Amount in INR)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>INCOME</b>			
Other income	18	—	40,201,913
<b>Total</b>		<u>—</u>	<u>40,201,913</u>
<b>EXPENDITURE</b>			
Employee benefit expense	19	711,376	4,163,801
Other expenses	20	30,616,901	17,905,963
Finance costs	21	18,686,576	15,965,726
Depreciation and amortization expense	10	105,548	159,968
<b>Total</b>		<u>50,120,401</u>	<u>38,195,458</u>
Profit before tax & Extraordinary items		(50,120,401)	2,006,455
Extraordinary items (Ref Note 31)		90,170,283	—
Profit Before Tax		(140,290,684)	2,006,455
Current tax		16,100,000	1,000,000
Deferred tax	27	1,552,031	(355,133)
Profit for the year		<u>(157,942,715)</u>	<u>1,361,588</u>
Earnings per equity share:			
Basic / Diluted	24	(3.82)	0.03
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 : 30<sup>th</sup> May, 2017

For and on behalf of the board

**M Narayanamurthi**  
Managing Director  
DIN: 00332455

**K N Narayanan**  
Director  
DIN 01543391

**A Sriram**  
Chief Financial Officer



## Standalone Cash Flow Statement

(Amount in INR)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	(140,290,684)	2,006,455
Profit before tax from discontinuing operations	-	-
Profit before tax	<u>(140,290,684)</u>	<u>2,006,455</u>
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation / Amortization	105,548	159,968
Interest income	-	(40,201,913)
Interest Expense	25,881,499	24,833,404
Prior year expenses	90,170,283	-
Profit on Sale of Asset	-	(31,630)
Provision for Gratuity	172,834	296,704
Provision for leave encashment	(678,742)	748,711
Write off of Advances	16,701,701	-
<b>Operating Profit before working capital changes</b>	<b>(7,937,562)</b>	<b>(12,188,301)</b>
<b>Adjustments for:</b>		
Increase/ (Decrease) in Trade Payables	2,124,282	5,173,982
Increase/ (Decrease) in Other Current Liabilities	18,748,486	12,769,079
Increase/ (Decrease) in Short Term Loans	10,774,042	-
Decrease/ (Increase) in Long Term Loans & Advances	15,889,618	(1,811,529)
Decrease/ (Increase) in Short Term Loans & Advances	178,639	187,849
Decrease/ (Increase) in Other Current Assets	-	(94,562)
<b>Cash Generated from / (used in) operations</b>	<b>39,777,505</b>	<b>4,036,518</b>
Direct Taxes (Net of Refunds)	-	-
<b>Net Cash Flow From / (Used in) operating Activities</b>	<b>(A) <u>39,777,505</u></b>	<b><u>4,036,517</u></b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	100,000
Purchase of Investments	-	(35,500)
<b>Net Cash Flow From/ (Used in) Investing Activities</b>	<b>(B) <u>-</u></b>	<b><u>64,500</u></b>

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

(Amount in INR)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31st March, 2016
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(25,881,499)	(2,970,752)
Proceeds from long-term borrowings	(14,801,022)	(2,477,546)
<b>Net Cash Flow From/ (Used in) Financing Activities</b>	<b>(C)</b> <b>(40,682,521)</b>	<b>(5,448,298)</b>
<b>Net Increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b> <b>(905,016)</b>	<b>(1,347,281)</b>
Cash and Cash equivalents at the beginning of the year	<b>1,011,355</b>	2,358,636
Cash and Cash equivalents at the end of the year	<b>106,339</b>	1,011,355
<b>Cash and Cash equivalents as per Balance sheet</b>	<b>106,339</b>	1,011,355

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 : 30<sup>th</sup> May, 2017

For and on behalf of the board

**M Narayanamurthi**  
Managing Director  
DIN: 00332455

**K N Narayanan**  
Director  
DIN 01543391

**A Sriram**  
Chief Financial Officer



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

**Notes forming part of Standalone Financial Statements for the year ended 31<sup>st</sup> March, 2017**

### **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 relevant Rules issue hereunder 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.

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

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

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

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.

### 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 8 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.



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

### 2 **Deferred tax**

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

### 3 **Minimum alternate tax**

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

### 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 shar**

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



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

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

### 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 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 2 : Share Capital</b>		
<b>Authorized:</b>		
44,150,000 (Previous Year 44,150,000) Equity shares of Rs.10 each	<u>441,500,000</u>	<u>441,500,000</u>
<b>Issued, Subscribed &amp; Paid up:</b>		
41,350,060 (Previous Year 41,350,060) Equity shares of Rs.10 each fully paid up	<u>413,500,600</u>	<u>413,500,600</u>
<b>Total</b>	<u><b>413,500,600</b></u>	<u><b>413,500,600</b></u>

### (a) Reconciliation of number of shares

<i>Particulars</i>	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
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 <sup>st</sup> March, 2017
<b>Equity share of Rupee 10 each:</b>		
Shri Housing Pvt Ltd	26.84%	11,100,000
Vidya Narayanamurthy (On behalf of Shriram Auto Finance)	24.18%	10,000,000
Vassal Ranganathan (On behalf of Shriram Auto Finance)	8.37%	3,462,515
Vaata Infra Limited	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 Standalone Financial Statements (continued)**

Particulars	(Amount in INR)	
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 3 : Reserves and Surplus</b>		
<b>Capital reserve</b>		
Opening balance	146,827,447	146,827,447
Add: Addition / (reduction)	-	-
Closing balance	<u>146,827,447</u>	<u>146,827,447</u>
<b>Securities premium</b>		
Opening balance	950,864,127	950,864,127
Add: Addition / (reduction)	-	-
Closing balance	<u>950,864,127</u>	<u>950,864,127</u>
<b>General reserve</b>		
Opening balance	12,883,501	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>
<b>Surplus in Profit &amp; Loss account</b>		
Opening balance	213,415,629	212,054,041
Add: Surplus / (Deficit) from statement of profit & loss	(157,942,715)	1,361,588
Closing balance	<u>55,472,914</u>	<u>213,415,629</u>
	<u>1,166,047,989</u>	<u>1,323,990,704</u>

**Note 4 : Long Term Borrowings**

**Term loans**

Secured Loans - From Bank - Refer Note 4(i) below	65,846,151	75,843,000
Unsecured Loans - From related Parties - Refer Note 25	60,907,094	10,709,653
Unsecured Loans - From others - Refer Note 4(ii) below	12,748,198	17,749,812
<b>Total</b>	<u>139,501,443</u>	<u>104,302,465</u>

Note 4(i)

- 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.
- 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.
- 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.
- 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.
- Period and amount of continuing default :  
No of Installments - 23 (Monthly)  
Principal Overdue - Rs. 1,89,92,000  
Interest overdue - Rs. 2,85,45,585

Note 4(ii)

- 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.
- Secured by immovable property belonging to M/s. Chennai Power & Coke Private Limited.
- 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.
- Period and amount of continuing default :  
No of Installments - 1 (Monthly)  
Principal Overdue - Rs. 3,88,339  
Interest overdue - Rs. 6,40,623

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

Particulars	(Amount in INR)	
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 5 : Long Term Provisions</b>		
Provision for Gratuity - Refer Note 28	759,059	795,250
Provision for Leave salary - Refer Note 28	988,671	1,478,954
<b>Total</b>	<b>1,747,730</b>	<b>2,274,204</b>
<b>Note 6 : Short Term Borrowings</b>		
Short Term Loans from other Companies - Refer Note 25	10,774,042	-
<b>Total</b>	<b>10,774,042</b>	<b>-</b>
<b>Note 7 : Trade Payables</b>		
Due to Micro Small Medium Enterprises Creditors	-	-
Due to Other than Micro Small Medium Enterprises Creditors	117,389,345	115,265,063
<b>Total</b>	<b>117,389,345</b>	<b>115,265,063</b>
Note 7(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.		
<b>Note 8 : Other Current Liabilities</b>		
Current Maturities on Long Term Borrowings - Refer Note 4(i)(e) & Note 4(ii)(d)	34,377,953	24,728,203
Statutory Liabilities	45,098,051	37,732,746
Advance from customers	32,473,647	32,473,647
Interest accrued and due - Refer Note 4(i)(e) & Note 4(ii)(d)	29,186,208	13,510,086
Accrued employee benefit expenses	6,622,035	5,008,202
Interest Accrued and not due on loans	1,127,638	-
Other Payables	5,617,539	5,600,000
<b>Total</b>	<b>154,503,070</b>	<b>119,052,884</b>
<b>Note 9 : Short Term Provisions</b>		
Provision for Gratuity - Refer Note 28	526,898	317,873
Provision for Leave salary - Refer Note 28	1,180,188	1,368,647
Provision for income tax (Net of advance income tax)	66,515,481	50,415,481
<b>Total</b>	<b>68,222,567</b>	<b>52,102,001</b>



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

**Note 10 : Fixed Assets**

Asset	Gross Block			Depreciation				Net Block		
	Balance as at April 01, 2016	Additions	Deletions	Balance as at March 31, 2017	Balance as at April 01, 2016	For the Year	On Deletions	Balance as at March 31, 2017	As at March 31, 2017	As at March 31, 2016
Land	-	-	-	-	-	-	-	-	-	-
Previour year	92,470,000	-	92,470,000	-	-	-	-	-	-	-
Plant & Equipments	224,338	-	-	224,338	184,601	11,888	-	196,489	27,849	39,737
Previour year	188,838	35,500	-	224,338	149,153	35,448	-	184,601	39,737	39,685
Vehicles	788,700	-	-	788,700	505,006	93,660	-	598,666	190,034	283,694
Previour year	1,237,023	-	448,323	788,700	760,439	124,520	379,953	505,006	283,694	476,584
<b>Total</b>	<b>1,013,038</b>	<b>-</b>	<b>-</b>	<b>1,013,038</b>	<b>689,607</b>	<b>105,548</b>	<b>-</b>	<b>795,155</b>	<b>217,883</b>	<b>323,431</b>
Previour year	93,895,861	35,500	92,918,323	1,013,038	909,592	159,968	379,953	689,607	323,431	-

(Amount in INR)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
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**Note 11 : Non current investments**

**Trade**

**Unquoted equity shares (at cost-fully paid)**

**Subsidiaries**

Emas Engineers & Contractors Pvt Ltd (EMAS) - Ref Note 12(ii) 6,024,050 equity shares of Rs. 10/- each (Previous year 6,024,050)	<b>185,462,500</b>	185,462,500
RCI Power Limited (Ref Note No. 11(i) below) 15,000,000 equity shares of Rs. 10/- each (Previous year 15,000,000)	<b>609,280,591</b>	609,280,591
RCI Power AP Limited (Ref Note No. 11(ii) below) 50,000 equity shares of Rs 10/- each (Previous year 50,000)	<b>78,588,176</b>	78,588,176

**Others**

Haldia Coke & Chemicals Private Limited (Ref Note No. 11(iii) below) 13,750,000 equity shares of Rs 10/- each (Previous year 13,750,000)	<b>527,587,500</b>	527,587,500
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**Total**

<b><u>1,400,918,767</u></b>	<b><u>1,400,918,767</u></b>
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**Note No.11 (i)**

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

**Note No.11 (ii)**

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

**Note No.11 (iii)**

- (a) Includes 91,74,860 equity shares pledged with a lender for amounts borrowed by the Associate Company. Also refer Note 23 (b) and 25.
- (b) The company, Haldia Coke Limited, has accumulated losses and its net worth is fully eroded as at 31<sup>st</sup> March, 2017. 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.

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

(Amount in INR)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 12 : Long Term Loans &amp; Advances</b>		
Advance share subscription - Refer Note 12(i) below	13,400,640	13,400,640
Less: Provision for Doubtful Advances	<u>(13,400,640)</u>	<u>–</u>
	–	13,400,640
Reimbursements due - Refer Note 12(i) below	2,951,061	2,951,061
Less: Provision for Doubtful Advances	<u>(2,951,061)</u>	<u>–</u>
	–	2,951,061
Rent advance	3,000,000	3,000,000
Income Tax Refund due	1,529,543	1,529,543
Prepaid expenses	229,122	450,291
Loans and Advance given to related parties - Refer Note 12(ii) & Note 25	385,133,992	424,270,523
Loans and Advance given to other companies	<u>15,423,250</u>	<u>15,773,750</u>
<b>Total</b>	<u><u>405,315,907</u></u>	<u><u>461,375,808</u></u>
<b>Note 12 (i)</b>		
The company had invested Rs. 1,34,00,640/ in EuclubesInc, Delaware, USA for a project for refining used oil and also advanced Rs. 29,51,061/- for expenses. In view of the crash in international oil prices and consequent uncertainty, the project has been delayed. As the project is delayed, provision has been made for these amounts as a matter of good practice.		
<b>Note 12 (ii)</b>		
Emas is having good prequalifications and infrastrucure and with the general economy picking up, the company is confident of procuring more business and hence the management is confident of recovering the entire dues despite the provisional order of winding up by the Hon'ble Madras High court dated 20th December, 2016 which the company is contesting.		
<b>Note 13 : Inventories</b>		
(At lower of cost and net realizable value)		
Land - Refer Note 23(a)	92,470,000	92,470,000
<b>Total</b>	<u><u>92,470,000</u></u>	<u><u>92,470,000</u></u>
<b>Note 14 : Trade Receivables</b>		
(Unsecured, considered good)		
Outstanding for more than 6 months from due date	172,034,656	172,034,656
Others	<u>–</u>	<u>–</u>
<b>Total</b>	<u><u>172,034,656</u></u>	<u><u>172,034,656</u></u>
<b>Note 15 : Cash &amp; Cash equivalents</b>		
Cash in hand	–	900,311
Balance with banks		
- in current accounts	106,339	111,044
<b>Total</b>	<u><u>106,339</u></u>	<u><u>1,011,355</u></u>
<b>Note 16 : Short Term Loans and Advances</b>		
(Unsecured , considered good)		
Staff advance	166,793	357,616
Prepaid Expenses	140,359	128,175
<b>Total</b>	<u><u>307,152</u></u>	<u><u>485,791</u></u>
<b>Note 17 : Other Current Assets</b>		
TDS Receivable	316,082	316,082
<b>Total</b>	<u><u>316,082</u></u>	<u><u>316,082</u></u>



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

	(Amount in INR)	
Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Note 18 : Other Income</b>		
Interest - Others	-	40,170,283
Profit on sale of Assets	-	31,630
<b>Total</b>	<b>-</b>	<b>40,201,913</b>
<b>Note 19 : Employee benefit expense</b>		
Salaries & allowances	452,320	3,722,820
Gratuity - Ref Note 28	172,834	296,704
Welfare expenses	86,222	144,277
<b>Total</b>	<b>711,376</b>	<b>4,163,801</b>
<b>Note 20 : Other Expenses</b>		
Payment to Auditors :		
Statutory audit	1,500,000	1,500,000
Communication expenses	489,479	543,286
Compensation	-	1,250,000
Professional charges	873,061	501,943
Listing & Depository Fees	407,123	358,510
Repairs & Maintenance	210,754	135,180
Miscellaneous Expenses	441,968	772,507
Printing & Stationery	65,098	323,312
Office Rent	1,987,128	1,941,966
Electricity	100,628	231,646
Travelling & conveyance expenses	567,839	1,251,935
Security Charges	77,200	228,000
Interest on Statutory Payment	7,194,922	8,867,678
Sundry Advances written off	16,701,701	-
<b>Total</b>	<b>30,616,901</b>	<b>17,905,963</b>
<b>Note 21 : Finance costs</b>		
Interest expense	18,681,332	15,924,365
Other borrowing cost	5,244	41,361
<b>Total</b>	<b>18,686,576</b>	<b>15,965,726</b>

## Notes forming part of Standalone 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 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
Net profit/loss attributable to shareholders	(157,942,715)	1,361,588
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	(3.82)	0.03

### 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.  
Crimson Investments Ltd.
- e) Key managerial personnel / Relatives of Key managerial personnel M. Narayanamurthi, Managing Director  
R. Ramakrishnan, Director  
Vikram Mankal, Director  
K.N. Narayanan, Director  
R. Kohila, Director (Until 01.01.2017)  
A. Sriram, Chief Financial Officer



**Notes forming part of Standalone 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, 2017	For the year ended 31st March, 2016
Emas Engineers & Contractors Pvt Ltd	Subsidiary	Purchase of Materials	–	–
		Interest Income	–	40,170,283
		Loans given	–	361,206,606
		Loans repayments received	–	124,040,296
RCI Power Limited	Subsidiary	Expenses Reimbursed	<b>5,513,366</b>	7,156,018
		Loans received	<b>3,454,397</b>	11,177,000
		Loans repaid	–	7,178,490
RCI Power AP Limited	Subsidiary	Expenses Reimbursed	<b>1,033,752</b>	1,350,770
		Loans given	–	1,350,770
RCI Power 30MW Private Limited	Step subsidiary	Expenses Reimbursed	–	11,236
RCI Power 50MW Private Limited	Step subsidiary	Expenses Reimbursed	–	11,236
Shri Housing Private Limited	Fellow Subsidiary	Loans received	<b>52,256,410</b>	282,685,922
		Loans repaid	–	272,705,120
		Loans given	–	10,255,000
		Loan repayments received	–	110,339
Crimson Investments Limited	Common Director	Loans received	<b>10,774,042</b>	–
M. Narayanamurthi	Managing Director	Salary paid	<b>240,000</b>	120,000
S Krishnan	Former Managing Director	Salary paid	–	2,226,888
R. Ramakrishnan	Director	Sitting Fees	–	40,000
Vikram Mankal	Director	Salary paid	–	120,000
K N Narayanan	Director	Sitting Fees	–	40,000
A. Sriram	Chief Financial Officer	Salary & Allowances paid	<b>2,854,200</b>	3,004,200
V. Sriramalakshmi	Company Secretary	Salary paid	–	100,000

**BALANCES OUTSTANDING AT THE YEAR END**

(IN INR)

Party	Relationship	Nature of Balance	Closing Balance as at 31st March, 2017	Closing Balance as at 31st March, 2016
Emas Engineers & Contractors Private Limited	Subsidiary	Long-term Loans and Advances	<b>382,749,470</b>	422,919,753
RCI Power Limited	Subsidiary	Long-term Borrowings	<b>(1,904,541)</b>	3,963,510
RCI Power (AP) Limited	Subsidiary	Long-term Loans and Advances	<b>2,384,522</b>	1,350,770
Shri Housing Pvt Limited	Fellow Subsidiary	Long-term Borrowings	<b>(59,002,553)</b>	(6,746,143)
Crimson Investments Limited	Common Director	Short-term Borrowings	<b>(10,774,042)</b>	–
M. Narayanamurthi	Managing Director	Accrued Employee benefits	<b>(236,270)</b>	(531,069)
Vikram Mankal	Director	Accrued Employee benefits	<b>(529,156)</b>	(479,156)
S. Krishnan	Director	Accrued Employee benefits	<b>(1,092,488)</b>	(1,092,488)
A. Sriram	CFO	Accrued Employee benefits	<b>(2,713,820)</b>	(1,388,500)



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

(Amount in INR)

Particulars	For the period ended 31 <sup>st</sup> March, 2017	For the period ended 31 <sup>st</sup> March, 2016
<b>Note 26 : Expenditure in Foreign currency / Earnings in Foreign currency</b>		
Travel	-	534,861

**Note 27 : Disclosure on AS 22 on "Accounting for taxes on Income"**

Deferred tax has been recognised on the following items:	As at 31st March, 2017	As at 31st March, 2016
Opening Deferred tax asset/(liability)	1,552,031	1,196,898
Add: Deferred tax asset on timing difference		
On Depreciation	-1,552,031	355,133
Opening Deferred tax asset	-	1,552,031

**Note 28 : Employee Benefits**

(IN INR)

Particulars	Gratuity As at 31st March, 2017	Gratuity As at 31st March, 2016	Leave Salary As at 31st March, 2017	Leave Salary As at 31st March, 2016
<b>A. Changes in the present value of obligation in the inter-valuation period</b>				
Liability as at beginning of the period	1,113,123	816,418	2,847,601	-
Add: Interest Cost	80,256	63,681	222,682	612,081
Add: Current Service Cost	165,267	172,204	214,987	-
Less: Benefits paid	-	-	-	-
Add: Past Service Cost	-	-	-	-
Add: Settlement Cost	-	-	-	-
Add: Curtailment Cost	-	-	-	-
Actuarial gain / loss	(72,688)	60,820	(1,116,411)	136,630
<b>Liability as at end of the period</b>	<b>1,285,958</b>	1,113,123	<b>2,168,859</b>	748,711
<b>B. Recognition of Actuarial gain/loss as on accounting date</b>				
Actuarial (gains) / loss in inter-valuation period: - Obligation	(72,688)	60,820	(1,116,411)	136,630
Actuarial (gains) / loss in inter-valuation period: - Plan Assets	-	-	-	-
Actuarial (gains) / loss recognised in inter-valuation period	(72,688)	60,820	(1,116,411)	136,630
Unrecognised Actuarial (gains) / losses	-	-	-	-
<b>C. The amounts to be recognised in the Balance Sheet</b>				
Present value of obligation	1,285,958	1,113,123	2,168,859	748,711
Fair value of Plan Assets	-	-	-	-
Unrecognised Actuarial (gains) / losses	-	-	-	-
<b>Net Asset / (liability) recognised in Balance Sheet</b>	<b>1,285,958</b>	1,113,123	<b>2,168,859</b>	748,711



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

**Note 28 : Employee Benefits (Continued)**

(IN INR)

Particulars	Gratuity As at 31st March, 2017	Gratuity As at 31st March, 2016	Leave Salary As at 31st March, 2017	Leave Salary As at 31st March, 2016
<b>D. Expense to be recognised in P&amp;L</b>				
Interest cost	80,256	63,681	222,682	612,081
Current service cost	165,287	172,204	214,987	-
Past service cost	-	-	-	-
Curtailment Cost (Credit)	-	-	-	-
Settlement Cost (Credit)	-	-	-	-
Expected return on plan assets	-	-	-	-
Net actuarial (gain) /loss recognised	(72,688)	60,820	(1,116,411)	136,630
<b>Accrued Liability as at the end of the period</b>	<b>172,835</b>	<b>296,705</b>	<b>(678,742)</b>	<b>748,711</b>
<b>E. Reconciliation</b>				
Net Liability as at the beginning of the period	1,113,123	816,418	2,847,601	-
Expenses recognised in P&L	172,835	296,705	(678,742)	748,711
Less: Adjustments to last valuation closing balance	-	-	-	-
Less: Benefits paid directly by the Company	-	-	-	-
Less: Contributions made to the fund	-	-	-	-
<b>Net Liability as at the end of the period</b>	<b>1,285,978</b>	<b>1,113,123</b>	<b>2,168,859</b>	<b>748,711</b>
<b>Principal actuarial assumptions :</b>				
Discount rate	7.80%	7.80%	7.82%	7.82%
Mortality-Indian Assured Lives (2006-08) (Ultimate)	Yes	Yes	Yes	Yes
Resignation rate per annum	30.00%	30.00%	30.00%	30.00%
Salary Escalation per annum	10.00%	10.00%	10.00%	10.00%

**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, 2017
EMAS Engineers & Contractors Pvt Ltd	464,012,954	382,749,470
RCI Power AP Limited	2,384,522	2,384,522

**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 :** Extraordinary items: The amount includes 1) Reversal to the extent of Rs. 5 crores in respect of sale of land accounted for during the year ended 30th June 2013 and 2) In view of the provisional order of winding up of the Honorable Madras High Court in relation to the subsidiary company EMAS Engineers and Contractots Pvt Ltd, the company has decided to reverse the interest of Rs. 4.02 crores charged in the last financial year as a matter of prudence.

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

**Note 32 :** 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 33 : DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the company had specified bank notes or other denomination notes as defined in the MCA Notifications G.S.P.308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016. The denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN's*	Other Denominations	Total
Balance as on November 08, 2016	-	-	-
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	-	-
(-) Amount Deposited in Banks	-	-	-
(-)/(+) Amount Exchange in Banks	-	-	-
Closing Cash In Hand as on December 30, 2016	-	-	-

\*For the purpose of this clause, the term " Specified Bank Notes" shall have the same meaning prescribed in the notification of the Government of India in the Ministry of Finance, Department of Economics Affairs number S.O.1407(E), dated November 8, 2016.

### Note 34 : Previous year figures

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

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 : 30<sup>th</sup> May, 2017

For and on behalf of the board

**M Narayanamurthi**  
Managing Director  
DIN: 00332455

**K N Narayanan**  
Director  
DIN 01543391

**A Sriram**  
Chief Financial Officer



**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF M/S.  
PREMIER ENERGY AND INFRASTRUCTURE LIMITED**

**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 31<sup>st</sup> March, 2017, 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) As explained in Note 1(b), the company has not consolidated the financial statements of its material subsidiary, EMAS Engineers and Contractors Private Limited as a provisional

liquidator has been appointed vide an exparte order of the Honorable High Court of Madras dated 20th December, 2016. This investment is therefore accounted for on a cost basis. As per the Companies Act, 2013 and Accounting Standard 21, the subsidiary should have been consolidated because it is controlled by the company. Had the subsidiary been consolidated, many elements in the accompanying financial statements would have been materially affected. The effects on the consolidated financial statements of the failure to consolidate have not been determined.

- b) As stated in Note 13(i) to the consolidated financial statements, the Group's non-current investments as at 31 March 2017 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 27 is subject to our observation contained herein. Our opinion on the standalone financial statements for the year ended 31st March, 2017 was also qualified in respect of the said matter.
- c) As stated in Note 14(ii) to the Group's financial statements, the Company's non-current investments as at 31st March 2017 include investments aggregating Rs. 18,54,62,500 in one of its subsidiaries, EMAS Engineers and Contractors Private Limited (EMAS) and non-current loans as at that date include dues from such company amounting to Rs. 38,27,49,470, being considered good by the management. However, the loans to the said subsidiary have exceeded the subsidiary's net worth as at 31 March 2016 based on the last available unaudited financial statements produced by the management. There is an exparte order passed by the Honorable High Court of Madras Judicature for provisional winding up of the subsidiary. In view of these and in the absence of credible and sufficient appropriate evidence we are unable to comment upon the carrying value of these investments and recoverability of the aforesaid dues and the consequential impact, if any, on the accompanying consolidated financial statements.
- d) The Group is subject to interest liability on unpaid direct tax dues, the same has neither been provided or quantified. We are unable to quantify the effect of the above for want of relevant information and the effect thereof on the financials for the year ended 31st March, 2017.

## 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 the report of the other auditor referred to above because of the of the significance of the matter described in the Basis of Adverse opinion paragraph and the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, these financial statements:

- (i) Includes the statements of the following entities
- a. The Holding Company
    - Premier Energy and Infrastructure Limited
  - b. Wholly owned subsidiary companies
    - RCI Power Limited
    - RCI Power (AP) Limited
  - c. Step down subsidiary companies
    - RCI Windfarm 30MW Private Limited
    - RCI Windfarm 50MW Private Limited
- (ii) give a true and fair view of the consolidated net loss and other financial information for the year ended 31st March, 2017.

## 6. Emphasis of Matter

We draw attention of the shareholders to:

- a) Note 26 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 25 to the consolidated financial statements regarding unconfirmed/un reconciled balances of long standing trade receivables of Rs. 17,20,27,656, advances of Rs. 1,35,00,000 and trade payables of Rs. 6,57,08,888. The advances and trade receivables are considered good and recoverable by the management.



- c) Note 33 to the consolidated financial statements regarding extra ordinary items.
- d) Note 36 in the financial statements which discloses the premise upon which the Group has prepared its financial statements by applying the "Going Concern" assumption.
- e) Note 38 to the consolidated financial statements relating to previous year comparatives.

**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. 75,63,56,970 as at 31st March, 2017, total revenues of Rs.2,02,04,027 and net cash outflows amounting to Rs.5,97,622 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, 2017 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, 2017 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. 26 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.
  - d. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 37 to the consolidated financial statements

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

**SREEDHAR SREEKAKULAM**

Partner

M. No. 026474

Place : Chennai  
Date : 30<sup>th</sup> May, 2017



## **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,2017.

### **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, 2017, 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 Qualified Opinion**

In our opinion, according to the information and explanations given to us and based on our audit procedure performed, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at 31 March 2017:

The Company's internal financial controls in respect of supervisory and review controls over process of determining of (a) carrying value of the Company's noncurrent investments in its associate (Haldia Coke Limited) and subsidiary (EMAS Engineers and Contractors Private Limited); (b) recoverability of non-current loans due from such subsidiary; and (c) provisions for interest liability on unpaid direct tax dues were not operating effectively. Absence of aforesaid assessment in accordance with the accounting principles generally accepted in India could potentially result in a material misstatement in the carrying value of investments in such associate and subsidiary, the aforesaid dues from such subsidiary and provision for interest on unpaid direct tax dues and consequently, could also impact the loss after tax.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

### **Opinion**

In our opinion, except for the possible effects of the material weakness described above in the Basis for Qualified Opinion paragraph, the Holding Company, its subsidiary companies, 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, 2017, 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 material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statement of the Group as at and for the year ended 31 March 2017, and the material weakness has affected our opinion on the consolidated financial statements of the Group and we have issued a qualified opinion on the 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 : 30<sup>th</sup> May, 2017



**Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017**

(Amount in INR)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share capital	2	413,500,600	413,500,600
Reserves and surplus	3	1,207,029,273	1,355,934,627
<b>Non-Current Liabilities</b>			
Long term borrowings	4	137,596,902	100,338,954
Other Term Liabilities	5	2,800,000	2,800,000
Long-term provisions	6	1,747,730	2,274,204
<b>Current Liabilities</b>			
Short Term Borrowings	7	10,774,042	-
Trade payables	8	117,747,064	115,623,177
Other current liabilities	9	165,695,194	129,759,622
Short-term provisions	10	79,290,067	61,483,081
<b>Total</b>		<b><u>2,136,180,872</u></b>	<b><u>2,181,714,265</u></b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill on Consolidation	11	3,371,440	3,371,440
Fixed assets - Tangible assets	12	656,799,633	656,905,181
Capital Work in Progress		27,022,062	27,022,062
Non-current investments	13	713,050,000	713,050,000
Long term loans & advances	14	457,296,713	497,847,699
Deferred tax asset	31	-	1,552,031
<b>Current assets</b>			
Inventories	15	92,470,000	92,470,000
Trade receivables	16	184,252,722	185,935,899
Cash and cash equivalents	17	1,134,004	2,636,641
Short-term loans and advances	18	307,152	485,791
Other current assets	19	477,146	437,521
<b>Total</b>		<b><u>2,136,180,872</u></b>	<b><u>2,181,714,265</u></b>
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 : 30<sup>th</sup> May, 2017

For and on behalf of the board

**M Narayanamurthi**

Managing Director

DIN: 00332455

**A Sriram**

Chief Financial Officer

**K N Narayanan**

Director

DIN 01543391

**Consolidated Statement of Profit & Loss for the period ended 31<sup>st</sup> March, 2017**

(Amount in INR)

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>INCOME</b>			
Revenue from operations	20	20,160,000	18,116,358
Other income	21	44,027	40,250,678
<b>Total</b>		<b>20,204,027</b>	<b>58,367,036</b>
<b>EXPENDITURE</b>			
Employee benefit expense	22	4,991,584	10,510,426
Other expenses	23	33,105,540	20,339,276
Finance costs	24	18,696,395	15,975,244
Depreciation and amortization expense	12	105,548	159,968
<b>Total</b>		<b>56,899,067</b>	<b>46,984,914</b>
Profit / (Loss) Before Tax & Extraordinary items		(36,695,040)	11,382,122
Extraordinary items - Ref Note 33		90,170,283	–
Loss for the year		(126,865,323)	11,382,122
Current tax		20,488,000	4,412,000
Deferred tax	31	1,552,031	(355,133)
Profit / (Loss) for the year		<b>(148,905,354)</b>	<b>7,325,255</b>
Earnings per equity share:			
Basic and diluted	27	(3.60)	0.18
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 : 30<sup>th</sup> May, 2017

For and on behalf of the board

**M Narayanamurthi**  
Managing Director  
DIN: 00332455

**K N Narayanan**  
Director  
DIN 01543391

**A Sriram**  
Chief Financial Officer



**Consolidated Cash Flow Statement**

(Amount in INR)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	(126,865,323)	11,382,122
Profit before tax from discontinuing operations	—	—
Profit before tax	(126,865,323)	11,382,123
<b>Non-cash adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation / Amortization	105,548	159,968
Interest income	—	(40,201,913)
Interest Expense	25,891,318	24,842,923
Extraordinary items	90,170,283	—
Interest on Income Tax Refund	—	(31,630)
Provision for Gratuity	172,833	296,704
Provision for leave encashment	(678,742)	748,712
Write off of advances	16,701,701	—
<b>Operating Profit before working capital changes</b>	<b>(5,497,618)</b>	<b>(2,803,114)</b>
<b>Adjustments for:</b>		
Increase / (Decrease) in Trade Payables	2,123,888	5,158,989
Increase / (Decrease) in Other Current Liabilities	19,233,872	15,236,597
Increase / (Decrease) in Short Term Loans	10,774,042	44,049
Decrease / (Increase) in Trade Receivables	1,683,177	1,995,567
Decrease / (Increase) in Long Term Loans & Advances	1,413,082	(17,896,138)
Decrease / (Increase) in Short Term Loans & Advances	178,638	268,800
Decrease / (Increase) in Other Current Assets	(39,625)	(1,171,636)
<b>Cash Generated from / (used in) operations</b>	<b>40,864,692</b>	<b>833,114</b>
Direct Taxes (Net of Refunds)	(2,701,580)	149,334
<b>Net Cash Flow From / (Used in) operating Activities</b>	<b>(A) 38,163,112</b>	<b>982,448</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	—	100,000
Interest Received	—	(35,500)
<b>Net Cash Flow From / (Used in) Investing Activities</b>	<b>(B) —</b>	<b>64,500</b>

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

(Amount in INR)

Particulars	For the year ended 31 <sup>st</sup> March, 2017	For the year ended 31 <sup>st</sup> March, 2016
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(25,891,318)	(2,980,271)
Proceeds from long-term borrowings	(13,774,431)	724,662
<b>Net Cash Flow From / (Used in) Financing Activities</b>	<b>(C)</b> <u>(39,665,749)</u>	<u>(2,255,609)</u>
<b>Net Increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b> <u>(1,502,637)</u>	<u>(1,208,661)</u>
Cash and Cash equivalents at the beginning of the year	<b>2,636,641</b>	3,845,302
Cash and Cash equivalents at the end of the year	<b>1,134,004</b>	2,636,641
<b>Cash and Cash equivalents as per Balance sheet</b>	<u><b>1,134,004</b></u>	<u>2,636,641</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 : 30<sup>th</sup> May, 2017

For and on behalf of the board

**M Narayanamurthi**  
Managing Director  
DIN: 00332455

**A Sriram**  
Chief Financial Officer

**K N Narayanan**  
Director  
DIN 01543391



## Notes forming part of Consolidated 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	RCI Power Limited	India	Audited	31st March, 2017	100%
			Audited	31st March, 2016	100%
2	RCI Power AP Limited	India	Audited	31st March, 2017	100%
			Audited	31st March, 2016	100%
3	RCI Power 30MW Private Limited*	India	Audited	31st March, 2017	100%
			Audited	31st March, 2016	100%
4	RCI Power 50MW Private Limited*	India	Audited	31st March, 2017	100%
			Audited	31st March, 2016	100%

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

In view of the provisional order of winding up of the Honourable Madras High Court dated 20<sup>th</sup> December, 2016 in relation to the subsidiary company EMAS Engineers and Contractors Pvt Ltd, the company is unable to consolidate the accounts of this subsidiary.

#### 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.

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

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.

### Employee Benefits - Gratuity :

For EMAS Engineers & Contractors P Ltd the year-end gratuity liability is determined and provided based on the company's own estimates 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 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 2 : Share Capital</b>		
<b>Authorized:</b>		
44,150,000 (Previous Year 44,150,000) Equity shares of Rs.10 each	<u>441,500,000</u>	<u>441,500,000</u>
<b>Issued, Subscribed &amp; Paid up:</b>		
41,350,060 (Previous Year 41,350,060) Equity shares of Rs.10 each fully paid up	<u>413,500,600</u>	<u>413,500,600</u>
<b>Total</b>	<u><u>413,500,600</u></u>	<u><u>413,500,600</u></u>

### (a) Reconciliation of number of shares

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2017
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	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 <sup>st</sup> March, 2017
Shri Housing Pvt Ltd	26.84%	11,100,000
Vidya Narayanamurthy (On behalf of Shriram Auto Finance)	24.18%	10,000,000
Vassal Ranganathan (On behalf of Shriram Auto Finance)	8.37%	3,462,515
Vaata Infra Limited	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 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 3 : Reserves and Surplus</b>		
<b>Capital reserve</b>		
Opening balance	146,863,006	146,863,006
Add: Addition / (reduction)	-	-
Closing balance	<u>146,863,006</u>	<u>146,863,006</u>
<b>Securities premium</b>		
Opening balance	950,864,127	950,864,127
Add: Addition / (reduction)	-	-
Closing balance	<u>950,864,127</u>	<u>950,864,127</u>
<b>General reserve</b>		
Opening balance	12,883,501	12,883,501
Transitional adjustments as per Companies Act, 2013	-	-
Closing balance	<u>12,883,501</u>	<u>12,883,501</u>
<b>Surplus in Profit &amp; Loss account</b>		
Opening balance	245,323,993	237,998,738
Add: Surplus / (Deficit) from statement of profit & loss	<u>(148,905,354)</u>	<u>7,325,255</u>
Closing balance	<u>96,418,639</u>	<u>245,323,993</u>
	<u>1,207,029,273</u>	<u>1,355,934,627</u>

**Note 4 : Long Term Borrowings**

**Term loans**

Secured Loans - From Bank (Ref Note 4 (i) below)	65,846,151	75,843,000
Unsecured Loans - From Related Parties - Ref Note 28	59,002,553	6,746,142
Unsecured Loans - From others - Ref Note 4 (ii) below	<u>12,748,198</u>	<u>17,749,812</u>
<b>Total</b>	<u>137,596,902</u>	<u>100,338,954</u>

**Note 4 (i)**

- (a) 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.
- (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 taluk, 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- 23 (Monthly)  
Principal Overdue - Rs. 1,89,92,000  
Interest overdue - Rs. 2,85,45,585

**Note 4 (ii)**

- (a) The holding 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. 3,88,339  
Interest overdue - Rs. 6,40,623



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

(Amount in INR)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 5 : Other Long Term Liabilities</b>		
Lease deposit	2,800,000	2,800,000
<b>Total</b>	<b>2,800,000</b>	<b>2,800,000</b>
<b>Note 6 : Long Term Provisions</b>		
Provision for Gratuity - Ref Note 30	759,059	795,250
Provision for Leave salary - Ref Note 30	988,671	1,478,954
<b>Total</b>	<b>1,747,730</b>	<b>2,274,204</b>
<b>Note 7 : Short Term Borrowings</b>		
From Related Party - Ref Note 28	10,774,042	-
<b>Total</b>	<b>10,774,042</b>	<b>-</b>
<b>Note 8 : Trade Payables</b>		
Due to Micro Small Medium Enterprises Creditors	-	-
Due to Other than Micro Small Medium Enterprises Creditors	117,747,064	115,623,177
<b>Total</b>	<b>117,747,064</b>	<b>115,623,177</b>

## 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.

(Amount in INR)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 9 : Other Current Liabilities</b>		
Current Maturities on Long Term Borrowings - Ref Note 4(i)(e) & Note 4(ii)(d)	34,377,953	24,728,203
Statutory Liabilities	55,570,509	45,181,204
Advance from customers	32,473,647	32,473,647
Interest accrued and due - Ref Note 4(i)(e) & Note 4(ii)(d)	29,186,208	13,510,086
Accrued employee benefit expenses	6,622,035	5,008,202
Interest accrued but not due on loans	1,127,638	-
Other Payables	6,337,204	8,858,280
<b>Total</b>	<b>165,695,194</b>	<b>129,759,622</b>
<b>Note 10 : Short Term Provisions</b>		
Provision for Gratuity - Ref Note 30	526,898	317,873
Provision for Leave salary - Ref Note 30	1,180,188	1,368,647
Provision for income tax (Net of advance income tax)	77,582,981	59,796,561
<b>Total</b>	<b>79,290,067</b>	<b>61,483,081</b>



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

(Amount in INR)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 11 : Goodwill (on consolidation)</b>		
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>

**Note 12 : Fixed Assets**

Asset	Gross Block				Depreciation				Net Block	
	Opening balance as at 01st April 2016	Additions	Deletions	Closing balance as at 31st March, 2017	Opening balance as at 01st April 2016	For the Year	Deletions	Closing balance as at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
<b>Tangible asset</b>										
Land	656,581,750			656,581,750					656,581,750	656,581,750
Plant & Equipments	224,338			224,338	184,601	11,888		196,489	27,849	39,737
Vehicles	788,700			788,700	505,006	93,660		598,666	190,034	283,694
<b>Sub Total</b>	657,594,788			657,594,788	689,607	105,548		795,155	656,799,633	656,905,181
Capital Work in Progress	27,022,062			27,022,062				0	27,022,062	27,022,062
<b>Total</b>	684,616,850			684,616,850	689,607	105,548		795,155	683,821,695	683,927,243

Previous year										
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
Land	749,051,750		92,470,000	656,581,750					656,581,750	749,051,750
Plant & Equipments	188,838	35,500		224,338	149,153	35,448		184,601	39,737	39,685
Vehicles	1,237,023		448,323	788,700	760,439	124,520	379,953	505,006	283,694	476,584
<b>Sub Total</b>	750,477,611	35,500	92,918,323	657,594,788	909,592	159,968	379,953	689,607	656,905,181	749,568,019
Capital Work in Progress	27,022,062			27,022,062					27,022,062	27,022,062
<b>Total</b>	777,499,673	35,500	92,918,323	684,616,850	909,592	159,968	379,953	689,607	683,927,243	776,590,081

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

(Amount in INR)

Particulars	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 13 : Non current investments</b>		
<b>Trade</b>		
<b>Unquoted equity shares (at cost-fully paid)</b>		
<b>Subsidiaries</b>		
Emas Engineers & Contractors Pvt Ltd (EMAS) - Ref Not 14(ii) 6,024,050 equity shares of Rs. 10/- each (Previous year 6,024,050)	185,462,500	185,462,500
<b>Others</b>		
Haldia Coke & Chemicals Private Limited - Ref Note No 13(i) below 13,750,000 equity shares of Rs. 10/- each (Previous year 13,750,000)	527,587,500	527,587,500
<b>Total</b>	<b><u>713,050,000</u></b>	<b><u>713,050,000</u></b>

## Note No.13 (i)

(a) The company, Haldia Coke Limited, has accumulated losses and its net worth is fully eroded as at 31<sup>st</sup> March, 2017. 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 Associate Company. Also refer Note No 26(b).

**Note 14 : Long term Loans & advances**

Advance share subscription - Ref Note 14(i) below	13,400,640	13,400,640
Less: Provision for Doubtful Advances	<u>-13,400,640</u>	-
	-	13,400,640
Reimbursements due - Ref Note 14(i) below	2,951,061	2,951,061
Less: Provision for Doubtful Advances	<u>-2,951,061</u>	-
	-	2,951,061
Rent advance	3,000,000	3,000,000
Income Tax Refund due	1,529,543	1,529,543
Prepaid expenses	229,122	450,291
Loans and Advance given to related parties - Ref Note 14(ii) & Note 28	437,114,798	460,742,414
Loans and Advance given to other companies	<u>15,423,250</u>	<u>15,773,750</u>
<b>Total</b>	<b><u>457,296,713</u></b>	<b><u>497,847,699</u></b>

## Note 14 (i)

The holding company had invested Rs. 1,34,00,640/- in Euclubesh Inc, Delaware, USA for a project for refining used oil and also advanced Rs. 29,51,061/- for expenses. In view of the crash in international oil prices and consequent uncertainty, the project has been substantially delayed. The company has provided for the above amounts as a matter of good practice.

## Note 14 (ii)

Emas is having good prequalifications and infrastructure and with the general economy picking up, the company is confident of procuring more business and hence the management is confident of recovering the entire dues despite the provisional order of winding up by the Hon'ble Madras High court dated 7th February, which the company is contesting.



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

Particulars	(Amount in INR)	
	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
<b>Note 15 : Inventories</b>		
(At lower of cost and net realizable value)		
Land - Ref Note 26(a)	92,470,000	92,470,000
<b>Total</b>	<b>92,470,000</b>	<b>92,470,000</b>
<b>Note 16 : Trade Receivables</b>		
(Unsecured, considered good)		
Outstanding for more than 6 months from due date	180,595,722	185,935,899
Others	3,657,000	-
<b>Total</b>	<b>184,252,722</b>	<b>185,935,899</b>
<b>Note 17: Cash &amp; Cash equivalents</b>		
Cash in hand	437,302	1,861,281
Balance with banks		
- in Deposits	504,351	504,351
- in current accounts	192,351	271,009
<b>Total</b>	<b>1,134,004</b>	<b>2,636,641</b>
<b>Note 18 : Short Term Loans and Advances</b>		
(Unsecured considered good)		
Advance to Suppliers		
Prepaid Expenses	140,359	128,175
Staff advance	166,793	357,616
<b>Total</b>	<b>307,152</b>	<b>485,791</b>
<b>Note 19 : Other Current Assets</b>		
Interest accrued but not due on loans	136,564	96,939
Deposits	24,500	24,500
Others	316,082	316,082
<b>Total</b>	<b>477,146</b>	<b>437,521</b>

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

(Amount in INR)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>Note 20 : Revenue From Operations</b>		
Lease Rental	20,160,000	18,116,358
<b>Total</b>	<b>20,160,000</b>	<b>18,116,358</b>
<b>Note 21 : Other Income</b>		
Interest - Others	44,027	40,219,048
Profit on Sale of Fixed Assets	-	31,630
<b>Total</b>	<b>44,027</b>	<b>40,250,678</b>
<b>Note 22 : Employee benefit expense</b>		
Salaries & allowances	4,732,528	10,069,445
Gratuity - Ref Note 30	172,834	296,704
Welfare expenses	86,222	144,277
<b>Total</b>	<b>4,991,584</b>	<b>10,510,426</b>
<b>Note 23 : Other Expenses</b>		
Payment to Auditors :		
Statutory audit	1,540,000	1,570,000
Communication expenses	493,301	547,211
Compensation	-	1,250,000
Professional charges	918,936	660,247
Listing & Depository Fees	407,123	358,510
Repairs & Maintenance	210,754	135,180
Miscellaneous Expenses	497,268	810,808
Printing & Stationery	75,541	325,882
Office Rent	4,160,647	3,883,932
Electricity	197,738	427,371
Travelling & conveyance expenses	630,409	1,274,457
Security Charges for project	77,200	228,000
Interest on Statutory Payment	7,194,922	8,867,678
Write off of Advances	16,701,701	-
<b>Total</b>	<b>33,105,540</b>	<b>20,339,276</b>
<b>Note 24 : Finance costs</b>		
Interest expense	18,681,332	15,924,365
Other borrowing cost	15,063	50,879
<b>Total</b>	<b>18,696,395</b>	<b>15,975,244</b>



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

**Note 25 : 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 26 : Contingent Liabilities**

**Premier Energy and Infrastructure Limited**

- 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 taluk, 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.

**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 27 : Earnings per share**

(In INR)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Net profit/loss attributable to shareholders	<b>(148,905,354)</b>	7,325,255
Basic and diluted weighted average no. of equity shares issued	<b>41,350,060</b>	41,350,060
Earnings per share of Rs.10 each - basic and diluted	<b>(3.60)</b>	0.18

**Note 28 : 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) Common Director   | Crimson Investments Ltd.   |
| d) Other Related Parties with whom the Group had transactions during the year / period | <p>M. Narayanamurthi, Managing Director</p> <p>R. Ramakrishnan, Director of Premier Energy and Infrastructure Limited</p> <p>M. Vikram Mankal, Relative of Managing Director of Premier Energy and Infrastructure Limited</p> <p>K.N. Narayanan, Director of Premier Energy and Infrastructure Limited</p> <p>A. Sriram, Chief Financial Officer of Premier Energy and Infrastructure Limited and Director of RCI Power Limited and RCI Power (AP) Limited</p> <p>T R Murali, Director of Shri Housing Private Limited, RCI Power Limited and RCI Power (AP) Limited</p> |

**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, 2017	For the year ended 31st March, 2016
Emas Engineers & Contractors Pvt Ltd	Subsidiary	Purchase of Materials	-	-
		Interest Income	-	40,170,283
		Loans given	-	361,206,606
		Loans repayments received	-	124,040,296
Shri Housing Private Limited	Fellow Subsidiary	Loans received	<b>52,256,410</b>	282,685,922
		Loans repaid	-	272,705,120
		Loans given	-	10,255,000
		Loan repayments received	-	110,339
Crimson Investments Limited	Common Director	Loans received	<b>10,774,042</b>	-
M. Narayanamurthi	Managing Director	Salary paid	<b>240,000</b>	120,000
R. Ramakrishnan	Key Managerial Personnel	Sitting Fees	-	40,000
S. Krishnan	Former Managing Director	Salary paid	-	2,226,888
Vikram Mankal	Director	Salary paid	-	120,000
K.N. Narayanan	Key Managerial Personnel	Sitting Fees	-	40,000
A. Sriram	Chief Financial Officer	Salary & Allowances paid	<b>2,854,200</b>	3,004,200
T.R. Murali	Key Managerial Personnel	Salary & Allowances paid	<b>1,416,000</b>	1,476,000
V. Sriramalakshmi	Company Secretary	Salary paid	-	100,000

**Balances Outstanding at the year end****Unsecured Loans**

Party	Relationship	Nature of Balance	Closing Balance as at 31st March, 2017	Closing Balance as at 31st March, 2016
Emas Engineers & Contractors Pvt Ltd	Subsidiary	Long Term Loans and Advances	<b>382,749,470</b>	422,919,753
Shri Housing Private Limited	Fellow Subsidiary	Long Term Borrowings	<b>(59,002,553)</b>	(6,746,143)
Crimson Investments Ltd	Common Director	Short Term Borrowings	<b>(10,774,042)</b>	-
M Narayanamurthi	Managing Director	Accrued Employee Benefits	<b>(236,270)</b>	(531,069)
Vikram Mankal	Director	Accrued Employee Benefits	<b>(529,156)</b>	(479,156)
S. Krishnan	Director	Accrued Employee Benefits	<b>(1,092,488)</b>	(1,092,488)
A. Sriram	CFO	Accrued Employee Benefits	<b>(2,713,820)</b>	(1,388,500)



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

**Note 29 : Expenditure in Foreign currency / Earnings in Foreign currency**

(In INR)

Particulars	For the period ended 31st March, 2017	For the period ended 31st March, 2016
Foreign Travel	–	349,102

**Note 30 : Employee benefits**

Particulars	Gratuity As at 31st March, 2017	Gratuity As at 31st March, 2016	Leave Salary As at 31st March, 2017	Leave Salary As at 31st March, 2016
<b>A. Changes in the present value of obligation in the inter-valuation period</b>				
Liability as at beginning of the period	1,113,123	816,418	2,847,601	–
Add: Interest Cost	80,256	63,681	222,682	612,081
Add: Current Service Cost	165,267	172,204	214,987	–
Less: Benefits paid	–	–	–	–
Add: Past Service Cost	–	–	–	–
Add: Settlement Cost	–	–	–	–
Add: Curtailment Cost	–	–	–	–
Actuarial gain / loss	(72,688)	60,820	(1,116,411)	136,630
<b>Liability as at end of the period</b>	<b>1,285,978</b>	<b>1,113,123</b>	<b>2,168,859</b>	<b>748,711</b>
<b>B. Recognition of Actuarial gain/loss as on accounting date</b>				
Actuarial (gains) / loss in inter-valuation period: - Obligation	(72,688)	60,820	(1,116,411)	136,630
Actuarial (gains) / loss in inter-valuation period: - Plan Assets	–	–	–	–
Actuarial (gains) / loss recognised in inter-valuation period	(72,688)	60,820	(1,116,411)	136,630
Unrecognised Actuarial (gains) / losses	–	–	–	–
<b>C. The amounts to be recognised in the Balance Sheet</b>				
Present value of obligation	1,285,958	1,113,123	2,168,859	748,711
Fair value of Plan Assets	–	–	–	–
Unrecognised Actuarial (gains) / losses	–	–	–	–
<b>Net Asset / (liability) recognised in Balance Sheet</b>	<b>1,285,958</b>	<b>1,113,123</b>	<b>2,168,859</b>	<b>748,711</b>
<b>D. Expense to be recognised in P&amp;L</b>				
Interest cost	80,256	63,681	222,682	612,081
Current service cost	165,287	172,204	214,987	–
Past service cost	–	–	–	–
Curtailment Cost (Credit)	–	–	–	–
Settlement Cost (Credit)	–	–	–	–
Expected return on plan assets	–	–	–	–
Net actuarial (gain) /loss recognised	(72,688)	60,820	(1,116,411)	136,630
<b>Accrued Liability as at the end of the period</b>	<b>172,855</b>	<b>296,705</b>	<b>(678,742)</b>	<b>748,711</b>



**Notes forming part of Consolidated Financial Statements (continued)****Note 30 : Employee benefits (continued)**

(In INR)

Particulars	Gratuity As at 31st March, 2017	Gratuity As at 31st March, 2016	Leave Salary As at 31st March, 2017	Leave Salary As at 31st March, 2016
<b>E. Reconciliation</b>				
Net Liability as at the beginning of the period	1,113,123	816,418	2,847,601	–
Expenses recognised in P&L	172,855	296,705	(678,742)	748,711
Less: Adjustments to last valuation closing balance	–	–	–	–
Less: Benefits paid directly by the Company	–	–	–	–
Less: Contributions made to the fund	–	–	–	–
<b>Net Liability as at the end of the period</b>	<b>1,285,978</b>	<b>1,113,123</b>	<b>2,168,859</b>	<b>748,711</b>
<b>Principal actuarial assumptions :</b>				
Discount rate	7.80%	7.80%	7.82%	7.82%
Mortality-Indian Assured Lives (2006-08) (Ultimate)	Yes	Yes	Yes	Yes
Resignation rate per annum	30.00%	30.00%	30.00%	30.00%
Salary Escalation per annum	10.00%	10.00%	10.00%	10.00%

**Note 31 : Disclosure on AS 22 on “Accounting for taxes on Income”****Deferred Tax Asset**

(In INR)

Deferred tax asset has been recognised on the following items:	As at 31st March, 2017	As at 31st March, 2016
Opening Deferred tax	1,552,031	1,196,898
Add: Deferred tax on timing difference on Depreciation	-1,552,031	355,133
Closing Deferred tax Asset	–	1,552,031

**Note 32 : 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 33 :** Extraordinary items with respect to the Holding Company: The amount includes 1) Reversal to the extent of Rs. 5 crores in respect of sale of land accounted for during the year ended 30th June 2013 and 2) In view of the provisional order of winding up of the Honorable Madras High Court in relation to the subsidiary company EMAS Engineers and Contractors Pvt Ltd, the company has decided to reverse the interest of Rs. 4.02 crores charged in the last financial year as a matter of prudence.



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

**Note 34 : 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
<b>Holding</b>				
Premier Energy and Infrastructure Limited	97.47%	1,579,548,588	106.07%	(157,942,715)
<b>Subsidiaries - Indian</b>				
RCI Power Limited	39.76%	644,356,140	-5.15%	7,668,376
RCI Power (AP) Limited	5.04%	81,655,964	-0.99%	1,468,628
RCI Power 30 MW Private Limited	-0.01%	(164,095)	0.03%	(45,536)
RCI Power 50 MW Private Limited	-0.01%	(169,402)	0.04%	(54,109)
Adjustments arising out of consolidation	-42.25%	(684,697,323)	0.00%	–
<b>Total</b>	<b>100.00%</b>	<b>1,620,529,873</b>	<b>100.00%</b>	<b>(148,905,354)</b>

**Note 35 : 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, 2017			As at 31st March, 2016		
	Infrastructure Development	Engineering & Construction	Total	Infrastructure Development	Engineering & Construction	Total
Revenue	20,204,027	–	20,204,027	58,367,036		58,367,036
Direct expenses	–	–	–			
Un-allocable expenses	56,899,067	–	56,899,067	46,984,913		46,984,914
Profit before taxes			(36,695,040)			11,382,122
Exceptional items			(90,170,283)			–
Taxes			22,040,031			4,056,867
Profit before minority interest and share of profit/ (loss) of associate			(148,905,354)			7,325,255
Minority interest						
Share of profit / (loss) of associate			–			–
Net profit for the year			(148,905,354)			7,325,255
Segment Assets and Liabilities	As at 31st March, 2017			As at 31st March, 2016		
	Infrastructure Development	Engineering & Construction	Total	Infrastructure Development	Engineering & Construction	Total
Assets	2,136,180,872	–	2,136,180,872	2,181,714,265		2,181,714,265
Liabilities	515,650,999	–	515,650,999	412,279,038		412,279,038

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

**Note 36 :** The Holding Company's current liabilities exceeded its net realizable current assets and the holding 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 consolidated financial statements by applying the "Going Concern" assumption.

### Note 37 : DISCLOSURE ON SPECIFIED BANK NOTES (SBNs)

During the year, the company had specified bank notes or other denomination notes as defined in the MCA Notifications G.S.P.308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBNs) held and transacted during the period from November 8, 2016 to December 30, 2016. The denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN's*	Other Denominations	Total
Balance as on November 08, 2016	-	2,302	2,302
(+) Permitted Receipts	-	44,000	44,000
(-) Permitted Payments	-	44,000	44,000
(-) Amount Deposited in Banks	-	-	-
(-)/(+) Amount Exchange in Banks	-	-	-
Closing Cash In Hand as on December 30, 2016	-	2,302	2,302

\*For the purpose of this clause, the term "Specified Bank Notes" shall have the same meaning prescribed in the notification of the Government of India in the Ministry of Finance, Department of Economics Affairs number S.O.1407(E), dated November 8, 2016.

### Note 38 : Previous year figures

Previous period figures have been regrouped / rearranged as per Note 1(b) and 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 : 30<sup>th</sup> May, 2017

For and on behalf of the board

**M Narayanamurthi**  
Managing Director  
DIN: 00332455

**K N Narayanan**  
Director  
DIN 01543391

**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 25th Annual General Meeting of the Company held on 28th September 2017 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 ..... 2017.

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](mailto:premierinfra@gmail.com)

Website: [www.premierenergy.in](http://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 Thursday, the 28th September 2017 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.