



POWER MECH®

Date: 06.10.2017

To,
Corporate Relations Department,
BSE Limited,
PJ Towers, Dalal Street,
Fort, Mumbai – 400001

To,
National Stock Exchange of India Limited,
Exchange Plaza,
BandraKurla Complex,
Bandra (E), Mumbai - 400051

Dear Sir,

Sub: - Submission of Annual Report for the FY 2016-17 as per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Ref: BSE Scrip Code: 539302; NSE Symbol: POWERMECH

Pursuant to the Regulation 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, kindly find enclosed herewith Annual Report for the financial year 2016-17.

Kindly take the same on record.

Thanking You,

Yours Faithfully
For Power Mech Projects Limited

Rohit Tibrewal
Company Secretary



POWER MECH PROJECTS LIMITED

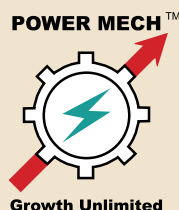
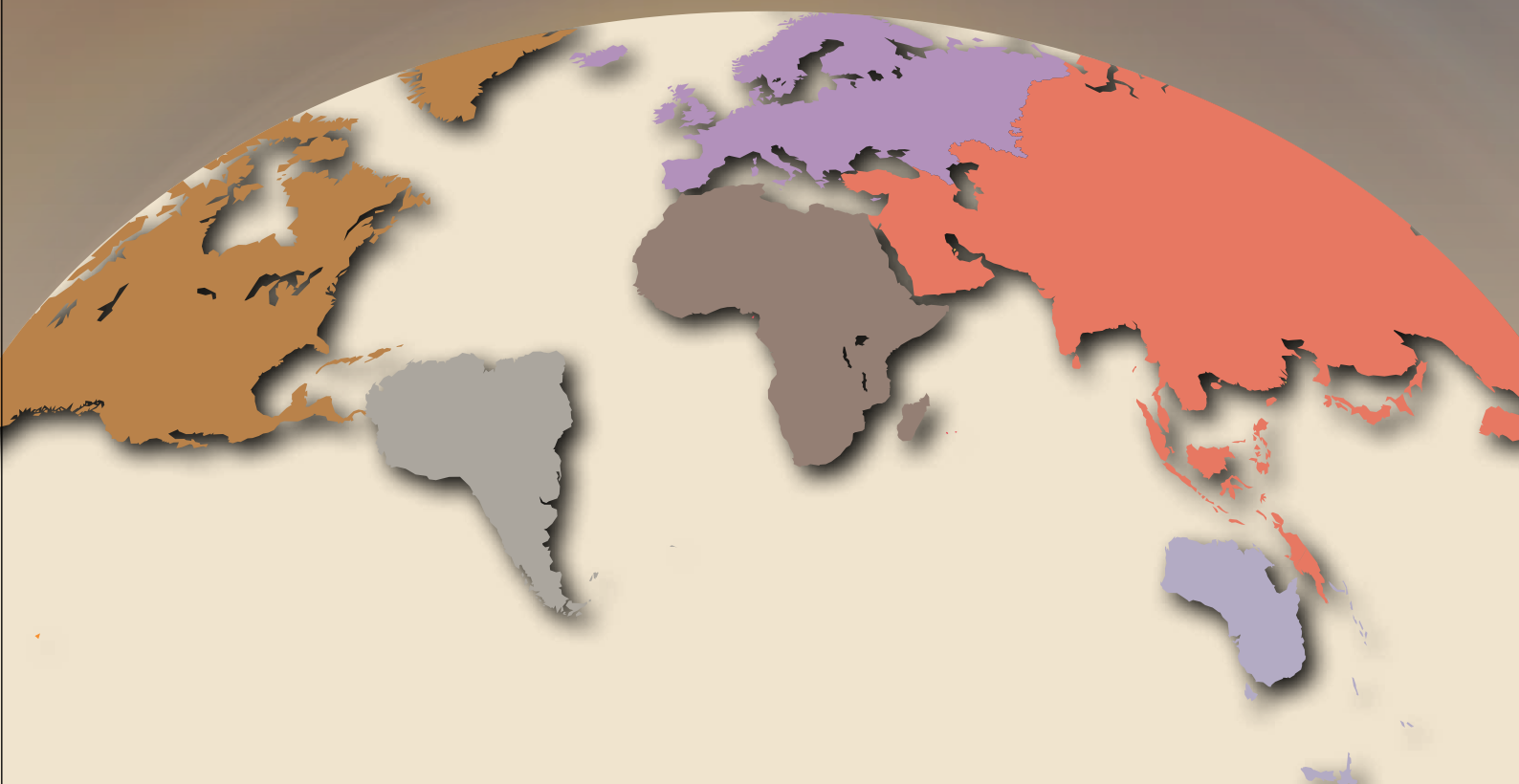
AN ISO 9001, ISO 14001 & OHSAS 18001 CERTIFIED COMPANY

Regd. & Corporate Office :
Plot No. 77, Jubilee Enclave, Opp. Hitex,
Madhapur, Hyderabad-500081
Telangana, India
CIN : U74140TG1999PLC032156

Phone : 040-30444444
Fax : 040-30444400
E-mail : info@powermech.net
Website : www.powermechprojects.in



EXPANDING HORIZONS... ...BROADENING CAPABILITIES



POWER MECH PROJECTS LIMITED

18th Annual Report 2016-17

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EXPLORE ONLINE:

<https://www.powermechprojects.com>

REGIONAL OFFICES – INDIA

Eastern Region

Unit No. 3-6A, 6th Floor
P S Magnum, VIP Road
Opp Haldiram, Kaikhali
Kolkata, West Bengal - 700052
Tel: +91 8420768819
E-mail: kolkatta@powermech.net

Western Region

402, Swastik Pride
Opp ICICI Bank Chembur (E)
Mumbai, Maharashtra - 400074
Tel: +91 99678869372
+91 22 25282266
E-mail: mumbai@powermech.net

Central Region

202, Parijath Apartments
Vikas Nagar, Wardha Road
Nagpur, Maharashtra - 440015
Tel: +91 7103663000
Fax: +91 7103663030
E-mail: nagpur@powermech.net

Northern Region

H-113, Sector-63, 2nd Floor
Gautam Budh Nagar
Noida, Uttar Pradesh - 201301
Tel: +91 120 4809900
E-mail: delhi@powermech.net

SUBSIDIARY COMPANIES AND JOINT VENTURES

Hydro Magus Pvt. Ltd.

H-113, Sector-63, 3rd Floor
Gautam Budh Nagar
Noida
Uttar Pradesh - 201301
Tel: +91-120-4622555
E-mail: info@hydromagus.com

Power Mech Industri Private Limited

Plot # A-8, Sector 80
Noida
Uttar Pradesh - 201301
Tel: +91 8800993328, +91 9533583241
E-mail: info@pmidustri.com

Mas Power Mech Arabia

Suit No.19, Second Floor
Dabbab Commercial Center
Al-Sulaimaniah
PO Box 66403, Riyadh 11576, KSA
Tel: +966 11 4610359,
+966 11 4650076
E-mail: info@mpa.com.sa

GTA Powermech Nigeria Ltd

Abel-Abu Point, Ebute-Igbogbo Road
Ikorodu, Lagos-104101
Nigeria
Tel: +234 0815 6161217
+234 09071003872
E-mail: p.subramanian@gta.uk.com

Power Mech Projects Limited LLC

Office No: 103, 1st Floor
Al Abri Centre, Al Hail North
Oman
Tel: +96824420528
E-mail: bala@powermech.net

INTERNATIONAL OFFICES

UAE

Dubai - Regional Headquarters

2006, Citadel Tower, Business Bay
Dubai, P.O Box: 215452, UAE
Tel: +9714 4565948
+9715 04431833
Fax: +9714 4565938
E-mail: dubai@powermech.net

Abu Dhabi

4th Floor, Sheraton Building
Zayed 1st Street, Al Khalidiya
P.O Box: 29915, Abu Dhabi, U.A.E
Tel: +97126675555
Fax: +97126675123
E-mail: projects@powermech.net

Kuwait

M/s Nouri Industrial Est. Co,
P.B No:2829, Safat-13029, Area-2
Building No:86
Ardiya Industrial Area, Kuwait
Tel: +965 2433355
Fax: +965 24344085
E-mail: kuwait@powermech.net

VISION

Maintain high standards in workmanship, meet customer requirements to the brim, achieve timely completion of projects by adopting innovative methods and planning, enhance organizational skills through periodic training and retention of human resources and tireless pursuit for excellence all the time.

MISSION

To be an outstanding company and dominant player among the peers and delight the customers through products and services with continuous improvement.



COMPANY INFORMATION

Board of Directors

Shri S Kishore Babu	Chairman & Managing Director
Shri M Rajendran	Whole Time Director
Smt. S Lakshmi	Non Executive Director
Shri M Rajiv Kumar	Non Executive Director
Shri G D V Prasada Rao	Independent Director
Shri T Sankarlingam	Independent Director
Shri Sutanu Behuria	Independent Director
Shri Vivek Paranjpe	Independent Director

Shri N. Bhupesh Chowdary	Chief Executive Officer
Shri J. Satish	Chief Financial Officer
Shri Rohit Tibrewal	Company Secretary

Audit Committee

Shri Sutanu Behuria	Chairman
Shri T Sankarlingam	Member
Shri G D V Prasada Rao	Member

Nomination and Remuneration Committee

Shri T Sankarlingam	Chairman
Smt. S Lakshmi	Member
Shri G D V Prasada Rao	Member

Stakeholder's Relationship Committee

Shri M Rajiv Kumar	Chairman
Smt. S Lakshmi	Member
Shri G D V Prasada Rao	Member

Corporate Social Responsibility Committee

Shri S Kishore Babu	Chairman
Smt. S Lakshmi	Member
Shri G D V Prasada Rao	Member

Registered Office

Plot No: 77, Jubilee Enclave Road
Opp: Hitex, Madhapur Hyderabad-500 081
Tel: 040 30444444
Fax: 040 30444400

Corporate Office

Plot No: 77, Jubilee Enclave Road
Opp: Hitex, Madhapur, Hyderabad-500 081

Statutory Auditors

M/s. Brahmayya & Co
Chartered Accountants
D. No: 33-25-33/B, Govindarajulunaidu Street
Suryaraopet, Vijayawada-520 002

Secretarial Auditors

M/s. P.S. Rao & Associates
Company Secretaries
Flat No. 10, 4th Floor, # 6-3-347/22/2
Ishwarya Nilayam, Opp: Sai Baba Temple,
Dwarakapuri Colony, Panjagutta, Hyderabad-500 082

Internal Auditors

M/s. Ramesh & Co
Chartered Accountants
Plot No: 78, 6-3-661/B/1, Sangeethnagar
Somajiguda, Hyderabad-500 082

Bankers

State Bank of India
State Bank of Hyderabad
Axis Bank
IDFC Bank Ltd
HDFC Bank Ltd
RBL Bank Ltd
ICICI Bank
Standard Chartered Bank


Registrar & Share Transfer Agent

Karvy Computershare Pvt Ltd
Karvy Selenium Tower B, 6th Floor
Plot 31-32, Gachibowli
Financial District, Nanakramguda
Hyderabad-500 032

POWER MECH AT A GLANCE

Incorporated in the year 1999, by Mr. S. Kishore Babu, First Generation Entrepreneur.

The Company got listed on BSE & NSE in the year 2015.



◀ 1 x 500 MW, Unchahar, UP

- Leading engineering and construction company providing comprehensive services in power & infra sectors
- Undertaken projects of all types, sizes in India and abroad
- Executed ultra mega power projects, super critical thermal power projects, sub-critical power projects etc
- Diversified service portfolio under one roof

**MESSAGE FROM
CHAIRMAN & MANAGING DIRECTOR**

CONVERTING CHALLENGES INTO OPPORTUNITIES

Dear valued shareholders,

The financial year 2016-17 was indeed a year of anxieties for the industry and yet fairly satisfying year for your Company. This opening remark does explicit the general scenario in the market and your Company's ability in propelling another growth story against all odds. The volatile situation in the market and fluctuating opportunities in industry did not deter the Company from exhibiting its real spirit.

Last year I was speaking on 'landing space' during fiscal journey when we had to take stock and choose strategies. I strongly feel that we have almost crossed flat journey and once again got in to the stairs to move up. I attribute the remarkable achievement to the Company's strategy for diversification and expansion. The Company has entered International Market, O&M services, Railways, Rural electrification and Civil in a significant manner, yet keeping continuity and tradition.

We have made suitable strategies and targeted only potentially profitable projects and did not go behind each and every opportunity that came in. Our aim centered on projects which are in line with our operation, skill and expertise and we are emerging successful in our 'growth oriented expansion' plan. This has enhanced our credibility in the market and is drawing talented hands from reputed organization to head individual business vertical. The cluster of business vertical shall be headed by strategic-driven technocrat, for pruning and choosing from among growing opportunities.

I am extremely happy that the Company was able to complete the major international ETC projects successfully both in Shuqaiq – Saudi Arabia and Bheramara – Bangladesh. Both the projects are turning out to be reference points for the Company as it is evident that we are getting stream of projects in foreign soil, including projects in Ibri – Oman, Turaif – Saudi Arabia, Lekki Free Zone – Nigeria, Alba – Bahrain etc. We have demonstrated our capability



which will help getting many O&M packages also in international geographies in the near future.

Since we have the rare experience of undertaking comprehensive maintenance of power plants, we are aggressively pursuing in this direction. The O&M team that the Company is holding is capable of providing support in undertaking multiple packages in O&M vertical. I am confident that International Operation in O&M segment may surpass our domestic segment in a couple of years.

It is a matter of great satisfaction that our order book front is strong. It is giving hope for positive conversion because we have chosen projects after analysing all the risks and margins. We are now fully geared up with added talents and system updating. We have completed many major projects in the preceding five years and we are at the matured time to retrieve our final bills and retention money. The cash flow is expected to pour in the next couple of months assuring healthy free cash flow to the organisation.

I am well pleased with the spectacular geographical expansion in international operations. Some of the orders are taking the Company to new time zones, signaling real expansion. We are making hop stop and jumps in international market and in a few years time, Power Mech would be one of the leading players globally.

The O&M operation is taking right shape and enlarging proportionately. It is impressive that as on date the Company is undertaking O&M of power plants that have an aggregating generating capacity of 50,000 MW. The Company is covering almost 50 % of total installed capacity from private power majors in India. We have ambitious plan to increase the participation in private sector and also penetrate in to public utilities where the need for outsourcing is felt more. The manufacturing unit and training center in Noida shall add value in our endeavor.

The immediate need for Rehab and Reconstruction of old power plants has good potential to offer opportunity to our Company. The GOI is proposing to rehab 50,000 MW worth of plants by 2022. In the case of Reconstruction it is a new opportunity. NTPC has identified 11,000 MW worth of plants under this scheme. This will offer two portfolios, namely dismantling old plant and installing new unit in its place. As our Company is experienced in both activities we envisage another space for growth.

We are anticipating more market share in FGD

implementation programs, as per Paris accord. The present installed capacity of coal based power plants is 194 GW and GOI is proposing to install FGD system worth to 122 GW plants by 2024. With our proven experience and credibility through Vindhyachal project we shall be in a position to play a major part in its fulfillment.

The growth in oil & gas sector is promising and there is proposal to enhance the present capacity from 230 Mn. MT to 320 Mn MT by 2030. Our Company has substantial exposure and experience in this sector through number of projects including Jamnagar, Dahej, MRPL, OPAL and Paradeep etc. and we will tap the market.

Steel industry is getting revived. The GOI is planning to enhance the present installed capacity from 120 Mn. MT to 300 Mn. MT by 2030. Our Company has already executed few projects in steel sector like JSPL, Angul, Nagarnar, etc which will help to explore opportunities in this sector.

Transmission & Distribution is the backbone of India's power sector and there is an urgent need to improve power flow capacity across India by investing in high voltage 756kv AC and HVDC technologies. The aim of these programs is to provide access of electricity to all and bring down the AT&C losses to a level of around 15 % across the country and it draws support from Indian government through number of new schemes. Your Company will focus selectively on T&D.

Government of India has conceived a massive investment plan for rail sector to eliminate capacity bottlenecks on Golden Quadrilateral and Diagonals to provide strategic rail communication links to ports. Your company has made a strategic foray into this segment with a project of doubling the railway lines from Gudivada to Machilipatnam in A.P.

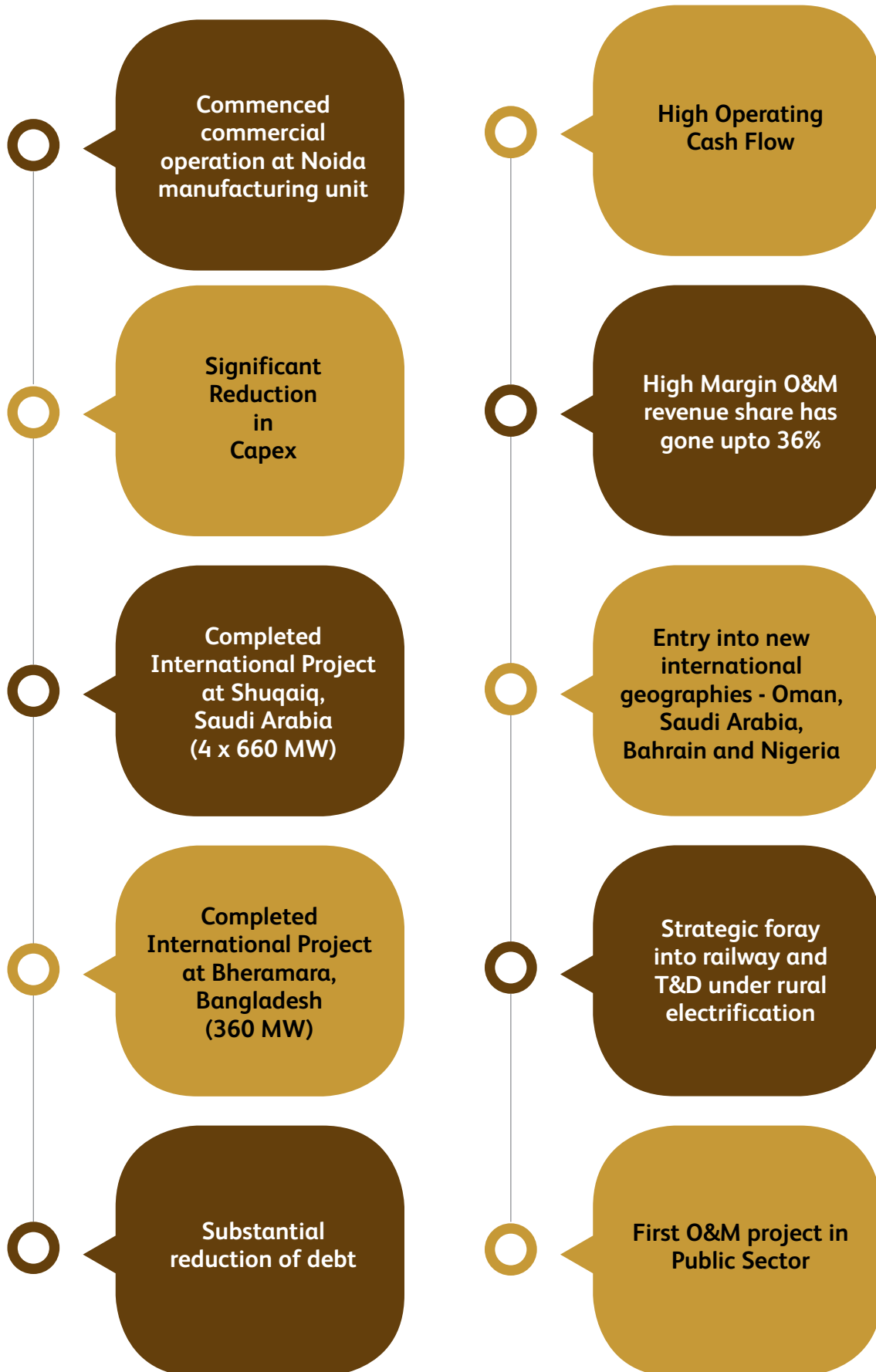
“No matter what great things we accomplish, someone does help us.”


We received all round support and encouragement from our share holders, investors, financial institutions, associates, clients, suppliers, Governments etc and we remain thankful to all of them.

My gratitude is due to my colleagues in the Board for their unblemished support and encouragement. I thank all my staff with a sense of affection and goodwill.

S. Kishore Babu
Chairman & Managing Director

HIGHLIGHTS OF FY 2016-17



The image features a 4x3 grid of 12 circular icons. Each icon consists of a light orange circle with a darker orange border, surrounded by several concentric, slightly offset circular lines of varying shades of orange. The text inside each circle is in a bold, black, sans-serif font.

**Comprehensive
Service Provider
in Power Sector**

**Largest Service
Provider in O&M
Space**

**Strong
International
Execution
Presence**

**Well
Diversified
Business
Profile**

**Qualified,
Independent
Board & Good
Corporate
Governance**

**Huge Work Force
with Highly
Experienced
Management
Team**

**Reputed
Clientele**

**Strong Asset
Base with over
300 Cranes
and Heavy
equipments**

**Robust
Order Book**

**Healthy
Debt Equity
Ratio**

**Consistent Profit
making since
inception**

Modest EPS

STRATEGIC BUSINESS UNITS



Erection, Testing & Commissioning - BTG & BOP

- Steam generators & auxiliaries
- Steam Turbine Generators & TG Auxiliaries
- Critical Piping, LP & HP Piping
- ESP, Ducts, FGD & SCR, etc
- Coal Handling Plant
- Cooling Water System



Operation & Maintenance

- Overhauling and Maintenance of Boiler, Turbine & Auxiliaries
- R&M of BTG, GTG
- Repair, Modification and Rehabilitation of Boiler
- Revival and Life Extension, etc



Civil and Architecture

- Geothermal Soil Exploration
- Mass Excavation and Area Grading
- Land Development
- Bored Cast and Driven Cast Piping, etc



Manufacturing Facility

- Fabrication of Heavy Structures, Large & High Pressure Tanks, Heavy Trusses, Ducts, Pipes etc
- Repair of Steam & Hydro Turbines
- Tie-up with Major OEM Companies for authorised production of critical and general spares, etc

- Earth Work in Formation
- Permanent Way - EWE
- Permanent Way Linking Works
- Minor & Major Bridges
- Staff Quarters
- OHE, S&T, Track Linking etc

Railways



- Construction of Transmission of Lines
- Extra High Voltage Substation Works
- Construction of 33/11 Kv Substations
- Strengthening of existing Substations
- Construction of 33 Kv & 11 Kv Lines

Transmission & Distribution



- Industrial Drives & Auxiliaries
- Civil & Architectural
- Structural Fabrication & Erection
- LP & Cooling Water Piping
- Oil Handling System Storage Tanks

Oil & Gas, Steel, Cement & Process Plants



- Supply and construction of Hydro power plants on ETC basis
- Renovation and modernisation
- After sales Services, Spares Management, RLA Study, LTSA, AMC and O&M of existing hydro plants
- Trouble shooting of chronic problems by providing definite value added technical solutions in Electromechanical and Hydro-mechanical fields

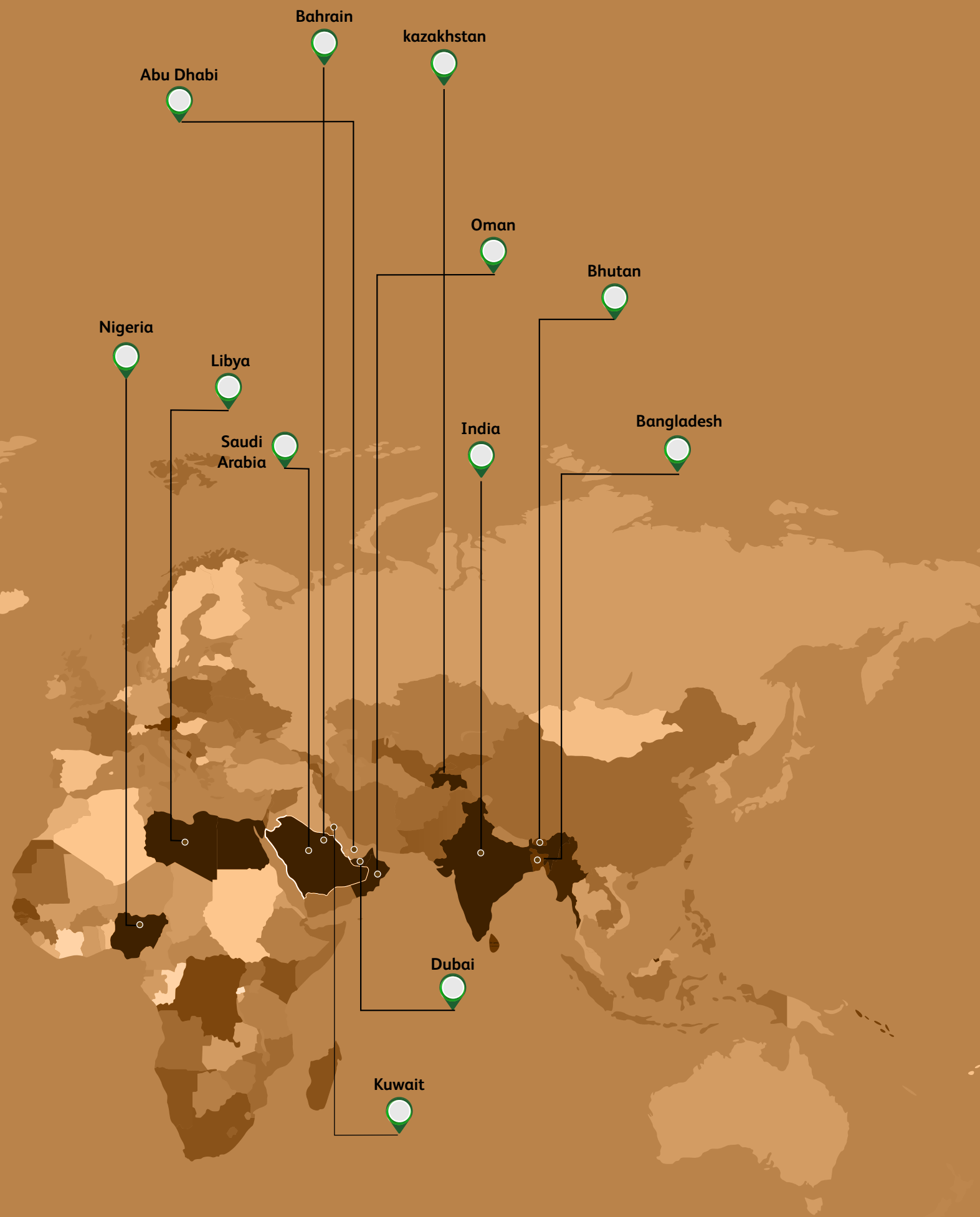
Hydro Power Projects



SEEKING THE UNEXPLORED...



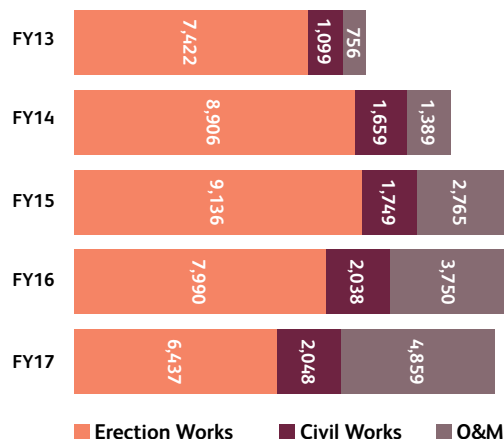
**Presently
operates
Pan-India, Middle
East, South Asia
and Africa.**



KEY PERFORMANCE INDICATORS

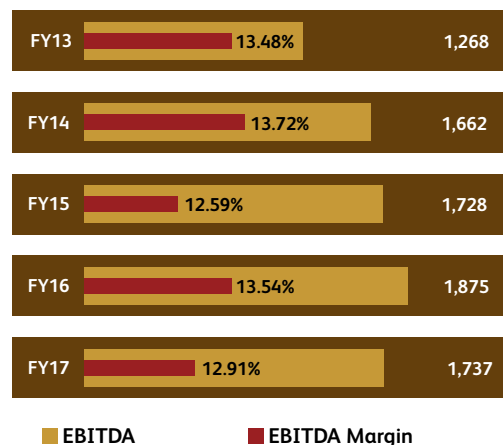
Contract Revenue

INR in Million



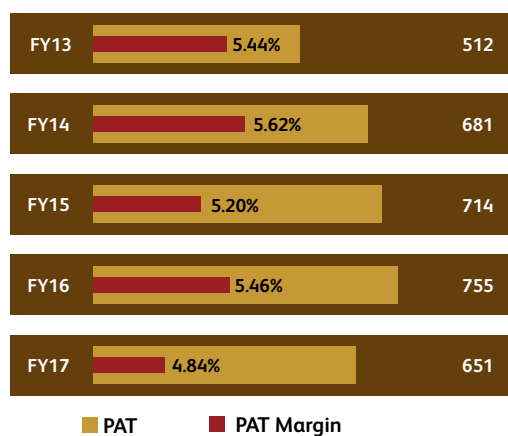
EBITDA margins

INR in Million



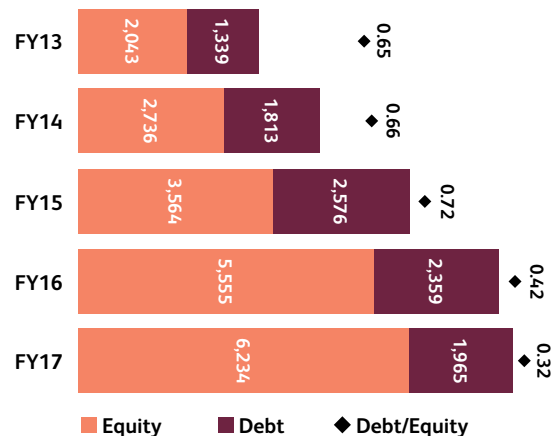
PAT

INR in Million

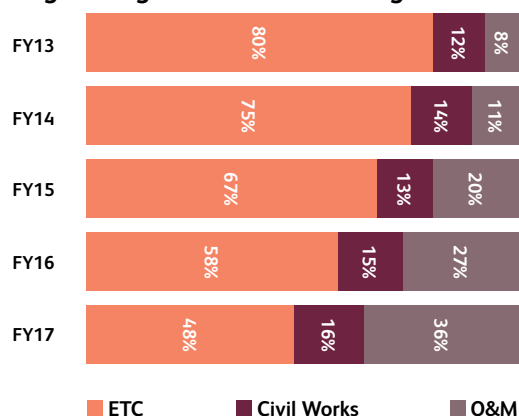


Debt Equity Ratio

INR in Million

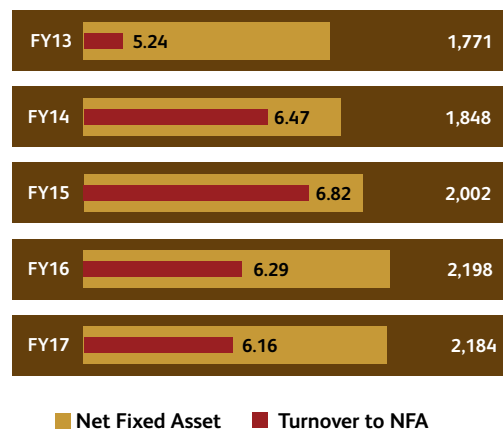


Contract Revenue mix shift towards high-margin O&M services segment

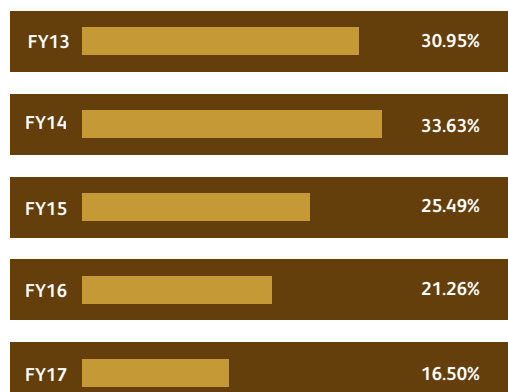


High Asset Turnover

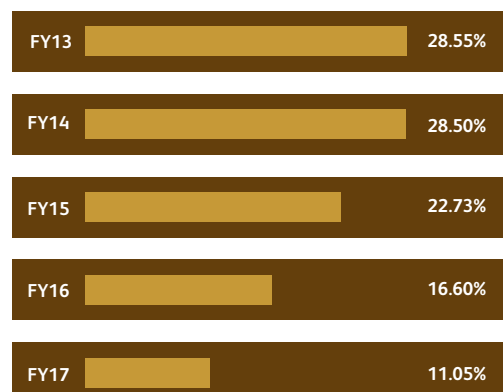
INR in Million



Return on Capital Employed

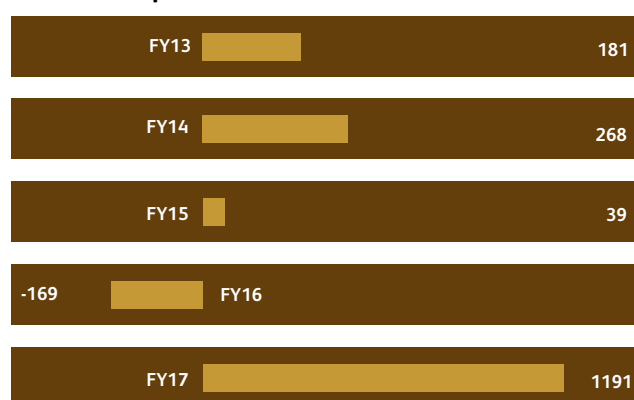


Return on Equity



Operational Cash Flow

INR in Million

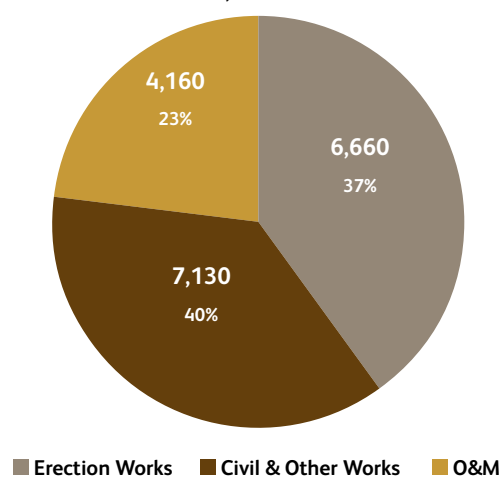


ORDER BOOK

Segmental Breakup of Orders - FY 16-17 (Consolidated)

Total Order Inflow in FY17 is Rs. 17,950 Millions

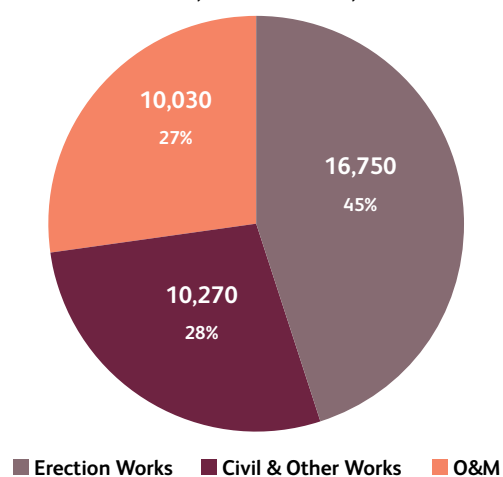
INR in Million



Total Order Book

as on 31st March, 2017 is Rs. 37,050 Millions

INR in Million



BOARD OF DIRECTORS



Shri S. Kishore Babu

Chairman & Managing Director

Shri Sajja Kishore Babu the founder of the company holds bachelor's degree in Mechanical Engineering. He has three decades of experience in power and infra sector. He is an able administrator and Dynamic Leader, and he also serves the board of subsidiary Companies M/s. Hydro Magus Private Limited, Power Mech Industri Private Limited, and GTA Power Mech Nigeria Ltd. He is the founder and the managing trustee of Power Mech Foundation, a charitable trust.



Smt. S. Lakshmi

Non-Executive Director

Smt Sajja Lakshmi is a science graduate and has earned a place in HR management of the company. She is much interested in social service activities offering her time and energy enthusiastically.



Shri M. Rajendran

Wholetime Director & COO

Shri Murugugesan Rajendran is holding a degree in civil engineering and he has over 32 years of experience in construction of power projects. Before joining Power Mech in the year 2002, he had a long inning in BHEL & Sunil HI-Tech Private Limited thereafter.



Shri M. Rajiv Kumar

Non-Executive Director

Shri M Rajiv Kumar is a graduate in Electrical Engineering and has served BHEL for 38 years before retiring as Executive Director, Eastern Region. He was instrumental in executing & completing many Prestigious Projects and is strong in Project Management.



Shri T. Sankarlingam

Independent Director

Shri T. Shankarlingam is a graduate in electrical engineering. He has served BHEL for a short spell and later NTPC for over three decades where he became its CMD at the time of retirement. He later served as Managing Director, BGR and Cuddalore Power Company Limited. He is a recipient of Eminent Engineer Award from Institution of Engineers.



Shri GDV Prasada Rao

Independent Director

Shri Gorijala Durga Vara Prasada Rao is a post graduate in Chemical engineering and has served Andhra Bank for over 28 years before retiring as its General Manager. He is also the Vice President of HEAL, a non-government organization serving the poor in health & education fields.



Shri Sutanu Behuria

Independent Director

Shri Sutanu Behuria holds Master's degree and doctorate in Economics. He has served a long tenure of 38 years in Indian Administrative Service before he retired on superannuation as secretary, Government of India. He held important positions during his illustrious career. He also served for Asian Development Bank and acted as Advisor to Govt of Mauritius.



Shri Vivek Paranjpe

Independent Director

Shri Vivek Paranjpe is a post graduate and has four decades of experience in Human Resources Management; he has served few companies before joining Reliance where he rose to the position Group President, HR. He is a columnist, HR Consultant and visiting faculty. He is also a Director, Motilal Oswal Financial Services.



2 x 500 MW, Neyveli, Tamilnadu

THE COMPANY

**Erection Testing and
Commissioning – Mechanical**



If only India's growth story were to be documented, Power Mech Projects Limited shall find its rightful and honored place as one among the pioneering establishments. The Company instituted by an young technocrat turned entrepreneur Sajja Kishore Babu in the year 1999 has grown from strength to strength to be recognized for its unbroken record of services in multiple disciplines through successful execution of scores of projects and works.

The Company is in the forefront in providing highly skilled engineering services in power and infra sectors for almost two decades, thus yearning a name for itself amongst power & infra majors in India and abroad. The range of services being provided include ETC of power projects of all possible segments in vogue like sub & super critical units, Ultra Mega Power Projects,

during this period the Company has successfully executed ETC of numerous steam generators and turbo generators in all categories of power plants from sub critical to super critical units and from medium power projects to Ultra Mega Power Projects in association with almost all power utilities of India and also MNCs from China, Korea etc.

The Company derives its strength from its highly motivated workforce comprising dedicated & skilled technicians, experienced & qualified engineers.

Apart from human resources the Company is having vast engineering facilities with fleets of heavy machinery including high end cranes, Trucks, DG sets, Lifting tackles, welding machines, jibs & jacks etc capable of handling huge mass per annum without efforts.

“The secret of business is the result of preparation, hard work and learning ”

Heat Recovery Steam Generators, Waste Heat Recovery Steam Generators, Circulating Fluidized Bed Combustion Steam Generators, Gas Turbine Generators, Hydro Electric Projects and Operation & Maintenance, Renovation & Modernization of plants etc, teaming as umbrella service provider in power sector. The Company has played its important role in the capacity addition to the grids of over 58 thousands MW and is in the process of adding another 35 thousand MW in coming years, in association with almost all domestic & overseas power majors.

The core strength of the Company lies in Erection, Testing and Commissioning of BTG and BOPs, Operation and Maintenance, Repairs, Overhauling, Renovation and Modernisation of power plants and related civil works. Power Mech is carrying out ETC of power plants for the past one and a half decades and

The combined strength of manpower and resources gives the Company an edge in the industry today.

True to the spirit with which the Company was established, the diversification process was initiated well ahead of time and expansion followed closely. The Company choose these paths of diversification and expansion in order to sustain and grow in today's market which is increasingly competitive both technically and commercially. Recent times has seen the Company diversifying in fields, Civil, Railways, O&M, Transmission & Distribution, International Operation etc. The Company has undertaken civil projects in power sector and ETC packages in steel and petrochemical industries and imprinting a foot mark with successful execution.

OPERATION & MAINTENANCE



2 x 110MW R&M of TG, Barauni TPP, Bihar

Another area in which the Company is focusing its attention and spending its energy is Operation and Maintenance of power plants of both Public and Private sectors. Power Mech was built on the solid platform initially provided with overhauling & maintenance of power plants. Over years the Company drew highly competitive engineers and technicians in to its fold and today it has a large competitive team which can be described as unmatched among contemporary players in this field of service.

Although Power Mech was already in the forefront in providing services for power plant comprehensively including Overhauling, Maintenance, Refurbishing, Renovation and Modernization etc, its entry in to Operation & Maintenance (O&M) of power plants marked a turning point in the industry at large. Today the Company is associated with as many as 40 plants of all sizes, types and models to a total generating capacity of over 50,000 MW, covering coal, oil, gas fuelled plants across the country.

Power Mech is highly credited with its approach in modern way of operating and maintaining power plants, notably for precise trouble shooting and instant rectification, a requirement in today's power needs. With a strong pool of highly skilled technicians, labour and trained engineers, the Company is able to attend to any breakdowns at striking speed and proficiency.

As our Company is having high credibility in providing O&M services in India We are now proposing to take next step of entering in to O&M business in overseas plants. Since we have executed and completed prestigious projects (ETC) we have fair chances for approaching the clients with credentials to undertake O&M packages. We are hopeful of converting the goodwill generated through the successful execution of projects in to orders for O&M business abroad.

The O&M vertical is providing revenue to the Company with a modest share of 36 % which is expected to grow multifold.



Re-blading of GT Rotor, CLP, Pagunthan, Gujarat



Revival of 250 MW STG TATA Power Trombay, Maharashtra



INTERNATIONAL OPERATIONS



60 MW Project, Kazakhstan

Having diversification on one hand, the Company is searching for opportunities in overseas projects which is very promising and encouraging. The Company's strong presence in all divisions of a power project, gives an edge in undertaking overseas projects successfully. Since Power Mech has already association with Multi National Companies in India and abroad the Company understands their needs and requirements.

Power Mech has established overseas operation with overhauling and maintenance works during initial periods and eventually entered ETC projects with Multi National Companies. With regular periodicity the Company was able to undertake overseas project works continuously which enabled to establish branch offices and enter in to JVs with local partners.

The Company has proved its capability by merit with successful execution and completion of some prestigious projects in Middle East, Asian and African countries, including Saudi Arabia, Bahrain, Dubai, Abu Dhabi, Oman, Bangladesh, Nepal, Libya, Nigeria, CIS countries etc. One of the compelling requirements in undertaking oversea projects especially in association with MNCs, is in maintaining high standards in quality, safety and time line, which Power Mech has proven credentials.

As the expansion is happening on expected line, it is not far off that a separate entity is established exclusively for undertaking overseas project works. It is envisaged that future is International Operations.



1800 MW, Alba - Bahrain



1516 MW, IBRI - OMAN

*Chimney Foundation,
2 x 660 MW Unit#7 Suratgarh, Rajasthan*



CIVIL

Power Mech entered in to civil portfolio in the year 2010 and is steadily improving in engineering. The civil business vertical has an independent team comprising senior technocrats who are well exposed in the field. It has already executed number of prestigious projects in power and infra sectors.

Many laurels have been added to the credentials and today the Company is leading in providing complete service in civil engineering for spectrum of portfolios including; Topographical survey, Soil investigation, Mass excavation & area grading, Bored cast in situ piling, Civil & Structural works of BTG, BOP, CHP etc for power plants, Civil works of Chimney & Induced draft cooling towers, Commercial & plant buildings, Roads, Drains, Pre engineered structures, Green building, Staff & labour quarters, etc.



RAILWAYS

The Company is entering other related fields including Railway projects and has already executing major railway project of doubling of tracks including electrification, signaling, culverts, platforms etc. The Railway project work is being executed as per schedules keeping high standards in quality, safety and time line. The Railway project work is handled in a highly professional way with exclusive team of engineers and supporting staff.

Indian Railways being one of the pioneering organizations, the tasks set out for the Company is explicitly interesting and challenging and it is a matter of satisfaction that the Company is able to meet the requirements squarely. The Company looks forward greater opportunities in Railways as there are much scope for laying new tracks, doubling of existing tracks, Electrification of lines, Improvising platforms & Stations etc. Power Mech is contemplating introducing a separate vertical for Railway projects in the near future.

Railway project work is amalgamation of all sections of engineering, civil, electrical, electronics, mechanical, architecture etc which invites greater coordination between engineering groups. As Power Mech is already equipped with sophisticated machines, tools and tackles and also multi task teams in each of the fields in demand, it is an effortless exercise for the Company in undertaking railway works effectively.



RVNL – Gudivada to Machilipatnam, Andhra Pradesh





TRANSMISSION & DISTRIBUTION (T&D)

Power Mech has made a smooth entry in to Transmission and Distribution, a new area for diversification and the Company has already undertaken some major projects. However we are selective in identifying the projects to be undertaken. We are considering the state where the project is to be undertaken, the profitability, comfort level in payments and also proximity of the proposed project from our existing sites for support. Therefore the Company is rather cautious as far as T&D projects are concerned. This vertical has a separate team of engineers and technicians drawn from reputed organizations. Like Railways T&D and Rural electrification is open to exploitations and has scope for further sub-diversifications in coming years. Government of India and the state Governments are now focusing on distribution of power to all villages under special schemes. Power Mech is taking the steps in right direction.

SUBSIDIARIES & JOINT VENTURES



(India)

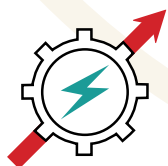
Hydro Magus Pvt Ltd is a subsidiary Company constituted to undertake hydro project works. After having executed successfully some of the critical projects, the Company is fully geared and aggressively plan for undertaking comprehensive projects.

شركة ماس باور ميك
العربية



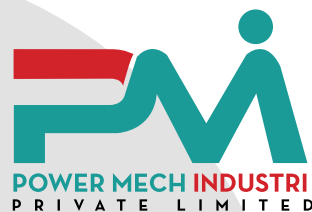
**Mas Power Mech
arabia**
(Saudi Arabia)

Mas Power Mech Arabia is yet another subsidiary established in collaboration with local partners in KSA. It is designed to undertake project works in the region mainly Middle East. The local partner is highly credible and they have reliable contacts for sourcing projects. The Company has been successfully executing major projects in Saudi where there is high potential for further growth.



**Power Mech Projects
Limited LLC**
(Oman)

Power Mech Projects Limited LLC is a subsidiary of Power Mech, incorporated in Oman with a view of tapping the opportunities in the local markets of Oman.



(India)

Power Mech Industri Pvt Ltd is also a wholly owned subsidiary of Power Mech Projects Limited for undertaking major job works through its state of art workshop in Noida. The machines of the workshop have started rolling and we are undertaking critical jobs, meeting customer's satisfaction and proceeding with further expansion in line with the need in industry.



GTA Power Mech Nigeria Ltd.
(Nigeria)

GTA Power Mech Nigeria Ltd is a Joint Venture between Power Mech Projects Limited and Skipper T&D. This JV Company is undertaking projects in African region. Since the Partner Company is aggressively pursuing for more projects with their contacts, there is more scope for establishing our presence in the Region.



HEALTH SAFETY AND ENVIRONMENT (HSE)

Safety is placed at a prime place in the day to day life of Power Mech. Power Mech is one of the few Companies who has evaluated customized safety standards in line with international terms, conditions and expectations. If the Company is able to undertake overseas projects successfully means it is giving prime place to safety standards at all levels.

As HSE is made an integral part of the Company's attitudes, it can be seen at sites the priority it receives from management and staff. Health, Safety and Environment is a culture in Power Mech.

A separate division is in operation for overseeing the operations from the point of safety and all technical approvals are integrated with safety aspects as well. The safety theory is well blended with the working culture of the company that ensures a pride of place among contemporary players in the field.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Power Mech Foundation, a charitable trusty was the initiative of Sajja Kishore Babu the Chairman and Managing Director. The Foundation meets the needs of group Companies in fulfilling their social responsibilities. The Foundation is administered from Vijayawada the city of origin for the Company, but spread across Indian states for service and charity activities.

Even though the Foundation generally focus on Education, Health care and Rehabilitation, it also undertakes projects costing several million rupees in providing shelters, buildings for schools etc constructively.

The Foundation is tirelessly and steadfastly engages itself in meeting the social causes in the neighbourhood irrespective of cast and creed. The beneficiaries are abandoned infants, forsaken street children, neglected orphans, physically and mentally challenged children, students in remote villages and deserving people seeking medical assistance.



STATUTORY REPORTS
&
FINANCIAL STATEMENTS
2016–17

NOTICE

Notice is hereby given that the 18th Annual General Meeting of the Members of M/s. Power Mech Projects Limited will be held on Thursday the 28th day of September, 2017 at 11:00 A.M. at Hotel Avasa, Madhapur, Hyderabad - 500081 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements (both Standalone and Consolidated) of the Company for the financial year ended 31st March, 2017 together with the Report of the Board of Directors and Auditors thereon;
2. To declare Final Dividend on equity shares for the financial year ended 31st March, 2017.
3. To appoint a director in place of Smt. S. Lakshmi, Director who retires by rotation and being eligible offers herself for re-appointment.
4. Ratification of appointment of M/s. Brahmayya & Co, Chartered Accountants, Vijayawada as statutory auditors of the company and fix their remuneration.

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 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) and pursuant to the resolution passed by Members at the Fifteenth Annual General Meeting for appointing M/s. Brahmayya & Co., Chartered Accountants, Vijayawada holding ICAI Firm Registration No. 00513S as Statutory Auditors of the Company to hold office until the conclusion of Twentieth Annual General Meeting of the Company, the members hereby ratifies and confirms the appointment of M/s. Brahmayya & Co., as Statutory Auditors of the Company for the financial year ending 31st March, 2018 on such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors.”

Special Business:

5. To Appoint of Shri. N Bhupesh Chowdary (DIN-06750590) as a Director of the Company.

To consider and if thought fit, to pass with or without modification, if any, the following resolution as an Ordinary Resolution:-

“RESOLVED THAT in accordance with the provisions of Section 152 and all 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), Shri. N Bhupesh Chowdary (DIN-06750590), who was appointed as an Additional Director of the Company with effect from 13th August, 2017 pursuant to Section 161 of the Act and Article 44 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

6. To Appoint of Shri. N Bhupesh Chowdary (DIN-06750590) as a Wholetime Director of the Company.

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and on the recommendation of the Nomination and Remuneration Committee and subject to such other approvals, as may be necessary, consent of the members be and is hereby accorded to the appointment of Shri. N Bhupesh Chowdary (DIN-06750590) as a Wholetime Director of the Company for a period of 5 years with effect from 13th August, 2017 and upon the following terms and conditions including remuneration with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of appointment and remuneration of Shri. N Bhupesh Chowdary in the best interests of the Company and as may be permissible under the Act:

1.	Basic Salary	Rs. 2,41,161 p.m.
2.	HRA	Rs. 96,464 p.m.
3.	Other Perquisites and Allowances	As per Company HR policy
4.	Others	<p>a) Provision of One Car with Chauffeur on Company's business use and telephone(s) at residence.</p> <p>b) Apart from the above Shri. N Bhupesh Chowdary is also entitled to contribution to Provident Fund, Superannuation Fund, Gratuity and Encashment of Leave as per the rules of the Company. These will not be considered as perquisites to the extent not taxable as per the provisions of the Income Tax Act and will not be considered for calculation of overall remuneration as per Schedule V of the Companies Act, 2013, subject however to any changes in the Income Tax Act & Companies Act and Rules made thereunder.</p>

FURTHER RESOLVED THAT the Board of Directors (the "Board", which term shall be deemed to include its "Committee of Directors") thereof be and is hereby authorized to vary, alter or modify the different components of remuneration of Shri. N Bhupesh Chowdary within the overall salary scale limits mentioned above during the period of his appointment without any further approval of the members of the company."

FURTHER RESOLVED THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to the above resolution."

**By order of the Board of Directors
For Power Mech Projects Limited**

Place: Hyderabad
Date : 12.08.2017

Sd/-
Rohit Tibrewal
Company Secretary

NOTES FOR MEMBERS

- i. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business under Item No 5 & 6, is annexed hereto.
- ii. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy / proxies to attend and vote on a Poll instead of himself / herself and such a proxy / proxies need not be a member of the company.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable.
- iii. The register of members and share transfer books of the company will remain closed from 23rd September, 2017 to 28th September, 2017 (both days inclusive) for annual closing.
- iv. The Final dividend on Equity shares, if declared at the Meeting, will be dispatched / credited to those members whose names shall appear on the Company's Register of Members on 22nd September, 2017 and in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] as beneficial owners as on that date.
- v. Members holding shares in physical form are requested to avail the demat facility in order to ensure timely and efficient delivery of corporate actions and announcements. Further the Members holding shares in physical form are also requested to immediately notify change in their address, if any, to the Registrar and Transfer Agents of the company namely **M/s. Karvy Computershare Private Limited** having its Office at Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032 quoting their folio Numbers.
- vi. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank account details. ECS mandates, nominations, power of attorney, change of address/ name etc. to their depository participant only and not to the company or its Registrar and Transfer Agent. The said nominations will be automatically reflected in the Company's records.
- vii. Members holding shares in Physical mode are advised to submit particulars of their Bank account viz. Name and Address of the Branch of the Bank, MICR code, type of account and account number to our Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited, Hyderabad, for the purpose of payment of Dividend declared at the AGM.
- viii. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agents of the company namely **M/s. Karvy Computershare Private Limited** having its Office at Karvy Selenium Tower B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032 quoting their folio Numbers.
- ix. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
- x. Ministry of Corporate Affairs has undertaken a "Green Initiative in Corporate Governance" and allowed companies to send documents such as Notice of the Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, etc., to the shareholders in electronic form instead of the paper form. Members are requested to send/ update their email address with their Depository or Registrar and Transfer Agents of the Company.
- xi. Electronic copy of the Notice of the 18th 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 to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 18th 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 in the permitted mode.
- xii. Pursuant to Regulation 36(3) of the Listing Regulations, 2015, the information about the Directors proposed to be appointed/ re-appointed is given in the **Annexure-1** to the notice.
- xiii. Members desirous of getting any information about the financials and / or operations of the company are requested to write to the company at least seven days before the date of the meeting to enable the company to keep the information ready at the meeting.
- xiv. Members are requested to carry their copies of Annual Report to the AGM and are requested to sign the Attendance Slip and hand it over at the entrance of the AGM. No Annual Report copies will be given at the AGM.

- xv. All the documents referred to in the Notice and explanatory statement will be available to the members at the Registered Office of the company between 10.30 A.M to 12.30 P.M on all working days from the date hereof up to the date of the 18th AGM.
- xvi. Members may also note that the Notice of the 18th Annual General Meeting and the Annual Report for FY 2016-17 will also be available on the Company's website www.powermechprojects.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Hyderabad 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 email id: cs@powermech.net
- xvii. Voting through electronic means

1. Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

The Company has engaged the services of M/s. Karvy Computershare Private Limited ("Karvy") as the Authorized Agency to provide e-voting facilities. The e-voting particulars are set out below:

EVENT (e-voting event number)	USER ID	PASSWORD/ PIN
-	-	-

The e-voting facility will be available during the following voting period:

Commencement of e-voting: **From 25th September, 2017 (09.00 AM onwards)**

End of e-voting: **Up to 27th September, 2017 (05.00 PM)**

The cut-off date (i.e. the record date) for the purpose of e-voting is 21st September, 2017

Please read the procedure and instructions for e-voting given below before exercising the vote.

This communication forms an integral part of the Notice dated 12.08.2017 for the AGM scheduled to be held on 28th September, 2017, which is enclosed herewith and is also made available on the website of the Company www.powermechprojects.com. Attention is invited to the statement on the accompanying notice that the Company is pleased to provide e-voting facility through Karvy for all shareholders of the Company to enable them to cast their votes electronically on the resolution mentioned in the Notice of the 18th Annual General Meeting of the Company dated 12.08.2017.

Procedure and instructions for e-voting

A. Members who received the Notice through e-mail from Karvy:

- i. Open your web browser during the voting period and navigate to 'https://evoting.karvy.com'
- ii. Enter the login credentials (i.e., user-id & password). However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote:
- iii.

User – ID	For Members holding shares in Demat Form:- a) For NSDL :- 8 Character DP ID followed by 8 digit Client ID b) For CDSL :- 16 digits Beneficiary ID / Client ID For Members holding shares in Physical Form:- Event No. (EVENT) followed by Folio No. registered with the Company
Password	Your unique password is printed above / provided in the e-mail forwarding the electronic notice

- iv. After entering these details appropriately, click on "LOGIN".
- v. You will now reach Password Change Menu wherein they are required to mandatorily change their password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc on first login. You may also enter a secret question of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- vi. After changing password, you need to login again with the new credentials.
- vii. On successful login, the system will prompt to select the "Event" i.e. Power Mech Projects Limited.
- viii. On the voting page, enter the number of shares (which represents number of votes) as on the cut-off date under "FOR/ AGAINST/ABSTAIN" against the resolution or alternatively you may partially enter any number in "FOR", partially in

“AGAINST” and partially in “ABSTAIN” but the total number in “FOR/AGAINST/ABSTAIN” taken together should not exceed your total shareholding.

- ix. You may then cast your vote by selecting an appropriate option and click on “Submit”. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify your vote. During the voting period, Members can login any number of times till they have voted on the resolution.
- x. Corporate/Institutional Members (Corporate / FIs / FLLs / Trust / Mutual Funds / Companies, etc) are additionally required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc. together with the attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: rao_ds7@yahoo.co.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “Corporate Name_ Event No.”.

B. In case of Members receiving the Notice by post:

- 1. Please use the User ID and initial password as provided above.
- 2. Please follow all steps from Sr. No. (i) to (ix) as mentioned in (A) above, to cast your vote.
- C. The e- voting period commences on 25th September, 2017 at 09.00 A.M and ends on 27th September, 2017 at 05.00 P.M. In case of any query pertaining to e-voting, please visit Help & FAQs section of Karvy e-voting website.
- D. Once the vote on the resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently. Further, the shareholders who have cast their vote electronically shall not be allowed to vote again at the AGM.
- E. Mr. D S Rao, Practicing Company Secretary (Membership No. 12394 and COP No. - 14487) has been appointed as Scrutinizer for conducting the e-voting process in accordance with the Act. The Scrutinizer’s decision on the validity of e-voting shall be final. The e-mail ID of the Scrutinizer is rao_ds7@yahoo.co.in.
- F. The Scrutinizer shall, on the date of the AGM unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer’s report of the votes cast in favor or against, if any, and submit it to the Chairman.
- G. The result of voting will be announced by the Chairman of the AGM, or any of the Director / CS at or after the AGM to be held on 28th September, 2017 and the resolution will be deemed to have been passed on the date of the AGM subject to receipt of the requisite number of votes in favor of the resolution.
- H. The result of the voting along with the Scrutinizer’s Report will be communicated to the stock exchanges and will also be hosted on the website of the Company (www.powermechprojects.com) and on Karvy’s website (<https://evoting.karvy.com>) within 48 hours of completion of voting.
- I. The voting rights for the shares are one vote per equity share, registered in the name of the shareholders / beneficial owners as on 21st September, 2017. Shareholders holding shares either in physical form or dematerialized form may cast their vote electronically.
- J. Shareholders / proxies may also vote at the venue of the meeting physically by using the ballot papers that will be provided at the venue. Shareholders / proxies who have cast their votes through e-voting will not be allowed to cast their votes physically at the venue of the AGM.
- K. In case of any grievances connected with the voting by electronic means, shareholders are requested to contact Mr. Nageswara Rao, Karvy Selenium, Tower B, Plot No. 31 & 32, Financial District, Gachibowli, Hyderabad - 500 032, E-mail: einward.ris@karvy.com, Phone: 040-67162222.
- L. Members who have acquired shares after the dispatch of the Notice and before the Cut off date may obtain the user ID by approaching Mr. Nageswara Rao, Karvy Selenium, Tower B, Plot No. 31 & 32, Financial District, Gachibowli, Hyderabad - 500 032, E-mail: einward.ris@karvy.com, Phone: 040-67162222, for issuance of the user ID and password for exercising their right to vote by electronic means.

**By order of the Board of Directors
For Power Mech Projects Limited**

**Sd/-
Rohit Tibrewal
Company Secretary**

**Place: Hyderabad
Date : 12.08.2017**

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item Nos. 5 & 6

Based on the recommendation of the Nomination and Remuneration Committee, Shri N. Bhupesh Chowdary was appointed as an Additional Director on the Board of the Company with effect from 13th August, 2017 to hold office upto the date of the Annual General Meeting. He was also appointed as the Wholetime Director of the Company with effect from 13th August, 2017, subject to the approval of the Members.

Shri N. Bhupesh Chowdary has almost 25 years of Industrial and Business Development experience in variety of sectors. Served some of the largest Conglomerate Companies like starting his career in 1991 with Williamson Magor Group – a world's largest Tea Plantations and EPC Projects & Engineering Firm, subsequently joined the Adani Group in 1998 as part of founding team of group in developing Port Infrastructure, Mining and Agro businesses and served till 2005. Later joined in JSW Group, India's largest Integrated Steel Company and has built few ventures of Chilean Iron Ore Mining project and Pellet Plant, Acquisition of Natural Resources in Mozambique and Virginia and setting up of Coastal Based Port cum Mega Power Plant. Later joined Larsen & Toubro Ltd, an engineering and technology giant in Heading Power EPC Business and also executed India's largest Power Plant Equipment entities on JV with Mitsubishi, Japan and established 3X660MW Super Critical Power Plant. Also headed Project and Strategy team at group level and reported to the board of Sinarmas Group Indonesian Conglomerate of Palm, Forestry Plantations, Infrastructure, Real Estate and Mining business, before re-joining the Adani Group.

Shri N. Bhupesh Chowdary is a rank holder and graduated in Industrial and Production Engineering from Shivaji University, has a Post-Graduation Diploma in Business Administration from Annamalai University and completed Advanced Management Program from George Washington University, USA.

He is having strong acumen in enterprise developments, worked closely with the Promoters, thorough commercial and business acquaintances, identified new business initiatives, started new business verticals, delivered Projects and having successful track record and also dealt with multi nationals, handled overseas projects, involved in overseas investments, legal and joint venture partnerships.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") along with the amount of requisite deposit from a member signifying his intention to propose the appointment of Shri N. Bhupesh Chowdary as a Director of the Company.

The remuneration and other terms and conditions of Shri N. Bhupesh Chowdary appointment as Wholetime Director as set out in the resolution is subject to your approval.

Shri N. Bhupesh Chowdary is not related to any other Director and Key Managerial Personnel of the Company. None of the Directors, Key Managerial Personnel and their relatives other than Shri N. Bhupesh Chowdary and his relatives are, in any way, concerned or interested in the said resolutions.

The resolutions as set out in item nos. 5 and 6 of this Notice are accordingly commended for your approval.

The detailed profile of the Directors seeking re-appointment, as required in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (Listing Regulations, 2015) is annexed as **Annexure-1**.

**By order of the Board of Directors
For Power Mech Projects Limited**

**Sd/-
Rohit Tibrewal
Company Secretary**

**Place: Hyderabad
Date : 12.08.2017**

Annexure-1

ADDITIONAL INFORMATION

(Pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure requirements) Regulation, 2015 – Information of directors proposed to be appointed / re-appointed)

Name of the Appointee	Smt. S. Lakshmi	Shri N. Bhupesh Chowdary
Date of Birth	20 th November, 1966	10 th October, 1968
Date of appointment on the Board	22 nd July, 1999	13 th August, 2017.
Qualification, Experience & Expertise	Smt. Sajja.Lakshmi holds a bachelor's degree in Science from Andhra University. She has several years of experience in the field of human resources. She is also the Chairperson of Power Mech Foundation and is involved in Social activities. She is also the member of the CSR Committee of the Company and actively participate in the various programs and activities conducted by the CSR Committee.	Shri N. Bhupesh Chowdary is a rank holder and graduated in Industrial and Production Engineering from Shivaji University, has a Post-Graduation Diploma in Business Administration from Annamalai University and completed Advanced Management Program from George Washington University, USA. He has almost two and half decades of Industrial and Business Development experience in variety of sectors. Served some of the largest Conglomerate Companies like starting his career in 1991 with Williamson Magor Group – a world's largest Tea Plantations and EPC Projects & Engineering Firm, subsequently joined the Adani Group in 1998 as part of founding team of group in developing Port Infrastructure, Mining and Agro businesses and served till 2005. Later joined in JSW Group, India's largest Integrated Steel Company Later joined Larsen & Toubro Ltd, an engineering and technology giant in Heading Power EPC Business and also executed India's largest Power Plant Equipment entities on JV with Mitsubishi, Japan and established 3X660MW Super Critical Power Plant.
Directorship in other public companies (excluding Private Companies foreign companies and Section 25 Companies)	Power Mech Infra Limited	Nil
Shareholding	24,03,626 shares	Nil
Director's Relationship	Wife of Shri S Kishore Babu, CMD	Nil

**By order of the Board of Directors
For Power Mech Projects Limited**

**Place: Hyderabad
Date : 12.08.2017**

**Sd/-
Rohit Tibrewal
Company Secretary**

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have immense pleasure in presenting the 18th Annual Report of your Company along with the Audited Financial Statements (both Standalone and Consolidated) for the Financial Year ended 31st March, 2017.

FINANCIAL RESULTS

The financial performance for the current year in comparison to the previous year is as under:

(Rs in Mn)

S. No.	Particulars	Consolidated		Standalone	
		Current Year (2016-17)	Previous Year (2015-16)	Current Year (2016-17)	Previous Year (2015-16)
1.	Revenue from Operations	13,382	13,782	12,911	13,621
2.	Other income	77	55	77	56
3.	Total Income	13,459	13,837	12,988	13,677
4.	Expenditure	12,461	12,682	12,005	12,538
5.	Profit before interest, depreciation and tax	1,741	1,877	1,693	1,853
6.	Depreciation	409	390	396	389
7.	Interest and Finance Charges	329	329	314	325
8.	Profit before tax	1,003	1,158	983	1,139
9.	Provision for taxes (including DTL)	357	406	346	400
10.	Profit after tax	651	757	641	743
11.	Dividend for the year (including corporate dividend tax)	17	17	17	17
12.	Reserves (Excluding Revaluation reserves)	6,065	5,404	6,025	5,384
13.	EPS (Rs) on face value of Rs. 10/- each share	43.96	54.08	43.29	53.23
14.	Book value (Rs.) on face value of Rs. 10/- each share	422	377	419	376

OPERATING RESULTS AND BUSINESS

Your Company has achieved operational turnover of Rs. 12,911 Mn and profit after tax of Rs. 641 Mn during FY 16-17 as against previous year operational turnover of Rs. 13,621 Mn and profit after tax of Rs. 743 Mn respectively.

Further your Company has achieved consolidated operational turnover of Rs. 13,382 Mn and profit after tax of Rs. 651 Mn during FY 16-17 as against previous year consolidated operational turnover of Rs. 13,782 Mn and profit after tax of Rs. 757 Mn respectively.

DIVIDEND

Your Directors are pleased to recommend a Final Dividend of Re 1/- per equity share of face value of Rs. 10/- each for the year ended 31st March, 2017. The Final Dividend is subject to the approval of members at the ensuing annual general meeting. The total dividend for the financial year will absorb Rs. 1,77,05,529/-, including Dividend Distribution Tax of Rs. 29,94,765/-.

SUBSIDIARIES & JOINT VENTURES

As on 31st March, 2017 your Company has four subsidiaries, i.e Hydro Magus Private Limited (HMPL), Power Mech Industri Private Limited (PMIPL), MAS Power Mech Arabia (Saudi Arabia) and Power Mech Projects Limited LLC. Further there are two Joint Venture Companies i.e GTA Power Mech Nigeria Limited (Nigeria) and Power Mech-CPNED Servcies (Hong Kong) Holding Co. Ltd (Hong Kong).

SUBSIDIARIES

- **Hydro Magus Private Limited:** Hydro Magus Private Limited is a subsidiary of Power Mech established with a vision to make positive contribution in surging Hydro Power sector in India and neighboring countries. The Company's operation profile envisages supply and construction of hydro power plants on EPC basis, renovation and modernization after sales services, AMC and O&M of existing hydro power plants. The strength of the Company is derived by its commitment in upholding quality and safety in execution at all stages.
- **Power Mech Industri Private Limited:** A wholly-owned subsidiary of Power Mech, has been established to meet the needs of power plants both thermal as well as Hydro for manufacturing, re-engineering and repairing of components.

With the intention to improve our engineering, machining and repair facilities for general engineering components and non-critical equipment used in power projects including spare parts, a large heavy engineering facility at Noida for non-critical equipment and spare parts have been set up under this Company. The state-of-the-art workshop in Noida is equipped with sophisticated and heavy duty machines with facilities to repair and re-blade turbine rotors of capacity up to 600 MW. Strategically located, the workshop would provide vital service indigenously and therefore bringing down the down time of equipment in a power plant. It is aimed to provide efficient engineering services at affordable price, reasonable time line and high level of quality.

- **MAS Power Mech Arabia:** It is a subsidiary of Power Mech, established in Saudi Arabia to cater the needs in the Saudi Arabia and surrounding regions for providing services in ETC, Civil and O&M. The Company is equipped to provide services in all the verticals keeping high standards in quality, safety and timeline.

The Company draws technical guidance and support from the parent company and it will be an extended arm of Power Mech in providing its skills and expertise in this part of the world.

- **Power Mech Projects Limited LLC:** A subsidiary company of Power Mech incorporated in Oman to tap the local market of Oman and neighboring countries.

JOINT VENTURES

- **GTA Power Mech Nigeria Limited:** A joint venture of Power Mech is designed to undertake packages in power, infra and process industry sectors including ETC of civil, mechanical and electrical and also O&M of plants. With solid and stable technical backup from the parent companies, GTA Power Mech Nigeria Limited is in a position to undertake projects of any magnitude and type in different terrains and weather. The Company has its registered office in Lagos, Nigeria and has established a networking with potential customers. The Company has capability to undertake packages in spectrum of activities in projects and plants supported by expert team in respective fields and strategic and technical collaborations from parent companies.
- **Power Mech-CPNED services (Hong Kong) Holding Co. Limited:** In order to provide comprehensive O&M solutions, your company has entered into joint venture agreement with Chengdu Pengrun New Energy Development Company Limited ('CPNED'), a company registered under PRC laws for distribution of equipment and spare parts, including boilers, turbines and generators, for O&M projects in India. Your Company holds 50 % stake in M/s. Power Mech-CPNED Services (Hong Kong) Holding Co. Limited.

TRANSFER TO RESERVES

The Board do not propose to transfer any profits to the reserves for the fiscal 2017.

CONSOLIDATED FINANCIAL STATEMENTS

During the year, the Board of Directors reviewed the affairs of the Subsidiaries/JV's. In accordance with Sub Section (3) of Section 129 of the Companies Act, 2013, we have prepared the consolidated financial statements of the company, which forms part of this annual report.

As per the provisions of Section 136 of the Companies Act, 2013 the Company has placed separate audited financial statements of its Subsidiaries & JV's on its website www.powermechprojects.com. The annual accounts of the Subsidiary Companies, JV's and the related detailed information shall be made available to members seeking such information at any point of time.

The Statement containing the salient features of the subsidiaries & JV's as per sub-sections (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 and under Rule 8 of Companies (Accounts) Rules, 2014 of the Companies Act 2013 in Form AOC-1 is herewith annexed as **Annexure-2** to this report.

STATUTORY AUDITORS

M/s. Brahmayya & Co, Chartered Accountants (ICAI Firm Registration No: 000513S), Vijayawada were appointed as the statutory auditors of the company for a period of 5 years by the members of the Company in the 15th Annual General Meeting to hold the office till the conclusion of 20th Annual General Meeting subject to ratification of the appointment by members of the company at every AGM. As such their appointment as Auditors for FY 17-18 is proposed for ratification by the shareholders in the ensuing annual general meeting.

The company has received letter from the Auditors under Section 139(1) of the Companies Act, 2013 and the Rules framed there under, to that effect, that their appointment, if made, would be within the prescribed limits under provisions of sections specified under the Act and that, they are not disqualified for such re-appointment within the meaning of the section of the said Act.

The Auditor's Report for the FY 16-17 does not contain any qualification, reservation, adverse remark or disclaimer.

INTERNAL AUDITORS

The Board of Directors based on the recommendation of the Audit Committee, re-appointed M/s. Ramesh & Co., Chartered Accountants, Hyderabad, as an Internal Auditors of your Company.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and based on the recommendation of Audit Committee, the Company has re-appointed M/s. P.S. Rao & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the FY 17-18. The Secretarial Audit Report for the FY 16-17 is annexed herewith as **Annexure-3** to this report.

The Secretarial Audit Report for the FY 16-17 does not contain any qualification, reservation, adverse remark or disclaimer.

DIRECTORS

Pursuant to the provisions of section 152 of the Companies Act, 2013 and in terms of Article 134 of the Articles of Association of the Company Smt. S. Lakshmi, Director retires by rotation and being eligible, offers herself for reappointment at the ensuing Annual General Meeting. The Board recommends her reappointment.

Your Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under sub-section (7) of Section 149 of the Act and under Regulation 25 of the SEBI (LODR) Regulations, 2015.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

During the year under review, Mr. Vivek Paranjpe was appointed as an Additional Director under the category of Independent Director by the Board of Directors at their meeting held on 31st August, 2016, and subsequently his appointment was ratified by the members of the Company at the previous annual general meeting.

Further the members of the Company at the previous annual general meeting held on 30th September, 2016, also ratified the appointment of Mr. M. Rajiv Kumar as Non-Executive Director, Mr. Sutanu Behuria as an Independent Director and Mr. S. Kishore Babu as Managing Director of the Company.

Further, Mr. Amitabha Guha, Independent Director, resigned from the office of the Board w.e.f. 04th June, 2016.

Subsequent to the end of the financial year, Shri. M. Rajendran, Wholtime Director resigned from the Board w.e.f. 13th August 2017. Your Board of Directors places on record its deep appreciation for his significant contribution and for his valuable advices to the Board on the operations of the Company and other related matters from time to time during his tenure.

Further Shri N. Bhupesh Chowdary was appointed as an Additional Director under the category of Wholtime Director subject to the approval of the members of the Company w.e.f. 13th August, 2017 by the Board of Directors at their meeting held on 12th August, 2017. His term of appointment is upto the date of ensuing annual general meeting and your Board of Directors recommends his appointment and the relevant resolutions for his appointment is provided in the notice of the AGM for the approval of the members.

Subsequent to the end of the FY 2016-17, Mr. Mohit Gurjar, Company Secretary has resigned w.e.f. 30th May, 2017 and Mr. Rohit Tibrewal was appointed as a Company Secretary of the Company w.e.f. 01st June, 2017.

Number of Meetings of the Board during the year:

The Board of Directors of the Company duly met 4 (four times). The intervening gap between any two consecutive Board Meetings was within the period prescribed under the provisions of the Companies Act, 2013.

The details of Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

COMMITTEES OF BOARD OF DIRECTORS

We have in place all the Committees of the Board which are required to be constituted under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this Annual Report.

The Composition of various Committees of the Board is hereunder:

Name of the Committee	Composition of the Committee
Audit Committee	Mr. Sutanu Behuria (<i>Chairman</i>) Mr. G.D.V. Prasada Rao and Mr. T. Sankaralingam
Nomination and Remuneration Committee	Mr. T. Sankaralingam (<i>Chairman</i>) Mrs. S. Lakshmi and Mr. G.D.V. Prasada Rao
Corporate Social Responsibility Committee	Mr. S. Kishore Babu (<i>Chairman</i>) Mrs. S. Lakshmi Mr. G.D.V. Prasada Rao
Stakeholders Relationship Committee	Mr. M Rajiv Kumar (<i>Chairman</i>) Mrs. S. Lakshmi Mr. G.D.V. Prasada Rao

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under section 186 of the Companies Act, 2013 form part of the *Notes to the financial statements* provided in this Annual Report.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business during the period under review.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the company occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has laid down certain guidelines, processes and structure, which enables implementation of appropriate internal financial controls across the organization. Such internal financial controls encompass policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information. Appropriate review and control mechanisms are built in place to ensure that such control systems are adequate and are operating effectively.

Evaluation of the internal financial controls are subject to the risk that the internal financial control may become inadequate because of changes in conditions, or that the compliance with the policies or procedures may deteriorate.

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

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2016-17 and of the statement of profit of the Company for that period;
- iii. Proper and sufficient care has been taken 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;
- iv. The annual accounts for the year 2016-17 have been prepared on a going concern basis.
- v. That the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- vi. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and effectively mentioned under various heads of the departments which are in then reporting to the Managing Director.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the provisions of Section 177 (9) & (10) of Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formalized the process and institutionalized 'Whistle Blower Policy' within the Company, whereby employees and other stakeholders can report matters such as generic grievances, corruption, misconduct, illegality and wastage/misappropriation of assets to the Company.

The policy safeguards the whistle blowers to report concerns or grievances and also provides direct access to the Chairman of the Audit Committee.

The details of the whistle blower Policy are posted on the website of the Company <http://www.powermechprojects.com>.

RISK MANAGEMENT

The Company has risk management mechanism in place which mitigates the risk at appropriate situations and there are no elements of risk, which in the opinion of Board of Directors may threaten the existence of the Company. A detailed description of the risks & threats has been disclosed in the Management Discussion & Analysis Report forming part of the Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no materially significant related party transactions entered by the Company with the Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company <http://www.powermechprojects.com/images/Policy-on-Related-Party-Transactions.pdf>.

The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 in Form AOC-2 and Disclosure under Schedule V of SEBI LODR Regulations, 2015 is herewith annexed as **Annexure-4** to this report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT 9 is annexed herewith as **Annexure-5** to this report.

MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to the provisions of Regulation 34(2) (e) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, a report on Management Discussion & Analysis forms part of the Annual Report and is herewith annexed as **Annexure-6** to this report.

CHANGES IN SHARE CAPITAL

During the year under review, there was no change in the share capital of the Company. The paid up share capital of the Company stands at Rs. 14,71,07,640/- divided into 1,47,10,764 equity shares of Rs. 10/- each. .

PARTICULARS OF EMPLOYEES

Disclosures with respect to the remuneration of Directors as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the information required pursuant to Section 197 (12) of the Act read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company has been appended as **Annexure-7** to this Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure-8** to this report.

CORPORATE GOVERNANCE

Your Company firmly understands and believes the importance of Corporate Governance. We always aim for the growth by adhering to the National and International Corporate Governance Standards. Our philosophy on corporate governance ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

As required under Regulation 34(3) of the Listing Regulations, a detailed report on Corporate Governance is included in the Annual Report as **Annexure-9**. The Auditors have certified the Company's compliance with the requirements of Corporate Governance in terms of Regulation 34(3) of the Listing Regulations and the same is annexed to the Report on Corporate Governance.

HUMAN RESOURCES

Your Company considers its Human Resource as the key to achieve its objectives. Keeping this in view, your Company takes all the care to attract, train and retain well qualified and deserving employees. The employees are sufficiently empowered and enabled to work in an environment that inspires them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind fulfilling the Company's vision. Your Company appreciates the contribution of its dedicated employees.

CORPORATE SOCIAL RESPONSIBILITY

Power Mech has been into CSR activities from a longer period of time and even before it was made mandatory by the Companies Act, 2013. The Company works primarily through its trust, Power Mech Foundation, towards supporting projects in social welfare, eradication of hunger and malnutrition, promoting education for the poor's, health management and medical aids for the children's and old aged people, orphanage and old age homes etc.

A detailed report on the CSR activities taken up by your Company is annexed as **Annexure-10** to this report. Further the details of the policy are also posted on the website of the company www.powermechprojects.com.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

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. 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:

- No. of complaints received: Nil
- No. of complaints disposed off: Nil

ACKNOWLEDGMENTS

We thank our customers, vendors, investors, bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels. Our consistent growth was possible by their hard work, solidarity, cooperation and support.

We thank the Governments of various Countries where we have our operations and more particularly Government of India and various regulators viz a viz RBI, SEBI, Registrar of Companies, Income Tax Department, and all the State Government's and other Government agencies for their support, and look forward to their continued support in future.

By order of the Board of Directors

Sd/-
S Kishore Babu
Chairman & Managing Director
DIN: 00971313

Place: Hyderabad
Date : 12.08.2017

ANNEXURE - 2

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 and under Rule 8 of Companies (Accounts) Rules, 2014 for the year ended 31st March, 2017).

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures.

Part "A": Subsidiaries

(Information in respect of each subsidiary)

(Rs. in Mn)

Sl. No.	Particulars	Details			
1	Name of the subsidiary	Hydro Magus Pvt Ltd	Power Mech Industri Pvt Ltd	Power Mech Projects LLC	Mas Power Mech Arabia
2	The date since when subsidiary was acquired	24.09.2012	17.10.2013	20.04.2016	23.02.2015
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	—	—	—	—
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	INR	Omani Riyal (168.46)	Saudi Riyal (17.29)
5	Share capital	1.00	0.19	25.27	8.65
6	Reserves & surplus	22.18	22.39	2.38	(4.79)
7	Total assets	227.25	365.39	242.48	466.61
8	Total Liabilities	227.25	365.39	242.48	466.61
9	Investments	0.00	0.00	0.00	0.00
10	Turnover	170.66	53.58	87.62	223.38
11	Profit before taxation	10.83	1.37	2.38	0.38
12	Provision for taxation	5.20	0.37	0.00	5.23
13	Profit after taxation	5.64	0.99	2.38	(4.85)
14	Proposed Dividend	Nil	Nil	Nil	Nil
15	Extent of shareholding	75 %	100 %	70 %	51 %

None of the above subsidiaries have been liquidated or sold during the year.

There are no subsidiaries which are yet to commence operations

Part "B": Associates and Joint Ventures

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

(Rs. in Mn)

Sl. No.	Name of associates / Joint Ventures	Power Mech-CPNED services (Hong Kong) Holding Co., Limited.	GTA Power Mech Nigeria Limited
1	Latest audited Balance Sheet Date	31.03.2017	31.03.2017
2	Date on which the Associate or Joint Venture was associated or acquired	22.01.2015	08.03.2016
3	Shares of Associate/Joint Ventures held by the company on the year end		
	(i) Number	5,000 Shares	1,50,00,000 Shares
	(ii) Amount of Investment in Associates / Joint Venture	0.04	3.21
	(iii) Extend of Holding %	50 %	50 %
4	Description of how there is significant influence	The Company owns 50 % of the Voting power of the company.	The Company owns 50 % of the Voting power of the company.
5	Reason why the associate / joint venture is not consolidated	NA	NA
6	Net worth attributable to shareholding as per latest audited Balance Sheet	9.55	1.93
7	Profit / Loss for the year	13.43	(2.30)
(i)	Considered in Consolidation	6.71	(1.15)
(ii)	Not Considered in Consolidation	6.71	(1.15)

None of associates have been liquidated or sold during the year.

There are no Associate / Joint Ventures which are yet to commence operations

For and on behalf of the Board of Directors

Sd/-

S Kishore Babu

Chairman & Managing Director

DIN: 00971313

Place: Hyderabad

Date : 12.08.2017

ANNEXURE - 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
Power Mech Projects Limited
Plot No: 77, Jubilee Enclave
Opp: Hitex Road, Madhapur
Hyderabad - 500081

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **Power Mech Projects Limited**, (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, 2017 has 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, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Companies Act, 1956 (the Act) to the extent the provisions applicable;
- iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under.
- vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
- vii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
 - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- viii) Other major laws applicable to the Company as per the representations made by the Management.
 - a) The Contract Labour (Regulation and Abolition) Act, 1970
 - b) Building and Other Construction Workers (Regulation of Employment and conditions of service) Act, 1996;
 - c) Inter-state Migrant Workmen (Regulation of Employment and conditions of service) Act, 1979

We have also examined compliance with the following:

- a. Secretarial Standards SS-1 and SS-2 with respect to meetings of the board of directors and shareholders respectively issued and notified by The Institute of Company Secretaries of India which came into force w.e.f. 1st July, 2015 under the provisions of section 118(10) of the Act.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following Observations that:

- (a) *The Company yet to spend Rs. 110.86 Lakhs out of the total amount of Rs. 172.86 Lakhs to be spent under the provisions of section 135 of the Companies Act i.e. Corporate Social Responsibility.*
- (b) *The Company has generally been filing the forms and returns with the Ministry of Corporate Affairs as required under the Act. However, in some instances the forms/ returns were filed with delay by paying additional fee.*

We further report that

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

During the year under review

- a. Mr. Sutanu Behuria and Mr. Vivek Paranjpe who were co-opted as Additional Directors, were appointed as Independent Directors at the Annual General Meeting (AGM) held on 30th September, 2016.
- b. Mr. Rajiv Kumar who was co-opted as Additional Director, was appointed as Non-Executive Director at the Annual General Meeting (AGM) held on 30th September, 2016.
- c. Mr. Amitabha Guha, Independent Director has resigned as director of the Company w.e.f. 4th June, 2016.

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.

Generally the decisions at meeting will be taken with unanimous consent. However, in case of difference of opinion majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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, guidelines and standards etc.

For P.S. Rao & Associates
Company Secretaries

Sd/-

P.S. Rao

Company Secretary

M. No: 3829

C P No: 9769

Place : Hyderabad

Date : 12-08-2017

Note: 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
Power Mech Projects Limited
Plot No: 77, Jubilee Enclave
Opp: Hitex Road, Madhapur
Hyderabad - 500081

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of 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 P.S. Rao & Associates
Company Secretaries

Sd/-

P.S. Rao

Company Secretary

M. No: 3829

C P No: 9769

Place : Hyderabad

Date : 12-08-2017

ANNEXURE - 4

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	NA
c)	Duration of the contracts/arrangements/transaction	NA
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions'	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

S. No.	Name(s) of the Related Party	Nature of Relationship	Nature of Contracts/ Arrangements/ Transaction	Duration of the Contracts/ Arrangements/ Transaction	Amount Paid During the FY 2016-17 (Rs.)
1	S. Kishore Babu	CMD	Lease Rents Paid	On going	2,880,000
2	S Lakshmi	Director	Lease Rents Paid	On going	1,020,000
3	S Kishore Babu (HUF)	S Kishore Babu, CMD is Karta	Lease Rents Paid	01.11.2015 to 31.10.2018	840,000
4	S. Rohit	Son of S. Kishore Babu, CMD and S Lakshmi, Director	Lease Rents Paid	On going	1,089,000
5	Power Mech Infra Limited	Company in which S Kishore Babu, CMD and S Lakshmi, Director are having significant influence.	Lease Rents Paid	01.01.2016 to 31.12.2020	18,338,603
6	S Rohit	Son of S. Kishore Babu, CMD and S Lakshmi, Director	Remuneration Paid	Ongoing	916,667
7	Power Mech Infra Limited	Company in which S Kishore Babu, CMD and S Lakshmi, Director are having significant influence	Sub-Contract Expenses & Hire charges paid	Ongoing	52,054,915
8	MAS Power Mech Arabia	Subsidiary company of Power Mech Projects Limited	Sale of assets	One time transaction	119,846,000
9	Hydro Magus Private Limited	Subsidiary company of Power Mech Projects Limited	Contract receipts	Ongoing	14,230,171
10	Power Mech Projects Limited LLC	Subsidiary company of Power Mech Projects Limited	Contract receipts	Ongoing	39,777,080
11	Power Mech-CPNED Services (Hong Kong) holding Co. Limited	JV of Power Mech Projects Limited	Contract receipts	On going	4,442,313
12	Hydro Magus Private Limited	Subsidiary company of Power Mech Projects Limited	Interest received	On going	817,146
13	Power Mech Projects Limited LLC	Subsidiary company of Power Mech Projects Limited	Interest received	On going	1,063,903
14	Hydro Magus Private Limited	Subsidiary company of Power Mech Projects Limited	Rent received	On going	56,000

The details of the other related party transactions and those entered in earlier years are disclosed in Note No 42 of the Financial Statements.

Related Party Disclosure as per Schedule V of SEBI (LODR) Regulations, 2015.

1. Loans and advances in the nature of loans to subsidiaries by name and amount*(Rs. in Mn)*

S. No.	Name of the Subsidiary	Loans / Advances/ Investments	Amounts at the year ended 2016 -17	Maximum amount of Loans / Advances/ Investments Outstanding During the year 2016-17
i	Hydro Magus Private Limited	Loan	NIL	2.70
ii	Power Mech Industri Private Limited	Loan	174.83	174.83
iii	MAS Power Mech Arabia	Loan	5.24	5.24
iv	Power Mech Projects Limited LLC	Loan	Nil	50.21
v	Hydro Magus Private Limited	Investment	1.33	1.33
vi	Power Mech Industri Private Limited	Investment	43.09	43.09
vii	MAS Power Mech Arabia	Investment	4.54	4.54
viii	Power Mech Projects Limited LLC	Investment	18.48	18.48

2. Loans and advances in the nature of loans to Associates by name and amount*(Rs. in Mn)*

S. No.	Name of the Subsidiary	Loans / Advances/ Investments	Amounts at the year ended 2016 -17	Maximum amount of Loans / Advances/ Investments Outstanding During the year 2016-17
i	Power Mech - CPNED Services (Hong Kong) Holding Co. Limited	Advance	0.27	1.70
ii	Power Mech - CPNED Services (Hong Kong) Holding Co. Limited	Investment	0.04	0.04
iii	GTA – Power Mech Nigeria Ltd.	Investment	3.22	3.22

3. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount*(Rs. in Mn)*

S. No.	Name of the Subsidiary	Loans / Advances/ Investments	Amounts at the year ended 2016 -17	Maximum amount of Loans / Advances/ Investments Outstanding During the year 2016-17
	NIL	-	-	-

4. Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan*(Rs. in Mn)*

S. No.	Name of the Subsidiary	Loans / Advances/ Investments	Amounts at the year ended 2016 -17	Maximum amount of Loans / Advances/ Investments Outstanding During the year 2016-17
	NIL	-	-	-

For and on behalf of the Board of Directors**Sd/-****S Kishore Babu**

Chairman & Managing Director

DIN: 00971313

Place : Hyderabad

Date : 12.08.2017

ANNEXURE - 5

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS

1	CIN	CIN : L74140TG1999PLC032156
2	Registration Date	22/07/1999
3	Name of the Company	POWER MECH PROJECTS LIMITED
4	Category/Sub-category of the Company	Company limited by shares
5	Address of the Registered office & contact details	Plot No:77, Jubilee Enclave, Opp: Hitex, Madhapur, Hyderabad, Telangana-500081, Email: cs@powermech.net , Ph:+9140 30444418, Fax:+9140 30444400
6	Whether listed company	YES
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Pvt Ltd, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032, Telangana, India, Ph:+91(40) 6716 2222, Facsimile: +91(40)2300 1153, Email: nageswara.raop@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction of Utility Projects	422	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Description of main products/ services	CIN	Holding / subsidiary / Associated	% of share holding as at 31st March 2017	Applicable section
1	Hydro Magus Private Limited	U40106TG2012PTC083246	Subsidiary	75 %	2(87)
2	Power Mech Industri Private Limited	U29230TG2006PTC099985	Subsidiary	100 %	2(87)
3	MAS Power Mech Arabia	1010430705	Subsidiary	51 %	2(87)
4	GTA Power Mech Nigeria Ltd	1320877	JV	50 %	2(6)
5	Power Mech Projects Limited LLC	1253331	Subsidiary	70 %	2(87)
6	Power Mech-CPNED Services (Hong Kong) Holding Co. Limited	2135388	JV	50 %	2(6)

VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 st April 2016]				No. of Shares held at the end of the year [As on 31 March 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	9525068	-	9525068	64.75	9574023	-	9574023	65.08	0.33
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total (A) (1)	9525068	0	9525068	64.75	9574023	-	9574023	65.08	0.33

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01 st April 2016]				No. of Shares held at the end of the year [As on 31 March 2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRI Individuals	-	-	-	-	-	-	-	-	-
b) other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Total (A)(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	9525068	0	9525068	64.75	9574023	-	9574023	65.08	0.33
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	2754803	-	2754803	18.73	1645132	-	1645132	11.18	-7.54
b) Banks / FI	4052	-	4052	0.03	4522	-	4522	0.03	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	186991	-	186991	1.27	0	-	0	0	-1.27
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	385899	-	385899	2.62	766256	0	766256	5.21	2.59
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B)(1)	3331745	0	3331745	22.65	2415910	-	2415910	16.42	-6.23
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	443282	0	443282	3.01	493427	0	493427	3.35	0.34
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	684571	204324	888895	6.04	1475377	83989	1559366	10.60	4.56
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	150279	163485	318764	2.13	133162	0	133162	0.91	-1.23
iii) NBFC Registered with RBI	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Directors	500	4648	5148	0.03	5148	0	5148	0.03	0.00
Non Resident Indians	11826	-	11826	0.08	71417	-	71417	0.49	0.41
Overseas Corporate Bodies	187773	0	187773	1.28	187773	0	187773	1.28	0.00
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	3263	-	3263	0.02	67294	-	67294	0.46	0.44
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	1481494	372457	1853951	12.60	2636842	83989	2720831	18.50	5.89
Total Public Shareholding (B)=(B)(1)+(B)(2)	4813239	372457	5185696	35.25	5052752	83989	5136741	34.92	-0.33
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	14338307	372457	14710764	100.00	14626775	83989	14710764	100.00	0

B) Shareholding of Promoter

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year *
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	S Kishore Babu	3601080	24.48	-	3634942	24.71	-	0.23
2	Sireesha Gogineni	3360	0.02	-	3360	0.02	-	0.00
3	Lakshmi Sajja	2400552	16.32	-	2403626	16.34	-	0.02
4	Sivaramakrishna Prasad Sajja	4480	0.03	-	4480	0.03	-	0.00
5	Sekhar Gogineni	3360	0.02	-	3360	0.02	-	0.00
6	Gogineni Babu	24640	0.17	-	24640	0.17	-	0.00
7	S Kishore Babu(Huf)	1344000	9.14	-	1344000	9.14	-	0.00
8	Sajja Rohit	1570296	10.67	-	1573296	10.69	-	0.02
9	Subhashini Kanteti	2520	0.02	-	2520	0.02	-	0.00
10	Uma Devi Koyi	5600	0.04	-	5600	0.04	-	0.00
11	Sajja Vignatha	562800	3.83	-	571819	3.89	-	0.06
12	Sai Malleswara Rao Sajja	2380	0.02	-	2380	0.02	-	0.00
	TOTAL	9525068	64.75	-	9574023	65.08	-	0.33

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

S. No.	Particulars	Date	Reason	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
1	S. Kishore Babu						
	At the beginning of the year			3601080	24.48	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweatequityetc.):	09-09-2016	Purchase	4223	0.03	3605303	24.51
		16-09-2016	Purchase	11140	0.07	3616443	24.58
		20-09-2016	Purchase	18499	0.13	3634942	24.71
	At the end of the year					3634942	24.71
2	Lakshmi Sajja						
	At the beginning of the year			2400552	16.32		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer / bonus / sweat equity etc.):	09-09-2016	Purchase	2074	0.01	2402626	16.33
		19-09-2016	Purchase	1000	0.01	2403626	16.34
	At the end of the year					2403626	16.34
3	Sajja Rohit						
	At the beginning of the year			1570296	10.67		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweatequityetc.):	19-09-2016	Purchase	3000	0.02	1573296	10.69
	At the end of the year					1573296	10.69
4	Sajja Vignatha						
	At the beginning of the year			562800	3.83		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweatequityetc.):	16-09-2016	Purchase	2100	0.01	564900	3.84
		23-09-2016	Purchase	6919	0.05	571819	3.89
	At the end of the year					571819	3.89

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

S. No.	Particulars	Date	Reason	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
1	IDFC PREMIER EQUITY FUND						
	At the beginning of the year	-	-	450186	3.06	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease						
	At the end of the year	-	-	-	-	450186	3.06
2	HSBC MIP REGULAR PLAN						
	At the beginning of the year	-	-	375000	2.55	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease:	13-05-2016	Sale	155000	1.05	220000	1.50
	At the end of the year	-	-	-	-	220000	1.50
3	SBI SMALL AND MIDCAP FUND						
	At the beginning of the year	-	-	370000	2.52	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase:						
	At the end of the year	-	-	-	-	370000	2.52
4	MOTILAL OSWAL MOST FOCUSED MIDCAP 30 FUND						
	At the beginning of the year	-	-	338274	2.30	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease	22-04-2016	Purchase	638	0.00	338912	2.30
		29-04-2016	Purchase	5929	0.04	344841	2.34
		06-05-2016	Purchase	299	0.00	345140	2.34
		13-05-2016	Purchase	1744	0.01	346884	2.36
		20-05-2016	Purchase	10119	0.07	357003	2.43
		27-05-2016	Purchase	1505	0.01	358508	2.44
		03-06-2016	Purchase	1437	0.01	359945	2.45
		15-07-2016	Sale	-823	0.01	359122	2.44
		22-07-2016	Sale	-50000	0.34	309122	2.10
		29-07-2016	Sale	-86732	0.59	222390	1.51
		05-08-2016	Sale	-80496	0.55	141894	0.96
		19-08-2016	Sale	-8000	0.05	133894	0.91
		26-08-2016	Sale	-13957	0.09	119937	0.82
		09-09-2016	Sale	-26375	0.18	93562	0.64
		16-09-2016	Sale	-36135	0.25	57427	0.39
		23-09-2016	Sale	-57427	0.39	Nil	Nil
	At the end of the year					Nil	Nil
5	DSP Blackrock India T.I.G.E.R. Fund						
	At the beginning of the year	-	-	305092	2.07	-	-
	Date wise Increase / Decrease in during the year specifying the reasons for increase / decrease :	-	-	-	-	-	-
	At the end of the year					305092	2.07

S. No.	Particulars	Date	Reason	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
6	L&T MUTUAL FUND TRUSTEE LTD – L&T INDIA VALU						
	At the beginning of the year	-	-	300009	2.04	-	-
	Date wise Increase / Decrease in during the year specifying the reasons for increase/decrease :	03-06-2016	Sale	-1819	0.01	298190	2.03
		10-06-2016	Sale	-20399	0.14	277791	1.89
		17-06-2016	Sale	-1161	0.01	276630	1.88
		08-07-2016	Sale	-23629	0.04	253001	1.72
		29-07-2016	Sale	-32400	0.22	220601	1.50
		04-11-2016	Sale	-1189	0.01	219412	1.49
		11-11-2016	Sale	-1087	0.01	218325	1.48
		06-01-2017	Sale	-17519	0.05	200806	1.37
		13-01-2017	Sale	-67540	0.46	133266	0.91
		20-01-2017	Sale	-11426	0.08	121840	0.83
		03-02-2017	Sale	-1331	0.01	120509	0.82
		24-02-2017	Sale	-1947	0.01	118562	0.81
		03-03-2017	Sale	-1455	0.01	117107	0.80
		10-03-2017	Sale	-6946	0.05	110161	0.75
		24-03-2017	Sale	-30145	0.21	80016	0.54
		31-03-2017	Sale	-80016	0.54	Nil	Nil
	At the end of the year					Nil	Nil
7	BANYANTREE GROWTH CAPITAL II L.L.C						
	At the beginning of the year			289100	1.97		
	Date wise Increase / Decrease in during the year specifying the reasons for increase/decrease :	15-04-2016	Purchase	200	0.00	289300	1.97
		13-05-2016	Purchase	146190	0.99	435490	2.96
		20-05-2016	Purchase	4430	0.03	439920	2.99
		17-06-2016	Purchase	18180	0.12	458100	3.11
		03-02-2017	Purchase	100000	0.68	558100	3.79
		17-02-2017	Purchase	135000	0.92	693100	4.71
	At the end of the year					693100	4.71
8	HDFC SMALL & MIDCAP FUND						
	At the beginning of the year			220000	1.50		
	Date wise Increase / Decrease in during the year specifying the reasons for increase/decrease :						
	At the end of the year					220000	1.50
9	KOTAK MIDCAP						
	At the beginning of the year			210144	1.43		
	Date wise Increase / Decrease in during the year specifying the reasons for increase / decrease :	22-04-2016	Purchase	2939	0.02	213083	1.45
		02-12-2016	Sale	-2587	0.02	210496	1.43
		16-12-2016	Sale	-10776	0.07	199720	1.36
		23-12-2016	Sale	-146	0.00	199574	1.36
		30-12-2016	Sale	-37	0.00	199537	1.36
		06-01-2017	Sale	-230	0.01	199307	1.35
		20-01-2017	Sale	-6618	0.04	192689	1.31
		27-01-2017	Sale	-771	0.01	191918	1.30
		03-02-2017	Sale	-62775		129143	0.88
		24-02-2017	Sale	-425	0.00	128718	0.88
		03-03-2017	Sale	-457	0.01	128261	0.87
		10-03-2017	Sale	-2932	0.02	125329	0.85
		17-03-2017	Sale	-125329	0.85	Nil	Nil
	At the end of the year					Nil	Nil

S. No.	Particulars	Date	Reason	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
10	INDIA BUSINESS EXCELLENCE FUND I						
	At the beginning of the year			187773	1.28		
	Date wise Increase / Decrease in during the year specifying the reasons for increase / decrease :						
	At the end of the year					187773	1.28
11	IL and FS Trust Company Limited (Trustees of Business)						
	At the beginning of the year			186991	1.27		
	Date wise Increase / Decrease in during the year specifying the reasons for increase / decrease :	02-09-2016	Purchase	186991	1.27	373982	2.54
		02-09-2016	Sale	-186991	1.27	186991	1.57
12	RAJASTHAN GLOBAL SECURITIES PVT LTD						
	At the beginning of the year			Nil	Nil		
	Date wise Increase / Decrease in during the year specifying the reasons for increase / decrease :	29-07-2016	Purchase	10371	0.07	10371	0.07
		05-08-2016	Purchase	62106	0.42	72477	0.49
		23-09-2016	Purchase	15600	0.11	88077	0.60
		13-01-2017	Purchase	13612	0.09	101689	0.69
		20-01-2017	Purchase	33602	0.23	135291	0.92
		17-03-2017	Sale	-135000	0.92	291	0.00
		24-03-2017	Purchase	87784	0.60	88075	0.60
	At the end of the year					88075	0.60
13	ADESH VENTURES LLP						
	At the beginning of the year			Nil	Nil		
	Date wise Increase / Decrease in during the year specifying the reasons for increase / decrease :	03-02-2017	Purchase	5000	0.03	5000	0.03
		10-02-2017	Purchase	968	0.01	5968	0.04
		10-03-2017	Purchase	3032	0.02	9000	0.06
		17-03-2017	Purchase	8496	0.06	17496	0.12
		24-03-2017	Purchase	67156	0.46	84652	0.58
	At the end of the year					84652	0.58

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Particulars	Date	Reason	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
1	S. Kishore Babu						
	At the beginning of the year			3601080	24.48	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer / bonus / sweat equity etc.):	09-09-2016	Purchase	4223	0.03	3605303	24.51
		16-09-2016	Purchase	11140	0.07	3616443	24.58
2	Lakshmi Sajja						
	At the beginning of the year			2400552	16.32		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	09-09-2016	Purchase	2074	0.01	2402626	16.33
		19-09-2016	Purchase	1000	0.01	2403626	16.34
	At the end of the year					2403626	16.34

S. No.	Particulars	Date	Reason	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
3	Mr. M. Rajendran, Wholetime Director						
	At the beginning of the year			3528	0.02		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):						
	At the end of the year					3528	0.02
4	Mr. GDV Prasada Rao, Independent Director						
	At the beginning of the year			1120	0.01		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):						
	At the end of the year					1120	0.01
5	Mr. T. Sankarlingam, Independent Director						
	At the beginning of the year			Nil	Nil		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer / bonus / sweat equity etc.):						
	At the end of the year					Nil	Nil
6	Mr. Sutanu Behuria, Independent Director						
	At the beginning of the year			Nil	Nil		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):						
	At the end of the year					Nil	Nil
7	Mr. Vivek Paranjpe, Independent Director						
	At the beginning of the year			Nil	Nil		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):						
	At the end of the year					Nil	Nil
8	Mr. M. Rajiv Kumar, Non-Executive Director						
	At the beginning of the year			Nil	Nil		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):						
	At the end of the year					Nil	Nil
9	Mr. J. Satish, CFO						
	At the beginning of the year			1000	0.01		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus / sweat equity etc.):						
	At the end of the year					Nil	Nil
10	Mr. Mohit Gurjar, Company Secretary						
	At the beginning of the year			692	0.01		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):						
	At the end of the year					Nil	0.00

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

(Amount in Rs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,199,293,796			2,199,293,796
ii) Interest due but not paid	375,729			375,729
iii) Interest accrued but not due				
Total (i+ii+iii)	2,199,669,525			2,199,669,525
Change in Indebtedness during the financial year				
* Addition	297,310,284			297,310,284
* Reduction	728,726,720			728,726,720
Net Change	(431,416,436)			(431,416,436)
Indebtedness at the end of the financial year				
i) Principal Amount	1,765,895,613			1,765,895,613
ii) Interest due but not paid	2,357,476			2,357,476
iii) Interest accrued but not due				
Total (i+ii+iii)	1,768,253,089			1,768,253,089

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Amount in Rs)

S. No.	Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount
1	Gross salary	Shri S Kishore Babu	Shri M Rajendran	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10,693,572	2,400,000	13,093,572
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission - as % of profit - others, specify	41,748,959	—	41,748,959
5	Others, please specify	—	—	—
	Total (A)	52,442,531	2,400,000	54,842,531
	Ceiling as per the Act			104,885,062

Remuneration to other directors

(Amount in Rs)

S. No.	Particulars of Remuneration	Name of Directors							Total
		Smt. S Lakshmi	Shri T Shankarlingam	Shri Sutanu Behuria	Shri M Rajiv Kumar	Shri GDV Prasada Rao	Shri Vivek Paranjpe	Shri Amitabha Guha	
1	Independent Directors								
	Fee for attending board committee meetings	-	325,000	250,000	-	325,000	175,000	75,000	1,150,000
	Commission	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	-	325,000	250,000	-	325,000	175,000	75,000	1,150,000

S. No.	Particulars of Remuneration	Name of Directors							Total
		Smt. S Lakshmi	Shri T Shankarlingam	Shri Sutanu Behuria	Shri M Rajiv Kumar	Shri GDV Prasada Rao	Shri Vivek Paranjpe	Shri Amitabha Guha	
2	Other Non-Executive Directors								
	Fee for attending board committee meetings	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others, please specify Consultancy	-	-	-	5,240,200	-	-	-	5,240,200
	Total (2)	-	-	-	5,240,200	-	-	-	5,240,200
	Total (B)=(1+2)	-	325,000	250,000	5,240,200	325,000	175,000	75,000	6,390,200
	Total Managerial Remuneration	-	325,000	250,000	5,240,200	325,000	175,000	75,000	6,390,200
	Overall Ceiling as per the Act								10,488,506

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

(Amount in Rs)

S. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross salary	CEO	CS	CFO	Total
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	958,417	3,108,797	4,067,214
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	958,417	3,108,797	4,067,214

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NONE

(Amount in Rs)

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

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 12.08.2017

Sd/-
S Kishore Babu
Chairman & Managing Director
DIN: 00971313

ANNEXURE - 6

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. Industry Overview

Power is one of the most critical components for economic growth and welfare of a Nation. The prosperity of a Nation is measured by the power capita power consumption. Therefore the existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is paramount requirement.

B. Industry Trend

The year 2016 has been quite eventful for power sector with soft coal prices; visibility of regular supplies; mitigation of financial stress on balance sheets; and power trading getting to critical mass level. But on ground, there is still lot of work left to be done, both in terms of curtailing the transmission and distribution (T&D) losses ratio as well as doing justice to the investment done in the past decade.

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining '**Power for all**' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

"TOTAL INSTALLED CAPACITY OF POWER STATIONS IN INDIA STOOD AT 326, 848 MEGAWATT (MW) AS ON MARCH, 2017".

C. The Road Ahead

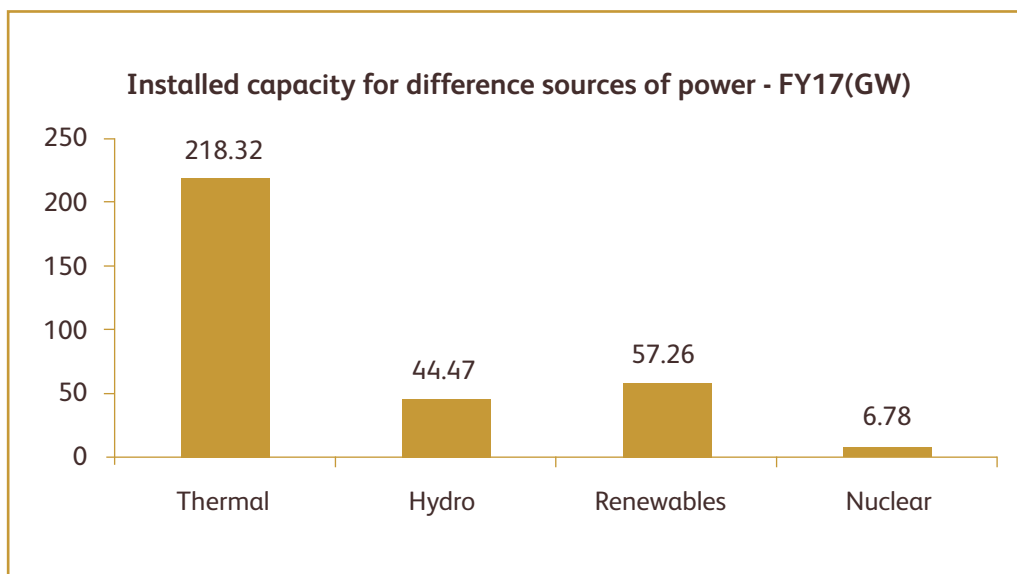
The Indian power sector has an investment potential of Rs 15 trillion (US\$ 225 billion) in the next 4–5 years, thereby providing immense opportunities in power generation, distribution, transmission, and equipment.

The government's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019. This means doubling the current production capacity to provide 24x7 electricity for residential, industrial, commercial and agricultural use.

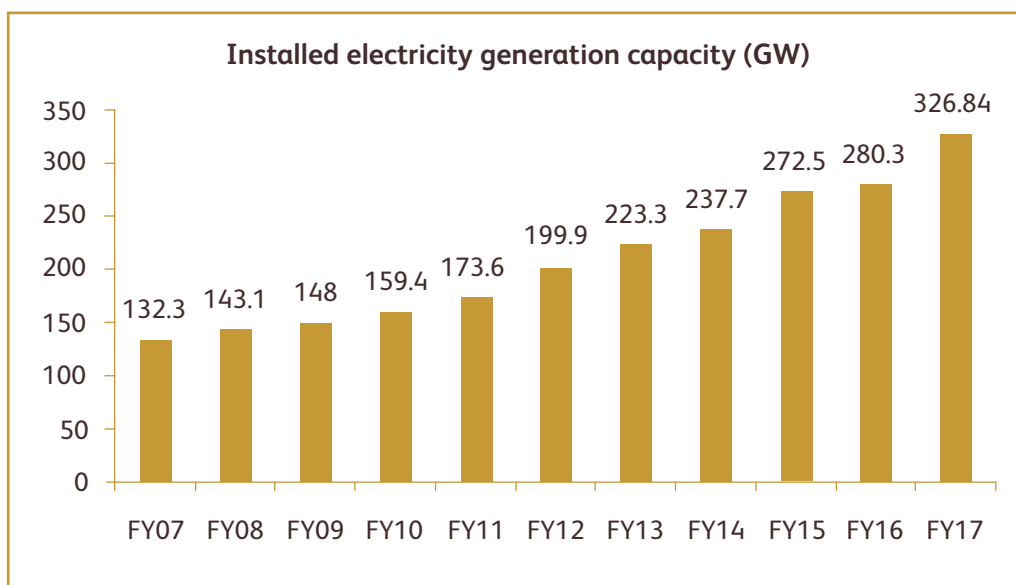
The government has electrified 13,000 villages so far out of the total 18,452 villages and is targeting electrification of all villages by 2019, within the targeted 1,000 days.

"COAL WILL REMAIN INDIA'S MOST IMPORTANT ENERGY SOURCE TILL 2031-32 AND POSSIBLY BEYOND"

Sources of Power with shares in total installed capacity



Power Generation has grown rapidly over the years



D. Power Mech Business Overview

Your Company is a player across the value chain of power business allowing it to capitalize on market opportunities in all verticals. The Company is capable of undertaking projects of any kind such as sub-critical, super critical, and ultra mega power projects in different terrains and weather. The key target areas for the Company at this point of time is for scaling up of O&M vertical with a focus on strengthening its position in the International operation in both the verticals i.e. ETC and O&M.

Your Company has already marked its phenomenal presence in countries like Libya, Bahrain, Oman, Saudi Arabia, Dubai, Bangladesh, Nigeria etc. The Company is associated with the reputed organizations keeping high standards in tune with international level in quality, safety and timeline. Territorial diversification protects the Company against regional volatility in demand, pricing and also enables it to concentrate on high-growth and better-margin areas.

Your Company is also exploring opportunity in other non power sectors such as railways, transmission & distribution, civil, oil & gas sector, petro chemicals, piping works, where it is confident enough to exploit its vast experience and capability.

Your Company is proving its capabilities in other sectors smoothly executing a railway contract in the state of Andhra Pradesh and also simultaneously another contract in rural electrification in the state of Madhya Pradesh, which gives the company enough amours to foray and dominate with opportunities beyond power sector.

E. Opportunities

An insight of some sectors in which your company is constantly pursuing futuristic prospects of growth to drive value for all its stakeholders.

- i. **FGD Business for Thermal Sector:** This mainly relates to Flue Gas Desulphurization related to the reduction related to Sox (Sulphur Oxides). This is a new technology formulation which has to be incorporated in all the coal based Thermal power plants to reduce Sox and emissions in line with Paris Climate accord. The present installed base of Coal based plants is 194GW. The present and future investments in this area is going to be augmented because by 2024, the government is planning to progressively install the identified projects of 122GW. As per the schedule of the Government of India, 10000 MW to be installed by 2020 and the balance 1,12,000 MW have to be completed by 2024. This will bring in opportunities for the construction business in Civil and ETC business to the extent of Rs. 8 to 12 lacs/mw and therefore the total opportunity for construction work is around 12000 to 15000 Cr in the next 7-8 years. This can to some extent supplement the ETC and Civil works business. In the backdrop of Power Mech experience in completing the First FGD system of GE technology at Vindhaychal 500MW, Power Mech will be qualified to undertake these works.
- ii. **Rehab and Reconstruction:** Power Mech has gained experience in the Rehab business being partner with Doosan for the 200MW Bandel plant upgradation and this work has been successfully completed. In the light of capacity additions in the Thermal sector drastically coming down beyond 2022, the present plan is to complete the projects on hand worth of 50000MW by 2022, as the reduction in thermal sector capacity additions is mainly related to the augmentation of renewable to 175000 MW by 2022. With this change with focus on Renewables, the focus would also on the Rehab of older power plants and also Reconstruction of Plants which will be uneconomical to run.

In the case of Rehab business as per guidelines, it is estimated that Rs. 20000 Cr to Rs. 30000 Cr worth of investments are planned from 2017 to 2022. This investment is purely for the upgradation and modernization of plants with age of 15 to 25 years and more.

In the case of Reconstruction, this can be an entirely new business activity involving dismantling of the older and uneconomical power plants and augmenting the capacity with new generation supercritical units. NTPC, the leading developer has identified for reconstruction of 11000MW and the first plant based on this philosophy is coming at Patratu 3x800MW units. This can help in emerging two areas of business; one is related to the dismantling of the older power plants and the other is related to ETC of new plants coming in its place.

- iii. **Oil and Gas Sector:** There is a substantial growth expected in this sector particularly in the refining sector where the installed base of 230M MT and is expected to enhanced to 320M MT by 2013-31. There are expectations of huge investments coming up in this sector, by way of brown field refineries augmenting the capacities and also few Green field refineries. The construction scope of the business is expected to be in the range of Rs 3000-4000 Cr per year. The company had sensed this and had gained some initial experience in taking up work at Jamnagar Refinery J3 expansion from RIL and also working for BHEL in some of the petrochemical and refinery plants like Paradeep Refinery, MRPL, and OPAL promoted by ONGC and also RIL's Petrochemical complex at Dahej. These jobs had given the initial exposure and also ability to cater to the stringent safety and quality standards of Petrochemical based construction works. For very larger works, the company is trying to meet the qualifying needs for pre-qualification. Since the business and product profile is similar to the ETC type of works in Power sector, there will be huge synergy in undertaking such works and also better utilization of the resources available with the Company and this can also enable the company to offset the negative growth in the Thermal business of power sector. The expansions are coming up at Vizag, Mumbai, Bhatinda and also IOCL is planning a huge 60M MT green field refinery in the West Coast. This sector can enable the company to explore into the following fields:

- ETC of plant and machinery along with Piping and auxiliaries
- Civil and structural works
- O&M and AMC business which can also synergized with the expertise already established in the Power sector

- iv. **Steel Sector:** Steel sector growth has been stunted in the last few years due to the drop in steel prices and now it is expected that steel prices are expected to rise. With installed capacity of 120 M MT, the Government of India plans are to expand this capacity to 300M MT by 2030. The GDP growth can also drive the steel capacities and also increased production needs. It is significant to note that Power Mech has already forayed into this segment with carrying out works for the 3 Mill Ton expansion works at Nagarnar and also at Angul for JSPL where in Power Mech had bagged an order of Rs 58 Cr from JSPL for the Blast Furnace area of site structural and equipment installation. This background can enable the company for qualification in future opportunities for the expected expansion in Steel Plant installed capacity. Since the works of ETC and Civil works are of similar in nature related civil works, Structural works, Piping and equipment erection, it is possible that the ETC and Civil business in the Steel segment can to some extent bring in opportunities and business share.

v. **Transmission & Distribution Sector**

The exemplary economic growth exhibited by India in the past decade at a constant rate of about 7.5 % CAGR has truly been phenomenal. One of the major forces enabling India to achieve this impressive feat has been the advancements made by the Power sector in terms of capacity and availability. It has been facilitating an efficient transition from labor to machine intensive production and constantly fuelling the energy requirements of various other industries. It remains one of the most critical components of infrastructure that affects economic growth.

Power transmission and distribution is perhaps as important as Power generation. T&D in India is the 3rd largest in the world. Current installed transmission and distribution capacity is about 110 GW which is considerably low compared to generation capacity of 182 GW. The power transmission and distribution sector is now receiving its due attention with investments from the Government in the form of higher share of allocated expenditure through some of its scheme such as Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) during the XIth and XIIth Plans. The Indian government planning to tender out transmission & distribution projects worth Rs 1 lakh crore and given the huge untapped potential in state-level & national level power transmission & distribution engineering, procurement and construction (EPC) companies are turning to the T&D sector.

Power Mech has already made an entry into this sector and was successful in grabbing an order worth Rs. 780 millions from the Government of Madhya Pradesh under Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) for rural electrification works which will help in gaining experience and qualification for undertaking the upcoming projects. Your company will be very selective and conservative in bidding for the future projects in this sector in terms of location, margins etc.

vi. **Railways**

Another sector where your company is constantly keeping an eye is Railways.

The Indian Railways is among the world's largest rail networks. The Indian Railways network is spread over 115,000 km, with 12,617 passenger trains and 7,421 freight trains each day from 7,172 stations plying 23 million travellers and 3 million tonnes (MT) of freight daily. India's railway network is recognized as one of the largest railway systems in the world under single management.

The Government of India has focused on investing on railway infrastructure by making investor-friendly policies. It has moved quickly to enable Foreign Direct Investment (FDI) in railways to improve infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects.

The Indian Railway network is growing at a healthy rate. In the next five years, the Indian railway market will be the third largest, accounting for 10 per cent of the global market. According to Mr Suresh Prabhu, Minister for Railways, Government of India, the Goods and Services Tax (GST) will bring a lot of opportunities to the railway sector in India. With the GST leading to an increase in inter-state transfers, railways will have advantage on long distance transportation.

Your Company is extremely proud of its splendid performance in the execution of the contract grabbed from RVNL Limited for doubling of railway lines from Gudivada to Machilipatnam ranging from 0.00 to 36.74 KMs. The size of the Contract is Rs. 2,490 millions. This exemplary performance will boost assertiveness in the management to grab new opportunities in this sector.

F. FINANCIAL INFORMATION

1. Sources of Funds

Currently, we have only one class of shares i.e., Equity Shares of nominal value Rs. 10/- each. Our Authorised Share Capital is Rs. 260,000,000/- divided into 26,000,000 equity shares of Rs. 10/- each. The Issued, Subscribed and Paid Up Capital stood at Rs. 147,107,640/- divided into 14,710,764 equity shares of Rs. 10/- each as at March 31, 2017.

2. Deferred Tax Liabilities

We recorded net Deferred Tax Liability of Rs. 21,189,142/- as at 31st March 2017 (Previous Year Deferred Tax Liabilities of Rs. 42,229,718).

3. Fixed Assets

During the year, the net block of the fixed assets as at 31st March 2017 is Rs. 1,692,575,962/- as compared to Rs. 1,989,698,922/- in the previous year.

4. Investments

Investments in Subsidiaries

During the year, your Company has invested in the newly incorporated subsidiaries / JV's, the details of which are hereunder.

S. No.	Name of the Subsidiaries / JVs	Investment in Foreign currency	(Rs in Mn)
1.	MAS Power Mech Arabia (Saudi Arabia)	SAR. 2,55,000	4.54
2.	Power Mech Projects Limited LLC (Oman)	RO. 1,05,000	18.48
3.	GTA Power Mech Nigeria Limited (Nigeria)	NAIRA. 1,50,00,000	3.22

There were no other investments made by the Company during the year under review.

G. RESULTS OF OPERATIONS

(i) Income and expenditure – consolidated & standalone

(Rs in Mn)

Particulars	Consolidated		Standalone	
	2016-17	2015-16	2016-17	2015-16
Revenue from operations	13,382	13,782	12,911	13,621
Other Income	77	55	77	56
Total Income	13,459	13,837	12,988	13,677
Total Expenses	12,461	12,682	12,005	12,538
Profit Before Tax	1,003	1,158	983	1,139
Profit After Tax	651	757	641	743
Earnings per Equity Share	43.96	54.08	43.29	53.23
Book value per Equity Share	422	377	419	376

(ii) Profitability Ratios – Consolidated and Standalone

Particulars	Consolidated		Standalone	
	2016-17	2015-16	2016-17	2015-16
EBITDA Margins	12.91 %	13.54 %	13.04 %	13.54 %
PBT Margins	7.45 %	8.37 %	7.57 %	8.33 %
PAT Margins	4.84 %	5.46 %	4.93 %	5.43 %
Return on Capital Employed	16.50 %	21.26 %	16.53 %	21.42 %
Return on Net Worth	11.05 %	16.60 %	10.95 %	16.38 %

H. Risks & Concerns

Your Company is concerned with growing scarcity of skilled workers and highly skilled technicians. This problem is being highlighted by many corporate and yet the demand and supply position in this workforce is becoming more and more widening. As a Company undertaking jobs both in India and abroad, we are able to feel the pinch during selection process.

The work culture remains the same in Indian soil where as it is pleasantly different in other countries. The plan and verses achievement is mismatching because of this single factor.

There is frequent revision of labour wages (Minimum) by GOI with unprecedented raise and there is no compensation from customers, sticking to contractual terms. This needs to be addressed immediately and evolved scientifically.

For the Company's forays in the international markets, adequate assessment of the risks and returns associated with each investment has been carried out and appropriate mitigation measures were put in place.

I. Our Strength

We believe our strength give us the competitive advantage to position ourselves as a leading service provider in the power sector.

Your Company is having robust workforce, always ready to undertake in critical zones with striking speed and precision.

Well trained and experienced engineers are always available in good numbers. The Company has experienced technicians for trouble shooting in running plants, a requirement essential for undertaking O&M jobs.

The fiscal discipline that the Company is pursuing ensures steady cash flow to operate multiple sites at a time both in India and abroad.

Fleet of cranes, modern and heavy earth moving equipment, lifting shackles, machinery for civil works and crew members are kept readily available for transfer and use.

The Company has well established team of top management to provide strategic support and guidance, who are drawn from among reputed organizations over years.

Your Company is conscious about safety and quality which has earned good name among customers especially in foreign soil.

J. Internal Control System

A robust system of internal control, commensurate with the size and nature of its business, forms an integral part of the Company's corporate governance policies.

The Company has a proper and adequate system of internal control commensurate with the size and nature of its business. Internal control systems are an integral part of JSW Energy's corporate governance structure. Some significant features of the internal control systems are:

- Adequate documentation of policies, guidelines, authority and approval procedures covering all the important functions of the company.
- Deployment of an SAP system which covers most of its operations and is supported by a defined online authorisation protocol.
- Ensuring complete compliance with laws, regulations, standards and internal procedures and systems.
- De-risking the company's assets and resources as well as protecting them from any loss.
- Ensuring the integrity of the accounting systems, the proper and authorised recording and reporting of all transactions.
- Preparation and monitoring of monthly/quarterly/annual budgets for all operating and service functions.
- Ensuring reliability of all financial and operational information.
- The Audit committee of the Board of Directors, comprising of Independent Directors, regularly reviews audit plans, significant audit findings, adequacy of internal controls and compliance with Accounting Standards.

The internal control systems and procedures are designed to assist in the identification and management of risks, the procedure-led verification of all compliances as well as an enhanced control consciousness.

K. Human Resource

Power Mech's heritage is incomplete without its rich talent pool. It strongly believes that the employees' welfare, development and their performance are important contributors to the Company's success. It recognizes its employees who exhibit qualities such as integrity, quality, teamwork and personal accountability. The Company ensures to provide a safe and a healthy work environment which enhances our employees' productivity. We encourage our people to voice their thoughts and ideas without the fear of being judged.

We nurture our talents by frequently organizing skill enhancement, learning and development programmes through which the employees get the opportunities to grow within the Company.

Power Mech is an equal opportunity employer without any discrimination on grounds of age, gender, colour, language, caste, creed, etc. The Company recognises that a communities in which we operate, places us in a unique position to understand and respond to the needs of our customers. Thus, diversity is a competitive differentiator in employment and in our customer markets. The Company's total permanent employee strength as on 31st March, 2017 stood at 5544.

L. Health Safety And Environment

Our people are the key to everything we do, ensuring their safety is the company's most important goal. We are committed to achieving a high standard of incident prevention through the continuous improvement of our positive safety culture and management system. Safety improvement is a never ending exercise and we are well aware of the importance of ensuring not only a safe workplace, but instilling and supporting a culture which places people's safety at the forefront of everything we do.

We acknowledge that we have an essential responsibility to the environment and fully comply with all the regulatory requirements.

We practice **PDCA** and adhering to International practices:

Plan: Define the problem to be addressed, collect relevant data, and ascertain the problem's root cause.

Do: Develop and implement a solution; decide upon a measurement to gauge its effectiveness.

Check: Confirm the results through before-and-after data comparison.

Act: Document the results, inform others about process changes, and make recommendations for the problem to be addressed in the next PDCA cycle.

M. Cautionary Statement

Statements in this management discussion and analysis report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Forward looking statements are identified in this report, by using words 'anticipates', 'believes', 'expects', 'intends', prospects and similar expressions in such statements. Although we believe our expectations are based on reasonable assumptions, these forward-looking statements may be influenced by numerous risks and uncertainties that could cause actual outcomes and results to be materially different from those expressed or implied.

For and on behalf of the Board of Directors

Place : Hyderabad
Date : 12.08.2017

Sd/-
S Kishore Babu
Chairman & Managing Director
DIN: 00971313

ANNEXURE - 7

REPORT ON MANAGERIAL REMUNERATION

As per Section 197 of the Companies Act 2013 Read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Statement of Particulars as per Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The ratio of the remuneration of the each Director to the median remuneration of the employees of the Company for the financial year :

S. No.	Name of Director	Designation	Ratio of the Remuneration of each Director to the Median Remuneration of Employees
1	Shri S Kishore Babu	Chairman and Managing Director	43:1
2	Shri M Rajendran	Director & COO	9.66:1
3	Smt. S Lakshmi	Non-Executive Director	—
4	Shri T Sankarlingam	Independent Director	—
5	Shri GDV PrasadaRao	Independent Director	—
6	Shri SutanuBehuria	Independent Director	—
7	Shri M Rajiv Kumar	Non-Executive Director	—
8	Shri Vivek Paranjpe	Independent Director	—

*** In the above calculation, the commission paid to MD is not considered**

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17:

S. No.	Name of Director / KMP and Designation	Designation	% Increase in Remuneration in the Financial Year 2016-17
1	Shri S Kishore Babu	Chairman and Managing Director	12.62 %
2	Shri M Rajendran	Director & COO	5.22 %
3	Shri J Satish	CFO	6.18 %
4	Shri Mohit Gurjar	CS	6.49 %

*In the above calculation, the commission paid to MD is not considered

The percentage increase in the median remuneration of employees in the financial year:

The percentage increase in the median remuneration of employees for the financial year ending 31 March, 2017 was 8.95 %.

The number of permanent employees on the rolls of Company as at 31 March, 2017:

There were 5544 permanent employees on the rolls of Company as on 31 March, 2017.

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentile increase in the salaries of the employees other than, the managerial persons during the financial year 2016-17 is 3.8% and there was increase of 9.97 % in the managerial remuneration of Chairman and Managing Director, Wholetime Director, CFO and CS during the financial year 2016-17 (The commission paid to CMD is not considered).

The Company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

Top 10 Employees in terms of Remuneration

Name	Age	Qualification	Designation	Date of commencement of Employment	Experience Gross (years)	Nature of Employment	Remuneration in (Rs. In Lacs) Per Month	Previous Employment	Relative of Director If any
Shishir Kumar Kudasbehar	48 Y	M.Tech	Executive Director	17.12.2014	27	Full Time	3.10	BHEL	No
Satish Jami	41 Y	CA & MBA	CFO	20.10.2014	17	Full Time	2.73	Indu Projects	No
Ajay Kumar Kantheti	42 Y	B.Tech	Sr. Vice President	20.11.1999	22	Full Time	2.59	-	No
Prakash Chandra Joshi	46 Y	B. Tech	Associate Vice President	10.11.2014	24	Full Time	2.00	-	No
Srinivasulu Gudipati	52 Y	M.E	Executive Director	22.07.1999	30	Full Time	1.53	Indwell Constructions Private Limited	No
Anil Kumar Shahi	56 Y	A.M.I.E	Associate VP	29.08.2015	34	Full Time	1.50	Jindal	No
Naseem Akthar Khan	52 Y	B. Tech	General Manager	16.06.2015	30	Full Time	1.47	Shree Shakambari Ferro Alloys Pvt. Ltd.	No
Anantha Reddy Kotlobudde	46 Y	B.E	Vice President	01.08.2016	25	Full Time	1.32	Lanarsy Infra Ltd.	No
Gyanendra Kumar	44 Y	M.E	Asst. General Manager	12.12.2015	18	Full Time	1.27	Adhunik Power & Natural Resources Ltd.	No
Madhu Sudhana Reddy Ch	41 Y	B.E	General Manager	24.09.2016	18	Full Time	1.21	Prasad & CO (P.W) Ltd.	No

Details of Employee's drawing remuneration of Rs 8.50 Lacs per month or Rs 102.00 Lacs per annum:

Name	Age	Qualification	Designation	Date of commencement of employment	Experience Gross (years) Remuneration	Nature of employment	*Remuneration in Rs. per Annum	Previous Employment	Relative of Director If any
S. Kishore Babu	54	B Tech (Mechanical)	CMD	22.07.1999	32	Full time	5,24,42,531	Jt. Md, Indwell Constructions Private Limited-	Spouse of S Lakshmi, Director

*Remuneration Includes Salary and Commission.

The are no other employees drawing Rs 8.50 Lacs per month or Rs 102.00 Lacs per annum, whether employed throughout the year or part of the Financial year.

There are no employees in the service of the Company covered under Rule 5 (2) (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

For and on behalf of the Board of Directors

Sd/-
S Kishore Babu
Chairman & Managing Director
DIN: 00971313

Place : Hyderabad
Date : 12.08.2017

ANNEXURE - 8

Particulars in Respect of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information as required under section 134 of the Companies Act, 2013 read with the rule 8(3) of Companies (Accounts) Rules, 2014 is hereunder

CONSERVATION OF ENERGY

(i) **Steps taken for conservation of energy:** Energy conservation signifies how effectively and efficiently the company is managing its operations. The Company has undertaken various energy efficient practices and strengthened the Company's commitment towards becoming an environment friendly organization. The Company cautiously utilizes power and fuel to reduce the cost of maintenance.

(ii) **Steps taken by the company for utilizing alternate sources of energy:** NA

(iii) **Capital investment on energy conservation equipment's:** NA

TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption: NA

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: NA

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - NA

(a) The details of technology imported;

(b) The year of import;

(c) Whether the technology been fully absorbed;

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof:

(iv) The expenditure incurred on Research and Development: NA

FOREIGN EXCHANGE EARNINGS AND OUTGO

S. No	Particulars	Rs. In Mn	
		2016-2017	2015-2016
1	Earnings	2356.61	1698.87
2	Outgo	2053.07	1156.82

For and on behalf of the Board of Directors

Sd/-
S Kishore Babu
 Chairman & Managing Director
 DIN: 00971313

Place : Hyderabad
 Date : 12.08.2017

ANNEXURE - 9

REPORT ON CORPORATE GOVERNANCE

A. Company's Philosophy on Corporate Governance

Corporate Governance is the mechanism by which the values, principles, policies and procedures of the Organisation are inculcated and manifested. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability throughout the organization.

Power Mech is committed to do business in an efficient, responsible, honest and ethical manner. Corporate Governance practice goes beyond compliance and involves a company-wide commitment and has become the integral part of business.

Good governance responsibilities encompasses the activities of the Board of Directors, who execute their Corporate Governance responsibilities by focusing on the Company's strategic and operational excellence in the best interests of all stakeholders of the Company, in particular shareholders, employees and our customers in a balanced manner with long term benefits to all.

Good Corporate Governance provides an appropriate framework for the Board, its committees and the executive management to carry out the objectives that are in the interest of the Company and the stakeholders.

The Board of Directors of the Company continues to accord its highest priority for adherence to the principles of Corporate Governance. It believes in upholding the highest standards of accountability and actively participates in overseeing risks and strategic management. The Board of Directors has the basic responsibility to ensure sustainable improvement in corporate evaluations by providing strategic guidance regarding management decisions.

Power Mech is conscious of its responsibility to establish a culture that creates an atmosphere of trust amongst all its stakeholders.

B. Board of Directors

The Board has an optimum combination of Executive, Non-Executive, Independent and Woman Directors. The Board consists of Eight (8) Directors as on 31.03.2017. To ensure, transparent and professional conduct of board meeting procedures in all aspects related thereto, fifty percent (50%) i.e. 4 out of 8 directors are Independent directors, two are Executive Directors and two are Non-Executive Directors. The composition of the directors is in accordance with the Regulation 17 of the Securities Exchange board of India (Listing Obligations and Disclosure Regulations) 2015.

There are no pecuniary relationships or transactions with Independent Non Executive Directors except for sitting fees paid for attending Board and other Committee Meetings.

Four (4) Board meetings were held during the Financial Year 2016-17 and the gap between two meetings did not exceed 120 days . The said board meetings were held on the following dates:

Board Meeting Number	Date of Board Meeting
01	30.05.2016
02	31.08.2016
03	02.12.2016
04	10.02.2017

None of the Directors on the board is a member in more than 10 committees or Chairman in more than 5 committees, across all the companies in which he/she is a Director.

None of the Directors serves as an independent Director in more than seven Listed Companies.

The names and categories of Directors on the Board, their attendance at the Board Meeting and at the Annual General Meeting, and also the number of Directorship and Committee Membership held by them in other companies are given below:

Name of the Director	Category	No. of Board Meetings attended	Attended AGM held on 30.09.2016	No. of Other Directorships Held	*Memberships/ chairmanships held in Committees of other Companies		No. of shares held in the Company (%)
					Member	Chairman	
S. Kishore Babu DIN 00971313	Chairman & Managing Director (Promoter)	4	Yes	5	-	-	36,34,942
M Rajendran DIN 01879556	Wholetime Director	3	Yes	-	-	-	3,528
S. Lakshmi DIN 00068991	Non-Executive Director (Promoter)	2	No	4	-	-	24,03,626
Thiagarajan Sankaralingam DIN-00015954	Independent Non-Executive Director	4	No	6	-	-	-
G D V Prasada Rao DIN-02754904	Independent Non-Executive Director	4	Yes	-	-	-	1,120
Sutanu Behuria DIN-00051668	Independent Non-Executive Director	3	Yes	3	5	-	-
M Rajiv Kumar DIN 07336483	Non-Executive Director	4	Yes	-	-	-	-
Amitabha Guha DIN-02836707 (Resigned w.e.f. 04.06.2016)	Independent Non-Executive Director	1	NA		3	-	-
Vivek Paranjpe DIN-03378566 (Appointed w.e.f. 31.08.2016)	Independent Non-Executive Director	2	No	1	-	-	-

*In accordance with Regulation 26 of the Listing Regulations 2015:

The membership of the Director in committees do not include the committees in Foreign Companies, Companies Registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

The memberships/chairmanships of Audit Committees and Stakeholders Relationship Committees in all Public Limited companies has been considered.

None of the Directors of the Company is serving on the Boards of more than seven Listed Companies and no Whole-time Director is serving as Independent Director in more than three Listed Companies

Board Committees:

C. Audit Committee

The Company has a qualified and independent Audit committee and consists of Independent Directors, who provides assistance to the Board of Directors in fulfilling its responsibilities.

The Audit Committee of the Board deals with all matters relating to financial reporting, internal controls, risk management etc. and reports to the Board from time to time.

The Audit Committee is constituted in accordance with the provisions of Regulation 18 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014.

The Audit Committee is empowered with functions according to the powers, scope and role as defined and prescribed under the said Regulation 18 of the SEBI (LODR) Regulations 2015 and Section 177 of the Companies Act, 2013 and Rule 6 and 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and acts in terms of reference and the committees also discharge such other functions as may be specifically delegated to it by the Board from time to time.

During the year under review, Four (4) meetings of the committee were held on 30.05.2016, 31.08.2016, 02.12.2016 and 10.02.2017.

The composition of the committee during the year as well as the particulars of the attendance at the committee meeting during the year is given below:

Name	Designation in Committee	Category of Directorship	No. of Meetings held	No. of Meetings Attended
Sutnau Behuria	Chairman	Independent, Non-Executive	4	3
Amitabha Guha (Resigned w.e.f 04.06.2016)	Member	Independent, Non-Executive	4	1
G D V Prasada Rao	Member	Independent, Non-Executive	4	4
T. Sankarlingam (Member w.e.f 31.08.2016)	Member	Independent Non-Executive	4	2

All the members of the Committee are Non-Executive and Independent Directors. The members possess sound knowledge of accounts, finance, audit and legal matters.

In addition to the above, the committee meetings were also attended and supported by Shri. J Satish (CFO) as special invitee. The Company Secretary of the Company acts as the Secretary to the Committee.

The primary objective of the audit committee is to monitor and effectively supervise the Company's financial reporting in compliance with various policies, procedures and standard practices as in vogue in India.

All recommendations made by the audit committee during the year were accepted by the Board.

Terms of Reference

The terms of reference of the Audit Committee are as per the guidelines set out in the SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

Brief description of terms of reference:

- Oversight of the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statements are true and accurate and provide sufficient information.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory & Internal auditors and the fixation of their audit fees.
- Reviewing and monitoring the auditor's Independence and performance, and effectiveness of audit process
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement, which forms part of the Board's report in terms of section 134 (5) of the Companies Act, 2013 i.e., erstwhile clause (2AA) of section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements, as applicable to the Company
 - Disclosure of any related party transactions
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Approve the appointment, re-appointment and removal of Chief Financial Officer of the Company.
- Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, availability and deployment of resources to complete their responsibilities and the performance of the out-sourced audit activity.
- Discussion with internal auditors with respect to the coverage and frequency of internal audits as per the audit plan, nature of significant findings and follow up thereof.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Obtaining an update on the Risks Management Framework and the manner in which risks are being addressed.

- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Review the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors, if any.
- To review the functioning of the Vigil Mechanism Policy and the nature of complaints received by the Ombudsman.
- The un-audited / audited quarterly financial results of the Company are also specifically reviewed by the Audit Committee before these are submitted to the Board for approval. Minutes of each Audit Committee meeting are placed before the Board for noting.
- The Audit Committee is empowered, pursuant to its terms of reference, to Investigate any activity within its terms of reference and to seek any information it requires from any employee.
- Obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise, when considered necessary.
- Review on a regular basis the following:
 - Management discussion and analysis of financial condition and results of operations.
 - Management Certificates on Internal Controls and Compliance with laws & regulations, including any exceptions to these.
 - Management letters / letters of internal control weaknesses issued by the statutory auditors.
 - Internal audit reports relating to internal control weaknesses.
 - The financial statements, in particular the inter corporate loans & investments, if any
- Approval or subsequent modification of transactions of the Company with related parties.
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- Monitoring the end use of funds raised through public offers and related matters
- The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.

D. Nomination and Remuneration Committee

The Committee functions as per the Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Section 178 of the Companies Act, 2013. The purpose of the Committee is to determine/review the Company's policy on specific remuneration packages for the Executive Directors including pension rights and any compensation payment, oversee the framing, review and implementation of compensation policy of the Company on behalf of the Board, form a policy, procedures and schemes and to undertake overall supervision and administration of Employee Stock Option Schemes (ESOSs) of the Company if any and to review the Board structure, size and composition and make recommendation for any change. The Committee also formulates evaluation criteria for Directors and the Board.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as under:

- 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.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on Board diversity.
- 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.
- To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
- To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions, etc.
- Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
- Payment / revision of remuneration payable to Managerial Personnel.
- While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.

- The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
- Any other functions / powers / duties as may be entrusted by the Board from time to time.

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company as below :

1. Introduction

1.1 Power Mech Projects Limited (PMPL) recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- 1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.
- 1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope and Exclusion

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References

In this Policy, the following terms shall have the following meanings:

- 3.1 **“Director”** means a director appointed to the Board of the Company.
- 3.2 **“Key Managerial Personnel”** means
 - (i) the Chief Executive Officer or the managing director or the manager;
 - (ii) the company secretary;
 - (iii) the whole-time director;
 - (iv) the Chief Financial Officer; and
 - (v) such other officer as may be prescribed under the Companies Act, 2013
- 3.3 **“Nomination and Remuneration Committee”** means the committee constituted by PMPL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015.

4. Selection of Directors and determining Directors’ independence

Selection of Directors and determining Directors’ independence

4.1 Qualifications and criteria

- 4.1.1 The Nomination and Remuneration (NR) Committee, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s operations.
- 4.1.2 In evaluating the suitability of individual Board members, the NR Committee may take into account factors, such as:
 - General understanding of the Company’s business dynamics, business and social perspective;
 - Educational and professional background Standing in the profession or services ;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their roles and responsibilities effectively.
- 4.1.3 The proposed appointee shall also fulfill the following requirements:
 - Shall possess a Director Identification Number;
 - Shall not be disqualified under the Companies Act, 2013;
 - Shall give his written consent to act as a Director;
 - Shall endeavour to attend all Board Meetings and wherever he is appointed as Committee Member, the Committee Meetings;

Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;

Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;

Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015 and other relevant laws.

- 4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

4.2 Criteria of Independence

- 4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

- 4.2.2 The criteria of independence, as laid down in Companies Act, 2013 and Regulation 16 of SEBI (LODR) Regulations 2015 is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director.

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives –
 - (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age.

- 4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

4.3 Other directorships / committee memberships

- 4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.
- 4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- 4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- 4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

5. Remuneration to Executive Directors and Key Managerial Personnel Non-Executive Directors and Other Employees

- 5.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.
- 5.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- 5.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:
- (i) Basic Pay
 - (ii) Perquisites and Allowances
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retiral benefits
 - (vi) Annual Performance Bonus
- 5.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives shall be reviewed by the NR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

5.2 Remuneration to Non-Executive Directors

- 5.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.
- 5.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

5.3 Remuneration to Other Employees

- 5.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs and their initiations in taking up challenges in their respective fields.

During the year under review, 3 meetings of the committee were held on 30.05.2016, 31.08.2016 and 02.12.2016.

The composition of the committee during the year as well as the particulars of the attendance at the committee meeting during the year is given below:

Composition

Name	Category	Designation	No. of Meetings Attended
Thiagarajan Sankaralingam	Independent, Non-Executive	Chairman	3
S Lakshmi	Non-Executive	Member	1
G D V Prasada Rao	Independent, Non-Executive	Member	3

E. Remunerations paid to the Directors

Details of remunerations paid/payable to Non-Executive & Independent Non-Executive directors for the year ended 31st March, 2017 is as under:

Name of the Director	Sitting Fees (Rs. In Lacs)
G D V Prasada Rao	3.25
Thiagarajan Sankaralingam	3.25
Amitabha Guha*	0.75
Sutanu Behuria	2.50
Vivek Paranjpe*	1.75

* Amitabha Guha resigned from the Board w.e.f 04.06.2016

* Vivek Paranjpe appointed w.e.f 31.08.2016

Shri M Rajiv Kumar, Non-Executive Director was paid consultancy charges of Rs. 5,240,200/- during the Financial year 2016-17.

Shri Rajiv Kumar is a veteran in the Power Construction industry and his project management skills and rich experience in the power sector can be of immense help in the future growth and success of the Company. Accordingly on he has been appointed as Business Development Consultant

There are no other non executive directors having pecuniary relationship or transactions with the company.

Apart from the sitting fees, there were no other pecuniary relationships or transactions of the Non-Executive Independent Directors vis-à-vis the Company.

Disclosures with respect to remuneration paid to Managing Director and Executive Directors

In Rs.

Name of the Director	Salary	Bonus	Benefits	Commission (Rs)	Sitting Fees (Rs.)	Loans from the Company (Rs)	Total (Rs)
S Kishore Babu	1,06,93,572	-	-	4,17,48,959	-	-	5,24,42,531
M Rajendran	24,00,000	-	-	-	-	-	24,00,000

The Chairman & Managing Director and Whole time Directors are also entitled to Company's Contribution to Provident Fund, Superannuation fund, to the extent not taxable and gratuity and encashment of leave at the end of tenure as per the rules of the Company to the extent not taxable.

Details of fixed component and performance linked incentives, along with the performance criteria; NA

Service contracts, notice period, severance fees: NA

Company has not granted any Stock options during the year.

F. Shareholders/ Investors Grievance Redressal Committee

The Shareholder's / Investor Redressal committee has been formed in compliance of Regulations under Security Exchange Board of India (Listing Obligation and Disclosures Regulations) 2015 and pursuant to Section 178(5) of the Companies Act 2013. The Committee comprises of three Non Executive Directors and one out of three is Independent Director.

During the year under review, 4 meetings of the committee were held on 30.05.2016, 25.06.2016, 31.08.2016 and 02.12.2016.

Composition

Name	Designation	Status	No of meetings attended
M Rajiv kumar	Chairman	Non-Executive Director	4
G D V Prasada Rao	Member	Non-Executive Independent Director	4
S Lakshmi	Member	Non-Executive Director	2

The Company Secretary of the Company act as Compliance officer of the Company.

Terms of reference

The Committee focuses on shareholders' grievances and strengthening of investor relations. The committee looks after the services of the Registrars and share transfer agents and recommends measures for providing efficient services to investors.

The Committee specifically looks into investor complaints like Transfer/ transmission / transposition of shares, non receipt of Annual Report, non-receipt of dividend, and other related issues.

The Committee reviews the security transfers / transmissions, process of dematerializations and the investor grievances and the system dealing with these issues.

In accordance to Regulation under Securities Exchange Board of India (Listing Obligation and Disclosure Regulations) 2015 with the stock exchanges, the Board has authorized the Company Secretary, who is also a Compliance officer, to approve share transfers and/ transmissions and comply with other formalities in relation thereto. All the investors complaints, which cannot be settled at the level of the Compliance officer, will be placed before the committee for final settlement.

The committee while performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, and regulations/guidelines issued by the SEBI or any other regulatory authority, In order to expedite the process and for effective resolution of grievances/complaints, has delegated powers to the Share Transfer Agents i.e., M/s. Karvy Computershare Pvt. Ltd., to redress all complaints/grievances/enquiries of the shareholders/investors. It redresses the grievances/ complaints of shareholders/investors under the supervision of Company Secretary & Compliance Officer of the Company.

The Committee, along with the Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

As mandated by SEBI, the Quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the total issued and listed capital is being carried out by M/s. P.S. Rao & Associates, Practicing Company Secretaries. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL.

Details of status of the references / complaints received and replied / resolved during the year are given in the following statements

Sl. No	Description	No. of Complaints received	No. of Complaints resolved	Pending Complaints
1.	Non Receipt of Dividend Warrant (Electronic Credit)	Nil	Nil	Nil
2	Miscellaneous (Refund orders of IPO)	11	11	Nil
3	Non Receipt of Annual Reports	Nil	Nil	Nil
	Total	11	11	Nil

There were no pending transfers as on 31st March 2017.

G. Corporate Social Responsibility Committee

According to Sec.135 of The Companies Act 2013, our Company requires to constitute a Corporate Social Responsibility Committee and also a Corporate Social Responsibility Policy to be in place so as to ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, for the betterment of the society as a whole.

The Board has constituted Corporate Social Responsibility Committee, to carry out the actions of the Committee and oversee and monitor the spending of the CSR amount and implementation of the CSR activities undertaken.

Terms of reference

The Committee shall take up CSR activities as per the policy.

The Committee shall oversee and monitor the spending of the CSR amount and implementation of the CSR activities undertaken.

The committee may report to the board, the status of each activity, utilization the ear marked funds, next course of action and also prepare a display / photographs of the works undertaken duly reporting the press clippings to spread the awareness in the regional media to get maximum beneficiaries to be impacted.

During the year under review, 2 meeting of the committee was held on 31.08.2016 &10.02.2017

Composition

Name	Designation	Status	No of meetings attended
Sri S Kishore Babu	Chairman	Chairman & Managing Director	2
Sri S Lakshmi	Member	Non Executive Director	2
Sri GDV Prasada Rao	Member	Non Executive Independent Director	2

H. Meeting of Independent Directors

During the year under review, the Independent Directors met on 10.02.2017, inter alia, to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

I. Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and regulations contained in the chapters of the Securities Exchange Board of India (Listing Obligation and Disclosure Regulations) 2015, 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 Audit, Nomination and Remuneration and Compliance 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, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc.

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 who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Familiarization Programme

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted and inform the Board members about the new developments about the business and operations of the company at company and industry level.

J. General Body Meeting

Venue and time of the preceding of last three Annual General Meetings (AGM).

Year	AGM	Venue	Day & Date	Time
2015-16	17 th AGM	Hotel Avasa, Madhapur, Hyderabad - 500081	Thursday 30 th September, 2016	11:00 A.M.
2014-15	16 th AGM	Plot No. 77, Jubilee Enclave, Opposite Hitex, Madhapur, Hyderabad - 500081.	Thursday 20 th August, 2015	11:00 A.M.
2013-14	15 th AGM	Plot No. 77, Jubilee Enclave, Opposite Hitex, Madhapur, Hyderabad - 500081.	Tuesday, 30 th September, 2014	11.00 A.M

Special Resolutions passed in the previous 3 AGMS

SPECIAL RESOLUTION (S) PASSED AT THE 17 th AGM held on 30 th September, 2016 – Nil
SPECIAL RESOLUTION (S) PASSED AT THE 16 th AGM held on 20 th August 2015 – Nil
SPECIAL RESOLUTION (S) PASSED AT THE 15 th AGM Held on 30 th September, 2014 – Nil

No Special Resolution was passed during the last financial year through Postal ballot. There is no proposal to pass a special resolution through postal ballot in this AGM.

K. Disclosures

a) Related Party Transaction (Shown in Notes to Accounts)

There are no materially significant related party transactions i.e., transactions material in nature, with its promoters, the Directors or the Management, their subsidiaries or relatives, etc., having potential Conflict with the interests of the Company at large.

- Details on non-compliance by the Company, penalties and strictures imposed on the Company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: None
- The company has formulated and adopted formal whistle blower / vigil mechanism and the same is hosted on the company's website and no concerned person has been denied access to Audit Committee

- d) Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the clause
Pursuant to Regulation 34 read Schedule V of Securities Exchange Board of India (Listing Obligations and Disclosure Regulations) 2015 the Company confirms that it has complied with all mandatory requirements prescribed.
- e) Material subsidiary policy is hosted in our website www.powermechprojects.com
The following is the weblink: <http://www.powermechprojects.com/images/Policy-for-determining-material-subsiidiaries.pdf>
- f) Related party transaction policy is hosted in our website www.powermechprojects.com
The following is the weblink: <http://www.powermechprojects.com/images/Policy-on-Related-Party-Transactions.pdf>
- g) C.E.O. / CFO Certification
Shri S Kishore Babu, Chairman & Managing Director and Shri J Satish CFO, certified to the Board on the prescribed matters as per Regulation 17(8) the Securities Exchange Board of India(Listing Obligations and Disclosure Regulations) 2015 and as required under Regulations 33 (2) (a) of the Securities Exchange Board of India(Listing Obligations and Disclosure Regulations) 2015 and the said Certificate was considered by the Board at its meeting held on 12th August, 2017.

L. Means of Communications

- a) The Quarterly results are published in Business Standard / Financial Express (in English) and Nava Telangana / Prajashakti (in regional language) dailies.
- b) Quarterly Financial Results are furnished within the time frame to all the concerned Stock Exchanges as per Regulation 33 of the Securities Exchange Board of India(Listing Obligations and Disclosure Regulations) 2015 and the same are displayed on the Company's website www.powermechprojects.com
- c) For FY 2016-17, 3 analyst calls & presentations were made for each quarter as follows:

FY 2016-17	Date
01 st Quarter	14.09.2016
02 nd Quarter	08.12.2016
03 rd Quarter	17.02.2017

The Analysts presentations are also displayed on the Company's website

- d) All material information about the Company is promptly uploaded on the online platforms of the Stock Exchanges where the Company's shares are listed and the same are displayed on the Company's website www.powermechprojects.com
- e) The Company's website www.powermechprojects.com contains separate dedicated section 'Investors' where in full Annual Report is also available in a user- friendly and downloadable format.

M. General Shareholder Information

i. 18TH Annual General Meeting

Date and Time	28 th September, 2017, at 11:00 a.m.
Venue	Hotel Avasa, Madhapur, Hyderabad - 500 081.

ii. Financial year : 01st April 2016 - 31st March 2017

iii. Date of Book Closure

23rd September 2017 to 28th September 2017 (both days inclusive)

iv. Dividend

Your Directors recommended dividend Re. 1/- per equity share of Rs. 10/- each, subject to approval of the members at AGM.

v. Listing on Stock Exchange

Name of the Stock Exchange	Security Code
The National Stock Exchange of India Limited, Mumbai Exchange Plaza, C-1, Block G, Bandra, Kurla Complex, Bandra (E), Mumbai, Maharashtra-400051	POWER MECH
The B SE Limited, Mumbai PhirozeJeejeebhoy Towers Dalal Street Mumbai - 400001	539302

The Company has paid the annual listing fees for the year 2017-2018 to both the above stock exchanges.

vi. Market Price Data

The closing market price of the equity shares as on 31st March, 2017, being the last trading day for the year 2016-17, was Rs. 534.25/- on NSE and Rs. 531.05/- on BSE.

The monthly movement of the equity share price during the year 2016-17 on BSE and NSE are summarized herein below.

BSE Limited

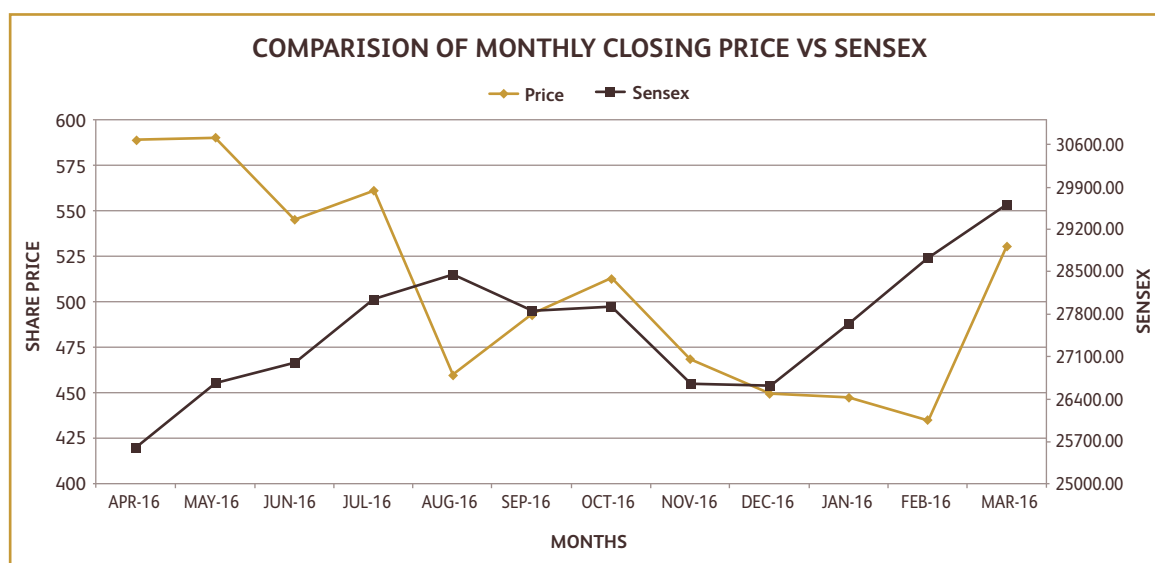
Month	Open Price	High Price	Low Price	Close Price
Apr-16	588.05	599.00	583.20	589.90
May-16	600.00	602.00	584.95	599.15
Jun -16	542.00	559.20	538.00	543.10
Jul -16	562.20	570.00	559.05	569.25
Aug-16	455.00	465.00	454.00	461.25
Sep-16	472.10	495.00	472.10	485.95
Oct-16	519.00	519.00	510.00	513.05
Nov-16	468.00	483.80	461.50	468.70
Dec-16	440.00	450.00	440.00	447.40
Jan-17	450.00	451.45	444.40	448.10
Feb-17	435.85	438.35	431.30	435.25
Mar-17	521.05	559.40	515.00	534.25

National Stock Exchange of India Limited

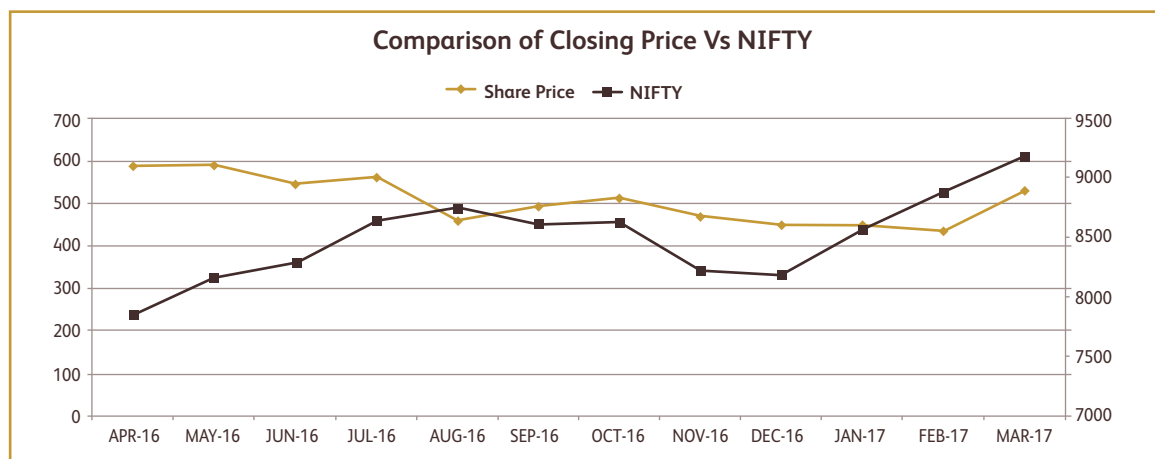
Month	Open Price	High Price	Low Price	Close Price
Apr-16	558.75	614.00	558.00	589.25
May-16	586.00	608.00	574.00	590.70
Jun -16	594.00	599.00	522.00	545.60
Jul -16	544.00	579.80	536.60	561.60
Aug-16	571.00	574.80	450.00	460.10
Sep-16	466.00	513.30	460.00	493.05
Oct-16	485.00	539.95	470.10	513.20
Nov-16	515.00	518.00	430.10	468.75
Dec-16	469.00	472.00	435.00	449.85
Jan-17	450.00	473.90	423.00	447.75
Feb-17	451.00	489.00	422.50	434.60
Mar-17	434.05	557.00	389.95	531.05

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

Performance of the scrip of the Company in comparison to BSE Sensex is as follows :



Performance of the scrip of the Company in comparison to NSE S&P CNX NIFTY is as follows



viii. There was no suspension of trading of securities in any Stock Exchanges during the year

ix. Registrar and Share Transfer Agents:

Karvy Computershare Pvt. Limited
Karvy Computershare Pvt Ltd
Karvy Selenium Tower B, 6th Floor, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad - 500 032.
Ph: 040 3321 1500

x. Share Transfer System

The R&T agents process the share transfers received in physical form and the share certificates are returned within 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

The Board has delegated the authority for approving transfer, transmission etc of the Company's securities to the Stake holder Relationship committee.

The Company obtains half yearly Certificate of Compliance with the Share Transfer formalities as issued by the Registrar of Share transfer agent as required under Regulation 7(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for half year ended 30.09.2016 & 31.03.2017 and also certificate under Regulations 40(9) and Regulation 40(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for half year ended 30.09.2016 & 31.03.2017 from Company Secretary in practice and the same are submitted to the Stock Exchanges within the prescribed period.

xi. Distribution of Shareholding as on 31st March, 2017

POWER MECH PROJECTS LIMITED				
Distribution Details for the period 31/3/2017				
Nominal Value	Holders		Amount	
	Number	% To Total	In Rs	% To Total
Upto - 5000	19327	95.82	8165180	5.55
5001 - 10000	485	2.40	83239720	2.20
10001 - 20000	171	0.85	2379410	1.62
20001 - 30000	74	0.37	1861000	1.27
30001 - 40000	20	0.10	716990	0.49
40001 - 50000	22	0.11	1018590	0.69
50001 - 100000	35	0.17	2340080	1.59
100001 and above	36	0.18	127386670	86.59
Total	20170	100.00	147107640	100.00

xii. Dematerialization

99.43 % of the Company's paid-up equity share capital has been dematerialized as on 31st March, 2017. The Equity shares of the Company are traded compulsory in dematerialized segment in all the stock exchanges and is under rolling settlement. The demat security code (ISIN) of the equity shares is INE211R01019.

Category	Number of shares	%
NSDL	4463137	30.34
CDSL	10163638	69.09
PHYSICAL	83989	0.57
TOTAL	14710764	100.00

Commodity price risk or foreign exchange risk and hedging activities:

xiii. Outstanding GDRs / ADRs / Warrant or any convertible instruments, conversion date and likely impact on Equity

The Company does not have any outstanding instruments of the captioned type.

xiv. Commodity Price Risk or Foreign Exchange Risk and hedging activities

The company is engaged in providing services in Power Infrastructure sector and not exposed to any commodity price risk. The Foreign Exchange exposure of the Company is minimal compared to the total domestic operations of the company, further the operations of the company in International Geographies act as natural exchange hedge.

xv. Plant Location

The Company is engaged in providing construction and O&M services at Customer Sites, hence there are no plant locations owned by the Company. The operations of the company however are spread across India and Internationally.

xvi. Address for Correspondence of Compliance Officer

Rohit Tibrewal
Company Secretary & Compliance Officer
Power Mech Projects Limited
Plot No:77, Jubilee Enclave
Opp: Hitex, Madhapur
Hyderabad-500081
Ph: 040-30444418, Fax : 040-30444400
Email: cs@powermech.net

xvii. Compliance Certificate from Auditors

Certificate from M/s P S Rao & Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated Chapter IV of Securities Exchange Board of India (Listing Obligations and Disclosure Regulations) 2015 is annexed herewith.

xviii. Code of Conduct for the Board & Senior Management Personnel

The Company has laid down a Code of Conduct which has been effectively adopted by the Board Members and Senior Management Personnel of the Company.

xix. Disclosures with respect to demat suspense account / unclaimed suspense account

The Company has followed the due procedure as provided in regulation 39(4) read with schedule V & VI of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in dealing with the unclaimed shares in public issue. The movement of unclaimed shares in the 'Power Mech Projects Limited-Unclaimed Shares DEMAT Account' as follows:-

Particulars	No of Shareholders	No of Equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	2	40
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	Nil	Nil
Number of shareholders to whom share were transferred from suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	2	40
The voting rights on these shares shall remain frozen till rightful owners of such shares claim the shares		

xx. 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
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 subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

For and on behalf of the Board of Directors

Sd/-

S Kishore Babu

Chairman & Managing Director

DIN: 00971313

Place : Hyderabad

Date : 12.08.2017

ANNEXURE - 10

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Your Company endeavor to achieve sustainable business growth by consistently contributing to the wellbeing of our people, community and environment. By approaching Corporate Social Responsibility with our management and staff in a systematic, holistic and practical manner, we develop and evolve a positive culture within our organization.

At Power Mech, we recognise that our contribution to the community can, and should, combine the actions of the company and individual members of our staff. In keeping with this philosophy, as well as our own philanthropic activities, we wholeheartedly support our employees' engagement in community endeavors.

CSR committee

We have a board committee (CSR committee) that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. Our CSR committee comprises:

S. Kishore Babu	: Chairman
S. Lakshmi	: Member
G.D.V. Prasada Rao	: Member

Our objectives

The Company primarily operates its CSR activities through trust in the name of Power Mech Foundation. The main object of Foundation is to serve the cause of medical relief, educational relief, rehabilitation of the poor and suffering in times of distress due to vagaries of nature, those poor who sustain loss of property etc. on account of fire accidents or otherwise and to strive for economic development that positively impacts society with a minimal resource footprint.

Focus Areas of Engagement

There are several opportunities to increase and deepen social impact significantly and generate value for all. PMPL seeks to strategically consolidate the Company's CSR initiatives to focus on discrete social problems and enable people to earn their livelihoods. To streamline its social initiatives, the Company, in its CSR policy, has identified five focus areas that aim to positively and holistically impact society.

PMPL's five focus areas comprise:

- Rural Transformation
- Healthcare
- Education
- Environment
- Disaster Response

PMPL has undertaken numerous initiatives aimed at developing the communities around which the Company conducts its operations. The overriding objective is to create value and ensure all-inclusive growth.

(Rs in Mn)

Average net profit of the company for last three financial years	Rs. 864.30
Prescribed CSR Expenditure (2% of the above amount)	Rs. 17.29
Details of CSR spent during the financial year	Annexure A of this report
Total amount spent for the financial year	Rs. 6.20
Amount unspent, if any	Rs. 11.09
Manner in which the amount spent during the financial year is detailed below	Annexure A of this report
In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount.	The Company's CSR initiatives usually involve setting the foundation of various programs at a small scale to learn from on-ground realities, getting feedback from community and then putting an enhanced sustainable model to ensure maximum benefit to the community. For this reason, during the year, the Company's spend on the CSR activities has been less than the limits prescribed under Companies Act, 2013.

During the financial year 2016-17 your Company endeavoured to meet the budgeted expenditure by contributing in various eligible CSR activities and has committed to incur expenditure for CSR initiatives in the coming years through structured events or programs and projects.

Our CSR Responsibilities

We hereby affirm that the CSR policy, as approved by the Board, has been implemented and the CSR committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

Annexure A

(Rs in Mn)

S. No	CSR Project/ Activity/ beneficiary	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs Sub heads: (1) Direct expenditure on projects or programs. (2) Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency *
1	Health Checkup of Poor people	Health	Vijayawada(AP)	2.00	2.00	2.00	Implementing Agency
2	Promoting primary and Secondary education in Rural and Socially/Economically Backward communities	Education	Vijayawada, Repalle, Chirala, Nandigama, Guntur, Nellore	2.00	2.00	2.00	Implementing Agency
3	Health Checkup of Poor people	Health	Vijayawada(AP) and other sites	1.50	1.50	1.50	Implementing Agency
4	Water and Butter Milk Camp during summer	Social Service& Health	Vijayawada & adjoining areas	0.70	0.70	0.70	Implementing Agency

Implementing Agency

Power Mech Foundation, is a trust formed on May 13, 2009 under the (Indian) Trust Act, 1882. The main object of Power Mech Foundation is to serve the cause of medical relief, educational relief, rehabilitation of the poor and suffering in times of distress due to vagaries of nature, those poor who sustain loss of property etc. on account of fire accidents or otherwise. Power Mech Foundation is currently engaged in social activities covering providing education, drinking water and books to the poor, organizing blood donation camps, cataract surgery camps and running an ambulance in Vijayawada.

For and on behalf of the Board of Directors

Sd/-

S Kishore Babu

Chairman & Managing Director

DIN: 00971313

Place : Hyderabad

Date : 12.08.2017

CMD / CFO CERTIFICATION TO THE BOARD

(Pursuant to Regulation 17(8) under Chapter IV of Securities Exchange Board of India (Listing Obligations and Disclosure Regulations) 2015)

We, S Kishore Babu, Chairman & Managing Director and J Satish, CFO of the Company responsible for the finance function hereby certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year 2016-17 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) The financial statements and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year 2016-17, which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee :
 - (i) Significant changes in internal control over financial reporting during the year 2016-17
 - (ii) Significant changes in accounting policies during the year 2016-17 and that the same have been disclosed in the notes to the financial statements;
 - (iii) There were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Sd/-
S Kishore Babu**

Chairman & Managing Director
DIN: 00971313

**Sd/-
J Satish**

Chief Financial Officer

Place : Hyderabad
Date : 12th August, 2017

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 Personnel of the Company. The Code of Conduct has also been posted on the website of the company. It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the code of conduct of the company for the financial year ended on 31st March, 2017 as envisaged in the Chapter IV of the Securities Exchange Board of India (Listing Obligations and Disclosures Regulations) 2015.

**Sd/-
S Kishore Babu**

Chairman & Managing Director
DIN: 00971313

Place : Hyderabad
Date : 12th August, 2017

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Shareholders
Power Mech Projects Limited,
Hyderabad.

We have examined the compliance of conditions of Corporate Governance by Power Mech Projects Limited for the year ended 31st March, 2017 as stipulated in Chapter IV of Securities Exchange Board of India (Listing Obligations and Disclosure Regulations) 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Chapter IV of Securities Exchange Board of India (Listing Obligations and Disclosure Regulations) 2015.

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

For P.S. Rao & Associates
Company Secretaries

Sd/-
P.S. Rao
Company Secretary
M. No: 3829
C P No: 9769

Place : Hyderabad
Date : 12th August, 2017

STANDALONE FINANCIALS

2016-17

INDEPENDENT AUDITORS' REPORT

To the Members of
POWER MECH PROJECTS LIMITED

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of **POWER MECH PROJECTS LIMITED** ('the Company') which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including other comprehensive income), the Statement of changes in Equity and the Statement of Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting of frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are 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. In conducting 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 Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements 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 standalone 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 standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, 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 board of 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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, 2017, its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of the audit have been received from the overseas projects to the extent not visited by us;

- c) The Balance Sheet, Statement of Profit and Loss including other comprehensive income, the Statement of changes in equity and the Statement of Cash Flow 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 accounting standards specified under section 133 of the Act.
- e) On the basis of written representations received from the directors as on March 31, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of 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. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the basis 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 except those which are disclosed in the notes to the standalone Ind AS financial statements and para no.7(b) in Annexure-A to our Audit report.
 - 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 Protection Fund by the company.
 - iv. The company has provided requisite disclosures in the standalone Ind AS financial statements as regards its holding and dealings in Specified bank Notes (SBN) as defined in the Notification S.O. 3407 (E) dt.8.11.2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the management. Refer note no.12 to the Standalone Ind AS financial statements.

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000513S

Sd/-
(Karumanchi Rajaj)
Partner
(Membership No: 202309)

Place: Camp: Hyderabad
Date : 30.5.2017

ANNEXURE-A: TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report to the members of POWER MECH PROJECTS LIMITED ("Company") for the year ended March 31, 2017.

We report that:

1. In respect of its fixed assets:
 - 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 all the fixed assets are verified in a phased manner over a period of 3 years. In accordance with the said programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the 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 our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.
2. In respect of its inventories:
 - a) According to the information and explanations furnished to us, the Company has physically verified its inventories in some of the project sites during the year which covered nearly 70% value of stores. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in the books of accounts. In our opinion, the frequency of verification to the extent carried out during the year is reasonable.
3. During the year, the company has granted unsecured loans to the companies covered in the register maintained under Section 189 of the Companies Act, 2013. In respect of such loans, considering the business expediency, nature and purpose of transactions and having regard to the rolling over stipulations with the said companies:
 - a) In our opinion and according to the information given to us, the terms and conditions of the loans given by the company are prima-facie, not prejudicial to the interests of the company.
 - b) The repayments has been made as per the schedule of repayments stipulated and there are no overdue amounts as per the schedule of repayments.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Act with respect to the grant of loans, investments made and providing guarantees.
5. The Company has not accepted any deposits from the public and members and consequently, the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under are not applicable. According to the information furnished to us, no order has been passed on the Company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of sections 73 to 76 of the Act.
6. The central government has not prescribed the maintenance of cost records under section 148(1) of the Act read with Companies (Cost Records and Audit) Rules, 2014 and hence the reporting requirements in terms of clause 3(vi) of the Order does not apply.
7. a) According to the information furnished to us, the Company made delays in remittance of its statutory dues such as TDS, ESI, Service tax, Provident fund etc., There were no undisputed statutory dues in arrears as at the date of the Balance Sheet under report, for a period of more than six months from the date they became payable.
- b) According to the information and explanations furnished to us, the following amounts of Value added tax have been disputed by the Company, and hence were not remitted to the authorities concerned at the date of the Balance Sheet under report.

Name of the Statute	Nature of Dues	Amount Rs. (net of amounts paid under protest)	Period to which it relates	Forum where dispute is pending
VAT Acts of various states	VAT	2,51,92,852	2013-14	Revision petition filed before Commissioner of Commercial taxes, Jharkhand.
		2,94,39,981	2012-13	Petition filed before High court of Calcutta against rejection of admission of appeal by Addl. Comm. of Commercial taxes, West Bengal.
		1,26,00,000	2014-15	Joint Commissioner of Commercial taxes, Patna.

8. In our opinion and according to the information and explanations furnished to us by the Company, there were no defaults in repayment of dues to banks. However, the company has not borrowed any loans from financial institutions, government or raised any funds by way of issue of debentures.
9. In our opinion and according to the information and explanations furnished to us by the Company, the company has not raised any money by way of initial public offer (IPO). However, the term loans obtained were applied for the purpose for which they were raised.
10. According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
11. According to the information and explanation given to us and based on examination of the records of the company, the company has provided remuneration for managerial personnel in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.
12. The company is not a nidhi company. Accordingly reporting under provisions of para 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on examination of records of the company, transactions with the related parties are in compliance with the provisions of section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. During the year, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause xiv of the order does not apply.
15. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly paragraph 3(xv) of the Order is not applicable.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000513S

Sd/-
(Karumanchi Rajaj)
Partner
(Membership No: 202309)

Place: Camp: Hyderabad
Date : 30.5.2017

ANNEXURE-B

Independent Auditors' Report on the Internal Financial Controls over Financial Reporting 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 POWER MECH PROJECTS LIMITED ("the Company") as of 31 March 2017 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 the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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 standalone Ind AS 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Brahmayya & Co
Chartered Accountants
Firm Registration No. 000513S

Sd/-
(Karumanchi Rajaj)
Partner
(Membership No: 202309)

Place: Camp: Hyderabad
Date : 30.5.2017

BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in Rs.)

	Particulars	Note No.	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
ASSETS					
1	Non-Current Assets				
	(a) Property, Plant and Equipment	4	1,608,813,133	1,909,464,870	1,773,169,628
	(b) Capital Work-in-progress		79,142,140	71,964,526	91,987,366
	(c) Intangible Assets	5	4,620,689	8,269,448	11,046,553
	(d) Financial Assets				
	(i) Investments	6	94,827,541	68,522,849	68,502,743
	(ii) Loans	7	107,044,606	91,065,149	51,563,808
	(iii) Other financial assets	8	2,251,728,304	1,990,034,337	1,775,037,202
	(e) Other Non-current Assets	9	16,822,728	24,434,345	25,149,405
	Total Non-Current assets		4,162,999,142	4,163,755,524	3,796,456,705
2	Current Assets				
	(a) Inventories	10	418,115,322	309,517,814	306,827,696
	(b) Financial Assets				
	(i) Trade Receivables	11	2,654,682,787	2,707,157,441	1,941,689,969
	(ii) Cash and cash equivalents	12	72,073,714	22,941,325	112,846,255
	(iii) Other bank balances	12	251,370,163	404,601,217	354,024,502
	(iv) Loans	7	196,615,733	83,932,154	21,884,917
	(v) Other financial assets	8	2,939,605,394	3,359,723,489	2,338,859,196
	(c) Other Current assets	9	1,951,645,558	1,737,654,108	1,449,703,942
	Total Current assets		8,484,108,672	8,625,527,548	6,525,836,477
	Total Assets		12,647,107,814	12,789,283,072	10,322,293,182
EQUITY AND LIABILITIES					
1	Equity				
	(a) Equity Share Capital	13	147,107,640	147,107,640	125,827,640
	(b) Other Equity	14	6,024,538,873	5,383,667,271	3,428,738,060
			6,171,646,513	5,530,774,911	3,554,565,700
	Liabilities				
2	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Long-term borrowings	15	66,474,658	113,490,286	245,518,869
	(ii) Other financial liabilities	16	547,208,030	601,188,158	378,584,873
	(b) Provisions	17	4,029,768	2,307,527	1,860,183
	(c) Deferred Tax Liabilities (Net)	18	21,189,142	42,229,718	47,202,934
	(d) Other non-current liabilities	19	378,627,603	304,071,761	262,677,829
	Total non-current liabilities		1,017,529,201	1,063,287,450	935,844,688
3	Current liabilities				
	(a) Financial Liabilities				
	(i) Short-term borrowings	20	1,591,869,961	1,878,641,530	1,979,219,863
	(ii) Trade payables	21	2,400,029,992	2,659,751,728	2,207,923,250
	(iii) Other financial liabilities	16	783,522,709	845,899,369	882,702,728
	(b) Other current liabilities	19	581,896,264	708,430,060	705,622,984
	(c) Provisions	17	14,729,622	2,331,507	6,003,915
	(d) Current tax Liabilities (Net)	22	85,883,551	100,166,517	50,410,054
	Total current liabilities		5,457,932,100	6,195,220,711	5,831,882,794
	Total Liabilities		6,475,461,301	7,258,508,161	6,767,727,482
	Total Equity and Liabilities		12,647,107,814	12,789,283,072	10,322,293,182

Note: The accompanying notes 1-50 form an integral part of the Financial statements.

As per our report of even date

For BRAHMAYYA & CO

Firm's Registration Number: 000513S

Chartered Accountants

Sd/-

(Karumanchi Rajaj)

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

For and on behalf of the Board

Sd/-

S. Kishore Babu

Chairman and Managing Director

(DIN: 00971313)

Sd/-

M. Rajendran

Director

(DIN: 01879556)

Sd/-

J Satish

CFO

Sd/-

Mohit Gurjar

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in Rs.)

Particulars		Note No.	Year ended 31 st March, 2017	Year ended 31 st March, 2016
I	Revenue from Operations	23	12,911,587,959	13,621,223,395
II	Other Income	24	76,846,367	55,966,473
III	Total Income (I+II)		12,988,434,326	13,677,189,869
IV	Expenses			
	Cost of Material Consumed	25	1,145,606,140	1,046,838,844
	(Increase)/Decrease in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	26	(18,978,967)	4,602,754
	Contract Execution expenses	27	7,794,671,168	9,092,336,428
	Employee benefits expense	28	2,117,578,675	1,436,861,029
	Finance costs	29	314,868,729	324,515,318
	Depreciation and Amortization expense	30	396,227,461	389,032,348
	Other expenses	31	255,723,053	244,193,746
	Total Expenses (IV)		12,005,696,259	12,538,380,467
V	Profit before exceptional items and tax (III-IV)		982,738,067	1,138,809,402
VI	Exceptional Items		-	-
VII	Profit before tax (V-VI)		982,738,067	1,138,809,402
VIII	Tax expense:			
	Current tax		367,000,000	405,000,000
	Deferred tax charge/(credit)		(21,040,577)	(4,973,216)
IX	Profit for the year (VII-VIII)		636,778,644	738,782,618
X	Other Comprehensive Income			
	A. Items that will not be re-classified to statement of Profit and loss (net of tax)			
	a) Changes in fair value of investments		60,649	(23,044)
	b) Remeasurement of defined employee benefit plans		4,032,309	3,879,486
	Total Other comprehensive income		4,092,958	3,856,442
XI	Total Comprehensive Income for the year (IX+X)		640,871,602	742,639,060
XII	Earnings per Share - Basic and Diluted		43.29	53.23

Note: The accompanying notes 1-50 form an integral part of the Financial statements.

As per our report of even date

For and on behalf of the Board

For BRAHMAYYA & CO

Firm's Registration Number: 000513S

Chartered Accountants

Sd/-**(Karumanchi Rajaj)**

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

Sd/-**S. Kishore Babu**

Chairman and Managing Director

(DIN: 00971313)

Sd/-**J Satish**

CFO

Sd/-**M. Rajendran**

Director

(DIN: 01879556)

Sd/-**Mohit Gurjar**

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in Rs.)

PARTICULARS		2016-17	2015-16
I.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	982,738,067	1,138,809,402
	Add / Less: Adjustments for:		
	Depreciation	396,227,461	389,032,348
	Interest and Finance charges	314,868,729	324,515,318
	Loss on sale of assets	4,991,865	248,058
	Unwinding portion of prepaid rent accounted as rental expense on account of fair valuation of rental deposits	780,271	510,559
	Interest income on rental deposit	(620,363)	(365,324)
	Interest income (excluding interest on rental deposit)	(56,521,245)	(53,972,367)
	Profit on sale of assets	(5,991,642)	(1,263,434)
	Remeasurement benefits on defined benefit Plans/Obligations considered in Other Comprehensive Income	4,032,309	3,879,486
	Operating profit before working capital changes	1,640,505,452	1,801,394,045
	Movements in Working Capital		
	Adjustments for (increase)/decrease in operating assets:		
	- Trade Receivables	52,474,654	(765,467,472)
	- Inventories	(108,597,508)	(2,690,118)
	- Other Assets	33,197,202	(1,581,139,299)
	Adjustments for increase/(decrease) in operating liabilities:		
	- Trade Payables	(259,721,736)	451,828,478
	- Other Liabilities and Provisions	(53,296,665)	208,487,768
	Cash generated from operations	1,304,561,399	112,413,402
	Less: Direct taxes paid	(393,030,074)	(355,157,748)
	Net cash from / (used in) Operating activities (A)	911,531,326	(242,744,346)
II.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets/Capital works-under progress	(225,188,908)	(513,184,268)
	Proceeds from sale of fixed assets	127,083,996	11,672,000
	Investment in securities of Subsidiary company	(26,244,044)	(43,150)
	Margin money deposits with banks and other balances	(56,744,686)	(94,313,555)
	Interest received (Excl interest on rental deposit)	56,521,245	53,972,367
	Net cash used in Investing activities (B)	(124,572,397)	(541,896,605)
III.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Share capital at a premium (Net of expenses)	-	1,266,420,000
	Proceeds from/(Repayment of) borrowings	(417,806,492)	(229,020,784)
	Interest and Finance charges paid	(314,868,729)	(314,999,042)
	Dividends and dividend tax paid	(5,151,317)	(27,664,153)
	Net cash from/(used in) financing activities (C)	(737,826,539)	694,736,021
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	49,132,390	(89,904,930)
	Cash and cash equivalents at the beginning of the period	22,941,325	112,846,255
	Cash and cash equivalents at the end of the period	72,073,714	22,941,325
	Net Increase/(Decrease) in cash and cash equivalents	49,132,389	(89,904,930)

Components of cash and cash equivalents

Particulars	2016-17	2015-16
Cash on hand	2,977,155	1,521,661
In Current accounts	69,096,559	21,419,664
Deposits having maturity period for less than 3 months	-	-
	72,073,714	22,941,325

As per our report of even date

For BRAHMAYYA & CO

Firm's Registration Number: 000513S

Chartered Accountants

Sd/-

(Karumanchi Rajaj)

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

For and on behalf of the Board

Sd/-

S. Kishore Babu

Chairman and Managing Director

(DIN: 00971313)

Sd/-

M. Rajendran

Director

(DIN: 01879556)

Sd/-

J Satish

CFO

Sd/-

Mohit Gurjar

Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2017

A. Equity Share Capital

Particulars	No's	INR
As at 1st April, 2015	12,582,764	125,827,640
Changes in equity during the year:-		
Increase in share capital through fresh issue of equity on IPO	2,128,000	21,280,000
As at 31st March, 2016	14,710,764	147,107,640
Changes in equity during the year	-	-
As at 31st March, 2017	14,710,764	147,107,640

B. Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Total
	Securities Premium Reserve	Other Reserves (General reserve)	Retained Earnings	Equity instruments through Other Comprehensive Income	Actuarial Gains / (Losses)	
Balance at the beginning of reporting period - 1st April, 2015	364,173,360	369,604,955	2,695,730,927	35,554	(806,736)	3,428,738,060
Add: Issue of 21,28,000 shares at a premium of Rs. 630/- per share	1,340,640,000					1,340,640,000
Less: Utilised for expenses pertaining to issue of fully paid-up equity shares on IPO	95,500,000					95,500,000
Profit for the year	-	-	738,782,618	-	-	738,782,618
Other Comprehensive Income				(23,044)	3,879,486	3,856,442
Total Comprehensive Income for the year			738,782,618	(23,044)	3,879,486	742,639,060
Less: Appropriations						
Final Dividend for the year 2014-15			12,582,764			12,582,764
Interim Dividend for the year 2015-16			14,710,764			14,710,764
Dividend Distribution tax			5,556,321			5,556,321
Transfer to General Reserve	-	-	-	-	-	-
Balance at the end of reporting period - 31st March 2016	1,609,313,360	369,604,955	3,401,663,696	12,510	3,072,750	5,383,667,271
Profit for the period	-	-	636,778,644	-	-	636,778,644
Other Comprehensive Income				60,649	4,032,309	4,092,958
Total Comprehensive Income for the year			636,778,644	60,649	4,032,309	640,871,602
Less: Appropriations						
Transfer to General Reserve	-	-	-	-	-	-
Balance at the end of reporting period - 31st March 2017	1,609,313,360	369,604,955	4,038,442,340	73,159	7,105,059	6,024,538,873

As per our report of even date

For BRAHMAYYA & CO

Firm's Registration Number: 0005135

Chartered Accountants

Sd/-**(Karumanchi Rajaj)**

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

For and on behalf of the Board

Sd/-**S. Kishore Babu**

Chairman and Managing Director

(DIN: 00971313)

Sd/-**J Satish**

CFO

Sd/-**M. Rajendran**

Director

(DIN: 01879556)

Sd/-**Mohit Gurjar**

Company Secretary

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

Note No : 1

1. CORPORATE INFORMATION

Power Mech Projects Limited is incorporated in the year 1999 and is an engineering and construction company providing integrated service in erection, testing and commissioning (ETC) of boilers, turbines and generators and balance of plant (BOP), civil works and operation and maintenance (O&M). The company is undertaking projects of all types, sizes and in all environments in India and abroad which include ultra mega power projects, super critical thermal power projects, sub critical power projects, heat recovery steam generator, waste heat recovery steam generator, circulating fluidized bed combustion steam generator, gas turbine generator, hydro electric plants, maintenance, renovation, modernization and annual maintenance of running plants and complete civil works in India and abroad. Power Mech is now engaged in several power projects ranging from 135MW to 800MW, besides many projects in lower segment also. Thus, Power Mech is proud to be a vital part of India's Power generation capacity augmentation.

Note No : 2

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

a) Statement of compliance

In accordance with the notification issued by the Ministry of Corporate affairs, the company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 w.e.f 1st April, 2016. Previous periods financial statements have been restated to Ind AS. In accordance with Ind AS 101 "First time adoption of Indian Accounting Standards", the company has presented a reconciliation from the presentation of financial statements under Accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 1st April, 2015 and 31st March, 2016 and Statement of Profit & Loss for the year ended 31st March, 2016. These financial statements have been prepared in accordance with Ind AS as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

b) Basis of measurement

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis of accounting except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Accounting policies have been consistently applied except 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.

c) Use of estimates and Judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognized in the financial statements.

i) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets:

Property, plant and equipment / intangible assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

ii) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, past history of receivables, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Fair value measurement of financial instruments:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The Company also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

iv) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

v) Impairment of non-financial assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

vi) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vii) Income Taxes:

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/ recovered for uncertain tax positions.

viii) Defined benefit obligations:

The Company uses actuarial assumptions viz., discount rate, mortality rates, salary escalation rate etc., to determine such employee benefit obligations.

ix) Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2.2 Significant accounting policies**a) Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

The company, as per the option given under Ind AS-101 "First time adoption of Indian Accounting Standards" elected to continue with the carrying value of all its fixed assets arrived under previous GAAP as on 1st April, 2015 as deemed cost at the date of transition for all the items of Property, plant and equipment. The residual values of the assets as estimated by the management at the time of capitalization continues be the same as on 1st April, 2015.

Advances paid for acquisition of Property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. Cost of the assets not put to use before such date are disclosed under 'Capital Work-in-progress'. Any subsequent expenditure relates to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. Items of spare parts are recognized as Property, plant and equipment when they meet the definition of Property, plant and equipment. The cost and related depreciation are eliminated from the property, plant and equipment upon sale or retirement of the asset and the resultant gain or losses are recognized in statement of profit and loss.

b) **Intangible assets**

Intangible assets are stated at cost of acquisition less accumulated amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis from the date they are available for use.

For transition to Ind AS, the company has elected to continue with the carrying value of all of its intangible assets recognized as of 1st April, 2015, being transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

c) **Depreciation and Amortization**

The depreciation on property, plant and equipment is provided under the Straight-line method over the useful lives of the assets estimated by the management. The management based on internal assessment and independent technical evaluation carried out by external valuers, believes that the useful lives given below best represent the period over which the management expects to use these assets. Such estimation is made based on the past experience and working conditions in which assets are put to usage.

The management estimates the useful lives for the fixed assets as follows.

Name of the Asset	Estimated useful life (No. of years)
Office buildings	20
Plant and machinery	5
Furniture and fixtures	5
Computers	4
Office equipments	5
Vehicles	5
Cranes	12.5
Mobile Phones	1
Temporary sheds	1 - 3

Individual assets costing up to Rs. 5,000/- each, other than mobile phones, are fully depreciated in the year of purchase since in the opinion of the management the useful life of such assets are of one year.

Depreciation on assets added/sold during the year is provided on pro-rata basis from the date of acquisition or up to the date of sale, as the case may be.

Intangible assets, comprising of expenditure on computer software, incurred are amortized on a straight line method over a period of five years.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically at the end of each financial year with the effect of any change in estimate accounted for on a prospective basis.

d) **Government Grants**

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

Government grants related to revenue are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. When the grant relates to an asset, it is recognized as deferred revenue in the Balance sheet and transferred to the statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

e) **Impairment of Assets**

i) Financial assets (other than at fair value)

The company assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Non financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e higher of the fair value less cost of sale and value in use) is determined on an individual asset basis unless the asset does not generates cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount and the carrying amount of the asset is increased to its revised recoverable amount subject to maximum of carrying amount.

f) **Borrowing Costs**

Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalized as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

g) **Investments in subsidiaries and joint ventures**

Investments in subsidiaries and joint venture are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amount are recognized in the statement of profit and loss.

On 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, 2015.

h) **Inventories**

- a) Stores and consumables are valued at lower of cost or Net realizable value.
- b) Work-in-progress: Contract execution expenses incurred in respect of projects to be commenced are included under work-in-progress and are valued at cost.
- c) Contracts awarded to the company and not commenced as on date of balance sheet, the cost incurred in securing the contract, mobilization expenses of labour and material and other related expenses incurred are shown as asset as per the requirements of Ind AS.

i) **Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from contracts is recognized by following the percentage of completion method and is measured with reference to actual completion of physical proportion of the work to the extent of work certified by the customer. The portion of the work which was completed, but pending for certification by the customer, is also recognized as revenue by treating the same as uncertified revenue. Any claims, variations and incentives is recognized as revenue only when the customer accepts the same. Provision for expected loss is recognized immediately when it is probable that the total estimated cost will exceed total contract revenue.

The contracts receipts are exclusive of service tax.

Revenue from sale of products is recognised when the goods are delivered and titles have passed i.e time when the risks and rewards of ownership are transferred to the buyer under the terms of the contract and the company retains no effective control over the goods sold. Revenue is measured at the fair value of the consideration taking into account contractually defined terms of payment. Revenue is reduced for discounts, rebates and other similar allowances.

When there is any uncertainty as to the measurement or collectability of consideration, revenue recognition to the extent of amount of uncertainty is postponed until such uncertainty is resolved.

Interest income is recognized using the effective interest method.

Dividend income is recognized when the right to receive payment is established.

j) **Employee Benefits**i) **Defined Contribution Plans**

Company's contribution to Employees Provident Fund and Employees State Insurance are made under a defined contribution plan, and are accounted for at actual cost in the year of accrual.

ii) **Defined Benefit Plans**

- Gratuity, a defined Benefit scheme is covered by a Group Gratuity cum Life Assurance policy with LIC. The cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial losses and gains, the effect of changes to the asset ceiling and actual return on plan assets, in excess of the yield computed by applying the discount rate used to measure the defined benefit obligation, is reflected in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Such remeasurement losses/gains are not reclassified to profit or loss subsequently.
- The employees of the company are entitled to leave encashment which are both accumulating and non-accumulating in nature. The liability towards accumulated leave encashment, which are to be encashable only at the time of retirement, death while in service or on termination of employment, is determined by actuarial valuation using projected unit credit method.

The liability towards non-accumulated leave encashment over and above accumulated leaves, being short term employee benefit and eligible to encash after the end of each financial year, is provided based on actual liability computed at the end of each year.

k) **Foreign Currency Transactions**

The functional currency of the company is Indian rupee and the financial statements are presented in Indian rupee.

Transactions in foreign currency are initially accounted at the exchange rate prevailing on the date of the transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the year.

At each Balance Sheet date

- i) Foreign currency denominated monetary items are translated into the relevant functional currency at exchange rate at the balance sheet date. The gains and losses resulting from such translations are included in net profit in the statement of profit and loss.
- ii) Foreign currency denominated non-monetary items are reported using the exchange rate at which they were initially recognized.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in statement of profit and loss.

l) **Income-Taxes**

Income tax expense comprises the sum of tax currently payable and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current tax is determined at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The carrying amount of deferred tax assets is reviewed at the end of each year 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 assets to be recovered.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities are recognized as income or expense in the year of enactment. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

m) **Provisions, Contingent Liabilities and Contingent assets**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Where the effect of time value of money is material, the amount of provisions is the present value of the expenditure required to settle the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognize contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

n) **Dividends**

Provision for dividends payable (including income tax thereon) is accounted in the books of account in the year when they are approved by the share holders at the Annual General Meeting.

o) **Earnings per share**

Earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Further, if the number of equity shares increases as a result of bonus issue, the above calculations are adjusted retrospectively for the previous year figures also.

p) **Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and loss account on a straight basis over the lease term.

q) **Cash flow statement**

Cash flows are reported using the indirect method, whereby the profit before tax is adjusted for the effects of transactions of non-cash nature and items of income or expenses associated with investing and financing activities. The cash flows are segregated into Operating, investing and financing activities.

r) **Financial instruments**

Initial recognition:

The company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than the financial assets and liabilities at fair value through profit and loss) are added to or deducted from the fair value of financial assets and liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Subsequent measurement:

i) Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income.

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

De-recognition of financial asset

The company de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. The effective method is a method of calculating the amortization cost of a financial liability and of allocating interest expense over the relevant period. The effective interest is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liability

The company de-recognises financial liabilities when the company's obligations are discharged, cancelled or expired. The difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit and loss over the contractual terms using the effective interest method.

2.3 New standards and interpretations not yet adopted

Standards issued but not effective:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' The amendment relating to Ind AS 7 is applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The effect on the financial statements is being evaluated by the Company.

Note No. 3 : FIRST TIME ADOPTION OF IND AS

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, 2017 are the first financial statements. For all periods upto and including the year ended 31st March, 2016, the company prepared its financial statements in accordance with the accounting standards notified under 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 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 the year ended 31st March, 2017 together with the comparative information as at and for the year ended 31st March, 2016 and the opening Ind AS balance sheet as at 1st April, 2015, 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. The resulting difference between the carrying values of the assets and the liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognized directly in equity.

A. Exceptions from retrospective application

- (i) **Estimates exception:** Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS except where estimates were required by Ind AS and not required by Previous GAAP.
- (ii) **Classification and measurement of financial assets:** The Company has determined the classification of financial assets in terms of whether they meet the amortised cost criteria or the fair value through other comprehensive income criteria based on the facts and circumstances that existed as of the transition date.
- (iii) **Deemed cost for property, plant and equipment and intangible assets:** The Company has elected to continue with carrying value of all its property plant and equipment, and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.
- (iv) **Investments in subsidiaries, joint ventures and associates:** The Company has elected to measure investment in subsidiaries and joint ventures at cost.

B. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- i) Adjustments made by the company in restating the financial statements prepared under previous GAAP, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.
- ii) Reconciliation of Equity as at 1st April, 2015 and 31st March, 2016
- iii) Reconciliation of Statement of Profit & Loss for the year ended 31st March, 2016

Reconciliation of Equity as previously reported under IGAAP to Ind AS

Particulars		IGAAP as at 31 st March, 2016	Ind AS adjustments	Ind AS as at 31 st March, 2016	IGAAP as at 1 st April, 2015	Ind AS adjustments	Ind AS as at 01 st April, 2015
ASSETS							
1	Non-Current Assets						
	(a) Property, Plant and Equipment	1,909,464,870		1,909,464,870	1,773,169,628		1,773,169,628
	(b) Capital Work-in-progress	71,964,526		71,964,526	91,987,366		91,987,366
	(c) Other Intangible Assets	8,269,448		8,269,448	11,046,553		11,046,553
	(d) Financial Assets						
	(i) Investments	68,510,339	12,510	68,522,849	68,467,189	35,554	68,502,743
	(ii) Loans	95,610,849	(4,545,700)	91,065,149	51,730,688	(1,66,880)	51,563,808
	(iii) Others	1,990,034,337		1,990,034,337	1,775,037,202		1,775,037,202
	(e) Other Non-current Assets	24,434,345		24,434,345	25,149,405		25,149,405
		4,168,288,714	(4,533,190)	4,163,755,524	3,796,588,031	(1,31,326)	3,796,456,705
2	Current Assets						
	(a) Inventories	309,517,814		309,517,814	306,827,696		306,827,696
	(b) Financial Assets						
	(i) Trade Receivables	2,707,157,441		2,707,157,441	1,941,689,969		1,941,689,969
	(ii) Cash and cash equivalents	22,941,325		22,941,325	112,846,255		112,846,255
	(iii) Bank Balances other than (ii) above	404,601,217		404,601,217	354,024,502		354,024,502
	(iv) Loans	83,932,154		83,932,154	21,884,917		21,884,917
	(v) Others	3,359,723,489		3,359,723,489	2,338,859,196		2,338,859,196
	(c) Other Current assets	1,733,253,641	4,400,467	1,737,654,108	1,449,537,062	1,66,880	1,449,703,942
		8,621,127,081	4,400,467	8,625,527,548	6,525,669,597	1,66,880	6,525,836,477
	Total Assets	12,789,415,795	(132,723)	12,789,283,072	10,322,257,628	35,554	10,322,293,182
EQUITY AND LIABILITIES							
1	Equity						
	(a) Equity Share Capital	147,107,640		147,107,640	125,827,640		125,827,640
	(b) Other Equity	5,383,799,994	(132,723)	5,383,667,271	3,413,558,187	1,51,79,873	3,428,738,060
		5,530,907,634	(132,723)	5,530,774,911	3,539,385,827	1,51,79,873	3,554,565,700
	Liabilities						
2	Non-current liabilities						
	(a) Financial Liabilities						
	(i) Borrowings	113,490,286		113,490,286	245,518,869		245,518,869
	(ii) Other financial liabilities	601,188,158		601,188,158	378,584,873		378,584,873
	(b) Provisions	2,307,527		2,307,527	1,860,183		1,860,183
	(c) Deferred Tax Liabilities (Net)	42,229,718		42,229,718	47,202,934		47,202,934
	(d) Other non-current liabilities	304,071,761		304,071,761	262,677,829		262,677,829
		1,063,287,450	-	1,063,287,450	935,844,688	-	935,844,688
3	Current liabilities						
	(a) Financial Liabilities						
	(i) Borrowings	1,878,641,530		1,878,641,530	1,979,219,863		1,979,219,863
	(ii) Trade payables	2,659,751,728		2,659,751,728	2,207,923,250		2,207,923,250
	(iii) Other financial liabilities	845,899,369		845,899,369	882,702,728		882,702,728
	(b) Other current liabilities	708,430,060		708,430,060	705,622,984		705,622,984
	(c) Provisions	2,331,507		2,331,507	21,148,234	(1,51,44,319)	6,003,915
	(d) Current tax Liabilities (Net)	100,166,517		100,166,517	50,410,054		50,410,054
		6,195,220,711	-	6,195,220,711	5,847,027,113	(1,51,44,319)	5,831,882,794
	Total Liabilities	7,258,508,161	-	7,258,508,161	6,782,871,801	(1,51,44,319)	6,767,727,482
	Total Equity and Liabilities	12,789,415,795	(132,723)	12,789,283,072	10,322,257,628	35,554	10,322,293,182

Reconciliation of Statement of Profit and Loss reported under IGAAP to Ind AS

	Particulars	IGAAP for the year ending 31 st March, 2016	Ind AS adjustments	Ind AS for the year ending 31 st March, 2016
I	Revenue from Operations	13,621,223,396		13,621,223,396
II	Other Income	55,601,150	365,323	55,966,473
III	Total Income (I+II)	13,676,824,546	365,323	13,677,189,869
IV	Expenses			
	Cost of Material Consumed	1,046,838,844		1,046,838,844
	(Increase)/Decrease in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	4,602,754		4,602,754
	Contract Execution expenses	9,092,336,428		9,092,336,428
	Employee benefits expense	1,432,981,543	3,879,486	1,436,861,029
	Finance costs	324,515,318		324,515,318
	Depreciation and Amortization expense	389,032,349		389,032,348
	Other expenses	243,683,187	510,559	244,193,746
	Total Expenses (IV)	12,533,990,423	4,390,045	12,538,380,467
V	Profit before exceptional items and tax (III-IV)	1,142,834,123	(4,024,722)	1,138,809,402
VI	Exceptional Items	-		-
VII	Profit before tax (VII-VIII)	1,142,834,123	(4,024,722)	1,138,809,402
VIII	Tax expense:			
	Current tax	405,000,000	-	405,000,000
	Deferred tax charge/(credit)	(4,973,216)	-	(4,973,216)
IX	Profit for the year	742,807,338	(4,024,722)	738,782,618
X	Other Comprehensive Income			
	A. Items that will not be re-classified to statement of Profit and loss (net of tax)			
	a) Changes in fair value of investments	-	(23,044)	(23,044)
	b) Remeasurement of defined employee benefit plans	-	3,879,486	3,879,486
	Total Other comprehensive income	-	3,856,442	3,856,442
XI	Total Comprehensive Income for the year (IX+X)	742,807,338	(168,280)	742,639,060

Reconciliation of equity between Previous GAAP and Ind AS

(i) Reconciliation of Equity

Particulars	Note	As at 31 st March, 2016	As at 1 st April, 2015
Total Equity as per Previous GAAP (A)		5,530,907,634	3,539,385,827
Changes in Fair value of Investments	1	12,510	35,554
Proposed Dividend and tax	2	-	15,144,319
Fair value measurement of Deposits	3	(145,233)	-
Total adjustment to Equity (B)		(132,723)	15,179,873
Total Equity as per Ind AS (C=A+B)		5,530,774,911	3,554,565,700

(ii) Reconciliation of statement of Profit between IGAAP with Ind AS

Particulars	Note	Year ended 31 st March, 2016
Net Profit after tax under Previous GAAP		742,807,339
a) Remeasurement benefits on defined benefit obligations	4	(3,879,486)
b) Net of Rent expense and rental income on fair valuation of rental deposits	3	(145,235)
Net Profit after tax before OCI as per Ind AS		738,782,618
Other Comprehensive Income		
a) Changes in Fair Valuation of Investments	1	(23,044)
b) Remeasurement benefits on defined benefit obligations	4	3,879,486
Total Comprehensive Income for the year as reported under Ind AS		742,639,060

Notes to Reconciliation between previous GAAP and Ind AS

1. Fair Valuation of Investments

Under Previous GAAP, non-current investments are valued at cost less diminution in value other than temporary and under Ind AS they are carried at fair value through OCI.

In case of Investment in subsidiaries and joint ventures, the company has elected to measure the investment at its previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

2. Dividend and Tax on Dividend

Under previous GAAP, dividend payable is recorded as a liability in the period to which it relates and under Ind AS dividend is recognised as a liability in the period in which the obligation to pay is established.

3. Fair Value measurement of Deposits

Under previous GAAP, rental deposits made with tenants are carried at their cost. Under Ind AS, they are measured at their fair value at amortised cost applying the effective rate of interest. The difference between actual amount of deposit and its fair value is shown under prepaid rent and amortised to rental expense over the period of deposit. The interest amount on fair value of deposit is shown as interest income over the period of deposit.

4. Remeasurement of net defined benefit plans

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability which is recognised in other comprehensive income in respective years. However, such a change does not have any effect on total comprehensive income or total equity.

5. Cost of Property, plant and equipment

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 at the date of transition to Ind AS.

Note No. 4 : PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Carrying Amounts of:			
Land	41,489,973	30,738,773	30,738,773
Office Buildings	129,727,039	137,424,846	119,289,737
Plant and Equipment	150,197,106	263,496,677	202,056,841
Furniture and Fixtures	54,375,133	9,200,981	11,652,912
Computers	14,382,167	16,342,466	17,644,610
Office Equipment	38,205,310	49,919,352	35,599,165
Cars & Jeeps	92,175,106	71,616,361	78,065,421
Vehicles	86,784,868	134,181,444	90,053,549
Cranes	901,450,905	1,055,527,061	1,129,915,313
Temporary Sheds	100,025,526	141,016,909	58,153,307
	1,608,813,133	1,909,464,870	1,773,169,628
Capital Work-in-progress	79,142,140	71,964,526	91,987,366

Property, Plant and Equipment

Particulars	Land	Office Buildings	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	Cars & Jeeps	Vehicles	Cranes	Temporary Sheds	Total
Gross Carrying value - At Cost/Deemed Cost											
As at 1st April, 2015	30,738,773	119,289,737	202,056,841	11,652,912	17,644,610	35,599,165	78,065,421	90,053,549	1,129,915,313	58,153,307	1,773,169,628
Additions	-	25,381,375	146,435,225	6,661,545	5,356,367	31,544,255	23,031,284	82,191,707	65,676,582	146,028,768	532,307,108
Disposals	-	-	123,245	-	-	-	2,780,073	58,274	8,378,000	-	11,339,592
As at 31st March, 2016	30,738,773	144,671,112	348,368,821	18,314,457	23,000,977	67,143,420	98,316,632	172,186,982	1,187,213,895	204,182,075	2,294,137,144
Additions	10,751,200	-	23,629,585	62,940,960	4,540,101	20,780,466	50,755,130	4,123,876	14,856,929	25,532,822	217,911,069
Disposals	-	-	75,267,630	5,732,001	332,786	17,577,174	8,226,281	20,870,933	44,364,966	369,051	172,740,822
As at 31st March, 2017	41,489,973	144,671,112	296,730,776	75,523,416	27,208,292	70,346,712	140,845,481	155,439,925	1,157,705,858	229,345,846	2,339,307,391
Accumulated Depreciation											
As at 1st April, 2015	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	7,246,266	84,877,074	9,113,476	6,658,511	17,224,068	27,378,309	38,005,538	131,686,834	63,165,166	385,355,242
On disposals	-	-	4,930	-	-	-	678,038	-	-	-	682,968
As at 31st March, 2016	-	7,246,266	84,872,144	9,113,476	6,658,511	17,224,068	26,700,271	38,005,538	131,686,834	63,165,166	384,672,274
Depreciation charge for the year	-	7,697,807	83,264,151	14,797,974	6,273,927	18,522,012	24,483,476	36,516,717	134,545,871	66,376,542	392,478,477
On disposals	-	-	21,602,625	2,763,167	106,313	3,604,678	2,513,372	5,867,199	9,977,752	221,388	46,656,493
As at 31st March, 2017	-	14,944,073	146,533,670	21,148,283	12,826,125	32,141,402	48,670,375	68,655,056	256,254,953	129,320,320	730,494,258
Net carrying amount											
As at 31st March, 2017	41,489,973	129,727,039	150,197,106	54,375,133	14,382,167	38,205,310	92,175,106	86,784,868	901,450,905	100,025,526	1,608,813,133
As at 31st March, 2016	30,738,773	137,424,846	263,496,677	9,200,981	16,342,466	49,919,352	71,616,361	134,181,444	1,055,527,061	141,016,909	1,909,464,870
As at 1st April, 2015	30,738,773	119,289,737	202,056,841	11,652,912	17,644,610	35,599,165	78,065,421	90,053,549	1,129,915,313	58,153,307	1,773,169,628

Notes:

Assets Pledged as Security

- 1) Term loans taken by the company for purchase of Vehicles, Cars and Cranes are secured by way of hypothecation on respective assets for which loans were availed.
- 2) Working Capital Loans from SBH, Standard Chartered bank, SBI, ICICI and Ratnakar bank are secured by way of first charge on Property, Plant and Equipment of the company both present and future, excluding those assets against which charge was given to equipment financiers.

Capital Work-in-Progress

Particulars	Amount
Carrying value - At Cost/Deemed Cost	
As at 1st April, 2015	91,987,366
Additions	46,936,778
Capitalised during the year	66,959,618
As at 31st March, 2016	71,964,526
Additions	37,253,972
Capitalised during the year	30,076,358
As at 31st March, 2017	79,142,140

Note No. 5 : INTANGIBLE ASSETS

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Power Mech Brand	1,200	2,314	6,645
Computer Software	4,619,489	8,267,134	11,039,908
Total	4,620,689	8,269,448	11,046,553

Particulars	Power Mech Brand	Computer Software	Total
Gross Carrying value - At Cost/Deemed Cost			
As at 1st April, 2015	6,645	11,039,908	11,046,553
Additions	-	900,000	900,000
Disposals	-	-	-
As at 31st March, 2016	6,645	11,939,908	11,946,553
Additions	-	100,225	100,225
Disposals	-	-	-
As at 31st March, 2017	6,645	12,040,133	12,046,778
Accumulated Amortization			
As at 1st April, 2015	-	-	-
Depreciation charge for the year	4,331	3,672,774	3,677,105
On disposals	-	-	-
As at 31st March, 2016	4,331	3,672,774	3,677,105
Depreciation charge for the year	1,114	3,747,870	3,748,984
On disposals	-	-	-
As at 31st March, 2017	5,445	7,420,644	7,426,089
Net carrying Value			
As at 31st March, 2017	1,200	4,619,489	4,620,689
As at 31st March, 2016	2,314	8,267,134	8,269,448
As at 1st April, 2015	6,645	11,039,908	11,046,553

Note No. 6 : INVESTMENTS (NON-CURRENT)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
A. Investment in Equity Instruments			
(a) (i) Quoted - Trade (Carried at fair value through OCI)			
a) 24 Equity shares of Rs.10/ each in Reliance Power Limited	1,154	1,186	1,356
(ii) Quoted - Non Trade (Carried at fair value through OCI)			
a) 200 Equity shares of Rs.10/ each in Assam Company Limited	1,570	1,010	810
Total Investment in Quoted Equity Instruments (a)	2,724	2,196	2,166
(b) (i) Unquoted - Trade			
Investment in Subsidiaries (Carried at cost):			
a) 75,000 Equity shares of Rs.10 each in Hydro Magus Pvt. Ltd	1,326,000	1,326,000	1,326,000
b) 18,937 Equity shares of Rs.10 each in Power Mech Industri Private Ltd.	43,090,413	43,090,413	43,090,413
c) Investment in MAS Power Mech Arabia	4,536,450	-	-
d) Investment in Power Mech Projects Limited LLC	18,489,452	-	-
Investment in Joint Venture (Carried at cost) :			
a) Investment in Power Mech CPNED	43,150	43,150	-
b) Investment in GTA Power Mech Nigeria Limited	3,218,142	-	-
Total Investment in Un-Quoted Equity Instruments (b)	70,703,607	44,459,563	44,416,413
Total Investment in Equity Instruments (A)= (a+b)	70,706,331	44,461,759	44,418,579
B. Investment in Preference Shares: (Carried at amortized cost)			
Investment in Subsidiary :			
a) 10,00,000 10% Redeemable, Cumulative, Non-participating Non Convertible Preference share of Rs.10/- each in HydroMagus Pvt Ltd - Redeemable at the end of 5 years at one time	10,000,000	10,000,000	10,000,000
b) 13,84,861 10% Redeemable, Cumulative, Non- participating Non-Convertible Preference share of Rs.10/- each in Hydro Magus Pvt Ltd - Redeemable on or before completion of 10 years from the date of allotment with an option to redeem on or after completion of 5 years.	13,848,610	13,848,610	13,848,610
Total Investment in Preference Shares (B)	23,848,610	23,848,610	23,848,610
C. Investment in Mutual Funds - Quoted: (Carried at fair value through OCI)			
a) Investments in mutual funds 20000 units of SBI Infra structure fund - I - Growth Rs.10/ each	272,600	212,480	235,554
Total Investment in Mutual Funds (C)	272,600	212,480	235,554
Total (A+B+C)	94,827,541	68,522,849	68,502,743
Aggregate amount of : Quoted investments			
- At cost	218,051	218,051	218,051
- Market value	275,324	214,676	237,720
Aggregate amount of unquoted investments	94,552,217	68,308,173	68,265,023

Category wise - Investments as per Ind AS 109 Classification

Particulars	As at 31 st March, 2017		As at 31 st March, 2016		As at 1 st April, 2015	
	Fair value of Investments	Dividends recognised	Fair value of Investments	Dividends recognised	Fair value of Investments	Dividends recognised
Investments measured at:						
(i) Fair value through Other Comprehensive Income						
a) 24 Equity shares of Rs.10/ each in Reliance Power Limited	1,154	-	1,186	24	1,356	-
b) 200 Equity shares of Rs.10/ each in Assam Company Limited	1,570	-	1,010	-	810	-
c) Investments in mutual funds 20,000 units of SBI Infra structure fund - I - Growth Rs.10/ each	272,600	-	212,480	-	235,554	-
(ii) Carried at cost - Investment in Subsidiary Companies and Joint Venture	70,703,607	-	44,459,563	-	44,416,413	-
(iii) at amortized cost - Investment in Cumulative Preference Shares	23,848,610	-	23,848,610	-	23,848,610	-
Total	94,827,541	-	68,522,849	24	68,502,743	-

Note No. 7 : LOANS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, Considered Good						
a) Security deposits with Govt. authorities and others	67,259,903	70,701,002	36,444,917	-	-	-
b) EMD with customers	39,784,703	20,364,147	15,118,891	-	-	-
c) Employee related advances	-	-	-	16,267,039	14,711,738	11,973,726
d) Advances to related parties						
Subsidiary Companies						
- Hydro Magus Pvt Ltd	-	-	-	-	2,701,352	4,804,229
- Power Mech Industri Pvt Ltd	-	-	-	174,832,041	61,587,427	-
- MAS Power Mech Arabia (Towards incorporation expenses)	-	-	-	5,242,495	*43,54,957	*42,85,949
Joint Venture Company						
- Power Mech-CPNED Services (Hong Kong) holding Co. Limited	-	-	-	274,159	576,680	821,013
Total	107,044,606	91,065,149	51,563,808	196,615,733	83,932,154	21,884,917

Note:

- 1) No loans are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.
- 2) * Yet to be incorporated as on said date.

Note No. 8 : OTHER FINANCIAL ASSETS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Earmarked balances with banks held as margin money against LC and guarantees having a maturity period for more than 12 months from the date of balance sheet	457,208,847	247,233,107	203,496,267	-	-	-
b) Retention Money and Security Deposit with customers	1,794,519,457	1,742,801,230	1,571,540,935	829,735,430	813,654,880	692,789,994
c) Uncertified Revenue	-	-	-	2,109,869,964	2,546,068,609	1,646,069,202
Total	2,251,728,304	1,990,034,337	1,775,037,202	2,939,605,394	3,359,723,489	2,338,859,196

Note No. 9 : OTHER ASSETS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, Considered Good						
a) Advances for Capital goods	16,822,728	24,434,345	25,149,405	-	-	-
b) Mobilisation advances to Sub - Contractors	-	-	-	22,939,607	13,158,254	31,487,107
c) Advances to creditors against supplies	-	-	-	130,404,997	67,164,016	187,909,479
d) Advances to sub-contractors against works	-	-	-	1,636,282,948	1,457,051,601	1,088,772,401
e) Prepaid expenses	-	-	-	28,168,415	99,534,032	21,794,807
f) Balances with Statutory Authorities:						
CENVAT credit receivable	-	-	-	41,343,033	24,918,405	29,522,130
Works contract tax (TDS)	-	-	-	70,757,990	57,635,514	53,776,924
Taxes paid under protest	-	-	-	5,439,360	-	-
Sales Tax Refund Receivable	-	-	-	10,485,950	9,558,322	5,451,728
Duty credit scrip on hand	-	-	-	3,970,432	-	-
g) Other advances	-	-	-	1,852,826	6,369,422	3,977,107
h) Contract expenses in respect of projects to be executed	-	-	-	-	-	10,036,641
i) IPO expenses	-	-	-	-	-	16,975,617
j) Balance in Gratuity Fund (net of obligations)	-	-	-	-	2,264,542	-
Total	16,822,728	24,434,345	25,149,405	1,951,645,558	1,737,654,108	1,449,703,942

Note: No advances are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.

Note No. 10 : INVENTORIES

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Stores and spares	398,409,910	308,791,369	301,498,496
b) Work-in-progress	19,705,412	726,445	5,329,199
Total	418,115,322	309,517,814	306,827,696

Note:

- The mode of valuation of inventories has been stated in Note 2(h) in Accounting Policies.
- The cost of inventories recognised as an expense for the year ended 31st March, 2017 was Rs. 114,56,06,140/- (for the year ended 31st March, 2016: Rs. 104,68,38,844/-)
- All the above inventories are offered as security in respect of working capital loans availed by the company from all the banks.
- There are no inventories expected to be recovered after more than twelve months.

Note No. 11 : TRADE RECEIVABLES

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, Considered Good*			
Outstanding for a period exceeding six months	418,611,673	473,074,549	341,249,276
Others	2,236,071,114	2,234,082,892	1,600,440,693
Total	2,654,682,787	2,707,157,441	1,941,689,969
*Includes receivables from Subsidiary Companies:			
- Hydro Magus Private Limited	39,086,676	23,166,624	21,154,614
- Power Mech Industri Private Limited	1,451,122	1,451,122	-
- Power Mech Projects Limited LLC	23,798,424	-	-

- a) The average credit period is 30 days which is due from the date of certification of RA Bill. No interest is charged on overdue receivables.
- b) Of the trade receivables balance, Rs. 89.11 crores (as at March 31, 2016 : Rs. 86.08 crores) is due from one of the Company's largest customers. Further, an amount of Rs. 22.22 Crores (as at March 31, 2016 : Rs. 46.60 Crores) is due from customers who represent more than 5 % of the total balance of trade receivables.
- c) In arriving the provision for trade receivables, the company has used practical expedients based on the financial conditions of the customer, historical experience of collections from customers, possible outcome of negotiations with customers etc., The concentration of risk with respect to Trade receivables is reasonably low as most of the customers are Government organisations, high profile and net worth companies though there may be normal delay in collection. Considering the above factors and outcome of negotiations, the management is of view that no provision for expected credit loss is required to be made.

Note No. 12 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
i) Balances with banks in Current accounts			
a. In Current accounts	69,096,559	21,419,664	109,864,466
ii) Cash on hand	2,977,155	1,521,661	2,981,788
iii) Deposits with original maturity period of less than 3 months	-	-	-
Total	72,073,714	22,941,325	112,846,255

Specified bank notes disclosures:

In accordance with the MCA Notification G.S.R. 308(E) dt. 30.03.2017, details of Specified bank notes (SBN) and other denominations notes (ODN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is given below.

Particulars	SBN	ODNs	Total
Closing cash on hand on 8th November, 2016	1,034,500	6,295,970	7,330,470
Add: Permitted receipts	-	17,312,113	17,312,113
Non-permitted receipts	-	-	-
Withdrawals from bank	-	-	-
Less: Permitted payments	833,500	13,272,912	14,106,412
Amounts deposited in banks	201,000	-	201,000
Closing cash on hand on 30th December, 2016	-	10,335,171	10,335,171

Note No. 12 : OTHER BANK BALANCES

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a. Earmarked balances with banks held as margin money against LC and guarantees falls due for maturity within 12 months from the date of Balance sheet.	251,335,784	399,415,521	353,854,692
b. Earmarked balances with banks towards unclaimed dividends	34,379	5,185,696	169,810
Total	251,370,163	404,601,217	354,024,502

Note: Bank Deposits with more than 12 months maturity from the date of Balance Sheet was disclosed under "Other Financial Assets"

Note No. 13 : SHARE CAPITAL

Authorised Share Capital

Particulars	Equity	
	Nos	INR
As at 1st April, 2015	26,000,000	260,000,000
Increase / (Decrease) during the year	-	-
As at 31st March, 2016	26,000,000	260,000,000
Increase / (Decrease) during the year	-	-
As at 31st March, 2017	26,000,000	260,000,000

Issued Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid

Particulars	Nos	INR
As at 1st April, 2015	12,582,764	125,827,640
Increase / (Decrease) during the year		
Increase in share capital through fresh issue of equity on IPO	2,128,000	21,280,000
As at 31st March, 2016	14,710,764	147,107,640
Increase / (Decrease) during the year	-	-
As at 31st March, 2017	14,710,764	147,107,640

During the year ended 31.03.2016, the Company has made an Initial Public Offer (IPO) of 4,269,000 equity shares of Rs.10/- each at a premium of Rs. 630/- per share. The issue comprises of fresh issue of 2,128,000 equity shares and offer for sale of 2,141,000 equity shares by selling share holders

The fresh equity shares were allotted by the Company on 21st August, 2015 and were listed on BSE and NSE.

Rights, Preferences and restrictions attached to Equity shares

The Company has only one class of Equity shares having a face value of Rs.10/- each. Each holder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of share holders in the Annual General Meeting, except in the case of interim dividend. In the event of liquidation of Company, the holders of equity share will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the share holders.

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

Name of the Share Holder	As at 31 st March, 2017		As at 31 st March, 2016		As at 1 st April, 2015	
	No of Shares held	% out of total number of shares of the Company	No of Shares held	% out of total number of shares of the Company	No of Shares held	% out of total number of shares of the Company
S. Kishore Babu	3,634,942	24.71 %	3,601,080	24.48 %	3,601,080	28.62 %
S. Kishore Babu (HUF)	1,344,000	9.14 %	1,344,000	9.14 %	1,344,000	10.68 %
S. Lakshmi	2,403,626	16.34 %	2,400,552	16.32 %	2,400,552	19.08 %
S. Rohit	1,573,296	10.69 %	1,570,296	10.67 %	1,570,296	12.48 %
India Business Excellence Fund - I	187,773	1.28 %	187,773	1.28 %	1,877,073	14.92 %
	9,143,637	62.16 %	9,103,701	61.88 %	10,793,001	85.78 %

The Company is not a subsidiary Company to any of the Company. The Company had 2 Indian subsidiary companies Hydro Magus Pvt. Limited and Power Mech Industri Pvt. Ltd. and 2 foreign subsidiary companies MAS Power Mech Arabia and Power Mech Projects Limited LLC. None of the shares of the Company are held by its subsidiary companies.

Aggregate number of bonus shares issued during the period of 5 years immediately preceding the reporting date:

During the Financial Year 2014-15, the Company had allotted 1,080,000 equity shares as fully paid up bonus shares by capitalising part of securities premium.

No shares were issued pursuant to a contract without payment being received in cash.

Note No. 14 : OTHER EQUITY**Securities Premium**

Particulars	Amount
As at 1st April, 2015	364,173,360
Addition: Issue of 21,28,000 shares at a premium of Rs. 630/- per share	1,340,640,000
Less: Utilised for expenses pertaining to issue of fully paidup equity shares on IPO	95,500,000
As at 31st March, 2016	1,609,313,360
Changes during the year	-
As at 31st March, 2017	1,609,313,360

General Reserve

Particulars	Amount
As at 1st April, 2015	369,604,955
Transfers during the year	-
As at 31st March, 2016	369,604,955
Transfers during the year	-
As at 31st March, 2017	369,604,955

Retained Earnings

Particulars	Amount
As at 1st April, 2015 - As per IGAAP	2,679,779,872
Adjustments made as per Ind AS 101	
Add: Changes in Fair value of Investments	35,554
Add: Dividend proposed for the FY 2014-15 to be accounted in the year of payment	15,144,319
As at 1st April, 2015 after making necessary Ind AS adjustments	2,694,959,745
Add: Total comprehensive income for the year transferred from statement of profit and loss	742,639,060
Less: Final Dividend for the Financial year 2015-16 proposed & paid during the year	12,582,764
Interim Dividend for the Financial year 2015-16 paid during the year	14,710,764
Dividend Distribution tax on Final & Interim Dividend paid during the year	5,556,321
As at 31st March, 2016	3,404,748,956
Add: Total comprehensive income for the year transferred from statement of profit and loss	640,871,602
As at 31st March, 2017	4,045,620,558

Summary of Other Equity

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Securities Premium	1,609,313,360	1,609,313,360	364,173,360
General Reserve	369,604,955	369,604,955	369,604,955
Retained Earnings	4,045,620,558	3,404,748,956	2,694,959,745
	6,024,538,873	5,383,667,271	3,428,738,060

Nature of reserves:**a) Securities premium**

Securities premium represents premium received on issue of shares. The reserve is utilised in accordance with the provisions of Companies Act, 2013.

b) General reserve

The general reserve is created by way of transfer of part of the profits before declaring dividend pursuant to the provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

c) Retained Earnings

Retained earnings are the profits that the company has earned till date less transfers to general reserves and dividends paid to share holders.

Note No. 15 : LONG TERM BORROWINGS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
A. Secured						
i. Term loans						
a) From banks :						
i) Axis bank	7,310,941	47,373,889	108,584,428	49,988,175	73,469,080	70,550,112
ii) HDFC	31,378,986	12,079,328	10,816,640	24,114,620	12,412,512	12,914,565
iii) ICICI	-	5,802,013	66,551,649	5,802,001	60,749,637	53,843,726
iv) Standard Chartered Bank	4,981,669	5,412,158	-	6,406,158	3,424,248	153,281
v) Kotak Mahendra bank	-	3,768,358	3,639,217	3,768,358	4,675,679	2,151,291
vi) State Bank of India	-	4,077,000	20,361,000	4,077,000	16,284,000	16,284,000
vii) Standard Chartered Bank (Under Buyers Credit)	-	-	-	-	-	29,730,629
viii) National Bank of Abudhabi	-	-	1,401,561		1,399,818	1,562,721
ix) Emirates Islamic Bank	892,266	-	-	323,604	-	-
b) From Companies :						
i) SREI	-	-	-	-	-	6,817,439
ii) HDB Financial Services	-	11,800,108	27,730,087	11,804,442	15,953,127	14,031,532
iii) TATA Capital	2,919,569	23,177,432	6,434,286	20,257,862	18,793,881	3,296,269
Total (a)	47,483,432	113,490,286	245,518,869	126,542,220	207,161,982	211,335,564
B. Unsecured						
a) Deferred payment liabilities						
Due to suppliers on deferred credit basis	18,991,226	-	-	147,507,815	150,907,348	133,631,358
Total (b)	18,991,226	-	-	147,507,815	150,907,348	133,631,358
Total (a+b)	66,474,658	113,490,286	245,518,869	274,050,035	358,069,330	344,966,922

- 1) The term loans from banks and companies are secured by way of hypothecation of assets funded under the said facility. Further, the loans are guaranteed by Managing Director and a Director in their personal capacities.
- 2) The above loans carries interest varies from 7.5 % to 12.75 %
- 3) The above loans are repayable in monthly/quarterly installments.
- 4) The non-current portion of above term loans are repayable in following manner.
Banks: 2018-19 – Rs. 2,86,21,397 & 2019-20 – Rs. 1,59,42,466
Companies: 2018-19 – Rs. 29,19,569
- 5) No defaults were made in repayment of above term loans

Note No. 16 : OTHER FINANCIAL LIABILITIES

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Retention Money & Security deposits recovered from Sub-Contractors	547,208,030	601,188,158	378,584,873	49,626,560	62,649,381	268,758,061
b) Current maturities of long-term debt (Refer note no.15)	-	-	-	274,050,035	358,069,330	344,966,922
c) Creditors for capital goods	-	-	-	16,260,210	10,687,299	9,596,680
d) Interest accrued and due	-	-	-	2,357,476	375,729	412,124
e) Interest accrued but not due	-	-	-	-	-	397,762
f) Unclaimed dividend	-	-	-	34,379	5,185,696	178,560
g) Employee related payments	-	-	-	260,378,949	247,050,067	103,072,960
h) Share application money refundable	-	-	-	1,203,200	1,395,200	-
i) Other Liabilities	-	-	-	179,611,901	160,486,667	155,319,659
Total	547,208,030	601,188,158	378,584,873	783,522,709	845,899,369	882,702,728

Note No. 17 : PROVISIONS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Provision for employee benefits						
- Group gratuity (Net of plan assets)	-	-	-	7,072,380	-	933,861
- Leave Encashment (Unfunded)	4,029,768	2,307,527	1,860,183	7,657,242	2,331,507	5,070,054
Total	4,029,768	2,307,527	1,860,183	14,729,622	2,331,507	6,003,915

EMPLOYEE BENEFITS**a. Defined contribution plans**

The Company makes Provident Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. The Company recognised Rs. 7.47 crores (Year ended March 31, 2016: Rs. 4.48 crores) for provident fund contributions, and Rs. 0.34 crores (Year ended March 31, 2016: Rs. 0.36 crores) towards Employees' State Insurance Scheme contributions in the Statement of Profit and Loss.

b. Defined benefit plans

The Company provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

(i) Balance Sheet

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

Particulars	As at	As at	As at
	31 st March, 2017	31 st March, 2016	1 st April, 2015
Present value of obligation	48,696,037	38,804,592	33,324,429
Fair Value of plan assets	41,623,657	41,069,135	32,390,568
(Asset)/Liability recognised in the Balance Sheet	7,072,380	(2,264,543)	933,861

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

Particulars	Plan Assets	Plan Obligation	Deficit/(Surplus)
As at April 1, 2015	32,390,568	33,324,429	933,861
Current service cost	-	7,798,569	7,798,569
Interest cost	-	2,665,954	2,665,954
Interest Income	3,077,517	-	(3,077,517)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(3,879,487)	(3,879,487)
Contributions	6,705,923	-	(6,705,923)
Benefit payments	(1,104,873)	(1,104,873)	-
Return on plan assets, excluding interest income	-	-	-
As at March 31, 2016	41,069,135	38,804,592	(2,264,543)
Current service cost	-	13,434,440	13,434,440
Interest cost	-	3,104,366	3,104,366
Interest Income	3,169,574	-	(3,169,574)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(4,032,309)	(4,032,309)
Contributions by employer	-	-	-
Benefit payments	(2,615,053)	(2,615,053)	-
Return on plan assets, excluding interest income	-	-	-
As at March 31, 2017	41,623,657	48,696,037	7,072,380

(iii) **Statement of Profit and Loss**

The charge to the Statement of Profit and Loss comprises:

Particulars	Year ended	Year ended
	31 st March, 2017	31 st March, 2016
Employee Benefit Expenses		
Current service cost	13,434,440	7,798,569
Interest cost	3,104,366	2,665,954
Interest Income	(3,169,574)	(3,077,517)
Net impact on profit before tax	13,369,232	7,387,006
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in financial assumptions	(4,032,309)	(3,879,487)
Return on plan assets, excluding interest income	-	-
Net impact on other comprehensive income before tax	(4,032,309)	(3,879,487)

(iv) **Assets**

The major categories of plan assets as a % of the total plan assets

Particulars	As at	As at
	31 st March, 2017	31 st March, 2016
Funded with Life Insurance Corporation of India	100 %	100 %

Note: In the absence of detailed information regarding the plan assets, which is funded with LIC, the composition of each category of plan assets and experience adjustments on plan assets and liabilities has not been disclosed.

(v) **Assumptions**

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at	As at	As at
	31 st March, 2017	31 st March, 2016	1 st April, 2015
Discount rate	8.00 %	8.00 %	8.00 %
Salary escalation rate	6.00 %	6.00 %	7.00 %

Note: In the absence of detailed information from LIC, the preparation of sensitivity analysis and its impact due to possible change of the respective actuarial assumptions occurring at the end of the reporting period and also information on maturity analysis of the benefit payments has not been disclosed.

Note No. 18 : DEFERRED TAX

The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet

Particulars	Components		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Liability:			
Towards depreciation	27,304,494	47,107,821	48,981,652
Asset:			
Disallowances under Income-tax	(6,115,352)	(4,878,103)	(1,778,718)
Total	21,189,142	42,229,718	47,202,934

Movement in Deferred Tax Assets/Liabilities

Component	As at 1 st April, 2015	Charge/(Credit) in Statement of P&L	As at 31 st March, 2016	Charge/(Credit) in Statement of P&L	As at 31 st March, 2017
Deferred tax liabilities/ (assets) in relation to:					
Depreciation	48,981,652	(1,873,831)	47,107,821	(19,803,327)	27,304,494
Expenses allowable under Income tax when paid	(1,778,718)	(3,099,385)	(4,878,103)	(1,237,250)	(6,115,352)
	47,202,934	(4,973,216)	42,229,718	(21,040,577)	21,189,142

Note No. 19 : OTHER LIABILITIES

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Mobilisation advances received from customers	371,100,344	304,071,761	262,677,829	203,773,704	413,036,983	326,272,652
b) Advances received from customers against supplies or works	-	-	-	38,522,921	125,783,626	300,376,090
c) Statutory Liabilities	-	-	-	339,599,639	169,609,451	78,974,242
d) Deferred government grants (Refer note)	7,527,259	-	-	-	-	-
Total	378,627,603	304,071,761	262,677,829	581,896,264	708,430,060	705,622,984

Note: The company received government grants in the nature of export incentives. During the year, the company received incentives under SFIS Schemes and same is utilised against import of capital goods and capitalised to Property, plant and equipment.

The deferred government grant will be recognised in statement of profit and loss over the period in proportion in which depreciation expense on the assets is recognised.

Note No. 20 : SHORT TERM BORROWINGS

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
A. Secured			
Loans repayable on demand :			
a) Working capital loans from banks			
i) From State Bank of Hyderabad	9,024,399	487,392,614	536,267,206
ii) From Standard Chartered bank	250,000,000	250,000,000	250,000,000
iii) From ICICI bank	35,455,431	2,052,583	50,464,024
iv) From State Bank of India	805,139,409	808,381,576	769,027,298
v) Citi bank bill discounting	-	-	46,823,691
vi) Ratnakar bank	197,965,463	232,632,087	240,000,000
vii) Axis bank	46,252,925	1,515,631	-
viii) HDFC Bank	151,084,014	-	-
ix) HDFC bill discounting	96,948,320	-	-
b) Over Draft from banks :			
i) From State Bank of Hyderabad	-	96,667,039	86,637,644
Total	1,591,869,961	1,878,641,530	1,979,219,863

Note:

- a) Working capital loans from SBH, Standard Chartered bank, SBI, ICICI and Ratnakar bank are secured by way of first charge on entire current assets of the company on pari passu basis. Further these loans are secured by way of first charge on fixed assets both present and future, excluding those assets against which charge was given to equipment financiers. The said loans are collaterally secured by way of equitable mortgage of immovable properties belonging to the company, Managing Director, director and a firm.
- b) Overdraft facility from banks is secured against fixed deposits with banks.
- c) All the above loans are guaranteed by Managing Director and a director in their personal capacities.

Note No. 21 : TRADE PAYABLES

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Dues to : Small and Micro Enterprises	17,054,304	27,436,806	56,466,499
: Other than Small and Micro Enterprises	2,382,975,688	2,632,314,922	2,151,456,751
Total	2,400,029,992	2,659,751,728	2,207,923,250

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006.

Based on and to the extent of information obtained during the year 2016-17 and available with the Company, with regard to the status of their suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT), on which the auditors have relied, the disclosure requirement with regard to the payment made/ due to Micro, Small and Medium Enterprises are given below.

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
1. Amount remaining unpaid, beyond the appointed / agreed day at the end of the year			
(a) Principal amount of bills to be paid	-	35,193,095	23,833,803
(b) Interest due there on	-	2,693,644	1,805,410
2. (a) Payment made to suppliers, during the year, but beyond appointed / agreed date Interest there on in terms of Sec 16 of the Act	-	-	-
(b) Interest paid along with such payments during the year	-	-	-
(c) Interest due and payable at the end of the year on such payments made during the year.	-	-	-
3. Amount of Interest for the year u/s 16 of the Act accrued and remaining un-paid at the end of the year	-	2,693,644	1,805,410
4. Total amount of interest u/s 16 of the Act including that arising in earlier years, accrued and remaining unpaid at end of the year.	4,499,054	4,499,054	1,805,410

Note No. 22 : CURRENT INCOME-TAX LIABILITIES (Net)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Provision for Income-tax	2,030,307,106	1,651,559,998	1,246,645,787
Less: Advance Income-tax and TDS	1,944,423,555	1,551,393,481	1,196,235,733
	85,883,551	100,166,517	50,410,054

Income-tax recognised in profit or loss

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Current Tax		
Tax expense in respect of current year Income	367,000,000	405,000,000
	367,000,000	405,000,000
Deferred Tax		
Deferred Tax Income in respect of Current year	(21,040,577)	(4,973,216)
	(21,040,577)	(4,973,216)
Total income tax expense recognised	345,959,423	400,026,784

The current income- tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Profit before tax	982,738,067	1,138,809,402
Enacted Tax Rates in India	34.608 %	34.608 %
Computed Tax expense	340,105,990	394,119,158
Add: Tax effects of expenses which are not deductible in determining taxable profit		
- Depreciation difference	21,611,682	854,253
- Expenses(net of Income) not deductible for tax purposes	3,831,486	8,633,714
Tax on Ind AS adjustments	1,450,842	1,392,875
Current Tax Provision (A)	367,000,000	405,000,000
- Decrease of Deferred tax liability on account of Fixed Assets	(19,803,327)	(1,873,831)
- Increase of Deferred tax Asset on account of Other Assets	(1,237,250)	(3,099,385)
Deferred Tax (B)	(21,040,577)	(4,973,216)
Total Income Tax Expense (A+B)	345,959,423	400,026,784

Note No. 23 : REVENUE FROM OPERATIONS

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Contract receipts:		
(Net of Service tax)		
Erection works	6,064,678,948	7,620,945,348
Civil works	2,048,032,816	2,037,723,496
Maintenance	4,683,957,765	3,668,951,481
Supply of material	76,795,456	289,285,344
Other operating revenue :		
Crane hire charges received	38,122,973	4,317,726
TOTAL	12,911,587,959	13,621,223,395

Note No. 24 : OTHER INCOME

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Interest from banks and others (at amortized cost)	57,141,608	54,337,691
Interest on unwinding portion of Rental Deposits (at amortized cost)	620,363	365,324
Profit on sale of assets	5,991,642	1,263,434
Dividend received from Investments designated as at FVTOCI	-	24
Forex gain on revaluation of LC's	3,472,933	-
Interest on Income-tax refund	3,642,448	-
Duty credit scrip under SFIS	5,977,373	-
TOTAL	76,846,367	55,966,473

Note No. 25 : COST OF MATERIALS CONSUMED

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Opening Stock	308,791,369	301,498,496
Add: Purchases of electrodes, gases and other consumables	1,235,224,681	1,054,131,716
	1,544,016,050	1,355,630,213
Less : Closing Stock	398,409,910	308,791,369
TOTAL	1,145,606,140	1,046,838,844

Note No. 26 : CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Opening work-in-progress	726,445	5,329,199
	726,445	5,329,199
Closing work-in-progress	19,705,412	726,445
	19,705,412	726,445
Increase / (Decrease) in inventories	18,978,967	(4,602,754)

Note No. 27 : CONTRACT EXECUTION EXPENSES

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Sub-contract expenses	6,585,484,011	8,002,966,271
Radiography charges	108,625,418	124,732,946
Hire charges	211,670,257	195,233,974
Rent at Project sites	93,353,671	144,436,819
Power and fuel	40,762,390	40,783,754
Insurance	13,865,805	12,919,608
Vehicles movement and other freight expenses	119,014,702	128,217,554
Repairs and maintenance : Plant and machinery	76,722,540	65,197,540
Other assets	38,416,866	20,926,718
Fuel and vehicle maintenance	246,015,161	209,108,489
Travelling expenses at projects	260,740,347	147,812,757
TOTAL	7,794,671,168	9,092,336,428

Note No. 28 : EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Salaries and Wages	1,722,605,509	1,093,791,208
Remuneration to managerial personnel	54,842,531	62,935,485
Contribution to provident and other funds	78,186,731	48,404,763
Staff welfare expenses	248,574,672	221,759,257
Contribution towards group gratuity	13,369,233	9,970,316
TOTAL	2,117,578,675	1,436,861,029

Note No. 29 : FINANCE COSTS

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Interest paid to banks and others	298,729,234	296,267,233
Loan Processing charges	10,211,778	12,986,708
Interest on Income-tax	5,927,717	5,745,102
Exchange fluctuations on deferred credit payment	-	9,516,275
TOTAL	314,868,729	324,515,318

Note No. 30 : DEPRECIATION AND AMORTISATION

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Depreciation	392,478,477	385,355,243
Amortization	3,748,984	3,677,105
TOTAL	396,227,461	389,032,348

Note No. 31 : OTHER EXPENSES

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Rents - Office	26,024,569	22,143,934
Directors Sitting Fee	1,150,000	1,575,000
Donations	92,421	69,230
Payments to auditors		
Towards Statutory audit	1,200,000	1,200,000
Towards tax audit and taxation matters	100,000	100,000
Rates and taxes	54,483,102	66,906,970
Miscellaneous expenses	150,855,438	122,884,475
CSR expenses	6,227,090	4,500,000
Loss on sale of assets	4,991,865	248,058
Exchange fluctuations	10,598,568	24,566,080
TOTAL	255,723,053	244,193,746

Note No. 32 : CATEGORIES OF FINANCIAL INSTRUMENTS

The Carrying amounts and fair value of financial instruments by categories as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 are as follows:

Particulars	Carrying value			Fair value		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Financial assets						
Measured at Amortised cost						
(i) Other financial assets	5,191,333,698	5,349,757,826	4,113,896,398	5,191,333,698	5,349,757,826	4,113,896,398
(ii) Loans and advances	307,585,677	179,543,003	73,615,605	303,660,340	174,997,303	73,448,725
(iii) Investments in Preference shares of subsidiary company	23,848,610	23,848,610	23,848,610	23,848,610	23,848,610	23,848,610
Measured at FVTOCI						
(i) Investments in equity instruments	218,051	218,051	218,051	275,324	214,676	237,720
Total assets	5,522,986,036	5,553,367,490	4,211,578,663	5,519,117,972	5,548,818,415	4,211,431,453
Financial liabilities						
Measured at amortised cost						
(i) Borrowings	274,050,035	358,069,330	344,966,922	274,050,035	358,069,330	344,966,922
(ii) Other financial liabilities	1,330,730,740	1,447,087,527	1,261,287,601	1,330,730,740	1,447,087,527	1,261,287,601
Total liabilities	1,604,780,774	1,805,156,857	1,606,254,523	1,604,780,774	1,805,156,857	1,606,254,523

Note No. 33 : FAIR VALUE HIERARCHY

The fair value of financial instruments as referred to above note have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The categories used are as follows:

Level 1: Quoted prices for identified instruments in an active market.

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets are measured at the fair value at the end of each reporting period.

The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation technique and other inputs used).

Financial Assets/Financial Liabilities	Fair Value as at			Fair Value hierarchy	Valuation technique and key input
	31 st March, 2017	31 st March, 2016	1 st April, 2015		
1) Investments in Quoted Mutual Funds	272,600	212,480	235,554	Level I	Quoted bid prices in an active market
2) Investments in Quoted Equity Instruments	2,724	2,196	2,166	Level I	Quoted bid prices in an active market

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables and Short Term Borrowings at carrying value because their carrying amounts approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of bank borrowings, other financial assets and financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Note No. 34 : FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks namely credit risk, liquidity risk and foreign currency risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also planned before the Board of Directors of the Company.

A. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligation. Credit risk encompasses of both the direct risk of default and the risk of deterioration of credit worthiness. Credit risk is controlled by monitoring and interaction with the customers on a continuous basis.

Financial instruments that are subject to concentrations of credit risk principally consists of trade receivables, retentions and deposits with customers, unbilled revenue.

Receivables from customers

Concentration of credit risk with respect to trade receivables are limited since major customers of the company are from public sector and accounts more than 30% of its trade receivables. All trade receivables are reviewed and assessed for default on a monthly basis. On historical experience of collecting receivables is that credit risk is low.

The following table gives details in respect of dues from trade receivables including retentions and deposits.

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Turnover from top Customer	3,289,894,959	3,736,764,295
Dues from top customer	2,103,603,817	2,020,480,352
Turnover from other top 4 customers	2,421,283,155	2,757,872,063
Dues from other top 4 customers	951,401,271	1,077,195,359

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks held as margin money against guarantees and retention money and security deposits with customers which are to be released on fulfillment of conditions as specified in the work orders.

The Company's maximum exposure of credit risk as at March 31, 2017, March 31, 2016 and April 1, 2015 is the carrying value of each class of financial assets.

B. Foreign currency risk management

- a) The company, in addition to its Indian operations, operates outside India through its project centres.

Particulars of Unhedged foreign currency exposures of Indian operations as at Balance sheet date: (Amount in INR)

Particulars	Currency	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Letter of Credit	USD	166,499,041	150,907,348	133,631,358

- b) The Income and expenditure of the foreign projects are denominated in currencies other than Indian Currency. Accordingly the company enjoys natural hedge in respect of its assets and liabilities of foreign projects. The company's unhedged foreign currency exposure in respect of these project centres is limited to the net investment (Assets-liabilities) in such operations, the particulars of which are given below.

(Amount in INR)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Net Investment in			
USD - US Dollars	39,017,913	34,006,609	(35,341,207)
SAR - Saudi Arabian Riyals	148,597,348	468,254,094	1,009,409
AED - Arab Emirates Dirham	45,042,935	23,824,809	27,262,146
BDT - Bangladeshi Taka	87,686,163	32,105,440	(8,682,246)
LYD - Libyan Dinars	111,531,009	69,157,364	(362,468,898)
OMR - Oman Riyals	19,352,896	-	-
NGN - Nigerian Naira	1,885,184	-	-
	453,113,447	627,348,316	(378,220,796)

The unhedged exposures are naturally hedged by future foreign currency earnings and earnings linked to foreign currency.

The uncovered amount is subject to foreign currency fluctuations.

C. Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has availed credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2017 and March 31, 2016. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits.

The company is repaying its borrowings as per the schedule of repayment and no amount was pending for remittance beyond its due date.

All the amounts due to trade payables falls due within one year and the company is able to meet its obligations within the due dates.

In case of borrowings from banks, the maturity pattern has been given under Note no. 15.

Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or is necessary, adjust its capital structure.

Note No. 35 : CONTINGENT LIABILITIES AND COMMITMENTS

(Amount in Rupees)

Particulars		31.03.2017	31.03.2016
A.	Contingent Liabilities		
	a) Claims against the company not acknowledged as debts		
	- Sales Tax	72,672,193	112,104,479
	- Service Tax	-	42,809,308
	b) Other contingent liabilities		
	(i) Co-applicant in respect of loans sanctioned to Subsidiary company		
	- Hydro Magus Private Limited	-	226,935
	(ii) Corporate guarantee given to bank in respect of limits sanctioned to subsidiary companies to the extent of balance outstanding (Guarantees given for their business activities)		
	- Hydro Magus Private Limited	78,666,919	72,805,955
	- Power Mech Industri Private Limited	143,626,742	120,000,000
B.	Commitments		
	Estimated amount of contracts remaining to be Executed on capital account and not provided for	20,232,156	16,642,000

Note No. 36

Particulars	31.03.2017	31.03.2016
Guarantees given by the company's bankers and outstanding. The said guarantees were covered by way of pledge of Fixed Deposit receipts with the bankers.	6,722,728,509	5,966,040,630

Note No. 37: CIF VALUE OF IMPORTS BY THE COMPANY DURING THE YEAR

Particulars	31.03.2017	31.03.2016
a) Consumables & Spare parts	475,949	593,839
b) Capital goods	34,999,858	45,987,159

Note No. 38

Particulars	31.03.2017	31.03.2016
The amount remitted during the year in foreign currencies on account of:		
a) Interest	-	530,409

Note No. 39 : EARNINGS IN FOREIGN CURRENCY

Particulars	31.03.2017	31.03.2016
a) Contract receipts (Projects executed outside India)		
Abu Dhabi	184,761,561	122,580,163
Bheramara	342,615,883	139,554,465
Shuqaiq	1,551,495,478	1,307,739,707
Libya	112,604,673	128,999,600
b) Interest received from Subsidiary - Power Mech Projects Limited LLC	1,063,903	-
c) Contract receipts from		
Subsidiary - Power Mech Projects Limited LLC	39,777,080	-
Joint Venture Company - Power Mech CPNED	4,442,313	-
d) Sale of Assets to subsidiary - MAS Power Mech Arabia	119,846,000	-

Note No. 40 : EXPENDITURE IN FOREIGN CURRENCY

Particulars	31.03.2017	31.03.2016
a) Expenditure on contracts executed outside India (Including Consumables and Spares)		
Yemen	2,349,427	2,589,201
Abu Dhabi	170,114,085	149,674,904
Bheramara	363,777,622	112,108,420
Shuqaiq	1,455,063,723	836,237,524
Libya	60,098,515	54,761,515
b) Foreign travel	1,665,199	1,445,398

Note No. 41 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
a) Gross amount required to be spent by the company during the year	17,285,960	18,173,555
b) Amount spent during the year (Contribution paid to Power Mech Foundation and HEAL)	6,227,090	4,500,000

**Note No. 42 : PARTICULARS DISCLOSED PURSUANT TO IND AS-24
“RELATED PARTY TRANSACTIONS”**

A)	i) Key Managerial personnel	S. Kishore Babu, Chairman and Managing director
	ii) Relatives of Key Managerial personnel	S. Lakshmi – Director W/o S. Kishore Babu S. Rohit S/o S. Kishore Babu S. Kishore Babu (HUF)
	iii) Companies controlled by KMP/Relatives of KMP	- Power Mech Infra Limited - Bombay Avenue Developers Private Limited - True Rrav Marketing Private Limited - Power Mech Foundation - Lakshmi Agro Farms
	iv) Subsidiary companies	Hydro Magus Private Limited Power Mech Industri Private Limited Power Mech Projects Limited LLC MAS Power Mech Arabia
	v) Joint Venture	Power Mech – CPNED Services (Hong Kong) Holding Co. Limited GTA Power Mech Nigeria Limited

B) Transactions with related parties

SI No.	Particulars	KMP	Relatives of KMP	Companies controlled by KMP/Relatives of KMP	Subsidiary Company	Joint Venture
i)	Rent Paid					
	a) S. Kishore Babu	2,880,000				
		(2,880,000)				
	b) S. Lakshmi		1,020,000			
			(960,000)			
	c) S. Kishore Babu (HUF)		840,000			
			(350,000)			
	d) S. Rohit		1,089,000			
			(990,000)			
	e) Power Mech Infra Limited			18,338,603		
				(8,948,306)		
ii)	Remuneration Paid					
	a) S. Kishore Babu	52,442,531				
		(60,654,485)				
	b) S. Rohit		916,667			
			(2,283,146)			
iii)	Sub-Contract Expenses & Hire charges Paid					
	a) Power Mech Infra Limited			52,054,915		
				(508,283,651)		
iv)	Assets & Stores Material Purchase From					
	a) Power Mech Infra Limited			-		
				(72,648,374)		
v)	Sale of assets Receipts from					
	a) MAS Power Mech Arabia				119,846,000	
					(-)	
vi)	Contract receipts from					
	a) Hydro Magus Private Limited				14,230,171	
					(31,449,500)	
	b) Power Mech Projects Limited LLC				39,777,080	
					(-)	
	c) Power Mech-CPNED Services (Hong Kong) holding Co. Limited a Jointly controlled entity					4,442,313
						(-)
vii)	Interest Received					
	a) Hydro Magus Private Limited				817,146	
					(1,117,800)	
	b) Power Mech Projects Limited LLC				1,063,903	
					(-)	
viii)	Rent Received					
	a) Hydro Magus Private Limited				56,000	
					(98,000)	
ix)	Hire charges Received					
	a) Power Mech Industri Private Limited				-	
					(665,000)	
x)	Donations paid					
	a) Power Mech foundation			6,227,090		
				(3,000,000)		

C) Balances outstanding as on 31.03.2017

Sl No.	Particulars	KMP	Relatives of KMP	Companies controlled by KMP/Relatives of KMP	Subsidiary Company	Joint Venture
i)	Investment in Hydro Magus Private Limited				25,174,610	
					(25,174,610)	
ii)	Investment in Power Mech Industri Private Limited				43,090,413	
					(43,090,413)	
iii)	Investment in MAS Power Mech Arabia				4,536,450	
					(-)	
iv)	Investment in Power Mech Projects Limited LLC				18,489,452	
					(-)	
v)	Investment in Power Mech-CPNED Services (Hong Kong) holding Co. Limited a Jointly controlled entity					43,150
						(43,150)
vi)	Investment in GTA Power Mech Nigeria Limited					3,218,142
						(-)
vii)	Due to Power Mech Infra Limited			14,967,623		
				(81,842,648)		
viii)	Rental Deposit with Power Mech Infra Limited			9,609,250		
				(6,771,380)		
ix)	Remuneration Payable	2,448,500				
		(22,861,628)				
x)	Rent Payable					
	S. Kishore Babu	216,000				
		(216,000)				
	S. Lakshmi		-			
			(72,000)			
	S. Kishore Babu (HUF)		63,000			
			(63,000)			
	S. Rohit		81,675			
			(74,250)			
xi)	Due from Power Mech Industri Private Limited				174,832,041	
					(61,587,426)	
xii)	Due from Hydro Magus Private Limited				-	
					(2,701,352)	
xiii)	Due from MAS Power Mech Arabia				5,242,495	
					(4,354,957)	
xiv)	Trade Receivable - Hydro Magus Private Limited (including Retention money and Security Deposits)				50,956,305	
					(34,493,817)	
xv)	Trade Receivable - Power Mech Industri Private Limited				1,451,122	
					(1,451,122)	
xvi)	Trade Receivable - Power Mech Projects Limited LLC				23,798,424	
					-	
xvii)	Advance to Power Mech CPNED					274,159
						(576,680)

43 In the opinion of the management, current assets, loans and advances have a value on realization in the ordinary course of business equal to the value at which they are stated. Balances in some of the parties account are subject to confirmation and reconciliation.

44 The company has claimed an amount of Rs. 7,07,57,990 (As on 31.03.2016 Rs. 5,76,35,514/-) being the Works contract tax deducted by the customers and outstanding as on 31.03.17 in respect of works carried out in some of the states. The company's management is of opinion that there is no sales tax liability in respect of the said works carried out and hence claimed as refund due and grouped under loans and advances. Sales tax liability, if any has arisen, on completion of assessments will be charged to Profit and Loss account.

45 Segment reporting

Business Segment : The company predominantly operates only in construction and maintenance activities. This in the context of IND AS -108 "Operating Segments" is considered to constitute only one business segment.

Geographical Segment: The Company has operations within India and outside India and the Segment information is presented in consolidated financial statements.

46 Calculation of Earnings per Share

Sl. No	Particulars	2016-17	2015-16
1)	Basic and Diluted Earning per share		
	No. of shares at the beginning of the year	14,710,764	12,582,764
	Fresh Issue on Equity on IPO (weighted avg no. of shares)	-	1,300,121
	Total Weighted average number of shares	14,710,764	13,882,885
	Profit after tax	636,778,644	738,782,617
	Basic and diluted Earning per share	43.29	53.23

47 Disclosure requirement under Ind AS 11 "Construction Contracts":

	Particulars	31.03.2017	31.03.2016
a)	Contract revenue recognized during the year	12,873,464,986	13,616,905,670
b)	Method used to recognise the revenue	% of Completion Method	% of Completion Method
c)	Method used to determine stage of completion	Physical proportion of work completion	Physical proportion of work completion
d)	Dues from customers	2,654,682,787	2,707,157,441
e)	Retention & SD amounts due from customers	2,624,254,887	2,556,456,110
f)	Due to Sub Contractors	1,712,051,402	2,158,087,940
g)	Retention & SD amount due to Sub Contractors	596,834,590	663,837,539
h)	Mobilisation advance from Customers	574,874,048	717,108,745
i)	Mobilisation advance to Sub Contractors	22,939,607	13,158,254

48 Dividend

The board of Directors at its meeting held on 30.05.2017 have recommended a dividend of Rs. 1/- each per share of face value of Rs. 10/- each for the financial year ended 31st March, 2017. The above is subject to approval at the ensuing Annual General Meeting of the Company and hence not recognised as a liability.

49 Disclosure as per Regulation 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

(i) Loans and advances in the nature of advances given to Subsidiary/Joint Venture Companies:

Name of the Company and relationship	Balance as on 31 st March, 2017	Maximum Balance Outstanding for the year 2016-17	Balance as on 31 st March, 2016	Maximum Balance Outstanding for the year 2015-16
Hydro Magus Private Limited - Subsidiary	-	2,701,352	2,701,352	2,701,352
Power Mech Industri Pvt Ltd - Wholly owned Subsidiary				
	174,832,041	174,832,041	61,587,427	61,587,427
MAS Power Mech Arabia - Subsidiary	5,242,495	5,242,495	*43,54,957	4,354,957
Power Mech Projects Limited LLC - Subsidiary	-	50,210,313	-	-
Power Mech CPNED - Joint Venture	274,159	1,700,306	576,680	28,576,026

(ii) Details of investments made and guarantees given under Section 186 of the Companies Act, 2013 are disclosed in Note 6 and Note 35 respectively.

(iii) All the above loans and guarantees were given for carrying on their business activities.

(iv) * Yet to be incorporated as on said date.

50 Previous year figures have been regrouped wherever necessary to confirm to current year classification.

As per our report annexed

For BRAHMAYYA & CO

Firm's Registration Number: 0005135

Chartered Accountants

Sd/-

(Karumanchi Rajaj)

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

For and on behalf of the Board

Sd/-

S. Kishore Babu

Chairman and Managing Director

(DIN: 00971313)

Sd/-

M. Rajendran

Director

(DIN: 01879556)

Sd/-

J Satish

CFO

Sd/-

Mohit Gurjar

Company Secretary

CONSOLIDATED FINANCIALS 2016–17

INDEPENDENT AUDITORS' REPORT

To the Members of

POWER MECH PROJECTS LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of POWER MECH PROJECTS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Jointly controlled entities comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its Jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its Jointly controlled entities and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. In conducting 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 thereunder.

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 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 auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls 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 consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in sub-paragraphs (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the overseas subsidiaries and its Jointly controlled entities referred to below in the Other Matters paragraph, 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 and its associates as at 31st March, 2017, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

We did not audit the financial statements of 2 overseas subsidiaries included in the consolidated Ind AS financial statements, whose financial statements reflect total assets of Rs. 709.09 Mn as at 31st March, 2017, total revenues of Rs. 311.04 Mn, total net loss after tax Rs. 2.47 Mn and other comprehensive income Rs. Nil for the year ended on that date as considered in the consolidated financial results. The consolidated financial results also includes groups share of net profit Rs. 5.56 Mn and other comprehensive

income of Rs. Nil for the year ended on that date as considered in consolidated financial results in respect of 2 joint ventures whose financial information has not been audited by us. 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 relates to the amounts and disclosures included in respect of these Overseas subsidiaries and jointly controlled entities are based on solely of the other auditors. These subsidiaries and Joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with the accounting principles generally accepted in their respective countries and the company's management has converted these financial statements as per the accounting principles generally accepted in India. We have audited these conversion adjustments made by the company's management. Our opinion in so far as it relates to the balances and affairs of such overseas subsidiary companies/JV is based on reports of other auditors and the conversion adjustments prepared by the management of the company and audited by us.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditors on separate financial statements of Overseas subsidiary and Jointly controlled entities incorporated outside India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity 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.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of, the Holding Company's / subsidiary company's incorporated in India, internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors') Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Jointly controlled entities.
 - ii. The Group and its Jointly controlled entities did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - iv. The Holding Company has provided requisite disclosures in the consolidated Ind AS financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management, we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us and other auditors by the Management of the respective Group entities.

For Brahmayya & Co.,
Chartered Accountants
Firm Regn. No. 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership No. 202309

Place: Camp: Hyderabad
Date: 30.5.2017

INDEPENDENT AUDITORS' REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING 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 for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of POWER MECH PROJECTS LIMITED ("the holding company") and its subsidiary companies incorporated in India as on that date.

Management's Responsibility for Internal Financial Controls

The respective board of directors of the holding company and its Indian subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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 Ind AS 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 its Indian subsidiaries 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 31 March 2017, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Brahmayya & Co.,
Chartered Accountants
Firm Regn. No. 000513S

Sd/-
(Karumanchi Rajaj)
Partner
Membership No.202 309

Place: Camp: Hyderabad
Date: 30.5.2017

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in Rs.)

	Particulars	Note No.	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
ASSETS					
1	Non-Current Assets				
	(a) Property, Plant and Equipment	4	2,035,720,704	1,945,276,906	1,798,365,300
	(b) Capital Work-in-progress		119,287,095	188,651,049	162,993,203
	(c) Intangible Assets	5	28,913,124	32,561,883	33,770,630
	(d) Unallocated Capital expenditure	6	-	31,311,711	7,332,413
	(e) Financial Assets				
	(i) Investments	7	9,100,600	3,112,633	237,720
	(ii) Loans	8	111,959,952	93,894,924	51,807,183
	(iii) Other Financial Assets	9	2,261,907,834	2,003,246,250	1,769,575,698
	(f) Other Non-current Assets	10	19,131,446	43,065,845	25,174,179
	Total Non-Current assets		4,586,020,755	4,341,121,201	3,849,256,327
2	Current Assets				
	(a) Inventories	11	490,277,489	312,862,416	320,912,260
	(b) Financial Assets				
	(i) Trade Receivables	12	2,948,716,682	2,721,771,444	1,953,654,588
	(ii) Cash and cash equivalents	13	85,644,837	24,200,198	115,393,214
	(iii) Other Bank Balances	13	261,836,228	407,690,791	359,400,703
	(iv) Loans	8	21,884,675	22,583,908	19,354,867
	(v) Other Financial Assets	9	3,048,161,263	3,463,463,468	2,400,473,670
	(c) Other Current assets	10	2,184,848,276	1,760,567,214	1,460,929,370
	Total Current assets		9,041,369,450	8,713,139,440	6,630,118,672
	Total Assets		13,627,390,204	13,054,260,641	10,479,374,999
EQUITY AND LIABILITIES					
1	Equity				
	(a) Equity Share Capital	14	147,107,640	147,107,640	125,827,640
	(b) Other Equity	15	6,065,433,600	5,403,522,209	3,436,504,357
			6,212,541,240	5,550,629,849	3,562,331,997
	Non-Controlling Interests		21,089,379	4,385,138	2,486,738
	Liabilities				
2	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Long-term Borrowings	16	154,969,556	213,540,285	365,745,804
	(ii) Other financial liabilities	17	560,528,714	603,149,752	378,584,840
	(b) Provisions	18	4,100,801	2,354,571	1,923,024
	(c) Deferred Tax Liabilities (Net)	19	21,468,169	42,221,814	47,214,956
	(d) Other non-current liabilities	20	385,211,929	304,071,761	262,677,829
	Total Non-Current liabilities		1,126,279,169	1,165,338,184	1,056,146,453
3	Current liabilities				
	(a) Financial Liabilities				
	(i) Short-term Borrowings	21	1,642,520,609	1,918,500,645	1,997,414,637
	(ii) Trade payables	22	2,653,524,041	2,704,723,310	2,221,457,017
	(iii) Other financial liabilities	17	979,719,139	889,449,787	902,340,410
	(b) Other current liabilities	20	880,676,772	717,254,915	677,901,075
	(c) Provisions	18	14,784,415	2,333,983	6,007,222
	(d) Current tax Liabilities (Net)	23	96,255,439	101,644,829	53,289,450
	Total Current liabilities		6,267,480,415	6,333,907,470	5,858,409,811
	Total Liabilities		7,393,759,584	7,499,245,654	6,914,556,264
	Total Equity and Liabilities		13,627,390,204	13,054,260,641	10,479,374,999

Note: The accompanying notes 1-52 form an integral part of the Financial statements.

As per our report of even date

For BRAHMAYYA & CO

Firm's Registration Number: 000513S

Chartered Accountants

Sd/-

(Karumanchi Rajaj)

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

For and on behalf of the Board

Sd/-

S. Kishore Babu

Chairman and Managing Director

(DIN: 00971313)

Sd/-

M. Rajendran

Director

(DIN: 01879556)

Sd/-

J Satish

CFO

Sd/-

Mohit Gurjar

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in Rs.)

Particulars		Note No.	Year ended 31 st March, 2017	Year ended 31 st March, 2016
I	Revenue from Operations	24	13,382,019,808	13,782,129,956
II	Other Income	25	77,021,229	55,392,613
III	Total Income (I+II)		13,459,041,037	13,837,522,569
IV	Expenses			
	Cost of Material Consumed	26	1,205,772,031	1,144,770,742
	(Increase)/Decrease in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	27	(28,964,393)	4,602,754
	Purchase of Stock in Trade	28	38,763,432	-
	Contract Execution expenses	29	7,927,654,070	8,988,657,539
	Employee benefits expense	30	2,265,275,832	1,549,282,891
	Finance Costs	31	329,260,389	329,440,906
	Depreciation and Amortization expense	32	409,306,105	390,026,963
	Other expenses	33	314,276,178	275,283,772
	Total Expenses (IV)		12,461,343,644	12,682,065,568
V	Profit before share of profit from Joint Venture, exceptional items and tax (III-IV)		997,697,393	1,155,457,001
VI	Share of Profit from Joint Venture		5,563,983	2,774,681
VII	Profit before exceptional items and tax (V+VI)		1,003,261,377	1,158,231,682
VIII	Exceptional Items		-	-
IX	Profit before tax (VII-VIII)		1,003,261,377	1,158,231,682
X	Tax Expense:			
	Current tax		377,771,224	410,776,775
	Deferred tax		(20,753,647)	(4,993,141)
	MAT Credit entitlement		(260,403)	(239,857)
XI	Profit for the period (IX-X)		646,504,203	752,687,905
XII	Other Comprehensive Income			
	A. Items that will not be re-classified to profit and Loss account			
	a) Changes in Fair value of Investments		60,649	(23,044)
	b) Remeasurement of defined employee benefit plans		4,032,309	3,879,487
XIII	Total Comprehensive Income for the period (XI+XII)		650,597,161	756,544,347
	Profit for the year before Other Comprehensive Income		646,504,203	752,687,905
	Attributable to			
	Equity holders of the parent		646,756,169	750,789,505
	Non-Controlling Interests		(251,965)	1,898,400
	Total Comprehensive Income for the period		650,597,161	756,544,347
	Attributable to			
	Equity holders of the parent		650,849,127	754,645,947
	Non-Controlling Interests		(251,965)	1,898,400
XIV	Earnings per Share - Basic and Diluted		43.96	54.08

Note: The accompanying notes 1-52 form an integral part of the Financial statements.

As per our report of even date

For and on behalf of the Board

For BRAHMAYYA & COFirm's Registration Number: 0005135
Chartered Accountants**Sd/-****(Karumanchi Rajaj)**

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

Sd/-**S. Kishore Babu**Chairman and Managing Director
(DIN: 00971313)**Sd/-****J Satish**

CFO

Sd/-**M. Rajendran**Director
(DIN: 01879556)**Sd/-****Mohit Gurjar**

Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in Rs.)

PARTICULARS		2016-17	2015-16
I.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	1,003,261,377	1,158,231,682
	Add / Less: Adjustments for:		
	Depreciation	409,306,105	390,026,963
	Interest and Finance charges	329,260,389	329,440,906
	Loss on sale of assets	4,991,865	248,745
	Unwinding portion of prepaid rent accounted as rental expense on account of fair valuation of rental deposits	780,271	510,559
	Interest income on rental deposit	(620,363)	(365,324)
	Interest income (excluding interest on rental deposit)	(56,019,529)	(53,763,831)
	Profit on sale of assets	(5,991,642)	(1,263,434)
	Remeasurement benefits on defined benefit Plans/Obligations considered in Other Comprehensive Income	4,032,309	3,879,486
	Operating profit before working capital changes	1,689,000,781	1,826,945,751
	Movements in Working Capital		
	Adjustments for (increase)/decrease in operating assets:		
	- Trade Receivables	(226,945,237)	768,116,856
	- Inventories	(150,975,922)	8,049,844
	- Other Assets	(56,800,609)	(3,154,828,747)
	Adjustments for increase/(decrease) in operating liabilities:		
	- Trade Payables	(51,199,269)	483,266,294
	- Other Liabilities and Provisions	388,463,058	261,111,158
	Cash generated from operations	1,591,542,801	192,661,156
	Less: Direct taxes paid	(400,721,766)	(362,269,863)
	Net cash from / (used in) Operating activities (A)	1,190,821,035	(169,608,707)
II.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of fixed assets/Capital works-under progress	(528,587,664)	(597,349,285)
	Proceeds from sale of fixed assets	134,161,962	12,997,000
	Margin money deposits with banks and other balances	(58,416,665)	(98,589,220)
	Interest received (Excl interest on rental deposit)	56,019,529	53,763,863
	Net cash used in Investing activities (B)	(396,822,838)	(629,177,642)
III.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Share capital at a premium (Net of expenses)	-	1,266,420,000
	Proceeds from/(Repayment of) borrowings	(398,141,853)	(208,539,804)
	Interest and Finance charges paid	(329,260,389)	(319,439,121)
	Dividends and dividend tax paid	(5,151,317)	(30,847,741)
	Net cash from/(used in) financing activities (C)	(732,553,558)	707,593,334
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	61,444,639	(91,193,015)
	Cash and cash equivalents at the beginning of the period	24,200,198	115,393,214
	Cash and cash equivalents at the end of the period	85,644,837	24,200,198
	Net Increase/(Decrease) in cash and cash equivalents	61,444,639	(91,193,015)

Components of cash and cash equivalents

Particulars	2016-17	2015-16
Cash on hand	7,700,436	2,014,234
In Current accounts	77,944,401	22,185,964
Deposits having maturity period for less than 3 months	-	-
	85,644,837	24,200,198

As per our report of even date

For and on behalf of the Board

For BRAHMAYYA & CO

Firm's Registration Number: 000513S

Chartered Accountants

Sd/-

(Karumanchi Rajaj)

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

Sd/-

S. Kishore Babu

Chairman and Managing Director

(DIN: 00971313)

Sd/-

J Satish

CFO

Sd/-

M. Rajendran

Director

(DIN: 01879556)

Sd/-

Mohit Gurjar

Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2017

A. Equity share capital

Particulars	No.'s	INR
As at 1st April, 2015	12,582,764	125,827,640
Changes in equity during the year:-		
Increase in share capital through fresh issue of equity on IPO	2,128,000	21,280,000
As at 31st March, 2016	14,710,764	147,107,640
Changes in equity during the year	-	-
As at 31st March, 2017	14,710,764	147,107,640

B. Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income		Total
	Securities Premium Reserve	Other Reserves (General reserve)	Foreign Currency Translation Reserve	Equity instruments through Other Comprehensive Income	Actuarial Gains/(Losses)	
Balance at the beginning of reporting period - 1st April, 2015	364,173,360	369,989,584	-	35,554	(806,736)	34,36,504,357
Add: Issue of 21,28,000 shares at a premium of Rs. 630/- per share	1,340,640,000	-	-	-	-	1,340,640,000
Less: Utilised for expenses pertaining to issue of fully paid-up equity shares on IPO	95,500,000	-	-	-	-	95,500,000
Add: Profit for the year (Net of Minority Interest)	-	-	-	-	-	750,789,505
Add: Other Comprehensive Income	-	-	-	(23,044)	3,879,486	3,856,442
Add: Exchange difference on revaluation at Balance sheet date	-	-	81,754	-	-	81,754
Total Comprehensive Income for the year	-	-	-	(23,044)	3,879,486	754,645,947
Less: Appropriations	-	-	-	-	-	-
Final Dividend for the year 2014-15	-	-	-	-	-	12,582,764
Interim Dividend for the year 2015-16	-	-	-	-	-	14,710,764
Dividend Distribution tax	-	-	-	-	-	5,556,321
Transfer to General Reserve	-	-	-	-	-	-
Balance at the end of reporting period - 31st March 2016	1,609,313,360	369,989,584	81,754	12,510	3,072,750	5,403,522,209
Add: Profit for the year (Net of Minority Interest)	-	-	-	-	-	646,756,169
Add: Other Comprehensive Income	-	-	-	60,649	4,032,309	4,092,958
Add: Exchange difference on revaluation at Balance sheet date	-	-	11,062,264	-	-	11,062,264
Total Comprehensive Income for the year	-	-	-	60,649	4,032,309	650,849,128
Less: Appropriations	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-
Balance at the end of reporting period - 31st March 2017	1,609,313,360	369,989,584	11,144,018	73,159	7,105,060	6,065,433,601

As per our report of even date

For BRAHMAYYA & CO

Firm's Registration Number: 0005135

Chartered Accountants

Sd/-
S. Kishore Babu
Chairman and Managing Director
(DIN: 00971313)

For and on behalf of the Board

Sd/-
M. Rajendran
Director
(DIN: 01879556)

Sd/-
J Satish
CFO

Sd/-
Mohit Gurjar
Company Secretary

Sd/-
(Karumanchi Rajaji)
Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

Note No : 1

GROUP INFORMATION

Power Mech Projects Limited is incorporated in the year 1999 and is an engineering and construction company providing integrated service in erection, testing and commissioning (ETC) of boilers, turbines and generators and balance of plant (BOP), civil works and operation and maintenance (O&M). The company is undertaking projects of all types, sizes and in all environments in India and abroad which include ultra mega power projects, super critical thermal power projects, sub critical power projects, heat recovery steam generator, waste heat recovery steam generator, circulating fluidized bed combustion steam generator, gas turbine generator, hydro electric plants, maintenance, renovation, modernization and annual maintenance of running plants and complete civil works in India and abroad. Power Mech is now engaged in several power projects ranging from 135MW to 800MW, besides many projects in lower segment also.

The company, its subsidiaries and its joint venture (jointly referred to as the "Group") considered in the Consolidated Financial Statements are:

a) Subsidiaries:

Name of the Company	Country of Incorporation	Principal Activities	Proportion of Equity Investment		
			31.3.2017	31.3.2016	1.4.2015
Hydro Magus Private Limited	India	Maintenance contracts	75 %	75 %	75 %
Power Mech Industri Private Limited	India	Manufacture of spare parts	100 %	100 %	100 %
Power Mech Projects Limited LLC	Muscat	Installation and repair of electric power and transformer plants	70 %	--	--
MAS Power Mech Arabia	Saudi Arabia	Installation and Maintenance services	51 %	--	--

b) Joint Venture:

Name of the company	Country of incorporation	Principal activities	Proportion of equity investment		
			31.3.2017	31.3.2016	1.4.2015
GTA Power Mech Nigeria Limited	Nigeria	Turbine repair	50 %	---	---
Power Mech-CPNED Services	Hong Kong	Trading of spare parts	50 %	50 %	---

The subsidiary company, Hydro Magus Private Limited is incorporated in the year 2012. The company is setup with a vision to support the Hydro utility owners in a professional manner to enhance the generation output and viability factor of their power plants by implementing Reliability-centric- Maintenance programs on their Hydro generating units in a cost effective way. The company also envisages achieving this vision of generation enhancement by undertaking renovation, modernization and uprating of old generating sets based upon the recommendations of life extension and uprating studies.

Power Mech Industri Private Limited was incorporated in the year 2006 and became subsidiary company to Power Mech Projects Limited in the year 2013-14. On acquisition by Power Mech Projects Limited, the company is involved in the manufacture of all types of machinery parts, equipments, development and construction of industrial sheds and overhaul and Maintenance pertaining to all industrial units.

Power Mech Projects Limited LLC was incorporated in the year 2016-17 which is engaged in the business of construction contracts of water, electricity and telephone net work and installation and repair of electric power and transformer plants in which the parent company holds 70 %.

MAS Power Mech Arabia was incorporated in the year 2015 in which the parent company holds 51 % and is engaged in the business of provision of services of installation, operation, testing and maintenance of electricity stations and pressure transformers.

The parent company, Power Mech Projects Limited along with Chengdu Pengrun New Energy Development Company Limited established a Jointly controlled entity under the name Power Mech-CPNED Services (Hong Kong) Holding company Limited in which Power Mech Projects Limited holds 50 % interest. The said entity was incorporated in Hong Kong.

The parent company, Power Mech Projects Limited along with Skipper Limited established a Jointly controlled entity under the name GTA Power Mech Nigeria Limited in which Power Mech Projects Limited holds 50 % interest. The said entity was incorporated in Nigeria.

Note No : 2**BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS :**

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the Ind AS) as notified by the Ministry of Corporate affairs, pursuant to section 133 of the Companies Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 w.e.f 1st April, 2016.

These consolidated financial statements for the year ended 31st March, 2017 are the first the group has prepared under Ind AS. For all the periods upto and including the year ended 31st March, 2016, the group prepared its consolidated financial statements in accordance with the accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (hereinafter referred to as "Previous GAAP") used for its statutory reporting requirement in India immediately before adopting Ind AS. The consolidated financial statements for the year ended 31st March, 2016 and the opening balance sheet as on 1st April, 2015 have been restated in accordance with Ind AS for comparative information. In accordance with Ind AS 101 "First time adoption of Indian Accounting Standards", the group has presented a reconciliation from the presentation of financial statements under Accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of Shareholders' equity as at 1st April, 2015 and 31st March, 2016 and Statement of Profit & Loss for the year ended 31st March, 2016. These consolidated financial statements have been prepared in accordance with Ind AS as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

These consolidated financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) under historical cost convention on accrual basis of accounting except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013('the Act')(to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The accounting policies have been applied consistently for all the periods presented in the consolidated financial statements including the preparation of the opening Ind AS Balance sheet as at 1st April, 2015 being the date of transition to Ind AS.

Subsidiaries are entities where the group exercise or controls more than one-half of its total share capital. The net assets and profits of the subsidiaries are included in the statements from their respective date of acquisition being the date on which group obtains control. Control is achieved when the company has power over the investee, is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns.

Principles of Consolidation

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that groups members financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements relate to Power Mech Projects Limited ('the company') and its subsidiary companies and Joint ventures. The consolidated statements have been prepared on the following basis.

- a) The financial statements of the parent company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group transactions and intra-group balances.
- b) Profits and losses resulting from intra-group transactions that are recognized as asset such as inventory and property, plant and equipments are eliminated in full.
- c) The excess of cost to the group of its investment in subsidiaries on the acquisition date over and above the group's share of equity in subsidiaries is recognized as Goodwill on consolidation being an asset in the consolidated financial statements or in case of excess of cost of investments, it is recognized as Capital reserve and shown under Reserves and surplus in the consolidated financial statements.
- d) In case of foreign subsidiaries and joint ventures, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange rate difference arising on consolidation is recognized in the Foreign currency translation Reserve.
- e) Non-controlling interests in the net assets of subsidiaries is identified and presented in the statements separately within equity. The non-controlling interests in the net assets of subsidiaries consists of a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made and b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence. The profit and other comprehensive income attributable to non-controlling interests of subsidiaries are shown separately in the statement of profit and loss and statement of changes in equity.

- f) Investments in Joint venture has been accounted under the equity method as per Ind AS-28 “Investments in Associates and Joint ventures”.
- g) The financial statements of the company and its subsidiary and joint venture companies are drawn up to the same reporting date i.e of 31st March except in case of one overseas subsidiary where financial statements have been drawn upto 31st December, 2016 and for consolidation purposes additional financial information for the q.e 31st March, 2017 has been prepared.

Other Significant Accounting policies:

a) Use of estimates and Judgements

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the company's accounting policies that have the most significant effect on the amounts recognized in the financial statements.

i) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets:

Property, plant and equipment / intangible assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful lives and residual values are based on the respective company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

ii) Recoverability of trade receivable:

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, past history of receivables, outcome of the negotiations with the customers, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

iii) Fair value measurement of financial instruments:

Some of the assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the respective company uses market-observable data to the extent available. Where Level 1 inputs are not available, the fair value is measured using valuation techniques, including the discounted cash flow model, which involves various judgments and assumptions. The entities also engages third party qualified valuers to perform the valuation in certain cases. The appropriateness of valuation techniques and inputs to the valuation model are reviewed by the Management.

iv) Provisions:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

v) Impairment of non-financial assets:

The entities assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the entities estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

vi) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The entities uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on entity's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

vii) Income Taxes:

The parent company and its Indian subsidiaries tax jurisdiction is India and in case of overseas entities tax jurisdiction is of respective country in which they are incorporated. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

viii) Defined benefit obligations:

The entities uses actuarial assumptions viz., discount rate, mortality rates, salary escalation rate etc., to determine employee benefit obligations.

ix) Other estimates:

The preparation of financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the entities estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.

The group, as per the option given under Ind AS-101 "First time adoption of Indian Accounting Standards" elected to continue with the carrying value of all its fixed assets arrived under previous GAAP as on 1st April, 2015 as deemed cost at the date of transition for all the items of Property, plant and equipment. The residual values of the assets as estimated by the management at the time of capitalization continues be the same as on 1st April, 2015.

Advances paid for acquisition of Property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets. Cost of the assets not put to use before such date are disclosed under 'Capital Work-in-progress'. Any subsequent expenditure relates to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. Items of spare parts are recognized as Property, plant and equipment when they meet the definition of Property, plant and equipment. The cost and related depreciation are eliminated from the property, plant and equipment upon sale or retirement of the asset and the resultant gain or losses are recognized in statement of profit and loss.

c) Intangible assets

Intangible assets are stated at cost of acquisition less accumulated amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight line basis from the date they are available for use.

For transition to Ind AS, the group has elected to continue with the carrying value of all of its intangible assets recognized as of 1st April, 2015, being transition date, measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

d) Depreciation and Amortization

The depreciation on property, plant and equipment is provided under the Straight-line method over the useful lives of the assets estimated by the respective entities management. The management based on internal assessment and independent technical evaluation carried out by external valuers, believes that the useful lives as selected best represent the period over which the management expects to use these assets. Such estimation is made based on the past experience and working conditions in which assets are put to usage.

The management estimates the useful lives for the fixed assets as follows.

Name of the asset	Estimated useful life (No. of years)
Office buildings	20
Plant and machinery	5
Furniture and fixtures	5
Computers	4
Office equipments	5
Vehicles	5
Cranes	12.5
Mobile Phones	1
Temporary sheds	1-3

Individual assets costing up to Rs. 5,000/- each, other than mobile phones, are fully depreciated in the year of purchase since in the opinion of the management the useful life of such assets are of one year.

Depreciation on assets added/sold during the year is provided on pro-rata basis from the date of acquisition or up to the date of sale, as the case may be.

Intangible assets, comprising of expenditure on computer software, incurred are amortized on a straight line method over a period of five years.

Depreciation and amortization methods, useful lives and residual values are reviewed periodically at the end of each financial year with the effect of any change in estimate accounted for on a prospective basis.

e) **Government Grants**

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

Government grants related to revenue are recognized on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs which they are intended to compensate. When the grant relates to an asset, it is recognized as deferred revenue in the Balance sheet and transferred to the statement of Profit and Loss on a systematic and rational basis over the useful lives of the related assets.

f) **Investment in Joint venture**

Investment in jointly controlled entity is accounted for using the "equity method" less accumulated impairment, if any. Under the equity method, the investment is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the group's share of net assets of the jointly controlled entity since the date of acquisition. Goodwill relating to the jointly controlled entity is included in the carrying amount of the investment.

The statement of profit and loss reflects the group's share of the results of the operations of the jointly controlled entity. The amount of OCI of these entities are included in the groups OCI. Unrealised gains and losses resulting from transactions between the group and its jointly controlled entity are eliminated to the extent of interest in jointly controlled entity. If groups share of losses in jointly controlled entity exceeds its investment, the group discontinues recognising its share of further losses. If the entity reports profits subsequently, the group resumes recognising its share of profits only after its share of profits equals the share of losses not recognised.

g) **Impairment of Assets**

i) Financial assets (other than at fair value)

The group assesses at each balance sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The company recognizes lifetime expected losses for all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Non financial assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amount may not be recoverable. If any such indication exists, the recoverable amount (i.e higher of the fair value less cost of sale and value in use) is determined on an individual asset basis unless the asset does not generates cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount and the carrying amount of the asset is increased to its revised recoverable amount subject to maximum of carrying amount.

h) **Borrowing Costs**

.Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalized as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

i) **Inventories**

a) Stores and consumables are valued at lower of cost or Net realizable value.

b) Work-in-progress:

Contract execution expenses incurred in respect of projects to be commenced are included under work-in-progress and are valued at cost.

c) Contracts awarded to the company and not commenced as on date of balance sheet, the cost incurred in securing the contract, mobilization expenses of labour and material and other related expenses incurred are shown as asset as per the requirements of Ind AS.

j) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from contracts is recognized by following the percentage of completion method and is measured with reference to actual completion of physical proportion of the work to the extent of work certified by the customer. The portion of the work which was completed, but pending for certification by the customer, is also recognized as revenue by treating the same as uncertified revenue. Any claims, variations and incentives is recognized as revenue only when the customer accepts the same. Provision for expected loss is recognized immediately when it is probable that the total estimated cost will exceed total contract revenue.

Revenue from sale of products is recognised when the goods are delivered and titles have passed i.e time when the risks and rewards of ownership are transferred to the buyer under the terms of the contract and the company retains no effective control over the goods sold. Revenue is measured at the fair value of the consideration taking into account contractually defined terms of payment. Revenue is reduced for discounts, rebates and other similar allowances.

When there is any uncertainty as to the measurement or collectability of consideration, revenue recognition to the extent of amount of uncertainty is postponed until such uncertainty is resolved.

Interest income is recognized using the effective interest method.

Dividend income is recognized when the right to receive payment is established.

k) Employee Benefits**i) Defined Contribution Plans**

The contribution to Employees Provident Fund and Employees State Insurance are made under a defined contribution plan, and are accounted for at actual cost in the year of accrual.

ii) Defined Benefit Plans

Gratuity, a defined Benefit scheme is covered by a Group Gratuity cum Life Assurance policy with LIC. The cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial losses and gains, the effect of changes to the asset ceiling and actual return on plan assets, in excess of the yield computed by applying the discount rate used to measure the defined benefit obligation, is reflected in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Such remeasurement losses/gains are not reclassified to profit or loss subsequently.

The employees of the entities are entitled to leave encashment which are both accumulating and non-accumulating in nature. The liability towards accumulated leave encashment, which are to be encashable only at the time of retirement, death while in service or on termination of employment, is determined by actuarial valuation using projected unit credit method.

The liability towards non-accumulated leave encashment over and above accumulated leaves, being short term employee benefit and eligible to encash after the end of each financial year, is provided based on actual liability computed at the end of each year.

l) Foreign Currency Transactions

These consolidated financial statements are presented in Indian rupee which is the functional currency of the parent company.

In preparing the financial statements of each individual group entity, transactions in foreign currencies are recognized at the rates of exchange prevailing at the dates of the transactions. Gains/losses on settlement of the transaction are recognized in the statement of profit and loss.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured at historical cost in foreign currency, are translated using the exchange rate at the date of transaction. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Any loss/gain on conversion of monetary items are recognized in statement of profit and loss.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. The exchange differences arising on translation for consolidation are recognized in other comprehensive income and accumulated in equity and attributed to non-controlling interests proportionately. On disposal of foreign operation, the OCI component relating to that particular foreign operation is reclassified to consolidated statement of profit and loss.

m) Income-Taxes

Income tax expense comprises the sum of tax currently payable and deferred tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current tax is determined at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The carrying amount of deferred tax assets is reviewed at the end of each year 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 assets to be recovered.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or subsequently enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities are recognized as income or expense in the year of enactment. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

n) Provisions, Contingent Liabilities and Contingent assets

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Where the effect of time value of money is material, the amount of provisions is the present value of the expenditure required to settle the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognize contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

o) Dividends

Provision for dividends payable (including income tax thereon) is accounted in the books of account in the year when they are approved by the share holders at the Annual General Meeting.

p) Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. Further, if the number of equity shares increases as a result of bonus issue, the above calculations are adjusted retrospectively for the previous year figures also.

q) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and loss account on a straight basis over the lease term.

r) Cash flow statement

Cash flows are reported using the indirect method, whereby the profit before tax is adjusted for the effects of transactions of non-cash nature and items of income or expenses associated with investing and financing activities. The cash flows are segregated into Operating, investing and financing activities.

s) Financial instruments

Initial recognition:

The group recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than the financial assets and liabilities at fair value through profit and loss) are added to or deducted from the fair value of financial assets and liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Subsequent measurement:

i) Financial assets carried at amortized cost:

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income.

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest

on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

De-recognition of financial asset

The company de-recognises financial assets when the contractual right to the cash flows from the asset expires or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. The effective method is a method of calculating the amortization cost of a financial liability and of allocating interest expense over the relevant period. The effective interest is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

De-recognition of financial liability

The company de-recognises financial liabilities when the company's obligations are discharged, cancelled or expired. The difference between the initial carrying amount of the financial liabilities and their redemption value is recognized in the statement of profit and loss over the contractual terms using the effective interest method.

t) New standards and interpretations not yet adopted

Standards issued but not effective:

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows'. The amendment relating to Ind AS 7 is applicable to the Company from April 1, 2017.

Amendment to Ind AS 7:

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The effect on the financial statements is being evaluated by the Company.

Note No. 3 : FIRST TIME ADOPTION OF IND AS

The group 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, 2017 are the first financial statements. For all periods upto and including the year ended 31st March, 2016, the group prepared its financial statements in accordance with the accounting standards notified under 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 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 group has prepared financial statements which comply with Ind AS for the year ended 31st March, 2017 together with the comparative information as at and for the year ended 31st March, 2016 and the opening Ind AS balance sheet as at 1st April, 2015, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the group has availed certain exemptions and exceptions in accordance with Ind AS 101. The resulting difference between the carrying values of the assets and the liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognized directly in equity. The following note explains the adjustments made by the group in restating the financial statements prepared under previous GAAP, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.

A. Exceptions from retrospective application.

- (i) **Estimates exception:** Upon an assessment of the estimates made under Previous GAAP, the group has concluded that there was no necessity to revise such estimates under Ind AS except where estimates were required by Ind AS and not required by Previous GAAP.
- (ii) **Classification and measurement of financial assets:** The group has determined the classification of financial assets in terms of whether they meet the amortised cost criteria or the fair value through other comprehensive income criteria based on the facts and circumstances that existed as of the transition date.
- (iii) **Deemed cost for property, plant and equipment and intangible assets:** The group has elected to continue with carrying value of all its property plant and equipment, and intangible assets recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.
- (iv) **Investments in subsidiaries, joint ventures and associates:** The Company has elected to measure investment in subsidiaries and joint ventures at cost.

B. Transition to Ind AS - Reconciliations

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- i) Adjustments made by the group in restating the financial statements prepared under previous GAAP, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March, 2016.
- ii) Reconciliation of Equity as at April 1, 2015 and March 31, 2016.
- iii) Reconciliation of Statement of Profit & Loss for the year ended March 31, 2016.

Reconciliation of Equity as previously reported under IGAAP to Ind AS

Particulars		IGAAP	Ind AS adjustments	As at 31 st March, 2016	IGAAP	Ind AS adjustments	As at 1 st April, 2015
ASSETS							
1	Non-Current Assets						
	(a) Property, Plant and Equipment	1,945,276,906		1,945,276,906	1,798,365,300		1,798,365,300
	(b) Capital Work-in-progress	188,651,049		188,651,049	162,993,203		162,993,203
	(c) Other Intangible Assets	32,561,883		32,561,883	33,770,630		33,770,630
	(d) Unallocated Capital expenditure	31,311,711		31,311,711	7,332,413		7,332,413
	(e) Financial Assets						
	(i) Investments	202,166	2,910,468	3,112,633	202,166	35,554	237,720
	(ii) Loans	98,440,624	(4,545,700)	93,894,924	51,974,063	(166,880)	51,807,183
	(iii) Others	2,004,104,034	(857,784)	2,003,246,250	1,769,575,698		1,769,575,698
	(f) Other Non-current Assets	43,065,845		43,065,845	25,174,179		25,174,179
		4,343,614,218	(2,493,016)	4,341,121,201	3,849,387,653	(131,326)	3,849,256,327
2	Current Assets						
	(a) Inventories	312,862,416		312,862,416	320,912,260		320,912,260
	(b) Financial Assets						
	(i) Trade Receivables	2,727,234,543	(5,463,099)	2,721,771,444	1,953,654,588		1,953,654,588
	(ii) Cash and cash equivalents	24,200,198		24,200,198	115,393,214		115,393,214
	(iii) Other Bank Balances	407,690,791		407,690,791	359,400,703		359,400,703
	(iv) Loans	25,675,406	(3,091,498)	22,583,908	19,354,867		19,354,867
	(v) Other Financial Assets	3,463,463,468		3,463,463,468	2,400,473,670		2,400,473,670
	(c) Other Current assets	1,756,166,750	4,400,465	1,760,567,214	1,460,762,489	166,881	1,460,929,370
		8,717,293,572	(4,154,132)	8,713,139,440	6,629,951,791	166,881	6,630,118,672
	Total Assets	13,060,907,790	(6,647,149)	13,054,260,641	10,479,339,444	35,555	10,479,374,999
EQUITY AND LIABILITIES							
1	Equity						
	(a) Equity Share Capital	147,107,640		147,107,640	125,827,640		125,827,640
	(b) Other Equity	5,403,654,933	(132,724)	5,403,522,209	3,421,324,483	15,179,874	3,436,504,357
	(c) Non Controlling Interests	4,385,138		4,385,138	2,486,738		2,486,738
		5,555,147,711	(132,724)	5,555,014,987	3,549,638,861	15,179,874	3,564,818,735
	Liabilities						
2	Non-current liabilities						
	(a) Financial Liabilities						
	(i) Borrowings	213,540,285		213,540,285	365,745,804		365,745,804
	(ii) Other financial liabilities	603,149,752		603,149,752	378,584,840		378,584,840
	(b) Provisions	2,354,571		2,354,571	1,923,024		1,923,024
	(c) Deferred Tax Liabilities (Net)	42,221,814		42,221,814	47,214,956		47,214,956
	(d) Other non-current liabilities	304,071,761		304,071,761	262,677,829		262,677,829
		1,165,338,184	-	1,165,338,184	1,056,146,453	-	1,056,146,453
3	Current liabilities						
	(a) Financial Liabilities						
	(i) Borrowings	1,918,500,645		1,918,500,645	1,997,414,637		1,997,414,637
	(ii) Trade payables	2,710,875,755	(6,152,445)	2,704,723,310	2,221,457,017		2,221,457,017
	(iii) Other financial liabilities	889,811,766	(361,980)	889,449,787	902,340,410		902,340,410
	(b) Other current liabilities	717,254,915		717,254,915	677,901,075		677,901,075
	(c) Provisions	2,333,983		2,333,983	21,151,541	(15,144,319)	6,007,222
	(d) Current tax Liabilities (Net)	101,644,829		101,644,829	53,289,450		53,289,450
		6,340,421,894	(6,514,424)	6,333,907,470	5,873,554,130	(15,144,319)	5,858,409,811
	Total Liabilities	7,505,760,078	(6,514,424)	7,499,245,654	6,929,700,583	(15,144,319)	6,914,556,264
	Total Equity and Liabilities	13,060,907,790	(6,647,149)	13,054,260,641	10,479,339,444	35,555	10,479,374,999

Reconciliation of Statement of Profit and Loss reported under IGAAP to Ind AS

	Particulars	IGAAP for the year ending 31 st March, 2016	Ind AS adjustments	Share of Joint Venture treated as per Equity method	Ind AS for the year ending 31 st March, 2016
I	Revenue from Operations	13,837,599,120	-	(55,469,164)	13,782,129,956
II	Other Income	55,027,291	365,322	-	55,392,613
III	Total Income (I+II)	13,892,626,441	365,322	(55,469,164)	13,837,522,569
IV	Expenses				
	Cost of Material Consumed	1,196,772,632	-	(52,001,890)	1,144,770,742
	(Increase)/Decrease in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	4,602,754	-	-	4,602,754
	Contract Execution expenses	8,988,657,539	-	-	8,988,657,539
	Employee benefits expense	1,545,403,404	3,879,487	-	1,549,282,891
	Finance costs	328,955,396	485,510	-	329,440,906
	Depreciation and Amortization expense	390,026,963	-	-	390,026,963
	Other expenses	275,465,807	510,558	(692,593)	275,283,772
	Total Expenses (IV)	12,729,884,495	4,875,555	(52,694,483)	12,682,065,568
V	Profit before share of profit from Joint Venture, exceptional items and tax (III-IV)	1,162,741,946	(4,510,233)	(2,774,681)	1,155,457,001
VI	Share of Profit from Joint Venture	-	2,774,681	-	2,774,681
VII	Profit before Exceptional items and tax (V+VI)	1,162,741,946	(1,735,552)	(2,774,681)	1,158,231,682
VIII	Exceptional Items	-	-	-	-
IX	Profit before tax (VII-VIII)	1,162,741,946	(1,735,552)	(2,774,681)	1,158,231,682
X	Tax expense:				
	Current tax	410,776,775	-	-	410,776,775
	Deferred tax charge/(credit)	(4,993,141)	-	-	(4,993,141)
	MAT Credit Entitlement	(239,857)	-	-	(239,857)
XI	Profit for the year	757,198,169	(1,735,552)	(2,774,681)	752,687,905
XII	Other Comprehensive Income				
	A. Items that will not be re-classified to statement of Profit and loss (net of tax)				
	a) Changes in fair value of investments	-	(23,044)	-	(23,044)
	b) Remeasurement of defined employee benefit plans	-	3,879,487	-	3,879,487
	Total Other comprehensive income	-	3,856,443	-	3,856,443
XIII	Total Comprehensive Income for the year (XI+XII)	757,198,169	2,120,891	(2,774,681)	756,544,347

(i) Reconciliation of Equity between IGAAP with Ind AS

Particulars	Note	As at 31 st March, 2016	As at 1 st April, 2015
Equity Under previous GAAP (excl Non Controlling Interests)		5,550,762,607	3,547,152,124
Changes in Fair value of Investments	1	12,509	35,553
Proposed Dividend and tax	2	-	15,144,319
Fair value measurement of Deposits	3	(145,268)	-
Equity as per Ind AS		5,550,629,849	3,562,331,997

(ii) Reconciliation of statement of Profit between IGAAP with Ind AS

Particulars	Note	Year ended 31 st March, 2016
Net Profit after tax before minority interest as per IGAAP		757,198,169
a) Remeasurement benefits on defined benefit obligations	4	(3,879,487)
b) Net of Rent expense and rental income on fair valuation of rental deposits	3	(145,267)
c) Tax on Preference Dividend treated as Finance Cost since it is a Financial Liability	5	(485,510)
Profit after tax before OCI as per Ind AS		752,687,905
Other Comprehensive Income		
a) Gain/(Loss) on Fair Valuation of Investments		(23,044)
b) Remeasurement benefits on defined benefit obligations		3,879,487
Total Comprehensive Income as per Ind AS		756,544,347

Notes to Reconciliation between previous GAAP with Ind AS

1. Fair Valuation of Investments

Under Previous GAAP, non-current investments are valued at cost less diminution in value other than temporary and under Ind AS they are carried at fair value through OCI.

2. Dividend and Tax on Dividend

Under previous GAAP, dividend payable is recorded as a liability in the period to which it relates and under Ind AS dividend is recognised as a liability in the period in which the obligation to pay is established.

3. Fair Value measurement of Deposits

Under previous GAAP, rental deposits made with tenants are carried at their cost. Under Ind AS, they are measured at their fair value at amortised cost applying the effective rate of interest. The difference between actual amount of deposit and its fair value is shown under prepaid rent and amortised to rental expense over the period of deposit. The interest amount on fair value of deposit is shown as interest income over the period of deposit.

4. Remeasurement of net defined benefit plans

Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability which is recognised in other comprehensive income in respective years. However, such a change does not have any effect on total comprehensive income or total equity.

5. Preference Dividend and Tax on Preference Dividend

One of the Subsidiary company issued non-convertible, cumulative and redeemable preference shares to its holding company which under Ind GAAP treated as part of equity. Ind AS 32 requires the issuer of financial instrument to classify the instrument accordance to its substance of the contractual agreement. Since the preference shares are to be redeemable at the end of the term and cumulative for payment of dividend, it contains a liability component. On Consolidation, the dividend declared was eliminated but the resultant tax on preference dividend was shown under Finance cost.

6. Cost of Property, plant and equipment

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

Note No. 4 : PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Carrying Amounts of:			
Land	41,489,973	30,738,773	30,738,773
Lease Hold Land	19,611,672	19,859,921	20,108,170
Office Buildings	307,958,082	137,424,846	119,289,737
Plant and Equipment	251,580,986	269,466,611	202,187,847
Furniture and Fixtures	57,618,362	9,453,520	12,018,105
Computers	16,816,984	16,984,635	18,520,219
Office Equipment	61,283,910	50,465,315	36,336,224
Cars & Jeeps	102,428,213	72,829,969	81,044,057
Vehicles	109,797,656	134,181,444	90,053,549
Cranes	942,776,052	1,062,854,963	1,129,915,313
Temporary Sheds	124,358,813	141,016,909	58,153,307
	2,035,720,704	1,945,276,906	1,798,365,300
Capital Work-in-progress	119,287,095	188,651,049	162,993,203

Property, Plant and Equipment

Particulars	Land	Lease Hold Land	Office Buildings	Plant and Equipment	Furniture and Fixtures	Computers	Office Equipment	Cars & Jeeps	Vehicles	Cranes	Temporary Sheds	Total
Gross Carrying value												
- At Cost/Deemed Cost												
As at 1st April, 2015	30,738,773	20,108,170	119,289,737	202,187,847	12,018,105	18,520,219	36,336,224	81,044,057	90,053,549	1,129,915,313	58,153,307	1,798,365,300
Additions	-	-	25,381,375	152,404,113	6,661,545	5,425,378	31,554,755	23,031,284	82,191,707	73,204,572	146,028,768	545,883,497
Disposals	-	-	-	123,245	-	-	-	4,105,760	58,274	8,378,000	-	12,665,279
As at 31st March, 2016	30,738,773	20,108,170	144,671,112	354,468,715	18,679,650	23,945,597	67,890,979	99,969,581	172,186,982	1,194,741,885	204,182,075	2,331,583,518
Additions	10,751,200	-	178,711,639	124,905,949	66,492,746	6,924,166	45,165,095	62,527,312	27,798,456	54,653,806	51,232,735	629,163,104
Disposals	-	-	-	77,662,295	5,812,330	332,786	18,565,038	10,219,818	20,878,074	48,886,301	369,051	182,725,693
As at 31st March, 2017	41,489,973	20,108,170	323,382,751	401,712,369	79,360,066	30,536,977	94,491,036	152,277,075	179,107,364	1,200,509,390	255,045,759	2,778,020,929
Accumulated Depreciation including accumulated impairment losses												
As at 1st April, 2015	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge for the year	-	248,249	7,246,266	85,007,035	9,226,129	6,960,962	17,425,664	27,817,648	38,005,538	131,886,922	63,165,166	386,989,580
On disposals	-	-	-	4,932	-	-	-	678,036	-	-	-	682,968
As at 31st March, 2016	-	248,249	7,246,266	85,002,103	9,226,129	6,960,962	17,425,664	27,139,612	38,005,538	131,886,922	63,165,166	386,306,612
Depreciation charge for the year	-	248,249	8,178,403	87,568,999	15,281,335	6,865,344	19,419,665	25,561,177	37,171,593	137,519,187	67,743,168	405,557,120
On disposals	-	-	-	22,439,720	2,765,761	106,313	3,638,203	2,851,927	5,867,424	11,672,772	221,388	49,563,507
As at 31st March, 2017	-	496,498	15,424,669	150,131,382	21,741,703	13,719,993	33,207,126	49,848,862	69,309,707	257,733,337	130,686,946	742,300,225
Net Book Value												
As at 31st March, 2017	41,489,973	19,611,672	307,958,082	251,580,986	57,618,362	16,816,984	61,283,910	102,428,213	109,797,656	942,776,052	124,358,813	2,035,720,704
As at 31st March, 2016	30,738,773	19,859,921	137,424,846	269,466,611	9,453,520	16,984,635	50,465,315	72,829,969	134,181,444	1,062,854,963	141,016,909	1,945,276,906
As at 1st April, 2015	30,738,773	20,108,170	119,289,737	202,187,847	12,018,105	18,520,219	36,336,224	81,044,057	90,053,549	1,129,915,313	58,153,307	1,798,365,300

Notes:

Assets Pledged as Security

- 1) Term loans taken for purchase of Vehicles, Cars and Cranes are secured by way of hypothecation on respective assets for which loans were availed.
- 2) Working Capital Loans from SBH, Standard Chartered bank, SBI, ICICI and Ratnakar bank are secured by way of first charge on Property, Plant and Equipment of the company both present and future, excluding those assets against which charge was given to equipment financiers.

Capital Work-in-Progress

Particulars	Amount
Carrying value – At Cost/Deemed Cost	
As at 1st April, 2015	162,993,203
Additions	92,617,464
Capitalised during the year	66,959,618
As at 31st March, 2016	188,651,049
Additions	77,398,927
Capitalised during the year	146,762,881
As at 31st March, 2017	119,287,095

Note No. 5 : INTANGIBLE ASSETS

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Power Mech Brand	1,200	2,314	6,645
Computer Software	4,619,489	8,267,134	11,039,908
Goodwill	24,292,435	24,292,435	22,724,077
Total	2,89,13,124	3,25,61,883	3,37,70,630

Particulars	Power Mech Brand	Computer Software	Good Will	Total
Gross Carrying value – At Cost/Deemed Cost				
As at 1st April, 2015	6,645	11,039,908	22,724,077	33,770,630
Additions	-	900,000	1,568,358	2,468,358
Disposals	-	-	-	-
As at 31st March, 2016	6,645	11,939,908	24,292,435	36,238,988
Additions	-	100,225	-	100,225
Disposals	-	-	-	-
As at 31st March, 2017	6,645	12,040,133	24,292,435	36,339,213
Accumulated Amortization				
As at 1st April, 2015	-	-	-	-
Depreciation charge for the year	4,331	3,672,774	-	3,677,105
On disposals	-	-	-	-
As at 31st March, 2016	4,331	3,672,774	-	3,677,105
Depreciation charge for the year	1,114	3,747,870	-	3,748,984
On disposals	-	-	-	-
As at 31st March, 2017	5,445	7,420,644	-	7,426,089
Net carrying Value				
As at 31st March, 2017	1,200	4,619,489	24,292,435	28,913,124
As at 31st March, 2016	2,314	8,267,134	24,292,435	32,561,883
As at 1st April, 2015	6,645	11,039,908	22,724,077	33,770,630

Note No. 6 : UNALLOCATED CAPITAL EXPENDITURE

Particulars	Amount
Carrying value – At Cost/Deemed Cost	
As at 1st April, 2015	7,332,413
Additions	23,979,298
Capitalised during the year	-
As at 31st March, 2016	31,311,711
Additions	-
Capitalised during the year	(31,311,711)
As at 31st March, 2017	-

Details of Unallocated expenditure recognised in the carrying amount of asset as required under Para. 74(b) of Ind AS 16

Nature of Capital Expenditure	As at 1st April, 2015	Additions/ (Deletions) during the year	As at 31st March, 2016	Additions/ (Deletions) during the year	As at 31st March, 2017
Pre-Operative expenditure	22,736	-	22,736	(22,736)	-
Rates and Taxes	181,320	126,551	307,871	(307,871)	-
Payment to auditors towards statutory audit fee	62,472	-	62,472	(62,472)	-
Miscellaneous expenses	790,930	154,634	945,564	(945,564)	-
Carriage Inwards	290,249	165,061	455,310	(455,310)	-
Securities expenses	444,101	694,645	1,138,746	(1,138,746)	-
Salaries	1,157,973	3,102,162	4,260,135	(4,260,135)	-
Mess Expenses	148,088	254,551	402,639	(402,639)	-
Employee welfare	58,978	85,247	144,225	(144,225)	-
Travelling & Boarding expenses	46,293	109,183	155,476	(155,476)	-
Electricity expenses	144,405	876,165	1,020,570	(1,020,570)	-
Rents	209,558	247,428	456,986	(456,986)	-
Repairs and Maintenance	110,511	151,841	262,352	(262,352)	-
Hire Charges	1,067,160	227,850	1,295,010	(1,295,010)	-
Commission and Brokerage charges	5,000	-	5,000	(5,000)	-
Consultancy charges	37,236	131,047	168,283	(168,283)	-
Other expenses	50,687	199,762	250,449	(250,449)	-
Bank Interest	985,068	15,064,585	16,049,653	(16,049,653)	-
Loan processing charges	1,229,410	-	1,229,410	(1,229,410)	-
Depreciation	290,238	639,722	929,960	(929,960)	-
Machinery Charges (Cranes)	-	1,748,864	1,748,864	(1,748,864)	-
	7,332,413	23,979,298	31,311,711	(31,311,711)	-

Note No. 7 : INVESTMENTS (NON-CURRENT)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
A. Investment in Equity Instruments (Carried at fair value through OCI)			
(a) (i) Quoted - Trade			
a) 24 Equity shares of Rs.10/- each in Reliance Power Limited	1,154	1,186	1,356
(ii) Quoted - Non Trade			
a) 200 Equity shares of Rs.10/- each in Assam Company Limited	1,570	1,010	810
Total Investment in Quoted Equity Instruments (a)	2,724	2,196	2,166
(b) Unquoted - Trade (Values using Equity method as per Ind AS - 28)			
a) Investment in Power Mech-CPNED Services (Hong Kong) holding Co. Limited – A Jointly controlled entity	6,757,609	2,897,958	-
b) Investment in GTA Power Mech Nigeria Limited – A Jointly controlled entity	2,067,666	-	-
Total Investment in Un-Quoted Equity Instruments (b)	8,825,276	2,897,958	-
Total Investment in Equity Instruments (A)= (a+b)	8,828,000	2,900,153	2,166
B. Investment in Mutual Funds - Quoted (Carried at fair value through OCI)			
a) Investments in mutual funds 20000 units of SBI Infra structure fund - I - Growth Rs.10/ each	272,600	212,480	235,554
Total Investment in Mutual Funds (B)	272,600	212,480	235,554
Total (A+B)	9,100,600	3,112,633	237,720
Aggregate amount of : Quoted investments -			
- At cost	218,051	218,051	218,051
- Market value	275,324	214,676	237,720
Aggregate amount of unquoted investments	8,825,276	2,897,958	-

Category wise - Investments as per Ind AS 109 Classification

Particulars	As at 31 st March, 2017		As at 31 st March, 2016		As at 1 st April, 2015	
	Fair value of Investments	Dividends recognised	Fair value of Investments	Dividends recognised	Fair value of Investments	Dividends recognised
Investments measured at:						
(i) Fair value through Other Comprehensive Income						
a) 24 Equity shares of Rs.10/ each in Reliance Power Limited	1,154	-	1,186	24	1,356	-
b) 200 Equity shares of Rs.10/ each in Assam Company Limited	1,570	-	1,010	-	810	-
c) Investments in mutual funds 20,000 units of SBI Infra structure fund - I - Growth Rs.10/ each	272,600	-	212,480	-	235,554	-
(ii) Using Equity method for Investments in Joint Ventures and Associates as per Ind As 28	8,825,276	-	2,897,958	-	-	-
Total	9,100,600	-	3,112,633	24	237,720	-

Note No. 8 : LOANS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, Considered Good						
a) Security deposits with Govt. authorities and others	68,302,788	70,880,777	36,592,292	1,758,771	-	-
b) EMD with customers	43,657,163	23,014,147	15,214,891	-	1,289,197	2,375,400
c) Employee related advances	-	-	-	19,851,746	16,939,753	12,693,518
d) Advance to subsidiary companies towards expenses				274,159	4,354,958	
Total	111,959,952	93,894,924	51,807,183	21,884,675	22,583,908	19,354,867

Note: No loans are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.

Note No. 9 : OTHER FINANCIAL ASSETS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Earmarked balances with banks held as margin money against LC and guarantees having a maturity period for more than 12 months from the date of balance sheet	457,208,847	252,937,619	203,496,267	-	-	-
b) Retention Money and Security Deposit with customers	1,804,698,987	1,750,308,631	1,566,079,431	837,325,827	814,344,173	702,634,492
c) Uncertified Revenue	-	-	-	2,209,647,436	2,649,119,295	1,697,839,178
d) Other receivables	-	-	-	1,188,000	-	-
Total	2,261,907,834	2,003,246,250	1,769,575,698	3,048,161,263	3,463,463,468	2,400,473,670

Note No. 10 : OTHER ASSETS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, Considered Good						
a) Advances for Capital goods	18,552,246	42,254,345	25,154,405	-	1,504,800	-
b) Mobilisation advances to Sub - Contractors	579,200	-	-	22,939,607	13,403,969	33,342,897
c) Advances to creditors against supplies	-	-	-	154,742,833	75,209,318	194,250,523
d) Advances to sub-contractors against works	-	-	-	1,636,605,236	1,457,437,059	1,088,772,401
e) Prepaid expenses	-	-	-	38,651,996	100,159,291	22,188,576
f) Balances with Statutory Authorities:						
CENVAT credit receivable	-	-	-	49,919,749	28,960,902	29,522,130
Works contract tax (TDS)	-	-	-	82,106,047	64,750,380	55,154,023
MAT Credit entitlement	-	-	-	500,260	-	-
Sales Tax Refund Receivable	-	-	-	10,485,950	10,136,147	6,302,076
Custom Duty Receivable	-	-	-	3,970,432	-	-
Taxes paid under protest	-	-	-	5,439,360	-	-
g) Other advances	-	811,500	-	179,486,806	6,740,805	4,384,487
h) Contract expenses in respect of projects to be executed	-	-	-	-	-	10,036,641
i) IPO expenses	-	-	-	-	-	16,975,616
j) Preliminary expenses	-	-	19,774	-	-	-
k) Balance in Gratuity Fund	-	-	-	-	2,264,543	-
Total	19,131,446	43,065,845	25,174,179	2,184,848,276	1,760,567,214	1,460,929,370

Note: No loans are due from directors or other officers of the company either severally or jointly with any other person nor any other loans are due from firms or private company in which any director is a partner, a director or a member.

Note No. 11 : INVENTORIES

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Stores and spares	407,212,260	309,732,957	301,541,336
b) Capital stores - Construction Material	-	2,403,014	14,041,724
c) Construction Work-in-progress	83,065,228	726,445	5,329,199
Total	490,277,489	312,862,416	320,912,260

Note:

- The mode of valuation of inventories has been stated in Note 2(i) in Accounting Policies.
- The cost of inventories recognised as an expense for the year ended 31st March, 2017 was Rs. 120,57,72,031/- (for the year ended 31st March, 2016: Rs. 114,47,70,742/-)
- All the above inventories are offered as security in respect of working capital loans availed by the company from all the banks.
- There are no inventories expected to be recovered after more than twelve months.

Note No. 12 : TRADE RECEIVABLES

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Unsecured, Considered Good*			
Outstanding for a period exceeding six months	438,942,703	490,095,314	341,249,276
Others	2,509,773,979	2,231,676,130	1,612,405,312
Total	2,948,716,682	2,721,771,444	1,953,654,588

- a) The average credit period is 30 days which is due from the date of certification of RA Bill. No interest is charged on overdue receivables.
- b) Of the trade receivables balance, Rs. 89.11 Crores (as at March 31, 2016 : Rs. 86.08 Crores) is due from one of the Company's largest customers. Further, an amount of Rs. 22.22 Crores (as at March 31, 2016 : Rs. 46.60 Crores) is due from customers who represent more than 5 % of the total balance of trade receivables.
- c) In arriving the provision for trade receivables, the company has used practical expedients based on the financial conditions of the customer, historical experience of collections from customers, possible outcome of negotiations with customers etc., The concentration of risk with respect to Trade receivables is reasonably low as most of the customers are Government organisations, high profile and net worth companies though there may be normal delay in collection. Considering the above factors and outcome of negotiations, the management is of view that no provision for expected credit loss is required to be made.

Note No. 13 : CASH AND CASH EQUIVALENTS

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
i) Balances with banks in Current accounts			
a. In Current accounts	77,944,401	22,185,964	112,332,360
ii) Cash on hand	7,700,436	2,014,234	3,060,854
iii) Deposits with original maturity period of less than 3 months	-	-	-
Total	85,644,837	24,200,198	115,393,214

Specified bank notes disclosures:

In accordance with the MCA Notification G.S.R. 308(E) dt. 30.03.2017, details of Specified bank notes (SBN) and other denominations notes (ODN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is given below.

Particulars	SBN	ODNs	Total
Closing cash on hand on 8th November, 2016	1,034,500	6,392,328	7,426,828
Add: Permitted receipts	-	17,755,998	17,755,998
Non-permitted receipts	-	-	-
Withdrawals from bank	-	-	-
	1,034,500	24,148,326	25,182,826
Less: Permitted payments	833,500	13,711,403	14,544,903
Amounts deposited in banks	201,000	-	201,000
Closing cash on hand on 30th December, 2016	-	10,436,923	10,436,923

Other bank balances

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a. Earmarked balances with banks held as margin money against LC and guarantees falls due for maturity within 12 months from the date of Balance sheet.	261,801,849	402,505,095	359,230,893
b. Earmarked balances with banks towards unclaimed dividends	34,379	5,185,696	169,810
Total	261,836,228	407,690,791	359,400,703

Note: Bank Deposits with more than 12 months maturity from the date of Balance Sheet was disclosed under "Other Financial Assets"

Note No. 14 : SHARE CAPITAL

Authorised Share Capital

Particulars	Equity	
	Nos	INR
As at 1st April, 2015	26,000,000	260,000,000
Increase / (Decrease) during the year		
As at 31st March, 2016	26,000,000	260,000,000
Increase / (Decrease) during the year		
As at 31st March, 2017	26,000,000	260,000,000

Issued Share Capital

Equity shares of INR 10 each issued, subscribed and fully paid

Particulars	Nos	INR
As at 1st April, 2015	12,582,764	125,827,640
Increase / (Decrease) during the year		
Increase in share capital through fresh issue of equity on IPO	2,128,000	21,280,000
As at 31st March, 2016	14,710,764	147,107,640
Increase / (Decrease) during the year	-	-
As at 31st March, 2017	14,710,764	147,107,640

During the year ended 31.03.2016, the parent company has made an Initial Public Offer (IPO) of 4,269,000 equity shares of Rs.10/- each at a premium of Rs. 630/- per share. The issue comprises of fresh issue of 2,128,000 equity shares and offer for sale of 2,141,000 equity shares by selling share holders.

The fresh equity shares were allotted by the Company on 21st August, 2015 and were listed on BSE and NSE.

Rights, Preferences and restrictions attached to Equity shares

The Company has only one class of Equity shares having a face value of Rs.10/- each. Each holder of equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to approval of share holders in the Annual General Meeting, except in the case of interim dividend. The Board of Directors by way of circular resolution passed on 18th March, 2016 declared an interim dividend of 10% (Re. 1 per equity share of Rs. 10 each). In the event of liquidation of Company, the holders of equity share will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the share holders.

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

Name of the Share Holder	As at 31 st March, 2017		As at 31 st March, 2016		As at 1 st April, 2015	
	No of Shares held	% out of total number of shares of the Company	No of Shares held	% out of total number of shares of the Company	No of Shares held	% out of total number of shares of the Company
S. Kishore Babu	3,634,942	24.71 %	3,601,080	24.48 %	3,601,080	28.62 %
S. Kishore Babu (HUF)	1,344,000	9.14 %	1,344,000	9.14 %	1,344,000	10.68 %
S. Lakshmi	2,403,626	16.34 %	2,400,552	16.32 %	2,400,552	19.08 %
S. Rohit	1,573,296	10.69 %	1,570,296	10.67 %	1,570,296	12.48 %
India Business Excellence Fund - I	187,773	1.28 %	187,773	1.28 %	1,877,073	14.92 %
	9,143,637	62.16 %	9,103,701	61.88 %	10,793,001	85.78 %

Aggregate number of bonus shares issued during the period of 5 years immediately preceding the reporting date:

During the Financial Year 2014-15, the Company had allotted 1,080,000 equity shares as fully paid up bonus shares by capitalising part of securities premium.

No shares were issued pursuant to a contract without payment being received in cash.

Note No. 15 : OTHER EQUITY**Securities Premium Reserve**

Particulars	Amount
As at 1st April, 2015	364,173,360
Addition: Issue of 21,28,000 shares at a premium of Rs. 630/- per share	1,340,640,000
Less: Utilised for expenses pertaining to issue of fully paid-up equity shares on IPO	95,500,000
As at 31st March, 2016	1,609,313,360
Changes during the year	
As at 31st March, 2017	1,609,313,360

General Reserve

Particulars	Amount
As at 1st April, 2015	369,989,584
Transfers during the year	-
As at 31st March, 2016	369,989,584
Transfers during the year	-
As at 31st March, 2017	369,989,584

Foreign Currency Translation Reserve Account

Particulars	Amount
As at 1st April, 2015	-
Changes during the year	81,754
As at 31st March, 2016	81,754
Changes during the year	11,062,264
As at 31st March, 2017	11,144,018

Retained Earnings

Particulars	Amount
As at 1st April, 2015 - As per IGAAP	2,687,161,540
Adjustments made as per Ind AS 101	
Add: Changes in Fair value of Investments	35,554
Add: Dividend proposed for the FY 2014-15 to be accounted in the year of payment	15,144,319
As at 1st April, 2015 after making necessary Ind AS adjustments	2,702,341,413
Add: Total comprehensive income for the year transferred from statement of profit and loss	754,645,947
Less: Final Dividend for the Financial year 2015-16 proposed & paid during the year	12,582,764
Interim Dividend for the Financial year 2015-16 paid during the year	14,710,764
Dividend Distribution tax on Final & Interim Dividend paid during the year	5,556,321
As at 31st March, 2016	3,424,137,511
Add: Total comprehensive income for the year transferred from statement of profit and loss	650,849,127
As at 31st March, 2017	4,074,986,638

Summary of Other Equity

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Securities Premium	1,609,313,360	1,609,313,360	364,173,360
General Reserve	369,989,584	369,989,584	369,989,584
Foreign Currency Translation Reserve Account	11,144,018	81,754	-
Retained Earnings	4,074,986,638	3,424,137,511	2,702,341,413
	6,065,433,600	5,403,522,209	3,436,504,357

MINORITY INTEREST

Particulars	Amount
As at 1st April, 2015	2,486,738
Changes during the year	1,898,400
As at 31st March, 2016	4,385,138
Changes during the year	16,704,241
As at 31st March, 2017	21,089,379

Note No. 16 : LONG TERM BORROWINGS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
A. Secured						
i. Term loans						
a) From banks :						
i) Axis bank	7,310,941	47,373,889	108,811,363	49,988,175	73,696,015	71,733,473
ii) HDFC	32,023,884	12,079,328	10,816,640	24,519,763	12,412,512	12,914,565
iii) ICICI	-	5,802,013	66,551,649	5,802,001	60,749,637	53,843,726
iv) Standard Chartered Bank	4,981,669	5,412,158	-	6,406,158	3,424,248	153,281
v) Kotak Mahendra bank	-	3,768,358	3,639,217	3,768,358	4,675,679	2,151,291
vi) State Bank of India	-	4,077,000	20,361,000	4,077,000	16,284,000	16,284,000
vii) Standard Chartered Bank (Under Buyers Credit)	-	-	-	-	-	29,730,629
viii) National Bank of Abudhabi	-	-	1,401,561	-	1,399,818	1,562,721
ix) Ratnakar Bank	87,850,000	100,050,000	120,000,000	40,200,000	19,950,000	-
x) Emirates Islamic Bank	892,266			323,604	-	-
b) From Companies :						
i) SREI	-	-	-	-	-	6,817,439
ii) HDB Financial Services	-	11,800,108	27,730,087	11,804,442	15,953,127	14,031,532
iii) TATA Capital	2,919,569	23,177,432	6,434,286	20,257,862	18,793,881	3,296,269
Total (a)	135,978,330	213,540,285	365,745,804	167,147,363	227,338,917	212,518,925
B. Unsecured						
a) Deferred payment liabilities						
Due to suppliers on deferred credit basis	18,991,226	-	-	147,507,815	150,907,348	133,631,358
Total (b)	18,991,226	-	-	147,507,815	150,907,348	133,631,358
Total (a+b)	154,969,556	213,540,285	365,745,804	314,655,178	378,246,264	346,150,283

- 1) The term loans from banks and companies are secured by way of hypothecation of assets funded under the said facility. Further, the loans are guaranteed by Managing Director and a Director in their personal capacities.
- 2) The above loans carries interest varies from 7.5 % to 12.75 %
- 3) The above loans are repayable in monthly/quarterly installments.
- 4) The non-current portion of above term loans are repayable in following manner.
Banks: 2018-19 – Rs. 6,92,67,433; 2019-20 – Rs. 5,37,91,344; 2020-21 - 60,00,000; 2021-22 - 40,00,000
Companies: 2018-19 – Rs. 29,19,569
- 5) No defaults were made in repayment of above term loans

Note No. 17 : OTHER FINANCIAL LIABILITIES

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Retention Money & Security deposits recovered from Sub-Contractors	560,528,714	603,149,752	378,584,840	52,796,418	64,774,675	268,758,061
b) Current maturities of long-term debt (Refer Note No. 16)	-	-	-	314,655,178	378,246,264	346,150,283
c) Creditors for capital goods	-	-	-	18,160,089	16,336,876	15,763,832
d) Interest accrued and due	-	-	-	2,357,476	375,728	412,124
e) Interest accrued but not due	-	-	-	-	-	397,762
f) Unclaimed dividend	-	-	-	34,379	6,752,241	178,560
g) Employee related payments	-	-	-	278,681,877	255,966,932	106,901,398
h) Share application money refundable	-	-	-	1,203,200	1,395,200	-
i) Other Liabilities	-	-	-	311,830,522	165,601,870	163,778,390
Total	560,528,714	603,149,752	378,584,840	979,719,139	889,449,787	902,340,410

Note No. 18 : PROVISIONS

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Provision for employee benefits						
- Group gratuity (Net of plan assets)	-	-	-	7,072,380	-	933,861
- Leave Encashment (Unfunded)	4,100,801	2,354,571	1,923,024	7,712,035	2,333,983	5,073,361
Total	4,100,801	2,354,571	1,923,024	14,784,415	2,333,983	6,007,222

EMPLOYEE BENEFITS**a. Defined contribution plans**

The Company makes Provident Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. The Company recognised Rs. 7.55 crores (Year ended March 31, 2016: Rs. 4.54 crores) for provident fund contributions, and Rs. 0.35 crores (Year ended March 31, 2016: Rs. 0.36 crores) towards Employees' State Insurance Scheme contributions in the Statement of Profit and Loss.

b. Defined benefit plans

The Company provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

(i) Balance Sheet

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

Particulars	As at	As at	As at
	31 st March, 2017	31 st March, 2016	1 st April, 2015
Present value of obligation	48,696,037	38,804,592	33,324,429
Fair Value of plan assets	41,623,657	41,069,135	32,390,568
(Asset)/Liability recognised in the Balance Sheet	7,072,380	(2,264,543)	933,861

(ii) Movements in Present Value of Obligation and Fair Value of Plan Assets

Particulars	Plan Assets	Plan Obligation	Deficit/(Surplus)
As at April 1, 2015	32,390,568	33,324,429	933,861
Current service cost	-	7,798,569	7,798,569
Interest cost	-	2,665,954	2,665,954
Interest Income	3,077,517	-	(3,077,517)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(3,879,487)	(3,879,487)
Contributions	6,705,923	-	(6,705,923)
Benefit payments	(1,104,873)	(1,104,873)	-
Return on plan assets, excluding interest income	-	-	-
As at March 31, 2016	41,069,135	38,804,592	(2,264,543)
Current service cost	-	13,434,440	13,434,440
Interest cost	-	3,104,366	3,104,366
Interest Income	3,169,574	-	(3,169,574)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(4,032,309)	(4,032,309)
Contributions by employer	-	-	-
Benefit payments	(2,615,052)	(2,615,052)	-
Return on plan assets, excluding interest income	-	-	-
As at March 31, 2017	41,623,657	48,696,037	7,072,380

(iii) **Statement of Profit and Loss**

The charge to the Statement of Profit and Loss comprises:

Particulars	Year ended	Year ended
	31 st March, 2017	31 st March, 2016
Employee Benefit Expenses		
Current service cost	13,434,440	7,798,569
Interest cost	3,104,366	2,665,954
Interest Income	(3,169,574)	(3,077,517)
Net impact on profit before tax	13,369,232	7,387,006
Remeasurement of the net defined benefit plans:		
Actuarial (gain)/loss arising from changes in financial assumptions	(4,032,309)	(3,879,487)
Return on plan assets, excluding interest income	-	-
Net impact on other comprehensive income before tax	(4,032,309)	(3,879,487)

(iv) **Assets**

The major categories of plan assets as a % of the total plan assets

Particulars	As at	As at
	31 st March, 2017	31 st March, 2016
Funded with Life Insurance Corporation of India	100 %	100 %

Note: In the absence of detailed information regarding the plan assets, which is funded with LIC, the composition of each category of plan assets and experience adjustments on plan assets and liabilities has not been disclosed.

(v) **Assumptions**

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at	As at	As at
	31 st March, 2017	31 st March, 2016	1 st April, 2015
Discount rate	8.00 %	8.00 %	8.00 %
Salary escalation rate	6.00 %	6.00 %	7.00 %

Note: In the absence of detailed information from LIC, the preparation of sensitivity analysis and its impact due to possible change of the respective actuarial assumptions occurring at the end of the reporting period and also information on maturity analysis of the benefit payments has not been disclosed.

Note No. 19 : DEFERRED TAX

Particulars	Components		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Liability:			
Towards depreciation	30,270,895	47,099,917	49,015,542
Asset:			
Disallowances under Income-tax / Unabsorbed Depreciation	(8,802,726)	(4,878,103)	(1,800,586)
Total	21,468,169	42,221,814	47,214,956

Movement in Deferred Tax Assets/Liabilities

Component	As at 1 st April, 2015	Charge/(Credit) in Statement of P&L	As at 31 st March, 2016	Charge/(Credit) in Statement of P&L	As at 31 st March, 2017
Deferred tax (liabilities)/ assets in relation to:					
Depreciation	49,015,542	(1,915,625)	47,099,917	(16,829,022)	30,270,895
Expenses allowable under Income tax when paid	(1,800,586)	(3,077,516)	(4,878,103)	(3,924,625)	(8,802,726)
	47,214,956	(4,993,141)	42,221,814	(20,753,647)	21,468,169

Note No. 20 : OTHER LIABILITIES

Particulars	Non-Current			Current		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
a) Mobilisation advances received from customers	377,684,670	304,071,761	262,677,829	367,908,599	416,879,280	327,467,371
b) Advances received from customers against supplies or works	-	-	-	160,571,536	126,080,626	270,087,345
c) Statutory Liabilities	-	-	-	350,912,400	173,496,280	80,033,142
d) Liability towards Scrip Income	7,527,259	-	-	-	-	-
e) Provision for tax on preference dividend	-	-	-	1,284,237	798,729	313,217
Total	385,211,929	304,071,761	262,677,829	880,676,772	717,254,915	677,901,075

Note: The company received government grants in the nature of export incentives. During the year, the company received incentives under SFIS Schemes and same is utilised against import of capital goods and capitalised to Property, plant and equipment.

The deferred government grant will be recognised in statement of profit and loss over the period in proportion in which depreciation expense on the assets is recognised.

Note No. 21 : SHORT TERM BORROWINGS

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
A. Secured			
Loans repayable on demand :			
a) Working capital loans from banks			
i) From State Bank of Hyderabad	44,098,304	527,251,730	554,461,981
ii) From Standard Chartered bank	250,000,000	250,000,000	250,000,000
iii) From ICICI bank	35,455,431	2,052,583	50,464,024
iv) From State Bank of India	805,139,409	808,381,576	769,027,298
v) Citi bank bill discounting	-	-	46,823,691
vi) Ratnakar bank	213,542,206	232,632,087	240,000,000
vii) Axis bank	46,252,925	1,515,631	-
viii) HDFC Bank	151,084,014	-	-
ix) HDFC bill discounting	96,948,320	-	-
b) Over Draft from banks :			
i) From State Bank of Hyderabad	-	96,667,039	86,637,644
Total	1,642,520,609	1,918,500,645	1,997,414,637

Note:

a) Working capital loans from SBH, Standard Chartered bank, SBI, ICICI and Ratnakar bank are secured by way of first charge on entire current assets of the company on pari passu basis. Further these loans are secured by way of first charge on fixed assets both present and future, excluding those assets against which charge was given to equipment financiers.

The said loans are collaterally secured by way of equitable mortgage of immovable properties belonging to the company, Managing director, director and a firm.

b) Overdraft facility from banks is secured against fixed deposits with banks.

c) All the above loans are guaranteed by Managing Director and a director in their personal capacities.

Note No. 22 : TRADE PAYABLES

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Dues to : Small and Micro Enterprises	17,054,304	40,997,827	56,466,499
: Other than Small and Micro Enterprises	2,636,469,737	2,663,725,483	2,164,990,518
Total	2,653,524,041	2,704,723,310	2,221,457,017

Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006.

Based on and to the extent of information obtained during the year 2016-17 and available with the Company, with regard to the status of their suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED ACT), on which the auditors have relied, the disclosure requirement with regard to the payment made/ due to Micro, Small and Medium Enterprises are given below.

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
1. Amount remaining unpaid, beyond the appointed / agreed day at the end of the year			
(a) Principal amount of bills to be paid	-	35,193,095	23,833,803
(b) Interest due there on	-	2,693,644	1,805,410
2. (a) Payment made to suppliers, during the year, but beyond appointed / agreed date Interest there on in terms of Sec 16 of the Act	-	-	-
(b) Interest paid along with such payments during the year	-	-	-
(c) Interest due and payable at the end of the year on such payments made during the year.	-	-	-
3. Amount of Interest for the year u/s 16 of the Act accrued and remaining un-paid at the end of the year	-	2,693,644	1,805,410
4. Total amount of interest u/s 16 of the Act including that arising in earlier years, accrued and remaining unpaid at end of the year.	4,499,054	4,499,054	1,805,410

Note No. 23 : CURRENT INCOME-TAX LIABILITIES (Net)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Provision for Income-tax	2,058,113,915	1,663,068,542	1,252,377,635
Less: Advance Income-tax and TDS	1,961,858,477	1,561,423,713	1,199,088,185
	96,255,439	101,644,829	53,289,450

Income-tax recognised in profit or loss

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Current Tax		
Tax expense in respect of current year Income	377,771,224	410,776,775
	377,771,224	410,776,775
Deferred Tax		
Deferred Tax Income in respect of Current year	(20,753,647)	(4,993,141)
	(20,753,647)	(4,993,141)
MAT Credit Entitlement		
MAT Credit in respect of tax paid u/s 115JB of the Income Tax Act	(260,403)	(239,857)
	(260,403)	(239,857)
Total income tax expense recognised	356,757,173	405,543,777

Note No. 24 : REVENUE FROM OPERATIONS

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Contract receipts:		
(Net of Service tax)		
Erection works	6,321,666,994	7,620,945,348
Civil works	2,048,032,816	2,037,723,496
Maintenance	4,858,829,235	3,754,619,202
Supply of material	115,367,790	365,189,184
Other operating revenue :		
Crane hire charges received	38,122,973	3,652,726
TOTAL	13,382,019,808	13,782,129,956

Note No. 25 : OTHER INCOME

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Interest from banks and others	56,639,892	54,129,155
Rent received	1,264,000	-
Profit on sale of assets	5,991,642	1,263,434
Dividend received	-	24
Forex Gain on revaluation of LCs	3,505,874	-
Duty Credit Scrip under SFIS	5,977,373	-
Interest on Income tax refund	3,642,448	-
TOTAL	77,021,229	55,392,613

Note No. 26 : COST OF MATERIALS CONSUMED

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Opening Stock	309,732,958	301,541,336
Add: Purchases of electrodes, gases and other consumables	1,299,961,218	1,152,962,364
	1,609,694,176	1,454,503,700
Less : Closing Stock	403,922,145	309,732,958
TOTAL	1,205,772,031	1,144,770,742

Note No. 27 : CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Opening work-in-progress	726,445	5,329,199
	726,445	5,329,199
Closing work-in-progress	29,690,838	726,445
	29,690,838	726,445
Increase / (Decrease) in inventories	28,964,393	(4,602,754)

Note No. 28 : PURCHASE OF STOCK-IN-TRADE

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Purchase of stock-in-trade	38,763,432	-
TOTAL	38,763,432	-

Note No. 29 : CONTRACT EXECUTION EXPENSES

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Sub-contract expenses	6,595,737,118	7,903,278,125
Radiography charges	109,521,514	127,373,874
Hire charges	234,483,389	198,137,671
Rent at Project sites	97,435,767	144,436,819
Power and fuel	41,017,390	40,783,754
Insurance	18,791,059	13,078,266
Vehicles movement and other freight expenses	121,176,927	130,144,204
Repairs and maintenance : Plant and machinery	77,476,988	65,216,911
Other assets	39,308,928	20,926,718
Fuel and vehicle maintenance	246,382,522	209,108,489
Travelling expenses at projects	300,493,729	136,172,709
Wages paid to contract labour	45,828,740	-
TOTAL	7,927,654,070	8,988,657,539

Note No. 30 : EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Salaries and Wages	1,826,355,780	1,112,911,654
Remuneration to managerial personnel	84,557,134	69,535,485
Contribution to provident and other funds	79,206,029	49,028,524
Staff welfare expenses	261,787,656	307,836,911
Contribution towards group gratuity	13,369,233	9,970,317
TOTAL	2,265,275,832	1,549,282,891

Note No. 31 : FINANCE COSTS

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Interest paid to banks and others	312,614,109	300,631,651
Loan Processing charges	10,371,778	13,401,708
Interest on Income-tax	6,274,502	5,891,272
Exchange fluctuations on deferred credit payment	-	9,516,275
TOTAL	329,260,389	329,440,906

Note No. 32 : DEPRECIATION AND AMORTISATION

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Depreciation	405,557,121	386,349,858
Amortisation	3,748,984	3,677,105
TOTAL	409,306,105	390,026,963

Note No. 33 : OTHER EXPENSES

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Rents - Office	32,519,455	28,356,080
Directors Sitting Fee	1,150,000	1,575,000
Donations	150,421	69,230
Payments to auditors		
Towards Statutory audit	1,499,930	1,325,000
Towards tax audit and taxation matters	100,000	100,000
Rates and taxes	56,099,385	82,187,769
Miscellaneous expenses	200,239,150	131,705,555
CSR expenses	6,227,090	4,500,000
Loss on sale of assets	4,991,865	248,745
Exchange fluctuations	10,598,568	24,566,080
Business promotion expenses	700,314	650,314
TOTAL	314,276,178	275,283,772

Note No. 34 : CATEGORIES OF FINANCIAL INSTRUMENTS

The Carrying amounts and fair value of financial instruments by categories as at 31st March, 2017, 31st March, 2016 and 1st April, 2015 are as follows:

Particulars	Carrying value			Fair value		
	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Financial assets						
Measured at Amortised cost						
(i) Other financial assets	5,310,069,097	5,466,709,718	4,170,049,368	5,310,069,097	5,466,709,718	4,170,049,368
(ii) Loans and advances	137,769,964	121,024,532	71,328,930	133,844,627	116,478,832	71,162,050
Measured at FVTOCI						
(i) Investments in equity instruments	218,051	218,051	218,051	275,324	214,676	237,720
Total assets	5,448,057,112	5,587,952,301	4,241,596,349	5,444,189,048	5,583,403,225	4,241,449,138
Financial liabilities						
Measured at amortised cost						
(i) Borrowings	469,624,733	591,786,549	711,896,086	469,624,733	591,786,549	711,896,086
(ii) Other financial liabilities	1,540,247,854	1,492,599,539	1,280,925,250	1,540,247,854	1,492,599,539	1,280,925,250
Total liabilities	2,009,872,587	2,084,386,089	1,992,821,337	2,009,872,587	2,084,386,089	1,992,821,337

Note No. 35 : FAIR VALUE HIERARCHY

The fair value of financial instruments as referred to above note have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The categories used are as follows:

Level 1: Quoted prices for identified instruments in an active market.

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data.

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets are measured at the fair value at the end of each reporting period.

The following table gives information about how the fair value of these financial assets and financial liabilities are determined (in particular, the valuation technique and other inputs used).

Financial Assets / Financial Liabilities	Fair Value as at			Fair Value hierarchy	Valuation technique and key input
	31 st March, 2017	31 st March, 2016	1 st April, 2015		
1) Investments in Quoted Mutual Funds	272,600	212,480	235,554	Level I	Quoted bid prices in an active market
2) Investments in Quoted Equity Instruments	2,724	2,196	2,166	Level I	Quoted bid prices in an active market

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables and Short Term Borrowings at carrying value because their carrying amounts approximate the fair value because of their short term nature. Difference between carrying amounts and fair values of bank borrowings, other financial assets and financial liabilities subsequently measured at amortised cost is not significant in each of the years presented.

Note No. 36 : FINANCIAL RISK MANAGEMENT

The Company's business activities are exposed to a variety of financial risks namely credit risk, liquidity risk and foreign currency risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also planned before the Board of Directors of the Company.

A. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligation. Credit risk encompasses of both the direct risk of default and the risk of deterioration of credit worthiness. Credit risk is controlled by monitoring and interaction with the customers on a continuous basis.

Financial instruments that are subject to concentrations of credit risk principally consists of trade receivables, retentions and deposits with customers, unbilled revenue.

Receivables from customers

Concentration of credit risk with respect to trade receivables are limited since major customers of the company are from public sector and accounts more than 30% of its trade receivables. All trade receivables are reviewed and assessed for default on a monthly basis. On historical experience of collecting receivables is that credit risk is low.

The following table gives details in respect of dues from trade receivables including retentions and deposits.

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
Turnover from top Customer	3,289,894,959	3,736,764,295
Dues from top customer	2,103,603,817	2,020,480,352
Turnover from other top 4 customers	2,421,283,155	2,757,872,063
Dues from other top 4 customers	951,401,271	1,077,195,359

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks held as margin money against guarantees and retention money and security deposits with customers which are to be released on fulfillment of conditions as specified in the work orders.

The Company's maximum exposure of credit risk as at March 31, 2017, March 31, 2016 and April 1, 2015 is the carrying value of each class of financial assets.

B. Foreign currency risk management

- a) The company, in addition to its Indian operations, operates outside India through its project centres.

Particulars of Unhedged foreign currency exposures of Indian operations as at Balance sheet date: (Amount in INR)

Particulars	Currency	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Letter of Credit	USD	166,499,041	150,907,348	133,631,358

Since the company has not entered into any forward contracts, there is a risk of foreign currency fluctuations.

- b) The Income and expenditure of the foreign projects are denominated in currencies other than Indian Currency. Accordingly the company enjoys natural hedge in respect of its assets and liabilities of foreign projects. The company's unhedged foreign currency exposure in respect of these project centres is limited to the net investment (Assets-liabilities) in such operations, the particulars of which are given below. (Amount in INR)

Particulars	As at 31 st March, 2017	As at 31 st March, 2016	As at 1 st April, 2015
Net Investment in			
USD - US Dollars	39,017,913	34,006,609	(35,341,207)
SAR - Saudi Arabian Riyals	148,597,348	468,254,094	1,009,409
AED - Arab Emirates Dirham	45,042,935	23,824,809	27,262,146
BDT - Bangladeshi Taka	87,686,163	32,105,440	(8,682,246)
LYD - Libyan Dinars	111,531,009	69,157,364	(362,468,898)
OMR - Oman Riyals	19,352,896	-	-
NGN - Nigerian Naira	1,885,184	-	-
	453,113,447	627,348,316	(378,220,796)

The unhedged exposures are naturally hedged by future foreign currency earnings and earnings linked to foreign currency.

The uncovered amount is subject to foreign currency fluctuations.

C. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has availed credit limits with banks. The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2017 and March 31, 2016. Cash flow from operating activities provides the funds to service the financial liabilities on a day to day basis.

The Company regularly maintains the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits.

The company is repaying its borrowings as per the schedule of repayment and no amount was pending for remittance beyond its due date.

All the amounts due to trade payables falls due within one year and the company is able to meet its obligations within the due dates.

Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on Management's judgment of its strategic day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or is necessary, adjust its capital structure.

Note No. 37 : CONTINGENT LIABILITIES AND COMMITMENTS

(Amount in Rupees)

Particulars	31.03.2017	31.03.2016
A. Contingent Liabilities and Commitments		
a) Claims against the company not acknowledged as debts		
Sales Tax	72,672,193	112,104,479
Service Tax	-	42,809,308
B. Commitments		
Estimated amount of contracts remaining to be Executed on capital account and not provided for	31,029,410	27,942,492

Note No. 38

Particulars	31.03.2017	31.03.2016
Guarantees given by the company's bankers and outstanding. The said guarantees were covered by way of pledge of Fixed Deposit receipts with the bankers.	6,766,321,523	5,998,987,469

Note No. 39 : CIF VALUE OF IMPORTS BY THE COMPANY DURING THE YEAR

Particulars	31.03.2017	31.03.2016
a) Consumables & Spare parts	475,949	593,839
b) Capital goods	34,999,858	45,987,159

Note No. 40

Particulars	31.03.2017	31.03.2016
The amount remitted during the year in foreign currencies on account of:		
a) Interest	-	530,409

Note No. 41 : EARNINGS IN FOREIGN CURRENCY

Particulars	31.03.2017	31.03.2016
a) Contract receipts (Projects executed outside India)		
Abu Dhabi	184,761,561	122,580,163
Bheramara	342,615,883	139,554,465
Shuqaiq	1,551,495,478	1,307,739,707
Libya	112,604,673	128,999,600

Note No. 42 : EXPENDITURE IN FOREIGN CURRENCY

Particulars	31.03.2017	31.03.2016
a) Expenditure on contracts executed outside India (Including Consumables and Spares)		
Yemen	2,349,427	2,589,201
Abu Dhabi	170,114,085	149,674,904
Bheramara	363,777,622	112,108,420
Shuqaiq	1,455,063,723	836,237,524
Libya	60,098,515	54,761,515
Rent for Canada office	52,988	66,100
b) Foreign travel	1,665,199	1,445,398

Note No. 43 : EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Particulars	Year ended 31 st March, 2017	Year ended 31 st March, 2016
a) Gross amount required to be spent by the company during the year	17,285,960	18,173,555
b) Amount spent during the year (Contribution paid to Power Mech Foundation and HEAL)	6,227,090	4,500,000

Note No. 44: ENTERPRISES CONSOLIDATED AS SUBSIDIARIES IN ACCORDANCE WITH INDIAN ACCOUNTING STANDARD - 110 : CONSOLIDATED FINANCIAL STATEMENTS

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
Hydro Magus Private Limited	India	75 %
Power Mech Industri Private Limited	India	100 %
MAS Power Mech Arabia (MASPA)	Saudi Arabia	51 %
Power Mech Projects Limited LLC	Oman	70 %

Enterprises consolidated as Joint ventures in accordance with Indian Accounting Standard - 28 : Investment in Associates and Joint Ventures

Name of the Enterprise	Country of Incorporation	Proportion of Ownership Interest
Power Mech-CPNED Services (Hong Kong) Holding Co. Limited	Hong Kong	50 %
GTA Power Mech Nigeria Limited	Nigeria	50 %

Note No. 45: ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013, OF ENTERPRISES CONSOLIDATED AS SUBSIDIARY AND JOINT VENTURES

Name of the Enterprise	Net Assets i.e. Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
Parent				
Power Mech Projects Limited	98.90 %	6,164,825,413	98.51 %	640,871,603
Subsidiaries & Joint Venture				
Hydro Magus Private Limited	0.36 %	22,177,725	0.65 %	4,227,883
Power Mech Industri Private Limited	0.36 %	22,387,303	0.15 %	992,930
MAS Power Mech Arabia (MASPA)	-0.08 %	(4,790,561)	-0.38 %	(2,471,354)
Power Mech Projects Limited LLC (OMAN)	0.04 %	2,377,378	0.26 %	1,664,083
Power Mech-CPNED Services (Hong Kong) Holding Co. Limited	0.11 %	6,714,459	1.03 %	6,714,459
GTA Power Mech Nigeria Limited	-0.02 %	(1,150,476)	-0.18 %	(1,150,476)
Share of Minority	0.34 %	21,089,379	-0.04 %	(251,965)
	100%	6,233,630,620	100%	650,597,162

ANNEXURE-A**SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES AND JOINT VENTURES AS PER COMPANIES ACT, 2013**

Sr. No.	Name of Subsidiary Company / Joint Venture	Reporting Currency	Share Capital	Reserves & Surplus	Other Liabilities	Total Assets	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	% of Shareholding
1	Hydro Magus Private Limited	INR	1,000,000	22,177,725	204,067,831	227,245,555	170,657,535	10,835,353	5,198,176	5,637,177	75%
2	Power Mech Industri Private Limited	INR	189,370	22,387,303	342,817,440	365,394,113	53,581,894	1,366,589	373,659	992,930	100%
3	MAS Power Mech Arabia (MASPA)	SAR	500,000	(277,013)	26,758,691	26,981,678	12,769,485	21,730	298,743	(277,013)	51%
4	Power Mech Projects Ltd - L.L.C.	Oman Rials	150,000	14,112	1,275,212	1,439,324	514,266	14,112	-	14,112	70%
5	Power Mech-CPNED Services (Hong Kong) Holding Co. Limited	USD	1,290	293,203	135,056	429,549	3,188,123	207,113	-	207,113	50%
6	GTA Power Mech Nigeria Limited	NGN	30,000,000	(11,229,632)	10,663,886	29,434,254	-	(11,229,632)	-	(11,229,632)	50%

Note No. 46 : Particulars disclosed pursuant to Ind AS-24 "Related party transactions"

A)	i) Key Managerial personnel	<ul style="list-style-type: none"> - S. Kishore Babu, Chairman and Managing director of Power Mech Projects Limited - Jitendra Kumar Managing director of Hydro Magus Private Limited - Arbind Kumar Koul, Director and CEO of Hydro Magus Private Limited - K Shishir Kumar, Managing Director of Power Mech Industri Private Limited (up to 20.03.2016) - K Ajay Kumar, Managing director of Power Mech Industri Private Limited (from 21.03.2016)
	ii) Relatives of Key Managerial personnel	<ul style="list-style-type: none"> - S. Lakshmi – Director W/o S.Kishore Babu - S. Rohit S/o S.Kishore Babu - S. Kishore Babu (HUF)
	iii) Companies controlled by KMP/Relatives of KMP	<ul style="list-style-type: none"> - Power Mech Infra Limited - Bombay Avenue Developers Private Limited - True Rrav Marketing Private Limited - Power Mech Foundation - Lakshmi Agro Farms

B) Transactions with related parties

SI No.	Particulars	KMP	Relatives of KMP	Companies controlled by KMP/Relatives of KMP
i)	Rent & Electricity Charges Paid			
	a) S. Kishore Babu	2,880,000		
		(2,880,000)		
	b) S. Lakshmi		1,020,000	
			(960,000)	
	c) S. Kishore Babu (HUF)		840,000	
			(350,000)	
	d) S. Rohit		1,089,000	
			(990,000)	
	e) Power Mech Infra Limited			18,338,603
				(8,948,306)
ii)	Remuneration Paid			
	a) S. Kishore Babu	52,442,531		
		(60,654,485)		
	b) S. Rohit		916,667	
			(2,283,146)	
	c) Jitendra kumar	2,600,000		
		(3,300,000)		
	d) Arbind Kumar Koul	3,300,000		
		(3,300,000)		
	e) Shishir Kumar (Salary)	-		
		(947,268)		
	f) Ajay Kumar (Salary)	700,000		
		(-)		
iii)	Sub-Contract Expenses & Hire charges Paid			
	a) Power Mech Infra Limited			52,054,915
				(508,283,651)
iv)	Assets & Stores Material Purchase From			
	a) Power Mech Infra Limited			-
				(72,648,374)
v)	Donations paid			
	a) Power Mech Foundation			6,227,090
				(3,000,000)

C) Balances outstanding as on 31.03.2017

SI No.	Particulars	KMP	Relatives of KMP	Companies controlled by KMP/Relatives of KMP
i)	Due to Power Mech Infra Limited			17,725,563
				(83,824,381)
	Rental Deposit with Power Mech Infra Limited			9,609,250
				(6,771,380)
ii)	Remuneration Paid			
	S Kishore Babu	2,448,500		
		(22,861,628)		
	Jitendra kumar	1,099,608		
		(1,006,244)		
	Arbind kumar koul	1,820,380		
		(891,974)		
	Shishir Kumar	-		
		(1,019,891)		
	Ajay Kumar	7,300		
		(-)		
iii)	Rent Payable			
	S. Kishore Babu	216,000		
		(216,000)		
	S. Lakshmi		-	
			(72,000)	
	S. Kishore Babu (HUF)		63,000	
			(63,000)	
	S. Rohit		81,675	
			(74,250)	

47 In the opinion of the management, current assets, loans and advances have a value on realization in the ordinary course of business equal to the value at which they are stated. Balances in some of the parties account are subject to confirmation and reconciliation.

48 The group has claimed an amount of Rs. 8,21,06,047 (As on 31.03.2016 Rs. 6,47,50,380/-) being the Works contract tax deducted by the customers and outstanding as on 31.03.17 in respect of works carried out in some of the states. The management is of opinion that there is no sales tax liability in respect of the said works carried out and hence claimed as refund due and grouped under loans and advances. Sales tax liability, if any has arisen, on completion of assessments will be charged to Profit and Loss account.

Note No. 49: Segment reporting

Business Segment : The company predominantly operates only in construction and maintenance activities. This in the context of IND AS -108 "Operating Segments" is considered to constitute only one business segment.

Geographical Segment: The group has operations within India and outside India and the Segment information is presented in consolidated financial statements as mentioned in para 4 of AS -108.

Geographical Segment	Revenue for the year 2016-17	Segment Assets as on 31.03.2017	Capital Expenditure for the year 2016-17
With in India	10,732,386,517	11,890,135,810	427,145,440
(Previous year)	(12,060,259,539)	(11,500,583,874)	(310,861,705)
Outside India	2,649,633,291	1,737,254,394	202,117,889
(Previous year)	(1,721,870,417)	(1,553,676,844)	(235,921,792)

50 Calculation of Earnings per Share:

Sl. No	Particulars	2016-17	2015-16
1)	Basic and Diluted Earning per share		
	No. of shares at the beginning of the year	14,710,764	12,582,764
	Fresh Issue on Equity on IPO (weighted avg no. of shares)	-	1,300,121
	Weighted average number of shares	14,710,764	13,882,885
	Profit after tax attributable to equity share holders and after minority interest	646,756,169	750,789,505
	Basic and Diluted Earning per share	43.96	54.08

51 Disclosure requirement under Ind AS 11 “Construction Contracts”:

	Particulars	31.03.2017	31.03.2016
a)	Contract revenue recognized during the year	13,382,019,808	13,782,129,956
b)	Method used to recognise the revenue	% of Completion Method	% of Completion Method
c)	Method used to determine stage of completion	Physical proportion of work completion	Physical proportion of work completion
d)	Dues from customers	2,948,716,682	2,721,771,444
e)	Retention & SD amounts due from customers	2,642,024,814	2,564,652,794
f)	Due to Sub Contractors	1,733,857,055	2,212,225,069
g)	Retention & SD amount due to Sub Contractors	613,325,133	667,924,427
h)	Mobilisation advances from Customers	745,593,268	720,951,042
i)	Mobilisation advances to Sub Contractors	23,518,807	13,403,969

52 Previous year figures have been regrouped wherever necessary to confirm to current year classification.

As per our report annexed

For BRAHMAYYA & CO

Firm's Registration Number: 000513S

Chartered Accountants

Sd/-

(Karumanchi Rajaj)

Partner

Membership Number: 202309

Place: Camp: Hyderabad

Date: 30.05.2017

For and on behalf of the Board

Sd/-

S. Kishore Babu

Chairman and Managing Director

(DIN: 00971313)

Sd/-

M. Rajendran

Director

(DIN: 01879556)

Sd/-

J Satish

CFO

Sd/-

Mohit Gurjar

Company Secretary

FORM FOR ECS MANDATE / BANK MANDATE

To
Karvy Computershare Pvt Ltd
Karvy Selenium Tower B,
6th Floor, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda,
Hyderabad - 500 032.

Dear Sir,

I/We.....
do hereby authorize Power Mech Projects Limited to

- Credit my dividend amount directly to my Bank Account as per details furnished below by Electronic Clearing Services (ECS) - ECS Mandate.*
- Print the details of my Bank account as furnished below, on my dividend warrant which will be mailed to me- Bank Mandate*

(* Strike out whichever is not applicable)

Folio No

DP ID

(For Shares held in physical form)

Client ID

- Name of First holder
- Bank Name
- Branch Name
- Branch Address (for ECS Mandate only)
- Bank Account Number
- Account Type (Saving / Current)
- 9 Digit Code Number of the bank & branch
Appearing on the MICR cheque
(for ECS Mandate only)

I hereby declare that particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, Power Mech Projects Limited will not be held responsible.

Signature of first named shareholder
(as per specimen lodged with the Company)

Note: Please attach a blank cancelled cheque or a photocopy of a cheque issued by your Bank relating to your above account.

POWER MECH PROJECTS LIMITED

Registered Office: Plot No:77, Jubilee Enclave, Opp: Hitex, Madhapur, Hyderabad - 500081. CIN : L74140TG1999PLC032156

Form No. MGT-11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rules 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member (s) :

Registered Address :

E-mail ID:

Folio No. / Client ID : DP ID :

I/We, being the member(s) holding shares of the above named Company, here by appoint:

1. Name :

Address :

E-mail : Signature :or failing him

2. Name :

Address :

E-mail : Signature :or failing him

3. Name :

Address :

E-mail : Signature :

As my /our proxy to attend and vote (on poll) for me / us and on my / our behalf at the 18th Annual General Meeting of the Company, to be held on the 28th day September, 2017 at 11:00 A.M at Hotel Avasa, Madhapur, Hyderabad - 500081, Telangana. India and at any adjournment thereof in respect of such resolutions as are indicated.

Agenda Item	Vote *	Agenda Item	Vote *
No. 1		No.2	
No. 3		No.4	
No. 5		No. 6	

Affix
Re. 1/-
Revenue
Stamp

Signed thisday of 2017

Signature of shareholder

Signature of Proxy holder(s)

Note: This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting and at any adjournment there of.

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Power Mech Projects Limited.

I hereby record my presence at the 18th Annual General Meeting of the shareholders of Power Mech Projects Limited on 28th September, 2017 at Hotel Avasa, Madhapur, Hyderabad - 500081, Telangana, India.

DP ID* Reg. Folio No

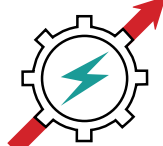
Client ID* No. of Shares.....

* Applicable if shares are held in electronic form

Name & Address of Member

Signature of Shareholder / Proxy / Representative (Please Specify)

POWER MECH



Growth Unlimited

POWER MECH PROJECTS LIMITED

CIN: L74140TG1999PLC032156

Registered & Corporate Office: Plot No. 77, Jubilee Enclave
Madhapur, Hyderabad- 500081, Telangana

Tel: +91 40 30444444

Fax: +91 40 30444400

E-mail: info@powermech.net

www.powermechprojects.com