PREMIER ENERGY AND INFRASTRUCTURE LIMITED

TWENTY SEVENTH ANNUAL REPORT 2018-2019

CORPORATE INFORMATION

BOARD OF DIRECTORS

M. NARAYANAMURTHI	Managing Director
R. RAMAKRISHNAN (upto 01.07.2018)	Non Executive Independent Director
VIKRAM MANKAL (upto 28.03.2019)	Non Executive Non Independent Director
K.N. NARAYANAN	Non Executive Independent Director
J SHARADHA (from 28.03.2019)	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

Ground Floor, Tangy Apartments,
34, Dr. PV Cherian Road,
Off. Ethiraj Salai, Egmore,
Chennai - 600 008.
Ph.No: 044-28270041

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
CIN NO: L45201TN1988PLC015521
Regd. Office:Ground Floor, Tangy Apartments, 34, Dr. PV Cherian Road,
Off. Ethiraj Salai,Egmore, Chennai - 600 008.
Ph.No: 044-28270041; Email: premierinfra@gmail.com
Website: www.premierenergy.in

NOTICE OF TWENTY SEVENTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD AT 10.15 AM ON MONDAY, THE 30TH SEPTEMBER, 2019 AT BHARATHIYA VIDHYA BHAVAN (MINI HALL - 2ND 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

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 31st March, 2019 and the Reports of the Board of Directors and the Independent Auditors thereon be and are hereby considered, approved and adopted.

RESOLVED THAT the Audited Consolidated Financial Statements for the year ended 31st March, 2019 and the Independent Auditors Report thereon be and are hereby considered, approved and adopted.

Item No. 2 - Appointment of Statutory Auditors

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

RESOLVED THAT pursuant to Sections 139, 142 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, of the said Act and Companies (Audit and Auditors) Rules, 2014 made thereunder and other applicable rules, if any, under the said Act (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. S.H.Bhandari & Co, Chartered Accountants, Chennai bearing Firm Registration No:000438S, be and are hereby appointed as the Statutory Auditors of the Company to hold office commencing from the conclusion of this Annual General Meeting till the conclusion of Thirty Second Annual General Meeting at a remuneration of ₹15 Lakhs (Rupees Fifteen Lakhs only), in addition to the re-imbursement of applicable taxes and actual out of pocket and travelling expenses for the financial year 2019-20 incurred in connection with the audit and the Board may decide the remuneration payable to the statutory auditors for the subsequent years based on the recommendation of the Audit Committee.

SPECIAL BUSINESS:

Item No. 3 - Appointment of Ms. J. Sharadha (DIN: 08398179) as a Non- Executive Independent Director

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150,152,161 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act, as amended from time to time and pursuant to Regulation 17 and other applicable regulations, if any of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Regulations"), Ms J Sharadha (DIN: 08398179),an additional director, holding office up to the date of this Annual General Meeting be and is hereby appointed as an independent director of the company, not liable to retire by rotation, to hold office for a term of five consecutive years from March 28, 2019 to March 27, 2024.

On behalf of the Board

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 30th May, 2019

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 27th 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, 23rd September, 2019 to Monday, 30th September, 2019 (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 2018-19 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 2018-19 are being sent by electronic mode only. For members who have not registered their Email addresses, physical copies of the Annual Report 2018-19 are being sent by the permitted mode.

12. The Notice of the 27th 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 27th 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 27th Annual General Meeting and the Annual Report 2019 will also be available on the Company's website www.premierenergy.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's Registrars M/s. Cameo Corporate Services Limited at investor@cameoindia.com.

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 27th 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 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 23rd September, 2019.

(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. 23rd September, 2019 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 : 9.00 a.m. (IST) on, 27th September, 2019. End of remote e-voting : 5.00 p.m. (IST) on 29th September, 2019.

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

(ii) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, within 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.premierenergy.in and on the website of CDSL https:// www.evotingindia.com. 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. 30th September, 2019.

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

A.I. **E-VOTING INSTRUCTIONS:-**

A. IN CASE OF MEMBERS RECEIVING E-MAIL

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

ii. Click on Shareholders.

iii. Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

iv. Next enter the Image Verification as displayed and Click on Login.

v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

vii. After entering these details appropriately, click on "SUBMIT" tab.

viii. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential

ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

x. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvi. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xvii. Shareholders can also cast their vote using CDSL's mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google Play Store. Apple and windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow instructions as prompted by the mobile app while voting on your mobile.

xviii. Note for Non-Individual Shareholders & Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate and Custodians respectively.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they should create compliance user using the admin login and password. The Compliance user would be able to link the depository account(s) / folio numbers on which they wish to vote.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

A. Other Instructions

i. The e-voting period commences on Friday, 27thh September, 2019 at 9.00 a.m (IST) and ends on Sunday, 29th September 2019 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 23rd September, 2019, 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 23rd September, 2019.

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 27th 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 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 30, 2019.

On behalf of the Board

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 30th May, 2019

Annexure to the Notice

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("ACT") AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The following statement sets out all material facts relating to ordinary/ special business mentioned in the accompanying notice dated 30 May 2019 and shall be taken as forming part of the notice.

Item No: 3

The Board of Directors, (based on the recommendation of Nomination and Remuneration Committee) had appointed Ms. J Sharadha (DIN: 08398179) as an Additional Director Director of the Company on 28 March, 2019 and holds office up to the date of this AGM. The company has received a notice in writing from a member under the provisions of Section 160 of the Companies act, 2013 proposing candidature of Ms. J Sharadha as a director. She has given a declaration to the Board that she meets the criteria of independence as provided under Section 149 of the Companies act, 2013 as well as under applicable provisions of the Listing Regulations.

Brief Profile of the Director

Ms. J Sharadha aged 53 years holds M A degree in Public Administration and Diploma in Electronics and Communications. She is also engaged in Social Welfare activities. She has over 23 years of experience in the field of General Administration and Marketing.

The Board of Directors have appointed Mrs.M J Sharadha (DIN:08398179) as the Director of the company who is not liable to retire by rotation for a period of five years with effect from 28^{th} March, 2019.

Term of Appointment:

Ms. J Sharadha would hold office of Non-Executive Independent Director for a period of 5 years w.e.f. 28 March 2019.

The resolution under Item Nos. 3 seek the approval of members for the appointment of Ms. Sharadha as Non-Executive Independent Director of the Company for a period up to 27 March 2024 pursuant to Sections 149, 152 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made there under.

Memorandum of Interest

No Director, Key Managerial Personnel or their relatives, except Ms. J Sharadha, to whom the resolution relates, are interested or concerned in the resolution.

Information as required under Secretarial Standards and SEBI (LODR) Regulations, 2015

Name	Ms. J Gunti Sharadha
Age	53 years
Date of Appointment	28.03.2019
Qualifications	M.A. and Diploma in electronics and communications
Expertise in functional areas	She has an experience of more than 23 years in Marketing and General Administration.
Directorships held in other public companies (Excluding foreign companies)	1. Century Wood Limited 2. VR Global Energy Private Limited 3. Vrone Energy Private Limited 4. Trishe Energy Private Limited
Membership/Chairmanship/Committees of other public companies (includes only Audit Committee and Stake holders Relationship Committee)	NIL
Attendance Details at the Board Meetings, Committee Meetings and Annual General Meetings held during the Financial Year 2018-19	She attended the Board, Stakeholders Relationship Committee, Nomination and Remuneration Committee, CSR Commitee Meetings held on 28/03/2019
Shareholding in the company (No of shares)	NIL
Inter se relationship with any director	NIL

On behalf of the Board

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 30^{th} May, 2019

ROUTE MAP TO THE VENUE

of the 27th 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 present herewith the Twenty Seventh Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2019.

FINANCIAL RESULTS (₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2018-2019	2017-2018	**2018-2019**	2017-2018
Gross Income	**202.19**	202.08	**0.16**	–
Profit / (Loss) before interest & depreciation	**(346.74)**	(14.49)	**(528.60)**	(213.53)
Finance charges	**216.27**	201.96	**215.72**	201.83
Provision for depreciation	**1.22**	1.06	**1.22**	1.06
Net Profit / (Loss) before tax	**(564.23)**	(217.51)	**(745.54)**	(416.42)
Extra Ordinary items	**–**	10957.99	**–**	10957.99
Other Comprehensive income	**(15.86)**	13.17	**(15.86)**	13.17
Provision for tax	**(23.68)**	63.94	**(58.36)**	–
Net Profit / (Loss) after tax	**(556.41)**	(11226.27)	**(703.04)**	(11361.24)
Surplus carried to Balance Sheet	**(556.41)**	(11226.27)	**(703.04)**	(11361.24)

OPERATIONS AND PERFORMANCE

Standalone Income for the year is ₹ 0.16 Lakhs as compared to ₹ Nil in the previous year, while the Consolidated Sales for the year under review stands at ₹ 202.19 lakhs as against ₹ 202.08 lakhs in the previous year. Standalone Loss for the current year was ₹ 556.41 lakhs as compared to Loss of ₹ 11361.24 lakhs in the previous year, while the Consolidated Loss for the current year was ₹ 703.04 lakhs as compared to Loss of ₹ 11226.27 lakhs 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 2018-2019, the Board of Directors do not recommend any dividend for the year ended 31st March, 2019.

SHARE CAPITAL

The paid up Equity share capital of the Company as on 31st March, 2019 was ₹ 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 year.

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.

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, 2019, your Company had a total of 3 subsidiaries and 2 step down subsidiaries. The details were 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 20th 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.

₹ in lacs

Particulars	RCI Power Ltd	RCI Power (AP) Ltd
	2018-19	2018-19
Sales & Other Income	169.80	32.22
Equity Capital	1500.00	5.00
Reserves & Surplus	5182.03	856.53
Earnings per share	0.84	3.51

Step down Subsidiaries

i) RCI Windfarm 30 MW Private Limited and

ii) RCI Windfarm 50 MW Private Limited

₹ in lacs

Particulars	RCI Wind Farm (30MW) Ltd	RCI Wind Farm (50MW) Pvt Ltd
	2018-19	2018-19
Sales & Other Income	–	–
Equity Capital	1.00	1.00
Reserves & Surplus	(3.57)	(3.60)
Earnings per share	(3.31)	(3.06)

DIRECTORS

APPOINTMENT OF DIRECTOR

Ms J Sharadha was appointed as additional director in the capacity of independent director with effect from 28 March 2019. She shall hold office up to the date of the ensuing AGM as an additional director. The appointment of Ms J Sharadha as an independent director up to 5 years from the date of appointment has been recommended for the approval of shareholders at the ensuing AGM.

RESIGNATION OF DIRECTOR

During the year, Mr. R. Ramakrishnan (DIN: 00809342), Director, resigned from the company with effect from 01 July, 2018 citing personal reasons.

During the year, Mr. Vikram Mankal (DIN: 03097118), Director, resigned from the company with effect from 28, March, 2019 citing personal reasons.

EVALUATION OF BOARD'S PERFORMANCE

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

DECLARATION BY INDEPENDENT DIRECTORS

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

REMUNERATION POLICY

Pursuant to Section 178(3) of the Companies Act, 2013, the Board on the recommendation of the Nomination &

Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and other employees and their remuneration.

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

NUMBER OF MEETINGS OF THE BOARD

The Board had met Five (5) times during the Financial year ended 31st March, 2019 on 30.05.2018, 13.08.2018, 14.11.2018, 14.02.2019 and 28.03.2019. The Audit Committee had met Four (4) times on 30.05.2018, 13.08.2018, 14.09.2018 and 14.02.2019. 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, 2019, 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, 2019 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 annual accounts for the year ended 31st March, 2019 have been prepared 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 meeting by the Chief Financial Officer 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 2019 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 1B to the Consolidated Financial Statement: Since the Subsidiary company, Emas Engineers and Contractors Pvt Limited has been provisionally ordered to be wound up by the Hon'ble Madras High Court dated 20th December, 2016 the company has not consolidated the accounts of Emas Engineers and Contractors.

Regarding the qualification with reference to note on interest liability on unpaid direct 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. Also the company has preferred an Appeal with the Commissioner of income Tax Appeals against demand of Income Tax. The company is making arrangement to file the statutory returns.

Regarding the qualification with reference to Note 6, 9 & 15 in the standalone financial statements and Note 7,11 & 17 in the consolidated financial statements: Confirmation of balances has not been received from parties in respect of certain outstanding. In the opinion of the management, the amounts stated in the Balance sheet are fully receivable / payable.

Regarding the qualification with reference to Note 32 in the standalone financial statements and note 33 in 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.

QUALIFICATIONS OF SECRETARIAL AUDITORS

The company has appointed a woman Director, Ms. J Sharadha wef. 28th March 2019.

The company is in the process of filing MGT 14 for appointment of Secretarial Auditor for the year 2018 and will be done immediately.

Since the company has done any business during the year the company did not appoint Internal Auditor. The company will appoint Internal Auditor from the year 2019-20.

The company is in the process of identifying a Company Secretary. The appointment of company secretary will be done once the company is relisted in BSE.

The company has appointed Ms. J Sharadha as Independent Director on 29th March, 2019.

The company is in the process of formulating CSR Poilcy and will be done in the ensuring year.

Mr. M Narayanamurthi is the Managing Director and will continue office till 12th November 2020.

Mr. Vikram Mankal has resigned w.e.f. 28th March, 2019.

The company will also appoint an Independent Director during the financial year 2019-20.

Since the company is delisted the company could not file the returns online as we are denied access to the BSE Portal. Once the company shares are relisted and the BSE portal is restored for us, the company will ensure compliances regularly and in time.

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 on 28 March 2019 which consists of the following members:

Name of the Member	Designation
K N Narayanan	Chairman
M Narayanamurthi	Member
J Sharadha	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 on 28 March 2019 consisting of the following members:

Name of the Member	Designation
K N Narayanan	Chairman
M Narayanamurthi	Member
J Sharadha	Member

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

The following is the composition of the Corporate Social Responsibility Committee:

Name of the Member	Designation
K N Narayanan	Chairman
M Narayanamurthi	Member
J Sharadha	Member

SCOPE OF CSR POLICY

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

CSR POLICY IMPLEMENTATION

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

REASON FOR NOT SPENDING ON CSR ACTIVITIES

The Company is in the process of identifying 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.

AUDITORS

M/s. S.H. Bhandari & Co, Chartered Accountants, Chennai (Firm Registration No. 000438S) were appointed as Statutory Auditors of the Company at the 22nd Annual General Meeting to hold office until the conclusion of 27th Annual General Meeting subject to ratification of the appointment by the members at every Annual General Meeting of the Company. Accordingly, as the tenure of the statutory auditors comes to an end in the ensuing Annual General Meeting, it is proposed to seek approval of the shareholders for their appointment as the statutory auditors of the Company from the conclusion of the 27th Annual General Meeting till the conclusion of the 32nd Annual General Meeting, for a remuneration of ₹ 15,00,000 (Rupees Fifteen Lakhs only), in addition to the re-imbursement of applicable taxes and actual out of pocket and travelling expenses incurred in connection with the audit for the financial year 2019-20. Further, the Board of Directors are authorized to fix the remuneration of the Statutory auditors in the subsequent years.

The auditors have furnished their consent to continue to act as the statutory auditors, in terms of section 139 of the Act and have also provided a certificate to the effect that their appointment shall be in accordance with the conditions laid down and that they satisfy the criteria provided under Section 141 of the Act.

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 M/s R. Sridharan & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company.

The Secretarial Audit Report of the company and its material subsidiaries, RCI Power Limited and RCI Power (AP) Limited for the Financial Year 2018-19 is annexed to this report.

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 2018-19.

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:

(i) Percentage increase in the median remuneration of employees (NIL)

(ii) There were 4 permanent employees on the rolls of the company as on 31st March, 2019.

(iii) Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year 2018 - 19 is (24.54%)

(iv) Percentage increase/decrease in the remuneration of each director, Chief Financial Officer or manager in the financial year:

Name	Designation	% Increase / Decrease
M Narayanamurthi	Managing Director	NIL
R Ramakrishnan	Director	NIL
Vikram Mankal	Director	NIL
K N Narayanan	Director	NIL
J Sharadha	Director	NIL
A Sriram	Chief Financial officer	NIL

(V) i. Average percentile increase already made it the salaries of employees other than the managerial personnel in the last financial year NIL

ii. Percentile increase in the managerial remuneration NIL

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. BSE has delisted the company's shares for nonpayment of penalty. The company is in the process of getting the shares Re-listed.

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. The Directors further wishes to place on record their appreciation to all employees at all levels for their commitment and their contribution.

For and on behalf of the Board

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 30th May, 2019

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 2019 were ₹ 202.19 lakhs as against ₹ 202.08 lakhs in the previous year.

₹ in lakhs

Consolidated	**2018-19**	2017-18
Revenue	**202.19**	202.08
Employee benefit Expenses	**85.02**	43.81
Other Expenses	**463.91**	172.75
Finance Cost	**216.27**	201.96
Depreciation	**1.22**	1.06
Extraordinary items	**–**	10957.99
Other Comprehensive Income	**(15.86)**	13.17
Tax	**(23.68)**	63.94
Net Profit for the year	**(556.41)**	(11226.27)

NETWORTH: The Consolidated Net worth of the company as on 31st March 2019 is ₹ 4422.61 Lakhs as against ₹ 4979.03 lakhs as on 31st March, 2018.

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.

KEY FINANCIAL RATIOS:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2018, the company is required to give details of significant changes (Change of 25% or more as compared to the immediate previous financial year) in key-sector specific financial ratios

The company has identified the following ratios as Key Financial Ratios:

RATIOS	**2019**	2018
Debtors turnover (Avg days)	**727.63**	1393.81
Inventory turnover (times)	**924.70**	924.70
Current ratio (times)	**0.38**	0.61
Debt Equity ratio	**1.24**	1.25
Operating profit margin %	**(2.79)**	(1.08)
Net profit margin %	**(257.20)**	(5555.42)

Debtors turnover ratio is computed as average number of days of total sales. The debtors turnover ratio has improved due to better collection during the current year. There is no change in the inventory ratio. Current ratio is lower than last year to higher short term borrowings. Debt Equity Ratio is higher compared to last year due to lower networth on account current year losses. Operating profits margins has declined due to increase in expenditure and net profit margins have improved from last year due decrease in expenditure in the nature of exceptional items.

The detail of return on net worth is given below:

Return on net worth		
Particulars	**2019**	2018
Return on networth %	**(12.58)**	(225.47)

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019

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

I. REGISTRATION AND OTHER DETAILS:

Corporate Identification Number (CIN)	L45201TN1988PLC015521
Registration Date	25th March,1988
Name of the Company	PREMIER ENERGY AND INFRASTRUCTURE LIMITED
Category / Sub-Category of the Company	Company Limited by Shares/Indian Non-Government Company
Address of the Registered office and contact details	Ground Floor, Tangy Apartments, 34 Dr P V Cherian Road, Off Ethiraj Salai Chennai - 600 008 premierinfra@gmail.com www.premierenergy.in Ph: 044-28270031
Listed company (Yes / No)	Yes
Name, address and contact details of Registrar and transfer agent, if any	M/s. Cameo Corporation Services Limited "Subramaniam Building" No.1 Club House Road Anna Salai, Chennai-600002 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 are given below:-

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 226 Cathedral Road Chennai 600 086.	U45201TN1995PTC032770	SUBSIDIARY	50.10 %	2(87)
2.	M/s. RCI Power Limited Karunai Kudil, 1st Floor, 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 at beginning of the year (01 April 2018)				No. of Shares held at the end of the year (31 March 2019)				% Change during the year
		Demat	Physical	Total No. of Shares	% to Total No. of Shares	Demat	Physical	Total No. of Shares	% to Total No. of Shares	
(A)	**PROMOTERS AND PROMOTER GROUP**									
(1)	**INDIAN**									
(a)	Individuals / HUF*	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 :	–	–	–	–	–	–	–	–	–
	Sub-Total A(1):	**24562715**	**–**	**24562715**	**59.40**	**24562715**	**–**	**24562715**	**59.40**	**–**
(2)	**FOREIGN**									
(a)	NRIs- Individuals	–	–	–	–	–	–	–	–	–
(b)	Other -Individuals	–	–	–	–	–	–	–	–	–
(c)	Bodies Corporate	–	–	–	–	–	–	–	–	–
(d)	Banks / Financial Institutions	–	–	–	–	–	–	–	–	–
(e)	Any Other:	–	–	–	–	–	–	–	–	–
	Sub–Total A(2):	–	–	–	–	–	–	–	–	–
	Total Shareholding of Promoter and Promoter Group A = A(1)+A(2)	**24562715**	**–**	**24562715**	**59.40**	**24562715**	**–**	**24562715**	**59.40**	**–**
(B)	**PUBLIC SHAREHOLDING**									
(1)	**INSTITUTIONS**									
(a)	Mutual Funds / UTI	–	55900	55900	0.14	–	55900	55900	0.14	–
(b)	Banks / Financial Institutions	–	400	400	0.00	–	400	400	0.00	–
(c)	Central Government	–	–	–	–	–	–	–	–	–
(d)	State Government (s)	–	–	–	–	–	–	–	–	–
(e)	Venture Capital Funds	–	–	–	–	–	–	–	–	–
(f)	Insurance Companies	–	–	–	–	–	–	–	–	–
(g)	Foreign Institutional Investors	–	200	200	0.00	–	200	200	0.00	–
(h)	Foreign Venture Capital Investors	–	–	–	–	–	–	–	–	–
(i)	Any Other:	–	–	–	–	–	–	–	–	–
	- Multilateral Financial Institution	–	–	–	–	–	–	–	–	–
	- Foreign Corporate Bodies	–	–	–	–	–	–	–	–	–
	Sub-Total B(1):	**–**	**56500**	**56500**	**0.14**	**–**	**56500**	**56500**	**0.14**	**–**
(2)	**NON-INSTITUTIONS**									
(a)	Bodies Corporate	4109034	1558100	5667134	13.71	4109134	1558100	56677234	13.71	0.002
	(i) Indian	–				–				
	(ii) Overseas	–	–	–	–	–	–	–	–	–
(b)	Individuals	–				–				
	(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1059121	2053327	3112448	7.52	1062422	2051727	3114149	7.53	0.41
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6667064	793514	7460578	18.04	6667064	793514	7460578	18.04	0.00
(c)	Any Other:	–	–	–	–	–	–	–	–	–
	NON RESIDENT INDIANS	102981	200	103181	0.25	102981	200	103181	0.25	0.00
	Director and their relatives	500	–	500	0.00	–	–	–	0.00	–
	Hindu Undivided Families	387004	–	387004	0.94	385703	–	385703	0.94	–0.31
	Sub-Total B(2):	12325704	4405141	16730845	40.46	12327304	4403514	16730845	40.46	0.00
	Total Public shareholding = B(1) + B(2):	**12325704**	**4461641**	**16787345**	**40.60**	**12327304**	**4460041**	**16787345**	**40.60**	**0.00**
	Total (A+B):	36888419	4461641	41350060	100	36890019	4460041	41350060	100	0.00
(C)	**Shares held by custodians, for GDRs & ADRs**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	Sub-Total (C):	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	GRAND TOTAL (A+B+C):	**36888419**	**4461641**	**41350060**	**100**	**36890019**	**4460041**	**41350060**	**100**	**0.00**

(ii) Shareholding of Promoters :

S No.	Shareholder's Name	Shareholding as on the date of incorporation (01 April 2018)			Shareholding at the end of the year (31 March 2019)			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
	PROMOTERS							
1	SHRI HOUSING PRIVATE LIMITED	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	–	–
	Total	24562715	59.40	51.03	24562715	59.40	51.03	–

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

Sl. No.		Shareholding at the beginning of the year					Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reason	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 Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year			
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	FOLIO/DP_CL_ID	PAN
1	VAATA INFRA PRIVATE LIMITED						
	At the beginning of the year 01-Apr-2018	4000000	9.6735	4000000	9.6735	'IN30131321257166	AADCC3678E
	At the end of the Year 31-Mar-2019	4000000	9.6735	4000000	9.6735		
2	SITA SRINIVASAN						
	At the beginning of the year 01-Apr-2018	2553725	6.1758	2553725	6.1758	'IN30302859135459	AANPS3659J
	At the end of the Year 31-Mar-2019	2553725	6.1758	2553725	6.1758		
3	V R RAGHUNATHAN						
	At the beginning of the year 01-Apr-2018	1250000	3.0229	1250000	3.0229	'IN30002011453858	AADPR5357E
	At the end of the Year 31-Mar-2019	1250000	3.0229	1250000	3.0229		
4	VIJAYALAKSHMI R						
	At the beginning of the year 01-Apr-2018	972605	2.3521	972605	2.3521	'IN30131321248995	ADQPV3329L
	At the end of the Year 31-Mar-2019	972605	2.3521	972605	2.3521		
5	INDUSTRIAL VENTURE CAPITAL LTD						
	At the beginning of the year 01-Apr-2018	446400	1.0795	446400	1.0795	'I0000284	
	At the end of the Year 31-Mar-2019	446400	1.0795	446400	1.0795		

Sl No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year			
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	FOLIO/DP_CL_ID	PAN
6	YOGYA INVESTMENT AND FINANCES CO LTD						
	At the beginning of the year 01-Apr-2018	430400	1.0408	430400	1.0408	'00010374	AAACY0249G
	At the end of the Year 31-Mar-2019	430400	1.0408	430400	1.0408		
7	RAM GOPAL RAMGARHIA HUF						
	At the beginning of the year 01-Apr-2018	263774	0.6379	274324	0.6634	'1203450000691439	AAFHR8082N
	Purchase on 02- NOV-2018	10550	0.0255				
	At the end of the Year 31-Mar-2019	274324	0.6634	274324			
7	RAM GOPAL RAMGARHIA						
	At the beginning of the year 01-Apr-2018	10550	0.0255			'IN30210510561753	AAFHR8082N
	Sale on 02- NOV-2018	-10550	0.0255				
	At the end of the Year 31-Mar-2019	0	0				
8	MAMTA RAM GOPAL RAMGARHIA						
	At the beginning of the year 01-Apr-2018	208827	0.5050	289363	0.6997	'1203450000009698	ABDPR9857N
	Purchase on 02- NOV-2018	80536	0.1947				
	At the end of the Year 31-Mar-2019	289363	0.6997	289363			
8	MAMTA RAM GOPAL RAMGARHIA						
	At the beginning of the year 01-Apr-2018	80536	0.1947			'IN30210510455404	ADDPR9857N
	Sale on 02- NOV-2018	-80536					
	At the end of the Year 31-Mar-2019	0					
9	RAM GOPAL RAMGARHIA						
	At the beginning of the year 01-Apr-2018	173692	0.4200			'1203450000009679	ADGPR8048E
	Purchase on 07- DEC-2018	51550	0.1246				
	At the end of the Year 31-Mar-2019	225242	0.5447	225242	0.5447		
9	RAM GOPAL RAMGARHIA						
	At the beginning of the year 01-Apr-2018	51550	0.1246			'IN30210510560031	ADGPR8084E
	Sale on 07- DEC-2018	-51550					
	At the end of the Year 31-Mar-2019	0					
10	Sujit Ranjan Maity						
	At the beginning of the year 01-Apr-2018	213322	0.5158		0.5158	'1203450000145649	AENPM1192A
	At the end of the Year 31-Mar-2019	213322	0.5158	213322	0.5158		
10	Sujit Ranjan Maity						
	At the beginning of the year 01-Apr-2018	10606	0.2560		0.0256	'IN30290241257375	AENPM1192A
	At the end of the Year 31-Mar-2019		10606	0.2560	10606	0.0256	

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year					Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	Date	Increase / Decrease in Shareholding	Reason	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 :

₹ in lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	888.34	793.19	–	1681.53
ii) Interest due but not paid	463.49	8.90	–	472.39
iii) Interest accrued but not due	10.69	1.16	–	11.85
Total (i + ii + iii)	1362.52	803.25	–	2165.77
Change in Indebtedness during the financial year				
Addition (Principal)				
Addition (Interest)	199.92	15.78	–	215.70
Reduction (Principal)	–	(136.97)	–	(136.97)
Reduction (Interest)	–	(13.87)	–	(13.87)
Net Change	199.92	(135.06)	–	64.86
Indebtedness at the end of the financial year				
i) Principal Amount	888.34	656.22	–	1544.56
ii) Interest due but not paid	661.94	11.32	–	673.26
Interest accrued but not due	12.16	0.64	–	12.80
Total(i+ii+iii)	1562.44	668.18	–	2230.62

VI. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL

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

₹ 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
3.	Sweat Equity		Nil
4.	Commission - as % of profit - others,specify…		Nil
5.	Others, please specify	Nil	Nil
	Total(A)	2.40	2.40

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration	Mr. R Ramakrishnan	Mr. K N Narayanan	Mr. Vikram Mankal	Ms J Sharadha	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	NIL

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

Sl.No.	Particulars of Remuneration	Chief Financial 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	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
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

AOC - 1

(Pursuant to first proviso to subsection (3) of Section 120 read with rule 5 of the Companies (Accounts) Rules, 2014

Statement containing sailent features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

Part " A " Subsidiaries

(information in respect of each subsidiary to be presented with amounts in ₹)

	Name of Subsidiaries			
	RCI Power Ltd	**RCI Power (AP) Ltd**	**RCI Power 30 MW Pvt Ltd**	**RCI Power 50 MW Pvt Ltd**
Reporting Period of the Subsidiary	31.03.19	31.03.19	31.03.19	31.03.19
% of Shareholding	100%	100%	100%	1 00%
Reporting currency and Exchange rate on the last date of relavent Financial Year in the case of foreing subsidiaries	Not a Foreign Subsidiary	Not a Foreign Subsidiary	Not a Foreign Subsidiary	Not a Foreign Subsidiary
Share Capital	150,000,000	500,000	100,000	100000
Reserves and Surplus	518,202,990	85,652,674	(357,304)	(260,111)
Other Liabilities	41,059,428	6,791,932	257,304	(260,111)
Total Equity and Liabilities	709,262,418	92,944,606	–	–
Total Assets	709,262,418	92,944,606	–	–
Investments (Excl Investment in subsidiaries)	–	–	–	–
For the Year ended 31st March, 2019				
Turnover	16,980,000	3,222,262	–	–
Profit / (Loss) Before Taxation	15,658,172	2,535,396	(33,106)	(30,606)
Provision for Taxation	3,107,808	359,770	–	–
Proti / (Loss after Taxation)	12,550,364	2,175,626	(33,106)	(30,606)
Proposed Dividend	Nil	Nil	Nil	Nil

Part "B" Assocites and Joint Ventures

Statement pursuant to Section 129(3) of The Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	NIL
Latest audited Balance sheet Date	NA
Date on which associatee or Joint Venute was associated or acquired	NA
Shares of Associate / Joint Venture was associated or acquired	NA
No of shares	NA
Extent of Holding %	NA
Description of how there is significant influence	NA
Reason why the associate / joint venture is not consolidated	NA
Net worth attributable to shareholding as per latesst audited Balance Sheet	NA
Profit . Loss for the year	NA
- considered in consolidation	NA
- Not considered in consolidation	NA

1. Names of associatesw or joint ventures which are yet co commence operations
2. Names of associates or joint ventures which have beenb liquidated or sold during the year.

Note: this Form is to be certified in the same manner in which the Balance Sheet is to be certified.

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014] and Regulation 24 A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

To,

The Members,
PREMIER ENERGY AND INFRASTRUCTURE LIMITED
Tangy Apartments, Ground Floor,
34, Dr. P.V. Cherian Road of Ethiraj Salai,
Egmore, Chennai - 600008.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 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;

(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) The Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under FEMA and hence, the requirement of complying with the provisions of Foreign Exchange Management Act, 1999 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;

c) 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 & Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018;

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) The Company has not issued any debentures during the period under review, and hence the requirement of compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities does not arise;

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) The Company has not delisted its Securities from the Stock Exchange in which it is listed during the period under review, hence the requirement of complying with the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 does not arise; However the *trading in the equity shares of the Company was suspended in BSE Limited vide LIST/COMP/SCN/533100/112/2018-19 dated 26.04.2018*; and

h) The Company has not bought back any shares during the period under review, hence the requirement of compliance with the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India

(Buyback of Securities) Regulations, 2018 does not arise;

(vi) As identified by the Management, no specific laws/ acts are applicable to the company. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial auditor, tax auditor 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 with BSE Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 a Woman Director pursuant to Section 149 (1) of the Companies Act, 2013. However as per the information and explanations provided by the Company, the Company has appointed Ms. Gunti Sharadha as Additional and Independent Director of the Company with effect from 28th March, 2019. The Company could not file the form relating to her appointment with ROC on account of non filing of INC 22A (Active Form).*

2. *The Company has not filed form MGT-14 with Ministry of Corporate Affairs(MCA) for the appointment of Secretarial Auditor and approval of Board's Report for the financial year ended 31st March, 2018.*

3. *The company has not appointed internal auditor for the Financial Year 2018-19 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.*

5. *The Company does not have one-third of a total number of directors as independent directors in the Board pursuant to Section 149(6) of the Companies Act, 2013. Consequent to which, the Company has not re-constituted Audit Committee and Nomination Remuneration Committee under the Companies Act, 2013. However as per the information and explanations provided by the Company, the Company has appointed Ms. Gunti Sharadha as Additional and Independent Director of the Company with effect from 28th March, 2019. Further to which the Company has re-constituted the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee on 28th March, 2019.*

6. *The Company has not formulated any CSR Policy, as required under the provisions of Section 135 of the Companies Act, 2013.*

7. *As per the information available in the MCA portal Mr. Narayanamurthi, Managing Director, of this company has been disqualified under Section 164(2) of the Companies Act, 2013. Hence Mr. Narayanamurthi who was appointed as Managing Director for thee years with effect from 30th November 2017, cannot be reappointed in this Company on/after 12th November 2020.*

8. *As per the information available in the MCA portal Mr. Vikram Mankal, Director of this company has been disqualified under Section 164(2) of the Companies Act, 2013. Further as per the information and explanations provided by the company and also the records made available, Mr. Vikram Mankal has resigned from the Company with effect from 20th March, 2019.*

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

i. *The trading in the equity shares of the Company was suspended in BSE Limited vide LIST/COMP/ SCN/533100/112/2018-19 dated 26.04.2018 on account of non-payment of penalty imposed on the company for delayed compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence the Company could not submit documents on the BSE website with respect to various Stock Exchange Compliances.*

ii. *The company has filed documents belatedly through offline mode which is beyond the due dates as prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

iii. *The Company has published newspaper advertisements beyond the prescribed time limits specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

iv. *The Company has received a letter from BSE vide letter no LIST/COMP/CT/14/2019-20 dated 13th March 2019 with respect to payment of SOP fines. The Company is directed to pay an amount of Rs 81,63,830/- on or before June 30, 2019 failing which the delisting of the company will continue.*

v. *The Company does not have one-third of a total number of directors as independent directors. Consequent to which the Company did not re-constitute Committees that are mandatory and did not hold any Committee meetings for the financial year ended 31st March, 2019.*

vi. *The Company has not appointed any Independent Director in the board of RCI Power Limited and RCI Power (AP) Limited which are material subsidiaries as per Regulation 24(1) of SEBI*

(Listing Obligations and Disclosure Requirements) Regulations 2015.

vii. *The company has not Submitted Annual Secretarial Compliance Report for the financial year ended 31.03.2019*

We further report that

As per the information and explanations provided by the Company and also the records made available, the Board of Directors of the Company is constituted with proper balance of Executive Director and Independent Directors. There are changes in the composition of the Board of Directors during the period under review.

Notice is generally given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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 and no members dissented on the decisions taken at such Board Meetings.

We further report that there are adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines. However the Compliance report were not submitted to the Board.

We further report that the above mentioned Company being a Listed entity, this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanations provided by the Management, the Company has a Material Unlisted Subsidiaries, viz. RCI Power Limited, and RCI Power (AP) Limited Incorporated in India as defined in Regulation 16(1)(c) and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that there were no specific events having major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines and standards during the period under review.

For R. Sridharan & Associates
Company Secretaries

CS R. Sridharan
Place : Chennai **CP No. 3239 FCS No. 4775**
Date : 30th May, 2019 **UIN: S2003TN063400**

*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
Tangy Apartments, Ground Floor,
34, Dr. P.V. Cherian Road of Ethiraj Salai,
Egmore, Chennai - 600008.

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

For R. Sridharan & Associates
Company Secretaries

CS R. Sridharan
Place : Chennai **CP No. 3239 FCS No. 4775**
Date : 30th May, 2019 **UIN: S2003TN063400**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To,

The Members,
PREMIER ENERGY AND INFRASTRUCTURE LIMITED
CIN: L45201TN1988PLC015521
Tangy Apartments, "A" Block, New No.6/1,
Old No. 34/1. Dr. P V Cherian Cresent Road,
Egmore, Chennai - 600008.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PREMIER ENERGY AND INFRASTRUCTURE Limited having CIN L45201TN1988PLC015521 and having registered office at Ground Floor, Tangy Apartments, 34, Dr. PV Cherian Road, Off. Ethiraj Salai,Egmore, Chennai-600008 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority except Mr. Narayana Murthi (DIN 00332455) who has been debarred/disqualified by the Ministry of Corporate Affairs under section 164(2) of the Companies Act, 2013.

S.No.	Name of the Director	DIN	Disqualified	Date of Appointment in Company
1.	Kytharam Narayanaiyer Narayanan	01543391	No	03/06/2009
2.	M Narayana Murthi	00332455	Yes	13/11/2015
3.	J Sharadha	08398179	No	28/03/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. 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.

For R. Sridharan & Associates
Company Secretaries

CS R. Sridharan
CP No. 3239 FCS No. 4775
UIN: S2003TN063400

Place : Chennai
Date : 30th May, 2019

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

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

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

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

Premier Energy & Infrastructure Limited ("PEIL") 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 3 (Three) members as at 31st March, 2019 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	0
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 31st March, 2019 are given below:

S. No.	Name of Director	Category	Number of Directorships / (Chairmanships) in Companies including PEIL	Number of Committee / Membership (Chairmanship) in Companies in PEIL	Name of the Listed Entry	Category of Directorships
1	Mr. Narayanamurthi	Managing Director	1	2	NIL	NIL
2	Mr. R Ramakrishnan [1]	Non Executive - Independent Director	10	0	NIL	NIL
3	Mr. Vikram Mankal [2]	Non Executive Director	2	0	NIL	NIL
4	Mr. K N Narayanan	Non Executive - Independent Director	2	2(2)	NIL	NIL
5	Ms. J Sharadha [3]	Non Executive - Independent Director	4	2	NIL	NIL

1. Resigned as director with effect from 01 July 2018
2. Resigned as director with effect from 28 March 2019
3. Appointed as director with effect from 28 March 2019

Notes:

Non Executive ("NE"), Executive ("E"), Non Independent ("NI") and Independent ("I")

Notes:

1. Excluding Alternate Directorships and Directorships in Foreign companies, Private companies and Section 8 companies.
2. Only membership in Audit Committee and Stakeholders' Relationship Committee in Public Limited Companies whether listed or not, have been reckoned for committee memberships.
3. None of the Independent Directors on the Board is an Independent Director in more than seven Listed Companies as required under Regulation 25 (1) of LODR Regulations.

Changes in the Board during the year

During the year 2018-19, Mr R Ramakrishnan resigned from the Board w.e.f.01.07.2018, Mr. Vikram Mankal resigned from the board w.e.f 28.03.2019 and Ms. J Sharadha was inducted to the Board on 28.03.2019.

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 Five (5) times during the financial year ended 31st March, 2019 on 30.05.2018, 13.08.2018, 14.11.2018, 14.02.2019 and 28.03.2019. 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 28th March, 2019 without the attendance of non-independent directors and members of the management as required under Regulation 25(3) of SEBI (LODR) Regulations 2015 and Schedule IV of the Act to discuss the matters specified therein.

In line with the amendments to the Companies Act, 2013 and Listing Regulations, the Company had reviewed the following existing policies which were duly amended by the Board.

- Policy on dealing with Related Parties and materiality of related party transactions
- Code of Conduct for Directors and Senior Management
- Remuneration Policy
- Whistle Blower Policy
- Criteria for senior management
- Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

Details of Board members as on 31st March, 2019 and Attendance at Board & General Meetings

Sl. No.	Date	Board Strength	No. of Directors Present
1	30/05/2018	4	3
2	13/08/2018	3	3
3	14/11/2018	3	3
4	14/02/2019	3	3
5	28/03/2019	3	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	5	5	Yes
2.	Mr. R Ramakrishnan [1]	1	-	No
2.	Mr. Vikram Mankal [2]	4	4	Yes
3.	Mr. K N Narayanan	5	5	Yes
4.	Ms. J Gunti Sharadha [3]	1	1	No

1. Resigned as director with effect from 01 July 2018
2. Resigned as director with effect from 28 March 2019
3. Appointed as director with effect from 28 March 2019

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.

Key Board qualifications, expertise and attributes

The Company is a Energy based company and hence presence of technical expertise in engineering and technology in the Board to guide the Company in its operations and strategy assumes significance. In addition the need for experts on the Board in the fields of banking, foreign affairs, management, legal and compliance is also considered significant for the sustainable growth of the Company. Considering the nature of the business the Company operates in , the Board is required to possess various skills/expertise in the field of technology, engineering, foreign affairs, finance, banking, legal and compliance and management. The Directors are nominated to the Board based on their qualification and experience in order to maintain a healthy balance of diversified experts on the Board.

A chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board is given below:

Key Skills & competencies	Description
Financial	Leadership positions or qualifications providing proficiency in understanding financial management, capital allocation, financial reporting process, audit processes, internal controls etc.
Legal and compliance	Qualifications or experience in handling corporate legal functions of an enterprise or being part of a legal firm advising on inorganic growth through acquisitions, combinations, ability to asses build or purchase decisions, proficient in corporate laws, IP laws, Anti trust laws to advise operational matters as well as updated with the compliance requirements of the Company in the sector and industry it operates.
Board positions / Governance	Directorship positions in public companies and other corporate and an insight into Board processes, structures, committee constitutions, protecting stakeholder interests, observing appropriate governance practices.
Marketing	Experience in guiding strategies for sales growth, market share growth, builds brand awareness and enhance enterprise reputation.
Management	Leadership positions in enterprises by virtue of which has requisite experience in management skills across various functions of the company.

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 one independent non executive Directors and Two Non-Independent Non Executive Directors. 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 29th September, 2018.

Brief Description of the Terms of Reference

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval;
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
6. Discussion with internal auditors any significant findings and follow up thereon;
7. Reviewing with the management, the statement of uses/ application of funds raised through an issue, the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary including appointment of Registered Valuers;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management and monitoring the auditor's independence and performance and effectiveness of audit process;
13. Reviewing with the management, performance of statutory auditors and internal auditors, adequacy of the internal control systems & effectiveness of the audit process;
14. Reviewing the adequacy of internal audit function, if any, including structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up thereon;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board; and
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well post audit discussion to ascertain any area of concern.

Mandatorily review the following:

1. Management discussion and analysis of financial condition and results of operations. Statement of significant related party transactions (as defined by the audit committee), submitted by management.
2. Management letters / letters of internal control weaknesses issued by the statutory auditors.
3. Internal audit reports relating to internal control weaknesses.
4. Appointment, removal and terms of remuneration of the Chief Internal auditor shall be subject to review by the Audit Committee.
5. Review the financial statements, in particular, the investments made by the unlisted subsidiary company.
6. To review functioning of whistle blower mechanism and oversee the vigil mechanism of the Company.
7. Recommend the appointment of Chief Financial Officer after assessing the qualifications, experience, background etc. of candidate.
8. Review of compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year.
9. Verify that the systems for internal control as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively.
10. Review the Statement of Deviation if any.

11. To review the utilization of loans and/ or advances from/investment in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments
12. Any other functions as per the terms of reference as may be required by law from time to time.

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, 2019 viz. on 30.05.2018, 13.08.2018, 14.11.2018 and 14.02.2019 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 [1]	Member	–
Mr. M Narayanamurthi	Member	4
Mr. Vikram Mankal [2]	Member	4
Ms. J Sharadha [3]	Member	–

1. Resigned as director with effect from 01 July 2018
2. Resigned as director with effect from 28 March 2019
3. Appointed as director with effect from 28 March 2019

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.

Brief description of Terms of Reference

- Formulation of shareholders servicing plans and policies in line with the Company's Corporate Governance plans and policies and develop the standards therefor.
- Monitoring and reviewing the mechanism of share transfers, dematerialisation process, sub- divisions, consolidations, issue of duplicate certificates etc. and to determine and set standards for processing of the same.
- Monitoring and reviewing the mechanism of share transfers, dematerialisation process, sub- divisions, consolidations, issue of duplicate certificates etc. and to determine and set standards for processing of the same.
- Determining the standards for resolution of shareholders grievance.
- Resolving the grievances of the security holders of the listed entity.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the RTA.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.
- To investigate any activity within its terms of reference.

Composition & Meetings

a) One Committee meeting was held on 28.03.2019 during the financial year 2018-2019.

b) 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	1
Mr. R Ramakrishnan	Member	–
Mr. M Narayanamurthi	Member	1
Mr. Vikram Mandal	Member	1
Ms J Sharadha	Member	1

c) Details of number of complaints received during the year and Status of Investor Complaints as on March 31, 2019 and reported to BSE Ltd. Under Regulation 13 of the Listing Regulations are as follows:

Complaints' as on April 1, 2018	Nil
Received during the year	Nil
Resolved during the year	NA
Pending as on March 31, 2019	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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- 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 of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- To decide whether to extend or continue the term of appointment of Independent Director on the basis of the report of performance evaluation of Independent Directors.

Composition & Meetings

a. Three Committee meetings were held during the financial year 2018-2019 viz., on 30th May, 2018; 14th November, 2018 and 28th March 2019.

b. 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	3
R Ramakrishnan *	Member	–
M Narayanamurthi	Member	3
J Sharadha	Member	1

*Resigned on 01.07.2018

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 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 2018-19

Directors	Remuneration during the year ended 31st March, 2019 (Salary & Perks) (₹ in Lakhs)	Sitting Fees (₹ in Lakhs)	Commission (paid during the year and pertains to previous financial year)	Business Relationship with the Company, if any	Severence / Notice period
M Narayanamurthi	2.40	–	–	–	–
K N Narayanan	–	–	–	–	–
R Ramakrishnan					
Vikram Mankal	–	–	–	–	–
Gunti Sharadha					

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 Committee formulated a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013

The following is the composition of the Corporate Social Responsibility Committee.

1. Mr. K.N. Narayanan - Chairman
2. Mr. R Ramakrishnan - Member *
3. Mr. M Narayanamurthi - Member
4. Mr. Vikram Mankal - Member **
5. Ms. J Sharadha - Member ***

* Resigned on 01.07.2018

** Resigned on 28.03.2019

*** Inducted on 28.03.2019

Brief Description of the Terms of reference

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken as specified in schedule VII of Companies Act, 2013.
- To recommend the amount of expenditure to be incurred on the CSR activities.
- To monitor the CSR Policy of the Company from time to time
- To prepare a transparent monitoring mechanism for ensuring implementation of the projects/programmes/ activities proposed to be undertaken by the Company and to do all such acts, deeds and things as may be required in connection with the CSR activities.

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 28th March, 2019 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 are uploaded in the website of the Company. http://www.premierenergy.in/policies.html

Details of Shareholding of Directors as on 31st March, 2019

Nil

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 March 31st	Venue	Day and Date	Time
2018	Bharathiya Vidhya Bhavan (Mini Hall - I Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004	Saturday, the 29th September, 2018	11 A.M.
2017	Bharathiya Vidhya Bhavan (Mini Hall - I Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004	Thursday, the 28th September, 2017	11 A.M.
2016	Bharathiya Vidhya Bhavan (Mini Hall - I Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004	Thursday, the 10th November, 2016	11 A.M.

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

Date of AGM	Whether any Special Resolution was passed	Particulars
29.09.2018	No	Nil
28.09.2017	No	Nil
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.

Postal Ballot:

- No special resolution was passed through postal ballot during the last financial year.
- There is no immediate proposal for passing any special resolution through postal ballot.

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, 2019.

Prevention of Insider Trading

The Company has framed a code of conduct for prevention of insider trading based on SEBI (Insider Trading) Regulations, 2015 as amended with a view to regulate trading in securities by the Directors and designated employees of the Company. 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. During the year, the Board had reviewed the Code of Conduct for Prevention of Insider Trading in line with the amendments made to the Regulations by SEBI in January 2019. The Board has also formulated a policy containing procedures for conduct of inquiry in case of leakage of UPSI or suspected leakage of UPSI as a part of the Code. The Board had also reviewed the Company's Code for practices and procedures for fair disclosure of unpublished price sensitive information and had also framed a policy for determination of 'legitimate purposes' as a part of this Code. The Company Secretary is responsible for implementation of the Code. The Company has in place an online system for monitoring the compliance of the Code by its designated employees.

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.28 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.

Commodity price risk or foreign exchange risks and hedging activities

Exposure of the listed entity to commodity and commodity risks faced by the entity throughout the year:

a. Total exposure of the listed entity to commodities is NIL

b. Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
NA							

c. Commodity risks faced by the listed entity during the year and how they have been managed - Not applicable since there are no commodity trading.

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

A certificate from Practising Company Secretary on Corporate Governance is annexed.

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON THE DIRECTOR'S DISQUALIFICATION

A certificate from Practising Company Secretary on the Director's Disqualification by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority is annexed as part of this report.

- **There were no funds raised through preferential allotment or qualified institutional placement as specified under Regulation 37(2A) during the year.**

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, 2019. The certificate of compliance with the conditions of corporate governance as stipulated in Regulation 34(3) of the Listing Regulations forms part of the Annual Report.

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

Means of Communication

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

The website contains basic information about the company, news releases, presentations made to investors and such other details as are required under the listing regulations. The company ensures periodical updation of its website. The company has designated the email-id premierinfra@gmail.com 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

Regulation	Particulars of Regulation	Compliance Status (Yes/No/NA)
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.

GENERAL SHAREHOLDER INFORMATION

Registered Office

Ground Floor, Tangy Apartments, 34 DR P V Cherian Road,
Off Ethiraj Salai, Egmore, Chennai 600 086.

Corporate Identification Number (CIN) : L45201TN1988PLC015521

Annual General Meeting:

(i) Date, time and Venue: 30th September, 2019, Monday, 10.15 AM.,
Bharathiya Vidhya Bhavan (Mini Hall - 2nd Floor) 18,20,22, East Mada Street, Mylapore, Chennai - 600 004.

(ii) Financial Year: 1st April, 2018 to 31st March, 2019.

(iii) Date of Book Closure: Monday, 23rd September, 2019 to Monday, 30th September, 2019 (both days inclusive)

(iv) Listing

The Company's shares are listed in BSE Limited

Address: 25th 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, 2019 on the BSE Ltd, where your Company's shares are frequently traded vis-à-vis the Share Index, are given below:

	BSC PRICE	
Month	**High Price (₹)**	**Low Price (₹)**
Apr-18	No Trade	No Trade
May-18	No Trade	No Trade
Jun-18	No Trade	No Trade
Jul-18	No Trade	No Trade
Aug-18	No Trade	No Trade
Sep-18	No Trade	No Trade
Oct-18	No Trade	No Trade
Nov-18	No Trade	No Trade
Dec-18	No Trade	No Trade
Jan-19	No Trade	No Trade
Feb-19	No Trade	No Trade
Mar-19	No Trade	No Trade

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc.

The Company has been delisted from BSE Limited, hence comparison in Performance from broad-based indices such as BSE Sensex, CRISIL index etc does not arise.

(vii) Registrars and Share Transfer Agents

The Members are requested to correspond to the Company's Registrars & Share Transfer Agents -
M/s. Cameo Corporate Services Limited
Subramanian Building, V Floor, No. 1, Club House Road
Chennai 600 002. India
Tel: (91 44) 2846 0390
Fax: (91 44) 2846 0129
Email: cameo@cameoindia.com; investor@cameoindia.com
Website: www.cameoindia.com
Contact Person: Mr. 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, 2019

(a) Distribution of shareholding as on 31 March, 2019

Category (Amount)	No. of Cases	% of Cases	Total Shares	% of Amount
1 - 100	5728	52.66	508914	1.23
101 - 500	4144	38.10	1106605	2.68
500 - 1000	578	5.31	464003	1.12
1001 - 2000	187	1.72	283638	0.69
2001 - 3000	58	0.53	148782	0.36
3001 - 4000	28	0.26	100037	0.24
4001 - 5000	35	0.32	166148	0.40
5001 - 10000	53	0.49	388816	0.94
10001 & Above	87	0.61	38182117	92.34
Total	10878	100	41350060	100.00

(b) Shareholding pattern as on 31 March, 2019

Client Type	No of Holders	Total Positions	% of Holdings
Promoters	3	24562715	59.40
Residents	10726	10574727	25.57
Directors	–	–	–
Mutual Funds	3	55900	0.14
FI / Banks	3	400	–
Foreign Institutional Investors	2	200	–
NRI - Non Repatriable	4	92877	0.22
NRI - Repatriable	5	10304	0.02
Corporate Body	83	5667234	13.71
HUF	49	385703	0.94
TOTAL	10878	41350060	100

* Shareholders with two folios clubbed together

(c) Capital of the Company

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

(ix) Dematerialisation of shares and liquidity

CATEGORY	NO.OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
PHYSICAL	9276	4460041	10.79
NSDL	1187	34815312	84.19
CDSL	638	2074707	5.02
TOTAL	11101	41350060	100.00

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
Ground Floor, Tangy Apartments, 34 Dr P V Cherian Road,
Off Ethiraj Salai, Egmore, Chennai - 600 008.
Tel: (91 44) 28270041
Fax: (91 44) 28270041
Email: premierinfra@gmail.com
Website: www.premierenergy.in

On behalf of the Board

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 30th May, 2019

DECLARATION ON CODE OF CONDUCT

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

It is further confirmed that all the Directors and senior management personnel of the Company have affirmed compliance with the code of conduct of the Company for the year ended 31st March, 2019, as envisaged in Part D of Schedule V to the Listing Regulations.

M. NARAYANAMURTHI
(DIN: 00332455)
Managing Director

Place : Chennai
Date : 30th May, 2019

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members of Premier Energy and Infrastructure Limited

We have examined all relevant records of Premier Energy and Infrastructure Limited, (CIN: L45201TN1988PLC015521) having its Registered Office at Tangy Apartments, Ground Floor, 34, Dr. P.V. Cherian Road of Ethiraj Salai, Egmore, Chennai - 600008 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 31st March, 2019, except to the extent as mentioned below with regard to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

i. *The trading in the equity shares of the Company was suspended in BSE Limited vide LIST/COMP/SCN/533100/112/2018-19 dated 26.04.2018 on account of non-payment of penalty imposed on the company for delayed compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence the Company could not submit documents on the BSE website with respect to various Stock Exchange Compliances.*

ii. *The Company does not have one-third of a total number of directors as independent directors. Consequent to which the Company did not re-constitute Committees that are mandatory and did not hold any Committee meetings for the financial year ended 31st March, 2019. However as per the information and explanations provided by the Company, the Company has appointed Ms. Gunti Sharadha as Additional and Independent Director of the Company with effect from 28th March, 2019.Further to which the Company has re-constituted the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee on 28th March, 2019.*

iii. *The Company has not appointed any independent Director in the board of RCI Power Limited and RCI (AP) Limited which are material subsidiaries as per Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.*

iv. *The Company has not submitted Annual Secretarial Compliance Report for the financial year ended 31.03.2019.*

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, 2019.

For R. Sridharan & Associates
Company Secretaries

CS R. Sridharan
FCS No. 4775
CP No. 3239
UIN : S2003TN063400

Place: Chennai
Date : 30th May, 2019

Standalone Financial Statements

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

Report on the Audit of the Standalone IndAS Financial Statements

Qualified Opinion

We have audited the Standalone IndAS financial statements of **Premier Energy and Infrastructure Limited** ("the Company"), which comprise the Balance sheet as at 31st March 2019, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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 section of our report, 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, 2019, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. Company is subject to interest liability on unpaid direct tax dues, the same has neither been provided or quantified. The company has not filed returns under Goods and Service Act since its introduction and has not filed TDS Returns as required under Income Tax Act, 1961, since the financial year 2015-16. In addition to the above, the company has not complied with certain provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as highlighted by the secretarial auditor in their report dated 30th May, 2019. The penal charges and fines in view of the same are unascertainable at this point of time.
2. Note 9 to the standalone financial statements regarding unconfirmed/un-reconciled balances of long standing trade receivables of ₹ 6,64,03,246, Note 6 regarding advances of ₹ 1,35,14,706 and Note 15 regarding trade payables of ₹ 7,54,48,447. Out of the above, trade receivables of ₹ 6,64,03,246 advances of ₹ 1,35,00,000 and trade payables of ₹ 5,53,56,626 are due over 48 months.

Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amounts and as these are outstanding for more than 48 months, we are unable to comment on the recoverability of the same. No provision with respect to the same is made in the books of accounts as explained in the Note 6, 9 & 15 of standalone financial Statements.

Material Uncertainty Related to Going Concern

We draw attention to note no. 32 of the standalone financial statements, which indicates that the company's current liabilities exceeds its current assets by ₹ 2,437 Lakhs. These conditions indicate that a material uncertainty exists that may cast a significant doubt on the company's ability as going concern. However, the Ind As financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Emphasis of Matter

Without qualifying our opinion, we draw attention to (i) Note 33 in the Notes to the Standalone Ind AS financial statements regarding the penalties levied by the Bombay Stock Exchange for non-compliance of certain listing obligations and (ii) Note 23.2 in the Notes to the Standalone Ind AS financial statements regarding the amount of ₹ 2,16,21,626 receivable from Leitner Sriram Manufacturing Limited has been written off as bad debts since the company is not functioning.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31st March 2019. These matters were addressed in the context of our audit of consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If, we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

(a) We have sought and except for the possible effect of the matter described in the Basis for Qualified opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) Except for the effects of the matter described in the Basis of Qualified Opinion section above, 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 (including other comprehensive income), the Cash Flow Statement and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) Except for the effects of the matter described in the Basis of Qualified Opinion section above, In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act other than the following

    i. As per the information available in the MCA portal Mr. Narayanmurthi, Managing Director, of the company has been disqualified under Section 164(2) of the Companies Ac, 2013. Hence Mr. Narayanmurthi, who was appointed as Managing Director for three years with effect from 30tth Nov 2017, cannot be reappointed in this Company on/after 12th November 2020.

    ii. As per the information available in the MCA portal Mr. Vikram Mankal, Director of this company has been disqualified under Section 164(2) of the Companies Act, 2013. Further as per the information and explanation provided by the Company and also the records made available, Mr. Vikram Mankal has resigned from the company with effect from 20th March, 2019.

(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".

(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 has disclosed the impact of pending litigations on its standalone financial position in the standalone Ind AS financial statements - Refer Note No. 29 to the standalone Ind AS financial statements

    ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

    iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

SREEDHAR SREEKAKULAM
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

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 and Infrastructure Limited on the standalone Ind AS financial statements for the year ended 31st March 2019, 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. 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, the company does not hold any immovable property.

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 no new loans during the year. In respect of loans granted in earlier years :-

a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, prejudicial to the Company's interest as the loan has exceeded the subsidiary's net worth as at 31 March 2019 based on the last available audited 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 the absence of stipulations regarding payment of interest/principal and though provisioning is made by the management, in our opinion, the loan is prima facie, prejudicial to the Company's interest.

b. There are no terms and conditions stipulating the repayment of principal and/or payment of interest. During the year there has not been any repayment towards the existing outstanding.

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. The company has not taken reasonable steps to recover the amount outstanding. Further, due to doubtful nature of recovery of the outstanding, the company has made a provision for doubtful advance of the entire outstanding balance.

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.

vi. In our opinion and according to the information given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under section 148 of the Companies Act, 2013 are not applicable to the company for the year 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 ₹ 1,84,41,731, Professional Tax of ₹ 82,447, Income Tax of ₹ 5,91,52,302 and Tax Deducted at Source payable ₹ 32,36,656 which were in arrears as at 31st March, 2019 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 ₹	Due Date	Date of Payment	Amount in ₹	Due Date	Date of Payment
4,97,000	10.12.15	Not Paid	8,33,000	10.08.17	Not Paid
8,33,000	10.01.16	Not Paid	8,33,000	10.09.17	Not Paid
8,33,000	10.02.16	Not Paid	8,33,000	10.10.17	Not Paid
8,33,000	10.03.16	Not Paid	8,33,000	10.11.17	Not Paid
8,33,000	10.04.16	Not Paid	8,33,000	10.12.17	Not Paid
8,33,000	10.05.16	Not Paid	8,33,000	10.01.18	Not Paid
8,33,000	10.06.16	Not Paid	8,33,000	10.02.18	Not Paid
8,33,000	10.07.16	Not Paid	8,33,000	10.03.18	Not Paid
8,33,000	10.08.16	Not Paid	8,33,000	10.04.18	Not Paid
8,33,000	10.09.16	Not Paid	8,33,000	10.05.18	Not Paid
8,33,000	10.10.16	Not Paid	8,33,000	10.06.18	Not Paid
8,33,000	10.11.16	Not Paid	8,33,000	10.07.18	Not Paid
8,33,000	10.12.16	Not Paid	8,33,000	10.08.18	Not Paid
8,33,000	10.01.17	Not Paid	8,33,000	10.09.18	Not Paid
8,33,000	10.02.17	Not Paid	8,33,000	10.10.18	Not Paid
8,33,000	10.03.17	Not Paid	8,33,000	10.12.18	Not Paid
8,33,000	10.04.17	Not Paid	8,33,000	10.01.19	Not Paid
8,33,000	10.05.17	Not Paid	8,33,000	10.02.19	Not Paid
8,33,000	10.06.17	Not Paid	8,33,000	10.03.19	Not Paid
8,33,000	10.07.17	Not Paid			

India bulls Housing Finance Limited		
Amount in ₹	Due Date	Date of Payment
5,84,836	05.03.19	Not Paid

ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of paragraph 3 (ix) of the Order are not applicable to the Company.

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 Indian 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. Accordingly, paragraph 3(xv) of the order is not applicable to the company.

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 : 30th May, 2019

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 and Infrastructure Limited on the standalone Ind AS financial statements for the year ended 31st March, 2019.

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, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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 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 with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at March 31, 2019 in respect of provisioning of overdue receivables and provisioning of advances outstanding for a period of more than 48 months, which could potentially result in the Company not recognizing a provision for the said receivables and advances and non-provisioning of penalties which are likely to arise due to non-compliances of various statutes.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, 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, the Company has, in all material respects, maintained internal financial controls with reference to financial statements as of March 31, 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as of March 31, 2019.

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 March 31,2019 standalone financial statements of the Company, and the material weakness affects our opinion on the Standalone financial statements of the Company.

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

SREEDHAR SREEKAKULAM
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

Standalone Balance sheet as at 31st March, 2019

All amounts are in ₹ unless otherwise stated

Particulars	Note No.	**As at March 31, 2019**	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	**32,589**	154,173
(b) Deferred tax asset		**–**	–
(c) Financial Assets			
(i) Investments			
a) Investments in Subsidiaries	5.1	**687,868,768**	687,868,768
b) Other Investments	5.2	**1**	1
(ii) Loans	6	**13,514,706**	15,425,750
(d) Other non-current assets	7	**20,000,000**	114,223
Total Non - Current Assets		**721,416,064**	703,562,915
Current assets			
(a) Inventory	8	**92,470,000**	92,470,000
(b) Financial assets			
(i) Trade receivables	9	**66,403,246**	136,200,656
(ii) Cash and cash equivalents	10	**109,612**	123,358
(c) Other current assets	7	**211,417**	237,483
Total current assets		**159,194,275**	229,031,497
Total assets		**880,610,339**	932,594,412
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	11	**413,500,600**	413,500,600
(b) Other equity	12	**(40,380,326)**	29,923,423
Total Equity		**373,120,274**	443,424,023
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
Borrowings	13	**104,594,387**	129,134,508
(b) Provisions	14	**(52,903)**	68,541
Total Non - Current Liabilities		**104,541,484**	129,203,049
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	15	**75,448,447**	83,990,800
(ii) Other financial liabilities	16	**197,854,603**	120,004,616
(c) Provisions	14	**7,383,532**	2,592,751
(b) Current Tax Liability (Net)	17	**59,152,302**	64,673,746
(d) Other current liabilities	18	**63,109,696**	88,705,427
Total Current Liabilities		**402,948,581**	359,967,340
Total Liabilities		**507,490,065**	489,170,389
Total Equity and Liabilities		**880,610,339**	932,594,412

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

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 31st March, 2019

All amounts are in ₹ unless otherwise stated

	Particulars	Note No.	**For the year ended March 31, 2019**	For the year ended March 31, 2018
I	Revenue from Operations		**–**	–
II	Other Income	19	**16,341**	–
III	**Total Income (I+II)**		**16,341**	–
IV	**Expenses**			
	Employee benefit expense	20	**8,501,934**	4,381,315
	Finance costs	21	**21,571,985**	20,183,666
	Depreciation and amortisation expense	22	**121,584**	105,910
	Other expenses	23	**44,374,425**	16,970,922
	Total expenses (IV)		**74,569,928**	41,641,813
V	**Profit/(loss) before Exceptional items & tax (III-IV)**		**(74,553,587)**	(41,641,813)
VI	Exceptional items		**–**	1,095,799,468
VII	**Profit/(loss) before tax (V-VI)**		**(74,553,587)**	(1,137,441,281)
VIII	Tax expense			
	(1) Current tax		**(5,835,891)**	–
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(68,717,696)**	(1,137,441,281)
	Other Comprehensive Income			
A	(i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities / (asset)	25	**(1,586,053)**	1,316,716
VIII	Total comprehensive income for the period (A (i-ii)+B(i-ii))		**(1,586,053)**	1,316,716
IX	**Total comprehensive income for the period (XIII+XIV)**		**(70,303,749)**	(1,136,124,565)
	Profit for the year attributable to:			
	Owners of the Company		**(70,303,749)**	(1,136,124,565)
	Non controlling interests		**–**	–
			(70,303,749)	(1,136,124,565)
	Other comprehensive income for the year attributable to:			
	Owners of the Company		**–**	–
			–	–
	Total comprehensive income for the year attributable to:			
	Owners of the Company		**(70,303,749)**	(1,136,124,565)
			(70,303,749)	(1,136,124,565)
	Earnings per equity share (for continuing operation):	24		
	Basic (in ₹)		**(1.70)**	(27.48)
	Diluted (in ₹)		**(1.70)**	(27.48)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

M Narayanamurthi
Managing Director
DIN: 00332455

K N Narayanan
Director
DIN 01543391

A Sriram
Chief Financial Officer

Standalone Cash Flow Statement

All amounts are in ₹ unless otherwise stated

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit before tax for the year		**(76,139,640)**	(1,136,124,565)
Adjustments for:			
Depreciation and amortisation of non-current assets	22	**121,584**	105,910
Exceptional Items		**–**	1,095,799,468
Finance costs recognised in profit or loss	21	**21,569,802**	20,180,389
Movements in working capital:			
(Increase)/decrease in Inventories	8	**–**	–
(Increase)/decrease in trade and other receivables	9	**69,797,410**	35,834,000
(Increase)/decrease in other assets	7	**(19,859,711)**	184,568
Decrease in trade and other payables	15	**(8,542,353)**	(33,398,545)
Increase/(decrease) in provisions	14	**4,669,336**	(793,525)
(Decrease)/increase in other liabilities	18	**(25,595,731)**	11,133,729
Cash generated from operations		**(33,979,302)**	(7,078,570)
Income taxes paid	17	**314,447**	3,890
Net cash generated by operating activities		**(33,664,855)**	(7,074,680)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire financial assets / Refund of Rental Advance	8	**–**	3,000,000
Impairment of Investments		**–**	(42,200)
Payments for property, plant and equipment	4	**–**	
Net cash (used in)/generated by investing activities		**–**	2,957,800
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	13	**(24,540,121)**	(10,366,935)
Proceeds from loans	6	**1,911,044**	2,382,022
Proceeds from other financial liabilities	16	**77,849,987**	32,299,202
Interest paid	21	**(21,569,802)**	(20,180,389)
Net cash used in financing activities		**33,651,109**	4,133,900
Net increase in cash and cash equivalents		**(13,746)**	17,019
Cash and cash equivalents at the beginning of the year	10	**123,358**	106,339
Cash and cash equivalents at the end of the year		**109,612**	123,358

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

M Narayanamurthi
Managing Director
DIN: 00332455

K N Narayanan
Director
DIN 01543391

A Sriram
Chief Financial Officer

Standalone Statement of changes in equity for the year ended March 31, 2019

All amounts are in ₹ unless otherwise stated

A. Equity Share Capital

	Note No.	Amount
As at April 1, 2018		413,500,600
Changes in equity share capital		–
As at March 31, 2019	11	413,500,600

B. Other Equity

	Reserves & Surplus					
	Note No.	Securities Premium	Retained earnings reserve	Capital Reserve	General Reserve	Total other equity
Balance at April 1, 2018		950,864,127	(1,080,651,651)	146,827,447	12,883,501	29,923,424
Profit for the year		–	(68,717,696)	–	–	(68,717,696)
Other comprehensive income		–	(1,586,053)	–	–	(1,586,053)
Balance at March 31, 2019	12	950,864,127	(1,150,955,401)	146,827,447	12,883,501	(40,380,326)

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

M Narayanamurthi
Managing Director
DIN: 00332455

K N Narayanan
Director
DIN 01543391

A Sriram
Chief Financial Officer

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

All amounts are in ₹ unless otherwise stated

1 Corporate Information

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 %

2 Statement of compliance with IndAS

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules as amended from time to time.

3 Significant accounting policies

3.1 Basis of preparation and presentation

These financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months."The statement of cash flows have been prepared under indirect method.

3.2.1 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the Management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities), income and expenses and accompanying disclosures. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. Significant accounting judgements, estimates and assumptions used by management are as below:

- Useful lives of Investment Property, Property Plant and Equipment and Intangible Assets.
- Accounting for revenue and land cost for projects executed through joint development arrangement.
- Computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates.
- Fair value measurements.

3.2.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

All amounts are in ₹ unless otherwise stated

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement"date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.2.3 Operating cycle and basis of classification of assets and liabilities

The assets and liabilities reported in the balance sheet are classified on a current/non-current basis. An asset is treated as current when it is:

Expected to be realised or intended to be sold or consumed in normal operating cycle;

Held primarily for the purpose of trading;

Expected to be realised within twelve months after the reporting date, or Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when: It is expected to be settled in normal operating cycle;

It is held primarily for the purpose of trading;

It is due to be settled within twelve months after the reporting period, or

There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period."All other liabilities are classified as non -current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

3.2.4 Recent accounting pronouncements

Ministry of Corporate Affairs (MCA), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

Ind AS 116 – Leases"Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the standard had been applied since the commencement date, but discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Company will be using the practical expedient provided the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

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

The Company is in the process of finalising changes to systems and processes to meet the accounting and reporting requirements of the standard.

With effect from April 1, 2019, the Company will recognise new assets and liabilities for its operating leases of"premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortization change for the right-to-use asset, and (b) interest accrued on lease liability.

Previously, the Company recognised operating lease expense on a straightline basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified as an operating lease if the head lease is classified as a short term lease. In all other cases, the sublease shall be classified as a finance lease.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

(1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. Premier Energy and Infrastructure Limited will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. Premier Energy and Infrastructure Limited does not expect this amendment to have any impact on its financial statements.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. Premier Energy and Infrastructure Limited does not expect any impact from this amendment.

3.3 Revenue recognition

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and recovered with reasonable certainity. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer returns, rebates and similar allowances.

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.

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.

3.4 Borrowings and Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.

3.5 Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

a. Short-term obligations

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

b. Long-term employee benefit obligations

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

c. Post-employment obligations

The Company operates the following postemployment schemes:

i. Defined Contribution Plan:

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

ii. Defined Benefit Plan

The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

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

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of th related obligation. The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and loss arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

d. Other Defined Contribution Plan

The Company's contribution to employee state insurance scheme is charged as an expense based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

3.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.6.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.6.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.6.3 Minimum Alternative Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset under Deferred tax asset/

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

liability in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

3.6.4 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.7 Property, plant and equipment

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Cost of the asset includes expenditure that is directly attributable to the acquisition and installation, including interest on borrowing for the project / property, plant and equipment's up to the date the asset is put to use. Any cost incurred relating to settlement of claims“regarding titles to the properties is accounted for and capitalised as incurred.

Cost of land includes land costs, registration charges and compensation paid to land owners. Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Fixtures, plant and medical equipment are stated at cost less accumulated depreciation and accumulated impairment losses. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company’s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided over the useful life of the assets. Useful life as provided under Schedule II of the companies Act 2013, is considered. Residual value for all assets is considered at 5% of original cost. 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 aforesaid Schedule, depreciation is provided at a higher rate based on the management’s estimate of useful life / remaining life. Except for assets in respect of which no extra shift depreciation is permitted as per schedule II of the Act, depreciation is charged in relation to the number of shifts operated.

Estimated useful lives of the assets are as follows:

S.No.	ASSET	Method of Depreciation	Actual useful life considered (In Years) (Useful life as per Schedule II of the Act)
1	Plant & Machinery	Straight Line Method	10' (15)
2	Furniture & Fixtures	Straight Line Method	10' (10)
3	Office Vehicle	Straight Line Method	10 '(10)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.8 Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a

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

reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.9 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.

3.10 Cash & Cash Equivalents

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

3.11 Provisions and Contingent Liability

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation“at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements but are disclosed.

3.12 Financial instruments

Initial Recognition

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

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

3.12.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

3.12.2Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 3.12.5.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of ‘Reserve for debt instruments through other comprehensive income’. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

3.12.3Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those nancial assets classiffied as at FVTPL. Interest income is recognised in pro t or loss and is included in the “Other income” line item.

3.12.4Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

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

3.12.5 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

3.13 Financial liabilities and equity instruments

3.13.1 Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.13.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

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

3.13.3Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

3.13.3.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability’s credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

3.13.3.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

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

3.14 Earnings per share

Basic earnings per share has been computed by dividing profit attributable to owners of the Company by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

3.15 Statement of cash flows

Statement of Cash flows is prepared under Ind AS 7 'Statement of Cashflows' specified under Section 133 of the Act. Cash flows are reported using the indirect method, whereby profit / (loss) before tax and is adjusted for the effects of transactions of non-cash nature.

Significant management judgement in applying accounting policies and estimation uncertainty.

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements:

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The revaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Revenue and inventories – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they"are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

Useful lives of depreciable/ amortisable assets – Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

(Amount in INR)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
4. Property, plant and equipment and capital work-in-progress		
Carrying amounts of:		
Plant and Machinery	4,073	15,961
Vehicles	2,714	96,374
Furniture and Fixtures	25,802	41,838
	32,589	154,173

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

All amounts are in ₹ unless otherwise stated

Description of Assets	Plant and Equipment	Vehicle	Furniture and Fixtures	Total
I. Cost or deemed cost				
Balance as at 31 March, 2018	224,338	788,700	42,200	1,055,238
Additions	–		–	–
Disposals	–		–	–
Balance as at 31 March, 2019	224,338	788,700	42,200	1,055,238
II. Accumulated depreciation and impairment				
Balance as at 31 March, 2018	208,377	692,326	362	901,065
Eliminated on disposal of assets	–	–	–	–
Depreciation expense	11,888	93,660	16,036	121,584
Balance as at 31 March, 2019	220,265	785,986	16,398	1,022,649
III. Carrying Amount				
Balance as at 31 March, 2018	15,961	96,374	41,838	154,173
Additions	–	–	–	–
Disposals	–	–	–	–
Depreciation Expense	11,888	93,660	16,036	121,584
Balance as at 31 March, 2019	4,073	2,714	25,802	32,589

5.1 Investments in Subsidiaries

Break-up of investments in subsidiaries (carrying amount determined using the equity method of accounting)

Particulars	**As at March 31, 2019**		As at March 31, 2018	
	QTY	**Amounts**	QTY	Amounts
Unquoted Investments (all fully paid)				
(a) Investments in Equity Instruments				
Emas Engineers & Contractors Pvt Ltd (EMAS)	**6,024,050**	**1**	6,424,050	1
RCI Power Limited - Refer Note 5.1(i)	**15,000,000**	**609,280,591**	15,000,000	609,280,591
RCI Power AP Limited - Refer Note 5.1(ii)	**50,000**	**78,588,176**	50,000	78,588,176
Total Aggregate Unquoted Investments		**687,868,768**		687,868,768
Aggregate carrying value of unquoted investments in subsidiaries		**687,868,768**		687,868,768
Aggregate amount of impairment in value of investments in subsidiaries				185,462,499

Note 5.1 (i): Includes 1,000 shares held by nominee (Previous Year 1,000 shares)

Note 5.1 (ii): Includes 6 shares held by nominee (Previous Year 6 shares)

5.2 Other Investments

Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
Haldia Coke & Chemicals Private Limited	**13,750,000**	**1**	13,750,000	1
Total Aggregate Unquoted Investments	**13,750,000**	**1**	13,750,000	1
Aggregate carrying value of unquoted investments		1		1
Aggregate amount of impairment in value of investments				527,587,499

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

All amounts are in ₹ unless otherwise stated

6 Loans

Break-up of investments in subsidiaries (carrying amount determined using the equity method of accounting)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Unsecured, considered good				
Advance to others:				
Considered good	13,514,706		15,425,750	
Advances to related Parties:	–		–	
Considered doubtful	–		382,749,470	
Less Provision for doubtful advances	–		(382,749,470)	
Total	13,514,706	–	15,425,750	–

Confirmations of advances are yet to be received, thorugh the letters of confirmations were sent to them. The balances adopted are as appearig in the books of accounts of the Company. The management expects to recover the same.

7 Other Assets

Advances recoverable in cash or in kind	–	84,952	–	106,792
Deposit	20,000,000	–	–	–
Prepaid Expense	–	126,465	114,223	130,691
	20,000,000	211,417	114,223	237,483

Particulars	As at 31st March, 2019	As at 31st March, 2018
8 Inventories		
Land	92,470,000	92,470,000
(At lower of cost and net realizable value)		
Stock in Trade	–	–
	92,470,000	92,470,000

9 Trade Receivables

Break-up of investments in subsidiaries (carrying amount determined using the equity method of accounting)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Secured, considered good	–	–	–	–
Unsecured, considered good	–	66,403,246	–	136,200,656
Have significant increase in Credit Risk				
Doubtful	–	–	–	–
	–	66,403,246	–	136,200,656

Confirmations of balances of debtors are yet to be received, thorugh the letters of confirmations were sent to them. The balances adopted are as appearig in the books of accounts of the Company. The management expects to recover the same.

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

All amounts are in ₹ unless otherwise stated

10 Cash and cash equivalents

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated balance sheet as follows:

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
Balances with Banks		
Other bank balances	**109,612**	123,358
Cash on hand	**–**	–
Cash and cash equivalents as per balance sheet	**109,612**	123,358
Cash and cash equivalents as per statement of cash flows	**109,612**	123,358

11 Equity Share Capital

Authorised Share capital :		
44,150,000 fully paid equity shares of ₹ 10 each	**441,500,000**	441,500,000
Issued and subscribed capital comprises:		
41,350,060 fully paid equity shares of ₹ 10 each (as at March 31, 2019: 41,350,060; as at April 1, 2018: 41,350,060)	**413,500,600**	413,500,600
	413,500,600	413,500,600

Particulars	**No. of shares**	Share capital Amount
11.1 Fully paid equity shares		
Balance at March 31, 2018	**41,350,060**	413,500,600
Movements	**–**	–
Balance at March 31, 2019	**41,350,060**	413,500,600

Fully paid equity shares, which have a par value of ₹ 10, carry one vote per share and carry a right to dividends.

Particulars	**As at March 31, 2019**		As at March 31, 2018	
	Number of Shares held	**% holding of shares**	Number of Shares held	% holding of shares
11.2 Details of shares held by each shareholder holding more than 5% shares				
Fully paid equity shares				
Shri Housing Pvt Ltd	**11,100,000**	**26.84%**	11,100,000	26.84%
Vidya Narayanamurthi (On behalf of Shriram Auto Finance)	**10,000,000**	**24.18%**	10,000,000	24.18%
Vassal Ranganathan (On behalf of Shriram Auto Finance)	**3,462,515**	**8.37%**	3,462,515	8.37%
Vaata Infra Limited	**4,000,000**	**9.67%**	4,000,000	9.67%
Sita Srinivasan	**2,553,725**	**6.18%**	2,553,725	6.18%

12 Other equity

Particulars	Note	**As at 31st March, 2019**	As at 31st March, 2018
Securities premium reserve		**950,864,127**	950,864,127
Retained earnings	12.1	**(1,150,955,401)**	(1,080,651,652)
Capital Reserve		**146,827,447**	146,827,447
General Reserve		**12,883,501**	12,883,501
		(40,380,326)	29,923,423

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

All amounts are in ₹ unless otherwise stated

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
12.1 Retained earnings		
Balance at beginning of year	**(1,080,651,651)**	55,472,914
Profit attributable to owners of the Company	**(70,303,749)**	(1,136,124,565)
Balance at end of year	**(1,150,955,401)**	(1,080,651,651)

13 Borrowings

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Secured - at amortised cost				
(i) Term loans				
from banks (Refer note (i) below)	**45,953,302**	–	55,950,151	–
Unsecured - at amortised cost				
(i) Term loans				
Related Parties	**58,062,565**		66,128,158	
Others	**578,520**		7,056,199	
Total	**104,594,387**	–	129,134,508	–

13.1 Summary of borrowing arrangements

(i) (a) The company has availed a term loan of Rs.10 crores from Small Industries Development Bank of India (SIDBI), repayable in 120 monthly installments, carrying interest rate of 12.75% p.a.

(b) A first charge by way of mortgage in favour of SIDBI has been created by the company on the immovable properties located at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/16 part, Mylapore Village and Triplicane - Mylapore tauk, Chennai district, Chennai - 600 004, admesuring 5919 sq.ft.

(c) Pending registration, no specific charge has been created on the undivided portion either by the company or by M/s. PL Finance and Investments Limited.

(d) Additionally secured by irrevocable and unconditional corporate guarantees by the company and M/s. Shri Housing Private Limited and M/s. PL Finance and Investments Limited. Further guaranteed by M/s. Shriram Auto Finance (Firm) and by a Director of the company.

(e) Period and amount of continuing default:

No of Installments - 40 (Monthly)

Principal Overdue - ₹ 3,28,84,000

Interest overdue - ₹ 6,61,94,821

(ii) (a) The company has availed a term loan of ₹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 - ₹ 4,97,555

Interest overdue - ₹ 11,32,155

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

All amounts are in ₹ unless otherwise stated

14 Provisions

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
Employee benefits	**(52,903)**	**7,383,532**	68,541	2,592,751
Total	**(52,903)**	**7,383,532**	68,541	2,592,751

15 Trade Payables

(a) Total Outstanding dues of micro and enterprises and small enterprises		–		–
(b) Total Outstanding dues of creditors other than micro and enterprises and small enterprise	**–**	**75,448,447**	–	83,990,800
Total	**–**	**75,448,447**	–	83,990,800

Confirmations of balances of creditors are yet to be received, thorugh the letters of confirmations were sent to them. The balances adopted are as appearig in the books of accounts of the Company.

16 Other financial liabilities

Interest accrued and due	**–**	**67,326,977**	–	47,239,282
Interest accrued and not due	**–**	**1,280,003**	–	1,184,931
Accrued Employee Benefits		**7,417,574**		6,233,366
Accrued Expenses		**6,391,778**		5,600,000
Short term borrowings		**65,577,647**		20,729,095
Current maturities of long-term debt	**–**	**49,860,625**	–	39,017,942
Total	**–**	**197,854,603**	–	120,004,616

17 Current tax assets and liabilities

	31-Mar-2019	31-Mar-2018
Current tax assets		
Tax refund receivable	**1,529,543**	1,845,625
	1,529,543	1,845,625
Current tax liabilities		
Provision for Tax	**60,681,845**	66,519,371
	59,152,302	64,673,746

18 Other Liabilities

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	Current	Non Current	Current
(a) Advance from Customers	**–**	**9,000,000**	–	37,973,647
(b) Statutory dues payable	**–**	**54,109,696**	–	50,731,780
Total	**–**	**63,109,696**	–	88,705,427

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

All amounts are in ₹ unless otherwise stated

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
19	**Other Income**		
	Bank deposits (at amortised cost)	**16,341**	–
		16,341	–
20	**Employee benefits expense**		
	Salaries and wages	**7,387,637**	4,118,290
	Contribution to provident and other funds (Refer Note 25)	**1,080,360**	184,984
	Staff welfare expenses	**33,937**	78,041
		8,501,934	4,381,315
21	**Finance costs**		
	Continuing operations		
	(a) Interest costs :-		
	Interest on bank overdrafts and loans (other than those from related parties)	**21,569,802**	20,180,389
	Total interest expense for financial liabilities not classified as at FVTPL	**21,569,802**	20,180,389
	(b) Other borrowing costs :-	**2,183**	3,276
		21,571,985	20,183,666
22	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment pertaining to continuing operations	**121,584**	105,910
	Total depreciation and amortisation pertaining to continuing operations	**121,584**	105,910
23	**Other expenses**		
	Payment to Auditors (Refer Note 23.1)	**1,500,000**	1,500,000
	Communication Expenses	**473,776**	420,336
	Professional Charges	**4,152,182**	508,211
	Listing & Depository Fees	**409,680**	537,653
	Repairs and maintenance	**205,071**	228,804
	Miscellaneous Expenses	**502,239**	572,845
	Printing & Stationery	**225,358**	294,062
	Rent	**12,000**	–
	Power and fuel	**73,315**	125,285
	Travelling & Conveyance	**555,920**	449,735
	Interest on Statutory Payment	**7,724,758**	7,692,861
	Bad Debts Written off (Refer Note 23.2)	**21,621,626**	4,641,130
	Penalty to BSE	**6,918,500**	–
		44,374,425	16,970,922
23.1	**Payments to auditors**		
	For audit	**1,500,000**	1,500,000
		1,500,000	1,500,000

23.2 Bad Debts Written off

The amount of ₹ 2,16,21,626 receivable from Leitner Sriram Manufacturing Limited has been written off as bad debts since the company is not functioning.

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

All amounts are in ₹ unless otherwise stated

	Particulars	**As at 31st March, 2019**	As at 31st March, 2018
24	**Earnings per Share**		
	Basic earnings per share		
	From continuing operations	**(1.70)**	(27.48)
	Total basic earnings per share	**(1.70)**	(27.48)
	Diluted earnings per share		
	From continuing operations	**(1.70)**	(27.48)
	Total diluted earnings per share	**(1.70)**	(27.48)
24.1	**Basic earnings per share**		
	The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.		
	Profit for the year attributable to owners of the Company	**(70,303,749)**	(1,136,124,565)
	Earnings used in the calculation of basic earnings per share	**(70,303,749)**	(1,136,124,565)
	Earnings used in the calculation of basic earnings per share from continuing operations	**(70,303,749)**	(1,136,124,565)
	Weighted average number of equity shares for the purposes of basic earnings per share	**41,350,060**	41,350,060
24.2	**Diluted earnings per share**		
	The earnings used in the calculation of diluted earnings per share are as follows.		
	Earnings used in the calculation of basic earnings per share	**(70,303,749)**	(1,136,124,565)
	Earnings used in the calculation of diluted earnings per share Profit for the year from discontinued operations attributable	**(70,303,749)**	(1,136,124,565)
	Earnings used in the calculation of diluted earnings per share from continuing operations	**(70,303,749)**	(1,136,124,565)
	The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
	Weighted average number of equity shares used in the calculation of basic earnings per share	**41,350,060**	41,350,060
	Weighted average number of equity shares used in the calculation of diluted earnings per share	**41,350,060**	41,350,060

25 Employee benefit plans

Defined Benefit plans

The Company's gratuity scheme is a defined benefit plan. The present value of obligation as at the end of the financial year is determined based on actuarial valuation using the Projected Unit Credit method, which recignises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment as at the end of the financial year is also recognised in the same manner as gratuity.

As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

Particulars	**31-Mar-19**	31-Mar-18
Employer Contribution to Provident Fund	**104,864**	(310,461)

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

All amounts are in ₹ unless otherwise stated

Principal Actuarial Assumptions:	**Gratuity Plan (Unfunded)**		Compensated Absences - Earned Leave (Unfunded)	
(Expressed as weighted averages)	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
Discount rate(s)	**6.54%**	6.54%	**6.54%**	7.08%
Expected rate(s) of salary increase	**10%**	10%	**10%**	10%
Average Age	**60.1**	59.02	**59.50%**	58.75
Attrition Rate	**30%**	30%	**30%**	30%
Proportion of Leave availment	**NA**	NA	**5%**	5%
Proportion of encashment during service	**NA**	NA	**0%**	0%
Proportion of encashment on separation	**NA**	NA	**95%**	95%

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others (please describe).

Expenses Recognised in the Statement of Profit and Loss:	**Gratuity Plan**		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Current service cost	**103,492**	93,937	**244,195**	184,653
Net interest expense	**63,798**	91,046	**110,251**	153,555
Components of defined benefit costs recognised in profit or loss	**167,290**	184,983	**354,446**	338,208
Remeasurement on the net defined benefit liability:				
Net actuarial (gains) / losses on plan obligation	**(62,426)**	(495,444)	**1,648,479**	(821,272)
Components of defined benefit costs recognised in other comprehensive income	**(62,426)**	(495,444)	**1,648,479**	(821,272)
Total	**104,864**	(310,461)	**2,002,925**	(483,064)

Amounts Recognised in the Balance Sheet and Related Analysis	**Gratuity Plan**		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Present value of defined benefit obligation	**1,080,361**	975,497	**1,304,720**	1,304,720
Fair value of plan assets	**–**	–	**–**	–
Amount determined under para 63 of Ind AS19	**–**	–	**–**	–
Net liability arising from defined benefit obligation	**1,080,361**	975,497	**1,304,720**	1,304,720

Change in the Present Value the Obligation (PVO)	**Gratuity Plan**		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Opening defined benefit obligation	**975,497**	1,285,958	**1,685,795**	2,168,859
Current service cost	**103,492**	93,937	**244,195**	184,653
Interest cost	**63,798**	91,046	**110,251**	153,555
Remeasurement (gains)/losses:	**(62,426)**	(495,444)	**1,648,479**	(821,272)
Benefits paid	**–**	–	**–**	–
Closing defined benefit obligation	**1,080,361**	975,497	**3,688,720**	1,685,795

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

All amounts are in ₹ unless otherwise stated

Changes in the Fair Value of the Plan Assets	Gratuity Plan		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Opening fair value of plan assets	**–**	–	**–**	–
Interest income	**–**	–	**–**	–
Contributions from the employer	**–**	–	**–**	–
Benefits paid	**–**	–	**–**	–
Closing fair value of plan assets	**–**	–	**–**	–

Movements In The Liability Recognized in The Balance Sheet	Gratuity Plan		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Opening net liability adjusted for effect of balance sheet limit	**975,497**	1,285,958	**1,685,795**	2,168,859
Amount recognised in Profit and Loss	**167,290**	184,983	**354,446**	338,208
Amount recognised in OCI	**(62,426)**	(495,444)	**1,648,479**	(821,272)
Contribution paid	**–**	–	**–**	–
Closing net liability	**1,080,361**	975,497	**3,688,720**	1,685,795

Sensitivity Analyses	Rate		Gratuity Plan		Compensated Absences - Earned Leave	
Liability when:	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
A. Discount Rate + 100 BP	**7.54%**	7.54%	**1,078,960**	970,020	**3,688,201**	1,675,891
B. Discount Rate - 100 BP	**5.54%**	5.54%	**1,081,795**	981,096	**6,989,251**	1,695,893
C. Salary Escalation Rate +100 BP	**11%**	11%	**1,081,508**	980,912	**3,689,082**	1,692,712
D. Salary Escalation Rate -100 BP	**9%**	9%	**1,079,221**	970,101	**3,688,358**	1,678,883
E. Attrition rate +100 BP	**31%**	31%	**1,080,208**	974,805	**3,688,671**	1,684,913
F. Attrition rate -100 BP	**29%**	29%	**1,080,514**	976,192	**3,688,768**	1,686,678

26 Related Party Disclosure

Names of related parties and related party relationship

Names of the related party	**Nature and Description of the relationship**
SR Fabricators Pvt Ltd	Director is the Director for this Company
Crimson Investmets Ltd	Director is the Director for this Company
Emas Engineers & Contractors Pvt Ltd.	Subsidiary
RCI Power Ltd.	Subsidiary
RCI Power (AP) Ltd.	Subsidiary
RCI Wind Farm 30 MW Pvt. Ltd.	Step down subsidiaries
RCI Wind Farm 50 MW Pvt. Ltd.	Step down subsidiaries
Shri Housing Pvt. Ltd.	Fellow subsidiary
Shriram Auto Finance (Partnership firm)	Holding Company
M Narayanamurthi	Managing Director / Key Management Personnel
R Ramakrishnan	Director
Vikram Mankal	Director
K N Narayanan	Director
A. Sriram	CFO

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

All amounts are in ₹ unless otherwise stated

Related Party Transactions during the year

S.No	Name of the related party	Relationship	Description	Year ended 31-Mar-19	Year ended 31-Mar-18
1	RCI Power limited	Subsidiary	Loans received	11,506,156	6,837,646
			Loans repaid	17,863,761	2,384,582
2	RCI Power AP limited	Subsidiary	Expenses Reimbursed by	17,295	–
			Loans received	–	2,384,522
			Loans repaid	696,141	–
3	Shri Housing Private Limited	Fellow Subsidiary	Loans received	636,506	768,000
			Loans repaid	2,344,493	
4	Crimson Investments Ltd	Common Director	Loans received	40,549,192	11,017,636
			Loans repaid	–	1,062,582
5	M Narayanamurthi	Managing Director	Salary paid	240,000	240,000
6	A. Sriram	Chief Financial Officer	Salary & Allowances paid	2,085,440	2,904,200

Closing Balances of Related Parties

S.No	Name of the related party	Relationship	Year ended 31-Mar-19	Year ended 31-Mar-18
1	Emas Engineers & Contractors Pvt Ltd	Long Term Loans and Advances	–	–
2	RCI Power Limited	Long Term Borrowings	–	(6,357,605)
3	RCI Power (AP) Limited	Long Term Loans and Advances	–	–
4	Shri Housing Pvt Ltd	Long Term Borrowings	(58,062,566)	(59,770,553)
5	Crimsoin Investments	Short Term Borrowings	(65,577,647)	(20,729,096)
6	M Narayanamurthi	Accrued Employee Benefits	–	16,407
7	Vikram Mankal	Accrued Employee Benefits	(329,156)	(329,156)
9	S. Krishnan	Accrued Employee Benefits	(100,000)	(100,000)
10	A. Sriram	Accrued Employee Benefits	(4,291,863)	(3,450,669)

27 Contingent Liability

a) The Company's land at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/25 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 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.

c) The Company has received a counter confirmation from Beta Wind Farm claiming as ₹ 42,11,60,107 as receivable from PEIL. However the company doesn't acknowledges this as a debt as the amount has been adjusted adgainst a compensation claim received earlier.

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

All amounts are in ₹ unless otherwise stated

28 Details of dues to Micro,Small and Medium enterprises as defined under the MSMED Act, 2006

The Identification of Micro,Small and Medium Enterprises Suppliers as defined under "The Micro,Small and Medium Enterprises development Act 2006" is based on the Information available with the management. As certified by the Management, the amounts overdue as on 31st March 2019 (31st March 2018) to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to ₹ Nil (₹ Nil).

29 Installed capacity,Licensed capacity and Capacity utilisation

Particulars relating to Installed capacity, Licensed capacity an Capacity Utilisation are not applicable.

30 Segment Information

As the Company operates in a single business segment (i.e.) Development and Maintenance of facilities, segmental reporting is not provided.

31 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.

32 Going Concern

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.

33 The company's shares have been delisted from Tarding in Bombay Stock Exchange for non payment of penalty. The company has completed the pending compliances within the timeline as specified in the SAT order vide letter dated 21st December 2018, the company's request for grant of additional time upto June 2019 for making the outstanding SOP fines is being acceded to, failing which the delisting of the company will continue.

34 Fair value Measurements

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of current trade receivables, current trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their shortterm nature.

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

All amounts are in ₹ unless otherwise stated

Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
34.1 Category wise classification of financial instruments is as follows:			
Financial assets measured at fair value - Level 3			
Non current:			
(i) Other Investments	5.2	**1**	1
Financial Assets measured at amortised cost			
Non current:			
(i) Loans	6	**13,514,706**	15,425,750
Current:			
(i) Trade receivables	9	**66,403,246**	136,200,656
(ii) Cash and cash equivalents	10	**109,212**	123,358
Financial Assets measured at cost			
Non current:			
(i) Investments			
a) Investments in Subsidiaries	5.1	**687,868,768**	687,868,768
Financial Liabilities measured at amortised cost (Refer Note 36.2)			
b. Financial Liabilities			
Non current:			
(i) Borrowings	13	**104,594,387**	129,134,508
Current:			
(i) Trade payables	15	**75,448,447**	83,990,800
(ii) Other financial liabilities	16	**197,854,603**	120,004,616

34.2 Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their face values since the Company does not anticipate that the carrying cost would be significantly different from the values that would eventualy be received or settled.

34.3 Financial risk management objectives and policies

Financial risk factors

The Company has a well- managed risk management framework, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as liquidity risk, market risk, credit risk and foreign currency risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable risk parameters in a disciplined and consistent manner and in compliance with applicable regulation.

a) Market risk

Market risk is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to market risk through its use of financial instruments and specifically tointerest rate risk, which result from both its operating and investing activities.

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

All amounts are in ₹ unless otherwise stated

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest Rate Risk		
The Company's main interest rate risk arised from long term and short term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2019 and March 31, 2018, the exposure of Company's borrowings to interest rate changes are as follows:		
Variable rate borrowings	**46,531,821**	63,006,349

Sensitivity

Profit/ loss is sensitive to higher/lower expense from borrowings as a result of change in interest rates. The table below summarises the impact of increase/decrease in interest rates on profit or loss.

	(Increase)/ decrease in Loss by	
	31-Mar-19	31-Mar-18
Interest rates- increase by 1%	**(337,832)**	(1,059,716)
Interest rates- decrease by 1%	**757,550**	356,291

2) Liquidity Risk

Liquidity risk is the risk that the Company will encounter due to difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The company has sound financial strength represented by its aggregate current assets as against aggregate current liabilities and its strong equity base and lower working capital debt.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Maturities of financial liabilities As at 31 March 2019	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	–	104,594,387	–	104,594,387
Trade payable	75,448,447	–	–	75,448,447
Other financial liabilities	197,854,603	–	–	197,854,603

Maturities of financial liabilities As at 31 March 2018	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	–	129,134,508	–	129,134,508
Trade payable	83,990,800	–	–	83,990,800
Other financial liabilities	120,004,616	–	–	120,004,616

3) Credit Risk

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company Credit risk arises primarily from financial assets such as trade receivables, other balances with banks and other receivables.

Credit risk arising from balances with banks is limited because the counterparties are banks with high credit ratings.

All other financials assets including those past due for each reporting date are of good credit quality.

Particulars	31.03.2019	31.03.2018
Assets under credit risk		
Non current:		
(i) Loans	**13,514,706**	15,425,750
Current:		
(i) Trade receivables	**66,403,246**	136,200,656
(ii) Cash and cash equivalents	**109,612**	123,358

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

All amounts are in ₹ unless otherwise stated

34.4 Capital management

For the purpose of the Company's capital management, capital includes issued share capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The company has not distibuted any dividend to its shareholders. The company monitors net debt to capital ratio i.e., total debt in proportion to its overall financing structure i.e., equity and debt. Total debt comprises of term loans and cash credits. The company manages its capital structure and makes changes to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars	31.03.2019	31.03.2018
Total Equity	**373,120,274**	443,424,023
Total Debt	**154,455,012**	168,152,450
Cash and Cash Equivalents	**(109,612)**	(123,358)
Net Debt	**154,345,400**	168,029,092
Total Capital	**527,455,674**	611,453,114
Net Debt to capital ratio	**0.29**	0.27

No changes were made in the objectives, policies and processes for managing the capital during the two years ended March 31, 2019 or March 31, 2018 .

34.5 Pursuant to regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures of amounts at the year end and the maximum amount of loans/ advances/ investments outstanding during the year are as follows:

i) Amount outstanding at the year end:

S. No.	Description	Nature	Net Balance as on 31.03.2019	Dr./ Cr.	Net Balance as on 31.03.2018	Dr./ Cr.
1	Small Industries Development Bank of India (SIDBI)	Loan	45,953,302	Cr.	55,950,151	Cr.
2	Indiabulls Housing Finance Limited	Loan	579,820	Cr.	7,056,199	Cr.
3	RCI Power Limited	Loan	–	Cr.	–	Cr.
4	Shri Housing Pvt Ltd	Loan	58,062,565	Cr.	59,770,553	Cr.
5	Crimson Investments Limited	Loan	65,577,647	Cr.	20,729,096	Cr.
6	Emass Engineers - Shares	Investment	1	Dr.	1	Dr.
7	Investments - RCI Power AP Ltd	Investment	78,588,176	Dr.	78,588,176	Dr.
8	Investments - RCI Power Limited	Investment	609,280,591	Dr.	609,280,591	Dr.
9	Haldia Coke & Chemicals	Investment	1	Dr.	1	Dr.
10	Front Office Consultants Pvt Ltd	Advances	13,500,000	Dr.	13,500,000	Dr.
11	Aarthik Properties Ltd	Advances	–	Dr.	1,918,750	Dr.

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

All amounts are in ₹ unless otherwise stated

ii) Maximum amount outstanding during the year:

S. No.	Description	Nature	Net Balance as on 31.03.2019	Dr./ Cr.	Net Balance as on 31.03.2018	Dr./ Cr.
1	Small Industries Development Bank of India (SIDBI)	Loan	121,717,302	Cr.	55,950,151	Cr.
2	Indiabulls Housing Finance Limited	Loan	7,996,351	Cr.	7,056,199	Cr.
3	RCI Power Limited	Loan	17,840,260	Cr.	8,137,711	Cr.
4	Shri Housing Pvt Ltd	Loan	60,199,193	Cr.	59,770,553	Cr.
5	Crimson Investments Limited	Loan	65,677,647	Cr.	20,729,096	Cr.
6	Emass Engineers - Shares	Investment	1	Dr.	185,462,500	Dr.
7	Investments - RCI Power AP Ltd	Investment	78,588,176	Dr.	78,588,176	Dr.
8	Investments - RCI Power Limited	Investment	609,280,591	Dr.	609,280,591	Dr.
9	Haldia Coke & Chemicals	Investment	1	Dr.	527,587,500	Dr.
10	Emass Engineers & Contractors Pvt Ltd	Advances	–	Dr.	382,749,470	Dr.
11	Rci Power (Ap)	Advances	17,295	Dr.	2,384,522	Dr.
12	Front Office Consultants Pvt Ltd	Advances	13,500,000	Dr.	13,500,000	Dr.
13	Aarthik Properties Ltd	Advances	1,918,750	Dr.	1,918,750	Dr.

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

M Narayanamurthi
Managing Director
DIN: 00332455

K N Narayanan
Director
DIN 01543391

A Sriram
Chief Financial Officer

Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
M/S. PREMIER ENERGY AND INFRASTRUCTURE LIMITED

Report on the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying consolidated Ind AS financial statements of **M/s. PREMIER ENERGY AND INFRASTRUCTURE LIMITED** (herein referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statements of Cash flows for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013("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 their consolidated state of affairs of the Group as at March 31, 2019, and consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

1. As explained in Note 1B, the company has not consolidated the Ind AS 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 Ind AS 27, 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 Ind AS financial statements of the failure to consolidate have not been determined.
2. The holding company is subject to interest liability on unpaid direct tax dues, the same has neither been provided nor quantified. The holding company has not filed returns under Goods and Services Tax Act since its introduction in July, 2017 and has not filed TDS Returns as required under Income Tax Act, 1961, since the financial year 2015-16. In addition to the above, the company has not complied with certain provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as highlighted by the secretarial auditor in their report dated 30th May, 2019. The penal charges and fines in view of the same are unascertainable at this point of time.
3. Note 11 to the consolidated financial statements regarding unconfirmed/un-reconciled balances of long standing trade receivables of ₹ 6,64,03,246 Note 7 regarding advances of ₹ 1,35,14,706 and Note 17 regarding trade payables of ₹ 7,54,48,444. Out of the above, trade receivables of ₹ 6,64,03,246, advances of ₹ 1,35,00,000 and trade payables of ₹ 5,53,56,626 are due over 48 months.

Due to unavailability of sufficient appropriate audit evidence to corroborate management's assessment of recoverability of the above said amounts and as these are outstanding for more than 48 months, we are unable to comment on the recoverability of the same. No provision with respect to the same is made in the books of accounts as explained in the Note 7, 11 & 17 of consolidated financial Statements.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Material Uncertainty Related to Going Concern

We draw attention to note no. 33 of the consolidated financial statements, which indicates that the holding company's current liabilities exceeds its current assets by ₹ 2,437 Lakhs. These conditions indicate that a material uncertainty exists that may cast a significant doubt on the company's ability as going concern. However, the consolidated Ind AS financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said note.

Emphasis of Matter

Without qualifying our opinion, we draw attention to (i) Note 35 in the Notes to the Consolidated Ind AS financial statements regarding the penalties levied by the Bombay Stock Exchange for non-compliance of certain listing obligations and (ii) Note 26.2 in the Notes to the Consolidated Ind AS financial statements regarding the amount of ₹ 2,16,21,626 receivable from Leitner Sriram Manufacturing Limited has been written off as bad debts since the company is not functioning.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended 31st March 2019. These matters were addressed in the context of our audit of consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Except for the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, We have determined that there are no other key audit matters to communicate in our report.

Information Other Than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities Of Management For The Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the 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 Consolidated 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably bethought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Other Matters

a) We did not audit the standalone and the consolidated Ind AS 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 net assets of ₹ 79,72,28,818 as at 31st March, 2019, total revenues of ₹ 2,01,60,000 and net cash outflows amounting to ₹ 5,95,741 for the year ended on that date, as considered in the consolidated Ind AS 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 Ind AS 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, 2019 of the Group, as the Group does not have "significant influence" in the said Associate and retains only its investment which has been fully provided for, as defined in Ind AS 28 - "Investments in Associates and Joint Ventures".

c) Our opinion on the consolidated Ind AS 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.

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 above, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS 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 Ind AS financial statements;

iv) In our opinion, aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, except for 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, 2019 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 other than the following;

   a. As per the information available in the MCA portal Mr. Narayanmurthi, Managing Director, of the company has been disqualified under Section 164(2) of the Companies Ac, 2013. Hence Mr. Narayanmurthi, who was appointed as Managing Director for three years with effect from 30th Nov 2017, cannot be reappointed in this Company on/ after 12th November 2020.

   b. As per the information available in the MCA portal Mr. Vikram Mankal, Director of this company has been disqualified under Section 164(2) of the Companies Act, 2013. Further as per the information and explanation provided by the Company and also the records made available, Mr. Vikram Mankal has resigned from the company with effect from 20th March, 2019.

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 Ind AS financial statements - Refer Note No. 33 to the consolidated Ind AS financial statements;

   b. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;

   c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries.

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

SREEDHAR SREEKAKULAM
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The annexure referred to in paragraph 8(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 Ind AS financial statements for the year ended 31st March,2019

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 Ind AS financial statements of the company as of and for the year ended 31st March, 2019, 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 consolidated 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 consolidated 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, material weaknesses have been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at March 31, 2019 in respect of provisioning of overdue receivables and provisioning of advances outstanding for a period of more than 48 months, which could potentially result in the Company not recognizing a provision for the said receivables and advances and non-provisioning of penalties which are likely to arise due to non-compliances of various statutes.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to financial statements, 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, the Company has, in all material respects, maintained internal financial controls with reference to financial statements as of March 31, 2019,based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as of March 31, 2019.

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 March 31, 2019 Consolidated financial statements of the Company, and the material weakness affects our opinion on the Consolidated financial statements of the Company.

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. Our opinion is not qualified in respect of this matter.

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

SREEDHAR SREEKAKULAM
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

Consolidated Standalone Balance sheet as at 31st March, 2019

All amounts are in ₹ unless otherwise stated

Particulars	Note No.	**As at March 31, 2019**	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	**656,614,339**	656,735,923
(b) Capital work-in-progress	4	**27,022,062**	27,022,062
(c) Goodwill	5	**3,371,440**	3,371,440
(d) Financial Assets			
(i) Investments			
a) Investments in Subsidiaries	6.1	**1**	1
b) Other Investments	6.2	**1**	1
(ii) Loans	7	**115,936,278**	91,092,522
(f) Other non-current assets	9	**20,000,000**	114,223
Total Non - Current Assets		**822,944,121**	778,336,172
Current assets			
(a) Inventory	10	**92,470,000**	92,470,000
(b) Financial assets			
(i) Trade receivables	11	**72,763,246**	139,380,655
(ii) Cash and cash equivalents	12	**2,062,740**	2,672,227
(iii) Other financial assets	8	**231,112**	204,076
(c) Other current assets	9	**407,080**	237,483
Total current assets		**167,934,178**	234,964,441
Total assets		**990,878,299**	1,013,300,613
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	13	**413,500,600**	413,500,600
(b) Other equity	14	**28,760,599**	84,402,067
Total Equity		**442,261,199**	497,902,667
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	**108,073,236**	125,576,902
(b) Provisions	16	**(52,903)**	68,541
Total Non - Current Liabilities		**108,020,333**	125,645,443
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	17	**75,448,444**	84,357,730
(ii) Other financial liabilities	18	**198,487,398**	121,191,762
(b) Provisions	16	**7,383,532**	2,592,751
(c) Current tax balances (Net)	19	**74,654,155**	78,563,800
(d) Other current liabilities	20	**84,623,238**	103,046,461
Total Current Liabilities		**440,596,767**	389,752,503
Total Liabilities		**548,617,100**	515,397,946
Total Equity and Liabilities		**990,878,299**	1,013,300,613

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

M Narayanamurthi
Managing Director
DIN: 00332455

K N Narayanan
Director
DIN 01543391

A Sriram
Chief Financial Officer

Consolidated Statement of Profit & Loss for the period ended 31st March, 2019

All amounts are in ₹ unless otherwise stated

	Particulars	Note No.	**For the year ended March 31, 2019**	For the year ended March 31, 2018
I	Revenue from Operations	21	**20,160,000**	20,160,000
II	Other Income	22	**58,603**	47,791
III	**Total Income (I+II)**		**20,218,603**	20,207,791
IV	Expenses			
	Employee benefit expense	23	**8,501,934**	4,381,314
	Finance costs	24	**21,627,484**	20,195,641
	Depreciation and amortisation expense	25	**121,584**	105,910
	Other expenses	26	**46,391,332**	17,275,379
	Total expenses (IV)		**76,642,333**	41,958,244
V	**Profit/(loss) before Exceptional items & tax (III-IV)**		**(56,423,730)**	(21,750,453)
VI	Exceptional items		**–**	1,095,799,468
VII	**Profit/(loss) before tax (V-VI)**		**(56,423,730)**	(1,117,549,921)
VIII	Tax expense			
	(1) Current tax		**(2,368,313)**	6,394,000
IX	**Profit /(Loss) for the period from continuing operations (VII-VIII)**		**(54,055,417)**	(1,123,943,921)
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities / (asset)	28	**(1,586,053)**	1,316,716
VIII	**Total comprehensive income for the period (A (i-ii)+B(i-ii))**		**(1,586,053)**	1,316,716
IX	**Total comprehensive income for the period (XIII+XIV)**		**(55,641,470)**	(1,122,627,205)
	Profit for the year attributable to:			
	Owners of the Company		**(55,641,470)**	(1,122,627,205)
	Non controlling interests		**–**	–
			(55,641,470)	(1,122,627,205)
	Other comprehensive income for the year attributable to:			
	Owners of the Company		**–**	–
			–	–
	Total comprehensive income for the year attributable to:			
	Owners of the Company		**(55,641,470)**	(1,122,627,205)
			(55,641,470)	(1,122,627,205)
	Earnings per equity share (for continuing operation):	27.2		
	Diluted (in ₹)		**(1.35)**	(27.15)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

M Narayanamurthi
Managing Director
DIN: 00332455

K N Narayanan
Director
DIN 01543391

A Sriram
Chief Financial Officer

Condolisated Cash Flow Statement

All amounts are in ₹ unless otherwise stated

Particulars		For the year ended 31st March, 2019	For the year ended 31st March, 2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Profit before tax for the year		**(58,009,784)**	(1,116,233,205)
Adjustments for:			
Depreciation and amortisation of non-current assets	4	**121,584**	105,910
Exceptional Items		**–**	1,095,799,468
Finance costs recognised in profit or loss	24	**21,569,802**	20,180,389
Movements in working capital:			
(Increase)/decrease in trade and other receivables	11	**66,617,410**	44,872,066
(Increase)/decrease in other assets	9	**(19,886,747)**	141,555
Decrease in trade and other payables	17	**(28,690,450)**	(33,389,335)
Increase/(decrease) in provisions	16	**4,669,336**	(793,524)
(Decrease)/increase in other liabilities	20	**(19,088,321)**	15,002,304
Cash generated from operations		**(32,697,169)**	25,685,628
Income taxes paid		**(1,541,332)**	(3,567,556)
Net cash generated by operating activities		**(34,238,501)**	22,118,072
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments to acquire financial assets / Refund of Rental Advance	7	**–**	3,000,000
Impairment of Investments	4	**–**	(42,200)
Net cash (used in)/generated by investing activities		**–**	2,957,800
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	15	**(24,562,214)**	(14,820,000)
Proceeds from loans	7	**1,911,044**	(21,303,942)
Proceeds from other financial liabilities	18	**77,849,987**	32,766,682
Interest paid	24	**(21,569,802)**	(20,180,389)
Net cash used in financing activities		**33,629,014**	(23,537,648)
Net increase in cash and cash equivalents		**(609,487)**	1,538,223
Cash and cash equivalents at the beginning of the year	12	**2,672,227**	1,134,005
Cash and cash equivalents at the end of the year		**2,062,740**	2,672,228

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

M Narayanamurthi
Managing Director
DIN: 00332455

K N Narayanan
Director
DIN 01543391

A Sriram
Chief Financial Officer

Condolisated Statement of changes in equity for the year ended March 31, 2019

All amounts are in ₹ unless otherwise stated

A. Equity Share Capital

	Note No.	Amount
As at April 1, 2018		413,500,600
Changes in equity share capital		–
As at March 31, 2019	13	413,500,600

B. Other Equity

	Reserves & Surplus					
	Note No.	**Securities Premium**	**Retained earnings**	**Capital Reserve**	**General Reserve**	**Total other equity**
Balance at April 1, 2018		950,864,127	(1,026,208,567)	146,863,006	12,883,501	84,402,067
Profit for the year		–	(54,055,417)	–	–	(54,055,417)
Other comprehensive income		–	(1,586,053)	–	–	(1,586,053)
Balance at March 31, 2019	**14**	**950,864,127**	**(1,081,850,037)**	**146,863,006**	**12,883,501**	**28,760,599**

Notes to the Consolidated financial statements for the year ended March 31, 2019

All amounts are in ₹ unless otherwise stated

1A Corporate Information

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 %

1B Principles of consolidation

The consolidated financial statements relates to Premier Energy Investments Limited (PEIL) and its subsidiary companies. It is prepared on the following basis:

(i) The financial statements of the subsidiary company in the consolidation are drawn up to the same reporting date as that of the company i.e., March 31, 2019

(ii) The financial statements of the company and its subsidiaries are consolidated on line by line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intragroup balances, intragroup transactions and resulting unrealised profits or losses, unless costs cannot be recovered.

(iii) In view of the provisional order of winding up of the Honourable Madras High Court dated December 20, 2016, in relation to the subsidiary company Emas Engineers & Contractors Pvt Ltd the company is unable to consolidate the accounts of this subsidiary.

(iv) Additional information as required under the General instructions for Preparation of Consolidated Financial Statements to Schedule III Division II to the Companies Act, 2013.

Name of entity	As at March 31, 2019 Net Assets (Total assets minus total liabilities)	
	As a % of consolidated net assets	Amount
Parent		
Premier Energy and Infrastructure Limited	84%	373,120,276
Subsidiaries - Indian		
RCI Power Limited	151%	668,202,990
RCI Power AP Limited	19%	86,152,674
Adjustments arising out of consolidation	-155%	(680,915,382)
	100%	446,560,559

Name of entity	As at March 31, 2019 Share of profit after tax	
	As a % of consolidated net assets	Amount
Parent		
Premier Energy and Infrastructure Limited	127%	(68,717,695)
Subsidiaries - Indian		
RCI Power Limited	-23%	12,486,652
RCI Power AP Limited	-4%	2,175,626
Adjustments arising out of consolidation	-0%	–
	-100%	(54,055,417)

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Name of entity	As at March 31, 2019 Share of Other Comprehensive Income	
	As a % of consolidated net assets	Amount
Parent		
Premier Energy and Infrastructure Limited	100%	(1,586,053)
Subsidiaries - Indian		
RCI Power Limited	0%	–
RCI Power AP Limited	0%	–
Adjustments arising out of consolidation	–	–
	100%	(1,586,053)

Name of entity	As at March 31, 2019 Share of Total Comprehensive Income	
	As a % of consolidated net assets	Amount
Parent		
Premier Energy and Infrastructure Limited	120%	(70,303,748)
Subsidiaries - Indian		
RCI Power Limited	-22%	12,486,652
RCI Power AP Limited	-4%	2,175,626
Adjustments arising out of consolidation	–	–
	100%	(55,641,470)

2 Statement of compliance with IndAS

These consolidated financial statements ('financial statements') of the company have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with rule 3 of Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The group has uniformly applied the accounting policies during the periods presented.

3 Significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These were used throughout all periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

3.1.1 Basis of preparation and presentation

These Consolidated financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Consolidated financial statements are presented in Indian currency rounded off to the nearest Rupee.

3.1.2 Basis of consolidation

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

All inter-company transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

3.1.3 Business combinations

The Group accounts for its business combinations under acquisition method of accounting. Acquisition related costs are recognised in the consolidated statement of profit and loss as incurred. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognised at their fair values at the acquisition date.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interests in entities that are under common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity is recorded in shareholders' equity.

3.2.1 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities), income and expenses and accompanying disclosures. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. Significant accounting judgements, estimates and assumptions used by management are as below:

- Useful lives of Investment Property, Property Plant and Equipment and Intangible Assets.
- Accounting for revenue and land cost for projects executed through joint development arrangement.
- Computation of percentage completion for projects in progress, project cost, revenue and saleable area estimates.
- Fair value measurements.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

3.2.2 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3.2.3 Operating cycle and basis of classification of assets and liabilities

The assets and liabilities reported in the balance sheet are classified on a "current/non-current basis".

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting date, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non -current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

3.2.4 Recent accounting pronouncements

Ind AS 116 – Leases

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Group has not applied as they are effective from April 1, 2019:

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Group will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019. The Group will apply the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group will not restate comparative information, instead, the cumulative effect of initially applying this Standard will be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Group will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at its carrying amount as if the“Standard had been applied since the commencement date, but discounted using the lessee’s incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Group will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value. On transition, the Group will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Group is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements.

The Group will recognise with effect from April 1, 2019 new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to (a) amortisation charge for the right-to-use asset, and (b) interest accrued on lease liability.

Previously, the Group recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified as an operating lease if the head lease is classified as a short term lease. In all other cases, the sublease shall be classified as a finance lease.

Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance“with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Group does not expect any significant impact of the amendment on its financial statements."

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Group does not expect this amendment to have any impact on its financial statements.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

3.3 Revenue recognition

Revenue is recognized based on the nature of activity when consideration can be reasonably measured and recovered with reasonable certainity. Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customer returns, rebates and similar allowances.

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

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

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

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.

3.4 Borrowings and Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upt0 the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Group.

3.5 Employee benefits

Employee benefits include provident fund, gratuity and compensated absences.

a. Short-term obligations

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur

b. Long-term employee benefit obligations

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

c. Post-employment obligations

The Group operates the following postemployment schemes:

i. Defined Contribution Plan:

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on"the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

ii. Defined Benefit Plan:

The liability or assets recognised in the Balance Sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of the plan assets. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in the employee benefit expenses in the Statement of Profit and Loss.

Remeasurement gains and loss arising from experience adjustments and changes in actuarial assumptions are recognised in the"period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

3.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.6.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.6.2 Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3.6.3 Minimum Alternative Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset under Deferred tax asset/ liability in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

3.6.4 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.7 Property, plant and equipment

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Cost of the asset includes expenditure that is directly attributable to the acquisition and installation, including interest on borrowing for the project / property, plant and equipment's up to the date the asset is put to use. Any cost incurred relating to settlement of claims“regarding titles to the properties is accounted for and capitalised as incurred.

Cost of land includes land costs, registration charges and compensation paid to land owners. Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Fixtures, plant and medical equipment are stated at cost less accumulated depreciation and accumulated impairment losses. All repairs and maintenance costs are charged to the income statement during the financial period in which they are incurred.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group’s accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is provided over the useful life of the assets. Useful life as provided under Schedule II of the companies Act 2013, is considered. Residual value for all assets is considered at 5% of original cost. 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 aforesaid Schedule, depreciation is provided at a higher rate based on the management’s estimate of useful life / remaining life. Except for assets in respect of which no extra shift depreciation is permitted as per schedule II of the Act, depreciation is charged in relation to the number of shifts operated.

Estimated useful lives of the assets are as follows:

S.No.	ASSET	Method of Depreciation	Actual useful life considered (In Years) (Useful life as per Schedule II of the Act)
1	Plant & Machinery	Straight Line Method	10 '(15)
2	Furniture & Fixtures	Straight Line Method	10 '(10)
3	Office Vehicle	Straight Line Method	10 '(10)

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.8 Impairment of tangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.9 Cash & Cash Equivalents

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

3.10 Provisions and Contingent Liability

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements but are disclosed.

3.11 Financial instruments

Initial Recognition

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

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

3.11.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

3.11.2 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the impairment policy on financial assets measured at amortised cost, refer Note 3.11.5.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of ‘Reserve for debt instruments through other comprehensive income’. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

3.11.3 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the “Other income” line item.

3.11.4 Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, financial assets that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Group’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

3.11.5 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

3.12 Financial liabilities and equity instruments

3.12.1 Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3.12.2 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.12.3 Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

3.12.3.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the ‘Other income' line item.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

3.12.3.2 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.13 Earnings per share

Basic earnings per share has been computed by dividing profit attributable to owners of the Company by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

3.14 Statement of cash flows

Statement of Cash flows is prepared under Ind AS 7 'Statement of Cashflows' specified under Section 133 of the Act. Cash flows are reported using the indirect method, whereby profit / (loss) before tax and is adjusted for the effects of transactions of non-cash nature.

Significant management judgement in applying accounting policies and estimation uncertainty.

The preparation of the Group's financial statements requires management of the holding company to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements:

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The revaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Revenue and inventories – The Company recognizes revenue using the percentage of completion method. This requires forecasts to be made of total budgeted cost with the outcomes of underlying construction and service contracts, which require assessments and judgements to be made on changes in work scopes, claims (compensation, rebates etc.) and other payments to the extent they are probable and they"are capable of being reliably measured. For the purpose of making estimates for claims, the Company used the available contractual and historical information.

Useful lives of depreciable/ amortisable assets – Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

(Amount in INR)

Particulars	**As at 31st March, 2019**	As at 31st March, 2018
4. Property, plant and equipment and capital work-in-progress		
Carrying amounts of:		
Land	**656,581,750**	656,581,750
Plant and Machinery	**4,073**	15,961
Vehicles	**2,714**	96,374
Furniture and Fixtures	**25,802**	41,838
	656,614,339	656,735,923
Capital Work in Progress	**27,022,062**	27,022,062
Total	**683,636,401**	683,757,985

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Description of Assets	Land	Plant and Equipment	Vehicle	Furniture and Fixtures	Total
I. Cost or deemed cost					
Balance as at 31 March, 2018	**656,581,750**	**224,338**	**788,700**	**42,200**	**657,636,988**
Additions					
Disposals					
Balance as at 31 March, 2019	**656,581,750**	**224,338**	**788,700**	**42,200**	**657,636,988**
II. Accumulated depreciation and impairment					
Balance as at 31 March, 2018	**–**	**208,377**	**692,326**	**362**	**901,065**
Eliminated on disposal of assets	–	–	–	–	–
Depreciation expense	–	11,888	93,660	16,036	121,584
Balance as at 31 March, 2019	**–**	**220,265**	**785,986**	**16,398**	**1,022,649**
III. Carrying Amount					
Balance at March 31, 2018	**656,581,750**	**15,961**	**96,374**	**41,838**	**656,735,923**
Additions	–	–	–	–	–
Disposals					
Depreciation Expense	–	11,888	93,660	16,036	121,584
Balance at March 31, 2019	**656,581,750**	**4,073**	**2,714**	**25,802**	**656,614,339**

	Particulars	As at 31st March, 2019	As at 31st March, 2018
5	**Goodwill on Consolidation**		
	Opening Balance	**3,371,440**	3,371,440
	For the year Addition / (Deletion)	**–**	–
	Closning Balance	**3,371,440**	3,371,440

6.1 Investments in Subsidiaries

Break-up of investments in subsidiaries (carrying amount determined using the equity method of accounting)

Particulars	As at March 31, 2019 QTY	As at March 31, 2019 Amounts	As at March 31, 2018 QTY	As at March 31, 2018 Amounts
Unquoted Investments (all fully paid)				
(a) Investments in Equity Instruments				
Emas Engineers & Contractors Pvt Ltd (EMAS)	**6,024,050**	**1**	6,024,050	185,462,500
Less: Provision for diminition in value of investments		**–**		(185,462,499)
Total Aggregate Unquoted Investments	**6,024,050**	**1**	6,024,050	1
Aggregate carrying value of unquoted investments in subsidiaries		**1**		1
Aggregate amount of impairment in value of investments in subsidiaries				185,462,499

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

6.2 Other Investments

Particulars	As at March 31, 2019		As at March 31, 2018	
	QTY	**Amounts**	QTY	Amounts
Unquoted Investments (all fully paid)				
Investments in Equity Instruments				
Haldia Coke & Chemicals Private Limited - Refer Note 6.2 (1) and Note 35	**13,750,000**	**1**	13,750,000	527,587,500
Less: Provision for diminition in value of investments				(527,587,499)
Total Aggregate Unquoted Investments	**13,750,000**	**1**	13,750,000	1
Aggregate carrying value of unquoted investments		**1**		1
Aggregate amount of impairment in value of investments		**–**		–

Note 6.2 (1)

Includes 91,74,860 equity shares pledged with a lender for amounts borrowed by the Associate Company.

Particulars	**31-Mar-2019 Non Current**	31-March-2018 Non Current
7 Loans		
Advances to Others:		
Unsecured, considered good	**13,514,706**	15,425,750
Advances to Related Parties:		
Unsecured, considered good	**102,421,572**	458,416,242
Less: Provision for doubtful advances	**–**	(382,749,470)
Total	**115,936,278**	91,092,522

Confirmations of advances are yet to be received, thorugh the letters of confirmations were sent to them. The balances adopted are as appearig in the books of accounts of the Company. The management expects to recover the same.

8 Other Financial Assets

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	**Current**	Non Current	Current
Interest accrued on Bank deposits		**217,612**	–	179,576
Utilities Deposit		**13,500**	–	24,500
Rental Advance	**–**	**–**	–	–
	–	**231,112**	–	204,076
9 Other Assets				
Advances recoverable in cash or in kind	**–**	280,614	–	106,792
Advance share subscription	**–**	**–**	–	–
Reimbursements due	**–**	**–**	–	–
Balance with Revenue Authority	**–**	**–**	–	–
Other Deposits	**20,000,000**	**–**	–	–
Prepaid Expense	**–**	**126,466**	114,223	130,691
	20,000,000	**407,080**	114,223	237,483

Particulars	**31-Mar-2019 Non Current**	31-March-2018 Non Current
10 Inventories		
Land (At lower of cost and net realizable value)	**92,470,000**	92,470,000
	92,470,000	92,470,000

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Particulars	As at 31-Mar-2019	As at 31-March-2018
11 Trade receivables		
Unsecured, considered good	**72,763,246**	139,380,655
	72,763,246	139,380,655
Confirmations of balances of debtors are yet to be received, thorugh the letters of confirmations were sent to them. The balances adopted are as appearig in the books of accounts of the Company. The management expects to recover the same.		
12 Cash and cash equivalents		
For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated balance sheet as follows:		
Balances with Banks		
In Current accounts	**1,265,797**	122,216
In Deposits	**613,963**	627,709
Cash on hand	**182,980**	1,922,302
Cash and cash equivalents as per balance sheet	**2,062,740**	2,672,227
Cash and cash equivalents as per statement of cash flows	**2,062,740**	2,672,227
13 Equity Share Capital		
Authorised Share capital :		
44,150,000 fully paid equity shares of ₹ 10 each	**441,500,000**	441,500,000
Issued and subscribed capital comprises:		
41,350,060 fully paid equity shares of ₹ 10 each (as at March 31, 2019: 41,350,060; as at April 1, 2018: 41,350,060)	**413,500,600**	413,500,600
	413,500,600	413,500,600

Particulars	Number of shares	Share capital Amount
13.1 Fully paid equity shares		
Balance at March 31, 2018	41,350,060	413,500,600
Movements	–	–
Balance at March 31, 2019	**41,350,060**	**413,500,600**

Fully paid equity shares, which have a par value of Rs.10, carry one vote per share and carry a right to dividends.

Particulars	**As at March 31, 2019**		As at March 31, 2018	
	Number of Shares held	**% holding of shares**	Number of Shares held	% holding of shares
13.2 Details of shares held by each shareholder holding more than 5% shares				
Fully paid equity shares				
Shri Housing Pvt Ltd	**11,100,000**	**26.84%**	11,100,000	26.84%
Vidya Narayanamurthi (On behalf of Shriram Auto Finance)	**10,000,000**	**24.18%**	10,000,000	24.18%
Vassal Ranganathan (On behalf of Shriram Auto Finance)	**3,462,515**	**8.37%**	3,462,515	8.37%
Vaata Infra Limited	**4,000,000**	**9.67%**	4,000,000	9.67%
Sita Srinivasan	**2,553,725**	**6.18%**	2,553,725	6.18%

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

	Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
14	**Other equity**			
	Securities premium reserve		**950,864,127**	950,864,127
	Retained earnings	14.1	**(1,081,850,035)**	(1,026,208,567)
	Capital Reserve		**146,863,006**	146,863,006
	General Reserve		**12,883,501**	12,883,501
			28,760,599	84,402,067

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
14.1	**Retained earnings**		
	Balance at beginning of year	**(1,027,525,282)**	96,418,639
	Profit attributable to owners of the Company	**(54,055,417)**	(1,123,943,921)
	Balance at end of year	**(1,081,580,700)**	(1,027,525,282)

	Particulars	31-Mar-2019 Non Current	31-Mar-2018 Non Current
15	**Borrowings**		
	Secured - at amortised cost		
	Term loans		
	from banks (Refer (16.1(i)) below)	**45,953,303**	55,950,151
	Unsecured - at amortised cost		
	Term loans		
	from Related Parties (Refer Note 31)	**58,741,413**	59,770,552
	from Others (Refer (16.1(ii)) below)	**578,520**	7,056,199
	Lease Deposit	**2,800,000**	2,800,000
	Total	**108,073,236**	125,576,902

15.1 Summary of borrowing arrangements

(i) (a) The company has availed a term loan of ₹ 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, 1652/25 part, Mylapore Village and Triplicane - Mylapore tauk, Chennai district, Chennai - 600 004, admesuring 5919 sq.ft.

(c) Pending registration, no specific charge has been created on the undivided portion either by the company or by M/s. PL Finance and Investments Limited.

(d) Additionally secured by irrevocable and unconditional corporate guarantees by the company and M/s. Shri Housing Private Limited and M/s. PL Finance and Investments Limited. Further guaranteed by M/s. Shriram Auto Finance (Firm) and by a Director of the company.

(e) Period and amount of continuing default :

No of Installments - 40 (Monthly)

Principal Overdue - ₹ 3,28,84,000

Interest overdue - ₹ 6,61,94,821

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

(ii) (a) The company has availed a term loan of ₹ 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 - ₹ 5,02,945

Interest overdue - ₹ 11,32,155

16 Provisions

Particulars	As at March 31, 2019		As at March 31, 2018	
	Non Current	**Current**	Non Current	Current
Employee benefits including compensated absences	**(52,903)**	**7,383,532**	68,541	2,592,751
Total	**(52,903)**	**7,383,532**	68,541	2,592,751

	Particulars	31-Mar-2019 Current	31-Mar-2018 Current
17	**Trade Payables**		
	Due to Micro Small Medium Enterprises Creditors	**–**	–
	Due to Other than Micro Small Medium Enterprises Creditors	**75,448,444**	84,357,730
	Total	**75,448,444**	84,357,730
	Confirmations of balances of creditors are yet to be received, thorugh the letters of confirmations were sent to them. The balances adopted are as appearig in the books of accounts of the Company.		
18	**Other financial liabilities**		
	Interest accrued and due	**67,326,977**	47,239,282
	Accrued Employee benefits	**1,280,003**	1,184,931
	Accrued Expenses	**7,417,574**	6,233,366
	Other Payables	**7,024,573**	6,787,146
	Short Term Borrowings	**65,577,647**	20,729,096
	Current maturities of long-term debt	**49,860,625**	39,017,942
	Total	**198,487,398**	121,191,762

	Particulars	Note	As at 31^{st} March, 2019	As at 31^{st} March, 2018
19	**Current tax balances (Net)**			
	Current tax assets			
	Tax refund receivable		**1,529,543**	1,845,625
			1,529,543	1,845,625
	Current tax liabilities			
	Provision for Tax		**76,183,698**	80,409,425
			74,654,155	78,563,800

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

	Particulars	31-Mar-2019 Current	31-Mar-2018 Current
20	**Other Liabilities**		
	Advance from Customers	**20,110,782**	41,842,222
	Statutory dues payable	**64,512,456**	61,204,238
	Total	**84,623,238**	103,046,461

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
21	**Revenue from Operations**		
	The following is an analysis of the Company's revenue for the year from continuing operations (excluding other income-see note 22)		
	(a) Revenue from leasing and maintenance	**20,160,000**	20,160,000
		20,160,000	20,160,000
22	**Other Income**		
	Interest income		
	Bank deposits (at amortised cost)	**58,603**	47,791
		58,603	47,791
23	**Employee benefits expense**		
	Salaries and wages	**7,387,637**	4,118,290
	Contribution to provident and other funds (see note 28)*	**1,080,360**	184,983
	Staff welfare expenses	**33,937**	78,041
		8,501,934	4,381,314
24	**Finance costs**		
	Continuing operations		
	(a) Interest costs :		
	Interest on bank overdrafts and loans (other than those from related parties)	**21,569,802**	20,180,389
	Total interest expense for financial liabilities not classified as at FVTPL	**21,569,802**	20,180,389
	(b) Other borrowing costs :	**57,682**	15,252
		21,627,484	20,195,641
25	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment pertaining to continuing operations	**121,584**	105,910
	Total depreciation and amortisation pertaining to continuing operations	**121,584**	105,910

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
26	**Other expenses**		
	Power and fuel	**73,315**	125,285
	Rent	**18,000**	–
	Repairs and maintenance	**314,603**	228,804
	Printing & Stationery	**231,428**	310,317
	Travelling & Conveyance	**557,202**	479,779
	Listing & Depository Fees	**409,679**	537,653
	Professional Charges	**4,264,682**	621,711
	Payment to Auditors (Refer Note 26.1)	**1,540,000**	1,540,000
	Interest on Statutory Payment	**9,214,166**	7,692,861
	Prior Year Expenses	**144,804**	–
	BSE Penalty	**6,918,500**	–
	Communication Expenses	**489,404**	424,258
	Sundry Advances written off (Refer Note 26.2)	**21,621,626**	4,641,130
	General Expenses	**593,922**	673,581
		46,391,332	17,275,379
26.1	**Payments to auditors**		
	a) For audit	**1,540,000**	1,540,000
		1,540,000	1,540,000

26.2 Bad Debts Written off

The amount of ₹ 2,16,21,626 receivable from Leitner Sriram Manufacturing Limited has been written off as bad debts since the company is not functioning.

	Particulars	31-Mar-19	31-Mar-18
27.2	**Earnings per Share**		
	Basic earnings per share		
	From continuing operations	**(1.35)**	(27.15)
	Total basic earnings per share	**(1.35)**	(27.15)
	Diluted earnings per share		
	From continuing operations	**(1.35)**	(27.15)
	Total diluted earnings per share	**(1.35)**	(27.15)
27.3	**Basic earnings per share**		
	The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows.		
	Profit for the year attributable to owners of the Company	**(55,641,470)**	(1,122,627,205)
	Earnings used in the calculation of basic earnings per share	**(55,641,470)**	(1,122,627,205)
	Earnings used in the calculation of basic earnings per share from continuing operations	**(55,641,470)**	(1,122,627,205)
	Weighted average number of equity shares for the purposes of basic earnings per share	**41,350,060**	41,350,060
	Weighted average number of equity shares for the purposes of diluted earnings per share	**41,350,060**	41,350,060

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

	Particulars	31-Mar-19	31-Mar-18
27.4	**Diluted earnings per share**		
	The earnings used in the calculation of diluted earnings per share are as follows.		
	Earnings used in the calculation of basic earnings per share	**(55,641,470)**	(1,122,627,205)
	Earnings used in the calculation of diluted earnings per share Profit for the year from discontinued operations attributable	**(55,641,470)**	(1,122,627,205)
	Earnings used in the calculation of diluted earnings per share from continuing operations	**(55,641,470)**	(1,122,627,205)
	The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:		
	Weighted average number of equity shares used in the calculation of basic earnings per share	**41,350,060**	41,350,060
	Weighted average number of equity shares used in the calculation of diluted earnings per share	**41,350,060**	41,350,060

28. Employee benefit plans

Defined Benefit plans

The Company's gratuity scheme is a defined benefit plan. The present value of obligation as at the end of the financial year is determined based on actuarial valuation using the Projected Unit Credit method, which recignises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment as at the end of the financial year is also recognised in the same manner as gratuity.

As per Ind AS 19, the disclosures pertaining to "Employee Benefits" are given below:

	31-Mar-19	31-Mar-18
Employer Contribution to Provident Fund	**104,864**	(310,461)

Principal Actuarial Assumptions:	**Gratuity Plan (Unfunded)**		Compensated Absences - Earned Leave	
(Expressed as weighted averages)	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
Discount rate(s)	**7.08%**	6.54%	**7.08%**	6.54%
Expected rate(s) of salary increase	**10%**	10%	**10%**	10%
Average Age	**59.02**	52.78	**58.75**	52.80
Attrition Rate	**30%**	30%	**30%**	30%
Proportion of Leave availment	**NA**	NA	**5%**	5%
Proportion of encashment during service	**NA**	NA	**0%**	0%
Proportion of encashment on separation	**NA**	NA	**95%**	95%

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others (please describe).

Expenses Recognised in the Statement of Profit and Loss:	**Gratuity Plan**		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Current service cost	**103,492**	93,937	**244,195**	184,653
Net interest expense	**63,798**	91,046	**110,251**	153,555
Components of defined benefit costs recognised in profit or loss	**167,290**	184,983	**354,446**	338,208
Remeasurement on the net defined benefit liability:				
Net actuarial (gains) / losses on plan obligation	**(62,426)**	(495,444)	**1,648,478**	(821,272)
Components of defined benefit costs recognised in other comprehensive income	**(62,426)**	(495,444)	**1,648,478**	(821,272)
Total	**104,864**	(310,461)	**2,002,923**	(483,064)

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Amounts Recognised in the Balance Sheet and Related Analysis	Gratuity Plan		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Present value of defined benefit obligation	**1,080,360**	975,497	**1,685,795**	1,304,720
Fair value of plan assets	**–**	–	**–**	–
Amount determined under para 63 of Ind AS19	**–**	–	**–**	–
Net liability arising from defined benefit obligation	**1,080,360**	975,497	**1,685,795**	1,304,720

Change in the Present Value the Obligation (PVO)	Gratuity Plan		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Opening defined benefit obligation	**975,497**	1,285,958	**1,685,795**	2,168,859
Current service cost	**103,492**	93,937	**244,195**	184,653
Interest cost	**63,798**	91,046	**110,251**	153,555
Remeasurement (gains)/losses:	**(62,426)**	(495,444)	**1,648,478**	(821,272)
Benefits paid	**–**	–	**–**	–
Closing defined benefit obligation	**1,080,360**	975,497	**3,688,719**	1,685,795

Changes in the Fair Value of the Plan Assets	Gratuity Plan		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Opening fair value of plan assets	**–**	–	**–**	–
Interest income	**–**	–	**–**	–
Contributions from the employer	**–**	–	**–**	–
Benefits paid	**–**	–	**–**	–
Closing fair value of plan assets	**–**	–	**–**	–

Movements In The Liability Recognized in The Balance Sheet	Gratuity Plan		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Opening net liability adjusted for effect of balance sheet limit	**975,497**	1,285,958	**1,685,795**	2,168,859
Amount recognised in Profit and Loss	**167,290**	184,983	**354,446**	338,208
Amount recognised in OCI	**(62,426)**	(495,444)	**1,648,479**	(821,272)
Contribution paid	**–**	–	**–**	–
Closing net liability	**1,080,361**	975,497	**3,688,719**	1,685,795

Sensitivity Analyses	Rate		Gratuity Plan		Compensated Absences - Earned Leave	
Liability when:	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18	**31-Mar-19**	31-Mar-18
A. Discount Rate + 100 BP	**4355501%**	4319001%	**970,020**	1,264,846	**3,688,201**	1,675,891
B. Discount Rate - 100 BP	**4355499%**	4318999%	**981,096**	1,308,114	**3,689,251**	1,695,893
C. Salary Escalation Rate +100 BP	**11%**	11%	**980,912**	1,301,578	**3,689,082**	1,692,712
D. Salary Escalation Rate -100 BP	**9%**	9%	**970,101**	1,270,270	**3,688,358**	1,678,883
E. Attrition rate +100 BP	**11%**	11%	**974,805**	1,283,965	**3,688,671**	1,684,913
F. Attrition rate -100 BP	**9%**	9%	**976,192**	1,287,973	**3,688,731**	1,686,678

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Expected Benefit Payments in Following Years	Gratuity Plan		Compensated Absences - Earned Leave	
	31-Mar-19	31-Mar-18	**31-Mar-19**	31-Mar-18
Year 1	**826,811**	526,898	**1,669,015**	1,007,677
Year 2	**101,059**	449,938	**168,580**	723,833
Year 3	**47,628**	125,056	**80,918**	183,507
Year 4	–	74,409	–	69,463
Year 5	–	31,514	–	48,338
Next 5 Years	–	65,771	–	100,872

29 Related Party Disclosure

Names of related parties and related party relationship

Names of the related party	Nature and Description of the relationship
SR Fabricators Pvt Ltd	Director is the Director for this Company
Crimson Investmets Ltd	Director is the Director for this Company
Emas Engineers & Contractors Pvt Ltd.	Subsidiary
Shri Housing Pvt. Ltd.	Fellow subsidiary
Shriram Auto Finance (Partnership firm)	Holding Company
M Narayanamurthi	Managing Director / Key Management Personnel
R Ramakrishnan	Director
Vikram Mankal (Resigned on October 19, 2017)	Director
K N Narayanan	Director
A. Sriram CFO	

Related Party Transactions during the year

S.No	Name of the related party	Relationship	Description	Year ended 31-Mar-19	Year ended 31-Mar-18
1	Shri Housing Private Limited	Fellow Subsidiary	Loans received	**636,506**	768,000
			Loans repaid	**23,344,494**	
2	Crimson Investments Ltd	Common Director	Loans received	**40,582,192**	11,017,636
			Loans repaid	**33,000**	1,062,582
3	M Narayanamurthi	Managing Director	Salary paid	**240,000**	240,000
4	A. Sriram	Chief Financial Officer	Salary & Allowances paid	**2,854,200**	2,904,200

Closing Balances of Related Parties

S.No	Name of the related party	Relationship	Year ended 31-Mar-19	Year ended 31-Mar-18
1	Emas Engineers & Contractors Pvt Ltd	Long Term Loans and Advances	–	–
2	Shri Housing Pvt Ltd	Long Term Borrowings	**(58,062,565)**	(59,770,553)
3	Crimsoin Investments	Short Term Borrowings	**(65,577,647)**	20,729,096
4	M Narayanamurthi	Accrued Employee Benefits	–	(17,457)
5	Vikram Mankal (Resigned on October 19, 2017)	Accrued Employee Benefits	**(329,156)**	(329,156)
6	S. Krishnan	Accrued Employee Benefits	**(100,000)**	(100,000)
7	A. Sriram	Accrued Employee Benefits	**(4,291,863)**	(3,450,669)

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

30 Details of dues to Micro,Small and Medium enterprises as defined under the MSMED Act, 2006

The Identification of Micro,Small and Medium Enterprises Suppliers as defined under "The Micro,Small and Medium Enterprises development Act 2006" is based on the Information available with the management.As certified by the Management, the amounts overdue as on 31st March 2019 (31st March 2018) to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to ₹ Nil (₹ Nil).

31 Contingent Liability

a) The Company's land at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/25 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 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.

c) The Company has received a counter confirmation from Beta Wind Farm claiming as ₹ 42,11,60,107 as receivable from PEIL. However the company doesn't acknowledges this as a debt as the amount has been adjusted adgainst a compensation claim received earlier.

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 ₹ 1,67,87,132.

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.

33 Going Concern Assumption

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.

34 Fair value Measurements

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The fair value of current trade receivables, current trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their shortterm nature.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

	Particulars	Note	As at 31st March, 2019	As at 31st March, 2018
34.1	**Category wise classification of financial instruments is as follows:**			
	Financial assets measured at fair value - Level 3			
	Non current:			
	(i) Other Investments	6.2	**1**	1
	Financial Assets measured at amortised cost			
	Non current:			
	(i) Loans	7	**115,936,278**	91,092,522
	Current:			
	(i) Trade receivables	11	**72,763,246**	139,380,655
	(ii) Cash and cash equivalents	12	**2,062,740**	2,672,227
	(iii) Other financial assets	8	**231,112**	204,076
	Financial Assets measured at cost			
	Non current:			
	(i) Investments			
	a) Investments in Subsidiaries	6.1	**1**	1
	Financial Liabilities measured at amortised cost (Refer Note 37.2)			
	b. Financial Liabilities			
	Non current:			
	(i) Borrowings	15	**108,073,234**	125,576,902
	Current:			
	(i) Trade payables	17	**75,448,444**	84,357,730
	(ii) Other financial liabilities	18	**19,487,398**	121,191,762

34.2 Financial instrument measured at amortised cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their face values since the Company does not anticipate that the carrying cost would be significantly different from the values that would eventualy be received or settled.

34.3 Financial Risk Management - Objectives and Policies

The Company has a well- managed risk management framework, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as liquidity risk, market risk, credit risk and foreign currency risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable risk parameters in a disciplined and consistent manner and in compliance with applicable regulation.

1) Market risk

Market risk is a risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to market risk through its use of financial instruments and specifically tointerest rate risk, which result from both its operating and investing activities.

Notes to the Consolidated financial statements *(continued)*

All amounts are in ₹ unless otherwise stated

Interest Rate Risk

The Company's main interest rate risk arised from long term and short term borrowings with variable rates, which expose the Company to cash flow interest rate risk. During March 31, 2019 and March 31, 2018, the exposure of Company's borrowings to interest rate changes are as follows:

Particulars	As at 31st March, 2019	As at 31st March, 2018
Variable rate borrowings	**220,711,506**	182,523,940

Sensitivity

Profit/ loss is sensitive to higher/lower expense from borrowings as a result of change in interest rates. The table below summarises the impact of increase/decrease in interest rates on profit or loss

	(Increase)/ decrease in Loss by	
	31-Mar-19	31-Mar-18
Interest rates- increase by 1%	**(2,624,325)**	(1,735,981)
Interest rates- decrease by 1%	**1,408,030**	1,916,747

2) **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter due to difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The company has sound financial strength represented by its aggregate current assets as against aggregate current liabilities and its strong equity base and lower working capital debt.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Maturities of financial liabilities As at 31 March 2019	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	–	108,073,234	–	108,073,234
Trade payable	75,448,444	–	–	75,448,444
Other financial liabilities	198,487,398	–	–	198,487,398

Maturities of financial liabilities As at 31 March 2018	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	–	125,576,902	–	125,576,902
Trade payable	84,357,730	–	–	84,357,730
Other financial liabilities	121,191,762	–	–	121,191,762

3) **Credit Risk**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company Credit risk arises primarily from financial assets such as trade receivables, other balances with banks and other receivables.

Credit risk arising from balances with banks is limited because the counterparties are banks with high credit ratings.

All other financials assets including those past due for each reporting date are of good credit quality.

Particulars	**31.03.2019**	31.03.2018
Non Current assets		
Financial Assets		
Loans	**115,936,278**	91,092,522
Current assets		
Financial assets		
Trade receivables	**72,763,246**	139,380,655
Cash and cash equivalents	**2,062,740**	2,672,227
Other financial assets	**231,112**	204,076

34.4 Capital management

For the purpose of the Company's capital management, capital includes issued share capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

The company has not distibuted any dividend to its shareholders. The company monitors net debt to capital ratio i.e., total debt in proportion to its overall financing structure i.e., equity and debt. Total debt comprises of term loans and cash credits. The company manages its capital structure and makes changes to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Particulars		31.03.2019	31.03.2018
Total Equity	i	**442,261,199**	497,902,667
Total Debt	ii	**223,511,506**	185,323,940
Cash & Cash Equivalents	iii	**2,062,740**	2,672,227
Net Debt	iv = iii - ii	**221,448,766**	182,651,713
Total Capital	v = i + iv	**663,709,965**	680,554,380
Net Debt to capital ratio	iv / v	**0.33**	0.27

No changes were made in the objectives, policies and processes for managing the capital during the three years ended March 31, 2019 and March 31, 2018.

34.5 Pursuant to regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures of amounts at the year end and the maximum amount of loans/ advances/ investments outstanding during the year are as follows:

i) Amount outstanding at the year end:

S. No.	Description	Nature	Net Balance as on 31.03.2019	Dr./ Cr.	Net Balance as on 31.03.2018	Dr./ Cr.
1	Small Industries Development Bank of India (SIDBI)	Loan	45,953,302	Cr.	55,950,151	Cr.
2	Indiabulls Housing Finance Limited	Loan	579,820	Cr.	7,056,199	Cr.
3	RCI Power Limited	Loan	–	Cr.	–	Cr.
4	Shri Housing Pvt Ltd	Loan	58,062,565	Cr.	59,770,553	Cr.
5	Crimson Investments Limited	Loan	65,577,647	Cr.	20,729,096	Cr.
6	Emass Engineers - Shares	Investment	1	Dr.	1	Dr.
7	Investments - RCI Power AP Ltd	Investment	78,588,176	Dr.	78,588,176	Dr.
8	Investments - RCI Power Limited	Investment	609,280,591	Dr.	609,280,591	Dr.
9	Haldia Coke & Chemicals	Investment	1	Dr.	1	Dr.
10	Front Office Consultants Pvt Ltd	Advances	13,500,000	Dr.	13,500,000	Dr.
11	Aarthik Properties Ltd	Advances	–	Dr.	1,918,750	Dr.

ii) **Maximum amount outstanding during the year:**

S. No.	Description	Nature	Net Balance as on 31.03.2019	Dr./ Cr.	Net Balance as on 31.03.2018	Dr./ Cr.
1	Small Industries Development Bank of India (SIDBI)	Loan	121,717,302	Cr.	55,950,151	Cr.
2	Indiabulls Housing Finance Limited	Loan	7,996,351	Cr.	7,056,199	Cr.
3	RCI Power Limited	Loan	17,840,260	Cr.	8,137,711	Cr.
4	Shri Housing Pvt Ltd	Loan	60,199,193	Cr.	59,770,553	Cr.
5	Crimson Investments Limited	Loan	65,677,647	Cr.	20,729,096	Cr.
6	Emass Engineers - Shares	Investment	1	Dr.	185,462,500	Dr.
7	Investments - RCI Power AP Ltd	Investment	78,588,176	Dr.	78,588,176	Dr.
8	Investments - RCI Power Limited	Investment	609,280,591	Dr.	609,280,591	Dr.
9	Haldia Coke & Chemicals	Investment	1	Dr.	527,587,500	Dr.
10	Emass Engineers & Contractors Pvt Ltd	Advances	–	Dr.	382,749,470	Dr.
11	Rci Power (Ap)	Advances	17,295	Dr.	2,384,522	Dr.
12	Front Office Consultants Pvt Ltd	Advances	13,500,000	Dr.	13,500,000	Dr.
13	Aarthik Properties Ltd	Advances	1,918,750	Dr.	1,918,750	Dr.

35 The company's shares have been delisted from Tarding in Bombay Stock Exchange for non payment of penalty. The company has completed the pending compliances within the timeline as specified in the SAT order vide letter dated 21st December 2018, the company's request for grant of additional time upto June 2019 for making the outstanding SOP fines is being acceded to, failing which the delisting of the company will continue.

In terms of our report attached.

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

Sreedhar Sreekakulam
Partner
M. No. 026474

Place : Chennai
Date : 30th May, 2019

For and on behalf of the Board of Directors

M Narayanamurthi
Managing Director
DIN: 00332455

K N Narayanan
Director
DIN 01543391

A Sriram
Chief Financial Officer

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Ph.No: 044-28270041; 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 27th Annual General Meeting of the Company held on 30th September 2019 at 10.15 a.m at Bharathiya Vidhya Bhavan (Mini Hall - 2nd Floor) 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 .... 2019.

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 NO: L45201TN1988PLC015521
Regd. Office:Ground Floor, Tangy Apartments, 34, Dr. PV Cherian Road,
Off. Ethiraj Salai,Egmore, Chennai - 600 008.
Ph.No: 044-28270041; Email: premierinfra@gmail.com
Website: www.premierenergy.in

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 30th September 2019 at 10.15 a.m at Bharathiya Vidhya Bhavan (Mini Hall - 2nd Floor) 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.

BOOK POST

If undelivered please return to:

PREMIER ENERGY AND INFRASTRUCTURE LIMITED
Registered Office:
Ground Floor, Tangy Apartments, 34, Dr. PV Cherian Road,
Off. Ethiraj Salai,Egmore, Chennai - 600 008.