ANNUAL REPORT 2017-18

PREMIER ENERGY AND INFRASTRUCTURE LIMITED

GROUND FLOOR, TANGY APARTMENTS, 34, DR. P V CHERIAN ROAD,
OFF. ETHIRAJ SALAI, EGMORE, CHENNAI-600 008

CORPORATE INFORMATION

BOARD OF DIRECTORS

M. NARAYANAMURTHI	Managing Director
R. RAMAKRISHNAN	Non Executive Independent Director
VIKRAM MANKAL (upto 19.10.2017)	Non Executive Non Independent Director
K.N. NARAYANAN	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. P V Cherian Road,
Off. Ethiraj Salai, Egmore,
Chennai-600 008
Ph. No.: 044-28270031

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. P V Cherian Road,
Off. Ethiraj Salai, Egmore, Chennai-600 008
Ph. No.: 044-28270031 Fax: 044-28270031
Email: premierinfra@gmail.com Website: www.premierenergy.in

NOTICE CONVENING THE TWENTY SIXTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Company will be held at 12.00 noon on Saturday, the 29th September, 2018 at Bharathiya Vidhya Bhavan (Mini Hall -1 Floor) 18,20,22, East Mada Street, Mylapore, Chennai-600 004 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements

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, 2018 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, 2018 and the Independent Auditors Report thereon be and are hereby considered, approved and adopted.

Item No. 2 - Ratification of appointment of Statutory Auditors

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

"**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), pursuant to the recommendations of the Audit Committee of the Board of Directors, the appointment of M/s. S.H.Bhandari & Co, Chartered Accountants, Chennai bearing Firm Registration No:000438S as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of Twenty Seventh Annual General Meeting to be held in the year 2019 be and is hereby ratified on a remuneration of Rs.15 Lakhs (Rupees Fifteen Lakhs only) plus the applicable taxes for the FY 2018-19 and reimbursement of travelling and out of pocket expenses incurred by them, be and is hereby approved 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

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

   "RESOLVED THAT pursuant to Sections 196,197,203 and other applicable provisions if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with Schedule V to the Act and subject to such consents, permissions, approvals, if any required, from any appropriate authority, consent of the members of the Company be and is hereby accorded to the appointment of Mr. M Narayanamurthi (DIN:00332455) as the Managing Director of the Company who is not liable to retire by rotation for a period of 3 years with effect from 13th November, 2017 to 12th November, 2020 at a remuneration including perquisites and upon and subject to the terms and conditions contained in the agreement between the Company and Mr. M Narayanamurthi (DIN:00332455) placed before the meeting and as detailed in the Explanatory Statement attached to the Notice."

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

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

Terms and Conditions of the appointment as below;

REMUNERATION:

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

Apart from the above, he is also entitled for:

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

On Behalf of the Board

M Narayanamurthi
(DIN:00332455)
Managing Director

Place: Chennai
Date : 30.05.2018

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 26th 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 Saturday, 22nd September, 2018 to Saturday, 29th September, 2018 (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 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 are being sent by electronic mode only. For members who have not registered their Email addresses, physical copies of the Annual Report 2018 are being sent by the permitted mode.

12. The Notice of the 26th 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 26th 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.

    Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report 2018 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.

13. 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.

14. 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 26th 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 22nd September, 2018.

(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. 22nd September, 2018 only shall be entitled to avail the facility of remote e-voting.

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

Commencement of remote e-voting : From 9.00 a.m. (IST) on, 26th September, 2018 End of remote e-voting: Up to 5.00 p.m. (IST) on 28th September, 2018.

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. 29th September, 2018.

(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 Wednesday, 26th September, 2018 at 9.00 a.m (IST) and ends on Friday 28th September 2018 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 22nd September, 2018, 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 22nd September, 2018.

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 26th 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 29, 2018.

On Behalf of the Board

M Narayanamurthii
(DIN:00332455)
Managing Director

Place: Chennai
Date : 30.05.2018

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors, (based on the recommendation of Nomination and Remuneration Committee) had re-appointed Mr. M. Narayanamurthi (DIN:00332455) as an Managing Director of the Company with effect from November 13, 2017.

Brief Profile of the Director

Mr. M Narayanamurthi aged 70 years is a Chartered Accountant, Cost Accountant and Company Secretary by qualification. He has taken over as Managing Director of Premier Energy and Infrastructure Limited on 13th November 2015. He has an experience of more than 17 years in Finance, General Management and Property Development areas. Formerly he was the Chief Executive of Krest Development and Leasing Ltd which was involved in Leasing, Hire Purchase and Property Development activities. While he was the Chief Executive of Krest, he was responsible for finalising and implementing a fairly large housing and commercial projects at Bangalore and Madras.

The Board of Directors have also appointed Mr. M Narayanamurthi (DIN:00332455) as the Managing Director of the company who is not liable to retire by rotation for a period of three years with effect from 13th November, 2017 to 12th November, 2020 at the remuneration including perquisites and upon and subject to the terms and conditions contained in the agreement between the company and Mr. M Narayanamurthi (DIN:00332455) placed before the meeting and as given below:

TERMS OF APPOINTMENT:

Mr. M Narayanamurthi would hold office of Managing Director for a period of 3 years w.e.f November 13, 2017.

REMUNERATION:

Component of Remuneration	Amount P.M.	Amount P.A.
Salary	20,000	2,40,000
Total	20,000	2,40,000

Apart from the above, he is also entitled for:

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

The resolutions under Item Nos. 3 seek the approval of members for the appointment of Mr. M Narayanamurthi as Managing Director of the Company for a period up to November 12, 2020 pursuant to Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Rules made there under.

Memorandum of Interest

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

Information as required under SEBI (LODR) Regulations, 2015

Name	Mr. M Narayanamurthi
Age	70 years
Date of Appointment	13.11.2015
Qualifications	Chartered Accountant, Cost Accountant and Company Secretary
Expertise in functional areas	He has an experience of more than 37 years in Finance, General Management and Property Development areas
Directorships held in other public companies (Excluding foreign companies)	Nil
Membership/Chairmanship/Committees of other public companies (includes only Audit Committee and Stake holders Relationship Committee)	NIL
Shareholding in the company (No of shares)	NIL
Inter se relationship with any director	Mr. Vikram Mankal, Director (upto 19.10.2017) is the son of Mr. M Narayanamurthi

ROUTE MAP TO THE VENUE
of the 26th 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 Shareholder,

Your Directors have pleasure in presenting the Twenty Sixth Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2018.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Consolidated		Standalone	
	2017-18	2016-17	**2017-18**	2016-17
Gross Income	**202.08**	202.04	**-**	-
Profit / (Loss) before interest & depreciation	**(14.49)**	(190.38)	**(213.53)**	(324.73)
Finance charges	**201.96**	186.96	**201.83**	186.86
Provision for depreciation	**1.06**	1.06	**1.06**	1.06
Net Profit / (Loss) before tax	**(217.51)**	(378.40)	**(416.42)**	(512.65)
Extra Ordinary items	**10957.99**	901.70	**10957.99**	901.70
Other Comprehensive income	**13.17**	11.45	**13.17**	11.45
Provision for tax	**63.94**	220.40	**-**	176.53
Net Profit / (Loss) after tax	**(11226.27)**	(1489.05)	**(11361.24)**	(1579.43)
Surplus carried to Balance Sheet	**(11226.27)**	(1489.05)	**(11361.24)**	(1579.43)

OPERATIONS AND PERFORMANCE:

Standalone Turnover for the year is Rs NIl as compared to Rs. Nil in the previous year, while the Consolidated Sales for the year under review stands at Rs. 202.08 lacs as against Rs. 202.04 lacs in the previous year. Standalone Loss for the current year was Rs. 11361.24 lacs as compared to Loss of Rs. 1579.43 lacs in the previous year, while the Consolidated Loss for the current year was Rs. 11226.27 lacs as compared to Loss of Rs. 1489.05 lacs in the previous year

BUSINESS HIGHLIGHTS

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

DIVIDEND

Considering the loss during the Financial Year 2017-2018, the Board of Directors do not recommend any dividend for the year ended 31st March, 2018.

SHARE CAPITAL

The paid up Equity share capital of the Company as on 31st March, 2018 was Rs. 413,500,600/-. During the year under review, the Company has not issued shares with differential voting rights or granted stock options or sweat equity shares.

DETAILS OF DEPOSITS

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The company has adequate internal control systems commensurate within its size and nature of business. The Management has overall responsibility for the Company's internal control system to safeguard the assets, usage of resources, compliance with applicable laws & regulations and to ensure reliability of financial records. Apart from Internal Audit function which scrutinizes all the financial transactions, there are also processes laid down, leading to CFO/CEO certification to Board on the adequacy of Internal Financial Controls as well as internal controls over financial reporting.

SUBSIDIARY COMPANIES

As at 31st March, 2018, your Company had a total of 3 subsidiaries and 2 step down subsidiaries. The details are given below:

SUBSIDIARY / STEP DOWN SUBSIDIARY COMPANIES

i) EMAS ENGINEERS AND CONTRACTORS PRIVATE LIMITED:-

EMAS was engaged in the business of Civil and Electro Mechanical contracting. The Company was ordered to be wound up by 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.

Rs. in lacs

Particulars	RCI Wind Farm Ltd	RCI Wind Farm (AP) Ltd
	2017-18	2017-18
Sales & Other Income	**169.80**	32.28
Equity Capital	**1500.00**	5.00
Reserves & Surplus	**5056.53**	834.77
Earnings per share	**0.75**	46.42

Step down Subsidiaries

i) RCI Windfarm 30MW Private Limited and

ii) RCI Windfarm 50 MW Private Limited

Particulars	RCI Wind Farm (30MW) Pvt Ltd	RCI Wind Farm (50MW) Pvt Ltd
	2017-18	2017-18
Sales & Other Income	**-**	-
Equity Capital	**1.00**	1.00
Reserves & Surplus	**(3.24)**	(3.30)
Earnings per share	**(6.01)**	(6.01)

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.

DIRECTORS

RESIGNATION OF DIRECTOR

During the year Mr. Vikram Mankal (DIN03097118) Director resigned from the company with effect from 19th October, 2017.

REAPPOINTMENT OF MANAGING DIRECTOR

During the year, Mr. M Narayanamurthi (DIN:00332455) was appointed as Managing Director for a period of 3 years with effect from, 13th November, 2017 subject to the approval of the members at the ensuing Annual General Meeting. The approval of the members for the proposed appointments is being sought at the ensuing annual general meeting.

EVALUATION OF BOARD'S PERFORMANCE

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

DECLARATION BY INDEPENDENT DIRECTORS

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

REMUNERATION POLICY

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

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

NUMBER OF MEETINGS OF THE BOARD

The Board had met Six (6) times during the Financial year ended 31st March, 2018 on 30.05.2017, 14.08.2017, 22.08.2017, 14.09.2017, 14.12.2017 and 14.02.2018. The Audit Committee had met Five (5) times on 30.05.2017, 14.08.2017, 14.09.2017, 14.12.2017 and 14.02.2018. 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, 2018, 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, 2018 and of the loss of the Company for the year ended on that date;

c. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the directors had prepared the annual accounts on a going concern basis;

e. that the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

f. that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All transactions with Related Parties entered during the financial year were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company other than reimbursement of expenses incurred, if any, for attending the Board meeting. The Related Party Transactions are placed before the Audit Committee for review and approval as per the terms of the Policy for dealing with Related Parties. The statement containing the nature and value of the transactions entered into during the quarter is presented at every Audit Committee by the CFO for the review and approval of the Committee. Further, transactions proposed in subsequent quarter are also presented. Besides, the Related Party Transactions are also reviewed by the Board on an annual basis. The details of the Related Party Transactions are also provided in the accompanying financial statements. There are no contracts or arrangements entered into with Related Parties during the year ended 31st March 2018 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 32 & 33 in the standalone financial statements and Note No. 35 & 36 in the consolidated financial statement: Since the company Emas Engineers and Contractors has been provisionally ordered to be wound up vide the order of Hon'ble Madras High Court dated 20th December 2016 the company has impaired its investments and Advances. Considering the erosion of net worth and continuing losses being incurred by Haldia Coke and Chemicals Pvt Ltd, the management is of the opinion that the diminution in value of investment in that company is other than temporary in nature. Hence the company has impaired investments amounting to Rs. 52,75,87,500 in Haldia Coke and Chemicals Pvt Ltd.

The company has plans to sell its prime asset and thereby expects to settle all material dues. Further it is working toward certain strategic alliances which are expected to produce improved business results. Considering these, the management has prepared the financial statements by applying the "Going Concern" assumption.

Regarding the qualification with reference with reference to note on interest liability on unpaid direct taxes dues: No interest has been provided on the delay in payment of direct tax dues as the Management is of the view that provision for taxation made will be adequate to cover this because of certain deductions claimed in the memo of income for the earlier years.

Regarding the qualification with reference to Note 6,11 and 17 in the standalone financial statements and Note 7, 12 and 18 in the consolidated financial statements: Confirmation of balances have not been received from parties in respect of certain outstandings. In the opinion of the management, the amounts stated in the Balance sheet are fully receivable / payable.

QUALIFICATIONS OF SECRETARIAL AUDITORS

These are few minor lapses and the management has taken note of that and the Company will comply with the required statutory formalities without any lapses from the Financial Year 2018-2019.

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

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

COMPOSITION OF AUDIT COMMITTEE

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

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

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

VIGIL MECHANISM

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

NOMINATION AND REMUNERATION COMMITTEE

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

Name of the Member	Designation
K N Narayanan	Chairman
R Ramakrishnan	Member
M Narayanamurthi	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
R. Ramakrishnan	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 bearing Firm Registration No. 000438S was appointed as Statutory Auditors of the Company to hold office from the conclusion of 22nd Annual General Meeting until the conclusion of 27th Annual General Meeting subject to ratification of the appointment by the members at every Annual General Meeting held after 22nd Annual General Meeting of the Company. The Board of Directors based on the recommendation of Audit Committee proposes the appointment of M/s. S.H Bhandari & Co as Statutory Auditors of the Company to hold office from the conclusion of Twenty Sixth Annual General Meeting till the conclusion of Twenty seventh Annual General Meeting of the Company subject to the approval and ratification by the members at 26th Annual General Meeting. The Statutory Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed there under for their re-appointment as Auditors of the Company. And pursuant to the Regulation 33(1) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the auditors have also confirmed that they hold a valid certificate issued by the peer review board of the Institute of Chartered Accountants of India.

SECRETARIAL AUDIT

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

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

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

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

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

The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18.

No. of complaints received – Nil

No. of complaints disposed off - Not Applicable

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

EXTRACT OF ANNUAL RETURN

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

PARTICULARS OF EMPLOYEES

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

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company prepared in accordance with Section 129(3) of the

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

LISTING OF SECURITIES IN STOCK EXCHANGES

The Company's shares are presently listed on BSE Ltd. BSE has suspended the trading of company's shares for non payment of penalty. The company is in the process of completing the formalities and restore suspension.

APPRECIATION & ACKNOWLEDGEMENTS

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

For and on behalf of the Board

M. NARAYANAMURTHI
DIN:00332455
Managing Director

Chennai
30th May, 2018

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 2018 were Rs. 202.04 lakhs as against Rs. 202.04 lakhs in the previous year.

Rs. In lakhs

Consolidated	2017-18	2016-17
Revenue	**202.08**	202.04
Employee benefit Expenses	**43.81**	61.37
Other Expenses	**172.75**	331.05
Finance Cost	**201.96**	186.96
Depreciation	**1.06**	1.06
Extraordinary items	**10957.99**	901.70
Other Comprehensive Income	**13.17**	11.45
Tax	**63.94**	220.40
Net Profit for the year	**(11226.27)**	(1489.05)

NETWORTH: The Consolidated Net worth of the company as on 31st March 2018, 4979.03 Lakhs as against 16205.30 lakhs as on 31st March, 2017.

HUMAN RESOURCES

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

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

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

For the financial year ended 31st March, 2018

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 – 600008 Email : premierinfra@gmail.com Website : www.premierenergy.in Phone: 044-28270041
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:-

Sl. 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:

Sl. No.	NAMEAND ADDRESSOF THE COMPANY	CIN / GLN	HOLDING / SUBSIDIARY / ASSOCIATE	% of shares held	Applicable Section
1.	M/s. Emas Engineers & Contractors Private Limited Karunai Kudil, 3rd Floor, No. 226, Cathedral Road, Chennai - 600 086	U45201TN1995PTC032770	SUBSIDIARY	50.10%	2(87)
2.	M/s. RCI Power Limited Tangy Apartmernts, 34, Dr. PV Cherian Road, Off. Ethiraj Salai, Egnore, Chennai - 600 008	U40101TN2000PLC045040	SUBSIDIARY	100%	2(87)
3.	M/s. RCI power (AP) Limited Tangy Apartmernts, 34, Dr. PV Cherian Road, Off. Ethiraj Salai, Egnore, Chennai - 600 008	U40105AP2007PLC056402	SUBSIDIARY	100%	2(87)

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

(i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year (01-APR-2017)				No. of Shares held at the end of the year (31-MAR-2018)				% 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	4118787	1558100	5676887	13.73	4109034	1558100	5667134	13.71	-0.0235
	(i) Indian	-	-	-	-	-				
	(ii) Overseas	-	-	-	-	-	-	-	-	-

S. No.	Category of Shareholders	No. of Shares held at the beginning of the year (01-APR-2017)				No. of Shares held at the end of the year (31-MAR-2018)				% Change during the year
		Demat	Physical	Total No. of Shares	% to Total No. of Shares	Demat	Physical	Total No. of Shares	% to Total No. of Shares	
(b)	Individuals	-	-	-	-	-	-		-	-
	(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	1049739	2047752	3097491	7.49	1059121	2053327	3112448	7.52	0.0361
	(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	6541970	927524	7469494	18.06	6667064	793514	7460578	18.04	-0.0215
(c)	Any Other:	-	-	-	-	-	-	-	-	-
	NON RESIDENT INDIANS	101104	200	101304	0.24	102981	200	103181	0.25	0.0045
	Directors and their relatives	500	-	500	0.00	500	-	500	0.00	-
	Hindu Undivided Families	385169	-	385169	0.93	387004	-	387004	0.94	0.0044
	Sub-Total B(2):	**12197269**	4533576	16730845	40.46	**12325704**	**4405141**	**16730845**	**40.46**	**0.00**
	Total Public shareholding=B(1)+B(2):	**12197269**	4590076	16787345	40.60	**12325704**	4461641	16787345	40.60	**0.00**
	Total (A+B):	**36759984**	**4590076**	**41350060**	**100**	**36888419**	**4461641**	**41350060**	**100**	**0.00**
(C)	Shares held by custodians, for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Sub-Total (C):	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C):	**36759984**	**4590076**	**41350060**	**100**	**36759984**	**4590076**	**41350060**	**100**	**0.00**

(ii) Shareholding of Promoters :

S. No.	Shareholder's Name	Shareholding as on the date of incorporation (01-APR-2017)			Shareholding at the end of the year (31-MAR-2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	PROMOTERS							
1	SHRI HOUSING PRIVATE LIMITED	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 / end 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 Share holder	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-2017	4000000	9.6735	4000000	9.6735	IN30131321257166	AADCC3678E
	At the end of the Year 31-Mar-2018	4000000	9.6735	4000000	9.6735		
2	SITA SRINIVASAN						
	At the beginning of the year 01-Apr-2017	2553725	6.1758	2553725	6.1758	IN30302859135459	AANPS3659J
	At the end of the Year 31-Mar-2018	2553725	6.1758	2553725	6.1758		
3	V R RAGHUNATHAN						
	At the beginning of the year 01-Apr-2017	1250000	3.0229	1250000	3.0229	IN30002011453858	AADPR5357E
	At the end of the Year 31-Mar-2018	1250000	3.0229	1250000	3.0229		
4	VIJAYALAKSHMI R						
	At the beginning of the year 01-Apr-2017	972605	2.3521	972605	2.3521	IN30131321248995	ADQPV3329L
	At the end of the Year 31-Mar-2018	972605	2.3521	972605	2.3521		
5	INDUSTRIAL VENTURE CAPITAL LTD						
	At the beginning of the year 01-Apr-2017	446400	1.0795	446400	1.0795	'I0000284	
	At the end of the Year 31-Mar-2018	446400	1.0795	446400	1.0795		
6	YOGYA INVESTMENT AND FINANCE CO LTD						
	At the beginning of the year 01-Apr-2017	430400	1.0408	430400	1.0408	00010374	AAACY0249G
	At the end of the Year 31-Mar-2018	430400	1.0408	430400	1.0408		

Sl. No.	Name of the Share holder	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
7	RAM GOPAL RAMGARHIA HUF						
	At the beginning of the year 01-Apr-2017	263774	0.6379	263774	0.6379	1203450000691439	AAFHR8082N
	At the end of the Year 31-Mar-2018	263774	0.6379	263774	0.6379		
8	RAM GOPAL RAMGARHIA						
	At the beginning of the year 01-Apr-2017	10550	0.0255	10550	0.0255	IN30210510561753	AAFHR8082N
	At the end of the Year 31-Mar-2018	10550	0.0255	10550	0.0255		
9	JET AGE FINANCE PVT LTD						
	At the beginning of the year 01-Apr-2017	214500	0.5187	214500	0.5187	‘J0001574	
	At the end of the Year 31-Mar-2018	214500	0.5187	214500	0.5187		
10	A SRIRAM						
	At the beginning of the year 01-Apr-2017	213907	0.5173	213907	0.5173	1204880000174761	AOYPS5145Q
	At the end of the Year 31-Mar-2018	213907	0.5173	213907	0.5173		
11	SUJIT RANJAN MAITY						
	At the beginning of the year 01-Apr-2017	213322	0.5158	213322	0.5158	IN30290241257375	AENPM1192A
	At the end of the Year 31-Mar-2018	213322	0.5158	213322	0.5158		
12	SUJIT RANJAN MAITY						
	At the beginning of the year 01-Apr-2017	10606	0.2560	10606	0.0256	IN30290241257375	AENPM1192A
	At the end of the Year 31-Mar-2018	10606	0.2560	10606	0.0256		

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.		Shareholding at the beginning / end 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	Mr. R Ramakrishnan	**500**	**-**	-	-	-	500	-
2	Mr. A Sriram	**213907**	**0.52**	-	-	-	213907	0.52

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment :

Rs.in lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	948.35	790.46		1738.81
ii) Interest due but not paid	285.45	6.40		291.85
iii) Interest accrued but not due				
Total (i+ii+iii)	1233.80	796.86	–	2030.66
Change in Indebtedness during the financial year				
· Addition (Principal)	–	76.06		76.06
· Addition (Interest)	178.04	27.63		205.67
- Reduction (Principal)	(60.00)	(73.33)		(133.33)
- Reduction (Interest)		(25.14)		(25.14)
Net Change	118.04	5.22	-	123.26
Indebtedness at the end of the financial year				
i) Principal Amount	888.35	793.19		1681.54
ii) Interest due but not paid	463.49	8.89		472.38
Total (i+ii+iii)	1351.84	802.08	-	2153.92

VI. REMUNERATION OF DIRECTORS AND KEYMANAGERIAL PERSONNEL

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

Rs. In Lakhs

Sl. No.	Particulars of Remuneration	Managing Director – Mr. M Narayanamurthi	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act, 1961	2.40	2.40
	(b) Value of perquisites/s 17(2)Income-taxAct,1961	NIL	NIL
	(c) Profits in lieu of salary under section17(3)Income- taxAct,1961	NIL	NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission	NIL	NIL
	- as % of profit		
	- others,specify…		
5.	Others, please specify	NIL	NIL
	Total (A)	2.40	2.40
	Ceiling as per the Act – Rs.124973703 -11% net profit of the company		

B. Remuneration to other directors :

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

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

Rs. In Lakhs

Sl. No.	Particulars of Remuneration	Chief Finance Officer	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1)of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2)Income-tax Act,1961 (c) Profits in lieu of salary under section17(3) Income-tax Act,1961	 29.04 NIL NIL	 29.04 NIL NIL
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others,specify…	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	29.04	29.04

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 129 read with rule 5 of the Companies (Accounts) Rules, 2014

Statement containing saient features of the Financial statement of Subsidiaries / Associaate Companies / Joint Ventures

Part "A": Subsidiaries

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

	RCI Power Ltd	RCI Power (AP) Ltd	RCI Power 30 MW Pvt Ltd	RCI Power 50 MW Pvt Ltd
Reporting Period of the Subsidiary	31.03.18	31.03.18	31.03.18	31.03.18
% of Shareholding	100%	100%	100%	100%
Reporting currency and Exchange rate as on the last date of relavent Financial Year in the case of foreign 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	100,000
Reserves & Surplus	505,652,626	83,477,048	-324,198	-329,505
Other Liabilities	34,271,310	5,802,827	224,198	229,505
Total Equity and Liabilities	689,923,936	89,779,875	-	-
Total Assets	689,923,936	89,779,875	-	-
Investments (Excl Investment in Subsidiaries)	-	-	-	-
For the Year ended 31st March 2018				
Turnover	16,980,000	3,227,791	-	-
Profit / (Loss) Before Taxation	16,806,485	3,205,084	(60,104)	(60,104)
Provision for Taxation	5,510,000	884,000	-	-
Profit / (Loss after Taxation	11,296,485	2,321,084	-60,104	-60,104
Proposed Dividend	Nil	Nil	Nil	Nil

Part “B” Assocites and Joint Ventures

Statement pursuant to Section 129(3) OC 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 associates 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, 2018

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

To,

The Members,
PREMIER ENERGY AND INFRASTRUCTURE LIMITED
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, 2018 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, 2018 and on the basis of our review, we hereby report that during the year under review, the Company has generally complied with the applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 (to the extent applicable);

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) 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 thereunder 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) During the year under review the Company has not issued any new securities mandating compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

d) The Company has not formulated any Scheme of ESOP/ESPS and hence the requirement of compliance of the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 does not arise;

e) 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; and

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

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

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Uniform Listing Agreement entered 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.

2. The company has not appointed internal auditor for the Financial Year 2017-18 as required under section 138 of the Companies Act, 2013.

3. The Company has not appointed Company Secretary and Chief Financial Officer as Key Managerial Personnel pursuant to Section 203 of the Companies Act, 2013

   With regard to 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-compliance with Regulation 14 and Regulation 31, Regulation 33, Regulation 27 and Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

   ii. *The Company has submitted its annual audited financial results for the year ended 31st March, 2017 and Quarter ended 30th September 2017 beyond the prescribed time limit, to the Stock Exchanges in which it is listed, in compliance with Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

   iii. *The Company has given the outcome of Meetings of the Board to Stock Exchange beyond the prescribed time limit, in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

   iv. *Mr. Vikram Mangal resinged from the Board with effect from 19th October, 2017. The company has filed the Corporate Governance Reporrt to BSE for the quarter ended 31.12.2017 and 31.03.2018 by errouneously including his name in the Corporate Governance Report and also the company has not communicated his resignation to BSE.*

   v. *The company has not published a copy of the financial results which were submitted to the stock exchange at least in one English daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the company is situated within 48 hours of conclusion of the Board or Committee meeting at which the financial results were approved for the quarter ended 30.06.2017 which is not in compliance with Regulation 47(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

   vi. *The company has submitted the shareholding pattern for the quarter ended 31st March, 2017 and 30th September, 2017 beyond the prescribed time limit, to the Stock Exchanges in which it is listed, in compliance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

   vii. *The company has submitted the statement of investor complaints for the quarter ended 30th September, 2017 beyond the prescribed time limit, to the Stock Exchanges in which it is listed, in compliance with Regulation 13 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

   viii. *The Company has not disclosed certain events or information within the prescribed time limit such as resignation of Director, trading in the equity shares of the Company was suspended in BSE Limited which, in the opinion of the board of directors of the listed company, is material, in compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

We further report that

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

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

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

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

We further report that during the financial year under review the Company has no specific events/ action having a major bearing on the company's affairs in pursuance of the above referred laws, regulations, guidelines, etc. referred above.

For SRINIDHI SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS SRINIDHI SRIDHARAN
PLACE : CHENNAI **CP No. 17990**
DATE : 30th May, 2018 **ACS No. 47244**

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

Annexure A'

To,

The Members
PREMIER ENERGY AND INFRASTRUCTURE LIMITED
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 SRINIDHI SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS SRINIDHI SRIDHARAN
PLACE : CHENNAI **CP No. 17990**
DATE : 30th May, 2018 **ACS No. 47244**

CORPORATE GOVERNANCE REPORT

Your Directors have great pleasure in presenting the Corporate Governance Report for the year ended 31st March, 2018.

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

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

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

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

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

PEIL's corporate governance policy includes

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

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

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

2. Board of Directors

a) Composition

The Board consisted of 3 (Three) members as at 31st March, 2018 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 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, 2018 are given below:

Name of Director	Category	Number of Directorships in other Companies	Number of Committee Chairmanship in other Companies	Number of Committee Memberships in other Companies
Mr. Narayanamurthi	Managing Director	-	-	-
Mr. R Ramakrishnan	Non Executive – Independent Director	10	-	-
Mr. Vikram Mankal	Non Executive Director	1	-	-
Mr. K N Narayanan	Non Executive – Independent Director	2	-	-

b) Board Meetings

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

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

The Board of Directors had met Six (6) times during the financial year ended 31st March, 2018 on 30th May 2017, 14th August 2017, 22nd August 2017, 14th September 2017, 14th December 2017 & 12th February, 2018. 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 12th February, 2018 without the attendance of non-independent directors and members of the management.

Details of Board members as on 31st March, 2018 and Attendance at Board & General Meetings

Sl. No.	Date	Board Strength	No. of Directors Present
1	30.05.2017	4	3
2	14.08.2017	4	3
3	22.08.2017	4	3
4	14.09.2017	4	4
5	12.12.2017	3	3
6	14.02.2018	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 atthe last AGM
1.	Mr. M Narayanamurthi	6	6	Yes
2.	Mr. R Ramakrishnan	6	3	No
3.	Mr. Vikram Mankal	6	4	Yes
4.	Mr. K N Narayanan	6	6	Yes

Board Procedure

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

Details of Director seeking appointment

Mr. M Narayanamurthi (DIN:00332455) was appointed as Managing Director for a period of 3 years with effect from, 13th November, 2017 subject to the approval of the members at the ensuing Annual General Meeting. The approval of the members for the proposed appointments is being sought at the ensuing annual general meeting.

3. Board Committees

a. Audit Committee - Overall purpose/ objective

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

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

Composition

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations, the Company has in place an Audit Committee with Mr. K N Narayanan (DIN: 01543391) as the Chairman. The Committee consists of two independent non executive Directors and One Non-Independent Non Executive Director. All the members of the Committee have excellent financial & accounting knowledge. Chief Financial Officer of Premier Energy & Infrastructure Limited, Managing Director and Statutory Auditors are the invitees to the meetings of the Audit Committee.

The Chairman of the Audit Committee was present at the previous Annual General Meeting of the company held on 28h September, 2017.

Terms of Reference

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

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

Meetings

The Committee met Five (5) times during the financial year ended 31st March, 2018 on 30.05.2017, 22.08.2017, 14.09.2017, 12.12.2017 and 14.02.2018 viz., and the time gap between the two meetings did not exceed one hundred and twenty days.

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

Name of the Member	Chairman / Member	No. of Meetings Attended
Mr. K N Narayanan	Chairman	5
Mr. R Ramakrishnan	Member	3
Mr. M Narayanamurthi	Member	5

b. Stakeholders Relationship Committee

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, the Company has constituted a Stakeholders Relationship Committee with Mr. K N Narayanan (DIN: 01543391), Director as the Chairman. The Stakeholders Relationship Committee of the Board looks into the redressal of the investors' complaints like non receipt of annual reports, dividend payments, change or deletion of name, issue of duplicate share certificates, dematerialization, rematerialisation, transfer, transmission, transposition, sub-division, consolidation and other allied transactions. The Board has also delegated to certain executives of the Company, powers to accomplish aforesaid objectives. The Committee also looks into all the communications received from the shareholders and complaints received from the stock exchanges.

Composition & Meetings

a) Four Committee meetings were held during the financial year 2017-2018 on 30th May, 2017, 14th September, 2017, 14th December, 2017 and 14th February, 2018.

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	4
Mr. R Ramakrishnan	Member	1
Mr. M Narayanamurthi	Member	4

c) Details of number of complaints received during the year and Status of Investor Complaints as on March 31, 2018 and reported to BSE Ltd. Under Regulation 13 of the Listing Regulations are as follows:

Complaints' as on April 1, 2017	Nil
Received during the year	Nil
Resolved during the year	NA
Pending as on March 31, 2018	Nil

c. Nomination and Remuneration Committee

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

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

Terms of reference

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

Composition & Meetings

a. Two Committee meetings were held during the financial year 2017-2018. The dates on which the said meeting was held on 30th May 2017 and 14th September, 2017.

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

Name of the Member	Chairman / Member	No. of Meetings attended
K.N. Narayanan	Chairman	2
R. Ramakrishnan	Member	0
M Narayanamurthi	Member	2
Vikram Mankal	Member	2

Criteria for Performance Evaluation

Section 178 of the Companies Act, 2013 read with Clause VII (3 a & b) & Clause VIII of Schedule IV of the Companies Act, 2013 lays down specific requirements on performance evaluation of Board/ Chairperson/ Independent Directors. As per Part D of Schedule II of Listing Regulations, the Nomination and Remuneration

Committee has to lay down the criteria for the above. The Committee had discussed in detail about the criteria to be adopted and process/format to be followed for evaluation of performance of Board/Committees and Directors. Based on the same, the evaluation process was completed for the year.

Parameters adopted as criteria for evaluation were as follows:

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

Performance Evaluation

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

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

Remuneration Policy

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

The 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 2017-18

Directors	Remuneration during the year ended 31st March, 2018 (Salary & Perks) (Rupees in Lakhs)	Sitting Fees (Rupees in Lakhs)	Commission (paid during the year and pertains to previous financial year)	Business Relationship with the Company, if any	Severance / Notice period
R Ramakrishnan	-	-	-	-	-
K N Narayanan	-	-	-	-	-
M Narayanamurthi	2.40	-	-	-	-
Vikram Mankal	-	-	-	-	-

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

Corporate Social Responsibility Committee

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

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

SCOPE OF CSR POLICY

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

Meeting of Independent Directors:

The Independent Directors of the Company had met once during the year on 14th February, 2018 to review the performance of non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had assessed the quality, quantity and timeliness of flow of information between the company management and the Board.

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

Details of Shareholding of Directors as on 31st March, 2018

Mr. R. Ramakrishnan, Director – 500 shares.

General body Meetings

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

Annual General Meeting (AGM):

For the year ended 31st March	Venue	Day and Date	Time
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
2015	Bharathiya Vidhya Bhavan(Mini Hall - I Floor) 18,20,22, East Mada Street, Mylapore, Chennai 600 004	Wednesday, the 30th September, 2015	11 A.M

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

Date of AGM	Whether any Special Resolutionwas passed	Particulars
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.
30.09.2015	No	Nil

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, 2018.

Prevention of Insider Trading

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

Vigil Mechanism / Whistle Blower Policy

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

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

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

DISCLOSURES

Related Party Transactions

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

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

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

Transactions with the related parties are disclosed in Note No.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.

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, 2018. 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
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 : L45201TN1988PLC015521

Annual General Meeting:

(i) **Date, Day, time and Venue:** 29th September, 2018, Saturday, 12.00 noon, Bharathiya Vidhya Bhavan (Mini Hall -1 Floor) 18,20,22, East Mada Street, Mylapore, Chennai-600 004.

(ii) **Financial Year:** 1st April, 2017 to 31st March, 2018

(iii) **Date of Book Closure:** Saturday, 22nd September, 2018 to Saturday, 29th September, 2018 (both days inclusive)

(iv) **Listing**

The Company's shares are listed in BSE Limited (Stock Code : 533100)

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, 2018 on the BSE Ltd, where your Company's shares are frequently traded vis-à-vis the Share Index, are given below:

BSE PRICE		
Month	**High Price(Rs.)**	**Low Price(Rs.)**
Apr-17	No Trade	No Trade
May-17	No Trade	No Trade
Jun-17	No Trade	No Trade
Jul-17	No Trade	No Trade
Aug-17	No Trade	No Trade
Sep-17	No Trade	No Trade
Oct-17	No Trade	No Trade
Nov-17	No Trade	No Trade
Dec-17	No Trade	No Trade
Jan-18	No Trade	No Trade
Feb-18	No Trade	No Trade
Mar-18	No Trade	No Trade

(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, 2018

(a) Distribution of shareholding as on 31 March, 2018

Category (Amount)	**No. of Cases**	**% of Cases**	**Total Shares**	**Amount**	**% of Amount**
1 - 5000	9991	90.779	1621792	16217920	3.93
5001 - 10000	580	5.2698	467794	4677940	1.13
10001 - 20000	191	1.7354	289985	2899850	0.69
20001 - 30000	59	0.536	151282	1512820	0.37
30001 - 40000	30	0.2725	107677	1076770	0.26
40001 - 50000	31	0.2816	146903	1469030	0.36
50001 - 100000	53	0.4815	393510	3935100	0.95
100001 & Above	71	0.6451	38171117	381711170	92.31
Total :	11006	100	41350060	413500600	100.00

b) Shareholding pattern as on 31 March, 2018

Client Type	No of Holders	Total Positions	% of Holdings
Promoters	3	24562715	59.40
Residents	10845	10573026	25.57
Directors	1	500	-
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	86	5667134	13.71
HUF	54	387004	0.94
TOTAL	11006	41350060	100.00

(c) Capital of the Company

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

Top ten Shareholders as on 31 March, 2018

S. No.	Names	No. of Shares	% of holding
1	M/s. Vaata Infra Private Limited	4000000	9.6735
2	Ms. Sita Srinivasan	2553725	6.1758
3	Mr. V R Raghunathan	1250000	3.0229
4	Ms. R Vijayalakshmi	972605	2.3521
5	M/s. Industrial Venture Capital Ltd	446400	1.0795
6	M/s. Yogya Investment and Finances Co Ltd	430400	1.0408
7	Mr. Ram Gopal Ramgarhia	274324	0.6634
8	M/s. Jet Age Finance Pvt Ltd	214500	0.5187
9	Mr. A Sriram	213907	0.5173
10	Ms. Sujit Ranjan Maity	223938	0.5414

(ix) Dematerialisation of shares and liquidity

CATEGORY	NO. OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
PHYSICAL	9183	4461641	10.79
NSDL	1189	34945213	84.51
CDSL	634	1943206	4.70
TOTAL	11006	41350600	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.

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, 2018

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

To,

The Members,
PREMIER ENERGY AND INFRASTRUCTURE LIMITED
Ground Floor, Tangy Apartments,
34 DR P V Cherian Road, Off Ethiraj Salai,
Egmore, Chennai 600 086.

For SRIDHARAN
Sreenidhi & ASSOCIATES
COMPANY SECRETARIES

S Sreenidhi
CP No. 3239
FCS No. 4775

Place : CHENNA
Date : 30th May, 2018

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.*

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, 2018, as envisaged in Part D of Schedule V to the Listing Regulations.

M Narayanamurthi
DIN: 00332455
Managing Director

Chennai
30th May, 2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PREMIER ENERGY AND INFRASTRUCTURE LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **PREMIER ENERGY AND INFRASTRUCTURE LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and Cash Flow Statement for the year then ended, and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone 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 Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Basis for Qualified Opinion

1. We invite attention to note 32 and 33 to the Standalone Ind AS financial statements relating to the present financial situation of the Company and the going concern assumptions. The company is finding it difficult to meet its financial obligations. The trading in the equity shares of the company is presently suspended. Considering the issues as stated above, we are unable to comment upon the going concern assumption of the management and its possible impact on the financial statements.
2. Company is subject to interest liability on unpaid direct tax dues, the same has neither been provided nor quantified. We are unable to quantify the effect of the above for want of relevant information and the effect thereof on the financials for the year ended 31st March, 2018.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone Ind AS 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, 2018, and its net loss, changes in equity and its cash flow for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following matters in the Notes to the Standalone Ind AS financial statements:

1. Note 11 to the standalone Ind AS financial statements regarding unconfirmed/un-reconciled balances of long standing trade receivables of Rs. 13,62,00,656, and Note 6 regarding advances of Rs. 1,35,00,000 and Note 17 with regard to trade payables of Rs. 3,59,18,646. The advances and trade receivables are considered good and recoverable by the management.
2. Note 32 to the standalone Ind AS financial statements regarding extraordinary items wherein the Management has impaired investments aggregating Rs. 52,75,87,500 in Haldia Coke Limited.
3. Note 32 to the standalone Ind AS financial statements wherein the Management has impaired investments aggregating Rs. 18,54,62,499 and advances of Rs.38,27,49,470 to EMAS Engineers and Contractors Private Limited as the said company has been provisionally ordered to be wound up by the Hon'ble Madras High Court dated 20th December 2016.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the 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.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

   (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (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) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   (e) On the basis of written representations received from the directors of the Company as on 31st March, 2018 and taken on record by the Board of Directors, none of the director of the Company is disqualified from being appointed as a director in terms of sub-section (2) of section 164 of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company does not have any pending litigations which would impact its financial position.

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

      (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

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

SreedharSreekakulam
Partner
Membership No:26474

Place: Chennai
Date: May 30, 2018

ANNEXURE A TO THE INDEPENDENT AUD1ITORS' 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 2018, 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 2018 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. A According to the records of the company and based on the information and explanations given to us, the company is not regular in depositing undisputed statutory dues of service tax, income tax, professional tax with the appropriate authorities. Further, as explained to us, undisputed statutory dues of Service Tax Rs. 1,84,41,731, Professional Tax of Rs. 82,447, Income Tax of Rs. 6,46,69,856 and Tax Deducted at Source payable Rs. 75,94,061 which were in arrears as at 31st March, 2018 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					
		Date of Payment	Amount in Rs.	Due Date	Date of Payment
4,97,000	10.12.15	Not Paid	8,33,000	10.02.17	Not Paid
8,33,000	10.01.16	Not Paid	8,33,000	10.03.17	Not Paid
8,33,000	10.02.16	Not Paid	8,33,000	10.04.17	Not Paid
8,33,000	10.03.16	Not Paid	8,33,000	10.05.17	Not Paid
8,33,000	10.04.16	Not Paid	8,33,000	10.06.17	Not Paid
8,33,000	10.05.16	Not Paid	8,33,000	10.07.17	Not Paid
8,33,000	10.06.16	Not Paid	8,33,000	10.08.17	Not Paid
8,33,000	10.07.16	Not Paid	8,33,000	10.09.17	Not Paid
8,33,000	10.08.16	Not Paid	8,33,000	10.10.17	Not Paid
8,33,000	10.09.16	Not Paid	8,33,000	10.11.17	Not Paid
8,33,000	10.10.16	Not Paid	8,33,000	10.12.17	Not Paid
8,33,000	10.11.16	Not Paid	8,33,000	10.01.18	Not Paid
8,33,000	10.12.16	Not Paid	8,33,000	10.02.18	Not Paid
8,33,000	10.01.17	Not Paid	8,33,000	10.03.18	Not Paid
India bulls Housing Finance Limited					
Amount in Rs.	**Due Date**	**Date of Payment**			
5,84,836	05.03.18	30.04.18			

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**

SreedharSreekakulam
Partner
Membership No:26474

Place: Chennai
Date: May 30, 2018

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, 2018.

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, 2018 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 theInstitute 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 GuidanceNote 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 thefinancial 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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 ofIndia.

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

SreedharSreekakulam
Partner
Membership No:26474

Place: Chennai
Date: May 30, 2018

Balance Sheet as at March 31, 2018

All amounts are in Rs unless otherwise stated

	Note No.	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	4	**154,173**	217,883	323,431
(b) Financial Assets				
(i) Investments				
a) Investments in Subsidiaries	5.1	**687,868,768**	873,331,267	873,331,267
b) Other Investments	5.2	**1**	527,587,500	527,587,500
(ii) Loans	6	**15,425,750**	400,557,242	440,044,273
(iii) Other financial assets	7	**-**	3,000,000	3,000,000
(c) Deferred tax baances (Net)	8	**-**	-	1,552,031
(d) Other non-current assets	9	**114,223**	229,122	16,801,992
Total Non - Current Assets		**703,562,915**	1,804,923,014	1,862,640,494
Current assets				
(a) Inventory	10	**92,470,000**	92,470,000	92,470,000
(b) Financial assets				
(i) Trade receivables	11	**136,200,656**	172,034,656	172,034,656
(ii) Cash and cash equivalents	12	**123,358**	106,339	1,011,355
(c) Other current assets	9	**237,483**	307,152	485,791
Total current assets		**229,031,497**	264,918,147	266,001,802
Total assets		**932,594,412**	2,069,841,161	2,128,642,296
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	13	**413,500,600**	413,500,600	413,500,600
(b) Other equity	14	**29,923,423**	1,166,047,989	1,323,990,704
Total Equity		**443,424,023**	1,579,548,589	1,737,491,304
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	**129,134,508**	139,501,443	104,302,465
(b) Provisions	16	**68,541**	1,747,730	2,274,204
Total Non - Current Liabilities		**129,203,049**	141,249,173	106,576,669
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	17	**83,990,799**	117,389,345	115,508,662
(ii) Other financial liabilities	18	**120,004,617**	87,705,414	48,602,892
(b) Provisions	16	**2,592,751**	1,707,086	1,686,520
(c) Current Tax Liability (Net)	19	**64,673,746**	64,669,856	48,569,856
(d) Other current liabilities	20	**88,705,427**	77,571,698	70,206,393
Total Current Liabilities		**359,967,340**	349,043,399	284,574,323
Total Liabilities		**489,170,389**	490,292,572	391,150,992
Total Equity and Liabilities		**932,594,412**	2,069,841,161	2,128,642,296

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
ICAI Firm Regn No: 000438S

Sreedhar Sreekakulam
Partner
M. No: 26474

Place : Chennai
Date : May 30, 2018

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

Statement of Profit and Loss for the year ended March 31, 2018

All amounts are in Rs unless otherwise stated

		Note No.	**Year ended March 31, 2018**	Year ended March 31, 2017
I	Revenue from Operations		**-**	-
II	Other Income		**-**	-
III	**Total Income (I+II)**		**-**	-
IV	**Expenses**			
	Employee benefit expense	21	**4,381,314**	1,856,569
	Finance costs	22	**20,183,666**	18,686,577
	Depreciation and amortisation expense	23	**105,910**	105,548
	Other expenses	24	**16,970,923**	30,616,900
	Total expenses (IV)		**41,641,813**	51,265,593
V	**Profit/(loss) before Exceptional items & tax (III-IV)**		**(41,641,813)**	(51,265,593)
VI	Exceptional items	32	**1,095,799,468**	90,170,283
VII	**Profit/(loss) before tax (V-VI)**		**(1,137,441,281)**	(141,435,876)
VIII	Tax expense			
	(1) Current tax	25.1	**-**	16,100,000
	(2) Deferred tax	25.1	**-**	1,552,031
			-	17,652,031
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(1,137,441,281)**	(159,087,907)
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities / (asset)	27	**1,316,716**	1,145,192
VIII	**Total comprehensive income for the period (A (i-ii)+B(i-ii))**		**1,316,716**	1,145,192
IX	**Total comprehensive income for the period (XIII+XIV)**		**(1,136,124,565)**	(157,942,715)
	Profit for the year attributable to:			
	Owners of the Company		**(1,136,124,565)**	(157,942,715)
	Non controlling interests		**-**	-
			(1,136,124,565)	(157,942,715)
	Other comprehensive income for the year attributable to:			
	Owners of the Company		**-**	-
			-	-
	Total comprehensive income for the year attributable to:			
	Owners of the Company		**(1,136,124,565)**	(157,942,715)
			(1,136,124,565)	(157,942,715)
	Earnings per equity share (for continuing operation):	26		
	Basic (in Rs.)		**(27.48)**	(3.82)
	Diluted (in Rs.)		**(27.48)**	(3.82)

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
ICAI Firm Regn No: 000438S

Sreedhar Sreekakulam
Partner
M. No: 26474

Place : Chennai
Date : May 30, 2018

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

Statement of changes in equity for the year ended March 31, 2018

All amounts are in Rs unless otherwise stated

A. Equity Share Capital

	Note No.	Amount
As at April 1, 2016		413,500,600
Changes in equity share capital		-
As at April 1, 2017		413,500,600
Changes in equity share capital		-
As at March 31, 2018	12	413,500,600

B. Other Equity

	Note No.	Reserves & Surplus				
		Securities Premium reserve	Retained earnings	Capital Reserve	General Reserve	Total other equity
Balance at April 1, 2016	14	950,864,127	213,415,630	146,827,447	12,883,501	1,323,990,705
Profit for the year		-	(159,087,907)	-	-	(159,087,907)
Other comprehensive income		-	1,145,192	-	-	1,145,192
Issue of equity shares		-	-	-	-	-
Balance at April 1, 2017		950,864,127	55,472,915	146,827,447	12,883,501	1,166,047,990
Profit for the year		-	(1,137,441,281)	-	-	(1,137,441,281)
Other comprehensive income		-	1,316,716	-	-	1,316,716
Balance at March 31, 2018	14	950,864,127	(1,080,651,651)	146,827,447	12,883,501	29,923,424

Cash Flow Statement as on March 31, 2018

All amounts are in Rs unless otherwise stated

	Note No.	**Year ended March 31, 2018**	Year ended March 31, 2017
Cash flows from operating activities			
Profit before tax for the year		**(1,136,124,565)**	(140,290,684)
Adjustments for:			
Depreciation and amortisation of non-current assets	4	**105,910**	105,548
Exceptional Items		**1,095,799,468**	90,170,283
Finance costs recognised in profit or loss	22	**20,180,389**	18,681,332
Writeoff of Advances			
Movements in working capital:			
(Increase)/decrease in trade and other receivables	11	**35,834,000**	(0)
(Increase)/decrease in other assets	9	**184,568**	16,751,509
Decrease in trade and other payables	17	**(33,398,546)**	1,880,683
Increase/(decrease) in provisions	16	**(793,525)**	(505,908)
(Decrease)/increase in other liabilities	20	**11,133,729**	(42,634,695)
Cash generated from operations		**(7,078,571)**	(55,841,933)
Income taxes paid	19	**3,890**	-
Net cash generated by operating activities		**(7,074,681)**	(55,841,933)
Cash flows from investing activities			
Payments to acquire financial assets / Refund of Rental Advance	7	**3,000,000**	-
Payments for property, plant and equipment	4	**(42,200)**	-
Net cash (used in)/generated by investing activities		**2,957,800**	-
Cash flows from financing activities			
Proceeds from borrowings	15	**(10,366,935)**	35,198,979
Proceeds from loans	6	**2,382,022**	(683,252)
Proceeds from other financial liabilities	18	**32,299,202**	39,102,522
Interest paid	22	**(20,180,389)**	(18,681,332)
Net cash used in financing activities		**4,133,900**	54,936,916
Net increase in cash and cash equivalents		**17,019**	(905,016)
Cash and cash equivalents at the beginning of the year	12	**106,339**	1,011,355
Cash and cash equivalents at the end of the year		**123,358**	106,339

In terms of our report attached.
For S.H. Bhandari & Co.
Chartered Accountants
ICAI Firm Regn No: 000438S

Sreedhar Sreekakulam
Partner
M. No: 26474

Place : Chennai
Date : May 30, 2018

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

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs 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 Standalone 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 Company has uniformly applied the accounting policies during the periods presented.

These financial statements for the year ended 31 March 2018 are the first financial statements which the Company has prepared in accordance with Ind AS. For all periods up to and including the year ended 31 March 2017, the Company had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), which have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. For the purpose of comparatives, financial statements for the year ended 31 March 2017 and opening balance sheet as at 1 April 2016 are also prepared as per Ind AS.

Refer Note 35 for the details of how the transition from previous GAAP to IND AS has affected the Company's financial position, financial performance and cash flows.

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 as summarised in Note 3.17 below.

3.1 Basis of preparation and presentation

These 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.

Effective April 1, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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 financial statements are presented in Indian currency rounded off to the nearest Rupee.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

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.

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.

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

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company is evaluating the impact of application of Ind AS 115.

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.

Revenue from Infrastructure Development is recognised on percentage completion method.

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

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

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

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

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

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.

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.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

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/ 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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the 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 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.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiaries and joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e.,1st April,2016.

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 contingencies

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 Segmental Reporting:

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

3.13 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.

3.13.1 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.

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

3.13.2 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 3.13.5

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.

3.13.3 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.

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

Investments in Mutual Funds are classified as at 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 to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

3.13.5 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.

3.14 Financial liabilities and equity instruments

3.14.1 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.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

3.14.2 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.

3.14.3 Financial 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.

3.14.3.1 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.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

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.

3.14.3.2 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.

3.15 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.

3.16 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.

3.17 First-time adoption of IND AS

3.17.1 Overall principle

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. These financial statements for the year ended 31st March, 2018 are the first financial statements the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017 , the Company prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

3.17.2 Optional Exemptions from retrospective application

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application.

3.17.2.1 Deemed cost for property, plant and equipment and intangible assets

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS

3.17.2.2 Investments in subsidiaries and joint ventures

The Company has elected to measure its investments in subsidiaries and joint ventures at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

3.17.2.3 Share-based payments

The Company has elected not to apply Ind AS 102 Share-Based Payment, to equity instruments that vested prior to the date of transition to Ind AS.

3.17.3 Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 10.

3.17.3.1 Estimates

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

3.17.3.2 Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the dateof transition to Ind AS.

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

4 Property, plant and equipment and capital work-in-progress

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Carrying amounts of:			
Plant and Machinery	**15,961**	27,849	4,237
Vehicles	**96,374**	190,034	283,694
Furniture and Fixtures	**41,838**	-	35,500
	154,173	217,883	323,431

Description of Assets	**Plant and Equipment**	**Vehicles**	**Furniture and Fixtures**	**Total**
I. Cost or deemed cost				
As at 1 April, 2016	188,838	788,700	-	**977,538**
Balance as at 1 April, 2016	188,838	788,700	-	977,538
Additions	35,500		-	**35,500**
Disposals	-	-	-	**-**
Balance as at 31 March, 2017	**224,338**	**788,700**	**-**	**1,013,038**
Additions	-		42,200	**42,200**
Disposals	**-**		-	**-**
Balance as at 31 March, 2018	**224,338**	**788,700**	**42,200**	**1,055,238**
II. Accumulated depreciation and impairment				
Balance as at 1 April, 2016	184,601	505,006	-	**689,607**
Eliminated on disposal of assets	-	-	-	**-**
Depreciation expense	11,888	93,660	-	**105,548**
Balance as at 31 March, 2017	**196,489**	**598,666**	**-**	**795,155**
Eliminated on disposal of assets	**-**	**-**	**-**	**-**
Depreciation expense	11,888	93,660	362	**105,910**
Balance as at 31 March, 2018	**208,377**	**692,326**	**362**	**901,065**
III. Carrying Amount				
Balance at April 1, 2016	4,237	283,694	-	287,931
Additions	35,500	-	-	35,500
Disposals	-	-	-	-
Depreciation Expense	11,888	93,660	-	105,548
Balance at March 31, 2017	**27,849**	**190,034**	**-**	**217,883**
Additions	-	-	42,200	42,200
Disposals	-	-	-	-
Depreciation Expense	11,888	93,660	362	105,910
Balance at March 31, 2018	**15,961**	**96,374**	**41,838**	**154,173**

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

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, 2018		As at March 31, 2017		As at April 1, 2016	
	QTY	**Amounts**	QTY	Amounts	QTY	Amounts
UnQuoted Investments (all fully paid)						
(a) Investments in Equity Instruments						
Emas Engineers & Contractors Pvt Ltd (EMAS) - Refer Note 34	**6,024,050**	**185,462,500**	6,024,050	185,462,500	6,024,050	185,462,500
Less: Provision for diminition in value of investments		**(185,462,499)**		-		-
	6,024,050	**1**	6,024,050	185,462,500	6,024,050	185,462,500
RCI Power Limited - Refer Note 5.1(i)	**15,000,000**	**609,280,591**	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	50,000	78,588,176
Total Aggregate Unquoted Investments	**21,474,050**	**687,868,768**	21,474,050	873,331,267	21,474,050	873,331,267
Aggregate carrying value of unquoted investments in subsidiaries		**687,868,768**		873,331,267		873,331,267
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

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	QTY	**Amounts**	QTY	Amounts	QTY	Amounts
Unquoted Investments (all fully paid)						
Investments in Equity Instruments						
Haldia Coke & Chemicals Private Limited - Refer Note 5.2 (1) and Note 34	**13,750,000**	**527,587,500**	13,750,000	527,587,500	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	527,587,500	13,750,000	527,587,500
Aggregate carrying value of unquoted investments		**1**		527,587,500		527,587,500
Aggregate amount of impairment in value of investments		**527,587,499**		-		-

Note 5.2 (1)

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

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

6 Loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Non Current	Non Current	Non Current
Unsecured, considered good			
Advances to Others:			
Considered good	**15,425,750**	15,423,250	15,773,750
Advances to Related Parties:			
Considered doubtful	**382,749,470**	385,133,992	424,270,523
Less: Provision for doubtful advances	**(382,749,470)**	-	-
Total	**15,425,750**	400,557,242	440,044,273

7 Other Financial Assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Non Current	**Non Current**	**Non Current**
Rental Advance	-	3,000,000	3,000,000
	-	**3,000,000**	**3,000,000**

8 Deferred tax balances (Net)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred Tax Assets	**-**	-	1,552,031
Deferred Tax Liabilities	**-**	-	-
Total	**-**	-	1,552,031

9 Other Assets

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non Current	**Current**	Non Current	Current	Non Current	Current
Advances recoverable in cash or in kind	**-**	**106,792**	-	166,793	-	357,616
Advance share subscription	**-**	**-**	-	-	13,400,640	-
Reimbursements due	**-**	**-**	-	-	2,951,061	-
Prepaid Expense	**114,223**	**130,691**	229,122	140,359	450,291	128,175
	114,223	**237,483**	229,122	307,152	16,801,992	485,791

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

10 Inventories

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Land	**92,470,000**	92,470,000	92,470,000
(At lower of cost and net realizable value)			
	92,470,000	92,470,000	92,470,000

11 Trade receivables

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Current	Current	Current
Unsecured, considered good	**136,200,656**	172,034,656	172,034,656
	136,200,656	172,034,656	172,034,656

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 statement of cash flows can be reconciled to the related items in the balance sheet as follows:

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with Banks			
Other bank balances	**123,358**	106,339	111,044
Cash on hand	**-**	-	900,311
Cash and cash equivalents as per balance sheet	**123,358**	106,339	1,011,355
Cash and cash equivalents as per statement of cash flows	**123,358**	106,339	1,011,355

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

13 Equity Share Capital

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised Share capital :			
44,150,000 fully paid equity shares of Re.10 each	**441,500,000**	441,500,000	441,500,000
Issued and subscribed capital comprises:			
41,350,060 fully paid equity shares of Re.10 each (as at March 31, 2017: 41,350,060; as at April 1, 2016: 41,350,060)	**413,500,600**	413,500,600	413,500,600
	413,500,600	413,500,600	413,500,600

13.1 Fully paid equity shares

	Number of shares	Share capital (Amount)
Balance at April 1, 2016	41,350,060	413,500,600
Movements	-	-
Balance at March 31, 2017	41,350,060	413,500,600
Movements	-	-
Balance at March 31, 2018	**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.

13.2 Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of Shares held	**% holding of shares**	Number of Shares held	% holding of shares	Number of Shares held	% holding of shares
Fully paid equity shares						
Shri Housing Pvt Ltd	**11,100,000**	**26.84%**	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%	10,000,000	24.18%
Vassal Ranganathan (On behalf of Shriram Auto Finance)	**3,462,515**	**8.37%**	3,462,515	8.37%	3,462,515	8.37%
Vaata Infra Limited	**4,000,000**	**9.67%**	4,000,000	9.67%	4,000,000	9.67%
Sita Srinivasan	**2,553,725**	**6.18%**	2,553,725	6.18%	2,553,725	6.18%

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

14 Other equity

	Note	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Securities premium reserve		**950,864,127**	950,864,127	950,864,127
Retained earnings	14.1	**(1,080,651,652)**	55,472,914	213,415,629
Capital Reserve		**146,827,447**	146,827,447	146,827,447
General Reserve		**12,883,501**	12,883,501	12,883,501
		29,923,423	1,166,047,989	1,323,990,704

14.2 Retained earnings

	Year ended March 31, 2018	Year ended March 31, 2017
Balance at beginning of year	**55,472,914**	213,415,629
Profit attributable to owners of the Company	**(1,136,124,565)**	(157,942,715)
Balance at end of year	**(1,080,651,652)**	55,472,914

15 Borrowings

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Non Current	Non Current	Non Current
Secured - at amortised cost			
(i) Term loans			
from banks (Refer note (15.1(i)) below)	**55,950,151**	65,846,151	75,843,000
Unsecured - at amortised cost			
(i) Term loans			
Related Parties (Refer Note 28)	**66,128,158**	60,907,094	10,709,653
Others (Refer (15.1(ii)) below)	**7,056,198.98**	12,748,198.31	17,749,812
Total	**129,134,508**	139,501,443	104,302,465

15.1 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% per annum.

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

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

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

(e) Period and amount of continuing default :

No of Installments - 28 (Monthly)

Principal Overdue - Rs. 2,33,80,000

Interest overdue - Rs.4,63,49,350

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

(ii) (a) The company has availed a term loan of Rs.2.57 Crores from M/s. Indiabulls Housing Finance Limited (IHFL), repayable in 60 equated monthly installments effective May 2015, carrying adjustable rate of interest of IHFL-LFRR base rate less 5.75% per annum.

(b) Secured by immovable property belonging to M/s. Chennai Power & Coke Private Limited.

(c) Additionally secured by corporate guarantees by the company and M/s. Chennai Power Coke & Private Limited. Further Guaranteed by a director and a relative of a director.

(d) Period and amount of continuing default :

No of Installments - 1 (Monthly)

Principal Overdue - Rs. 4,41,942

Interest overdue - Rs. 8,89,932

16 Provisions

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non Current	**Current**	Non Current	Current	Non Current	Current
Employee benefits	**68,541**	**2,592,751**	1,747,730	1,707,086	2,274,204	1,686,520
Total	**68,541**	**2,592,751**	1,747,730	1,707,086	2,274,204	1,686,520

17 Trade Payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Current	Current	Current
Total outstanding dues of micro enterprises and small enterprises	**-**	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	**83,990,799**	117,389,345	115,508,662
Total	**83,990,799**	117,389,345	115,508,662

18 Other financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Current	Current	Current
Interest accrued and due	**47,239,282**	29,186,208	13,266,487
Interest accrued and not due	**1,184,931**	1,127,638	-
Accrued Employee benefits	**6,233,366**	6,622,035	5,008,202
Accrued Expenses	**5,600,000**	5,617,539	5,600,000
Current maturities of long-term debt	**59,747,038**	45,151,995	24,728,203
Total	**120,004,617**	87,705,414	48,602,892

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

19 Current tax Liability (Net)

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current tax assets	**1,845,625**	1,845,625	1,845,625
Tax refund receivable	**1,845,625**	1,845,625	1,845,625
Current tax liabilities			
Tax Deducted at Source	**-**	-	-
Provision for Tax	**66,519,371**	66,515,481	50,415,481
Total	**(64,673,746)**	(64,669,856)	(48,569,856)

20 Other Liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Current	Current	Current
Advance from Customers	**37,973,647**	32,473,647	32,473,647
Statutory dues payable	**50,731,780**	45,098,051	37,732,746
Total	**88,705,427**	77,571,698	70,206,393

	Year ended March 31, 2018	Year ended March 31, 2017
21 Employee benefits expense		
Salaries and wages	**4,118,290**	1,532,282
Contribution to provident and other funds (see note 27)*	**184,983**	238,065
Staff welfare expenses	**78,041**	86,222
	4,381,314	1,856,569
22 Finance costs		
Continuing operations		
(a) Interest costs :-		
Interest on bank overdrafts and loans (other than those from related parties)	**20,180,389**	18,681,332
Total interest expense for financial liabilities not classified as at FVTPL	**20,180,389**	18,681,332
(b) Other borrowing costs :-	**3,276**	5,244
	20,183,666	18,686,577

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

23	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment pertaining to continuing operations	**105,910**	105,548
	Total depreciation and amortisation pertaining to continuing operations	**105,910**	105,548
24	**Other expenses**		
	Power and fuel	**125,285**	100,628
	Rent	**-**	1,987,128
	Repairs and maintenance	**228,804**	210,754
	Printing & Stationery	**294,062**	65,098
	Travelling & Conveyance	**449,735**	567,839
	Listing & Depository Fees	**537,653**	407,123
	Security Charges	**-**	77,200
	Professional Charges	**508,211**	873,061
	Payment to Auditors	**1,500,000**	1,500,000
	Interest on Statutory Payment	**7,692,861**	7,194,922
	Bad Debts Written off	**4,641,130**	16,701,701
	Communication Expenses	**420,336**	489,479
	General Expenses	**572,846**	441,967
		16,970,923	30,616,900
24.1	**Payments to auditors**		
	a) For audit	**1,500,000**	1,500,000
		1,500,000	1,500,000
25	**Income taxes relating to continuing operations**		
25.1	Income tax recognised in profit or loss		
	Current tax		
	In respect of the current year	**-**	16,100,000
		-	16,100,000
	Deferred tax		
	In respect of the current year	**-**	1,552,031
		-	1,552,031
	Total income tax expense recognised in the current year relating to continuing operations	**-**	17,652,031

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

26 Earnings per Share

	March 31, 2018	March 31, 2017
Basic earnings per share		
From continuing operations	**(27.48)**	(3.82)
Total basic earnings per share	**(27.48)**	(3.82)
Diluted earnings per share		
From continuing operations	**(27.48)**	(3.82)
Total diluted earnings per share	**(27.48)**	(3.82)

26.1 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	**(1,136,124,565)**	(157,942,715)
Earnings used in the calculation of basic earnings per share	**(1,136,124,565)**	(157,942,715)
Earnings used in the calculation of basic earnings per share from continuing operations	**(1,136,124,565)**	(157,942,715)
Weighted average number of equity shares for the purposes of basic earnings per share	**41,350,060**	41,350,060

26.2 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	**(1,136,124,565)**	(157,942,715)
Earnings used in the calculation of diluted earnings per share Profit for the year from discontinued operations attributable	**(1,136,124,565)**	(157,942,715)
Earnings used in the calculation of diluted earnings per share from continuing operations	**(1,136,124,565)**	(157,942,715)
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

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

	March 31, 2018	March 31, 2017
27 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:		
Employer Contribution to Provident Fund	**(310,461)**	172,835

Principal Actuarial Assumptions:	**Gratuity Plan (Unfunded)**		**Compensated Absences - Earned Leave (Unfunded)**	
(Expressed as weighted averages)	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017
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**	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Current service cost	**93,937**	165,267	**184,653**	214,987
Net interest expense	**91,046**	72,798	**153,555**	186,233
Components of defined benefit costs recognised in profit or loss	**184,983**	238,065	**338,208**	401,220
Remeasurement on the net defined benefit liability:				
Net actuarial (gains) / losses on plan obligation	**(495,444)**	(65,230)	**(821,272)**	(1,079,962)
Components of defined benefit costs recognised in other comprehensive income	**(495,444)**	(65,230)	**(821,272)**	(1,079,962)
Total	**(310,461)**	172,835	**(483,064)**	(678,742)

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Amounts Recognised in the Balance Sheet and Related Analysis

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Present value of defined benefit obligation	**975,497**	1,285,958	**1,304,720**	2,168,859
Fair value of plan assets	**-**	-	**-**	-
Amount determined under para 63 of Ind AS19	**-**	-	**-**	-
Net liability arising from defined benefit obligation	**975,497**	1,285,958	**1,304,720**	2,168,859

Change in the Present Value the Obligation (PVO)

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Opening defined benefit obligation	**1,285,958**	1,113,123	**2,168,859**	2,847,601
Current service cost	**93,937**	165,267	**184,653**	214,987
Interest cost	**91,046**	72,798	**153,555**	186,233
Remeasurement (gains)/losses:	**(495,444)**	(65,230)	**(821,272)**	(1,079,962)
Benefits paid	**-**	-	**-**	-
Closing defined benefit obligation	**975,497**	1,285,958	**1,685,795**	2,168,859

Changes in the Fair Value of the Plan Assets

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Opening fair value of plan assets	**-**	-	**-**	-
Interest income	**-**	-	**-**	-
Contributions from the employer	**-**	-	**-**	-
Benefits paid	**-**	-	**-**	-
Closing fair value of plan assets	**-**	-	**-**	-

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Movements In The Liability Recognized In The Balance Sheet

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Opening net liability adjusted for effect of balance sheet limit	**1,285,958**	1,113,123	**2,168,859**	2,847,601
Amount recognised in Profit and Loss	**184,983**	238,065	**338,208**	401,220
Amount recognised in OCI	**(495,444)**	(65,230)	**(821,272)**	(1,079,962)
Contribution paid	**-**	-	**-**	-
Closing net liability	**975,497**	1,285,958	**1,685,795**	2,168,859

Sensitivity Analyses

	Rate		Gratuity Plan		Compensated Absences - Earned Leave	
Liability when:	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017
A. Discount Rate + 100 BP	**8.08%**	7.54%	**970,020**	1,264,846	**1,675,891**	2,134,347
B. Discount Rate - 100 BP	**6.08%**	5.54%	**981,096**	1,308,114	**1,695,893**	2,205,152
C. Salary Escalation Rate +100 BP	**11%**	11%	**980,912**	1,301,578	**1,692,712**	2,190,821
D. Salary Escalation Rate -100 BP	**9%**	9%	**970,101**	1,270,270	**1,678,883**	2,147,265
E. Attrition rate +100 BP	**31%**	31%	**974,805**	1,283,965	**1,684,913**	2,165,220
F. Attrition rate -100 BP	**29%**	29%	**976,192**	1,287,973	**1,686,678**	2,172,689

Expected Benefit Payments in Following Years

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
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

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

28 Related party Disclosures

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	CFO 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 (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 March 31, 2018	Year ended March 31, 2017
1	RCI Power limited	Subsidiary	Expenses Reimbursed by	**-**	5,513,366
			Loans received	**6,837,646**	3,454,397
			Loans repaid	**2,384,582**	-
2	RCI Power AP limited	Subsidiary	Expenses Reimbursed by	**-**	1,033,752
			Loans received	**2,384,522**	-
3	Shri Housing Private Limited	Fellow Subsidiary	Loans received	**768,000**	52,256,410
4	Crimson Investments Ltd	Common Director	Loans received	**11,017,636**	10,774,042
			Loans repaid	**1,062,582**	-
5	M Narayanamurthi	Managing Director	Salary paid	**240,000**	240,000
6	S Krishnan	Former Managing Director	Salary paid	**(1,683,833)**	-
7	A. Sriram	Chief Financial Officer	Salary & Allowances paid	**2,904,200**	2,854,200

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Closing Balances of Related Parties

S. No.	Particulars	Nature	Year ended March 31, 2018	Year ended March 31, 2017
1	Emas Engineers & Contractors Pvt Ltd	Long Term Loans and Advances	**-**	382,749,470
2	RCI Power Limited	Long Term Borrowings	**(6,357,605)**	(1,904,541)
3	RCI Power (AP) Limited	Long Term Loans and Advances	**-**	2,384,522
4	Shri Housing Pvt Ltd	Long Term Borrowings	**(59,770,553)**	(59,002,553)
5	Crimsoin Investments	Short Term Borrowings	**20,729,096**	10,774,042
6	M Narayanamurthi	Accrued Employee Benefits	**(17,457)**	(236,270)
7	Vikram Mankal	Accrued Employee Benefits	**(329,156)**	(529,156)
9	S. Krishnan	Accrued Employee Benefits	**(100,000)**	1,092,488
10	A. Sriram	Accrued Employee Benefits	**3,450,669**	2,713,820

29 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 2018 (31st March 2017) to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil (Rs.Nil).

30 Contingent Liability

Premier Energy and Infrastructure Limited

a) The Holding Company's land at Door No.62 & 63, Luz Church Road, comprised in survey numbers 1652/14, 1652/16 part, Mylapore Village and Triplicane - Mylapore taluk, Chennai district, Chennai - 600 004, purchased during the year 2007-08 (in joint name with another company) has not been registered. Liability towards registration charges for the land is not ascertained and quantified.

b) The Holding Company has pledged part of its investment of 91,74,860 Equity shares of Haldia Coke and Chemicals Private Limited with a lender for moneys borrowed by the above company. The liability, if any, that may arise on account of the pledge is not quantifiable.

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 Exceptional items

The amount includes

1) Provision for Dimunition in value of investments and Provision for doubtful advances to Emas Engineers and Contractors Pvt Ltd amounting to Rs. 18,54,46,499 and Rs. 38,27,49,470 respectively. Considering the erosion of net worth and continuing losses being incurred by it, the Management is of the opinion that the diminution in carrying value of investent and provision for doubtful advances in that entity is other than temporary in nature. Also, the company received a provisional order of winding up by the Hon’ble Madras High Court dated 20th December 2016. Consequently, the company has made a provision for the said amount and disclosed the same under exceptional items in profit and loss account.

2) Provision for dimunition in value of investments of Haldia Coke and Chemicals Pvt Ltd amounting to Rs. 52,75,87,499. Considering the erosion of net worth and continuing losses being incurred by it, the Management is of the opinion that the diminution in carrying value of investent in that entity is other than temporary in nature. Consequently, the company has made a provision for the said amount and disclosed the same under exceptional items in profit and loss account.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

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 Measurement

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.

34.1 Category wise classification of financial instruments is as follows:

Particulars	See Note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Financial assets measured at fair value - Level 3				
Non current:				
(i) Other Investments	5.2	**1**	527,587,500	527,587,500
Financial Assets measured at amortised cost				
Non current:				
(ii) Loans	6	**15,425,750**	400,557,242	440,044,273
(iii) Other financial assets	7	**-**	3,000,000	3,000,000
Current:				
(i) Trade receivables	11	**136,200,656**	172,034,656	172,034,656
(ii) Cash and cash equivalents	12	**123,358**	106,339	1,011,355
Financial Assets measured at cost				
Non current:				
(i) Investments				
a) Investments in Subsidiaries	5.1	**687,868,768**	873,331,267	873,331,267

34.2 Financial Liabilities measured at amortised cost (See Note 35.3)

Particulars	See Note	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Non current:				
(i) Borrowings	15	**129,134,508**	139,501,443	104,302,465
Current:				
(i) Trade payables	17	**83,990,799**	117,389,345	115,508,662
(ii) Other financial liabilities	18	**120,004,617**	87,705,414	48,602,892

34.3 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.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

34.4 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 Rick

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.

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, 2018 and March 31, 2017, the exposure of Company's borrowings to interest rate changes are as follows:

Particulars	**March 31, 2018**	March 31, 2017
Variable rate borrowings	**63,006,350**	78,594,349

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.

Particulars	**(Increase)/ decrease in Loss by**	
	March 31, 2018	March 31, 2017
Interest rates- increase by 1%	**(1,059,716)**	(1,120,191)
Interest rates- decrease by 1%	**356,291**	601,680

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 2018	**Less than 1 year**	**1 year to 5 years**	**More than 5 years**	**Total**
Borrowings	-	129,134,508	-	129,134,508
Trade payable	83,990,799	-	-	83,990,799
Other financial liabilities	120,004,617	-	-	120,004,617

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Maturities of financial liabilities As at 31 March 2017	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	-	139,501,443	-	139,501,443
Trade payable	117,389,345	-	-	117,389,345
Other financial liabilities	87,705,414	-	-	87,705,414
Maturities of financial liabilities As at 31 March 2016	**Less than 1 year**	**1 year to 5 years**	**More than 5 years**	**Total**
Borrowings	-	104,302,465	-	104,302,465
Trade payable	115,508,662	-	-	115,508,662
Other financial liabilities	48,602,892	-	-	48,602,892

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.

Assets under credit risk

Particulars	31.03.2018	31.03.2017	31.03.2016
Non Current assets			
Financial Assets			
Loans	**15,425,750**	400,557,242	440,044,273
Other financial assets	**-**	3,000,000	3,000,000
Current assets			
Financial assets			
Trade receivables	**136,200,656**	172,034,656	172,034,656
Cash and cash equivalents	**123,358**	106,339	1,011,355

34.5 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.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Particulats		31.03.2018	31.03.2017	01.04.2016
Total Equity	**i**	**443,424,023**	1,579,548,589	1,737,491,304
Total Debt	ii	**188,881,546**	184,653,438	129,030,668
Cash & Cash Equivalents	iii	**123,358**	106,339	1,011,355
Net Debt	**iv = iii - ii**	**188,758,188**	184,547,098	128,019,313
Total Capital	v = i + iv	**632,182,211**	1,764,095,687	1,865,510,617
Net Debt to capital ratio	**iv / v**	**0.30**	0.10	0.07

No changes were made in the objectives, policies and processes for managing the capital during the three years ended March 31, 2018 or March 31, 2017 or April 1, 2016.

34.6 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 31.03.2018	Dr./Cr.	Net Balance as on 31.03.2017	Dr./Cr.
1	Small Industries Development Bank of India (SIDBI)	Loan	55,950,151	Cr.	65,846,151	Cr.
2	Indiabulls Housing Finance Limited	Loan	7,056,199	Cr.	12,748,198	Cr.
3	RCI Power Limited	Loan	6,357,605	Cr.	1,904,541	Cr.
4	Shri Housing Pvt Ltd	Loan	59,770,553	Cr.	59,002,553	Cr.
5	Crimson Investments Limited	Loan	20,729,096	Cr.	10,774,042	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	-	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.
14	CSI Diocese of Madras	Advances	-	Dr.	3,000,000	Dr.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

ii) Maximum amount outstanding during the year:

S. No.	Description	Nature	Maximum amt outstanding as on 31.03.2018	Dr./Cr.	Maximum amt outstanding as on 31.03.2017	Dr./Cr.
1	Small Industries Development Bank of India (SIDBI)	Loan	**55,950,151**	Cr.	65,846,151	Cr.
2	Indiabulls Housing Finance Limited	Loan	**7,056,199**	Cr.	12,748,198	Cr.
3	RCI Power Limited	Loan	**8,137,711**	Cr.	3,257,230	Cr.
4	Shri Housing Pvt Ltd	Loan	**59,770,553**	Cr.	59,002,553	Cr.
5	Crimson Investments Limited	Loan	**20,729,096**	Cr.	10,774,042	Cr.
6	Emass Engineers - Shares	Investment	**185,462,500**	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	**527,587,500**	Dr.	527,587,500	Dr.
10	Emass Engineers & Contractors Pvt Ltd	Advances	**382,749,470**	Dr.	464,012,954	Dr.
11	Rci Power (Ap)	Advances	**2,384,522**	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.
14	CSI Diocese of Madras	Advances	**-**	Dr.	3,000,000	Dr.

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

35 First-time Ind AS adoption reconciliations

35.1 Effect of Ind AS adoption on the consolidated balance sheet as at March 31, 2017 and April 1, 2016

Particulars	As at 31/03/2017 (End of last period presented under previous. GAAP)			As at 01/04/2016 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Non-current assets						
(a) Property, Plant and Equipment	217,883	-	217,883	323,431	-	323,431
(b) Financial Assets						-
(i) Investments						
a) Investments in Subsidiaries	873,331,267	-	873,331,267	873,331,267	-	873,331,267
b) Other Investments	527,587,500	-	527,587,500	527,587,500	-	527,587,500
(ii) Loans	405,315,907	4,758,665	400,557,242	461,375,808	21,331,535	440,044,273
(iii) Other financial assets	-	(3,000,000)	3,000,000	-	(3,000,000)	3,000,000
(b) Deferred tax balancesn(net)	-	-	-	1,552,031	-	1,552,031
(d) Other non-current assets	-	(229,122)	229,122	-	(16,801,992)	16,801,992
Total Non - Current Assets	**1,806,452,557**	**1,529,543**	**1,804,923,014**	**1,864,170,037**	**1,529,543**	**1,862,640,494**
Current assets						
(a) Inventory	92,470,000	-	92,470,000	92,470,000	-	92,470,000
(b) Financial assets						
(i) Trade receivables	172,034,656	1	172,034,655	172,034,656	-	172,034,656
(ii) Cash and cash equivalents	106,339	(0)	106,339	1,011,355	-	1,011,355
(iii) Loans	307,152	307,152	-	485,791	485,791	-
(c) Other current assets	316,082	8,930	307,152	316,082	(169,709)	485,791
Total current assets	**265,234,229**	**316,082**	**264,918,147**	**266,317,884**	**316,082**	**266,001,802**
Total assets	**2,071,686,786**	**1,845,625**	**2,069,841,161**	**2,130,487,921**	**1,845,625**	**2,128,642,296**
Equity						
Equity Share capital	413,500,600	-	413,500,600	413,500,600	-	413,500,600
Other equity	1,166,047,989	0	1,166,047,989	1,323,990,704	-	1,323,990,704
Total Equity (Shareholders funds under previous GAAP)	**1,579,548,589**	**0**	**1,579,548,589**	**1,737,491,304**	**-**	**1,737,491,304**
Non-current liabilities						
(a) Financial Liabilities						
(i) Borrowings	139,501,443	0	139,501,443	104,302,465	-	104,302,465
(b) Provisions	1,747,730	-	1,747,730	2,274,204	-	2,274,204
Total Non - Current Liabilities	**141,249,173**	**0**	**141,249,173**	**106,576,669**	**-**	**106,576,669**

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Particulars	As at 31/03/2017 (End of last period presented under previous. GAAP)			As at 01/04/2016 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Current liabilities						
(a) Financial Liabilities						
(i) Borrowings	10,774,042	10,774,042	-	-	-	-
(i) Trade payables	117,389,345	-	117,389,345	115,265,063	(243,599)	115,508,662
(ii) Other financial liabilities	-	(87,705,414)	87,705,414	-	(48,602,892)	48,602,892
(b) Current Tax Liability (Net)	68,222,567	66,515,481	1,707,086	52,102,001	50,415,481	1,686,520
(c) Provisions	-	(64,669,856)	64,669,856	-	(48,569,856)	48,569,856
(d) Other current liability (net)	154,503,070	76,931,372	77,571,698	119,052,884	48,846,491	70,206,393
Total Current Liabilities	**350,889,024**	**1,845,625**	**349,043,399**	**286,419,948**	**1,845,625**	**284,574,323**
Total Liabilities	**492,138,197**	**1,845,625**	**490,292,572**	**392,996,617**	**1,845,625**	**391,150,992**
Total Equity and Liabilities	**2,071,686,786**	**1,845,625**	**2,069,841,161**	**2,130,487,921**	**1,845,625**	**2,128,642,296**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this disclosure.

35.2 Reconciliation of total equity as at March 31, 2016 and April 1, 2015

Particulars	As at 31/03/2017	As at 1/04/2016
Total equity (shareholders' funds) under previous GAAP	1,579,548,589	1,737,491,304
Adjustments	-	-
Total adjustment to equity	-	-
Total Equity under Ind AS	1,579,548,589	1,737,491,304

35.3 Effect of Ind AS adoption on the consolidated statement of profit and loss for the year ended March 31, 2017

Particulars	31-Mar-16		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations	-	-	-
Other Income	-	-	-
Total Income (A)	**-**	**-**	**-**
Expenses			
Employee benefit expense	(711,376)	1,145,193	(1,856,569)
Finance costs	(18,686,577)	-	(18,686,577)
Depreciation and amortisation expense	(105,548)	-	(105,548)
Other expenses	(30,616,901)	(1)	(30,616,900)
Total expenses (B)	**(50,120,401)**	**1,145,192**	**(51,265,593)**

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Particulars	31-Mar-16		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Profit/(loss) before Exceptional items & tax (A+B)	**(50,120,401)**	1,145,192	**(51,265,593)**
Exceptional items **(C)**	(90,170,283)	-	(90,170,283)
Profit/(loss) before tax (A+B+C)	**(140,290,684)**	1,145,192	**(141,435,876)**
Tax expense			
(1) Current tax	**16,100,000**	-	**16,100,000**
(2) Deferred tax	**1,552,031**	-	1,552,031
Profit for the period from continuing operations	**(157,942,715)**	**1,145,192**	**(159,087,907)**
Other Comprehensive Income	-	(1,145,192)	1,145,192
Total comprehensive income for the period	**(157,942,715)**	**-**	**(157,942,715)**

35.4 Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	**31-Mar-16**
Profit as per previous GAAP	(157,942,715)
Adjustments for actuarial gain/ Loss	(1,145,192)
Profit for the year as per Ind AS	**(159,087,907)**
Other comprehensive for the year (net of tax)	1,145,192
Total comprehensive income under Ind AS	**(157,942,715)**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

35.5 Effect of Ind AS adoption on the consolidated statement of cash flows for the year ended March 31, 2016

Particulars	As at 31/03/2016 (End of last period presented under previous. GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	39,777,505	95,619,438	(55,841,933)
Net cash flows from investing activities	-	-	-
Net cash flows from financing activities	(40,682,521)	(95,619,437)	54,936,916
Net increase (decrease) in cash and cash equivalents	**(905,016)**	**0**	**(905,016)**
Cash and cash equivalents at the beginning of the period	1,011,355	-	1,011,355
Cash and cash equivalents at the end of the period	**106,339**	**0**	**106,339**

Notes to the financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

35.6 Analysis of cash and cash equivalents as at March 31, 2016 and as at April 1, 2015 for the purpose of statement of cash flows under Ind AS

Particulars	31-Mar-16	01-Apr-15
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	**106,339**	**1,011,355**
Fixed Deposit more than 3 months were not considered in Cash and Bank Balances in Indian GAAP	-	-
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS	**106,339**	**1,011,355**

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of disclosure.

35.7 Explanatory Notes on preparation and presentation of financial statements upon transition to Ind AS

In preparing these financial statements, the Company's Opening Balance Sheet was prepared as at 1-4-2016, which is the Company's date of transition to Ind AS. The following note explains the nature of adjustments made by the Company read with Note No. 3 in restating its previous GAAP Financial Statements including its Balance Sheet as at 1-4-2016 and the financial statements as at and for the year ended 31-3-2017.

A. Classification of Financial Instruments

The company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets/financial liabilities. Accordingly, bifurcation of assets/ liabilities as financial/Non-financial is identified and reclassified. However, this reclassification is not presented as transition adjustments.

B. Deferred Tax

Deferred tax is accounted using income statement approach by computing the differences between taxable profits and accounting profits for the period under previous GAAP. As per Ind AS 12, the deferred tax is to be computed using the balance sheet approach, which is based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Deferred tax adjustments are recognized either in retained earnings or a separate component of equity.

C. Defined Benefit Plan

Under previous GAAP, actuarial gains and losses are charged to profit or loss. Under Ind AS re-measurements of net defined benefit asset/liability comprising of actuarial gains or losses are arising from experience adjustments and changes in actuarial assumption are charged/credited to other comprehensive income.

D. Other Comprehensive Income (OCI)

This is a new classification under Ind AS. Any income or expense that are not required to be recognized in profit or loss are shown under a new category namely OCI in the Statement of Profit and Loss namely re-measurements of defined benefit plans, gains and losses from investments in equity instruments designated at fair value through other comprehensive income, gains and losses on financial assets measured at fair value through other comprehensive income, gain or loss on financial instruments that qualify for hedge accounting, changes in revaluation surplus and gains and losses arising from translating the financial statements of a foreign operation.

In terms of our report attached.
For S.H. Bhandari & Co.
Chartered Accountants
ICAI Firm Regn No: 000438S

Sreedhar Sreekakulam
Partner
M. No: 26474

Place : Chennai
Date : May 30, 2018

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
for the year ended 2017-2018

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
PREMIER ENERGY AND INFRASTRUCTURE LIMITED

1. Report on the Consolidated Ind AS Financial Statements

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, 2018, 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").

2. Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. 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 the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

3. Auditors' Responsibility

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

We conducted our audit in accordance with the Standards on Auditing issued by the Institute specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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.

4. Basis for Qualified Opinion

a) As explained in Note 1B, the company has not consolidated the financial statements of its material subsidiary, EMAS Engineers and Contractors Private Limited as a provisional liquidator has been appointed vide an exparte order of the Honorable

High Court of Madras dated 20th December, 2016. This investment is therefore accounted for on a cost basis. As per the Companies Act, 2013 and 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 financial statements of the failure to consolidate have not been determined.

b) We invite attention to Note 35 and 36 to the consolidated Ind AS financial statements relating to the present financial situation of the holding company and the going concern assumptions. The holding company is finding it difficult to meet its financial obligations. The trading in the equity shares of the holding company is presently suspended. Considering the issues as stated above, we are unable to comment upon the going concern assumption of the management and its possible impact on the consolidated Ind AS financial statements.

c) The Group is subject to interest liability on unpaid direct tax dues, the same has neither been provided nor quantified. We are unable to quantify the effect of the above for want of relevant information and the effect thereof on the financials for the year ended 31st March, 2018.

5. Qualified Opinion

Except for the possible effects arising out of the matters mentioned in our basis for qualified opinion mentioned hereinabove, In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2018, their consolidated loss, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

6. Emphasis of Matter

We draw attention of the shareholders to:

a) Note 12 to the consolidated Ind AS financial statements regarding unconfirmed/unreconciled balances of long standing trade receivables of Rs. 13,62,00,656, Note 7 relating to advances of Rs. 1,35,00,000 and Note 18 with regard to trade payables of Rs. 3,59,18,646. The advances and trade receivables are considered good and recoverable by the management.

b) Note 35 to the consolidated Ind AS financial statements regarding extraordinary items wherein The Management of Premier Energy and Infrastructure limited has impaired investments aggregating Rs.52,75,87,500 in Haldia Coke limited.

c) Note 35 to the consolidated Ind AS financial statements regarding extraordinary items wherein The Management of Premier Energy and Infrastructure limited has impaired investments aggregating Rs. 18,54,62,499 and advances of Rs.38,27,49,470 to EMAS Engineers and Contractors Private limited as the said company has been provisionally ordered to be wound up by the Hon'ble Madras High Court dated 20th December 2016.

7. 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 Rs. 73,91,75,971 as at 31st March, 2018, total revenues of Rs.2,01,60,000 and net cash inflows amounting to Rs. 15,21,205 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, 2018 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.

8. **Report on Other Legal and Regulatory Requirements**

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

i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

ii) In our opinion, except for the possible effects matters specified in the basis for qualified opinion in paragraph 4 above, proper books of account as required by law relating to preparation of the aforesaid consolidated 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, 2018 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies is disqualified from being appointed as a director in terms of sub-section (2) of section 164 of the Act;

vi) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our report in "Annexure A", which is based on the Auditors' Reports of the Company and its subsidiary companies incorporated in India.

vii) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of a subsidiary, as noted in the 'Other Matters' paragraph:

a. The group has, in accordance with the generally accepted accounting practice, disclosed the impact of pending litigations on its consolidated financial position of the Group in the consolidated 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**

SreedharSreekakulam
Partner
Membership No:26474

Place: Chennai
Date: May 30, 2018

ANNEXURE A TO THE INDEPENDENT AUD1ITORS' 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,2018

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, 2018, 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.

Opinion

In our opinion, , the Holding Company and it's subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Holding 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.

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**

SreedharSreekakulam
Partner
Membership No:26474

Place: Chennai
Date: May 30, 2018

Consolidated Balance Sheet as at March 31, 2018

All amounts are in Rs unless otherwise stated

	Note No.	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
(a) Property, Plant and Equipment	4	**656,735,923**	656,799,633	656,905,181
(b) Capital work-in-progress	4	**27,022,062**	27,022,062	27,022,062
(c) Goodwill	5	**3,371,440**	3,371,440	3,371,440
(d) Financial Assets				
(i) Investments				
a) Investments in Subsidiaries	6.1	**1**	185,462,500	185,462,500
b) Other Investments	6.2	**1**	527,587,500	527,587,500
(ii) Loans	7	**91,092,522**	452,538,048	476,516,164
(iii) Other financial assets	8	**-**	3,000,000	3,000,000
(e) Deferred tax balances (Net)	9	**-**	-	1,552,031
(f) Other non-current assets	10	**114,223**	229,122	16,801,992
Total Non - Current Assets		**778,336,172**	1,856,010,305	1,898,218,870
Current assets				
(a) Inventory	11	**92,470,000**	92,470,000	92,470,000
(b) Financial assets				
(i) Trade receivables	12	**139,380,655**	184,252,721	185,935,899
(ii) Cash and cash equivalents	13	**2,672,227**	1,134,005	2,636,641
(iii) Other financial assets	8	**204,076**	161,064	121,439
(c) Other current assets	10	**237,483**	307,152	485,791
Total current assets		**234,964,441**	278,324,942	281,649,770
Total assets		**1,013,300,613**	2,134,335,247	2,179,868,640
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	14	**413,500,600**	413,500,600	413,500,600
(b) Other equity	15	**84,402,067**	1,207,029,273	1,355,934,627
Total Equity		**497,902,667**	1,620,529,873	1,769,435,227
Liabilities				
Non-current liabilities				
(a) Financial Liabilities				
(i) Borrowings	16	**125,576,902**	140,396,902	103,138,954
(b) Provisions	17	**68,541**	1,747,730	2,274,204
Total Non - Current Liabilities		**125,645,443**	142,144,632	105,413,158
Current liabilities				
(a) Financial Liabilities				
(i) Trade payables	18	**84,357,730**	117,747,064	115,623,177
(ii) Other financial liabilities	19	**121,191,762**	88,425,080	52,104,771
(b) Provisions	17	**2,592,751**	1,707,086	1,686,520
(c) Current tax balances (Net)	20	**78,563,800**	75,737,356	57,950,936
(d) Other current liabilities	21	**103,046,460**	88,044,156	77,654,851
Total Current Liabilities		**389,752,503**	371,660,742	305,020,255
Total Liabilities		**515,397,946**	513,805,374	410,433,413
Total Equity and Liabilities		**1,013,300,613**	2,134,335,247	2,179,868,640

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
ICAI Firm Regn No: 000438S

Sreedhar Sreekakulam
Partner
M. No: 26474

Place : Chennai
Date : May 30, 2018

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 and Loss for the year ended March 31, 2018

All amounts are in Rs unless otherwise stated

		Note No.	**Year ended March 31, 2018**	Year ended March 31, 2017
I	Revenue from Operations	22	**20,160,000**	20,160,000
II	Other Income	23	**47,791**	44,027
III	**Total Income (I+II)**		**20,207,791**	20,204,027
IV	**Expenses**			
	Employee benefit expense	24	**4,381,314**	6,136,777
	Finance costs	25	**20,195,641**	18,696,395
	Depreciation and amortisation expense	26	**105,910**	105,548
	Other expenses	27	**17,275,379**	33,105,539
	Total expenses (IV)		**41,958,244**	58,044,259
V	**Profit/(loss) before Exceptional items & tax (III-IV)**		**(21,750,453)**	(37,840,232)
VI	Exceptional items	35	**1,095,799,468**	90,170,283
VII	**Profit/(loss) before tax (V-VI)**		**(1,117,549,922)**	(128,010,515)
VIII	Tax expense			
	(1) Current tax	28	**6,394,000**	20,488,000
	(2) Deferred tax	28	**-**	1,552,031
			6,394,000	22,040,031
IX	**Profit (Loss) for the period from continuing operations (VII-VIII)**		**(1,123,943,922)**	(150,050,546)
	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit liabilities / (asset)	30	**1,316,716**	1,145,192
VIII	**Total comprehensive income for the period (A (i-ii)+B(i-ii))**		**1,316,716**	1,145,192
IX	**Total comprehensive income for the period (XIII+XIV)**		**(1,122,627,206)**	(148,905,354)
	Profit for the year attributable to:			
	Owners of the Company		**(1,122,627,206)**	(148,905,354)
	Non controlling interests		**-**	-
			(1,122,627,206)	(148,905,354)
	Other comprehensive income for the year attributable to:			
	Owners of the Company		**-**	-
			-	-
	Total comprehensive income for the year attributable to:			
	Owners of the Company		**(1,122,627,206)**	(148,905,354)
			(1,122,627,206)	(148,905,354)
	Earnings per equity share (for continuing operation):	29		
	Basic (in Rs.)		**(27.15)**	(3.60)
	Diluted (in Rs.)		**(27.15)**	(3.60)

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
ICAI Firm Regn No: 000438S

Sreedhar Sreekakulam
Partner
M. No: 26474

Place : Chennai
Date : May 30, 2018

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 changes in equity for the year ended March 31, 2018

All amounts are in Rs unless otherwise stated

A. Equity Share Capital

	Note No.	Amount
As at April 1, 2016		413,500,600
Changes in equity share capital		-
As at April 1, 2017		413,500,600
Changes in equity share capital		-
As at March 31, 2018	14	413,500,600

B. Other Equity

	Note No.	Reserves & Surplus				
		Securities Premium reserve	Retained earnings	Capital Reserve	General Reserve	Total other equity
Balance at April 1, 2016		950,864,127	245,323,993	146,863,006	12,883,501	1,355,934,627
Profit for the year		-	(150,050,546)	-	-	(150,050,546)
Other comprehensive income		-	1,145,192	-	-	1,145,192
Issue of equity shares		-	-	-	-	-
Balance at April 1, 2017		950,864,127	96,418,639	146,863,006	12,883,501	1,207,029,273
Profit for the year		-	(1,123,943,922)	-	-	(1,123,943,922)
Other comprehensive income		-	1,316,716	-	-	1,316,716
Balance at March 31, 2018	15	950,864,127	(1,026,208,567)	146,863,006	12,883,501	84,402,067

Consolidated Cash Flow Statement as on March 31, 2018

All amounts are in Rs unless otherwise stated

	Note No.	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from operating activities			
Profit before tax for the year		**(1,116,233,206)**	(126,865,323)
Adjustments for:			
Depreciation and amortisation of non-current assets	4	**105,910**	105,548
Exceptional Items	35	**1,095,799,468**	90,170,283
Finance costs recognised in profit or loss	25	**20,180,389**	18,681,332
Movements in working capital:			
(Increase)/decrease in trade and other receivables	12	**44,872,066**	1,683,178
(Increase)/decrease in other assets	10	**141,555**	16,711,884
Decrease in trade and other payables	18	**(33,389,335)**	2,123,887
Increase/(decrease) in provisions	17	**(793,524)**	(505,908)
(Decrease)/increase in other liabilities	21	**15,002,304**	(39,610,695)
Write off of advances		**-**	16,701,701
Cash generated from operations		**25,685,627**	(20,804,113)
Income taxes paid		**(3,567,556)**	(2,701,580)
Net cash generated by operating activities		**22,118,071**	(23,505,693)
Cash flows from investing activities			
Payments to acquire financial assets	8	**3,000,000**	-
Payments for property, plant and equipment	4	**(42,200)**	-
Net cash (used in)/generated by investing activities		**2,957,800**	-
Cash flows from financing activities			
Proceeds from borrowings	16	**(14,820,000)**	37,257,948
Proceeds from loans	7	**(21,303,942)**	(32,893,868)
Proceeds from other financial liabilities	19	**32,766,682**	36,320,309
Interest paid	25	**(20,180,389)**	(18,681,332)
Net cash used in financing activities		**(23,537,649)**	22,003,057
Net increase in cash and cash equivalents		**1,538,222**	(1,502,636)
Cash and cash equivalents at the beginning of the year	13	**1,134,005**	2,636,641
Cash and cash equivalents at the end of the year		**2,672,227**	1,134,005

In terms of our report attached.
For S.H. Bhandari & Co.
Chartered Accountants
ICAI Firm Regn No: 000438S

Sreedhar Sreekakulam
Partner
M. No: 26474

Place : Chennai
Date : May 30, 2018

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

Notes to the consolidated financial statements for the year ended March 31, 2018

All amounts are in Rs 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, 2018.

(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

	As at March 31, 2018	
	Net Assets (Total assets minus total liabilities)	
Name of entity	**As a % of consolidated net assets**	**Amount**
Parent		
Premier Energy and Infrastructure Limited	89%	443,424,023
Subsidiaries - Indian		
RCI Power Limited	132%	655,198,924
RCI Power AP Limited	17%	83,977,048
Adjustments arising out of consolidation	-138%	(684,697,327)
	100%	**497,902,668**

	As at March 31, 2018	
	Share of profit after tax	
Name of entity	**As a % of consolidated net assets**	**Amount**
Parent		
Premier Energy and Infrastructure Limited	101%	(1,137,441,281)
Subsidiaries - Indian		
RCI Power Limited	-1%	11,176,276
RCI Power AP Limited	0%	2,321,084
Adjustments arising out of consolidation	-	-
	100%	**(1,123,943,921)**

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

	As at March 31, 2018	
	Share of Other Comprehensive Income	
Name of entity	**As a % of consolidated net assets**	**Amount**
Parent		
Premier Energy and Infrastructure Limited	100%	1,316,716
Subsidiaries - Indian		
RCI Power Limited	0%	-
RCI Power AP Limited	0%	-
Adjustments arising out of consolidation	-	-
	100%	**1,316,716**

	As at March 31, 2018	
	Share of Total Comprehensive Income	
Name of entity	**As a % of consolidated net assets**	**Amount**
Parent		
Premier Energy and Infrastructure Limited	101%	(1,136,124,566)
Subsidiaries - Indian		
RCI Power Limited	-1%	11,176,277
RCI Power AP Limited	0%	2,321,084
Adjustments arising out of consolidation	-	-
	100%	**(1,122,627,205)**

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.

These consolidated financial statements for the year ended 31 March 2018 are the first financial statements which the Company has prepared in accordance with Ind AS. For all periods up to and including the year ended 31 March 2017, the group had prepared its financial statements in accordance with accounting standards notified under Section 133 of the Act, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP), which have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS. For the purpose of comparatives, consolidated financial statements for the year ended 31 March 2017 and opening consolidated balance sheet as at 1 April 2016 are also prepared as per Ind AS.

Refer Note 38 for the details of how the transition from previous GAAP to IND AS has affected the Company's financial position, financial performance and cash flows.

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 as summarised in Note 3.16 below.

3.1 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.

Effective April 1, 2017, the group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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.

3.2.1 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.

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:

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

- 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

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the Consolidated financial statements and the impact is not material.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Group is evaluating the impact of application of Ind AS 115.

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.

Revenue from Infrastructure Development is recognised on percentage completion method.

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

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

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 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 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.

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

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 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 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

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the 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.

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

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)

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 contingencies

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 Segmental Reporting:

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

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.

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

3.12.2 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.

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

For the impairment policy on financial assets measured at amortised cost, refer Note 3.13.5

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.

3.12.3 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.

3.12.4 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.

3.12.5 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.

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.

3.13 Financial liabilities and equity instruments

3.13.1 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.

3.13.2 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 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.

3.13.3 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 for the year ended March 31, 2018 *(continued)*

All amounts are in Rs 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.

3.13.3.1 Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the 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.

3.13.3.2 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.

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 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.

3.16 First-time adoption of IND AS

3.16.1 Overall principle

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2016, with a transition date of 1st April, 2015. These Consolidated financial statements for the year ended 31st March, 2018 are the first Consolidated financial statements the Company has prepared under Ind AS. For all periods upto and including the year ended 31st March, 2017 , the Company prepared its Consolidated financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ('Previous GAAP').

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS Consolidated financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared Consolidated financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS Consolidated financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Consolidated financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its Consolidated financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2016 and the Consolidated financial statements as at and for the year ended 31st March, 2017.

3.16.2 Optional Exemptions from retrospective application

Ind AS 101 permits first-time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application.

3.16.2.1 Deemed cost for property, plant and equipment and intangible assets

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

3.16.2.2 Share-based payments

The Company has elected not to apply Ind AS 102 Share-Based Payment, to equity instruments that vested prior to the date of transition to Ind AS.

3.16.3 Mandatory Exceptions from retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 10.

3.16.3.1 Estimates

On assessment of the estimates made under the Previous GAAP Consolidated financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

3.16.3.2 Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through other comprehensive income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

Previous GAAP figures have been reclassified/regrouped wherever necessary to conform with Consolidated financial statements prepared under Ind AS.

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

4 Property, plant and equipment and capital work-in-progress

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Carrying amounts of:			
Land	**656,581,750**	656,581,750	656,581,750
Plant and Machinery	**15,961**	27,849	39,737
Vehicles	**96,374**	190,034	283,694
Furniture and Fixtures	**41,838**	-	-
	656,735,923	656,799,633	656,905,181
Capital Work in Progress	**27,022,062**	27,022,062	27,022,062
Total	**683,757,985**	683,821,695	683,927,243

Description of Assets	**Land**	**Plant and Equipment**	**Vehicles**	**Furniture and Fixtures**	**Total**
I. Cost or deemed cost	656,581,750	224,338	788,700	-	657,594,788
As at 1 April, 2016	-	-	-	-	-
Balance as at 1 April, 2016	-	-	-	-	-
Additions	656,581,750	224,338	788,700	-	657,594,788
Disposals	-	-	-	42,200	42,200
Balance as at 31 March, 2017	**-**	**-**	**-**	**-**	**-**
Additions	656,581,750	224,338	788,700	42,200	657,636,988
Disposals	-	-	-	-	-
Balance as at 31 March, 2018	**656,581,750**	**224,338**	**788,700**	**42,200**	**1,055,238**
II. Accumulated depreciation and impairment					
Balance as at 1 April, 2016	-	184,601	505,006	-	689,607
Eliminated on disposal of assets	-	-	-	-	-
Depreciation expense	-	11,888	93,660	-	105,548
Balance as at 31 March, 2017	**-**	**196,489**	**598,666**	**-**	**795,155**
Eliminated on disposal of assets	-	-	-	-	-
Depreciation expense	-	11,888	93,660	362	105,910
Balance as at 31 March, 2018	**-**	**208,377**	**692,326**	**362**	**901,065**
III. Carrying Amount					
Balance at April 1, 2016	656,581,750	39,737	283,694	-	656,905,181
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Depreciation Expense	-	11,888	93,660	-	105,548
Balance at March 31, 2017	**656,581,750**	**27,849**	**190,034**	**-**	**656,799,633**
Additions	-	-	-	42,200	42,200
Disposals	-	-	-	-	-
Depreciation Expense	-	11,888	93,660	362	105,910
Balance at March 31, 2018	**656,581,750**	**15,961**	**96,374**	**41,838**	**656,735,923**

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

5 Goodwill on Consolidation

	As at 31 March 2018	As at 31 March 2017	As at 01 April 2016
Opening Balance	**3,371,440**	3,371,440	3,371,440
For the year Addition / (Deletion)	**-**	-	-
Closning Balance	**3,371,440**	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, 2018**		As at March 31, 2017		As at April 1, 2016	
	QTY	**Amounts**	QTY	Amounts	QTY	Amounts
UnQuoted Investments (all fully paid)						
(a) Investments in Equity Instruments						
Emas Engineers & Contractors Pvt Ltd (EMAS) - Refer Note 35	**6,024,050**	**185,462,500**	6,024,050	185,462,500	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	185,462,500	6,024,050	185,462,500
Aggregate carrying value of unquoted investments in subsidiaries		**1**		185,462,500		185,462,500
Aggregate amount of impairment in value of investments in subsidiaries		**185,462,499**		-		-

6.2 Other Investments

Particulars	**As at March 31, 2018**		As at March 31, 2017		As at April 1, 2016	
	QTY	**Amounts**	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**	**527,587,500**	13,750,000	527,587,500	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	527,587,500	13,750,000	527,587,500
Aggregate carrying value of unquoted investments		**1**		527,587,500		527,587,500
Aggregate amount of impairment in value of investments		**527,587,499**		-		-

Note 6.2 (1)

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

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

7 Loans

	31-Mar-18 Non Current	31-Mar-17 Non Current	01-Apr-16 Non Current
Advances to Others:			
Unsecured, considered good	**15,425,750**	15,423,250	15,773,750
Advances to Related Parties:			
Unsecured, considered good	**458,416,242**	437,114,798	460,742,414
Less: Provision for doubtful advances	**(382,749,470)**	-	-
Total	**91,092,522**	452,538,048	476,516,164

8 Other Financial Assets

	31-Mar-18		31-Mar-17		01-Apr-16	
	Non Current	**Current**	Non Current	Current	Non Current	Current
Interest accrued on Bank deposits	**-**	**179,576**	-	136,564	-	96,939
Utilities Deposit	**-**	**24,500**	-	24,500	-	24,500
Rental Advance	**-**	**-**	3,000,000	-	3,000,000	-
	-	**204,076**	3,000,000	161,064	3,000,000	121,439

9 Deferred tax balances (Net)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred Tax Assets	**-**	-	1,552,031
Deferred Tax Liabilities	**-**	-	-
Total	**-**	-	1,552,031

10 Other Assets

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non Current	**Current**	Non Current	Current	Non Current	Current
Advances recoverable in cash or in kind	**-**	**106,792**	-	166,793	-	357,616
Advance share subscription	**-**	**-**	-	-	13,400,640	-
Reimbursements due	**-**	**-**	-	-	2,951,061	-
Prepaid Expense	**114,223**	**130,691**	229,122	140,359	450,291	128,175
	114,223	**237,483**	229,122	307,152	16,801,992	485,791

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

11 Inventories

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Land	**92,470,000**	92,470,000	92,470,000
(At lower of cost and net realizable value)			
	92,470,000	92,470,000	92,470,000

12 Trade receivables

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Current	Current	Current
Unsecured, considered good	**139,380,655**	184,252,721	185,935,899
	139,380,655	184,252,721	185,935,899

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

13 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:

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Balances with Banks			
In Current accounts	**245,574**	192,351	271,009
In Deposits	**504,351**	504,351	504,351
Cash on hand	**1,922,302**	437,303	1,861,281
Cash and cash equivalents as per balance sheet	**2,672,227**	1,134,005	2,636,641
Cash and cash equivalents as per statement of cash flows	**2,672,227**	1,134,005	2,636,641

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

14 Equity Share Capital

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Authorised Share capital :			
44,150,000 fully paid equity shares of Re.10 each	**441,500,000**	441,500,000	441,500,000
Issued and subscribed capital comprises:			
41,350,060 fully paid equity shares of Re.10 each (as at March 31, 2017: 41,350,060; as at April 1, 2016: 41,350,060)	**413,500,600**	413,500,600	413,500,600
	413,500,600	413,500,600	413,500,600

14.1 Fully paid equity shares

	Number of shares	Share capital (Amount)
Balance at April 1, 2016	41,350,060	413,500,600
Movements	-	-
Balance at March 31, 2017	41,350,060	413,500,600
Movements	-	-
Balance at March 31, 2018	**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.

14.2 Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of Shares held	**% holding of shares**	Number of Shares held	% holding of shares	Number of Shares held	% holding of shares
Fully paid equity shares						
Shri Housing Pvt Ltd	**11,100,000**	**26.84%**	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%	10,000,000	24.18%
Vassal Ranganathan (On behalf of Shriram Auto Finance)	**3,462,515**	**8.37%**	3,462,515	8.37%	3,462,515	8.37%
Vaata Infra Limited	**4,000,000**	**9.67%**	4,000,000	9.67%	4,000,000	9.67%
Sita Srinivasan	**2,553,725**	**6.18%**	2,553,725	6.18%	2,553,725	6.18%

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

15 Other equity

	Note	**As at March 31, 2018**	As at March 31, 2017	As at April 1, 2016
Securities premium reserve		**950,864,127**	950,864,127	950,864,127
Retained earnings	15.1	**(1,026,208,567)**	96,418,639	245,323,993
Capital Reserve		**146,863,006**	146,863,006	146,863,006
General Reserve		**12,883,501**	12,883,501	12,883,501
		84,402,067	1,207,029,273	1,355,934,627

15.1 Retained earnings

	Year ended March 31, 2018	Year ended March 31, 2017
Balance at beginning of year	**96,418,639**	245,323,993
Profit attributable to owners of the Company	**(1,122,627,206)**	(148,905,354)
Balance at end of year	**(1,026,208,567)**	96,418,639

16 Borrowings

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Non Current	Non Current	Non Current
Secured - at amortised cost			
(i) Term loans			
from banks (Refer note (16.1(i)) below)	**55,950,151**	65,846,151	75,843,000
Unsecured - at amortised cost			
(i) Term loans			
Related Parties (Refer Note 31)	**59,770,552**	59,002,553	6,746,142
Others (Refer (16.1(ii)) below)	**7,056,199**	12,748,198	17,749,812
Lease Deposit	**2,800,000**	2,800,000	2,800,000
Total	**125,576,902**	140,396,902	103,138,954

16.1 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% per annum.

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

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

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

(e) Period and amount of continuing default :

No of Installments - 28 (Monthly)

Principal Overdue - Rs. 2,33,80,000

Interest overdue - Rs.4,63,49,350

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

(ii) (a) The company has availed a term loan of Rs.2.57 Crores from M/s. Indiabulls Housing Finance Limited (IHFL), repayable in 60 equated monthly installments effective May 2015, carrying adjustable rate of interest of IHFL-LFRR base rate less 5.75% per annum.

(b) Secured by immovable property belonging to M/s. Chennai Power & Coke Private Limited.

(c) Additionally secured by corporate guarantees by the company and M/s. Chennai Power Coke & Private Limited. Further Guaranteed by a director and a relative of a director.

(d) Period and amount of continuing default :
No of Installments - 1 (Monthly)
Principal Overdue - Rs. 4,41,942
Interest overdue - Rs. 8,89,932

17 Provisions

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Non Current	**Current**	Non Current	Current	Non Current	Current
Employee benefits	**68,541**	**2,592,751**	1,747,730	1,707,086	2,274,204	1,686,520
Total	**68,541**	**2,592,751**	1,747,730	1,707,086	2,274,204	1,686,520

18 Trade Payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Current	Current	Current
Due to Micro Small Medium Enterprises Creditors	**-**	-	-
Due to Other than Micro Small Medium Enterprises Creditors	**84,357,730**	117,747,064	115,623,177
Total	**84,357,730**	117,747,064	115,623,177

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

19 Other financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	Current	Current	Current
Interest accrued and due	**47,239,282**	29,186,208	13,510,086
Interest accrued and not due	**1,184,931**	1,127,638	-
Accrued Employee benefits	**6,233,366**	6,622,035	5,008,202
Accrued Expenses	**6,787,146**	6,337,204	8,858,280
Current maturities of long-term debt	**59,747,038**	45,151,995	24,728,203
Total	**121,191,762**	88,425,080	52,104,771

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

20 Current tax assets and liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Current tax assets			
Tax refund receivable	**1,845,625**	1,845,625	1,845,625
	1,845,625	1,845,625	1,845,625
Current tax liabilities			
Tax Deducted at Source	**-**	-	-
Provision for Tax	**80,409,425**	77,582,981	59,796,561
	(78,563,800)	(75,737,356)	(57,950,936)

21 Other Liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
	Current	Current	Current
Advance from Customers	**41,842,222**	32,473,647	32,473,647
Statutory dues payable	**61,204,238**	55,570,509	45,181,204
Total	**103,046,460**	88,044,156	77,654,851

		Year ended March 31, 2018	Year ended March 31, 2017
22	**Revenue from Operations**		
	The following is an analysis of the Company's revenue for the year from continuing operations (excluding other income-see note 23)		
	(a) Revenue from leasing and maintenance	**20,160,000**	20,160,000
		20,160,000	20,160,000
23	**Other Income**		
	Interest income		
	Bank deposits (at amortised cost)	**47,791**	44,027
		47,791	44,027
24	**Employee benefits expense**		
	Salaries and wages	**4,118,290**	5,812,490
	Contribution to provident and other funds (see note 30)*	**184,983**	238,065
	Staff welfare expenses	**78,041**	86,222
		4,381,314	6,136,777

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

		Year ended March 31, 2018	Year ended March 31, 2017
25	**Finance costs**		
	Continuing operations		
	(a) Interest costs :-		
	Interest on bank overdrafts and loans (other than those from related parties)	**20,180,389**	18,681,332
	Total interest expense for financial liabilities not classified as at FVTPL	**20,180,389**	18,681,332
	(b) Other borrowing costs :-	**15,252**	15,063
		20,195,641	18,696,395
26	**Depreciation and amortisation expense**		
	Depreciation of property, plant and equipment pertaining to continuing operations	**105,910**	105,548
	Total depreciation and amortisation pertaining to continuing operations	**105,910**	105,548
27	**Other expenses**		
	Power and fuel	**125,285**	197,738
	Rent	**-**	4,160,647
	Repairs and maintenance	**228,804**	210,754
	Printing & Stationery	**310,317**	75,541
	Travelling & Conveyance	**479,779**	611,181
	Listing & Depository Fees	**537,653**	407,123
	Security Charges	**-**	77,200
	Professional Charges	**621,711**	918,936
	Payment to Auditors	**1,540,000**	1,540,000
	Interest on Statutory Payment	**7,692,861**	7,194,922
	Bad Debts Written off	**4,641,130**	16,701,701
	Communication Expenses	**424,258**	493,301
	General Expenses	**673,581**	516,495
		17,275,379	33,105,539
27.1	**Payments to auditors**		
	a) For audit	**1,540,000**	1,540,000
		1,540,000	1,540,000

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

		Year ended March 31, 2018	Year ended March 31, 2017
28	**Income taxes relating to continuing operations**		
	Income tax recognised in profit or loss		
	Current tax		
	In respect of the current year	**6,394,000**	20,488,000
		6,394,000	20,488,000
	Deferred tax		
	In respect of the current year	**-**	1,552,031
		-	1,552,031
	Total income tax expense recognised in the current year relating to continuing operations	**6,394,000**	22,040,031

29 Earnings per Share

	March 31, 2018	March 31, 2017
Basic earnings per share		
From continuing operations	**(27.15)**	(3.60)
Total basic earnings per share	**(27.15)**	(3.60)
Diluted earnings per share		
From continuing operations	**(27.15)**	(3.60)
Total diluted earnings per share	**(27.15)**	(3.60)

29.1	**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	**(1,122,627,206)**	(148,905,354)
	Earnings used in the calculation of basic earnings per share	**(1,122,627,206)**	(148,905,354)
	Earnings used in the calculation of basic earnings per share from continuing operations	**(1,122,627,206)**	(148,905,354)
	Weighted average number of equity shares for the purposes of basic earnings per share	**41,350,060**	41,350,060
29.2	**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	**(1,122,627,206)**	(148,905,354)
	Earnings used in the calculation of diluted earnings per share Profit for the year from discontinued operations attributable	**(1,122,627,206)**	(148,905,354)
	Earnings used in the calculation of diluted earnings per share from continuing operations	**(1,122,627,206)**	(148,905,354)
	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

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

	Particulars	March 31, 2018	March 31, 2017
30	**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:

	March 31, 2018	March 31, 2017
Employer Contribution to Provident Fund	**(310,461)**	172,835

Principal Actuarial Assumptions:	**Gratuity Plan (Unfunded)**		**Compensated Absences - Earned Leave (Unfunded)**	
(Expressed as weighted averages)	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017
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**	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Current service cost	**93,937**	165,267	**184,653**	214,987
Net interest expense	**91,046**	72,798	**153,555**	186,233
Components of defined benefit costs recognised in profit or loss	**184,983**	238,065	**338,208**	401,220
Remeasurement on the net defined benefit liability:				
Net actuarial (gains) / losses on plan obligation	**(495,444)**	(65,230)	**(821,272)**	(1,079,962)
Components of defined benefit costs recognised in other comprehensive income	**(495,444)**	(65,230)	**(821,272)**	(1,079,962)
Total	**(310,461)**	172,835	**(483,064)**	(678,742)

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Amounts Recognised in the Balance Sheet and Related Analysis

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Present value of defined benefit obligation	**975,497**	1,285,958	**1,304,720**	2,168,859
Fair value of plan assets	**-**	-	**-**	-
Amount determined under para 63 of Ind AS19	**-**	-	**-**	-
Net liability arising from defined benefit obligation	**975,497**	1,285,958	**1,304,720**	2,168,859

Change in the Present Value the Obligation (PVO)

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Opening defined benefit obligation	**1,285,958**	1,113,123	**2,168,859**	2,847,601
Current service cost	**93,937**	165,267	**184,653**	214,987
Interest cost	**91,046**	72,798	**153,555**	186,233
Remeasurement (gains)/losses:	**(495,444)**	(65,230)	**(821,272)**	(1,079,962)
Benefits paid	**-**	-	**-**	-
Closing defined benefit obligation	**975,497**	1,285,958	**1,685,795**	2,168,859

Changes in the Fair Value of the Plan Assets

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Opening fair value of plan assets	**-**	-	**-**	-
Interest income	**-**	-	**-**	-
Contributions from the employer	**-**	-	**-**	-
Benefits paid	**-**	-	**-**	-
Closing fair value of plan assets	**-**	-	**-**	-

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Movements In The Liability Recognized In The Balance Sheet

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
Opening net liability adjusted for effect of balance sheet limit	**1,285,958**	1,113,123	**2,168,859**	2,847,601
Amount recognised in Profit and Loss	**184,983**	238,065	**338,208**	401,220
Amount recognised in OCI	**(495,444)**	(65,230)	**(821,272)**	(1,079,962)
Contribution paid	**-**	-	**-**	-
Closing net liability	**975,497**	1,285,958	**1,685,795**	2,168,859

Sensitivity Analyses

	Rate		Gratuity Plan		Compensated Absences - Earned Leave	
Liability when:	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017	**March 31, 2018**	March 31, 2017
A. Discount Rate + 100 BP	**4319001.00%**	4282501.00%	**970,020**	1,264,846	**1,675,891**	2,134,347
B. Discount Rate - 100 BP	**4318999.00%**	4282499.00%	**981,096**	1,308,114	**1,695,893**	2,205,152
C. Salary Escalation Rate +100 BP	**11%**	11%	**980,912**	1,301,578	**1,692,712**	2,190,821
D. Salary Escalation Rate -100 BP	**9%**	9%	**970,101**	1,270,270	**1,678,883**	2,147,265
E. Attrition rate +100 BP	**11%**	11%	**974,805**	1,283,965	**1,684,913**	2,165,220
F. Attrition rate -100 BP	**9%**	9%	**976,192**	1,287,973	**1,686,678**	2,172,689

Expected Benefit Payments in Following Years

	Gratuity Plan		Compensated Absences - Earned Leave	
	March 31, 2018	March 31, 2017	**March 31, 2018**	March 31, 2017
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

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

31 Related party Disclosures

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 March 31, 2018	Year ended March 31, 2017
1	Shri Housing Private Limited	Fellow Subsidiary	Loans received	**768,000**	52,256,410
2	Crimson Investments Ltd	Common Director	Loans received	**11,017,636**	10,774,042
			Loans repaid	**1,062,582**	-
3	M Narayanamurthi	Managing Director	Salary paid	**240,000**	240,000
4	A. Sriram	Chief Financial Officer	Salary & Allowances paid	**2,904,200**	2,854,200

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Closing Balances of Related Parties

S. No.	Particulars	Nature	Year ended March 31, 2018	Year ended March 31, 2017
1	Emas Engineers & Contractors Pvt Ltd	Long Term Loans and Advances	**-**	382,749,470
2	Shri Housing Pvt Ltd	Long Term Borrowings	**(59,770,553)**	(59,002,553)
3	Crimsoin Investments	Short Term Borrowings	**20,729,096**	10,774,042
4	M Narayanamurthi	Accrued Employee Benefits	**(17,4s57)**	(236,270)
5	Vikram Mankal	Accrued Employee Benefits	**(329,156)**	(529,156)
6	S. Krishnan	Accrued Employee Benefits	**(100,000)**	1,092,488
7	A. Sriram	Accrued Employee Benefits	**3,450,669**	2,713,820

32 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 2018 (31st March 2017) to Micro, Small and Medium Enterprises on account of principal amount together with interest, aggregate to Rs. Nil (Rs.Nil).

33 Contingent Liability

Premier Energy and Infrastructure Limited

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

b) The Holding Company has pledged part of its investment of 91,74,860 Equity shares of Haldia Coke and Chemicals Private Limited with a lender for moneys borrowed by the above company. The liability, if any, that may arise on account of the pledge is not quantifiable.

RCI Power Limited

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

34 Operating Leases

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

35 Exceptional items

The amount includes

1) Provision for Dimunition in value of investments and Provision for doubtful advances to Emas Engineers and Contractors Pvt Ltd amounting to Rs. 18,54,46,499 and Rs. 38,27,49,470 respectively. Considering the erosion of net worth and continuing losses being incurred by it, the Management is of the opinion that the diminution in carrying value of investent and provision for doubtful advances in that entity is other than temporary in nature. Also, the company received a provisional order of winding up by the Hon'ble Madras High Court dated 20th December 2016. Consequently, the company has made a provision for the said amount and disclosed the same under exceptional items in profit and loss account.
2) Provision for dimunition in value of investments of Haldia Coke and Chemicals Pvt Ltd amounting to Rs. 52,75,87,499. Considering the erosion of net worth and continuing losses being incurred by it, the Management is of the opinion that the diminution in carrying value of investent in that entity is other than temporary in nature. Consequently, the company has made a provision for the said amount and disclosed the same under exceptional items in profit and loss account.

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

36 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.

37.1 Fair Value Measurement

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.

37.1.1 Category wise classification of financial instruments is as follows:

Particulars	**See Note**	**As at 31.03.2018**	As at 31.03.2017	As at 01.04.2016
Financial assets measured at fair value - Level 3				
Non current:				
(i) Other Investments	6.2	**1**	527,587,500	527,587,500
Financial Assets measured at amortised cost				
Non current:				
(ii) Loans	7	**91,092,522**	452,538,048	476,516,164
(iii) Other financial assets	8	**-**	3,000,000	3,000,000
Current:				
(i) Trade receivables	12	**139,380,655**	184,252,721	185,935,899
(ii) Cash and cash equivalents	13	**2,672,227**	1,134,005	2,636,641
(iii) Other financial assets	8	**204,076**	161,064	121,439
Financial Assets measured at cost				
Non current:				
(i) Investments				
a) Investments in Subsidiaries	6.1	**1**	185,462,500	185,462,500

37.1.2 Financial Liabilities measured at amortised cost (See Note 35.3)

Non current:				
(i) Borrowings	16	**125,576,902**	140,396,902	103,138,954
Current:				
(i) Trade payables	18	**84,357,730**	117,747,064	115,623,177
(ii) Other financial liabilities	19	**121,191,762**	88,425,080	52,104,771

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

37.1.3 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.

37.2 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 Rick

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.

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, 2018 and March 31, 2017, the exposure of Company's borrowings to interest rate changes are as follows:

Particulars	**March 31, 2018**	March 31, 2017
Variable rate borrowings	**182,523,940**	182,748,897

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.

Particulars	**(Increase)/ decrease in Loss by**	
	March 31, 2018	March 31, 2017
Interest rates- increase by 1%	**(1,735,981)**	(1,326,711)
Interest rates- decrease by 1%	**1,916,747**	1,751,449

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 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

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Maturities of financial liabilities As at 31 March 2017	Less than 1 year	1 year to 5 years	More than 5 years	Total
Borrowings	-	140,396,902	-	140,396,902
Trade payable	117,747,064	-	-	117,747,064
Other financial liabilities	88,425,080	-	-	88,425,080
Maturities of financial liabilities As at 31 March 2016	**Less than 1 year**	**1 year to 5 years**	**More than 5 years**	**Total**
Borrowings	-	103,138,954	-	103,138,954
Trade payable	115,623,177	-	-	115,623,177
Other financial liabilities	52,104,771	-	-	52,104,771

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.

Assets under credit risk

Particulars	31.03.2018	31.03.2017	31.03.2016
Non Current assets			
Financial Assets			
Loans	**91,092,522**	452,538,048	476,516,164
Other financial assets	**-**	3,000,000	3,000,000
Current assets			
Financial assets			
Trade receivables	**139,380,655**	184,252,721	185,935,899
Cash and cash equivalents	**2,672,227**	1,134,005	2,636,641
Other financial assets	**204,076**	161,064	121,439

37.3 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.

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Particulats		31.03.2018	31.03.2017	01.04.2016
Total Equity	**i**	**497,902,667**	1,620,529,873	1,769,435,227
Total Debt	ii	**185,323,940**	185,548,897	127,867,157
Cash & Cash Equivalents	iii	**2,672,227**	1,134,005	2,636,641
Net Debt	**iv = iii - ii**	**182,651,713**	184,414,892	125,230,516
Total Capital	v = i + iv	**680,554,380**	1,804,944,765	1,894,665,743
Net Debt to capital ratio	**iv / v**	**0.27**	0.10	0.07

No changes were made in the objectives, policies and processes for managing the capital during the three years ended March 31, 2018 or March 31, 2017 or April 1, 2016.

37.4 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 31.03.2018	Dr./Cr.	Net Balance as on 31.03.2017	Dr./Cr.
1	Small Industries Development Bank of India (SIDBI)	Loan	**55,950,151**	**Cr.**	65,846,151	Cr.
2	Indiabulls Housing Finance Limited	Loan	**7,056,199**	**Cr.**	12,748,198	Cr.
3	Shri Housing Pvt Ltd	Loan	**59,770,553**	**Cr.**	59,002,553	Cr.
4	Crimson Investments Limited	Loan	**20,729,096**	**Cr.**	10,774,042	Cr.
5	Emass Engineers - Shares	Investment	**1**	**Dr.**	185,462,500	Dr.
6	Investments - RCI Power AP Ltd	Investment	**78,588,176**	**Dr.**	78,588,176	Dr.
7	Investments - RCI Power Limited	Investment	**609,280,591**	**Dr.**	609,280,591	Dr.
8	Haldia Coke & Chemicals	Investment	**1**	**Dr.**	527,587,500	Dr.
9	Emass Engineers & Contractors Pvt Ltd	Advances	**-**	**Dr.**	382,749,470	Dr.
10	Front Office Consultants Pvt Ltd	Advances	**13,500,000**	**Dr.**	13,500,000	Dr.
11	Aarthik Properties Ltd	Advances	**1,918,750**	**Dr.**	1,918,750	Dr.
12	CSI Diocese of Madras	Advances	**-**	**Dr.**	3,000,000	Dr.

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

ii) Maximum amount outstanding during the year:

S. No.	Description	Nature	Maximum amt outstanding as on 31.03.2018	Dr./Cr.	Maximum amt outstanding as on 31.03.2017	Dr./Cr.
1	Small Industries Development Bank of India (SIDBI)	Loan	**55,950,151**	Cr.	65,846,151	Cr.
2	Indiabulls Housing Finance Limited	Loan	**7,056,199**	Cr.	12,748,198	Cr.
3	Shri Housing Pvt Ltd	Loan	**59,770,553**	Cr.	59,002,553	Cr.
4	Crimson Investments Limited	Loan	**20,729,096**	Cr.	10,774,042	Cr.
5	Emass Engineers - Shares	Investment	**185,462,500**	Dr.	185,462,500	Dr.
6	Investments - RCI Power AP Ltd	Investment	**78,588,176**	Dr.	78,588,176	Dr.
7	Investments - RCI Power Limited	Investment	**609,280,591**	Dr.	609,280,591	Dr.
8	Haldia Coke & Chemicals	Investment	**527,587,500**	Dr.	527,587,500	Dr.
9	Emass Engineers & Contractors Pvt Ltd	Advances	**382,749,470**	Dr.	464,012,954	Dr.
10	Front Office Consultants Pvt Ltd	Advances	**13,500,000**	Dr.	13,500,000	Dr.
11	Aarthik Properties Ltd	Advances	**1,918,750**	Dr.	1,918,750	Dr.
12	CSI Diocese of Madras	Advances	**-**	Dr.	3,000,000	Dr.

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

38 First-time Ind AS adoption reconciliations

38.1 Effect of Ind AS adoption on the consolidated balance sheet as at March 31, 2017 and April 1, 2016

Particulars	As at 31/03/2017 (End of last period presented under previous. GAAP)			As at 01/04/2016 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Non-current assets						
(a) Property, Plant and Equipment	656,799,633	-	656,799,633	656,905,181	-	656,905,181
(b) Capital work-in-progress	27,022,062	(0)	27,022,062	27,022,062	(0)	27,022,062
(c) Financial Assets	3,371,440	-	3,371,440	3,371,440	-	3,371,440
(d) Goodwill						
(i) Investments						
a) Investments in Subsidiaries	713,050,000	527,587,500	185,462,500	713,050,000	527,587,500	185,462,500
b) Other Investments	-	(527,587,500)	527,587,500	-	(527,587,500)	527,587,500
(ii) Loans	457,296,713	4,758,665	452,538,048	-	(476,516,164)	476,516,164
(iii) Other financial assets	-	(3,000,000)	3,000,000	497,847,699	494,847,699	3,000,000
(e) Deferred tax balancesn(net)	-	-	-	1,552,031	-	1,552,031
(f) Other non-current assets	-	(229,122)	229,122	-	(16,801,992)	16,801,992
Total Non - Current Assets	**1,857,539,848**	**1,529,543**	**1,856,010,305**	**1,899,748,413**	**1,529,543**	**1,898,218,870**
Current assets						
(a) Inventory	92,470,000	-	92,470,000	92,470,000	-	92,470,000
(b) Financial assets						
(i) Trade receivables	184,252,722	1	184,252,721	185,935,899	-	185,935,899
(ii) Cash and cash equivalents	1,134,004	(1)	1,134,005	2,636,641	-	2,636,641
(iii) Other financial assets	307,152	146,088	161,064	485,791	364,352	121,439
(c) Other current assets	477,146	169,994	307,152	437,521	(48,270)	485,791
Total current assets	**278,641,024**	**316,082**	**278,324,942**	**281,965,852**	**316,082**	**281,649,770**
Total assets	**2,136,180,872**	**1,845,625**	**2,134,335,247**	**2,181,714,265**	**1,845,625**	**2,179,868,640**
Equity						
(a) Equity Share capital	413,500,600	-	413,500,600	413,500,600	-	413,500,600
(b) Other equity	1,207,029,273	0	1,207,029,273	1,355,934,627	-	1,355,934,627
Total Equity	**1,620,529,873**	**0**	**1,620,529,873**	**1,769,435,227**	**-**	**1,769,435,227**
Liabilities						
Non-current liabilities						
(a) Financial Liabilities						
(i) Borrowings	137,596,902	(2,800,000)	140,396,902	100,338,954	(2,800,000)	103,138,954
(b) Provisions	1,747,730	-	1,747,730	2,274,204	-	2,274,204
(c) Other non current liabilities	2,800,000	2,800,000	-	2,800,000	2,800,000	-
Total Non - Current Liabilities	**142,144,632**	**0**	**142,144,632**	**105,413,158**	**-**	**105,413,158**

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Particulars	As at 31/03/2017 (End of last period presented under previous. GAAP)			As at 01/04/2016 (Date of transition)		
	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS balance sheet
Current liabilities						
(a) Financial Liabilities						
(i) Trade payables	117,747,064	(0)	117,747,064	115,623,177	-	115,623,177
(ii) Other financial liabilities	10,774,042	(77,651,038)	88,425,080	-	(52,104,771)	52,104,771
(b) Provisions	79,290,067	77,582,981	1,707,086	61,483,081	59,796,561	1,686,520
(c) Current tax balances (Net)	-	(75,737,356)	75,737,356	-	(57,950,936)	57,950,936
(d) Other current liabilities	165,695,194	77,651,038	88,044,156	129,759,622	52,104,771	77,654,851
Total Current Liabilities	**373,506,367**	**1,845,625**	**371,660,742**	**306,865,880**	**1,845,625**	**305,020,255**
Total Liabilities	**515,650,999**	**1,845,625**	**513,805,374**	**412,279,038**	**1,845,625**	**410,433,413**
Total Equity and Liabilities	**2,136,180,872**	**1,845,625**	**2,134,335,247**	**2,181,714,265**	**1,845,625**	**2,179,868,640**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this disclosure.

38.2 Reconciliation of total equity as at March 31, 2016 and April 1, 2015

Particulars	As at 31/03/2017	As at 1/04/2016
Total equity (shareholders' funds) under previous GAAP	1,620,529,873	1,769,435,227
Adjustments	-	-
Total adjustment to equity	-	-
Total Equity under Ind AS	1,620,529,873	1,769,435,227

38.3 Effect of Ind AS adoption on the consolidated statement of profit and loss for the year ended March 31, 2017

Particulars	31-Mar-16		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Revenue from Operations	20,160,000	-	20,160,000
Other Income	44,027	-	44,027
Total Income (A)	**20,204,027**	**-**	**20,204,027**
Expenses			
Employee benefit expense	4,991,584	(1,145,193)	6,136,777
Finance costs	18,696,395	(0)	18,696,395
Depreciation and amortisation expense	105,548	-	105,548
Other expenses	33,105,540	1	33,105,539
Total expenses (B)	**56,899,067**	**(1,145,192)**	**58,044,259**

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

Particulars	31-Mar-16		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Profit/(loss) before Exceptional items & tax (A+B)	**77,103,094**	(1,145,192)	**78,248,286**
Exceptional items **(C)**	(90,170,283)	-	(90,170,283)
Profit/(loss) before tax (A+B+C)	**(13,067,189)**	(1,145,192)	**(11,921,997)**
Tax expense			
(1) Current tax	**20,488,000**	-	**20,488,000**
(2) Deferred tax	**1,552,031**	-	1,552,031
Profit for the period from continuing operations	**(35,107,220)**	**(1,145,192)**	**(33,962,028)**
Other Comprehensive Income	-	1,145,193	(1,145,193)
Total comprehensive income for the period	**(35,107,220)**	**1**	**(35,107,221)**

38.4 Reconciliation of total comprehensive income for the year ended March 31, 2016

Particulars	**31-Mar-16**
Profit as per previous GAAP	(35,107,220)
Adjustments for actuarial gain / Loss	1,145,193
Profit for the year as per Ind AS	**(33,962,027)**
Other comprehensive for the year (net of tax)	(1,145,193)
Total comprehensive income under Ind AS	**(35,107,220)**

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

38.5 Effect of Ind AS adoption on the consolidated statement of cash flows for the year ended March 31, 2016

Particulars	As at 31/03/2016 (End of last period presented under previous. GAAP)		
	Previous GAAP	Effect of transition to Ind AS	Ind AS
Net cash flows from operating activities	38,163,112	61,668,805	(23,505,693)
Net cash flows from investing activities	-	-	-
Net cash flows from financing activities	(39,665,749)	(61,668,806)	22,003,057
Net increase (decrease) in cash and cash equivalents	**(1,502,637)**	**(1)**	**(1,502,636)**
Cash and cash equivalents at the beginning of the period	2,636,641	-	2,636,641
Cash and cash equivalents at the end of the period	**1,134,004**	**(1)**	**1,134,005**

Notes to the consolidated financial statements for the year ended March 31, 2018 *(continued)*

All amounts are in Rs unless otherwise stated

38.6 Analysis of cash and cash equivalents as at March 31, 2016 and as at April 1, 2015 for the purpose of statement of cash flows under Ind AS

Particulars	**31-Mar-16**	**01-Apr-15**
Cash and cash equivalents for the purpose of statement of cash flows as per previous GAAP	1,134,004	2,636,641
Fixed Deposit more than 3 months were not considered in Cash and Bank Balances in Indian GAAP	-	-
Cash and cash equivalents for the purpose of statement of cash flows under Ind AS	1,134,005	2,636,641

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of disclosure.

38.7 Explanatory Notes on preparation and presentation of financial statements upon transition to Ind AS

In preparing these financial statements, the Company's Opening Balance Sheet was prepared as at 1-4-2016, which is the Company's date of transition to Ind AS. The following note explains the nature of adjustments made by the Company read with Note No. 3 in restating its previous GAAP Financial Statements including its Balance Sheet as at 1-4-2016 and the financial statements as at and for the year ended 31-3-2017.

A. Classification of Financial Instruments

The company has evaluated the facts and circumstances on date of transition to Ind AS for the purpose of classification and measurement of financial assets/financial liabilities. Accordingly, bifurcation of assets/ liabilities as financial/Non-financial is identified and reclassified. However, this reclassification is not presented as transition adjustments.

B. Deferred Tax

Deferred tax is accounted using income statement approach by computing the differences between taxable profits and accounting profits for the period under previous GAAP. As per Ind AS 12, the deferred tax is to be computed using the balance sheet approach, which is based on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Deferred tax adjustments are recognized either in retained earnings or a separate component of equity.

C. Defined Benefit Plan

Under previous GAAP, actuarial gains and losses are charged to profit or loss. Under Ind AS re-measurements of net defined benefit asset/liability comprising of actuarial gains or losses are arising from experience adjustments and changes in actuarial assumption are charged/credited to other comprehensive income.

D. Other Comprehensive Income (OCI)

This is a new classification under Ind AS. Any income or expense that are not required to be recognized in profit or loss are shown under a new category namely OCI in the Statement of Profit and Loss namely re-measurements of defined benefit plans, gains and losses from investments in equity instruments designated at fair value through other comprehensive income, gains and losses on financial assets measured at fair value through other comprehensive income, gain or loss on financial instruments that qualify for hedge accounting, changes in revaluation surplus and gains and losses arising from translating the financial statements of a foreign operation.

In terms of our report attached.
For S.H. Bhandari & Co.
Chartered Accountants
ICAI Firm Regn No: 000438S

Sreedhar Sreekakulam
Partner
M. No: 26474

Place : Chennai
Date : May 30, 2018

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

PREMIER ENERGY AND INFRASTRUCTURE LIMITED

CIN: L45201TN1988PLC015521

Regd. Office: Ground Floor, Tangy Apartments, 34, Dr. P V Cherian Road,
Off. Ethiraj Salai, Egmore, Chennai-600 008
Ph. No.: 044-28270031 Fax: 044-28270031
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 26th Annual General Meeting of the Company held on 29th September 2018 at 12.00 Noon at Bharathiya Vidhya Bhavan (Mini Hall -1 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 .... 2018.

Signature of Share holder : ....

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

Affix Re. 1/- Revenue Stamp

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

PREMIER ENERGY AND INFRASTRUCTURE LIMITED

CIN: L45201TN1988PLC015521

Regd. Office: Ground Floor, Tangy Apartments, 34, Dr. P V Cherian Road,
Off. Ethiraj Salai, Egmore, Chennai-600 008
Ph. No.: 044-28270031 Fax: 044-28270031
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 29th September 2018 at 12.00 Noon at Bharathiya Vidhya Bhavan (Mini Hall -1 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.

If undelivered please return to:

Premier Energy and Infrastructure Limited
Regd. Office: Ground Floor, Tangy Apartments,
34, Dr. P V Cherian Road,
Off. Ethiraj Salai, Egmore, Chennai-600 008