



Shriram EPC Limited

Seventeenth Annual Report 2016-2017

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. S.R. Ramakrishnan – Chairman, DIN: 00015839

Mr. T. Shivaraman - Managing Director & CEO, DIN: 01312018

Mr. M. Amjat Shariff - Joint Managing Director, DIN: 00009562

Mr. R. Sundararajan - Director, DIN: 00498404

Mr. S. Krishnamurthy - Director, DIN: 00140414

Mr. Sunil K Kolangara - Nominee Director - Ascent Capital, DIN: 00022480

Mr. P.D. Karandikar - Director, DIN: 02142050

Mr. S. Babu - Director, DIN: 02541697

Ms. Chandra Ramesh – Director, DIN: 00938694

Mr. Surender Singh - Nominee Director - Oriental Bank of Commerce, DIN: 07821680 (Appointed w.e.f. 15th May, 2017)

CHIEF FINANCIAL OFFICER

Mr. R.S. Chandrasekharan

COMPANY SECRETARY

Mr. K. Suresh

REGISTRAR & SHARE TRANSFER AGENT

Cameo Corporate Services Limited

Unit Shriram EPC Limited

Subramanian Building, V Floor

No. 1, Club House Road

Chennai - 600 002, Tamilnadu, India.

AUDITORS

M/s. Deloitte Haskins & Sells, Chartered Accountants

AVSN Ramana Tower, 52, Venkatanarayana Road,

T Nagar, Chennai - 600 017.

BANKERS

Oriental Bank of Commerce

Axis Bank Limited

Punjab National Bank

Central Bank of India

IDBI Bank Limited

Allahabad Bank

The South Indian Bank Ltd.

State Bank of Patiala

State Bank of Mysore

State Bank of Travancore

Bank of Maharashtra

Bank of India

The Federal Bank Ltd.

The Lakshmi Vilas Bank Ltd.

Corporation Bank

Dena Bank

ICICI Bank Ltd.

DBS Bank Ltd.

IndusInd Bank Ltd.

Yes Bank Ltd.

IFCI Factors Ltd.

REGISTERED OFFICE

Sigappi Achi Building, 4th Floor,

Door No. 18/3, Rukmini Lakshmipathi Road,

Egmore, Chennai - 600 008, Tamilnadu, India.



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Chairman's Message

Dear Shareholders,

The past year has been a year in which the Company has gone through significant challenges. However, I am happy to inform you that we are on the way to overcoming most of them. During the year, the majority of the bankers converted a large part of their working capital term loans into equity. The Promoters have also infused Rs 265 crores of equity in the Company. Both these measures will substantially reduce the interest burden on the Company going forward while simultaneously increasing the networth of the Company.

There have been delays in release of banking limits by the banks and the Company is working with the bankers to resolve this situation during the financial year 2017-18.

The order inflow has been encouraging. The Company has bagged two very significant overseas orders, viz: 1) for a large steel plant in Oman and 2) for a water distribution system in Tanzania.

The renewed focus of the Indian Government on substantial expansion of infrastructure spend in all areas including roads, water, railways, energy and urban infrastructure throws up a large number of opportunities for Shriram EPC. The outlook is therefore encouraging and we can look forward to an accelerating order intake in the coming years.

At this juncture, I wish to express my gratitude and appreciation towards our employees, customers, business associates, suppliers and bankers who have stood by us during these trying times. Lastly, I would like to thank our shareholders for their unstinted support.

Yours sincerely,

S R Ramakrishnan (DIN: 00015839)
Chairman



Financial Performance - Standalone

₹ in Lakhs

Statement of Profit and Loss	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 (15 months)	2013-14 (9 months)	2014-15	2015-16	2016-17
Gross Sales	64,629.93	91,876.55	1,11,051.76	1,28,216.76	1,38,220.03	1,70,512.96	49,509.13	54,765.89	54,759.98	51,968.59
Other Income	289.26	518.87	1,121.47	4,304.33	2,568.56	6,034.80	2,677.59	1,102.75	11,302.86	1,031.41
Interest	1,165.33	1,085.33	4,171.62	8,571.74	19,687.19	41,093.80	19,075.02	19,086.66	27,172.81	24,654.79
Profit Before Taxation	5,480.90	6,293.11	6,712.02	9,482.80	3,913.32	-30,512.94	-42,544.12	-25,261.56	-24,403.07	-23,173.58
Profit After Taxation	3,539.86	4,001.68	4,466.03	6,961.29	2,550.75	-26,286.12	-43,936.96	-25,285.17	-24,403.07	-23,173.58

Balance Sheet	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Property Plant and Equipment	4,672.14	10,655.23	14,170.20	13,612.79	12,625.13	5,386.39	6,984.05	7,040.53	6,535.69	6,091.03
Investments (Current and Non current)	10,122.64	17,201.22	21,064.28	26,757.40	28,981.59	24,433.41	4,549.39	4,549.39	542.17	134.61
Net Deferred Tax	-567.08	-1,542.80	-2,802.13	-2,893.64	-3,073.33	1,392.84	-	-	-	-
Net Assets (Current and Non Current)	64,935.04	88,876.75	1,42,355.03	1,93,380.78	1,51,749.91	2,14,796.57	2,29,957.83	2,55,198.02	2,88,089.04	2,99,812.72
Share Capital	4,286.78	4,334.89	4,391.38	4,426.24	4,434.43	4,435.82	34,435.82	38,635.82	33,062.64	93,696.79
Reserves & Surplus	29,651.22	33,380.25	37,619.10	44,217.91	46,314.34	20,030.22	-23,906.74	-32,437.77	6,132.16	64,080.9
Loan Funds	11,550.69	26,543.87	63,092.12	1,21,223.23	1,79,350.36	1,55,973.70	1,72,420.29	2,12,142.24	1,96,394.24	84,232.74

Notice of Seventeenth Annual General Meeting

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of the Company will be held at 03.05 P.M. on Thursday, the 24th August, 2017 at Kamakoti Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T. Nagar, Chennai – 600 017 to transact the business the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31 March, 2017 and the reports of the Auditors thereon.

2. **Appointment of Statutory Auditors**

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

RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee of the Board of Directors, be and are hereby appointed read with Companies (Audit and Auditors) Rules, 2014, THAT M/s MSKA & Associates (formerly known as MZSK And Associates), Chartered Accountants, (Firm Registration Number 105047W) who have offered themselves for appointment and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014 be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Auditors, M/s Deloitte Haskins & Sells, Chartered Accountants to hold office from the conclusion of this Annual General Meeting until the conclusion of 22nd Annual General Meeting to be held in the calendar year 2022 on a remuneration to be mutually agreed upon plus the applicable taxes and reimbursement of traveling and out of pocket expenses incurred by them.

3. **Re-Appointment of Mr. M Amjat Shariff, (DIN 00009562) as a Director:**

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

RESOLVED THAT Mr. M Amjat Shariff, (DIN 00009562) retires by rotation and who is eligible for re-appointment be and is hereby re-appointed as a Director of the Company.

SPECIAL BUSINESS:

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

RESOLVED THAT pursuant to the provisions of Section 148(3) and all other applicable provision

of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of Rs.50000/- (Rupees Fifty thousand only) (exclusive of service tax as may be applicable) and payment of such out of pocket expenses approved by the Board of Directors to be paid to Mr. G Sundaresan, Cost Accountant (Membership No: 11733), for conduct of the audit of the cost records of the Company for the financial year ending 31st March, 2018 be and is hereby ratified and confirmed .

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

"RESOLVED THAT in supersession of all the resolution passed by the shareholders of the Company on 11-08-2015 consent of the Company be and is hereby accorded in terms of the provisions of Section 186 of the Companies Act, 2013 and rules thereunder and subject to the approval of the Reserve Bank of India, if any, and other applicable rules, regulations, guidelines notifications and circulars (including any statutory modifications or re-enactment thereof for the time being in force) and such conditions as may be prescribed by any of the concerned authorities, to the board of directors of the Company (hereinafter referred to as the "Board", which term shall deem to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution) to make/ give from time to time any Guarantees, loan(s) and / or advance(s) to any Body or Bodies Corporate including Firms, Limited Liability Company(LLC), Limited Liability Partnerships (LLP), One Person Company (OPC), Foreign Companies etc., whether in India or outside, which may or may not be subsidiary(ies) of the Company, as the Board may think fit, to the extent of Rs.1450 Crores from the existing limit of Rs.1350 crores.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board / Committee be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit including the terms and conditions within the above limit upto which loans / advances / guarantees, that may be given or made, as may be determined by the Board thereof and the Board is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise in this regard and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental thereto as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval



of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.”

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

RESOLVED THAT pursuant to Section 204 Companies Act, 2013, M/s. R. Sridharan & Associates, a firm of Company Secretary in Practice be and are hereby appointed as Secretarial Auditor of the Company till the conclusion of the next Annual General Meeting (AGM) at Rs. 1,00,000 (Rupees One lakh only) plus service tax, out of pocket expenses, traveling, etc.

By Order of the Board of Directors

Chennai

K SURESH

30th May, 2017

Vice President & Company Secretary

Notes

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and Vote on a poll only instead of Him / Her. The proxy need not be a member of the Company. A blank form of proxy is enclosed herewith and if intended to be used, it should be returned duly completed at the Registered Office of the Company not later than forty eight hours before the scheduled time of the commencement of 17th Annual General Meeting.

1. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. The statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business is annexed herewith.
3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days of notice in writing is given to the Company.
4. Members / proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

6. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
8. Additional information pursuant to regulation 36 of the Listing Regulations viz. Soft Copy of full annual report to all those shareholders who have registered their email address(es) for the purpose, Hard copy of statement containing the salient features of all the documents as prescribed in Section 136 of Companies Act, 2013 or rules made thereunder to those shareholders who have not so registered , Hard copies of full annual reports to those shareholders, who request for the same are provided in the Explanatory Statement forming part of the notice.
9. The Register of Members and the Share Transfer Books of the Company shall remain closed from Monday, 21st August, 2017 to Thursday, 24th August, 2017 (both days inclusive), for the purpose of Annual General Meeting.
10. Members are requested to notify the change in their address, if any, immediately, so that all communications can be sent to the latest address. In case of members holding shares in physical form, all intimations regarding change of address and change of bank account details are to be sent to M/s. Cameo Corporate Services Ltd, Subramanian Building, No:1 Club House Road, Chennai-600002. Members, who hold shares in electronic form, are requested to notify any change in their particulars like change in address, bank particulars etc. to their Depository Participants immediately.
11. Pursuant to provisions of Section 125 of the Companies Act, 2013, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's unpaid dividend account shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The following are the details of the dividends paid by the Company and respective due dates for claim by the Shareholders:

Financial Year	Date of Declaration of Dividend	Last Date for Claim
2009-10	29/09/2010	28/06/2017
2010-11	09/09/2011	26/06/2018
2011-12	21/09/2012	26/06/2019

No claim shall lie against IEPF or the Company for the amounts so transferred prior to 31st March, 2017, nor shall any payment be made in respect of such claim.

Members who have not encashed their dividend warrants are requested to lodge their claims with the Company.

12. Copies of the Annual Report 2017 are being sent by electronic mode only to all the members, who's Email IDs are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. In the case of members holding shares in physical mode whose Email IDs are registered with the Company/Registrars M/s. Cameo Corporate Services Limited, and have given consent for receiving communication electronically, copies of the Annual Report 2017 are being sent by electronic mode only. For members who have not registered their Email addresses, physical copies of the Annual Report 2017 are being sent by the permitted mode.
13. The Notice of the 17th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode to all the members whose Email addresses are registered with the Company/Depository Participants unless any member has requested for a hard copy of the same. In the case of members holding shares in physical mode whose Email IDs are registered with the Company/Registrars M/s. Cameo Corporate Services Limited, and have given consent for receiving communication electronically, the Notice of the 17th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form, is being sent by electronic mode. For members who have not registered their Email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
14. Members may also note that the Notice of the 17th Annual General Meeting and the Annual Report 2017 will also be available on the Company's website www.shriramepc.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Chennai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's Registrars M/s. Cameo Corporate Services Limited at evoting@cameoindia.com
15. All documents referred to in the Notice will be available for inspection at the Company's registered office during

normal business hours on working days up to the date of the AGM.

17. Voting through Electronic means

- (i) Pursuant to the provisions of Section renumber the serials continuously 108 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to the members the facility to exercise their right to vote at the 17th Annual General Meeting (AGM) by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- (ii) The members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting.
- (iii) The members who have cast their vote by remote e-voting may also attend the Meeting, but shall not be entitled to cast their vote again.
- (iv) The Company has engaged the services of Central Depository Securities Limited (CDSL) as the Agency to provide e-voting facility.
- (v) The Board of Directors of the Company has appointed Mr. R Sridharan, Practicing Company Secretary (Membership No. FCS 4775) of R Sridharan & Associates, Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.
- (vi) Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e 17th August 2017.
- (vii) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. 17th August 2017 only shall be entitled to avail the facility of remote e-voting.
- (viii) Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e., 17th August 2017, may obtain the User ID and password in the manner as mentioned below:
 - a) If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page



- of [https:// evoting. com](https://evoting.com), the member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
- b) Member may call Central Depository Securities Limited (CDSL) toll free number.
 - c) Member may send an e-mail request to [evoting. com](https://evoting.com). If the member is already registered with NSDL e-voting platform, then he can use his existing User ID and password for casting the vote through remote e-voting.
- (viii) The remote e-voting facility will be available during the following period:
- Commencement of remote e-voting: From 9.00 a.m. (IST) on 21st August 2017
- End of remote e-voting : Up to 5.00 p.m. (IST) on 23rd August, 2017.
- (i) The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon the expiry of the aforesaid period.
 - (ii) The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, within 48 hours of conclusion of the Meeting, make a consolidated scrutinizer’s report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer’s report shall be placed on the website of the Company www.shriramepc.com and on the website of CDSL [www.evotingindia. com](http://www.evotingindia.com). The results shall simultaneously be communicated to the Stock Exchange.
 - (iii) Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. 24th August, 2017.
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p>
	<ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:
- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are

required to log on to www.evotingindia.com and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors

Chennai

30th May, 2017

K SURESH

Vice President & Company Secretary

Registered Office:

Sigapi Achi Building,
4th Floor, 18/3 Rukmini Lakshmi pathi Road,
Egmore, Chennai-600008

CIN: L74210TN2000PLC045167

Tel:+91(44)49015678 Fax: 91(44)4901 5655

E-mail: suresh@shriramepc.com

Website: www.shriramepc.com



STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.4

Pursuant to Section 148(3) and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force) on recommendation of the Audit Committee, the Board of Directors has approved the appointment of Mr. G Sundaresan, Cost Accountant (Membership No: 11733 as Cost Auditor to conduct the audit of cost records of the Company for the financial year ending on 31st March 2017 on a remuneration of Rs.50000(exclusive of service tax as may be applicable) and payment of such out of pocket expenses. The remuneration payable to the cost auditor shall be ratified by the shareholders of the Company.

Accordingly, Consent of members is sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditor for the financial year ending 31st March, 2018 in terms of Section 148(3) and all other applicable provisions of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

The Board of directors recommends the ratification of remuneration payable to Cost Auditors for the financial year ending 31st March, 2018.

Memorandum of Interest

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise in the resolution set out under Item No.4 of the Notice.

The Board of Directors recommends the resolution set forth in Item No.4 of the Notice for the approval of the members.

ITEM NO.5

At the Deemed General Meeting of the Company held on 11th August 2015, the shareholders of the Company had granted to the Board of Directors powers to make / give from time to time any loan(s) and / or advance(s) to any Body or bodies corporate including Firms, Limited Liability Company (LLC), Limited Liability Partnerships (LLP), One Person Company (OPC), Foreign Companies etc., whether in India or outside, India which may or may not be subsidiary(ies) of the Company as the Board may think fit, in pursuance of Section 186 of the Companies Act, 2013 and rules thereunder(including any ordinance or statutory modification or re-enactment thereof, for the time being in force) to the extent of Rs.1250 Crores and Guarantees to the extent of Rs. 100 Crores.

The additional increase in limit sought is for guarantee limit that may accrue in future. Hence, it is proposed to increase the present Guarantee limit of Rs. 100 Crores to Rs.200 Crores for a total limit of Rs.1450 Crores with the

Loans/ advances to Subsidiary /associate Companies/ Other Bodies Corporate limit remaining at Rs.1250 Crores.

Approval of the shareholders is sought for increasing the Guarantee limit from Rs.100 Crores to Rs.200 Crores.

Hence, as per the provisions of Section 186 of the Companies Act, 2013 and the applicable rules thereunder, approval of the shareholders is sought for the increase in limits by way of a Special Resolution. The below mentioned table will detail the present limits and the increased limits sought:

₹ In crs

Particulars	Present limits	Increased limit sought	Total not exceeding
Loans/ advances to Subsidiary /associate Companies/ Other Bodies Corporate	1250.00	NIL	1250.00
Guarantees to Subsidiary /associate Companies/ Other Bodies Corporate	100.00	100.00	200.00
Total	1350.00	100.00	1450.00

The following Directors of the Company is deemed to be concerned/interested in the above said resolution being Directors of the subsidiary/associate/ group companies of the Company:

S.No.	Name & Designation
1	Mr. R. Sundararajan, Director
2	Mr. T Shivaraman, Managing Director & CEO

None of the Directors / Key Managerial Personnel of the Company or their relatives other than above is concerned or interested.

Memorandum of Interest

None of the other Directors / Key Managerial Personnel of the Company or their relatives other than those mentioned above is concerned or interested, financially or otherwise in the resolution set out under Item No.5 of the Notice.

The Board of Directors recommends the resolution set forth in Item No.5 of the Notice for the approval of the members.

ITEM NO.6

Pursuant to Section 204(1) of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company is required to obtain Secretarial Audit Report from a Practicing Company Secretary which shall be annexed with the report of the Board of Directors.

Mr. R. Sridharan, is a practicing Company Secretary of M/s R. Sridharan & Associates Company Secretaries, who has consented to be appointed as secretarial auditor for the financial year ended 2018. Therefore, the company may appoint him from the conclusion of this annual general meeting until the conclusion of next annual general meeting by passing the proposed ordinary resolution as set out in the notice of the meeting.

Memorandum of Interest

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the resolution set out under Item No.6 of the Notice.

The Board of Directors recommends the resolution set forth in Item No.6 of the Notice for the approval of the members.

By Order of the Board of Directors

Chennai
30th May, 2017 K SURESH
Vice President & Company Secretary

Registered Office:
Sigapi Achi Building,
4th Floor, 18/3 Rukmini Lakshmi pathi Road,
Egmore, Chennai-600008

Profile of Mr. M Amjat Shariff

He is basically a Chemical Engineer with M.Tech (Chem), IIT, Chennai.

He started his career as Chief Engineer and was involved in design and installation of hi-tech projects for a variety of industrial applications in the areas of fertilizer, chemical, ferrous and non-ferrous and other industries.

He has over 35 years' experience in project execution, sales, marketing and corporate planning. He has specialized in core sector, executing and management of projects, particularly related to steel, copper and power. He has vast experience in imparting training to professionals.

Details of Directors seeking Appointment/ re-appointment at the forthcoming Annual General Meeting

Particulars	Mr Amjat Shariff
Date of Birth	4.4.1955
Date of Appointment	20/9/2007
Qualifications	M Tech (Chem) from IIT, Chennai
Expertise in specific functional areas	He has experience of over 35 years in project execution, sales, marketing and corporate planning. He has specialized in core sector, executing and management of projects, particularly related to steel, copper and power. He is currently the Joint Managing Director of the Company
Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	HAMON SHRIRAM COTTRELL PRIVATE LIMITED MALOS INFRASTRUCTURE LIMITED ALPHA ENERGY SYSTEMS LIMITED ECE INTERNATIONAL PRIVATE LIMITED ASTS MANAGEMENT CONSULTANCY LLP
Chairmanships / Memberships Of Committees of other Public Companies	
I. Audit Committee	NIL
ii. Stakeholders Relationship Committee	
iii. Nomination and Remuneration Committee	
iv. CSR Committee	
Number of shares held in the Company	310



Board's Report

Dear Shareholder,

Your Directors present the Seventeenth Annual Report together with the Audited Financial Statements of your Company for the financial year ended 31st March, 2017.

FINANCIAL RESULTS

(₹ in Lakhs)

	Consolidated (12 months)	Consolidated (12 months)	Standalone (12 months)	Standalone (12 months)
	2016-17	2015-16	2016-17	2015-16
Total Income	74422.23	54759.98	51968.59	54759.98
Profit before Interest, Depreciation, tax and extra-ordinary items	3847.37	14126.34	2495.94	13484.34
Interest & depreciation	25266.16	27823.42	25261.96	27823.42
Profit before tax & before extra-ordinary items	-21418.79	-13697.08	-22766.02	-13688.47
Provision for taxation	—	—	—	—
Profit after tax & extra-ordinary items	-21826.35	-20404.46	-23173.58	-24403.07
Balance brought forward from last year	-103857.64	-83453.18	-99065.56	-74662.49
Profit available for appropriation	-21826.35	-20404.46	-23173.58	-24403.07
Transfer to general reserves	—	—	—	—
Surplus carried forward	-125683.99	-103857.64	-122239.14	-99065.56

OPERATING RESULTS & PERFORMANCE

During the financial year ended March 31, 2017 the Company had recorded a total income at Rs. 519.69 crores as against Rs.547.60 crores in the previous year on a standalone basis. Loss before tax and extraordinary items was at Rs.227.66 crores.

Loss after tax was at Rs.231.73 crores compared to a loss in the previous year of Rs. 244.03 crores.

BUSINESS HIGHLIGHTS

During the past year, the operations of the Company continued to be under some stress primarily due to delays in approval and release of enhanced limits from Banks affected the operations and the cash flows. Payment and approval delays from customers also contributed to the slower progress in terms of turnover as well.

Bank conversion of their Working Capital Term loan (WCTL) into equity and promoters contribution

During the year the Company submitted a Corrective Action Plan (CAP) to the joint lenders detailing the growth plan of the Company for the next 5 years and the future prospects.

CDR EG reviewed the CAP of the Company for the next 5 years and the growth plan and also the banker's decision to support the Company by converting their Working capital term loan (WCTL) of Rs 1,282 crore into equity shares and

the promoter's decision also to infuse Rs.265 crores. After receiving the lenders majority for the conversion of the WCTL, the Company went ahead in allotting shares.

By March 2017, Rs.1205 crores (approx.) of WCTL has been converted to equity shares with the Banks holding at 67.41% in the equity capital of the Company. The promoters also infused Rs.265 crores into the Company in February 2017. This conversion of the WCTL will enable the Company to save approx. Rs.150 crs p.a on interest from the coming financial year 2017-18 and help the Company in its cash flows.

During the year, your Company was awarded domestic orders worth over Rs.211.24 crores and overseas orders worth Rs.1707 crs. Significant orders include the following:

Domestic orders

Water and Infrastructure projects

₹ In crs

a.	Karnataka Urban Water Supply and Drainage Board, Bengaluru - Providing Water Supply Scheme to Tiptur City	75.66
b.	Karnataka Urban Water Supply and Drainage Board, Bengaluru - Providing Water Supply Scheme to Robertsonpet (KGF) City under AMRUT	61.32

c.	CMWSSB, Chennai Providing Comprehensive Water Supply Scheme to Pallikaranai and Mugalivakkam in Chennai City.	74.26
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Overseas orders

a.	Overseas contract for constructing Balance of Plant (BoP) for 1.2 MTPA Mini Mill Project in Sohar, Sultanate of Oman through its 100 % subsidiary, SHRIRAM EPC FZE, SHARJAH	1530 .00
b.	Overseas contract for the extension of Water transmission pipeline from the Lake Victoria Water supply scheme to Tabora, Nzega and Igunga Towns (Package II) an amount of 107,760,000 USD to be executed in JV with Larsen & Toubro out of which SEPC share will be 25%	177.00

Company's Standalone Order Book was over Rs.1952.36 crores as at March 31, 2017 and the Consolidated Order Book is Rs.3422.67 crores.

BUSINESS RISK MANAGEMENT

Pursuant to the requirement of Regulation 21 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company has constituted Business Risk Management Committee. The details of Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Board's Report.

The Company has a robust Business Risk Management (BRM) framework to identify, evaluate, treat and Report business risks. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as well as business segments and its mitigation plans.

The business risks identified by the Company and its mitigation plans are as under:

Project Risks:

In the context of the projects being executed, the Company reviews the risks associated with a project in all the following aspects, but not restricted to:

- Client related details such as financial closure of the project, credit worthiness and reputation of the client before even signing of the contract.
- Estimation risk like price and quantity variances, contingency provision, forex fluctuation on a periodic basis.
- Commercial risks like taxes and duties, payment terms, bank guarantee requirements

- Organisational risks like availability of technical and managerial resources, gap funding needs, consortium partners roles and responsibilities.
- Performance risk like achievability of guarantee parameters, time schedule, warranty and defect liability obligations.
- Interfacing risks like coordination with multiple agencies for approvals and clearance.
- Geographic risks like unfavourable weather conditions, earth quake floods etc.

The above key risks are closely tracked for timely mitigation.

Competition Risks:

The Infrastructure Industry is intensely competitive. To mitigate this risk, the Company is leveraging on its expertise, experience to increase market share, enhance brand equity/visibility and enlarge product portfolio and service offerings.

Occupational Health & Safety (OHS) Risks:

Safety of employees and workers is of utmost importance to the Company. To reinforce the safety culture in the Company, it has identified occupational health & safety as one of its focus areas. Various training programmes have been conducted at the sites such as behaviour based safety training program, visible safety leadership program, logistics safety program etc.

ECONOMIC SCENARIO AND OUTLOOK

According to The World Bank, the Indian economy is likely to grow at 7.6 % in 2017-18 and 7.8 % in 2018-19 and is expected to retain its tag of being the fastest growing major economy shrugging off any concerns of slowdown caused by government's demonetization program. The economy is expected to revert to its historical growth rate on the back of structural reforms being undertaken supported by an anticipated rebound in consumption. Early signs of revival are getting visible in the form of uptick in industrial output and declining unemployment rate.

BUSINESS OVERVIEW

Your Company operates in two main segments; turnkey contracts and wind turbines. A brief review of the business in these segments is given below.

The turnkey contracts segment represents the Company's engineering, procurement and construction projects business, which include renewable energy projects like biomass-based power plants, metallurgical and process plant projects and municipal services projects like water and wastewater treatment plants, water and sewer infrastructure and pipe rehabilitation.

The order backlog was Rs.3422.67 crores as on March 31, 2017.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has through Circular No.17/2011 pronounced a Green initiative in Corporate



Governance that allows Companies to send notices/ documents to shareholders electronically. The Green Initiative endeavors to reduce consumption of paper, in turn preventing deforestation and contributes towards a green and clean environment. In support of the initiative announced by MCA, your Company will send notices convening Annual General Meeting, Audited Financial Statements, Directors Report and Auditors' Report etc in electronic form in the current financial year. Your Company would like to continue the Green Initiative further and requests all shareholders to opt for electronic documents.

However, on request by any member of the Company/ Statutory Authority interested in obtaining full text of the financial statements, these documents will be made available for examination, at its registered office. On personal request by any shareholder, a physical copy of the Annual Accounts need to be provided. Pursuant to this, a statement summarizing the financial results of the Subsidiary is attached to the Consolidated Financial Statement.

SUBSIDIARY

SHRIRAM EPC FZE, SHARJAH

During the year, the Company was awarded a contract for an amount of 230 Mil USD (Rs 1530 Cr) for constructing Balance of Plant (BoP) for 1.2 MTPA Mini Mill Project in Sohar, Sultanate of Oman . The project execution period will be 32 months.

Further, Shriram EPC (FZE) Sharjah has decided to establish and incorporate a Limited Liability Company (LLC) in Sultanate of Oman named Shriram EPC Arkan LLC with a Capital of OMR 150,000 divided into 150,000 shares of OMR 1 per share in a JV with Arkan Group LLC.

Shriram EPC (FZE) Sharjah will hold 70% in the Capital of Shriram EPC Arkan LLC. This new Company will now become a step down subsidiary.

ASSOCIATES

HALDIA COKE & CHEMICALS PVT. LTD (HCCL)

HCCL is engaged in the business of manufacturing, processing, importing, exporting, trading, buying, selling, stocking and distributing coke.

There was no activity in the Company last year.

During the year 2016-17, HCCL recorded a NIL turnover compared to Rs. 39.66 crores in 2015-16.

The management of HCCL is working on revival plans for the Company.

DIVIDEND

Since the Company has made a loss for the year, the Board has decided not to recommend a Dividend.

SHARE CAPITAL

The authorized and paid-up capital of your Company is Rs.1000 crs and Rs.936.97 crores respectively.

During the year under review, the bankers have converted their Working Capital Term Loan (WCTL) of Rs 1,205 Crs into Equity. The promoters, M/s SVL Ltd. (SVL) formerly M/s Shriram Industrial Holdings Ltd, the holding Company have infused Rs.265 crores. The shareholding pattern as on 31st March 2017 will be as under:

SI	Shareholders	% holding
1	SVL Ltd(promoters)	29.82
2	Bankers	67.41

The total networth of the Company as at 31st March, 2017 was Rs.1577.78 crores.

DETAILS OF DEPOSITS

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

In addition to the Internal Controls on Operations, the Board has laid emphasis on adequate internal financial controls to ensure that the financial affairs of the Company are carried out with due diligence. Apart from Internal Audit function which scrutinizes all the financial transactions, there are also processes laid down, leading to CFO/CEO certification to Board on the adequacy of Internal Financial Controls as well as internal controls over financial reporting.

APPOINTMENT OF DIRECTORS

Mr. M Amjat Shariff, (DIN 00009562) will retire by rotation pursuant to Section 152(6) of the Companies Act, 2013 at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

EVALUATION OF BOARD'S PERFORMANCE

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

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

The details of familiarization programmes for Independent Directors of the Company, their roles, rights, responsibilities

in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the following link: <http://www.shriramepc.com/Companies-Act-2013-Compliance.aspx>.

DECLARATION BY INDEPENDENT DIRECTORS

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

REMUNERATION POLICY

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

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

NUMBER OF MEETINGS OF THE BOARD

The Board had met Eight (8) times during the financial year ended 31st March, 2017 on 23rd May 2016, 11th July 2016, 12th August 2016, 15th September, 2016, 9th November 2016, 19th January 2017, 8th February 2017, and 24th March 2017. The Audit Committee had met Four (4) times on 23rd May 2016, 12th August 2016, 9th November 2016 and 8th February 2017. The details of the said meetings are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. that in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. that the Directors had selected such accounting policies as mentioned in Note No: 2 of the Financial Statements and applied them consistently and judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the loss of the Company for the year ended on that date;
- c. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. that the Directors had prepared the annual accounts on a going concern basis;
- e. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- f. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the Directors had any pecuniary relationships or transactions vis-à-vis the Company other than sitting fees and reimbursement of expenses incurred, if any, for attending the Board meetings.

All related party transactions are placed before the audit committee for review and approval as per terms of the Policy for dealing with related parties. Prior omnibus approval of the Audit Committee is obtained on a quarterly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the audit committee and the board of directors for their approval on a quarterly basis.

The policy on related party transactions as approved by the board is uploaded on the Company's website at the following link. <http://www.shriramepc.com/Companies-Act-2013-Compliance.aspx>

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

The explanations/comments made by the Board relating to qualification, reservations or adverse remarks made by the Statutory Auditors and the Practicing Company Secretary in their respective reports are furnished below:

QUALIFICATIONS OF STATUTORY AUDITORS

Management's response to Auditors qualification.

Point no.4

The Company has taken recourse for recovery of amount spent on the project through legal, diplomatic and claim under credit insurance with ECGC, Further Company's petition for award of compensation for the quantum of work done is pending with the Appellate Court in Iraq. In view of the above, Company is confident of recovering the amount spent on the project, hence no provision was made.



Point no.5

The related party is in advanced stage of negotiating with their bankers for restructuring its debts and with the business environment looking up, the Company is confident of recovering the advance & trade receivable from the related party.

Qualifications by the Secretarial Auditors

1. The Company had not complied with Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Website Disclosures due to non-display of criteria for board nominations in the Website.

Management response:

The Company has since updated its website.

2. The Scrutinizer Report received from Practicing Company Secretary dated 23rd February 2017 has not complied Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

Management response:

The erroneous omission noticed subsequently. Revised certificate received from the scrutiniser.

3. The Company has not filed Form MGT-14 for the resolution passed at the board meeting held on 11.07.2016 for enhancement of Credit facilities from IDBI Bank Ltd. from Rs.62.87 crores to Rs.79.53.

Management response:

The Company has already filed necessary application for the condonation of delay in filing the form.

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

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

COMPOSITION OF AUDIT COMMITTEE

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

1. Mr. S.R. Ramakrishnan - Chairman
2. Mr. R. Sundararajan - Member
3. Mr. S Krishnamurthy - Member
4. Mr. S Bapu - Member
5. Mr. P D Karandikar - Member
6. Ms. Chandra Ramesh - Member

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

VIGIL MECHANISM

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

NOMINATION AND REMUNERATION COMMITTEE

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

1. Ms. Chandra Ramesh - Chairman
2. Mr. S.R. Ramakrishnan - Member
3. Mr. R. Sundararajan - Member

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

Policy on Criteria for Board Nomination and Remuneration is available in the website of the Company under the link <http://www.shriramepc.com/Companies-Act-2013-Compliance.aspx>

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has been incurring losses for the last 5 years. Hence, Corporate Social Responsibility Committee has not been formed and no initiatives have been taken by the Company on CSR as per the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company shall comply with this requirement once the operations improve and the applicability of this provision comes into force.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

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

LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015 issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective from 1st December, 2015 and accordingly all listed entities were required to enter into the listing agreement within six months from the effective date. The Company entered into Listing Agreements with BSE Limited and National Stock Exchange of India Limited during December, 2015.

AUDITORS

The Company's auditors, Messrs Deloitte Haskins & Sells, Chartered Accountants, Chennai hold office only till the ensuing Annual General Meeting of the Company and are not eligible for reappointment from the financial year 2017-18 as they have completed their term of 10 years.

M/s MSKA & Associates (formerly known as MZSK And Associates), Chartered Accountants, Firm Registration Number 105047W have given their consent to be appointed as Statutory Auditors of the Company for a period of 5 years from the ensuing Annual General Meeting in place of the retiring Auditors.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 (Act) read with Rule 14 of Companies (Audit and Auditors) Rules, 2014, (Rules) Mr. G Sundaresan, CMA (Membership No:11733) was appointed as Cost Auditor of the Company for the financial year 2017-18 on a remuneration of Rs.50,000/-. In terms of the Act and Rules referred above the remuneration payable to the cost auditor is required to be placed before the members in a general meeting for their ratification.

Accordingly, a resolution seeking member's ratification for the remuneration payable to Mr. G Sundaresan, CMA, Cost Auditor is included at Item No.4 of the notice convening the Annual General Meeting.

Secretarial Audit

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

As required under the Companies Act, 2013, the remuneration of Rs.1 lac payable to the Secretarial Auditor is required to be placed before the members in a general meeting for their ratification.

Accordingly, a Resolution seeking member's ratification for the remuneration payable to Messrs R Sridharan & Associates, a firm of Company Secretaries in Practice is included at Item No.6 of the notice convening the Annual General Meeting.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as

prescribed under Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of the Listing Regulations.

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

PROTECTION OF WOMEN AT WORK PLACE

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed off during the year 2016-17.

No. of complaints received – Nil

No. of complaints disposed off – Not Applicable

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The 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(3) of The Companies (Accounts) Rules, 2014, is given below:

Earnings in Foreign Currency: Nil

Expenditure in Foreign Currency: Rs. 290.93 lakhs

Rs. In Lakhs

Materials consumed in execution of Engineering Contracts	2,653.09
Traveling and conveyance	70.15
Professional and consultation fees	41.24
Erection, Construction & Operation Expenses	157.84
Others	21.70
Total	2,944.02

EXTRACT OF ANNUAL RETURN

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



PARTICULARS OF EMPLOYEES

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

CONSOLIDATED FINANCIAL STATEMENTS

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

APPRECIATION & ACKNOWLEDGMENTS

The Directors wish to thank the bankers for their continued and unstinted support. Further the Directors also wish to thank the Shareholders of the Company for their continued support even during these testing period and also the customers and suppliers for their continued cooperation. Lastly, the Directors also places on record their appreciation to all employees at all levels for their commitment and their contribution.

For and on behalf of the Board

T Shivaraman
Managing Director & CEO

R Sundararajan
Director

30th May 2017
Chennai

FORM MGT-9

Extract of Annual Return as on the financial year ended on 31 March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

i	CIN	L74210TN2000PLC045167
ii	Registration Date	12 th June 2000
iii	Name of the Company	Shriram EPC Limited
iv	Category / Sub-Category of the Company	Company Limited by Shares / Indian Non-Government Company
v	Address of the Registered office and contact details	Sigapi Achi Building, 4 th Floor No.18/3 Rukmani Lakshmi pathi Road, Egmore, Chennai-600 008
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited Subramanian Building, V Floor No. 1, Club House Road Chennai 600 002 India Tel: (91 44) 2846 0390 Fax: (91 44) 2846 0129 Email: shriramepc@cameoindia.com Website: www.cameoindia.com Contact Person: Mr. R.D. Ramasamy

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:-

SI No.	Name and description of main products / services	NIC code of the product/ service	% to total turnover of the Company
1	EPC	4220	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SI no	Name and address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1	SVL Ltd 123, Angappa Naicken Street, Chennai-600001	U74900TN1986PLC013431	Holding	29.82%	2(46)
2	Shriram EPC FZE, Sharjah	NA	Subsidiary	100%	2(87)
3	Shriram EPC Arkan LLC Muscat	NA	Step down subsidiary		2(87)
4	Haldia Coke & Chemicals Pvt Ltd. Sigapi Achi Building, 4 th Floor No.18/3, Rukmani Lakshmi pathi Road, Egmore, Chennai-600 008	U15541TN2004PTC054260	Associate	48.48%	2(6)



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

(i) Category-wise Share Holding

Name of the Company : SHRIRAM EPC LIMITED
 Face Value : 10/-
 Paidup Shares as on 01-Apr-2016 : 822989447
 Paidup Shares as on 31-Mar-2017 : 936967941
 For the Period From : 01-Apr-2016 To : 31-Mar-2017

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	SHAREHOLDING OF PROMOTER AND PROMOTER GROUP									
1.	INDIAN									
a.	INDIVIDUALS/HINDU UNDIVIDED FAMILY	0	0	0	0.00	0	0	0	0.00	0.00
b.	CENTRAL GOVERNMENT/STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
c.	BODIES CORPORATE	165412862	0	165412862	50.03	279391356	0	279391356	29.81	-20.21
d.	FINANCIAL INSTITUTIONS/BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e.	ANY OTHER									
	SUB - TOTAL (A)(1)	165412862	0	165412862	50.03	279391356	0	279391356	29.81	-20.21
2.	FOREIGN									
a.	INDIVIDUALS (NON-RESIDENT INDIVIDUALS/FOREIGN INDIVIDUALS)	0	0	0	0.00	0	0	0	0.00	0.00
b.	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
c.	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e.	ANY OTHER									
	SUB - TOTAL (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	TOTAL SHARE HOLDING OF PROMOTER AND PROMOTER GROUP (A) = (A)(1)+(A)(2)	165412862	0	165412862	50.03	279391356	0	279391356	29.81	-20.21
B.	PUBLIC SHAREHOLDING									
1.	INSTITUTIONS									
a.	MUTUAL FUNDS/UTI	0	0	0	0.00	0	0	0	0.00	0.00
b.	FINANCIAL INSTITUTIONS/ BANKS	139507548	0	139507548	42.19	631962111	0	631962111	67.44	25.25
c.	CENTRAL GOVERNMENT/ STATE GOVERNMENT(S)	0	0	0	0.00	0	0	0	0.00	0.00
d.	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
e.	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
f.	FOREIGN INSTITUTIONAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
g.	FOREIGN VENTURE CAPITAL INVESTORS	0	0	0	0.00	0	0	0	0.00	0.00
h.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
i.	ANY OTHER									
	Foreign Portfolio Investor (Corporate) Category II	0	0	0	0.00	8140	0	8140	0.00	0.00
	Foreign Portfolio Investor (Corporate) Category III	1123364	0	1123364	0.33	1123364	0	1123364	0.11	-0.21
		1123364	0	1123364	0.33	1131504	0	1131504	0.12	-0.21
	SUB - TOTAL (B)(1)	140630912	0	140630912	42.53	633093615	0	633093615	67.56	25.03

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

Category code	Category of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2.	NON-INSTITUTIONS									
a.	BODIES CORPORATE	4315566	0	4315566	1.30	4073416	0	4073416	0.43	-0.87
b.	INDIVIDUALS -									
	I INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL UPTO RS. 1 LAKH	3781799	1216	3783015	1.14	7034263	1236	7035499	0.75	-0.39
	II INDIVIDUAL SHAREHOLDERS HOLDING NOMINAL SHARE CAPITAL IN EXCESS OF RS. 1 LAKH	2430314	0	2430314	0.73	5233574	0	5233574	0.55	-0.17
c.	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
d.	ANY OTHER									
	CLEARING MEMBERS	30267	0	30267	0.00	145598	0	145598	0.01	0.00
	DIRECTORS AND THEIR RELATIVES	14100	20	14120	0.00	14100	20	14120	0.00	-0.00
	FOREIGN CORPORATE BODIES	10919343	0	10919343	3.30	6730090	0	6730090	0.71	-2.58
	HINDU UNDIVIDED FAMILIES	265860	0	265860	0.08	445515	0	445515	0.04	-0.03
	NON RESIDENT INDIANS	61384	0	61384	0.01	142379	0	142379	0.01	-0.00
	TRUSTS	2762779	0	2762779	0.83	662779	0	662779	0.07	-0.76
		14053733	20	14053753	4.25	8140461	20	8140481	0.86	-3.38
	SUB - TOTAL (B)(2)	24581412	1236	24582648	7.43	24481714	1256	24482970	2.61	-4.82
	TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	165212324	1236	165213560	49.96	657575329	1256	657576585	70.18	20.21
	TOTAL (A)+(B)	330625186	1236	330626422	100.00	936966685	1256	936967941	100.00	0.00
C.	SHARES HELD BY CUSTODIANS AND AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
	Public	0	0	0	0.00	0	0	0	0.00	0.00
	TOTAL CUSTODIAN (C)	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	330625186	1236	330626422	100.00	936966685	1256	936967941	100.00	0.00

ii) Shareholding of promoters

Name of the Company : SHRIRAM EPC LIMITED

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year	FOLIO/DP_CL_ID	PAN	Pledged Shares at beginning of the Year	Pledged Shares at end of 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	SVL Ltd	159538459	19.38	5.94	273516953	29.19	10.25	0.00	IN30002011730413	AAACS7696D	48942674	84360560
	HAVING SAME PAN											
1	SVL Ltd	5874403	0.71	0.00	5874403	0.62	0.00	0.00	1301490000019372	AAACS7696D	0	0



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

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

Name of the Company : SHRIRAM EPC LIMITED

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	SVL Ltd						
	At the beginning of the year 01-Apr-2016	159538459	19.38	159538459	19.38	'IN30002011730413	AAACS7696D
	ALLOTMENT ON 24-02-2017			113978494			
	At the end of the Year 31-Mar-2017	273516953	29.19	273516953	29.19		
	HAVING SAME PAN						
1	SVL Ltd						
	At the beginning of the year 01-Apr-2016	5874403	0.71	5874403	0.71	'1301490000019372	AAACS7696D
	At the end of the Year 31-Mar-2017	5874403	0.71	5874403	0.71		

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

Name of the Company : SHRIRAM EPC LIMITED

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	CENTRAL BANK OF INDIA CP ALLOTMENT ACCOUNT						
	At the beginning of the year 01-Apr-2016	13675072	1.66	13675072	1.66	'IN30108022286142	AAACC2498P
	Purchase 06-May-2016	1858782	0.22	15533854	1.88		
	Purchase 17-Jun-2016	1510892	0.18	17044746	2.07		
	Purchase 05-Aug-2016	462114	0.05	17506860	2.12		
	Sale 16-Sep-2016	-17506860	2.12	0	0.00		
	At the end of the Year 31-Mar-2017	0	0.00	0	0.00		
	HAVING SAME PAN						
1	CENTRAL BANK OF INDIA						
	At the beginning of the year 01-Apr-2016	0	0.00	0	0.00	'IN30081210491515	AAACC2498P
	Purchase 16-Sep-2016	17506860	2.12	17506860	2.12		
	Purchase 30-Dec-2016	73290203	8.90	90797063	11.03		
	Purchase 27-Jan-2017	1176471	0.14	91973534	11.17		
	At the end of the Year 31-Mar-2017	91973534	11.17	91973534	11.17		

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) (Contd.)

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
2	BESSEMER VENTURE PARTNERS TRUST						
	At the beginning of the year 01-Apr-2016	9669343	1.17	9669343	1.17	'IN30016710018200	AABTB1675K
	Sale 08-Apr-2016	-10000	0.00	9659343	1.17		
	Sale 15-Apr-2016	-15257	0.00	9644086	1.17		
	Sale 22-Apr-2016	-78976	0.00	9565110	1.16		
	Sale 29-Apr-2016	-6820	0.00	9558290	1.16		
	Sale 06-May-2016	-10000	0.00	9548290	1.16		
	Sale 23-Sep-2016	-33200	0.00	9515090	1.15		
	Sale 11-Nov-2016	-85000	0.01	9430090	1.14		
	Sale 25-Nov-2016	-567000	0.06	8863090	1.07		
	Sale 02-Dec-2016	-293000	0.03	8570090	1.04		
	Sale 09-Dec-2016	-303000	0.03	8267090	1.00		
	Sale 16-Dec-2016	-243000	0.02	8024090	0.97		
	Sale 23-Dec-2016	-47000	0.00	7977090	0.96		
	Sale 06-Jan-2017	-51339	0.00	7925751	0.96		
	Sale 13-Jan-2017	-282661	0.03	7643090	0.92		
	Sale 20-Jan-2017	-562000	0.06	7081090	0.86		
	Sale 27-Jan-2017	-81000	0.00	7000090	0.85		
	Sale 03-Feb-2017	-126000	0.01	6874090	0.83		
	Sale 31-Mar-2017	-752000	0.09	6122090	0.74		
	At the end of the Year 31-Mar-2017	6122090	0.74	6122090	0.74		
3	ORIENTAL BANK OF COMMERCE						
	At the beginning of the year 01-Apr-2016	9658805	1.17	9658805	1.17	'IN30002010060150	AAACO0191M
	Purchase 06-May-2016	1293536	0.15	10952341	1.33		
	Purchase 17-Jun-2016	1093066	0.13	12045407	1.46		
	Purchase 05-Aug-2016	19981428	2.42	32026835	3.89		
	Purchase 30-Dec-2016	36966631	4.49	68993466	8.38		
	At the end of the Year 31-Mar-2017	68993466	8.38	68993466	8.38		
4	PUNJAB NATIONAL BANK						
	At the beginning of the year 01-Apr-2016	7905248	0.96	7905248	0.96	'IN30070810609099	AAACP0165G
	Purchase 06-May-2016	956501	0.11	8861749	1.07		
	Purchase 05-Aug-2016	1669674	0.20	10531423	1.27		
	Sale 21-Oct-2016	-10531423	1.27	0	0.00		
	At the end of the Year 31-Mar-2017	0	0.00	0	0.00		
	HAVING SAME PAN						



(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) (Contd.)

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
4	PUNJAB NATIONAL BANK						
	At the beginning of the year 01-Apr-2016	0	0.00	0	0.00	'IN30081210501028	AAACP0165G
	Purchase 21-Oct-2016	10531423	1.27	10531423	1.27		
	Purchase 30-Dec-2016	17193048	2.08	27724471	3.36		
	Purchase 24-Mar-2017	26465965	3.21	54190436	6.58		
	At the end of the Year 31-Mar-2017	54190436	6.58	54190436	6.58		
5	STATE BANK OF PATIALA						
	At the beginning of the year 01-Apr-2016	7724570	0.93	7724570	0.93	'IN30378610000279	AACCS0143D
	Purchase 06-May-2016	1097224	0.13	8821794	1.07		
	Purchase 17-Jun-2016	999076	0.12	9820870	1.19		
	Purchase 05-Aug-2016	2119589	0.25	11940459	1.45		
	Purchase 27-Jan-2017	52525974	6.38	64466433	7.83		
	At the end of the Year 31-Mar-2017	64466433	7.83	64466433	7.83		
6	THE SOUTH INDIAN BANK LTD						
	At the beginning of the year 01-Apr-2016	4477809	0.54	4477809	0.54	'IN30009511274987	AABCT0022F
	Purchase 06-May-2016	690344	0.08	5168153	0.62		
	Purchase 17-Jun-2016	631953	0.07	5800106	0.70		
	Purchase 05-Aug-2016	1178086	0.14	6978192	0.84		
	Purchase 30-Dec-2016	32664004	3.96	39642196	4.81		
	At the end of the Year 31-Mar-2017	39642196	4.81	39642196	4.81		
7	BANK OF MAHARASHTRA						
	At the beginning of the year 01-Apr-2016	3919336	0.47	3919336	0.47	'IN30038610000287	AACCB0774B
	Purchase 06-May-2016	398756	0.04	4318092	0.52		
	Purchase 17-Jun-2016	347512	0.04	4665604	0.56		
	Purchase 05-Aug-2016	454065	0.05	5119669	0.62		
	Purchase 30-Dec-2016	18822036	2.28	23941705	2.90		
	At the end of the Year 31-Mar-2017	23941705	2.90	23941705	2.90		
8	IDBI BANK LIMITED						
	At the beginning of the year 01-Apr-2016	3721307	0.45	3721307	0.45	'IN30045013788322	AABC18842G
	Sale 12-Aug-2016	-3721307	0.45	0	0.00		
	At the end of the Year 31-Mar-2017	0	0.00	0	0.00		
	HAVING SAME PAN						
8	IDBI BANK LTD						
	At the beginning of the year 01-Apr-2016	3696180	0.44	3696180	0.44	'1302860000092629	AABC18842G
	Sale 02-Sep-2016	-3696180	0.44	0	0.00		
	At the end of the Year 31-Mar-2017	0	0.00	0	0.00		
	HAVING SAME PAN						

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) (Contd.)

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
8	IDBI BANK LTD.						
	At the beginning of the year 01-Apr-2016	0	0.00	0	0.00	'IN30081210495586	AABC18842G
	Purchase 06-May-2016	1052277	0.12	1052277	0.12		
	Purchase 05-Aug-2016	1987529	0.24	3039806	0.36		
	Purchase 12-Aug-2016	3721307	0.45	6761113	0.82		
	Purchase 02-Sep-2016	3696180	0.44	10457293	1.27		
	Purchase 30-Dec-2016	48187115	5.85	58644408	7.12		
	At the end of the Year 31-Mar-2017	58644408	7.12	58644408	7.12		
9	THE LAKSHMI VILAS BANK LIMITED						
	At the beginning of the year 01-Apr-2016	3708011	0.45	3708011	0.45	'IN30012611204350	AAACT4291P
	Purchase 06-May-2016	380893	0.04	4088904	0.49		
	Purchase 17-Jun-2016	346744	0.04	4435648	0.53		
	Purchase 05-Aug-2016	5625827	0.68	10061475	1.22		
	Purchase 30-Dec-2016	12025806	1.46	22087281	2.68		
	Purchase 27-Jan-2017	77706	0.00	22164987	2.69		
	Purchase 10-Feb-2017	406991	0.04	22571978	2.74		
	At the end of the Year 31-Mar-2017	22571978	2.74	22571978	2.74		
10	AXIS BANK LIMITED						
	At the beginning of the year 01-Apr-2016	3652039	0.44	3652039	0.44	'IN30048410820757	AAACU2414K
	Purchase 06-May-2016	585258	0.07	4237297	0.51		
	Purchase 17-Jun-2016	563095	0.06	4800392	0.58		
	Purchase 05-Aug-2016	1116453	0.13	5916845	0.71		
	Purchase 27-Jan-2017	29691631	3.60	35608476	4.32		
	At the end of the Year 31-Mar-2017	35608476	4.32	35608476	4.32		
	HAVING SAME PAN						
10	AXIS BANK LIMITED						
	At the beginning of the year 01-Apr-2016	0	0.00	0	0.00	'IN30048412622255	AAACU2414K
	Purchase 23-Dec-2016	4698	0.00	4698	0.00		
	Purchase 24-Feb-2017	3351	0.00	8049	0.00		
	Purchase 17-Mar-2017	10000	0.00	18049	0.00		
	Purchase 31-Mar-2017	50400	0.00	68449	0.00		
	At the end of the Year 31-Mar-2017	68449	0.00	68449	0.00		
	NEW TOP 10 AS ON (31-Mar-2017)						



(v) Shareholding of Directors and Key Managerial Personnel:

Name of the Company : SHRIRAM EPC LIMITED

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	RANGASWAMY SUNDARARAJAN						
	At the beginning of the year 01-Apr-2016	9800	0.00	9800	0.00	'1203840000800556	AACPR1580Q
	At the end of the Year 31-Mar-2017	9800	0.00	9800	0.00		
2	T SHIVARAMAN						
	At the beginning of the year 01-Apr-2016	3000	0.00	3000	0.00	'IN30036022465056	AACPS3488G
	At the end of the Year 31-Mar-2017	3000	0.00	3000	0.00		
3	T SHIVARAMAN						
	At the beginning of the year 01-Apr-2016	1000	0.00	1000	0.00	'IN30036022567986	AAAHT0053L
	At the end of the Year 31-Mar-2017	1000	0.00	1000	0.00		
4	AMJAT SHARIFF M						
	At the beginning of the year 01-Apr-2016	300	0.00	300	0.00	'IN30131320668989	AAQPS9393A
	At the end of the Year 31-Mar-2017	300	0.00	300	0.00		
5	KRISHNAN SURESH						
	At the beginning of the year 01-Apr-2016	50	0.00	50	0.00	'IN30177414854843	AAMPS5523L
	At the end of the Year 31-Mar-2017	50	0.00	50	0.00		
6	AMJAT SHARIFF M						
	At the beginning of the year 01-Apr-2016	10	0.00	10	0.00	'00000006	
	At the end of the Year 31-Mar-2017	10	0.00	10	0.00		
7	SHIVARAMAN T						
	At the beginning of the year 01-Apr-2016	10	0.00	10	0.00	'00000040	
	At the end of the Year 31-Mar-2017	10	0.00	10	0.00		

V INDEBTEDNESS

The Company has loan funds outstanding as at March 31, 2017 of Rs.1966.75 crore.

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

Rs in Crs

Description	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,961.32	2.61	-	1,963.93
ii) Interest due but not paid	0.53		-	0.53
iii) Interest accrued but not due	2.28		-	2.28
Total(i+ii+iii)	1,964.13	2.61	-	1,966.74
Change in Indebtedness during the financial year				
- Addition	37.26	-		37.26
- Reduction	1,156.26	-2.61		1,153.65
Net Change	-1,119.00	2.61	-	-1,116.39
Indebtedness at the end of the financial Year				
i) Principal Amount	842.32	-	-	842.32
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due	25.78	-	-	25.78
Total(i+ii+iii)	868.10	-	-	868.10

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, whole time Directors and/or/Manager

SI No	Particulars of Remuneration	Name of the MD/WTD		Total
		T Shivaraman Rs. In lacs	M Amjat Shariff Rs. In lacs	Amount Rs. In lacs
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.15	45.99	88.14
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	—	—	—
2	Stock option	—	—	—
3	Sweat Equity	—	—	—
4	Commission	—	—	—
5	Others (Contribution to PF & Superannuation)	—	—	—
	Total (A)	42.15	45.99	88.14
	Ceiling as per the Act	145.72	145.72	

B. Remuneration to other Directors:

Particulars of Remuneration	S R Ramakrishnan	R Sundararajan	S Krishnamurthy	S Babu	Sunil K Kolangara	P D Karandikar	Chandra Ramesh
	Chairman- Independent	Non Independent*	Independent	Non Independent	Nominee	Independent	Independent
– Fee for attending Board /	81000	54000	108000	108000	13500	54000	108000
Committee meetings	90000	72000	54000	54000		72000	63000
Total	171000	126000	162000	162000	13500	126000	171000
Ceiling as per the Act							
Total Managerial Remuneration =(A+B)							
Overall Ceiling as per the Act	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee	Max of Rs.1 lac per each meeting of the board / committee

* Non-Executive Non-Independent Director



C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:

	Particulars of Remuneration	Name of the KMP		Total Amount
		R S Chandrasekharan	K Suresh	
1	Gross salary	Amount (Rs. In lacs)	Amount (Rs. In lacs)	Amount (Rs. In lacs)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	41.48	32.79	74.27
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961			
2	Stock option			
3	Sweat Equity			
4	Commission			
5	Others (Contribution to PF & Superannuation)			
	Total (A)	41.48	32.79	74.27

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

Annexure to the Directors' Report

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. **Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2016-17, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the financial year 2016-17.**

Sl no	Name of Director/KMP	Designation	Remuneration (Rs.in lacs)	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
I	Non-Executive Directors				
II	Executive Directors				
1	T Shivaraman	Managing Director & CEO	42.15	9.39	NIL
2	M Amjat Shariff	Joint Managing Director	45.99	8.64	NIL
III	Governed under remuneration structure				
3	R S Chandrasekharan	Chief Financial Officer	41.48	9.16	15%
4	K Suresh	Vice President & Company Secretary	32.79	11.59	10%

Note:

- a) The Non-Executive Directors of the Company are entitled for sitting fee as per the statutory provisions. The details of remuneration of Non- executive Directors are provided in the Corporate Governance report.
The ratio of remuneration and percentage increase for Non-Executive Directors Remuneration is therefore not considered for the above purpose.
- b) Percentage increase in remuneration indicates annual target total compensation increases, as approved by the Nomination and Remuneration Committee of the Company during the financial year 2016-17.

- ii. The percentage increase in the median remuneration of Employees for the financial year was -5.16%.
- iii. The Company has 388 permanent Employees on the rolls of Company as on 31st March, 2017
- iv. Relationship between average increase in remuneration and Company's performance: The reward philosophy of the Company is to provide market competitive total reward opportunity that has a strong linkage to and drives performance culture. Every year, the salary increase for the Company are decided on the basis of a benchmarking exercise that is undertaken with similar profile organizations. The final salary increases given are a function of Company's market competitiveness in this comparator group as well as overall business affordability.
- v. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:
In line with Company's reward philosophy, merit increases of its Employees including Key Managerial Personnel are directly linked to individual performance as well as that of the Company business. The increase in the remuneration of the Key managerial Personnel for the current year was approved by the Nomination & Remuneration Committee at their meeting held on 8th February 2017.
- vi. The Market Capitalisation of the Company as on 31st March, 2017 was Rs. 2435.94 crore as compared to Rs. 783.58 crore in 31st March, 2016.
- vii. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 10.6%, whereas the increase in the managerial remuneration was 11.25%.
- viii. The key parameters for any variable component of remuneration:
Variable compensation is an integral part of our total reward package for all Employees including Executive Directors. At the start of the year, every Employee (including Executive Directors), have the KRAs fixed and their roles assigned for the year in addition to their job fundamentals. These are drawn from the organizational strategic plan and are then reviewed for consistency and stretch. The Company's targets are a combination of goals such as Sales Growth, Operating Margin etc.
- ix. The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year:
Not Applicable
- x. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.



Management Discussion and Analysis FY - 2016-17

Company Overview

Headquartered in Chennai, Tamil Nadu, Shriram EPC Limited (SEPC), is one of the country's leading service provider of integrated design, engineering, procurement, construction and project management services for process and metallurgy plants, thermal power plants, biomass based power plants, mines and mineral processing, water and waste-water treatment plants, water and sewer infrastructure and pipe rehabilitation.

SEPC has a proven track record, having executed some of the most complex and technically challenging projects across the country and in overseas market. During the current financial year it has also geared up its operations by sourcing projects from Africa and the Middle East.

Economic Overview

Global Economic Scenario

The Global environment continued to remain challenging characterized by weak trade and subdued investments. Initial reports of Global growth in CY2016 have reported a post-crisis low of 2.3%. Further, heightened political uncertainties across key developed economies coupled with individual challenges in several regions have delayed the pace of the revival post the financial crisis of 2008.

Growth momentum of emerging and developing economies also slowed down to 3.4% during the year. Chinese economy grew by 6.7% in 2016 marking its slowest growth since 1990. The economy is expected to gradually improve through a re balancing amidst supportive government policies and fiscal stimulus.

Domestic Economic Scenario

According to The World Bank, the Indian economy is likely to grow at 7.6 % in 2017-18 and 7.8 % in 2018-19 and is expected to retain its tag of being the fastest growing major economy shrugging off any concerns of slowdown caused by government's demonetization program. The economy is expected to revert to its historical growth rate on the back of structural reforms being undertaken supported by an anticipated rebound in consumption. Early signs of revival are getting visible in the form of uptick in industrial output and declining unemployment rate. The Government is also targeting an inclusive growth through its various schemes such as Swachh Bharat, Digital India & Sagar Mala. Further, it is also working on addressing the concerns the banking sector has been facing by taking measures to deepen the debt markets, promote newer funding methods like Real Estate Investment Trusts and Infrastructure Investment Trusts to improve the availability and sources of capital while optimizing costs.

In addition, it is also undertaking measures towards improving the ease of doing business, reducing government intervention in the business and opening up new sectors.

INDUSTRY OVERVIEW COVERING KEY SECTORS OF OPERATIONS

Metallurgy

The Indian metals and metallurgy industry has technologically evolved from being simple metal producers to designer

alloys. With significantly upgraded technology in its possession and rising demand from domestic users, the industry is poised for a big leap forward.

India was the third largest producer of steel in the world during 2016. Further it was also the largest producer of sponge iron or DRI in the world during the period 2003 to 2015. The growth in the steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labor.

The Indian Steel Industry is expected to produce over 275 million tonnes of crude steel, catering exclusively to domestic demand by 2025-26.

Power

India's power sector which is one of the most diversified in the world has gone significant transformation in recent times. 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 over the years - India has been responsible for almost 10% of the increase in global energy demand since 2000. Its energy demand in this period has almost doubled, pushing the country's share in global demand up to 5.7% in 2013 from 4.4% at the beginning of the century. Sustained economic activities are expected to keep the demand steady. However, on a relative basis India still lags behind its peers in terms of per capita basis energy demand per capita in India has grown by a modest 46% since 2000 and remains only one-third of the world average, slightly lower than the average for the African continent.

Market Size

India's energy sector has grown tremendously in recent years. The country is in the midst of a profound transformation that is moving the country to a center stage in many areas of global interaction. India is world's fifth largest producer of electricity and had an installed capacity of 326 GW as of March 2017. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. The Government has added 8.5 GW of conventional generation capacity during the April 2016-January 2017 period. Under the 12th Five Year Plan, the Government has added 93.5 GW of power generation capacity, thereby surpassing its target of 88.5 GW during the period. The Ministry of Power has set a target of 1,229.4 billion units (BU) of electricity to be generated in the financial year 2017-18, which is 50 BU's higher than the target for 2016-17.

Renewable Energy India

The growth of renewable energy in India has been fairly remarkable. The Government has been promoting the segment in a bid to diversify its energy mix and lower its dependency on thermal energy. Renewable energy now accounts for 16% of the total generation capacity, second only to thermal energy in terms of size after surpassing hydro energy earlier during the year. In a bid to grow the segment,

the Government has been working on multiple measures and has undertaken significant actions over the years to increase the share of renewable energy in the overall mix.

The Road Ahead

India's power demand is expected to cross 300 GW, over the next 10 years. Meeting this demand would require a fivefold to tenfold increase in the pace of capacity addition. The sector also 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 agriculture use.

By 2022, India plans to add 175 Gigawatt of incremental renewable energy generation capacity, which will include 100GW of solar power, 60GW of Wind power, 10 GW of Biomass and 5GW small hydropower.

Water and waste-water treatment

Water stress has become a perennial concern in most Indian cities. Further, India is expected to add approximately 404 million new urban dwellers between 2015 and 2050. The segment's growth has been impaired in the past owing to factors such as absence of policy environment to encourage and support reuse projects, low sewerage network coverage and insufficient Sewage Treatment Plant (STP) capacity – limiting the use of Secondary Treated Water (STW) & surplus availability of freshwater in some smaller cities and towns resulting in utilities becoming complacent and over dependent on sources of freshwater.

India's urban population is growing at a fast pace and is expected to represent approximately 50% of the total population by the next decade. While that does offer economic benefits it also puts utilities under pressure to supply potable quality drinking water to the population.

Taking cognizance of the above, the government has been working towards developing policies to support the development of treated wastewater reuse as a financially sustainable sector. Some of the key initiatives include – Its emphasis on reuse of reclaimed water in many urban development schemes such as Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Swachh Bharat Mission, Smart Cities Mission and the Namami Ganges programme.

The Key Drivers for Sector Growth

- Increased awareness about drinking water quality and health
- Reducing availability of water and depletion of existing resources forcing users to opt for reuse & recycling of water
- General industrial and economic growth particularly in the chemical, pharmaceutical, power plants, food and textile industry

KEY DEVELOPMENTS - COMPANY

Update on Corporate Debt Restructuring

In June 2016, the Company submitted a Corrective Action Plan (CAP) to the joint lenders detailing the growth plan of the Company for the next 5 years and the future prospects. As per the CDR EG approval dated August 20, 2014 and the Master Restructuring Agreement dated 20th September 2014 executed by the Company, the CDR Lenders have an option for converting the entire Working Capital Term loan (WCTL) facilities into equity shares of the Company during the period of the loan repayment which was taken into consideration before presenting the CAP.

CDR EG in their meeting also noted the proposed CAP of the Company for the next 5 years and the growth plan and also the banker's decision of supporting the Company by converting their WCTL of Rs 1,282 crore into equity shares to reduce the finance costs and improve the cash flows of the Company. Further the promoter's also agreed to infuse Rs.265 crores for helping the Company to complete its pending projects expeditiously. After receiving the lenders majority for the conversion of the WCTL, the Company went ahead in getting the shareholders in-principle approval and thereafter allotting shares to those bankers who provided their final sanction letter agreeing for conversion of the WCTL. By March 2017, Rs.1,205 crores (approx.) of WCTL has been converted to equity shares with the Banks holding over 67% in the equity capital of the Company. The promoters also infused Rs.265 crore into the Company in February 2017.

Further the steps taken by the Company in realigning activities to the present circumstances

- The Company converting the WCTL into equity which will result in the Company saving approx. Rs.150 crs p.a on Interest cost from the coming financial year 2017-18.
- The Company's efforts continue towards recovering pending dues from clients to help it meet working capital requirements. A dedicated team has been formed for constant follow up on its target of collecting arbitration awards, final bills and retention money, which in turn has helped the Company in reducing the receivables period.
- The Company is continuing its effort in lowering its operational expenditures by optimizing the manpower and improving efficiencies in operational activities to generate better margins.
- Newer Projects – The outlook for the sector has improved and the Company has received overseas orders during the year in the Middle East & African market, which is giving added confidence for increasing the numbers of orders during the current financial year with better margins.

SWOT Analysis –

Strengths –

Strong Promoter Support – The promoters of SEPC are present across diversified sectors and have supported the Company both financially and with management and network support.

Technical Proficiency – SEPC's efficiency in providing high end designing and engineering solutions have enabled it



to carve out a niche for itself in domestic and international market. The Company's ability to offer cost effective solutions to its clients facilitates them to improve their competitive positioning, maximize assets and increase long term business success. Further, SEPC's capability in offering customized solutions helps it to differentiate itself from the rest. The confluence of such factors results in securing repeat orders from its clients.

Well established in sectors with high potential – SEPC has developed strong expertise and offerings catering to sectors such as renewable energy including biomass power plants and solar power, thermal power plants, coal gasification, process plants, mines & mineral processing, water and waste-water distribution and water treatment plants. The water sector especially enjoy high potential and provides the Company significant opportunity for further growth in India and overseas market.

Skilled Management – A strong management is a backbone of any successful organization. SEPC's management team comprises of qualified personnel with rich experience who have been instrumental in guiding the Company through some of the most challenging times for the EPC Industry. Also, the management is equally supported by its Board of Directors, for ensuring growth and development of the business of the Company.

Weakness –

Cyclical nature of business – Despite offering solutions and services across various sectors, the Company's success is dependent upon the business climate and health of the overall economy. Any slowdown in domestic or global business environment might result in clients delaying or curtailing their expansion plan in turn affecting the growth of our business.

Financial Position – SEPC's financial strength is currently subdued due to impact of external environment and circumstances related to its business performance. While the promoters have infused additional fund in the Company, it is steadily restructuring financial position with the support of lenders. As it improves its financial position, ability to compete for business will be enhanced.

Opportunities –

Domestic Market

The Government of India is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter.

- In the Union Budget 2017-18, the Government of India has taken the following measures for the development of infrastructure.
 - o Increased total infrastructure outlay and Defence Capital expenditure by 10 % and 20.6 % to Rs 3,96,135 crore (US\$ 59.18 billion) and Rs 86,488 crore (US\$ 13.1 billion) respectively, over FY17 revised estimate.
 - o Railway expenditure allocation has increased by 8 % to Rs 1,31,000 crore (US\$ 19.58 billion) for laying down 3,500 km of railway lines in 2017-18.

- o Affordable housing has been given infrastructure status.
- o Lock-in period for long-term capital gains on land and buildings has been reduced from three to two years.

SEPC is well geared for meeting the imminent demand from the end user verticals.

International Market

During the year, the Company received two large overseas projects:

- Overseas contract for an amount of 230 Mil USD (Rs 1,530 Cr) for constructing Balance of Plant (BoP) for 1.2 MTPA Mini Mill Project in Sohar, Sultanate of Oman through its 100 % subsidiary, SHRIRAM EPC FZE, SHARJAH and the project execution period will be 32 months. The financial tie-up has been completed by way of equity (Oman Development Fund, Sultanate Special forces fund & GIC) and debt from Bank Sohar and Bank Muscat
- Overseas contract for an amount of 107,760,000 USD to be executed in JV with Larsen & Toubro out of which SEPC share will be 25% for the extension of Water transmission pipeline from the Lake Victoria Water supply scheme to Tabora, Nzega and Igunga Towns (Package II). The scope of work involves survey, design, procurement, construction and installation of pumping stations, rising and gravity/mainlines, elevated and ground level storage reservoirs, branch lines and distribution network and water kiosks for the creation of a comprehensive water supply and transmission pipeline to Tabora town and 33 other villages that are en route from the Ministry of Water & Irrigation United Republic of Tanzania.

The Company will continue to look into increasing the proportion of international projects with better margins, which will negate and lower the margins in domestic orders.

Wider Offerings

SEPC has broadened its offerings over the years by not only becoming horizontally integrated but by also venturing into newer segments. Expertise across multiple verticals has not only enabled the Company to lower its concentration risk but the same has also enabled SEPC accrue synergetic benefits for its existing core business.

Threats –

Regulatory & Political Risk

The Company functions in a dynamic and ever changing business environment, wherein any sudden withdrawal or policy cancellation can have an adverse impact on the businesses overall operations. In addition, higher level of regulations can also have an adverse impact on the Company's profitability.

Increasing Competition

Heightened competition results in increased bidding for projects which in turn forces Companies to bid for projects at unviable margins. In addition, increased competition can have a negative impact on profitability owing to lower revenue generation and greater operating cost.

SEPC Outlook

The Company has been going through challenging time over the past few years, a consequence of slowing capex activities and higher interest environment in the country. Subdued economic activities resulted in clients canceling or delaying their expansion plans in turn affecting the revenue visibility and cash flows cycle of the Company. On the other hand, debt commitments in terms of interest expenses kept on mounting leading to tightening of liquidity position and profitability erosion of the business. However, in a bid to revive the business and restore its financials the Company has undertaken a series of measures directed towards improving its operational efficiencies, cutting down on expenses and negotiating with the bankers for securing better terms on existing debt. The promoters as well have shown their faith in the business and continued to offer support in monetary and non-monetary terms. The faith was equally replicated by our clients who despite the current situation had little hesitation in awarding contracts to the Company - a testament to our project execution capability.

The Company's strategic initiatives are also ably supported by improving macro environment on the back of supportive policies of the government.

The Company is optimistic that the above factors will help it emerge as a stronger and more focused EPC player.

Financials –

Profit and Loss

Revenue – Total income during the year stood at Rs.744.22 crore, higher by 36% when compared with Rs. 547.59 crore generated during corresponding period last year.

Other Income – Other income comprising mainly of interest income for the period stood at Rs. 10.31 crore as against Rs. 113.03 crore.

Expenditure – Total expenditure for the year stood at Rs. 968.72 crore higher by 21% when compared with last year.

Interest – Interest expense for the year stood at Rs. 246.57 crore as against Rs. 271.73 crore. The decrease has been primarily on account of conversion of loans into equity.

Depreciation – Depreciation expense for the year stood at Rs. 6.08 crore as against Rs. 6.51 crore.

Provision for Taxation – During the year the Company provided Rs nil crore for taxation as against Rs. Nil crore.

Loss after Tax – The Company reported a Loss after tax of Rs 218.26 crore for the year as against Rs. 204.04 crore during previous year.

Balance Sheet

Sources of Funds

Equity Funds – The Company's share capital increased by 183% during 2016-17 mainly on account of the equity infusion by the promoters and conversion of loans into equity. Reserves & surplus increased by 982% during the year due to a securities premium on conversion of loans into equity

Loan Funds – The Company borrowed funds worth Rs. 491.98 crore primarily to meet its working capital requirement. During the year the Company converted the loans by allotting shares and the balance worth Rs. 350.35 crore stood at March 31, 2017.

Application of Funds

Fixed Assets – Gross Block at the end of FY 2017 stood at Rs.110.34 crore as against Rs. 100.07 crore; increase of 10.26%.

Investments – The Companies total investments for the year stood at Rs. 1.10 crore as against Rs.5.17 crore during last year.

Current Assets – Cash and Cash Balance – Cash and bank balance as of March 31 2017 stood at Rs. 100.86 crore.

Short term Loans and Advances – Short Term Loans and advances stood at Rs. 258.06 crore as against Rs.161.89 crore.

Company Overview

Your Company offers services relating to industrial processes, metallurgy, thermal power plants, biomass power plants, Mines and Mineral processing, water and waste and water management and distribution systems.

Process & Metallurgy

SEPC provides turnkey contracting solutions comprising of designing, engineering and construction for Ferrous & Non Ferrous Industries, Cement Plants, Coke Oven & By-product Plants, Process Plants and material handling.

The Company's broad range of metallurgical process design options helps reduce risk, enhance value and maximize return.

SEPC's has strategic tie-ups with renowned global players in this segment

The Company's client roster comprises of renowned brands like Grasim, MALCO, SAIL, RINL, NMDC, Hindustan Copper, Kerala Feeds etc.

Rs. In crs	
Overseas contract for constructing Balance of Plant (BoP) for 1.2 MTPA	
Mini Mill Project in Sohar, Sultanate of Oman through its 100 % subsidiary,	
SHRIRAM EPC FZE, SHARJAH	1,530 .00

Power Projects

SEPC is amongst the few players in the country that are actively involved in building broad range of energy projects. With significant expertise and experience in executing complex power projects across conventional and renewable projects the Company is more than just a contractor.

Water and Waste Water Management

SEPC provides turnkey design – build environmental projects related to water and waste water treatment, management and water distribution system.



SEPC is amongst the leading player offering technologies and services that help municipal and industrial customers meet their wastewater treatment requirements.

The Company undertakes municipal services projects and is involved in EPC projects for water treatment plants, underground drainage systems, wells and pump houses and pipe rehabilitation systems.

During the year, the Company has received the following orders:

Water and Infrastructure projects	Rs. In crs
a. Karnataka Urban Water Supply and Drainage Board, Bengaluru - Providing Water Supply Scheme to Tiptur City	75.66
b. Karnataka Urban Water Supply and Drainage Board, Bengaluru - Providing Water Supply Scheme to Robertsonpet (KGF) City under AMRUT	61.32
c. CMWSSB, Chennai Providing Comprehensive Water Supply Scheme to Pallikaranai and Mugalivakkam in Chennai City. Overseas contract for the extension of Water transmission pipeline from the Lake Victoria Water supply scheme to Tabora, Nzega and Igunga Towns (Package II) an amount of 107,760,000 USD to be executed in JV with Larsen & Toubro out of which SEPC share will be 25%	74.26 177.00

Risk Management and Internal Controls

Risk Management

Your Company's risk management policy, approved by the Board of Directors supports business endurance and ensures achievement of strategic goals. The purpose of risk assessment is to identify and analyze risks that could affect the achievement of specified targets, and to identify measures to reduce risks.

Project Risks:

The Infrastructure Industry is going through tough times and the Compound Annual Growth Rate (CAGR) for the next five years is expected to be ~6.5 %. In the execution of large projects there could be exposure to time and cost overruns. To mitigate these risks, the project management team and the project accounting and governance framework has been further strengthened. The Company has developed a separate structure at Project sites with defined roles and accountability of individuals especially for large projects.

Competition Risks:

The Infrastructure Industry is intensely competitive with the foray of new entrants and some of the existing players adopting inorganic growth strategies. To mitigate this risk, the Company is leveraging on its expertise, experience and

it's created opportunities to enlarge product portfolio and service offerings.

OH & S Risks:

Safety of employees and workers is of utmost importance to the Company. To reinforce the safety culture in the Company, it has identified Occupational Health & Safety as one of its focus areas. Various training programmes have been conducted at the sites such as behavior based safety training program, Visible Safety Leadership program, Logistics Safety program etc. The accountability structure has also been strengthened by integrating OH&S competencies into the job descriptions of all Line Management and Safety Professionals.

Internal Control Systems and their Adequacy

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all project sites of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Human Resources

SEPC recognizes that its employees are amongst its key assets and that the Company's eventual performance is dependent on its ability to motivate and retain quality people.

Many initiatives have been taken to support business through organizational efficiency, process change and various employee engagement programmes. A significant effort has also been undertaken to develop leadership as well as technical/functional capabilities in order to meet future talent requirement.

The Company's HR processes follows an improved hiring and on-boarding, fair transparent online performance evaluation and talent management process, and market aligned policies.

Leadership Development

As a part of leadership development, a large number of senior, middle and other employees are sent for leadership programmes or are assigned to small independent projects which are planned for identified talent.

The Company also imparts necessary training and education on its employees in the area of Health, Safety and environment.

As of March 2017, the Company's total human capital comprising of experienced and well skilled employees stood at 388.

CORPORATE GOVERNANCE REPORT

1. Company's practice on Corporate Governance

Corporate Governance is the combination of practices and compliance with laws and regulations leading to effective control and management of the Organisation. We consider stakeholders as our partners in our success and remain committed to maximizing stakeholder value. Good Corporate Governance leads to long term stakeholder value. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial performance focused work environment. Additionally, our customers have benefited from high quality products delivered on time at high competitive prices.

Corporate Governance rests upon the four pillars of transparency, disclosure, monitoring and fairness to all.

Your Company is committed to the adoption of and adherence to the best Corporate Governance practices at all times and continuously benchmarks itself with the best standards of Corporate Governance, not only in form but also in spirit. Good Governance practices stem from the dynamic culture and positive mind-set of the organization. The Corporate Governance guidelines are in compliance with the requirements of the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock exchanges. In its pursuit of excellence towards corporate governance, Company has adopted the Board Effectiveness, exclusive Code of Conduct for Independent Directors and Non-Executive Directors, Whistle Blower Policy.

1.1 Key Board activities during the year

The Board provides and critically evaluates strategic direction of the Company, management policies and their effectiveness. Their main function is to ensure that long-term interests of the stakeholders are being served. The agenda for Board reviews / include strategic review from each of the Board Committees, a detailed analysis and review of annual strategic and operation plans and capital allocation and budgets. In addition, the Board reviews the Strategic Business plans. Frequent and detailed interaction sets the agenda and provides the strategic road map for future growth of the Company. Voluntary Corporate Governance Guidelines of the Ministry of Corporate Affairs, Government of India broadly outline a framework for corporate sector on important parameters like appointment of directors, guiding principles to remunerate directors, responsibilities of the Board, risk management, the enhanced role of

Audit Committee and conduct of Secretarial Audit and Secretarial Standards as per guidelines of ICSI and Companies Act, 2013 (Act).

1.2 Role of the Company Secretary in Overall Governance Process

The Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. He ensures that all relevant information, details and documents are made available to the Directors for effective decision making at the meetings.

He is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the company and regulatory authorities. All the Directors of the Company have access to the services of the Company Secretary. The Company Secretary ensures that all the decisions and observations of the Board are covered and implemented through Action Taken Report (ATR) and Board is apprised of the actions taken.

1.3 Selection and Appointment of New Directors on the Board

Considering the requirements of the skill-sets on the Board and the broad guidelines issued, eminent persons having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The number of directorships and memberships in various committees of other companies by such persons is also considered.

1.4 Selection criteria of Board Members

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual member. The Company has adopted a broad guideline on selection criteria of Board members. Board members are expected to possess expertise, leadership skills required to manage and guide a high growth. The members are not related to any Executive or Independent Director.

Familiarization Program of Independent Directors

The Independent Directors of SEPC are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.



Independent Directors are appointed as per the Governance guidelines of the Company, with management expertise and wide range of experience. The Directors appointed by the Board are given induction and orientation with respect to the Company's vision, strategic direction, core values, including ethics, corporate governance practices, financial matters and business operations. The new Board members are also requested to access the necessary documents / brochures, Annual Reports and internal policies available at our website www.shriramepc.com to enable them to familiarize with the Company's procedures and practices.

Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. During the last financial year we had one such programme on 15th September 2016. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent directors.

1.6 Prevention of Insider Trading

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the guidelines made thereunder was adopted by the Company. Code of Conduct for Prevention of Insider Trading for prevention of insider trading is in place. The objective of the Code is to prevent purchase and / or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Designated persons (Directors, Advisors, Officers and other concerned employees / persons) are prevented from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is also required. All the designated employees are also required to disclose related information periodically as defined in the Code. Directors and designated employees who buy and sell shares of the Company are prohibited from entering into an opposite transaction i.e. sell or buy any shares. Directors and designated employees are also prohibited from taking positions in the derivatives segment of the Company shares. The aforesaid Code is available at the website of the Company www.shriramepc.com

1.7 Whistle Blower

Your Company has established a mechanism called 'Whistle Blower' for directors and employees to report to the appropriate authorities of unethical behavior, actual or suspected, fraud or violation of the Company's code

of conduct or ethics policy and provides safeguards against victimization of employees who avail the mechanism. The policy permits all the directors and employees to report their concerns directly to the Chairman of the Audit Committee of the Company. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company. The employees can directly contact the Chairman of the Audit Committee on the email address as mentioned in the 'Whistle Blower Policy' uploaded at the website of the Company.

2. Board of Directors

The Company has a high profile Board with varied management expertise. The Board's role, functions, responsibility and accountability are known to them due to their vast experience. Directors are provided with well-structured and comprehensive agenda papers in advance. All material information is incorporated in the Agenda for facilitating meaningful and focused discussion in the meeting.

During the year, information as per Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration from time to time as and when required.

Minutes of the Board Meetings/Committee Meetings are circulated to the Directors well in advance and confirmed at the subsequent meetings.

(A) Composition of Board

The present Board of the Company consists of Two Executive Directors and Eight Non-Executive Directors including one Woman Director. The Company has an appropriate size of the Board for strategic discussion and avails benefit of diverse experience and view points.

All Directors are individuals of integrity and courage, with relevant skills and experience to bring judgment to bear on the business of the Company.

(B) Non-Executive Directors' Compensation and Disclosures

The Non-Executive Directors are paid sitting fee within the limits prescribed under Section 197(1) (ii) of the Act. No stock options are granted to Non-Executive Directors. The Non-Executive Directors did not have any material pecuniary relationship or transactions with the Company except the payment of sitting fees to them during the year 2016-17.

Independent Directors are not serving as Independent Directors in more than seven listed companies.

None of Directors of the Company hold the position as whole Time Director in company itself nor serve as Independent Director in more than three listed companies.

(C) Performance evaluation of Independent Directors:

The Nomination and Remuneration Committee evaluates the performance of Independent Directors based on their commitment towards attending the meetings of the Board/Committees, contribution and attention to the affairs of the Company and their overall performance apart from sitting fees paid for each Board and committee meetings attended by them. The evaluation mechanism of Independent Directors is detailed in Directors Report.

Evaluation Process

In conformity with the requirement of the Act, the performance evaluation of all the Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated. Independent Directors are required to evaluate the performance of non – Independent Directors and Board as a whole. The Independent Directors of the Company shall hold at least one meeting in a year to exercise the functions as mentioned in Act.

To enable directors to evaluate their individual performance as well as the collective performance of the Board and Chairperson, the Company has developed a framework for evaluating Board's effectiveness, Directors' and Chairperson's performance.

CRITERIA

A. Board

1. The Board Meetings are conducted with sufficient focus on important matters and views of all directors are considered before taking a decision
2. The Board composition has the right mix of knowledge and skills required to drive organizational performance
3. Meetings are scheduled with adequate notice and are conducted as per defined schedules
4. The Board meetings are adequate and directors are provided opportunity to suggest agenda items for the Board/Committees, allowing appropriate time for critical issues

5. The Board prioritizes organizational needs
6. The Board provides feedback to management
7. The Board members are aware of their Roles, duties, responsibilities, liabilities and powers
8. The Board materials sufficiently covers the subject and are sent adequately in advance to allow Board to understand the information
9. The Board is effective in establishing a corporate governance that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
10. The internal control systems are effective for identifying material risks and reporting material violations of policies
11. The Board has the desired diversity in terms of expertise and knowledge, gender etc. to discharge its responsibilities
12. The minutes adequately captures the Board deliberations and directions and are circulated to the directors well in advance for their review
13. The management periodically updates the Board on the action taken on the directions given by the Board.

(D) Other provisions as to Board and Committees

The Board comprises of Mr. S R Ramakrishnan, as Non-Executive Independent Chairman, Mr. T Shivaraman as Managing Director & CEO, Mr. M Amjat Shariff, Joint Managing Director, Mr. Sunil K Kolangara, Mr. S Krishnamurthy, Mr. R Sundararajan, Mr. P D Karandikar , Mr. S Bapu, Mrs. Chandra Ramesh and Mr. Surender Singh as Non-Executive Directors.

During the year 2016-17, 8(Eight) meetings of the Board of Directors were held on 23rd May 2016, 11th July 2016 and 12th August 2016, 15th September, 2016, 9th November 2016, 19th January 2017, 8th February 2017 and 24th March 2017. The maximum time gap between any two consecutive meetings did not exceed 120 days.

None of the Directors on the Board are Members of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on 31 March, 2017 have been obtained from all the directors regarding their directorships/ committee memberships and have been taken on record by the Board.



Details of their Directorships and Chairmanship/Membership of Board Committees of the companies showing the position as on 31 March, 2017 are given below:

Name of Director	Position	Relationship with other Directors	Directorships held as on March 31, 2017 in other Indian Public Limited Companies	**Member in Committees -Position held in other Indian Public Limited Companies	
				Member	Chairman
Mr. S R Ramakrishnan	Non-Executive Independent Chairman	None	3	2	--
Mr. T. Shivaraman	Executive Managing Director & CEO	None	3	--	--
Mr. M Amjat Shariff	Executive Joint Managing Director	None	1	--	--
Mr. R. Sundararajan	Non-Executive Non-Independent Director	None	6	3	2
Mr. Sunil K Kolangara	Non-Executive Non-Independent Nominee Director	None	1	--	--
Mr. S. Krishnamurthy	Non-Executive Independent Director	None	3	3	2
Mr. S Bapu	Non-Executive Independent Director	None	--	--	--
Mr. P D Karandikar	Non-Executive Independent Director	None	6	6	1
Ms. Chandra Ramesh	Non-Executive Independent Director	None	--	--	--

*Includes Directorship in the Companies incorporated under the Companies Act, 1956 /2013.

**Only membership in Audit Committee and Share Transfer and Investors' Grievance Committee are considered.

Other directorships do not include alternate Directorships, Directorships of Private Limited Companies, Section 8 of Companies Act, 2013 / Section 25 of the Companies Act, 1956 and of companies incorporated outside India. Chairmanships/Memberships of Board Committees include only Audit, Stakeholders Relationship and Nomination and Remuneration Committees of public limited companies.

The Company has received declarations of independence as prescribed under Section 149(6) & (7) of the Companies Act, 2013 from Independent Directors. All requisite declarations have been placed before the Board.

No Director of the Company is related to any other Director of the Company.

Mr. Surender Singh, Nominee Director-OBC was appointed as Non rotational Director w.e.f 15th May 2017.

Code of Conduct

- The Board of Directors has laid down Code of Conduct for Non-Executive Directors, Independent Directors and Senior Management of the Company. The copies of Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company - www.shriramepc.com.
- The Members of the Board and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended on 31 March, 2017. The Annual Report of the Company contains a Certificate by the Managing Director & CEO in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 based on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

Details of Board members as on 31st March, 2017 and Attendance at Board Meetings

Members	No. of Meetings held	No. of Meetings Attended
Mr. S R Ramakrishnan – Chairman	8	6
Mr. T Shivaraman – Managing Director & CEO	8	8
Mr. M Amjat Shariff – Joint Managing Director	8	7
Mr. R Sundararajan – Director	8	4
Mr. Sunil K Kolangara – Nominee Director	8	2
Mr. S Krishnamurthy – Member	8	8
Mr. S Bapu – Director	8	8
Mr. P D Karandikar – Director	8	4
Ms. Chandra Ramesh – Director	8	8

3. Board Committees

3.1 Audit Committee

(A) Qualified and Independent Audit Committee

The Company complies with the provisions of Companies Act, 2013 as well as requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015 (SEBI-LODR) pertaining to the Audit Committee. Its functioning is as under:

- (i) The Audit Committee presently consists of the Six Non-Executive Directors, out of which four are Independent Directors;
- (ii) All members of the Committee are financially literate and having the requisite financial management expertise;
- (iii) The Chairman of the Audit Committee is an Independent Director;
- (iv) The Chairman of the Audit Committee was not present at the last Annual General Meeting held on 15th September, 2016.

(B) Terms of reference

The terms of reference of the Audit Committee include inter-alia:

A. The regulations governing the committee are:

1. The audit committee shall have minimum three directors as members. Two-thirds of the members of audit committee shall be independent directors.
2. All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise.
3. The Chairman of the Audit Committee shall be an independent director;
4. The Chairman of the Audit Committee shall be present at Annual General Meeting to answer shareholder queries;
5. The Audit Committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the company. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee;
6. The Company Secretary shall act as the secretary to the committee.

B. Meeting of Audit Committee

The Audit Committee should meet at least four times in a year and not more than four months shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there should be a minimum of two independent members present.

C. Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

D. The role of the Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - o Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - o Changes, if any, in accounting policies and practices and reasons for the same
 - o Major accounting entries involving estimates based on the exercise of judgment by management
 - o Significant adjustments made in the financial statements arising out of audit findings



- o Compliance with listing and other legal requirements relating to financial statements
 - o Disclosure of any related party transactions
 - o Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. 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;
 16. 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;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Risk Management- To evaluate the Risk Management System including Risk Policy, Risk Process (Risk Identification, Assessment, Mitigation and Monitoring) and Risk Registers, laid down by the management;
19. To review the functioning of the Whistle Blower mechanism;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition, names of Members and Chairperson, its meetings and attendance:

The composition of the Committee is Mr. S R Ramakrishnan, Chairman, Mr. R Sundararajan, Mr. S Krishnamurthy Mr. S Bapu, Mr. P D Karandikar and Ms. Chandra Ramesh as members of the Committee.

During the year, 4 Audit Committee meetings were held on 23rd May 2016, 12th August 2016, 9th November 2016 and 8th February 2017.

The composition of the Audit Committee, which has been reconstituted during the year and number of meetings attended by the Members during the year are given below:

Members	No. of Meetings held	No. of Meetings Attended
Mr. S R Ramakrishnan – Chairman	4	4
Mr. R Sundararajan – Member	4	3
Mr. S Krishnamurthy – Member	4	4
Mr. S Bapu – Member	4	4
Mr. P D Karandikar – Member	4	4
Ms. Chandra Ramesh – Member	4	4

Mr. K Suresh, Company Secretary is the Secretary of the Audit Committee.

Nomination and Remuneration Committee

(A) Constitution

The Nomination and Remuneration Committee has been reconstituted during the year and comprises of Mr. S R Ramakrishnan, Mr. R Sundararajan, Ms. Chandra Ramesh as members of the Committee.

(B) Terms of reference

Terms of reference of the Nomination and Remuneration Committee include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity; and 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. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report. <http://www.shriramepc.com/pdf/Policy-on-Familiarisation-Programme.pdf>

Meetings and attendance during the year:

During the year, two meeting of Nomination and Remuneration Committee was held on 23rd May 2016 and 8th February 2017.

The composition of the Nomination and Remuneration Committee and number of meetings attended by the Members during the year are given below:

Members	No. of Meetings held	No. of Meetings Attended
Mr. S R Ramakrishnan – Chairman	2	2
Mr. R Sundararajan – Member	2	2
Ms. Chandra Ramesh – Member	2	2

(C) Performance Evaluation

Section 178 of the Companies Act, 2013 read with Clause VII (3 a & b) & Clause VIII of Schedule IV of the Companies Act, 2013 lays down specific

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

Parameters adopted as criteria for evaluation were as follows:

- 1) Attendance and active participation at the meetings
- 2) Staying updated on developments and understanding of the Company's business, industry and goals of the Company.
- 3) Engaging with and challenging the Management Team without being confrontational or abstractionist.
- 4) Proactive to discussions and providing unbiased and independent recommendations.
- 5) Upholds the brand image of the Company in dealing with Stakeholders.

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

(D) Remuneration policy

The Remuneration policy of your Company is a comprehensive policy which is competitive, in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives.

The Company endeavours to attract, retain, develop and motivate a high performance workforce. The Company follows a compensation mix of fixed and variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.



(E) Remuneration to Managing Director & CEO and Joint Managing Director

- (a) Mr. T Shivaraman is the Managing Director & Chief Executive Officer (MD & CEO) of the Company. The salary, benefits and perquisites paid to Mr. T Shivaraman, MD & CEO during the year 2016-17 was Rs. 42.15 Lakh.

Details of Remuneration to MD & CEO	Amount (Rs / Lakh)
Salary	42.15
Allowances and Perquisites	0.00
Number of Shares held	4010

- (b) Mr. M Amjat Shariff, Joint Managing Director (JMD) of the Company. The salary, benefits and perquisites paid to Mr. M Amjat Shariff, JMD during the year 2016-17 was Rs.45.99 Lakhs.

Details of Remuneration to JMD	Amount (Rs / Lakh)
Salary	45.99
Allowances and Perquisites	0.00
Number of Shares held	310

PARTICULARS OF REMUNERATION

The information required under Section 197 of the Act and the Rules made there-under, in respect of employees of the Company, is as follows:-

- (a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Non-Executive Directors	Ratio to Median Remuneration
Mr. S.R. Ramakrishnan	0.45
Mr. R Sundararajan	0.33
Mr. S Krishnamurthy	0.43
Mr. S Bapu	0.43
Mr. Sunil K Kolangara	0.00
Mr. P D Karandikar	0.33
Ms. Chandra Ramesh	0.45
Executive Directors	Ratio to Median Remuneration
Mr.T Shivaraman	10.65
Mr. M Amjat Shariff	11.58

- (b) the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of person	% increase to remuneration
Mr. S.R. Ramakrishnan	NIL
Mr. R Sundararajan	NIL
Mr. S Krishnamurthy	NIL
Mr. S Bapu	NIL
Mr. Sunil Kumar Kolangara	NIL
Mr. P D Karandikar	NIL
Ms. Chandra Ramesh	NIL
Mr.T Shivaraman, MD & CEO	NIL
Mr. M Amjat Shariff, JMD	NIL
Mr. R S Chandrasekharan, CFO	15%
Mr. K Suresh, Vice President & Company Secretary	10%

- (c) the percentage increase in the median remuneration of employees in the financial year -5.16% (Median remuneration 2015-16-Rs.399677 compared to Rs.380063 for 2016-17)

- (d) the number of permanent employees on the rolls of company: 388

- (e) the explanation on the relationship between average increase in remuneration and company performance;

The remuneration is in line with the market trends. In order to ensure that remuneration reflects company performance, the performance pay is linked to organization performance.

- (f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Particulars	Rs/lac
Remuneration of Key Managerial Personnel (KMP) during financial year 2016-17 (aggregated)	158.73
Revenue from operations	51968.59
Remuneration (as % of revenue)	0.31%
Profit before tax (PBT)	(23173.58)
Remuneration (as % of PBT)	Not applicable

Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company

Particulars	Managing Director & CEO	Joint Managing Director	Chief Financial Officer	Company Secretary
	Rs. in lac	Rs. in lac	Rs. in lac	Rs. in lac
Remuneration	40.47	43.99	41.48	32.79
Revenue	51968.59	51968.59	51968.59	51968.59
Remuneration (as % of revenue)	0.08%	0.08%	0.08%	0.06%
Profits before tax (PBT)	(23173.58)	(23173.58)	(23173.58)	(23173.58)
Remuneration (as % of PBT)	NA	NA	NA	NA

(F) Remuneration to Non-Executive Directors

Remuneration by way of Sitting Fees is paid to Directors at Rs.15, 000/- for attending each Meeting of the Board and Rs.10,000/- for attending each Committee Meetings i.e. for Audit Committee, Stake holders relationship committee meeting, Nomination & Remuneration Committee, Borrowing Committee and Investment Committee meetings.

Payment of sitting fee to the Non-Executive Directors for the year ended 31 March, 2017 are as under:

Names of Directors	Board meeting (net of TDS)-Rs	Audit Committee meeting(net of TDS)-Rs	Stake holders relationship committee(net of TDS)-Rs	Nomination & remuneration Committee meeting(net of TDS)-Rs	Borrowing Committee meeting(net of TDS)-Rs	Investment Committee meeting(net of TDS)-Rs
S R Ramakrishnan	81000	36000	36000	18000	–	–
R Sundararajan	54000	27000	27000	18000	–	9000
S Krishnamurthy	108000	36000	–	–	9000	9000
S Bapu	108000	36000	–	–	9000	9000
P D Karandikar	54000	36000	36000	–	–	–
Chandra Ramesh	108000	36000	–	18000	9000	–

Notes:

- The Non-Executive Directors have disclosed separately the shares held by them in the Company.
- There has been no pecuniary relationship or transactions other than above of the Non-Executive Directors vis-à-vis the Company during the year under review.

3.3 Stakeholders Relationship Committee

(A) Composition, Members, its meetings and attendance

Stakeholders Relationship Committee comprises of Mr. R Sundararajan as Chairman with Mr. S R Ramakrishnan and Mr. P D Karandikar as members of the Committee.

The Committee is set up to monitor the process of share transfer, issue of fresh Share Certificates as well as review of redressal of investors/shareholders grievances. The Committee would also recommend measures for overall improvement of the quality of Investor services.

During the year, 4 meetings of the Stakeholders Relationship Committee were held on 23rd May 2016, 12th August 2016, 9th November 2016 and 8th February 2017.

The composition of the Stakeholders Relationship Committee and number of meetings attended by the Members during the year are given below:

Members	No. of Meetings held	No. of Meetings Attended
Mr. R Sundararajan– Chairman	4	3
Mr. S R Ramakrishnan, Member	4	4
Mr. P D Karandikar- Member	4	4

**(B) Name and Designation of the Compliance Officer**

Mr K Suresh, Company Secretary has been designated as Compliance Officer of the Company in line with the requirement of Companies Act, 2013 and SEBI Regulations and can be contacted at:

Shriram EPC Ltd
4th Floor, Sigapi Achi Building,
Door no.18/3, Rukmini Lakshmipathi salai (Marshall's Road)
Egmore, Chennai- 600 008
India
Tel: (91 44) 4901 5670
Fax: (91 44) 4901 5655
Email: suresh@shriramepc.com
Website: www.shriramepc.com

In addition to the above e-mail of the Compliance Officer, the Investors/Shareholders can also lodge their complaints, if any, at info@shriramepc.com. A link has been provided to the Shareholders to register their grievances to company's website www.shriramepc.com.

(C) Complaints received and redressed during the year 2016-17

Opening Balance	Received during the year 2016 - 17	Resolved during the year 2016 - 17	Closing Balance
0	0	0	0

Pursuant to Regulation 13(3) of SEBI - LODR a certificate on quarterly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

3.4 Independent Directors Meeting

Independent Directors are regularly updated on performance of each line of business of the Company, strategy going forward and new initiatives being taken/proposed to be taken by the Company. The Independent Directors Mr. S R Ramakrishnan, Mr. S Krishnamurthy, Mr. S Bapu, Mr. P D Karandikar, Mr. R Sundararajan, Ms. Chandra Ramesh met on 8th February 2017 without any Senior Management Personnel.

4. Subsidiary Company

- The Company does not have any Indian Subsidiary Company.
- The financial statements of the unlisted foreign Subsidiary Company is being placed before the Board.

5. Disclosures**Related Party Transactions**

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

Periodical disclosures from Senior Management relating to all material, financial and commercial transactions, where they had or were deemed to have had personal interests, that might have a potential conflict with the interest of the Company at large, are placed before the Board. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of Directors were taken wherever required in accordance with the Policy. The details of such policies for dealing with Related Parties and the Related Party Transactions are disseminated in the website of the Company <http://www.shriramepc.com/Companies-Act-2013-Compliance.aspx>

The Company has formulated a policy on determining 'Material' Subsidiaries is disseminated in the website of the Company <http://www.shriramepc.com/pdf/Policy-on-Material-Subsidiaries.pdf> Transactions with the related parties are disclosed in Note No. 33.

(A) Basis of related party transactions

- The statements containing the transactions with related parties were submitted periodically to the Audit Committee.
- There are no related party transactions that may have potential conflict with the interest of the Company at large.
- There were no material individual transactions with related parties during the year, which were not in the normal course of business as well as not on an arm's length basis.
- There is no non-compliance by the Company and no penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.

(B) Disclosure of Accounting Treatment

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles

in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(C) Board Disclosures - Risk Management

The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. The Committee oversees Company's process and policies for determining risk tolerance and review management's measurement and comparison of overall risk tolerance to established levels. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuous basis. For details, please refer to the Management Discussion and Analysis report which form part of the Board Report. The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures. The Audit Committee and Board of Directors review these procedures periodically.

(D) Proceeds from public issues, right issues, preferential issues etc.

During the year 2016-17, Rs.1205 crores (approx.) of Working Capital Term Loan (WCTL) has been converted by issuance of equity shares to the bankers besides promoter's infusion of Rs.265 crores.

(E) Secretarial Audit Report

The Company has obtained Secretarial Audit Report on quarterly/Annual basis from the Company Secretary in practice for compliance with Section 204(1) of the Companies Act, 2013, SEBI Regulations on LODR, SEBI Takeover Regulations, Insider Trading and Depositories & Participants. A text of the Annual Secretarial Audit Report is annexed elsewhere.

(F) Secretarial Standards

The Company during the year under review has undertaken the audit for compliance of Secretarial Standards and procedures followed by the Company in compliance with Secretarial

Standards on Annual General meeting and Board Meeting issued by Institute of Company Secretaries of India. The Secretarial Standards Report is published elsewhere forming a part of this Report.

(G) Management Discussion and Analysis Report

The Management Discussion and Analysis Report have been included separately in the Annual Report to the Shareholders.

(H) Shareholders

- (i) The quarterly results and presentations made by the Company to analysts are put on the Company's website www.shriramepc.com
- (ii) The Company has also sent Annual Report through email to those Shareholders who have registered their email ids with Depository Participant.
- (iii) As per Section 152 (6) of the Companies Act, 2013, out of the total number of Directors, 2/3rd of the Directors are liable to retire by rotation. Independent Directors are not liable to retire by rotation. Out of the Non-Independent Directors who are liable to retire by rotation, 1/3rd shall retire at every Annual General Meeting. Accordingly, Mr. M Amjat Shariff, Joint Managing Director (DIN: 00009562) will retire by rotation at the ensuing Annual General Meeting. A brief profile is published elsewhere in the Annual Report.

6. CEO and CFO Certification

The Managing Director & CEO and CFO of the Company give quarterly/annual certification on financial reporting and internal controls to the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer. Pursuant to Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Secretarial Auditor's Certificate in compliance on conditions of Corporate Governance is published elsewhere in the Annual Report.



8. General Body Meetings

(A) Location and time of General Meetings held in the last 3 years:

Year	Date	Time	Venue
2013-14	10.09.2014	03.00 PM	SRI KRISHNA GANA SABHA, DR. NALLI GANA VIHAR, 20, MAHARAJAPURAM SANTHANAM ROAD, T.NAGAR, CHENNAI – 600 017
2014-15	24.09.2015	10.00 AM	SRI KRISHNA GANA SABHA, DR. NALLI GANA VIHAR, 20, MAHARAJAPURAM SANTHANAM ROAD, T.NAGAR, CHENNAI – 600 017
2015-16	15.09.2016	10.20 AM	SRI KRISHNA GANA SABHA, DR. NALLI GANA VIHAR, 20, MAHARAJAPURAM SANTHANAM ROAD, T.NAGAR, CHENNAI – 600 017

(B) Special Resolutions passed through Postal Ballot- Deemed General Meetings:

Year	Date of deemed meeting	Section	Particulars
2013-14	20.06.2013	198,269	Reappointment of Managing Director & Joint Managing Director
	06.08.2013	293(1)(a)	Transfer of 11 nos. Wind Electric Generators to M/s. Hexa Wind Farm P Ltd by way of Slump Sale
	29.11.2013	198,269	Payment of managerial remuneration to Managing Director & Joint Managing Director inspite of loss/inadequacy of profits
	29.11.2013	31	Alteration of Articles of association pertaining to capital clause
	29.11.2013	81(1A)	Issuance of Cumulative redeemable Preference shares to the holding company
2014-15	05.08.2014	186	To provide loans/advances/ guarantees to other body corporates
	05.08.2014	180(1)(c)	To borrow money from time to time
	31.10.2014		To confirm the corporate debt restructuring scheme in relation to the company's debt
	31.10.2014	42,62	Preferential issue to the promoters for the capital infusion as directed by the CDR EG
	31.10.2014	180(1)(a)	To sell , lease or otherwise dispose the whole/substantially whole of the undertaking
	31.10.2014	186	To increase the limit of loans and advances/investments
	31.10.2014	180(1)(c)	To increase the limit of borrowings
	31.10.2014	14	Alteration of articles of association of the Company
	31.10.2014	42,62(1)(c)	Preferential issue to the promoters for the fresh capital infusion of 50 crs
2015-16	06-06-2015	62,42	Preferential issue to the CDR lenders in lieu of the Funded Interest Term Loan(FITL)
		62,42	Preferential issue to the CDR lenders in lieu of the sacrifice
		42,62(1)(c)	Preferential issue to the promoters for the capital infusion of 389 crs
		61	Reclassification of Authorised Capital
		Section 13 & 14	Amendment to the memorandum & Articles of Association for the capital clause change
		Section 13	Amendment to the memorandum of Association-Object clause amendment
	10-08-2015	Section 13	Amendment to the memorandum of Association-Object clause amendment

Year	Date of deemed meeting	Section	Particulars
		Section 14	Adoption of new set of Articles as per the new Companies act 2013
			Disclosure of the ultimate Beneficial owners- preferential issue- notice of PB notice -5 th May 2015
			Disclosure of the correct post issue shareholding pattern- - preferential issue- notice of PB notice -5 th May 2015
		Section 186	Increase in the limit of loans/investments
	11-02-2016	62,42	Preferential issue to the CDR lenders in lieu of the Working Capital Term Loan(WCTL)
		42,62(1)(c)	Preferential issue to the promoters for the capital infusion upto 100 crs
		Section 13,14 and clause V	Amendment to the memorandum & articles of Association- capital clause
2016-17	26-08-2016	62,42	Preferential issue to the CDR lenders in lieu of the Working Capital Term Loan(WCTL)
		42,62(1)(c)	Preferential issue to the promoters for the capital infusion upto 265 crs
		Section 61 and clause V	Increase of Authorised Capital and alteration of Memorandum of Association
	24-02-2017	62,42	Preferential issue to the CDR lenders in lieu of the Working Capital Term Loan(WCTL) based on final reconciliation
		62(1)(c)	Preferential issue to KPR Investments P Ltd upto 35 crs
		Section 61	Increase of Authorised Capital
		Section 13 & Clause V	Alteration of Memorandum of Association

9. Means of Communication

The Company's website is a comprehensive reference on the management, vision, mission, policies, corporate governance, corporate sustainability, investor relations, updates and news. The section on Investors serves to inform the shareholders, by giving complete financial details, Shareholding Patterns, to comply with the statutory requirements. The website covers all major press reports, releases, etc.

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report, press releases, Analysts Call after the Board Meeting and the Company's website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

Quarterly report sent to each household of Shareholders	The results of the Company are published in the newspapers
Quarterly results and in which newspaper normally published in.	Results are published in Business Line (all editions) / Financial Express and in Maalai Thamizhagam (Tamil)
Any website where displayed	Yes, the results are displayed on the Company's website www.shriramepc.com
Whether it also displays official news releases	Yes
Whether the website displays the presentation made to the institutional investors and to the analysts	Yes



10. General Shareholder Information

Annual General Meeting:

- (i) Date, time and Venue: Thursday, 24th August, 2017 at 03.05 PM.
KAMAKOTI HALL (MINI HALL), SRI KRISHNA GANA SABHA, 20, MAHARAJAPURAM SANTHANAM ROAD, T.NAGAR, CHENNAI – 600 017
- (ii) Financial Year: 1st April, 2016 to 31st March, 2017
- (iii) Date of Book Closure: Monday, 21st August 2017 to Thursday, 24th August 2017 (both days inclusive)
- (iv) Listing
The Stock Exchanges on which the Company's shares are listed:
 - a. BSE Limited
 - b. National Stock Exchange of India Limited
- (v) Stock Code
BSE Limited: 532945
National Stock Exchange of India Limited: SHRIRAMEPC
The ISIN of the Company for its shares: ISIN INE-964H01014
- (vi) Market price information
 - a. The reported high and low closing prices during the year ended 31 March, 2017 on the National Stock Exchange and the BSE, where your Company's shares are frequently traded vis-à-vis the Share Index, are given below:

BSE PRICE			NSE PRICE	
Month	High	Low	High	Low
Apr-16	27.00	24.25	27.00	25.10
May-16	27.60	23.00	27.60	23.10
Jun-16	26.00	19.00	26.00	19.85
Jul-16	29.95	22.05	29.95	22.00
Aug-16	26.45	20.55	26.45	21.05
Sep-16	27.80	22.25	27.80	22.10
Oct-16	27.50	23.00	27.50	23.30
Nov-16	40.80	25.30	40.80	25.05
Dec-16	34.70	28.00	34.70	27.95
Jan-17	31.70	27.80	31.70	27.80
Feb-17	31.50	27.10	31.50	27.00
Mar-17	31.00	25.05	31.00	26.00

(vii) Registrars and Share Transfer Agents

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

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

Tel: (91 44) 2846 0390

Fax: (91 44) 2846 0129

Email: shriramepc@cameoindia.com

Website: www.cameoindia.com

Contact Person: Mr. R.D. Ramasamy

SEBI Registration Number: INR000003753

(viii) Shareholding as on 31 March, 2017

Distribution of shareholding as on 31 March, 2017					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1 - 5000	13588	79.74	1993966	19939660	0.24
5001 - 10000	1751	10.28	1536977	15369770	0.19
10001 - 20000	776	4.55	1245626	12456260	0.15
20001 - 30000	287	1.68	746782	7467820	0.09
30001 - 40000	117	0.69	424514	4245140	0.05
40001 - 50000	152	0.89	731519	7315190	0.09
50001 - 100000	191	1.12	1455773	14557730	0.18
100001 - And Above	178	1.04	928832784	9288327840	99.01
Total	17040	100.00	936967941	9369679410	100.00

(b) Shareholding pattern as on 31 March, 2017

CLIENT TYPE	NO. OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
Promoter	1	279391356	29.82
Directors & Relatives	6	14120	0
Resident	16422	12478215	1.33
FI	2	340735	0.04
NRI	101	142379	0.02
Corporate Body	363	4073416	0.43
Foreign Corporate Body	2	6730090	0.72
Clearing Member	60	145598	0.02
Trusts	1	662779	0.07
Bank	20	631621376	67.41
FPI	2	1131504	0.12
EMPLOYEES	60	236373	0.03
TOTAL	17040	936967941	100

(c) Capital of the Company

The authorized and paid-up capital of your Company is Rs.1000 crs and Rs.936.97 crores respectively.

(d) Top ten Shareholders as on 31 March, 2017

SL. NO	DP ID	CL ID	NAME	SHARES	%
1	IN300020	11730413	SVL LIMITED	273516953	29.19
1	13014900	00019372	SVL LIMITED	5874403	0.63
2	IN300812	10491515	CENTRAL BANK OF INDIA LIMITED	91973534	9.82
3	IN300020	10060150	ORIENTAL BANK OF COMMERCE	68993466	7.36
4	IN303786	10000279	STATE BANK OF PATIALA	64466433	6.88
5	IN300812	10495586	IDBI BANK LTD.	58644408	6.26
6	IN300812	10501028	PUNJAB NATIONAL BANK	54190436	5.78
7	IN303786	10000262	STATE BANK OF TRAVANCORE	43664378	4.66
8	IN300095	11274987	THE SOUTH INDIAN BANK LTD	39642196	4.23
9	IN300484	10820757	AXIS BANK LIMITED	35608476	3.80
9	IN300484	12622255	AXIS BANK LIMITED	68449	0.01
10	IN300749	10000012	BANK OF INDIA	27799489	2.97
			TOTAL	764442621	



(ix) Dematerialisation of shares and liquidity

CATEGORY	NO. OF HOLDERS	TOTAL POSITIONS	% OF HOLDINGS
PHYSICAL	103	1256	0.00
NSDL	10059	923953181	98.42
CDSL	6878	13013504	1.58
TOTAL	17040	936967941	100.00

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

(x) Plant locations

The Company is not a manufacturing unit and thus not having any Plant.

(xi) Address for correspondence

The Company Secretary
Shriram EPC Ltd
4th Floor, Sigapi Achi Building,
Door No.18/3, Rukmini Lakshmipathi Salai (Marshalls Road)
Egmore, Chennai- 600 008, India
Tel: (91 44) 4901 5670
Fax: (91 44) 4901 5655
Email: suresh@shriramepc.com
Website: www.shriramepc.com

(xii) Electronic Clearing Service (ECS)

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

11. Reconciliation of Share Capital

As stipulated by SEBI, a qualified Practicing Company Secretary carries out audit of Reconciliation of Share Capital to reconcile the total admitted, issued and listed capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Stock Exchanges.

12. Details of mandatory requirement of SEBI (LODR) Regulations, 2015

Item	Compliance status (Yes/No/NA)
I. Disclosure on website in terms of Listing Regulations	
Details of business	Yes
Terms and conditions of appointment of independent directors	Yes
Composition of various committees of board of directors	Yes
Code of conduct of board of directors and senior management personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to non-executive directors	Yes
Policy on dealing with related party transactions	Yes
Policy for determining 'material' subsidiaries	Yes
Details of familiarization programmes imparted to independent directors	Yes
Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	Not Applicable
New name and the old name of the listed entity	Not Applicable

Particulars	Regulation Number	Compliance status (Yes/No/NA)
II Annual Affirmations		
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & (2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Not Applicable
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes



COMPLIANCE CERTIFICATE

TO THE MEMBERS OF SHRIRAM EPC LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Shriraam EPC Limited ("the Company"), for the year ended on 31 March, 2017, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations 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.
3. In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. 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 R.Sridharan & Associates
Company Secretaries

CS R. Sridharan

CP No. 3239

FCS No. 4775

UIN : S2003TN063400

Chennai
May 30, 2017

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and the copies of the same are uploaded on the website of the Company – www.shriramepc.com.

Further certified that the Members of the Board of Directors and Senior Management personnel have affirmed having complied with the Code applicable to them during the year ended 31 March, 2017.

Chennai
30th May, 2017

T SHIVARAMAN
Managing Director & CEO

Secretarial Audit Report for the Financial year ended 31st March, 2017

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

To,

The Members,

Shriram EPC Limited

Sigapi Achi Building, 4th Floor

18/3 Rukmini Lakshmipathi Road,

Egmore

Chennai – 600 008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shriram EPC Limited [Corporate Identification Number: L74210TN2000PLC045167] (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 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 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 and the Companies Act, 1956 to the extent applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has not dealt with the matters relating to Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings under FEMA and hence, the requirement of complying with the provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder doesn’t arise;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) During the period under review, the Company has not allotted any shares to its employees under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- e) During the period under review, the Company has neither issued any debentures nor has any outstanding debentures to be redeemed and hence the compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 is not applicable;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) During the year under review, the Company has not delisted its Securities from any of the Stock Exchanges in which it is listed and hence the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 is not applicable; and
- h) The Company has not bought back any shares during the period under review and hence the provisions of compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 is not applicable;
- (vi) As identified by the Management, no specific laws/ acts are applicable to the Company. With respect to Labour Laws, etc; based on the information & explanations provided by the management and officers of the Company and periodical reports and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance of the above mentioned laws.

We further report that compliance of applicable financial laws including direct and indirect tax laws by the company has



not been reviewed in this audit since the same has been subject to review by statutory auditors and other designated professionals.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered into with BSE Limited and the National Stock Exchange of India Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. The Company had not complied with Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Website Disclosures due to non display of criteria for board nominations in the Website.

Management response:

The Company has since updated its website

2. The Scrutinizer Report received from Practicing Company Secretary dated 23rd February has not complied Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

Management response:

The erroneous omission noticed subsequently. Revised certificate received from the scrutiniser

3. The Company has not filed Form MGT-14 for the resolution passed at the board meeting held on 11.07.2016 for enhancement of Credit facilities from IDBI Bank Ltd. from Rs.62.87 crores to Rs.79.53.

Management response:

The Company has already filed necessary form for the condonation of delay

We further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Meetings which are convened at shorter notice and agenda / notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meeting are complied with. There are certain businesses that can be transacted through Video Conferencing / Audio Visual means as provided for under the Companies Act, 2013 and the relevant Rules made there under. The Company has convened & recorded in compliance with Rule 3 of Companies (Meetings of Board and its Powers) Rules, 2014 businesses that have been transacted through Video Conferencing / Audio Visual means.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the General Meeting including the resolutions passed through Postal Ballot, the number of votes cast against the resolutions has been recorded.

We further report that based on the review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has made the following preferential allotments relating to:

S.No	Nature of Allotment	Date of allotment	No. of Shares	Face Value Per share	Premium per Share
1.	Conversion of Funded Interest Term Loan to Equity Shares to CDR Lenders in terms of the CDR Package	1 st September, 2016	60,79,442	Rs.10/-	Rs.22.98/-
2.	Conversion of the Working Capital Term Loan (WCTL) to CDR Lenders in terms of the CDR Package	6 th October, 2016	34,47,83,271	Rs.10/-	Rs.13.25/-
3.	Conversion of the Working Capital Term Loan (WCTL) to CDR Lenders in terms of the CDR Package	21 st October, 2016	2,96,91,631	Rs.10/-	Rs.13.25/-

S.No	Nature of Allotment	Date of allotment	No. of Shares	Face Value Per share	Premium per Share
4.	Conversion of Funded Interest Term Loan to Equity Shares to CDR Lenders in terms of the CDR Package	21 st October, 2016	12,55,519	Rs.10/-	Rs.22.98/-
5.	Conversion of Sacrifice to Equity Shares to CDR Lenders in terms of the CDR Package	21 st October, 2016	4,06,991	Rs.10/-	Rs.30.05/-
6.	Conversion of the Working Capital Term Loan (WCTL) to Equity Shares to CDR Lenders in terms of the CDR Package	9 th November, 2016	7,06,61,913	Rs.10/-	Rs.13.25/-
7.	Conversion of the Working Capital Term Loan (WCTL) to Equity Shares to CDR Lenders in terms of the CDR Package	3 rd January, 2017	1,30,18,293	Rs.10/-	Rs.13.25/-
8.	Conversion of the Working Capital Term Loan (WCTL) to Equity Shares to CDR Lenders in terms of the CDR Package	19 th January, 2017	2,64,65,965	Rs.10/-	Rs.13.25/-
9.	Allotment of Equity Shares to SVL Limited (formerly Shriram Industrial Holdings Limited), the Promoter of the Company	24 th February, 2017	11,39,78,494	Rs.10/-	Rs.13.25/-

Note: This Report is to be read with letter of even date by Secretarial Auditor, which is annexed as Annexure A and Forms an integral part of this report.

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN

CP No. 3239

FCS No. 4775

UIN : S2003TN063400

PLACE : CHENNAI

DATE : 30TH MAY, 2017

‘Annexure A’

To,

The Members,

Shriram EPC Limited

Sigapi Achi Building, 4th Floor

18/3 Rukmini Lakshmipathi Road,

Egmore

Chennai – 600008

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

- Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 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.

- We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For R.SRIDHARAN & ASSOCIATES
COMPANY SECRETARIES

CS R.SRIDHARAN

CP No. 3239

FCS No. 4775

UIN : S2003TN063400

PLACE : CHENNAI

DATE : 30TH MAY, 2017



Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

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

Part “A”: Subsidiaries

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

Sl. No.	Particulars	Details
1	Name of the subsidiary	Shriram EPC FZE
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	AED
4	Share capital	Rs 24,25,939
5	Reserves & surplus	Rs 12,64,98,675
6	Total assets	Rs 3,60,61,21,380
7	Total Liabilities	Rs 3,48,30,05,076
8.	Investments	Rs 1,79,47,395
9.	Turnover	Rs 2,24,53,63,626
10.	Profit before taxation	Rs 13,47,21,818
11.	Provision for taxation	Nil
12	Profit after taxation	Rs 13,47,21,818
13.	Proposed Dividend	---
14.	% of shareholding	100%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

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

Name of associates / Joint Ventures	Haldia Coke and Chemicals Private Limited
1. Latest audited Balance Sheet Date	31.03.2017
2. Shares of Associate/Joint Ventures held by the company on the year end	
Amount of Investment in Associates/Joint Venture	Rs 4007.22 lakhs
Extend of Holding%	48.48%
3. Description of how there is significant influence	NA
4. Reason why the associate/joint venture is not consolidated	The carrying value of the investment as at 31 st March 2015, after recognizing the group's share of loss in the Associate up to that date was NIL. Considering the erosion of net worth and continuing losses being incurred by it, the group's share of losses in the associate for the current year has not been recognized in these consolidated financial
5. Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
6. Profit/Loss for the year	
i. Considered in Consolidation	NA
ii. Not Considered in Consolidation	Nil

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

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

Independent Auditor's Report to the Members of Shriram EPC Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SHRIRAM EPC LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone 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 of the standalone 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected

depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

1. We draw attention to the Note No. 47 of the financial statements regarding the dues aggregating to Rs.12,141.62 Lakhs in respect of an overseas project. As mentioned in the Note, the construction activities have ceased and the case filed by the Company against the customer for recovery of the dues is pending before Iraqi Court. The Company has also filed appropriate claims with Export Credit and Guarantee Corporation (ECGC). However in the absence of any positive development till date in these matters, there is uncertainty on the amount that would be ultimately realizable by the Company. In view of the uncertainty involved, we are unable to comment on the carrying value of the said receivable.

This matter was also qualified in our report on the standalone financial statements for the year ended 31stMarch 2016.

2. We draw attention to Note No. 49(a)of the financial statements regarding advances of Rs. 12,309.72 Lakhs and Trade Receivables of Rs. 1,023.58 Lakhs due, from a related party. These advances and Trade Receivables are considered good and recoverable by the management for the reasons stated in the said note. In the absence of audit evidence to corroborate management's assessment of recoverability of these advances and having regard to age of these balances, we are unable to comment on the extent to which these balances are recoverable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us,except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone 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 31st March, 2017, and its loss and its cash flows for the year ended on that date.

Emphasis of Matters

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

1. Note No. 48 to the financial statements regarding the dues of Rs. 8,300.19 Lakhs in respect of a project which is not progressing due to statutory delays faced by the customer. The dues are considered fully realisable by the management at this stage in view of the steps taken by the Company for their realization.
2. Note no. 49(b) to the financial statements regarding dues of Rs.78,011.70 Lakhs due from an associate and a subsidiary of the associate which has been outstanding for a considerable period of time.. The dues are considered fully realisable by the management in view of the steps taken by the management to realise the dues, as given in the said note.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report, to the extent applicable, that:
 - a) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards prescribed under section 133 of the Act.
 - e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none

of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- h) 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 A". Our report expresses a qualified opinion on the operating effectiveness of the Company's internal financial controls over financial reporting.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. Except for the possible effect of the matters described in the Basis of Qualified Opinion above, the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as regards its 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; and such disclosures are in accordance with the books of accounts maintained by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
(Membership No. 19521)

Chennai, 30th May 2017

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(h) under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)

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 Shriram EPC Limited (“the Company”) as of 31st March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on 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. 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.

Auditor’s 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 qualified audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Basis for Qualified opinion

According to the information and explanations given to us and based on our audit, material weaknesses have been identified in the operating effectiveness of the Company’s internal financial controls over financial reporting as at 31st March 2017 in respect of provisioning for overdue receivables in respect of a project, and provisioning for advances which have been outstanding for a considerable period of time, which could potentially result in the Company not recognizing a provision for the said receivables and advances.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a



material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weaknesses described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2017 based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial

Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

We have considered these material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Standalone financial statements of the Company for the year ended 31st March 2017, and these material weaknesses affects our opinion on the said standalone financial statements of the Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner

Chennai, 30th May 2017

(Membership No. 19521)

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) In respect of immovable properties of land that have been taken on lease and disclosed as Fixed Assets in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- (d) Immovable properties of land and buildings whose title deeds have been pledged with a bank as security for term loans, are held in the name of the Company based on the Mortgage deed executed between the bank and the Company for which confirmation has been obtained from the bank.
- (ii) The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
- (iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which :
 - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (b) The schedule of repayment of principal and payment of interest not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of repayments or receipts of principal amounts and interest.
 - (c) There are no overdue amounts remaining outstanding as at the Balance Sheet date, except for an amount of Rs. 13,333.30 Lakhs as referred to sub- paragraph 2 of Basis of Qualified Opinion paragraph above, and an amount of Rs.78,011.70 Lakhs as referred to in sub-paragraph 2 of Emphasis of Matters paragraph above, which have been outstanding for a considerable period of time, and as explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest.
- (iv) In our opinion and according to the information and explanations given to us, the Company as complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit)

Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax, Service Tax and Value added Tax which have not been deposited as on 31st March 2017 on account of disputes are given below:

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government. The Company has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013,

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates (Financial Year)	Amount involved (Rs. In lakhs)	Amount Unpaid (Rs. In lakhs)
Income Tax Act, 1961	Income Tax, interest and penalty	Commissioner of Income Tax (Appeals)	2005-2006, 2006-2007, 2007-2008, 2008-2009	207.00	207.00
Income Tax Act, 1961	Income Tax, interest and penalty	Income Tax Appellate Tribunal	2012-2013	4.56	4.56
Service Tax (Chapter V of the Finance Act 1994)	Service Tax and penalty	Customs Excise and Service Tax Appellate Tribunal	2006-07 to 2012-2013	694.28	694.28
Service Tax (Chapter V of the Finance Act 1994)	Service Tax and penalty	Commissioner of Service tax (Appeals)	2009- 2010 to 2011-2012	114.53	114.53
Andhra Pradesh Value Added Tax Act	Value Added Tax	Supreme Court	2008-2009 and 2009-2010	223.33	223.33
Tamil Nadu Value added Tax Act	Value Added Tax	High Court	2008-09 to 2014-15	1,357.62	1,357.62
West Bengal Value Added Tax Act	Value Added Tax	West Bengal Commercial Taxes Appellate & Revisional Board	2007-08	558.45	558.45
West Bengal Value Added Tax Act	Value Added Tax	Joint Commissioner (Appeals)	2008-09 to 2012- 2013	871.20	871.20
West Bengal Value Added Tax Act	Value Added Tax	Joint Commissioner (Appeals)	2012-2013	263.07	263.07
Maharashtra Value Added Tax Act	Value Added Tax	Deputy Commissioner (Appeals)	2010-2011	246.13	246.13
Orissa Value added Tax	Value added Tax	High Court	2011-12 and 2012-13	6,700.75	6,700.75



where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us, the Company has made preferential allotment of equity shares during the year under review.

In respect of the above issue, we further report that:

- a) the requirement of Section 42 of the Companies Act, 2013, as applicable, have been complied with; and
- b) the amounts raised have been applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application.

- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
(Membership No. 19521)

Chennai, 30th May 2017

Balance Sheet as at 31 March 2017

₹ in Lakhs

Particulars	Note	As at 31 March 2017	As at 31 March 2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share Capital	3	93,696.79	33,062.64
Share Application Money		-	6,493.00
Reserves and Surplus	4	64,080.90	6,132.16
		1,57,777.69	45,687.80
2 Non-Current Liabilities			
Long Term Borrowings	5	35,034.69	1,50,922.69
Other Long Term Liabilities	6	18,893.30	17,312.09
Long Term Provisions	7	7,156.59	6,991.03
		61,084.59	1,75,225.81
3 Current Liabilities			
Short Term Borrowings	8	49,198.05	45,471.55
Trade Payables			
a) Total outstanding dues of micro enterprises and small enterprises	9a	-	-
b) Total outstanding dues of other than micro enterprises and small enterprises	9b	25,637.00	20,428.06
Other Current Liabilities	10	11,891.77	7,928.71
Short Term Provisions	11	449.28	424.98
		87,176.10	74,253.30
TOTAL		3,06,038.37	2,95,166.91
B ASSETS			
1 Non-Current Assets			
Property Plant and Equipment	12		
i) Tangible Assets		6,044.44	5,475.74
ii) Capital Work-in-Progress		18.59	1,014.40
Intangible Assets		28.01	45.55
		6,091.04	6,535.69
Non-Current Investments	13	134.61	542.17
Long-term Loans and Advances	14	1,17,237.31	1,21,561.08
Other Non-Current Assets	15	35,981.80	36,315.88
		1,59,444.76	1,64,954.82
2 Current Assets			
Inventories	16	3,813.96	4,544.01
Trade Receivables	17	46,529.02	29,119.66
Cash and Cash Equivalents	18	6,144.98	5,078.43
Short Term Loans and Advances	19	15,389.25	16,188.36
Other Current Assets	20	74,716.40	75,281.63
		1,46,593.61	1,30,212.09
TOTAL		3,06,038.37	2,95,166.91

In terms of our report attached
For Deloitte Haskins and Sells
Chartered Accountants

M.K.Ananthanarayanan
Partner

Place : Chennai
Date : 30.05.2017

For and on behalf of the Board of Directors

T.Shivaraman
Managing Director & CEO

K.Suresh
Company Secretary

S.Krishnamurthy
Director

R.S.Chandrasekharan
Chief Financial Officer



Statement of Profit and Loss for the year ended 31st March 2017

₹ in Lakhs

Particulars	Note	Year ended 31 March 2017	Year ended 31 March 2016
I Revenue from Operations	21	51,968.59	54,759.98
II Other Income	22	1,031.41	11,302.86
III Total Revenue (I+II)		53,000.00	66,062.84
IV Expenditure :			
Cost of Raw Materials and Components Consumed	23	-	195.00
Erection, Construction & Operation Expenses	24	39,730.16	35,893.57
Change in Inventories of Contract Work in Progress	25	510.05	3,747.26
Employee Benefits Expense	26	4,094.71	4,544.25
Finance Costs	27	24,654.79	27,172.81
Depreciation and Amortisation Expense	12	607.17	650.61
Other Expenses	28	6,169.14	7,547.81
Total Expenses		75,766.02	79,751.31
V Loss Before Exceptional Items and Tax(III-IV)		(22,766.02)	(13,688.47)
VI Exceptional Items		407.56	10,714.60
VII Loss Before Tax (V+VI)		(23,173.58)	(24,403.07)
VIII Tax expense / (benefit):			
(1) Current tax		-	-
(2) Deferred tax (Net)		-	-
Net tax expense / (benefit)		-	-
IX Loss After Tax for the year / period		(23,173.58)	(24,403.07)
X Earnings per Share:(Face value of Rs 10/- per share)			
Basic		(4.12)	(10.70)
Diluted		(4.12)	(10.70)

In terms of our report attached
For Deloitte Haskins and Sells
Chartered Accountants

M.K.Ananthanarayanan
Partner

Place : Chennai
Date : 30.05.2017

For and on behalf of the Board of Directors

T.Shivaraman
Managing Director & CEO

K.Suresh
Company Secretary

S.Krishnamurthy
Director

R.S.Chandrasekharan
Chief Financial Officer

Cash Flow Statement for the year ended 31 March 2017

₹ in Lakhs

PARTICULARS	Year Ended 31 March 2017	Year Ended 31 March 2016
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before Tax and exceptional items	(22,766.02)	(13,688.47)
Depreciation and amortization expense	607.17	650.61
Provision for Gratuity	127.17	(17.85)
Provision for Compensated Absences	62.69	25.20
(Profit) / Loss on disposal of Fixed Assets (Net)	84.39	(0.90)
Bad Trade Debts/Advances Written off	-	205.01
Provision for doubtful trade and Other receivables and Loans and Advances	2,379.54	4,044.75
Liabilities / provisions no longer required written back	(414.86)	(22.00)
Interest Income	(444.12)	(11,088.76)
Interest and Finance Charges	24,654.79	27,172.81
Provision for Contract losses	-	545.20
Deferred rent	(38.37)	15.72
	27,018.40	21,529.79
Operating Profit before working capital changes	4,252.38	7,841.32
Working capital changes :		
Adjustments for (increase) / decrease in operating assets:		
Inventories	730.05	3,942.26
Trade Receivables	(19,788.90)	(3,652.81)
Short Term Loans and Advances	775.07	(4,794.44)
Long Term Loans and Advances	2,700.00	(11,341.77)
Other Current Assets	581.35	(13,030.76)
Other Non-Current Assets	334.08	7,964.31
	(14,668.35)	(20,913.21)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	4,794.08	(2,503.92)
Other Current Liabilities	533.54	2,617.14
Long term provisions	(24.30)	(25.24)
Other Long Term Liabilities	1,581.21	(1,799.77)
Short term provisions	24.30	32.59
	6,908.83	(1,679.20)
Cash generated from /(used in) operations	(3507.14)	(14,751.09)
Net income tax paid	1,623.77	353.45
Net Cash flow (used in) / from Operating Activities (A)	(1,883.37)	(15,104.54)
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure (including Capital Work in progress)	182.71	(168.10)
Proceeds from sale of fixed assets	-	23.25
Bank balances not considered as Cash and cash equivalents (Net)		
- Placed	(4,524.15)	(3,717.67)
- Matured	3,717.67	7,239.11
Interest Received	428.00	1,318.17
Net Cash from Investing Activities (B)	(561.19)	4,694.76
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity Shares (Including Securities Premium)	26,500.00	38,900.00
Receipt / Refund of Share application money	6,493.00	6,493.00
Proceeds from Short term borrowings (net)	3,726.50	3,698.86
Repayment Long term borrowings	(794.53)	-



Cash Flow Statement for the year ended 31 March 2017 (Contd.)

₹ in Lakhs

PARTICULARS	Year Ended 31 March 2017	Year Ended 31 March 2016
Redemption of Preference shares	-	(30,000.00)
Dividend paid	-	-
Movement in current maturities of long term borrowings	170.92	326.44
Interest and Finance Charges Paid	(20,405.27)	(11,192.81)
Net Cash from Financing Activities (C)	2,704.63	8,225.49
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR / PERIOD (A + B + C)	260.07	(2,184.30)
Cash and Cash equivalents as at the beginning of the year / period	1,360.76	3,545.06
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	-	-
Cash and Cash equivalents as at the end of the year / period	1,620.83	1,360.76
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	6,144.98	5,078.43
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		
- Margin Money having maturity period exceeding three months	(4,524.15)	(3,717.67)
Cash and cash equivalents at the end of the year / period *	1,620.83	1,360.76
* Comprises:		
(a) Cash on hand	0.76	0.87
(b) Balances with banks		
(i) In current accounts	334.47	143.27
(ii) In deposit accounts with original maturity of less than 3 months	1,266.91	1,197.93
(iii) In earmarked accounts (Unpaid Dividend Account)	18.69	18.69
	1,620.07	1,359.89
	1,620.83	1,360.76
See accompanying notes forming part of the financial statements		
Note:		
1 Capital expenditure includes adjustments for current liabilities relating to acquisition of fixed assets to the extent identified.		
2 Significant Non cash items		
Conversion of FITL into equity	2,419.07	25,959.81
Conversion of WCTL into equity	1,12,674.40	7,840.00
Conversion of Interest sacrifice into equity	163.00	14,700.00

In terms of our report attached
For Deloitte Haskins and Sells
Chartered Accountants

M.K.Ananthanarayanan
Partner

Place : Chennai
Date : 30.05.2017

For and on behalf of the Board of Directors

T.Shivaraman
Managing Director & CEO

K.Suresh
Company Secretary

S.Krishnamurthy
Director

R.S.Chandrasekharan
Chief Financial Officer

Notes forming part of Financial Statements

1 Corporate Information

Shriram EPC Limited (the “Company” or “SEPC”) which is a part of the Shriram Group has diverse interests across Financial Services, IT Services, Project Engineering & Construction, Property Development, Life Insurance and General Insurance. The Company provides end-to-end solutions to engineering challenges, offering multi disciplinary design, engineering, procurement, construction and project management services. SEPC is focused on providing turnkey solutions for ferrous & non ferrous, cement, aluminum, copper and thermal power plants, water treatment & transmission, renewable energy, cooling towers & material handling.

2 Basis of Accounting and Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.1 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

2.2 Inventories

Inventories are valued at the lower of cost on FIFO basis and the net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

Contract Work in Progress represent work in progress on construction contracts which reflects proportionate value of inputs and expenses on contracts yet to be billed.

2.3 Cash and cash equivalents (for the purposes of Cash Flow Statement)

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

2.4 Cash Flow Statement

Cash flows are reported using the indirect method, whereby Profit / (Loss) before Tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Depreciation and amortization

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset.

- (i) Leasehold improvements are written off over the primary period of their lease.
- (ii) Certain items of Plant and Machinery used at project sites are depreciated over an estimated useful life of 2 to 4 years.
- (iii) Technical Know-how fees are amortized over the period of 5 to 10 years based on estimated useful life of the asset.
- (iv) Software cost are amortized over a period of 5 years based on Management’s evaluation of their estimated useful life.
- (v) Lease hold Land Using Rights is amortized over the primary period of lease, which is 20 years.
- (vi) Individual assets costing Rs. 5,000/- each or less is depreciated in fully in the year of acquisition.



2.6 Revenue Recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales are inclusive of all taxes.

Revenue from Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognized as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs.

For the purposes of recognizing revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Revenue from Joint Venture Contracts : In respect of Jointly Controlled Operations, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.

Contract Revenue earned in excess of billing is reflected as 'Unbilled Revenue' under 'Other Current Assets' and 'Other Non Current Assets' as the case may be and billing in excess of Contract

Revenue has been reflected as 'Advances Billing' under 'Other Current Liabilities'.

Dividend Income on Investments is accounted for when the right to receive the payment is established. Interest income is accounted on accrual basis. Interest income is included under the head "other Income" in the Statement of Profit and Loss.

2.7 Fixed Assets

Fixed Assets are stated at historical cost (net of CENVAT/VAT wherever applicable) less Accumulated Depreciation / Amortization. Cost comprises of direct cost, related taxes, duties, freight and attributable finance costs till such assets are ready for its intended use. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.8 Foreign Currency Transaction / Translations

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets & liabilities outstanding at the year-end are translated at the rate of exchange prevailing at the year-end and the gain or loss, is recognized in the Statement of Profit and Loss.

Integral foreign operations: Transactions in foreign currencies entered into by the Company's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Exchange differences arising on actual payments/realizations and year-end restatements are dealt with in the Statement of Profit and Loss. Investments in Foreign currencies are reported using the exchange rate at the date of the transaction.

Integral foreign operations: Foreign currency monetary items (other than derivative contracts) of the Company's integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.

2.9 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

2.10 Employee Benefits

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

Short-term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits at the balance sheet date, are recognized as an expense as per the Company's scheme based on expected obligations on undiscounted basis.

The cost of short-term compensated absences is accounted as under : (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term Employee Benefits

(i) Defined Contribution Plans:

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

(ii) Defined Benefit Plans:

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost.

(iii) Long Term Compensated Absences:

The obligation for long term employee benefits such as long term compensated absence is provided for based on actuarial valuation as at the balance sheet date, using the Projected Unit Credit Method.

Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognized in the Statement of Profit and Loss as income or expense.

2.11 Employee Share Based payments

The Company has formulated Employee Stock Option Schemes '2006' and '2007' (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Schemes provide for grant of options to employees of the Company to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. In accordance with the SEBI Guidelines; the excess, if any, of the closing market price on the day prior to the grant of the options under ESOS over the exercise price is amortized on a straight-line basis over the vesting period.

2.12 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.13 Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a



constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.14 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.15 Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

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

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax

assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realizability.

2.16 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired: (a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

2.17 Provisions and Contingencies

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

2.18 Provision for warranty

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

Provision for Liquidated Damages

Liquidated damages are provided based on contractual terms and negotiations with the customer when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceed the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms upto closure of the contract. (including defect liability period).

Provision for losses on contracts

A provision for expected loss on construction contracts is recognized when it is probable that the contract costs will exceed total contract revenue. For all other contracts loss order provisions are made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits.

2.19 Share issue expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilization in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

2.20 Derivatives

All derivative contracts are marked-to-market and gains/losses are recognized in the Statement of Profit and Loss.

2.21 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilizing the credits.

2.22 Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The normal operating cycle of the entity for Construction Contracts is the duration of 2 to 3 years depending on each contract. For all other segments, the normal operating cycle has been considered as a duration of 12 months.



₹ in Lakhs

3 Share Capital		
Particulars	As at 31 March 2017	As at 31 March 2016
The authorized, issued, subscribed and fully paid-up share capital :		
Authorised :-		
100,000,000 (previous year - 410,000,000 Equity Shares) Equity Shares of Rs. 10 each	1,00,000.00	41,000.00
30,000,000 (previous year - 30,000,000) Convertible Preference shares of Rs.100 each	30,000.00	30,000.00
Preference shares of Rs.100 each	1,30,000.00	71,000.00
Issued, Subscribed and fully Paid-up:-		
936,967,942 Equity Shares (previous year - 330,626,422 Equity Shares) of Rs. 10 each	93,696.79	33,062.64
Total	93,696.79	33,062.64

3.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31 March 2017		As at 31 March 2016	
	In Shares	Amount (in Rs. Lakhs)	In Shares	Amount (in Rs. Lakhs)
Equity Shares				
At the beginning of the year	33,06,26,422	33,062.64	8,63,58,184	8,635.82
Issued during the year (Refer Note 3.4 below)	60,63,41,520	60,634.15	24,42,68,238	24,426.82
Outstanding at the end of the year	93,69,67,942	93,696.79	33,06,26,422	33,062.64
Cumulative Redeemable Preference Shares				
At the beginning of the year	-	-	3,00,00,000	30,000.00
Issued / (Redeemed) during the year	-	-	(3,00,00,000)	(30,000.00)
Outstanding at the end of the year	-	-	-	-

3.2 Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	No of Shares	% holding in that class of shares	No of Shares	% holding in that class of shares
Equity Shares				
SVL Limited	27,93,91,356	29.82	16,54,12,862	50.03%
Central Bank of India	9,19,73,534	9.82	1,75,06,860	5.30%
Oriental Bank of Commerce	6,89,93,466	7.36	3,20,26,835	9.69%
State Bank of Patiala	6,44,66,433	6.88	-	-
IDBI Bank Ltd	5,86,44,408	6.26	-	-
Punjab National Bank	5,41,90,436	5.78	-	-

3.3 Details of shares held by Holding Company

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	No of Shares	% holding in that class of shares	No of Shares	% holding in that class of shares
SVL Limited (Refer Note below)	27,93,91,356	29.82	16,54,12,862	50.03%

Note: SVL ceased to be the Holding Company with from July 2016 consequent to issue of shares to CDR lenders on conversion of working capital term loan into Equity Shares.

3.4 Preferential issue of Equity during the year

Particulars	No of Shares	Face value of Rs 10/-	Premium	Total
Promoters - SVL Limited	11,39,78,495	11,397.85	15,102.15	26,500.00
Lender Banks - Conversion of Funded Interest Term Loan (FITL)	73,34,961	733.50	1,685.57	2,419.07
Lender Banks - Conversion of Interest Sacrifice	4,06,991	40.70	122.30	163.00
Lender Banks - Conversion of Working Capital Term Loan(WCTL)	48,46,21,073	48,462.10	64,212.30	1,12,674.40
Total	60,63,41,520	60,634.15	81,122.32	1,41,756.47

Preferential issue of Equity during the previous year

Particulars	No of Shares	Face value of Rs 10/-	Premium	Total
Promoters - SVL Limited	10,50,78,336	10,507.83	28,392.17	38,900.00
Lender Banks - Conversion of Funded Interest Term Loan (FITL)	7,87,13,800	7,871.38	18,088.43	25,959.81
Lender Banks - Conversion of Interest Sacrifice	3,67,04,119	3,670.41	11,029.59	14,700.00
Lender Banks - Conversion of Working Capital Term Loan(WCTL)	2,37,71,983	2,377.20	5,462.80	7,840.00
Total	24,42,68,238	24,426.82	62,972.99	87,399.81

3.5 Terms/rights attached to the shares

The Company has issued equity shares having a par value of Rs. 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting rights.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- 3.6 i) The Authorised Equity Share Capital has been increased to Rs 105,000 Lakhs with effect from 4th May 2017.
ii) Also Refer Note No. 10(i) regarding issue of Equity Shares after Balance sheet date.

- 3.7 Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000 for preferential issue proceeds :

Particulars	Proceeds of Issue (Rs. Lakhs)	Purpose
SVL Limited	26,500.00	Business needs and exigencies
Conversion of FITL	2,419.07	Conversion of interest on WCTL, into Equity, to reduce cash outflow on account of interest
Conversion of WCTL	112,674.40	Conversion of monies already borrowed and fully utilised for business purposes
Conversion of Interest sacrifice	163.00	Re-compense liability converted into Equity by a lender
Total	141,756.47	



₹ in Lakhs

4 Reserves and Surplus		
Particulars	As at 31 March 2017	As at 31 March 2016
a) Capital Reserve	12.92	12.92
b) Securities Premium Account		
Opening Balance	1,04,622.88	41,649.88
Add: Receipts during the year(Refer Note No. 3.4)	81,122.32	62,973.00
Closing Balance	1,85,745.20	1,04,622.88
c) Share Options Outstanding Account	0.17	0.17
d) General Reserve	561.75	561.75
e) (Deficit) in Statement of Profit and Loss		
Opening balance	(99,065.56)	(74,662.49)
Add: Loss for the year	(23,173.58)	(24,403.07)
Closing Balance	(1,22,239.14)	(99,065.56)
Total	64,080.90	6,132.16

5 Long Term Borrowings				
Particulars	Long term portion		Current maturities	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Secured				
From Banks				
- Term Loans	15,065.58	15,134.13	464.25	309.59
- Working Capital Term Loans	13,670.44	1,26,445.66	12.00	-
- Funded Interest Term Loans	1,914.62	4,573.17	7.00	-
From Others				
- Working Capital Term Loans	4,237.50	4,358.00	13.00	13.00
- Funded Interest Term Loans	143.18	140.61	8.00	8.00
Finance Lease Obligations	3.37	8.82	5.45	8.19
Unsecured Loans	-	262.30		
Total	35,034.69	1,50,922.69	509.70	338.78

5.1 Terms of Repayment and Security details)

Particulars	As at 31 March 2017	As at 31 March 2016	Interest Rate	Terms of Repayment	Secured by
Central Bank of India	2,861.75	2,943.72	11.25% to 14%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	Primary- Exclusive charge on 5 Wind Energy Generator of 1.5 MW from Leitwind Shriram Manufacturing Limited.
Central Bank of India	12,668.08	12,500.00	11.25% to 14%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	First PariPassu Charge over the pooled assets ie, all moveable (both fixed ,current and non current assets) and immovable assets of the Company.
Term Loans from Banks :					
Working Capital Term Loan :					
YES BANK	616.00	616.00	11.25% to 14%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed, current and non current assets) and immovable assets of the Company.
IDBI Bank	151.44	11,331.41			
Punjab National Bank	146.30	10,273.14			
State Bank of Travancore	71.53	8,894.38			
INDUSIND Bank	69.81	4,004.00			
Federal Bank Limited	45.76	2,986.71			
Central Bank of India	309.03	17,349.00			
Dena Bank	54.93	3,082.00			
South Indian Bank	12.25	7,529.32			
Bank of Maharashtra	77.88	4,407.41			
State Bank of Mysore	55.25	3,081.99			
Corporation Bank	3,409.26	3,406.56			
DBS BANK	8,663.00	8,663.00			
Oriental Bank of Commerce	-	8,936.76			
AXIS BANK	-	6,852.30			
Bank of India	-	5,378.26			
Allahabad Bank	-	4,206.85			
State Bank of Patiala	-	12,086.57			
Lakshmi Vilas Bank	-	2,796.00			
ICICI Bank	-	564.00			
Sub Total	13,682.44	1,26,445.66			



₹ in Lakhs

Particulars	As at 31 March 2017	As at 31 March 2016	Interest Rate	Terms of Repayment	Secured by
Funded Interest Term loan :					
YES BANK	136.43	136.43	11.25% to 14%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed ,current and non current assets) and immovable assets of the Company.
DBS BANK	1,785.20	1,793.20			
IFCI Factors - Funded Interest Term loan	151.18	149.66			
State Bank of Travancore	-	1,856.94			
Central Bank of India	-	521.25			
Allahabad bank	-	7.54			
AXIS BANK	-	4.63			
Bank of India	-	25.51			
Bank of Maharashtra	-	12.96			
Corporation Bank	-	2.43			
DBS Bank	-	16.52			
Dena Bank	-	6.10			
Federal Bank	-	1.68			
IDBI Bank	-	61.78			
INDUSIND Bank	-	23.73			
Lakshmi Vilas Bank	-	9.27			
Oriental Bank of Commerce	-	9.54			
Punjab National Bank	-	20.89			
State Bank of Mysore	-	12.55			
State Bank of Patiala	-	15.62			
State Bank of Travancore	-	17.22			
South Indian Bank	-	5.37			
YES Bank	-	10.96			
Sub Total	2,072.80	4,721.77			
HDFC Bank	8.82	17.01	13.50%	36 to 60 Months	Secured by Vehicles purchased under Hire Purchase Scheme
IFCI Factors - Working Capital Term Loan	671.00	671.00	10.65%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed ,current and non current assets) and immovable assets of the Company.
K P R Investments Private Limited	2,500.00	2,500.00	12.00%	Against collection of retention debtors	Secured by specific charge on retention debtors
Shaswatha Renewable Energy Private Limited	1,079.50	1,200.00	12.00%	Against collection of retention debtors	Secured by specific charge on retention debtors
Total	35,544.39	1,50,999.17			

5.2 Corporate Debt Restructuring

During an earlier year, at the request of the Company, the Corporate Debt Restructuring Proposal (CDR Proposal) of the Company was referred to Corporate Restructuring Cell (CDR Cell) by the consortium of bankers (CDR Bankers) led by Oriental Bank of Commerce (OBC). The CDR Proposal as recommended by OBC and other lenders was approved by CDR Empowered Group (CDR EG) on 20 August 2014 and communicated to the Company vide Letter of Approval dated 11 September 2014. The Master Restructuring Agreement (MRA) between the Company and the CDR lenders was executed on 20 September 2014, by virtue of which the restructured facilities are governed by the provisions specified in the MRA with cut off date as 01 April, 2014.

The key features of the MRA are as follows :

- i. Term loans(TL) are repayable after moratorium of 2 years from cut off date in 32 structured quarterly instalments commencing from June 2016 upto March 2024.
- ii Conversion of various irregular / outstanding / devolved financial facilities into Working Capital Term Loan (WCTL) repayable after moratorium of 2 year from cut off date in 32 structured quarterly instalments commencing from June 2016 upto March 2024.
- iii The interest payable on Term Loans and WCTL during moratorium period of 2 years from cut off date shall be converted into Funded Interest Term Loan (FITL) and repayable over 20 structured quarterly instalments commencing from June 2016 upto March 2021.
- iv Restructuring of existing fund based and non fund based financial facilities, subject to renewal and reassessment every year.
- v The rate of interest on Term Loan(TL), WCTL , FITL and fund based working capital facilities shall be (linked to OBC base rate) increased in a stepped up manner :

Particulars	FY15 to FY16	FY17 to FY19	FY20 to FY24
Interest rate (p.a)	BR + 1%	BR + 1.75%	BR + 3.50%
Present Effective Rate	11.25%	12.00%	14.00%

- vi Waiver of existing events of defaults, penal interest and charges etc, in accordance with MRA.
- vii Right to Recompense to CDR Lenders for the relief and sacrifice extended subject to provisions of CDR Guidelines and MRA.
- viii The Company to operate Trust and Retention account (TRA) with OBC and entire cash flow should be routed through said TRA .
- ix The MRA as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve bank of India, give a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR proposal. The total amount of recompense payable to CDR lenders at the time of exit of the CDR, as contained in the MRA is Rs 109,617 lakhs. The present value of such recompense as at 31st March 2015 was Rs 18,417 lakhs. During the previous year, certain CDR lenders agreed to take equity in the company in lieu of recompense, to the extent of Rs 14,699 lakhs payable to them and the company has allotted equity shares in full settlement of the said recompense amount. Accordingly the company has no further liability towards recompense. Also refer Note 10(i).
- x As per the CDR, the Company requires to repay Rs 1,331 lakhs each year towards repayment of WCTL. However, the Company on 30th April 2016, submitted a proposal to OBC and all other CDR lenders for conversion of the entire amount of WCTL reflected above into equity effective 01st April 2016 at a price to be determined in accordance with SEBI(Issue of Capital and Disclosure) Regulations, 1999(the Regulations) the price determined in accordance with the Regulations was Rs 23.25 (inclusion of premium of Rs 13.25 per share). The Company obtained approval of CDR lenders on 29th August 2016 wherein 19 CDR lenders agreed to convert their entire WCTL dues aggregating to Rs 125829.66 lakhs to Equity. Accordingly during the year 18 CDR lenders converted the WCTL dues aggregating to Rs 112,674.40 lakhs into equity. The balance amount of Rs 13,682.44 lakhs will be converted in due course.
- xi All amounts due under CDR are covered by Corporate Guarantee of SVL Limited, Promoter.
- xii 843,60,560 Equity shares of the Company have been pledged with the CDR lenders by SVL Limited, Promoter.



₹ in Lakhs

6 Other Long-term Liabilities		
Particulars	As at 31 March 2017	As at 31 March 2016
Advance from Customers	13,635.92	13,236.36
Security Deposit Received	9.80	9.80
Deferred Rent Obligations	58.02	96.39
Sundry Creditors- Retention	5,189.56	3,969.54
Total	18,893.20	17,312.09

7 Long-term Provisions		
Provision for Gratuity (Refer Note No. 30.1)	449.21	283.65
Provision for Contract Losses (Refer Note No. 45)	6,707.38	6707.38
Total	7,156.59	6,991.03

8 Short Term Borrowings		
Loans Repayable on Demand - Secured		
From Banks		
Cash Credit and Overdraft facilities	46,364.46	42,731.70
From Others		
Cash Credit and Overdraft facilities	438.94	456.43
Buyers Credit - from Banks	2,394.65	2,283.42
Total	49,198.05	45,471.55

8.1 Details of Borrowings	As at 31 March 2017	As at 31 March 2016	Nature of security
CDR Lenders	46,364.46	42,731.70	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed ,current and non current assets) and immovable assets of the Company.
IFCI Factors	438.94	456.43	
Total	46,803.40	43,188.13	

9 Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of other than micro enterprises and small enterprises		
Acceptances	11,508.22	5,320.25
Other than Acceptances (Refer Note No. 9.1 below)	14,128.78	15,107.81
Total	25,637.00	20,428.06

9.1 There are no dues to Micro and Small Enterprises in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 as of 31 March 2017 and 31 March 2016, on the basis of such parties having been identified by the management and relied upon by the auditors.

10 Other Current Liabilities		
Advance from customers	7,699.00	6,912.00
Advance Billing	-	236.89
Deferred Rent Obligations	3.71	6.24
Current Maturities of Bank Term Loans	504.25	330.59
Current Maturities of Finance Lease Obligations	5.45	8.19
Statutory remittances	137.93	151.97
Interest accrued but not due on borrowings	2,577.59	281.56
Interest sacrifice payable (Refer Note(10(i) below)	962.57	-
Unclaimed Dividend	1.27	1.27
Total	11,891.77	7,928.71

₹ in Lakhs

- 10 (i) Pursuant to the resolution passed on 6th April 2017 by the Board of Directors, the Company issued 2,403,425 Equity shares to the CDR Bankers towards interest sacrifice payable to them in respect of cash credit facilities, for the year ended 31st March 2016 at a price of Rs 40.05 per share, aggregating to Rs 962.57 lakhs.

11 Short-term Provisions

Particulars	As at 31 March 2017	As at 31 March 2016
Provision for Employee Benefits		
Provision for Gratuity (Refer Note No. 30.1)	17.85	56.24
Provision for Compensated Absences (Refer Note No. 30.2)	431.43	368.74
Total	449.28	424.98

12 Property Plant Equipment and Intangible Assets

12.1 Current Year											₹ in Lakhs
S. No	Block of Assets	Gross Block				Accumulated Depreciation and Amortisation			Net Block		
		As at 1 April 2016	Additions	Disposals	As at 31 Mar 2016	As at 1 April 2016	Depreciation/ Amortisation for the year	Depreciation on disposals	As at 31 Mar 2017	As at 31 Mar 2017	
	Tangible Assets										
1	Freehold Land	241.50			241.50						241.50
2	Leasehold Land	80.00			80.00	31.67	3.48		35.15		44.85
3	Buildings	177.32	0.60		177.92	74.10	5.02		79.12		98.80
4	Leasehold Improvements	546.26		153.06	393.20	208.71	71.98	133.66	147.03		246.17
5	Plant and Equipments (Refer Note 12.2 below)	6,592.92	1,138.73		7,731.65	2,039.72	445.78		2,485.50		5,246.15
6	Furniture and Fixtures	127.89	7.13	1.01	134.01	73.92	8.93	0.22	82.63		51.38
7	Office Equipment	122.26	8.24		130.50	93.81	14.97		108.78		21.72
8	Computers	347.21	22.68		369.89	313.73	22.43		336.16		33.73
9	Vehicle (Refer Note 12.2 below)	196.55	1.14		197.69	120.51	17.04		137.55		60.14
		8,431.91	1,178.52	154.07	9,456.36	2,956.17	589.63	133.88	3,411.92		6,044.44
	Intangible Assets										
10	Technical Knowhow	1,101.97			1,101.97	1,099.54	2.43	-	1,101.97		0.00
11	Software	473.97			473.97	430.85	15.11	-	445.96		28.01
		1,575.94	-	-	1,575.94	1,530.39	17.54	-	1,547.93		28.01
	Total	10,007.85	1,178.52	154.07	11,032.30	4,486.56	607.17	133.88	4,959.85		6,072.45

12.2 Details of Assets taken under finance lease:

Block of Assets	As at 31 st March 2017	As at 31 st March 2016
Plant and Machinery		
Gross Block	189.91	189.91
Accumulated Depreciation	71.22	58.32
Net Book value	118.69	131.59
Vehicles		
Gross Block	78.35	78.35
Accumulated Depreciation	34.39	24.21
Net Book value	43.96	54.14



₹ in Lakhs

12 Property Plant Equipment and Intangible Assets

12.3 Previous Year										
S. No	Block of Assets	Gross Block			Accumulated Depreciation and Amortisation				Net Block	
		As at 1 April 2015	Additions	Disposals	As at 31 Mar 2016	As at 1 April 2015	Depreciation/Amortisation for the year	Depreciation on disposals	As at 31 Mar 2016	As at 31 Mar 2016
	Tangible Assets									
1	Freehold Land	241.50	-		241.50	-	-		-	241.50
2	Leasehold Land	80.00			80.00	28.19	3.48	-	31.67	48.33
3	Buildings	177.32	-		177.32	69.15	4.95		74.10	103.22
4	Leasehold Improvements	546.26	-		546.26	149.19	59.52		208.71	337.55
5	Plant and Equipments (Refer 12.4 Note below)	4,572.10	2,020.85	0.03	6,592.93	1,625.89	413.86	0.03	2,039.72	4,553.20
6	Furniture and Fixtures	109.97	22.85	4.93	127.89	67.31	9.33	2.72	73.92	53.97
7	Office Equipment	120.31	2.80	0.85	122.26	75.62	18.83	0.64	93.81	28.45
8	Computers	410.95	17.36	81.10	347.21	338.92	55.52	80.71	313.73	33.49
9	Vehicle (Refer 12.4 Note below)	279.87	17.68	101.00	196.55	161.12	40.85	81.46	120.51	76.04
		6,538.28	2,081.54	187.91	8,431.91	2,515.39	606.34	165.56	2,956.17	5,475.74
	Intangible Assets									
10	Technical Knowhow	1,101.97			1,101.97	1,094.70	4.84	-	1,099.54	2.43
11	Software	468.16	5.81		473.97	391.42	39.43	-	430.85	43.12
		1,570.13	5.81	-	1,575.94	1,486.12	44.27	-	1,530.39	45.55
	Total	8,108.41	2,087.35	187.91	10,007.85	4,001.51	650.61	165.56	4,486.56	5,521.29

12.4 Details of Assets taken under finance lease:

Particulars	For the Year ended 31 March 2016	For the year ended 31 March 2015
Plant & Machinery		
Gross Block	189.91	189.91
Accumulated Depreciation	58.32	45.44
Net Book value	131.59	144.47
Vehicles		
Gross Block	78.35	61.17
Accumulated Depreciation	24.21	15.50
Net Book value	54.14	45.67

₹ in Lakhs

13 Non Current Investments (Valued at cost unless otherwise stated)		
Particulars	As at 31 March 2017	As at 31 March 2016
Investments		
Investments in Associates - Non Trade (Unquoted)		
22,239,167 Equity Shares (Previous year: 22,239,167 Equity Shares) of Rs 10/- each fully paid up in Haldia Coke and Chemicals Private Limited (Refer Note No. 13.1 below)	4,007.22	4,007.22
Less: Provision for Diminution in value of Investments (Refer Note No. 46(a))	(4,007.22)	(4,007.22)
Investments in Others - Trade (Unquoted)		
661,300 Equity shares (Previous year: 661,300 Equity shares) of Rs 10/- each fully paid in Hexa Wind Farm Private Limited	66.13	66.13
4,076,474 Equity shares (Previous year: 4,076,474 Equity Shares) of Rs 10/- each fully paid up in Leitwind Shriram Manufacturing Limited	407.56	407.56
Less: Provision for Diminution in value of Investments (Refer Note No 46(a))	(407.56)	
	66.13	473.69
Investment in Others - Trade (Quoted)		
386,526 (386,526) Equity Shares of Rs 10/- each fully paid up in Orient Green Power Company Limited	44.22	44.22
Investment in a Wholly owned Subsidiary		
1 Equity share (Previous year: 1 Equity share) of 150,000 DHS in Shriram EPC (FZE)	24.26	24.26
Total	134.61	542.17
Aggregate amount of Quoted Investments	44.22	44.22
Market Value of Quoted Investments	37.65	45.76
Aggregate amount of Unquoted Investments	90.39	497.95
13.1 Of the above, 10,092,344 Equity Shares have been pledged with a lender for monies borrowed by the associate.		

14 Long-term Loans and Advances (Unsecured and considered good, unless otherwise stated)		
Capital advances (Refer Note 14.1 below)	3,605.00	3,605.00
Loans and advances (Refer Notes 14.1 & 14.3 below)		
Considered Good	1,00,046.33	1,01,161.00
Considered doubtful	5,108.10	3,855.00
Less: Provision for doubtful advances	(5,108.10)	(3,855.00)
	1,00,046.33	1,01,161.00
Advance tax (Net of Provisions Rs. 7,260.29 lakhs (Previous Year Rs. 7,260.29 lakhs))	2,412.66	4,036.43
Deposits	1,251.32	1,326.09
Prepaid expenses (Refer Note 14.2)	9,922.00	11,432.56
Total	1,17,237.31	1,21,561.08



₹ in Lakhs

14.1 Long-term Loans and Advances include due from:		
Particulars	As at 31 March 2017	As at 31 March 2016
i) Private Companies in which directors are interested:		
Hamon Shriram Cottrell Private Limited	357.36	360.74
Haldia Cokes and Chemicals Private Limited	48,833.58	48,833.58
ii) Other Related Parties:		
SVL Limited	1,418.45	-
Ennore Coke Limited	29,178.71	29,174.65
Leitwind Shriram Manufacturing Limited	12,309.62	12,252.27
Shriram EPC FZE	54.00	45.55
Bharath Wind Farm Limited	122.70	23.02
14.2 Pursuant to the Master Restructuring Agreement dated 20 th September 2014 (CDR package), the CDR lenders are entitled to receive interest sacrifice (recompense) at the time of exit from CDR. The total amount of recompense payable to CDR lenders at the time of exit of CDR was determined to be Rs 109,617 lakhs. The present value of such recompense as at 31 st March 2015 was Rs 18,417 lakhs. Certain CDR lenders agreed to take equity in the company in lieu of recompense of Rs 14,699 lakhs payable to them, and accordingly the company has allotted equity shares in full settlement of the recompense amount. The total amount of interest sacrifice settled to the Bankers, is being amortized over CDR term. The unamortized portion of interest sacrifice as at the year end is disclosed under the head 'Prepaid Expenses'.		
14.3 Long term Loans and advances as reflected above, and Other Non Current Assets as reflected in Note No. 15 of the financial statements, include Rs. 2,460 Lakhs and Rs. 6,048.79 Lakhs being amounts due from a company towards sale of Wind Energy Generators and advances given, respectively, in earlier years. Considering the future business potential of the company and the value of its underlying assets, the dues are considered fully realizable.		

15 Other Non Current Assets		
Particulars	As at 31 March 2017	As at 31 March 2016
Long Term Trade Receivables - Retention Monies - Considered good	9,979.48	11,314.69
Long Term Trade Receivables - Retention Monies - Considered Doubtful	349.52	349.52
Less: Provision for doubtful debts	(349.52)	(349.52)
	9,979.48	11,314.69
Other Long Term Trade Receivables - Considered good	1,260.93	1,260.93
Other Long Term Trade Receivables - Considered doubtful	301.79	301.79
Less: Provision for doubtful debts	(301.79)	(301.79)
	1,260.93	1,260.93
Other receivables (Refer Note 15.1 below)	4,505.21	4,527.66
Duer from a Related Party (Refer Note No. 49(a))	1,023.58	-
Receivables on sale of Fixed Assets	2,460.00	2,460.00
Unbilled Revenue (Refer Note Nos. 45, 47 and 48)	16,752.60	16,752.60
Total	35,858.21	36,315.88
15.1 Other Receivables represents the balance consideration receivable from My Home Industries Limited ("MHIL") towards certain receivables due from Sree Jayajothi Cements Limited ("SJCL") taken over by MHIL pursuant to an agreement dated 11 August 2013 entered into with them. This amount has been deposited in a Joint Escrow Account to be received by the Company after completion of certain formalities by Sree Jayajothi Cements Limited.		

₹ in Lakhs

16 Inventories (Lower of Cost and Net Realisable Value)		
Particulars	As at 31 March 2017	As at 31 March 2016
Raw Materials and Components for Wind Turbine Generators	-	220.00
Contract Work-in-Progress	3,813.96	4,324.01
Total	3,813.96	4,544.01
17 Trade Receivables (Unsecured and considered good, unless otherwise stated)		
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, Considered Good	28,507.56	18,203.82
Unsecured, Considered Doubtful	4,517.27	4,175.58
	33,024.83	22,379.40
Other Trade Receivables		
Unsecured, Considered Good	18,021.46	10,915.84
Unsecured, Considered doubtful	-	-
Less: Provision for Doubtful Trade Receivables	(4,517.27)	(4,175.58)
Total	46,529.02	29,119.66
18 Cash and Cash Equivalents		
Cash on Hand	0.76	0.87
Balances with Banks		
Current Account	334.47	143.27
Deposit Account (Original maturity of 3 months or less)	61.87	809.13
Unpaid Dividend Account	18.69	18.69
Margin Money (Original maturity of 3 months or less)	1,205.40	388.80
Total Cash and Cash Equivalents	1,620.07	1,359.89
Other Bank Balances		
Deposit Account (Original Maturity of more than 3 months)	1,729.64	1,020.31
Margin Money (Original maturity of more than 3 months)	2,794.51	2,697.36
Total Other Bank Balances	4,524.15	3,717.67
Total	6,144.98	5,078.43
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	1,620.83	1,360.76
Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date		645.82

Details of specified bank notes (SBN) held and transacted during the period November 8, 2016 to 31 December 2016 is provided in the table below:

	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	0.39	0.26	0.64
(+) Permitted receipts	-	0.37	0.37
(-) Permitted payments	-	0.26	0.26
(-) Amount deposited in Banks	0.39		0.39
Closing cash in hand as on December 30, 2016	-	0.37	0.37



₹ in Lakhs

19 Short Term Loans and Advances (Unsecured, considered good unless otherwise stated)		
Particulars	As at 31 March 2017	As at 31 March 2016
Security Deposits	482.13	486.85
Loans and advances to Employees	70.44	64.74
Prepaid Expenses	1,778.67	1,904.40
Advances to Suppliers		
- Considered good	12,836.73	13,215.65
- Considered doubtful	1,640.30	1,355.56
Provision for doubtful Advances	(1,640.30)	(1,355.56)
	12,836.73	13,215.65
Balance with Government Authorities	162.22	479.88
Other Advances	59.06	36.84
Total	15,389.25	16,188.36
20 Other Current Assets		
Unbilled Revenue	61,972.58	63,201.93
Trade Receivable - Retention monies	12,205.41	10,768.00
Interest accrued on Deposits	50.09	33.97
Principal recoverable from CDR lenders	488.32	-
Interest recoverable from CDR lenders	-	1,277.73
Total	74,716.40	75,281.63
21 Revenue from Operations		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Revenue from Engineering and Construction Contracts	51,968.59	54,564.98
Revenue from Sale of Wind Turbine Generators	-	195.00
Total	51,968.59	54,759.98
22 Other Income		
Interest Income :		
- Bank deposits / Margin Money deposits	252.77	1,044.12
- Income Tax Refunds	191.35	-
- Loans and Advances	-	10,044.64
Liabilities no longer required written back	414.86	22.00
Miscellaneous Income	172.43	191.20
Profit on Sale of Fixed asset	-	0.90
Total	1,031.41	11,302.86

₹ in Lakhs

23 Cost of Raw Materials and Components Consumed		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Opening Stock	220.00	415.00
Add: Purchases / (Transfers)	(220.00)	-
Less: Closing Stock	-	220.00
Total	-	195.00
24 Erection, Construction & Operation Expenses		
Cost of Materials and Labour	30,710.27	33,073.07
Other Contract Related Costs	2,189.50	511.28
Commercial Taxes	2,377.91	1,764.02
Provision for Contract Losses	-	545.20
Contract work in progress / unbilled Revenue written off	4,452.48	-
Total	39,730.16	35,893.57
25 Change in Inventories of Contract Work in Progress		
Opening Stock of Contract Work in Progress	4,324.01	8,071.27
Less: Closing Stock of Contract Work in Progress	3,813.96	4,324.01
Total	510.05	3,747.26
26 Employee Benefits Expense		
Salaries and Wages	3,517.41	4,016.08
Contribution to Provident and other funds	216.60	227.61
Gratuity	168.54	66.00
Staff Welfare Expenses	192.16	234.56
Total	4,094.71	4,544.25
27 Finance Costs		
Interest on Cash Credits	4,896.64	4,983.95
Interest on Term Loans	14,648.88	17,482.80
Interest - Others	3,807.49	3,916.30
Bank Charges, Letter of Credit / Guarantee charges	1,301.78	789.76
Total	24,654.79	27,172.81



₹ in Lakhs

28 Other Expenses		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Rent including lease rentals (Refer Note No. 35)	255.14	402.00
Rates and taxes	107.63	43.39
Repairs and Maintenance:		
Building	27.47	55.03
Plant and Machinery and Equipments	30.41	59.96
Others	38.00	33.47
Auditors' Remuneration (Refer Note No. 28.1 below)	42.94	35.00
Printing and stationery	48.30	43.39
Communication expenses	55.41	82.47
Advertisement & Business Promotion	19.25	17.00
Travelling and conveyance	748.48	665.55
Electricity & water	158.16	208.71
Legal & Professional Charges	976.34	852.04
Donation	0.43	0.12
Sitting Fees	10.70	15.95
Insurance premium	233.25	220.20
Bad Trade and Other Receivables Written off (Net)	-	205.01
Provision for doubtful trade and Other receivables and Loans and Advances	2,379.54	4,044.75
Loss on Sale / Disposal of Fixed Assets	84.39	-
Miscellaneous Expenses	953.30	563.77
Total	6,169.14	7,547.81

28.1 Auditors Remuneration		
Payments to the Statutory auditors comprise:		
For audit	25.00	25.00
For other services	16.52	10.00
Out of Pocket Expenses	1.42	-
Total	42.94	35.00

29 Disclosures pursuant to Accounting Standard (AS) 7 (revised) - Construction Contracts		
Details of Contract revenue and costs		
Contract Revenues recognized	51,968.59	54,564.98
Aggregate amount of Contract costs incurred and recognized profits (less recognized losses) upto the reporting date	40,240.21	39,640.83
Advances received for contracts in progress	21,334.92	20,148.36
Retention money for contracts in progress	22,534.41	22,432.21
Gross amount due from customers for contract work (Asset)	78,725.18	79,954.53
Gross amount due to customers for contract work (Liability)	-	236.89

₹ in Lakhs

30 Disclosures under Accounting Standard 15 (Revised)		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
30.1 Gratuity		
Change in Defined Benefit Obligations (DBO) during the year / period		
Present Value of obligations at the beginning of the year / period	339.89	357.74
Current Service Cost	160.71	56.24
Interest Cost	24.79	25.17
Actuarial (Gain)	(14.42)	(29.30)
Benefits paid	(43.91)	(69.96)
Present Value of obligations at the end of the year / period	467.06	339.89
Current portion	17.85	56.24
Non Current portion	449.21	283.65
Components of Employer Expense		
Cost for the year / period		
Current Service Cost	160.71	56.24
Interest Cost	24.79	25.17
Net actuarial Loss / (Gain) recognized in the year / period	(14.42)	(29.30)
Net Cost	171.08	52.11
Assumptions		
Discount Rate	7.26%	7.80%
Attrition rate per annum	3.00%	3.00%
Expected rate of Salary increases	5.00%	5.00%
Rate of Mortality	Ind Assured Lives (2006-08) Ultimate	Ind Assured Lives (2006-08) Ultimate

Notes:

- The estimate of future salary increase takes into account inflation, likely increments, promotions and other relevant factors.
- The discount rate is based on the prevailing market rate as applicable for risk free investments as at balance sheet date for the estimated term of the obligation.
- Experience adjustments :

Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014	Period ended 30 June 2013
Defined benefit obligation	467.06	339.89	357.74	269.50	252.94
Plan assets	-	-	-	-	-
Deficit	467.06	339.89	357.74	269.50	252.94
On plan liabilities - Losses /(Gains)	(14.42)	(29.30)	(26.86)	(19.78)	2.22



₹ in Lakhs

30.2 Compensated absences**Actuarial Assumptions for Compensated Absences**

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Rate of Mortality	Ind (2006-08)	Ind (2006-08)
Discount rate	7.26%	7.80%
Expected rate of Salary increases	5.00%	5.00%

31 Employee Stock Compensation Expenses

The Company has two Employee Stock Option Schemes (A) Employee stock option scheme 2006, (B) Employee stock option scheme 2007. As per the Guidance Note on Accounting for Employee Share-based Payments issued by Institute of Chartered Accountants of India, the Company has considered the best available estimate of the number of shares or stock options expected to vest based on the current attrition rates of its employees and measured the compensation expense at fair value on the date of grant.

31.1 Shriram EPC Limited 2006 ESOP Scheme (the 2006 Scheme)

The Company does not have any options outstanding as at 31 March 2016 and thereafter under this scheme and hence no disclosures have been given.

31.2 Shriram EPC Limited - 2007 - ESOP Scheme (the 2007 Scheme)

The Company instituted another Scheme for all eligible employees in pursuance of a special resolution approved by the shareholders at the extra-ordinary general meeting held on September 20, 2007.

In accordance with the 2007 Scheme the Company has granted on October 1, 2007 and January 1, 2008 (grant dates) options to eligible employees including those of its subsidiaries and associate companies at an exercise price of Rs 10/- per equity share. Under the terms of the 2007 Scheme the options will vest in the employees in the following proportion :

Vesting Schedule	In respect of employees who are in employment with the company prior to January 1, 2001	In respect of employees who have joined the company after January 1, 2001
November 22, 2007	30%	20%
November 22, 2008	30%	20%
November 22, 2009	20%	30%
November 22, 2010	20%	30%

The employees stock options granted shall be capable of being exercised within a period of eight years from the date of grant.

Modification in the Terms of the 2007 Scheme

The company has carried out a modification in "The 2007 scheme" in an earlier year and accordingly additional grants of 10,000 options have been made. These grants have been made as at June 14, 2010 and will vest with the employee in 2 years in equal proportion from the end of 1 year from the date of grant.

The movement in the stock options during the year was as per the table below :

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Options at the beginning of the year / period		
Vested	-	250
Unvested	-	-
Add: Granted during the year / period	-	-
Add: Vested during the year / period	-	-
Less: Lapsed during the year / period	-	250
Less: Exercised during the year / period	-	-
Options outstanding at the end of the year / period	-	-
Vested	-	-
Unvested	-	-
Exercisable at the end of the year / period	-	-

Deferred Stock Compensation Expense

During the period, Rs. Nil (Previous Year Rs Nil Lakhs) being employee compensation expense to the extent of options vested net off lapses, has been charged to Statement of Profit and Loss.

31.3 Fair value of Options Granted :

The estimated fair value of each stock option granted under the employee stock option Scheme 2006 is Rs. 80. The fair value was arrived at based on a transaction entered into between a willing buyer and a seller for purchase of shares recent to the grant date of the options.

The estimated fair value of each stock option granted under the employee stock option Scheme 2007 is Rs.68.42 as per the Fair value method. The model inputs were the weighted average price arrived under the following methods :

Method	Value per Share	Weights assigned
Net Asset value method	43.27	1
Price earnings capacity method	23.74	2
Market Capitalization method	71.10	2
Value per transaction between willing parties	122.98	2



₹ in Lakhs

32 Segment Information

The Company has considered business segment as the primary segment for disclosure. The Company's operations comprises of three segments namely Construction Contracts, Wind Turbine Generators and Trading. The above segment has been identified taking into account the organization structure as well as the differing risks and return of these segments. Separate secondary segment disclosure is not required as more than 98% of the company's sale is in the Domestic Market.

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments.

A. PRIMARY SEGMENT INFORMATION - BUSINESS SEGMENTS

Particulars	Construction Contracts		Wind Turbine Generators		Trading		Elimination		Unallocated		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
External Sales	52,383.45	54,586.98		195.00	-		-	-	-	-	52,383.45	54,781.98
Intersegmental Sales	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	52,383.45	54,586.98	-	195.00	-	-	-	-	-	-	52,383.45	54,781.98
Result												
Segment Result	11,131.91	27,988.26	-	-	-	-	-	-	-	-	11,131.91	27,988.26
Less: Inter Segment Margin	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Corporate Expenditure	-	-	-	-	-	-	-	-	(10,324.79)	(16,067.05)	(10,324.79)	(16,067.05)
Operating Loss	11,131.91	27,988.26	-	-	-	-	-	-	10,324.79	16,067.05	807.12	11,921.21
Finance Costs (Net of amounts identified with 'Construction Contracts' segment)									23,573.14	25,609.68	23,573.14	25,609.68
Exceptional Items											407.56	10,714.60
(Loss) before Tax	11,131.91	27,988.26	-	-	-	-	-	-	33,897.93	41,676.73	(23,173.58)	(24,403.07)
Tax Expense	-	-	-	-	-	-	-	-	-	-	-	-
Loss after Tax	11,131.91	27,988.26	-	-	-	-	-	-	33,897.93	41,676.73	(23,173.58)	(24,403.07)
Other Information												
Segment Assets	1,79,052.69	1,80,104.48	163.87	986.69	1,348.48	1,348.48	-	-	-	-	1,80,565.04	1,82,439.65
Unallocated Corporate Assets	-	-	-	-	-	-	-	-	1,25,473.33	1,12,727.26	1,25,473.33	1,12,727.26
Total Assets	1,79,052.69	1,80,104.48	163.87	986.69	1,348.48	1,348.48	-	-	1,25,473.33	1,12,727.26	3,06,038.37	2,95,166.91
Segment Liabilities	1,48,018.05	2,49,366.30	34.77	(32.05)	144.86	144.86	-	-	-	-	1,48,197.68	2,49,479.11
Unallocated Corporate Liabilities	-	-	-	-	-	-	-	-	63.00	-	63.00	-
Total Liabilities	1,48,018.05	2,49,366.30	34.77	(32.05)	144.86	144.86	-	-	63.00	-	1,48,260.68	2,49,479.11
Capital Expenditure (Gross)	182.71	168.10	-	-	-	-	-	-	-	-	182.71	168.10
Depreciation	607.17	650.61	-	-	-	-	-	-	-	-	607.17	650.61
Non Cash expenses other than Depreciation												
Provision for doubtful debts	2,379.54	4,044.75	-	-	-	-	-	-	-	-	2,379.54	4,044.75
Provision for Contract losses	-	545.20	-	-	-	-	-	-	-	-	-	545.20

B. SECONDARY SEGMENT INFORMATION - GEOGRAPHICAL SEGMENTS

(in Rs Lakhs)

Particulars	For the Year ended 31 March 2017	For the year ended 31 March 2016
Rest of the World		
Revenue	-	-
Assets	5,483.82	5,568.80
Capital Expenditure	-	-
India		
Revenue	52,383.45	54,781.98
Assets	3,00,554.55	2,89,598.11
Capital Expenditure	182.71	168.10

33 Related Party Disclosures under Accounting Standard 18

33.1 Disclosure of related party transactions in accordance with Accounting Standard -18 - Related Party Disclosures notified by Central Government of India under Companies (Accounting Standards) Rules, 2006.

Status of the Related Parties	Name of the Related Parties Year ended 31 March 2017	Name of the Related Parties Year ended 31 March 2016
Holding Company	-	SVL Limited
Ultimate Holding Company	-	SVL Limited
Companies which exercise significant influence over the Company (Investing Party)	SVL Limited	-
Subsidiaries	Shriram EPC FZE, Sharjah	Shriram EPC FZE, Sharjah
	Shriram EPC Muscat LLC	
Fellow Subsidiaries	-	Shriram SEPL Composites Private Limited
	-	Chem Project Consulting Private Limited
	-	Shriram EPC (Singapore) Pte Ltd
Associates	Haldia Coke and Chemicals Private Limited	Haldia Coke and Chemicals Private Limited
	Ennore Coke Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)	Ennore Coke Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)
	Wellman Coke India Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)	Wellman Coke India Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)
Companies over which Key Management Personnel exercise Significant Influence (Only where transactions have taken place during the year/period)	Orient Green Power Company Limited	Orient Green Power Company Limited
	Subsidiaries of Orient Green Power Company Limited	Subsidiaries of Orient Green Power Company Limited
	Bharath Wind Farm Limited	Bharath Wind Farm Limited
	Clarion Windfarms Private Limited	Clarion Windfarms Private Limited
	Beta Wind Farm Private Limited	Beta Wind Farm Private Limited
	Orient Eco Energy Private Limited	Orient Eco Energy Private Limited
Key Management Personnel	T.Shivaraman - Managing Director	T.Shivaraman - Managing Director
	M.Amjad Shariff - Joint Managing Director	M.Amjad Shariff - Joint Managing Director
Subsidiary of Investing Party (Only where transactions have taken place during the year/period)	Shriram SEPL Composites Private Limited	
Jointly controlled entities of Holding Company	-	Leitwind Shriram Manufacturing Limited
	-	Hamon Shriram Cottrell Private Limited
Jointly controlled entities of Investing Party (Only where transactions have taken place during the year/period)	Leitwind Shriram Manufacturing Limited	-
	Hamon Shriram Cottrell Private Limited	-

Note: Related parties are as identified by the Management and relied upon by the Auditors.



₹ in Lakhs

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
33.2 Transactions during the year / period		
Progressive billings/Revenue		
Shriram SEPL Composites Private Limited	71.25	212.68
Lease Rental Income		
Ennore Coke Limited		32.82
Shriram Venture Limited		40.21
Shriram SEPL Composites Private Limited		27.57
Leitwind Shriram Manufacturing Limited		-
Purchases of goods and Services		
Hamon Shriram Cottrell Private Limited	407.84	252.63
Shriram SEPL Composites Private Limited	189.97	5.51
Transfer of Current Assets and Current Liabilities(Net)		
Leitwind Shriram Manufacturing Limited	1,023.58	-
Expenses incurred on behalf of related party		
Ennore Coke Limited	9.30	10.96
Orient Green Power Company Limited	27.68	28.88
Bharat Wind Farm Limited	-	0.81
SVL Limited	3.34	-
Shriram SEPL Composites Private Limited	80.39	6.08
Leitwind Shriram Manufacturing Limited	59.56	30.45
Hamon Shriram Cottrell Private Limited	6.59	-
Expenses incurred for the Company by the related party		
SVL Limited	-	0.31
Interest Income		
Haldia Cokes & Chemicals Private Limited	-	5,144.33
Ennore Coke Limited	-	3,070.85
Leitwind Shriram Manufacturing Limited	-	1,087.50
Hamon Shriram Cottrell Private Limited	-	21.25
Interest Expense		
SVL Limited	12.31	200.97
Remuneration to Key Management Personnel		
T. Shivaraman	42.15	41.02
M. Amjad Shariff	45.99	45.28
Borrowings from		
SVL Limited	-	4,749.00
Repayment of borrowings		
SVL Limited	-	13,351.20
Redemption of Preference Shares		
SVL Limited	-	30,000.00

₹ in Lakhs

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Transfer of Advances / Receivables to		
SVL Limited	1,262.00	-
Investments in Equity Shares (including premium)		
SVL Limited	26,500.00	38,900.00
Share Application Money Received - SVL Limited	-	6,493.00
Provision for Doubtful advances		
Bharat Wind Farm Limited	22.70	-
34.3 Closing balance as at the year end / period end		
Amount outstanding - Dr / (Cr)		
Shriram EPC FZE, Sharjah	54.00	45.54
Haldia Cokes & Chemicals Private Limited	48,833.00	48,850.50
Ennore Coke Limited	29,178.71	29,198.20
Orient Green Power Company Limited	15.66	51.97
Bharat Wind Farm Limited	122.70	23.02
Clarion Windfarms Private Limited	-	(0.32)
SVL Limited	1,418.45	(262.30)
Beta Wind Farm Private Limited	-	1,403.40
Shriram SEPL Composites Private Limited	123.60	133.10
Shriram EPC (Singapore) Pte Ltd	4,313.18	4,406.62
Leitwind Shriram Manufacturing Limited	13,333.20	12,626.79
Hamon Shriram Cottrell Private Limited	357.36	877.80
Corporate Guarantees given by the Company		
Orient Green Power Company Limited	1,600.00	1,600.00

34 The Company accounts for costs incurred by Related parties based on the actual invoice/debit notes raised and accruals as confirmed by such parties. The related parties have confirmed to the Management that as at 31 March 2017 and as at 31 March 2016, there are no further amounts payable to/receivable from them, other than disclosed above.



₹ in Lakhs

35 Leases

35.1 Operating Lease

The company has operating lease arrangements primarily for office premises, the lease period of which is about 6 to 8 years. An amount of Rs. 255.14 Lakhs (Previous period - Rs. 402 lakhs) has been debited towards lease rental and other charges. The future expected minimum lease payments under operating leases are given below.

Particulars	As at March 31, 2017	As at March 31, 2016
Not later than One Year	112.59	194.06
Later than One Year and less than Five Years	478.50	776.25
Later than Five Years	-	170.96
TOTAL	591.08	1,141.27

35.2 Yearwise future minimum lease rental payments on contracts :

(in Rs Lakhs)

Particulars	As at March 31, 2017		As at March 31, 2016	
	Total Minimum Lease Payments	Present Value of Lease Payments	Total Minimum Lease Payments	Present Value of Lease Payments
Not later than One Year	5.45	4.83	8.19	6.92
Later than One Year and less than Five Years	3.37	3.39	8.82	8.23
Later than Five Years	-	-	-	-
Total	8.82	8.22	17.01	15.15
Less: Future Finance Charges	0.60	-	1.86	-
Present Value of Minimum Lease payments	8.22	8.22	15.15	15.15

36 Earnings Per Share

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Basic & Diluted		
Continuing operations:		
Loss for the year / period from continuing operations (Rs. Lakhs)	(23,173.58)	(24,403.07)
Weighted average number of equity shares outstanding during the year / period (In Nos.)	56,25,54,888	22,80,59,560
Par Value of Share (Rs)	10.00	10.00
Earnings per share from continuing operations - Basic & Diluted (Rs.)	(4.12)	(10.70)

The weighted average number of equity shares used for computing Basic and Diluted EPS are same since the outstanding potential equity shares as at 31 March 2017 and 31 March 2016 are anti dilutive in nature.

₹ in Lakhs

37 Taxes on income		
Particulars	As at March 31, 2017	As at March 31, 2016
37.1 Deferred Tax - Disclosure Under Accounting Standard 22		
Deferred Tax Liability		
On Depreciation	316.97	327.33
Total Liability	316.97	327.33
Deferred Tax Asset		
Provision for Gratuity	161.64	117.63
Provision for Compensated absences	149.31	108.06
Carry forward losses and unabsorbed depreciation (Restricted to the extent of liability)	6.02	101.64
Total Asset	316.97	327.33
Net Deferred Tax Asset / (Liability)	-	-
The Company has carry forward losses and unabsorbed depreciation which has given rise to deferred tax asset. However in the absense of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, the said deferred tax assets has been recognized only to the extent of Deferred Tax Liability. Accordingly, there is no Deferred Tax Asset as on the balance sheet date.		

37.2 International Transactions

The Company has entered into transactions with related parties. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on account of tax expense and provision for taxation.

38 Contingent Liabilities		
Particulars	As at 31 March 2017	As at 31 March 2016
Corporate Guarantees issued	1,600.00	1,640.11
Claims against the Company not acknowledged as debts	15,652.68	15,177.79
Central Excise, Service Tax and customs Duties demands contested in Appeals, not provided for	808.81	428.82
Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for	10,220.55	10,179.02
Income tax demands contested in Appeals, not provided for	211.56	1,039.99
Management is of the opinion that the Appeals preferred by the Company will be decided in its favour. Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.		

39 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for Rs.340.63 lakhs (31 March 2016: Rs 309.52 lakhs)

40 Sale of WEG Business

Though the Company had obtained its Shareholders' approval through Postal Ballot on August 21, 2008, for transfer of 250 KW Wind Turbine Business to its Joint Venture, Leitwind Shriram Manufacturing Limited (LSML) with effect from April 1, 2008, the Company would continue to sell the 250 KW Wind Turbines till the time LSML obtains all statutory approvals to manufacture and sell the same. Consequently, the Company has not recognized the Profit/ Loss in the Statement of Profit and Loss for the year ended 31 March 2016.



₹ in Lakhs

41.1 Dues from Subsidiaries and Associates - Disclosure under clause 32 of the listing agreement
Maximum amount outstanding at any time during the year:

Particulars	As at 31 March 2017	As at 31 March 2016
Subsidiaries		
Shriram EPC FZE, Sharjah	54.00	42.55
Associates		
Haldia Cokes & Chemicals Private Limited	48,850.50	48,850.50
Orient Green Power Company Limited	117.35	117.35
Ennore Coke Limited	29,178.71	29,174.65
Bharat Wind Farm Limited	122.70	23.03
Total	78,323.26	78,208.08

41.2 Full particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013 :

Investments Made:			
Haldia Coke and Chemicals Private Limited	4,007.22	Related Party	To carry on the business of manufacture of Low Ash Metallurgical Coke
Hexa Windfram Private Limited	66.13	Part of the Shriram Group	To carry on the business of Generation of Power
Leitwind Shriram Manufacturing Limited	407.56	Related Party	To carry on the manufacture of Wind Energy Generators
Orient Green Power Company Limited	44.22	Related Party	To carry on the business of Generation of Power
Shriram EPC FZE, Sharjah	24.26	Subsidiary	To carry on Engineering, procurement and construction business.
Sub-total	4,549.39		
Loans given :			
Haldia Cokes & Chemicals Private Limited	48,833.00	Related Party	Business needs and contingencies
Hexa Windfram Private Limited	6,048.79	Part of the Shriram Group	Business needs and contingencies
Leitwind Shriram Manufacturing Limited	12,309.62	Related Party	Business needs and contingencies
Orient Green Power Company Limited	15.66	Related Party	Business needs and contingencies
Ennore Coke Limited	29,178.71	Related Party	Business needs and contingencies
Shriram EPC FZE, Sharjah	54.00	Subsidiary	Business needs and contingencies
Sub-total	96,439.77		
Guarantees Given:			
Orient Green Power Company Limited	1,600.00	Related Party	For monies borrowed by the related party
Sub-total	1,600.00		
Total	102,589.16		

₹ in Lakhs

42 CIF value of Imports		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Materials consumed in execution of Engineering Contracts	3,389.67	5,230.62

43 Expenditure in Foreign Currency		
Materials consumed in execution of Engineering Contracts	2,653.09	5,230.62
Travelling and conveyance	70.15	41.53
Professional and consultation fees	41.24	508.26
Erection, Construction & Operation Expenses	157.84	28.32
Others	21.70	157.59
Total	2,944.02	5,966.32

44 Details on derivative instruments and unhedged foreign currency exposures

- (i) Outstanding forward exchange contracts entered into by the Company and outstanding as on 31 March 2017 - EURO 1,000,000 (Previous Year - USD 979,943)
- (ii) Unhedged foreign currency exposure

Particulars	As at 31 March 2017		
	Currency	Amount in Foreign Currency (in Lakhs)	Rs. in Lakhs
Bank Balance	IQD	3.18	0.17
Buyers Credit	EURO	30.84	2,394.65
Trade Payables (including Payables on purchase of fixed assets)	USD	42.46	2,754.25
	AUD	0.36	17.72
	EURO	21.76	1,504.04
	SGD	0.01	0.69
	GBP	0.03	2.40
	OMR	0.02	3.46
Trade and other receivables	USD	69.92	4,527.97
	EURO	5.84	403.53
	AUD	9.33	600.11

Particulars	As at 31 March 2016		
	Currency	Amount in Foreign Currency (in Lakhs)	Rs. in Lakhs
Bank balance	IQD	3.18	0.17
Buyers Credit	EURO	30.84	2,283.42
Trade Payables (including Payables on purchase of fixed assets)	USD	34.76	1,817.94
	AUD	0.36	19.92
	EURO	25.21	1,808.06
	SGD	0.03	0.33
	GBP	0.03	3.03
Trade and other receivables	USD	70.00	4,621.01
	EURO	10.00	600.10
	AUD	9.33	600.11



- 45** The Company had secured an EPC Contract from M/s Abhijeet Projects Limited (APRL) for execution of a Solar Thermal power project at Rajasthan with technology support from M/s EnerT international limited, Israel. The contract should have been executed by 28th February 2013. But due to the financial encumbrances of APRL, the project came to standstill since March 2013. The amount outstanding under Trade Receivables, Unbilled revenue and Short Term loans and advance net of advance received from APRL aggregates to Rs.9,867.91 lakhs. The Company and the customer have been in negotiations with potential financial and strategic investors which would enable the company to recover its dues. However, there has been no progress in these negotiations. Consequently, considering the increasing uncertainty in the ultimate realization of the said dues, the company as a matter of abundant caution has made a provision of Rs. 6,707.38 lakhs in the previous year - Refer Note No. 7, (after adjusting the value of trade liabilities in respect of this project), which has been included in exceptional items in the statement of Profit and Loss for the year ended 31st March 2016.
- 46 (a)** The Company's investment in its associate, Haldia Coke and Chemicals Private Limited is Rs. 4,007.22 lakhs. Considering the erosion of net worth and continuing losses being incurred by it, the Management is of the opinion that the diminution in carrying value of the investment as at 31 March 2016 in the associate is other than temporary in nature. Consequently the company made a provision for diminution in the previous year, for the said amount and disclosed the same under exceptional item in the statement of Profit and Loss.
- 46(b)** The Company's investment in Leitwind Shriram Manufacturing Limited (a related party) is Rs. 407.56 lakhs. Considering the erosion of net worth and continuing losses being incurred by it, the Management is of the opinion that the diminution in carrying value of the investment in that entity is other than temporary in nature and accordingly, the Company has made a provision for diminution, for the said amount and disclosed the same under exceptional item in the statement of Profit and Loss.
- 47** The Company was in the course of executing project for Governorate of Basra, Government of Iraq ('the customer'). There were some delays in commencement of the project due to regulatory compliances. However the said contract has been cancelled by the Customer during February 2014. The construction activities has been ceased, and the legal dispute with the customer for the recovery of the amounts so far incurred in respect of the said project, or for re-commencement of the project and its completion thereon, are in progress. The Government of India has also been extremely supportive for revival of the project. The customer has opened a Letter of credit ('LC') for a value of USD 235 million (INR 139,590 Lakhs) which is an irrevocable LC backed by 100% margin deposited by the customer. Cancellation of this LC is possible only on settlement being reached with the company. Further, Company has also filed a claim with concerned authorities and insurers towards compensation for cancellation of contract. The total amounts due to Company recorded under Trade Receivables, Unbilled revenue representing the actual cost incurred (after excluding the margin which has been written off) and Short Term loans and advances, in respect of this project, aggregate to Rs. 12,141.62 Lakhs. For the above reasons, the management is confident of realizing the monies and do not expect any shortfall in realization.
- 48** The Company entered into a contract to construct Ammonia plant for Bharath Coal and Chemicals Limited (BCCL) (related party). The project is stalled due to delay in statutory approvals. The total exposure in this project recorded under Unbilled Revenue and Contract Work In Progress is Rs. 8,300.19 lakhs. Considering the positive development in BCCL's efforts in identifying alternate options to complete the project, the management is of the view that BCCL will be in a position to complete the Ammonia Plant project and thereby the Company will be able to realize these amounts in full.
- 49 (a)** Long term Loans and advances include Rs. 12,309.62 Lakhs (including interest accrued up to 31 March 2016 of Rs. 2,489.57 Lakhs), and Other Non - Current Assets includes Trade Receivables(Net) of Rs. 1,023.58 Lakhs, due from Leitwind Shriram Manufacturing Limited (LSML) (a related party). As part of the Corporate Debt Restructuring (CDR) package entered into by LSML with its bankers, the dues to SEPC is subordinated to the dues to Bankers and hence expected to be recovered substantially before March 2030 and the balance thereafter. Considering the extended repayment period and future business potential for Wind Energy Business, the management is confident of realizing the dues. However as a matter of prudence, the Company has stopped recognising interest from 01st April 2016 on the principal amount outstanding.
- 49 (b)** Long term loans and advances include Rs 78,011.70 lakhs due from an associate company and its subsidiary. In order to secure these dues the company has entered into an arrangement, effective from 1st March 2017, with the said associate and another wholly owned subsidiary of the associate which is engaged in coal mining operations in USA by which the company has acquired absolute and unconditional mining operation rights to exploit the coking coal reserves in relation to the mines of the said subsidiary, and the right to surplus cash flows, (after meeting subsidiary's commitments), to the extent of the above mentioned dues. Also the associate company has given an undertaking that it will not divest its holdings in the said subsidiary company till the dues to the company are settled. Based on the projected operations of the mines and consequential projected cash flows, the outstanding

dues are expected to be recoverable over a period of 11 years. In view of a mining asset and its cash flows being secured towards the outstanding due to the Company, no provision is considered necessary for these dues at this stage. However, as a matter of prudence the company has stopped recognising interest from April 1, 2016 on principal amounts outstanding.

50 The Company had entered into a Turnkey contract with a customer in Chennai, in an earlier year for construction of a thermal power plant. The project is on hold, as the customer is awaiting project financial closure from the banks. The total exposure in this project included under Trade Receivables and Unbilled Revenue (Net of advances received and Trade Liabilities) is Rs. 5,634.41 Lakhs. Considering the long standing relationship with the customer and history of prompt realization of dues in respect of projects completed for the customer in earlier years, the management is confident of realizing the monies due under this project within one year.

51 Previous period figures have been regrouped / reclassified to be in conformity with current year classification/ disclosure, wherever necessary.

52 The Board of Directors of the Company has reviewed the realizable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these financial statements in its meeting held on 30 May 2017.

For and on behalf of the Board of Directors

T. Shivaraman
Managing Director

S. Krishnamurthy
Director

K. Suresh
Company Secretary

R. S. Chandrasekharan
Chief Financial Officer

Place : Chennai
Date : 30th May 2017



Independent Auditor's Report to the Members of Shriram EPC Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SHRIRAM EPC LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its associate which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates 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 associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for Qualified Opinion

1. We draw attention to the Note No. 44 of the consolidated financial statements regarding the dues aggregating to Rs. 12,141.62 Lakhs in respect of an overseas project. As mentioned in the Note, the construction activities have ceased and the case filed by the Company against the customer for recovery of the dues is pending before Iraqi Court. The Company has also filed appropriate claims with Export Credit and Guarantee Corporation (ECGC). However in the absence of any positive development till date in these matters, there is uncertainty on the amount that would be ultimately realizable by the Company. In view of the uncertainty involved, we are unable to comment on the carrying value of the said receivable.

This matter was also qualified in our report on the consolidated financial statements for the year ended 31st March 2016.

2. We draw attention to Note No. 46 of the consolidated financial statements regarding advances of Rs. 12,309.72 Lakhs and Trade Receivables of Rs. 1,023.58 Lakhs due, from a related party. These advances and Trade Receivables are considered good and recoverable by the management for the reasons stated in the said note. In the absence of audit evidence to corroborate management's assessment of recoverability of these advances and having regard to age of these balances, we are unable to comment on the extent to which these balances are recoverable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary, referred to in the Other Matters paragraph below, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, and its associates as at 31st March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

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

- a) Note No. 45 to the consolidated financial statements regarding the dues of Rs. 8,300.19 Lakhs in respect of a project which is not progressing due to statutory delays faced by the customer. The dues are considered fully realisable by the Holding Company's management at this stage in view of the steps taken by the Holding Company for their realization.
- b) Note no. 43(a) to the consolidated financial statements regarding erosion of net worth and continuing losses being incurred by the Associate, based on the audited financial statements for the year ended 31st March 2016 and the unaudited financial statements as prepared by the management of that associate for the year ended 31st March 2017. Accordingly the group's share of losses in the associate for the current year has not been recognized in the consolidated financial statements.
- c) Note no. 47 to the consolidated financial statements regarding dues of Rs.78, 011.70 Lakhs due from an associate and a subsidiary of the associate which has been outstanding for a considerable period of time. The dues are considered fully realisable in view of the steps taken by the Holding Company's management to realise the dues, as given in the said note.

Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs.36,061.21 Lakhs as at 31st March, 2017, total revenues of Rs.22,453.64 Lakhs and net cash inflows amounting to Rs. 3,936.47 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of subsection (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

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 the other auditors on separate financial statements of the, subsidiary, referred in the Other Matters paragraph above, we report, to the extent applicable, that:

- (a) We have sought and, except for the matters described in the Basis for Qualified Opinion above, 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 financial statements.
- (b) In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the report of the other auditor.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- (e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
- (f) 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, none of the directors are disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) The qualification relating to maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- (h) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company, our report expresses qualified opinion on the operating effectiveness of the



Holding company's internal financial controls over financial reporting.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
- ii. Except for the possible effect of the matters described in the Basis of Qualified Opinion above, the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.

- iv. The Holding Company has provided requisite disclosures in the consolidated 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; and such disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
(Membership No. 19521)

Chennai, 30th May 2017

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(h) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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 financial statements of the Company as of and for the year ended 31st March 2017, we have audited the internal financial controls over financial reporting of Shriram EPC Limited (hereinafter referred to as “the Holding Company”) as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding company are responsible for establishing and maintaining internal financial controls based on, “the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 qualified opinion on the internal financial controls system over financial reporting of the Holding Company.

Meaning of Internal Financial Controls Over Financial Reporting

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

Basis for Qualified opinion

With respect to the Holding Company, according to the information and explanations given to us and based on our audit, material weaknesses have been identified in the operating effectiveness of the Holding Company’s internal financial controls over financial reporting as at 31st March 2017 in respect of provisioning for overdue receivables in respect of a project, and provisioning for advances which



have been outstanding for a considerable period of time, which could potentially result in the Holding Company not recognizing a provision for the said receivables and advances.

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

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weaknesses described in Basis for Qualified Opinion paragraph above on the achievement of the objectives of the control criteria, the Holding Company have, in all material respects, maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31st March 2017 based on "the internal

control over financial reporting criteria established by the Holding company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Holding Company for the year ended 31st March 2017, and these material weaknesses affects our opinion on the said consolidated financial statements of the Holding Company.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 008072S)

M.K. Ananthanarayanan
Partner
(Membership No. 19521)

Chennai, 30th May 2017

Consolidated Balance Sheet as at 31 March 2017 ₹ in Lakhs

Particulars	Note	As at 31 March 2017	As at 31 March 2016
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
Share Capital	3	93,696.79	33,062.64
Share Application Money		-	6,493.00
Reserves and Surplus	4	65,288.07	6,035.49
		1,58,984.86	45,591.13
2 Non-Current Liabilities			
Long Term Borrowings	5	35,034.69	1,50,922.69
Other Long Term Liabilities	6	53,667.81	17,312.09
Long Term Provisions	7	7,156.59	6,991.03
		95,859.09	1,75,225.81
3 Current Liabilities			
Short Term Borrowings	8	49,198.05	45,471.55
Trade Payables			
a) Total outstanding dues of micro enterprises and small enterprises	9a	-	-
b) Total outstanding dues of other than micro enterprises and small enterprises	9b	25,639.61	20,458.79
Other Current Liabilities	10	11,891.77	7,928.71
Short Term Provisions	11	449.28	424.98
		87,178.71	74,284.03
TOTAL		3,42,022.66	2,95,100.97
B ASSETS			
1 Non-Current Assets			
Property Plant and Equipment	12		
i) Tangible Assets		6,045.44	5,475.74
ii) Capital Work-in-Progress		15.51	1,014.40
Intangible Assets		28.02	45.55
		6,088.97	6,535.69
Non-Current Investments	13	110.35	517.91
Long-term Loans and Advances	14	1,17,184.39	1,21,511.90
Other Non-Current Assets	15	35,981.80	36,315.88
		1,59,365.51	1,64,881.38
2 Current Assets			
Inventories	16	3,813.96	4,544.01
Trade Receivables	17	46,529.02	29,119.66
Cash and Cash Equivalents	18	10,086.11	5,085.93
Short Term Loans and Advances	19	25,806.56	16,188.36
Other Current Assets	20	96,421.50	75,281.63
		1,82,657.15	1,30,219.59
TOTAL		3,42,022.66	2,95,100.97

In terms of our report attached
For Deloitte Haskins and Sells
Chartered Accountants

M.K.Ananthanarayanan
Partner

Place : Chennai
Date : 30.05.2017

For and on behalf of the Board of Directors

T.Shivaraman
Managing Director & CEO

K.Suresh
Company Secretary

S.Krishnamurthy
Director

R.S.Chandrasekharan
Chief Financial Officer



Consolidated Statement of Profit and Loss for the year ended 31st March 2017

₹ in Lakhs

Particulars	Note	Year ended 31 March 2017	Year ended 31 March 2016
I Revenue from Operations	21	74,422.23	54,759.98
II Other Income	22	1,031.41	11,302.86
III Total Revenue (I+II)		75,453.64	66,062.84
IV Expenditure :			
Cost of Raw Materials and Components Consumed	23	-	195.00
Erection, Construction & Operation Expenses	24	60,783.58	35,893.57
Change in Inventories of Contract Work in Progress	25	510.05	3,747.26
Employee Benefits Expense	26	4,112.35	4,544.25
Finance Costs	27	24,657.92	27,172.81
Depreciation and Amortization Expense	12	608.24	650.61
Other Expenses	28	6,200.29	7,556.42
Total Expenses		96,872.43	79,759.92
V Profit /Loss Before Exceptional Items and Tax (III-IV)		(21,418.79)	(13,697.08)
VI Exceptional Items (Refer Note Nos. 42 and 43)		407.56	6,707.38
VII Loss Before Tax (V+VI)		(21,826.35)	(20,404.46)
VIII Tax expense / (benefit):			
(1) Current tax		-	-
(2) Deferred tax (Net)		-	-
Net tax expense / (benefit)		-	-
IX Loss After Tax for the year		(21,826.35)	(20,404.46)
X Add : Share of loss from an Associate (Refer Note No. 43(a))		-	-
XI Loss for the year		(21,826.35)	(20,404.46)
XII Earnings per Share:(Face value of Rs 10/- per share)	35		
Basic		(3.88)	(8.95)
Diluted		(3.88)	(8.95)

In terms of our report attached
For Deloitte Haskins and Sells
Chartered Accountants

M.K.Ananthanarayanan
Partner

Place : Chennai
Date : 30.05.2017

For and on behalf of the Board of Directors

T.Shivaraman
Managing Director & CEO

K.Suresh
Company Secretary

S.Krishnamurthy
Director

R.S.Chandrasekharan
Chief Financial Officer

Consolidated Cash Flow Statement for the year ended 31 March 2017

₹ in Lakhs

PARTICULARS	Year Ended 31 March 2017	Year Ended 31 March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before Tax and exceptional item	(21,418.79)	(13,697.08)
Depreciation and amortization expense	608.24	650.61
Provision for Gratuity	127.17	(17.85)
Provision for Compensated Absences	62.69	25.20
Provision for Warranty	-	
Loss on disposal of Fixed Assets (Net)	84.39	(0.90)
Bad Trade Debts/Advances Written off		205.01
Provision for doubtful trade and Other receivables and Loans and Advances	2,379.54	4,044.75
Liabilities / provisions no longer required written back	(414.86)	(22.00)
Interest Income	(444.12)	(11,088.76)
Interest and Finance Charges	24,657.92	27,172.81
Provision for Contract Losses	-	545.20
Deferred rent	(38.37)	15.72
	27,022.60	21,529.79
Operating Profit before working capital changes	5,603.80	7,832.71
Working capital changes :		
Adjustments for (increase) / decrease in operating assets:		
Inventories	730.05	3,942.26
Trade Receivables	(19,788.90)	(3,652.81)
Short Term Loans and Advances	(9,641.37)	(4,794.44)
Long Term Loans and Advances	2,703.74	(11,341.77)
Other Current Assets	(21,123.75)	(13,030.76)
Other Non-Current Assets	334.08	7,964.31
	(46,786.15)	(20,913.21)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	4,765.96	(2,503.92)
Other Current Liabilities	533.54	2,630.39
Long term provisions	(24.30)	(25.24)
Other Long Term Liabilities	36,355.72	(1,799.77)
Short term provisions	24.30	32.59
	41,655.22	(1,665.95)
Cash generated from /(used in) operations	472.87	(14,746.45)
Net income tax paid	1,623.77	(353.45)
Net Cash flow (used in) / from Operating Activities (A)	2,096.64	(15,099.90)
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure (including Capital Work in progress)	(181.70)	(168.10)
Proceeds from sale of fixed assets	-	23.25
Bank balances not considered as Cash and cash equivalents (Net)		
- Placed	(4,524.15)	(3,717.67)
- Matured	3,717.67	7,239.11
Interest Received	428.00	1,318.17
Net Cash from Investing Activities (B)	(560.18)	4,694.77
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity Shares (Including Securities Premium) / Preference shares	26,500.00	38,900.00
Receipt of Share application money	6,493.00	6,493.00
Repayment of long term borrowings	(794.53)	-



Consolidated Cash Flow Statement for the year ended 31 March 2017 (Contd.)

₹ in Lakhs

PARTICULARS	Year Ended 31 March 2017	Year Ended 31 March 2016
Proceeds from Short Term borrowings(net)	3,726.50	3,698.86
Redemption of Preference shares	-	(30,000.00)
Movement in current maturities of long term borrowings	170.92	326.44
Interest and Finance Charges Paid	(20,403.15)	(11,192.81)
Interest recovery	-	-
Net Cash from Financing Activities (C)	2,706.74	8,225.49
D NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE YEAR / PERIOD (A + B + C)	4,243.20	(2,179.64)
Cash and Cash equivalents as at the beginning of the year / period	1,368.26	3,547.90
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents	(49.50)	-
Cash and Cash equivalents as at the end of the year / period	5,561.96	1,368.26
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet	10,086.11	5,085.93
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		
- Margin Money having maturity period exceeding three months	(4,524.15)	(3,717.67)
Cash and cash equivalents at the end of the year / period *	5,561.96	1,368.26
* Comprises:		
(a) Cash on hand	0.76	0.87
(b) Balances with banks		
(i) In current accounts	4,275.60	150.77
(ii) In deposit accounts with original maturity of less than 3 months	1,266.91	1,197.93
(iii) In earmarked accounts (Unpaid Dividend Account)	18.69	18.69
	5,561.20	1,367.39
	5,561.96	1,368.26
See accompanying notes forming part of the financial statements		
Note:		
1 Capital expenditure includes adjustments for current liabilities relating to acquisition of fixed assets to the extent identified.		
2 Significant Non cash items		
Conversion of FITL into equity	2,419.07	25,959.81
Conversion of WCTL into equity	1,12,674.40	7,840.00
Conversion of Interest sacrifice into equity	163.00	14,700.00

In terms of our report attached
For Deloitte Haskins and Sells
Chartered Accountants

M.K.Ananthanarayanan
Partner

Place : Chennai
Date : 30.05.2017

For and on behalf of the Board of Directors

T.Shivaraman
Managing Director & CEO

K.Suresh
Company Secretary

S.Krishnamurthy
Director

R.S.Chandrasekharan
Chief Financial Officer

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

1A Corporate Information

Shriram EPC Limited (the “Company” or “SEPC”) which is a part of the Shriram Group has diverse interests across Financial Services, IT Services, Project Engineering & Construction, Property Development, Life Insurance and General Insurance. Company provides end-to-end solutions to engineering challenges, offering multi disciplinary design, engineering, procurement, construction and project management services. SEPC is focused on providing turnkey solutions for ferrous & non ferrous, cement, aluminum, copper and thermal power plants, water treatment & transmission, renewable energy, cooling towers & material handling.

1B Principles of consolidation

The consolidated financial statements relate to Shriram EPC Limited (the ‘Company’), and its subsidiary company. The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the subsidiary company in the consolidation are drawn upto the same reporting date as that of the Company i.e., 31 March, 2017.
- (ii) The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealized profits or losses, unless cost cannot be recovered.
- (iii) The consolidated financial statements include the share of profit / loss of the associate company which have been accounted for using equity method as per AS 23 Accounting for Investments in Associates in Consolidated Financial Statements. Accordingly, the share of profit/ loss of each of the associate companies (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investments. For the reasons stated in Note No. 43(a), the Group’s share of losses in its associate for the year have not been considered in these consolidated financial statements.
- (iv) The difference between the cost of investment in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the consolidated financial statements as Goodwill or Capital reserve as the case may be.
- (v) Following subsidiary company and associate have been considered in the preparation of the consolidated financial statements:

Name of the entity	Relationship	Country of Incorporation	% of Holding and voting power	
			31-Mar-17	31-Mar-16
"Shriram EPC (FZE) Pte Ltd"	Subsidiary	United Arab Emirates	100%	100%
Haldia Coke and Chemicals Private Limited (Refer Note (iii) above)	Associate	India	48.48%	48.48%

Name of the entity	Relationship	Country of Incorporation	% of Holding and voting power either directly or indirectly	
			31-Mar-16	31-Mar-15
Ennore Coke Limited	Subsidiary of Associate	India	48.48%	48.48%
Wellman Coke India Limited	Subsidiary of Associate	India	48.48%	48.48%
Asia Coke Limited	Subsidiary of Associate	India	48.48%	48.48%
Aditya Coke Private Limited	Subsidiary of Associate	India	48.48%	48.48%
Mahala Coke Products Private Limited	Subsidiary of Associate	India	48.48%	48.48%
laeger Minerals Inc, & Subsidiaries	Subsidiary of Associate	USA	48.48%	48.48%
Mississippi Minerals, Inc & Subsidiaries	Subsidiary of Associate	USA	48.48%	48.48%

2 Basis of Accounting and Preparation of Financial Statements

The consolidated financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”) / Companies Act, 1956 (“the 1956 Act”), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.1 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent



and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.2 Inventories

Inventories are valued at the lower of cost on FIFO basis and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges.

Contract Work in Progress represent work in progress on construction contracts which reflects proportionate value of inputs and expenses on contracts yet to be billed.

2.3 Cash and cash equivalents (for the purposes of Cash Flow Statement)

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

2.4 Cash Flow Statement

Cash flows are reported using the indirect method, whereby Profit / (Loss) before Tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.5 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset.

- (i) Leasehold improvements are written off over the primary period of their lease.
- (ii) Certain items of Plant and Machinery used at project sites are depreciated over an estimated useful life of 2 to 4 years.
- (iii) Technical Know-how fees are amortised over the period of 5 to 10 years based on estimated useful life of the asset.

- (iv) Software cost are amortised over a period of 5 years based on Management's evaluation of their estimated useful life.
- (v) Lease hold Land Using Rights is amortised over the primary period of lease, which is 20 years.
- (vi) Individual assets costing Rs. 5,000/- each or less is depreciated in fully in the year of acquisition.

2.6 Revenue Recognition

Sale of goods

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales are inclusive of all taxes.

Revenue from Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs.

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognised as an expense in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

Revenue from Joint Venture Contracts : In respect of Jointly Controlled Operations, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.

Contract Revenue earned in excess of billing is reflected as 'Unbilled Revenue' under 'Other Current Assets' and 'Other Non Current Assets' as the case may be and billing in excess of Contract Revenue has been reflected as 'Advances Billing' under 'Other Current Liabilities'.

Dividend Income on Investments is accounted for when the right to receive the payment is established. Interest income is accounted on accrual basis. Interest income is included under the head "other Income" in the Statement of Profit and Loss.

2.7 Fixed Assets

Fixed Assets are stated at historical cost (net of CENVAT/VAT wherever applicable) less Accumulated Depreciation / Amortisation. Cost comprises of direct cost, related taxes, duties, freight and attributable finance costs till such assets are ready for its intended use. Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

2.8 Foreign Currency Transaction / Translations

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. Monetary assets & liabilities outstanding at the year-end are translated at the rate of exchange prevailing at the year-end and the gain or loss, is recognized in the Statement of Profit and Loss.

Integral foreign operations: Transactions in foreign currencies entered into by the Company's integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Exchange differences arising on actual payments/realizations and year-end restatements are dealt with in the Statement of Profit and Loss. Investments in Foreign currencies are reported using the exchange rate at the date of the transaction.

Integral foreign operations: Foreign currency monetary items (other than derivative contracts) of the Company's integral foreign operations outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company's integral foreign operations are carried at historical cost.

2.9 Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

2.10 Employee Benefits

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

Short-term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Short term employee benefits at the balance sheet date, are recognized as an expense as per the Company's scheme based on expected obligations on undiscounted basis.

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

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term Employee Benefits

(i) Defined Contribution Plans:

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

(ii) Defined Benefit Plans:

For defined benefit plans in the form of gratuity fund and post-employment medical benefits, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost.



(iii) Long Term Compensated Absences:

The obligation for long term employee benefits such as long term compensated absence is provided for based on actuarial valuation as at the balance sheet date, using the Projected Unit Credit Method.

Actuarial gains and losses arising from experience adjustments and effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss as income or expense.

payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

2.11 Employee Share Based payments

The Company has formulated Employee Stock Option Schemes '2006' and '2007' (ESOS) in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. The Schemes provide for grant of options to employees of the Company to acquire equity shares of the Company that vest in a graded manner and that are to be exercised within a specified period. In accordance with the SEBI Guidelines; the excess, if any, of the closing market price on the day prior to the grant of the options under ESOS over the exercise price is amortised on a straight-line basis over the vesting period.

2.12 Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.13 Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease

2.14 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.15 Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

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

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses

and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realizability.

2.16 Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

2.17 Provisions and Contingencies

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

2.18 Provision for warranty

As per the terms of the contracts, the Company provides post-contract services / warranty support to some of its customers. The Company accounts for the post-contract support / provision for warranty on the basis of the information available with the Management duly taking into account the current and past technical estimates.

Provision for Liquidated Damages

Liquidated damages are provided based on contractual terms and negotiations with the customer when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceed the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms upto closure of the contract. (including defect liability period).

Provision for losses on contracts

A provision for expected loss on construction contracts is recognised when it is probable that the contract costs will exceed total contract revenue. For all other contracts loss order provisions are made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits.

2.19 Share issue expenses

Share issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share issue expenses in excess of the balance in the Securities Premium Account is expensed in the Statement of Profit and Loss.

2.20 Derivatives

All derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss.

2.21 Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

2.22 Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The normal operating cycle of the entity for Construction Contracts is the duration of 2 to 3 years depending on each contract. For all other segments, the normal operating cycle has been considered as a duration of 12 months.



₹ in Lakhs

3 Share Capital		
Particulars	As at 31 March 2017	As at 31 March 2016
The authorized, issued, subscribed and fully paid-up share capital :		
Authorised :-		
100,000,000 (previous year - 410,000,000 Equity Shares) Equity Shares of Rs. 10 each	1,00,000.00	41,000.00
30,000,000 (previous year - 30,000,000) Convertible Preference shares of Rs.100 each	30,000.00	30,000.00
	1,30,000.00	71,000.00
Issued, Subscribed and fully Paid-up:-		
936,967,942 Equity Shares (previous year - 330,626,422 Equity Shares) of Rs. 10 each	93,696.79	33,062.64
Total	93,696.79	33,062.64

3.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at 31 March 2017		As at 31 March 2016	
	In Shares	Amount (in Rs. Lakhs)	In Shares	Amount (in Rs. Lakhs)
Equity Shares				
At the beginning of the year	33,06,26,422	33,062.64	8,63,58,184	8,635.82
Issued during the year (Refer Note 3.4 below)	60,63,41,520	60,634.15	24,42,68,238	24,426.82
Outstanding at the end of the year	93,69,67,942	93,696.79	33,06,26,422	33,062.64
Cumulative Redeemable Preference Shares				
At the beginning of the year / period	-	-	3,00,00,000	30,000.00
Issued / (Redeemed) during the year / period	-	-	(3,00,00,000)	(30,000.00)
Outstanding at the end of the year / period	-	-	-	-

3.2 Details of shareholders holding more than 5% shares

Name of Shareholder	As at 31 March 2017		As at 31 March 2016	
	No of Shares	% holding in that class of shares	No of Shares	% holding in that class of shares
Equity Shares				
SVL Limited	27,93,91,356	29.82%	16,54,12,862	50.03%
Oriental Bank of Commerce	6,89,93,466	7.36%	3,20,26,835	9.69%
Central Bank of India	9,19,73,534	9.82%	1,75,06,860	5.30%
State Bank of Patiala	6,44,66,433	6.88%		
IDBI Bank Ltd	5,86,44,408	6.26%		
Punjab National Bank	5,41,90,436	5.78%		

3.3 Details of shares held by Holding Company

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No of Shares	% holding in that class of shares	No of Shares	% holding in that class of shares
Equity Shares				
SVL Limited	27,93,91,356	29.82%	16,54,12,862	50.03%

Note: SVL ceased to be the Holding Company with effect from July 2016 consequent to issue of shares to CDR lenders on conversion of working capital term loan into Equity Share Capital.

3.4 Preferential issue of Equity during the year

Particulars	No of Shares	Face value of Rs 10/-	Premium	Total
Promoters - SVL Limited	11,39,78,495	11,397.85	15,102.15	26,500.00
Lender Banks - Conversion of Funded Interest Term Loan (FITL)	73,34,961	733.50	1,685.57	2,419.07
Lender Banks - Conversion of Interest Sacrifice	4,06,991	40.70	122.30	163.00
Lender Banks - Conversion of Working Capital Term Loan(WCTL)	48,46,21,073	48,462.10	64,212.30	1,12,674.40
Total	60,63,41,520	60,634.15	81,122.32	1,41,756.47

Preferential issue of Equity during the previous year

Particulars	No of Shares	Face value of Rs 10/-	Premium	Total
Promoters - SVL Limited	10,50,78,336	10,507.83	28,392.17	38,900.00
Lender Banks - Conversion of Funded Interest Term Loan (FITL)	7,87,13,800	7,871.38	18,088.43	25,959.81
Lender Banks - Conversion of Interest Sacrifice	3,67,04,119	3,670.41	11,029.59	14,700.00
Lender Banks - Conversion of Working Capital Term Loan(WCTL)	2,37,71,983	2,377.20	5,462.80	7,840.00
Total	24,42,68,238	24,426.82	62,972.99	87,399.81

3.5 Terms/rights attached to the shares

The Holding Company has issued equity shares having a par value of Rs. 10 per share. All these shares have the same rights and preferences with respect to payment of dividend, repayment of capital and voting rights.

In the event of liquidation of the Holding company, the holders of equity shares will be entitled to receive remaining assets of the Holding company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.6 i) The Authorised Equity Share Capital has been increased to Rs 105,000 Lakhs with effect from 4th May 2017.

ii) Also Refer Note No. 10(i) regarding issue of Equity Shares after Balance sheet date.

3.7 Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000 for preferential issue proceeds :

Particulars	Proceeds of Issue (Rs. Lakhs)	Purpose
SVL Limited	26,500.00	Business needs and exigencies
Conversion of FITL	2,419.07	Conversion of interest on WCTL, into Equity, to reduce cash outflow on account of interest
Conversion of WCTL	112,674.40	Conversion of monies already borrowed and fully utilised for business purposes
Conversion of Interest sacrifice	163.00	Re-compense liability converted into Equity by a lender
Total	141,756.47	



₹ in Lakhs

4 Reserves and Surplus			
Particulars	As at 31 March 2017	As at 31 March 2016	
a) Capital Reserve	12.92	12.92	
b) Securities Premium Account			
Opening Balance	1,04,622.88	41,649.88	
Add: Receipts during the year (Refer Note 3.4 above)	81,122.32	62,973.00	
Closing Balance	1,85,745.20	1,04,622.88	
c) Share Options Outstanding Account			
Opening Balance	0.17	0.17	
Less: Transfer to General Reserve	-		
Closing Balance	0.17	0.17	
d) General Reserve			
Opening Balance	561.75	561.75	
Add: Transfer from Stock Options Outstanding Account	-		
Closing Balance	561.75	561.75	
e) Foreign Currency Translation Reserve	(5.58)	0.01	
Additions during the year	(43.39)	(5.59)	
Deletions during the year	-	-	
Closing Balance	(48.97)	(5.58)	
f) (Deficit) in Statement of Profit and Loss			
Opening balance	(1,03,857.64)	(83,453.18)	
Add: Loss for the year / period	(21,826.35)	(20,404.46)	
Closing Balance	(1,25,683.99)	(1,03,857.64)	
g) Share of Reserves from Associate	4,700.99	4,700.99	
Total	65,288.07	6,035.49	

5 Long Term Borrowings				
Particulars	Long term portion		Current maturities	
	As at 31 March 2017	As at 31 March 2016	As at 31 March 2017	As at 31 March 2016
Secured				
From Banks				
- Term Loans	15,065.58	15,134.13	464.25	309.59
- Working Capital Term Loans	13,670.44	1,26,445.66	12.00	-
- Funded Interest Term Loans	1,914.62	4,573.17	7.00	-
From Others				
- Working Capital Term Loans	4,237.50	4,358.00	13.00	13.00
- Funded Interest Term Loans	143.18	140.61	8.00	8.00
Finance Lease Obligations	3.37	8.82	5.45	8.19
Unsecured				
From Related Parties (Holding Company)	-	262.30	-	-
Total	35,034.69	1,50,922.69	509.70	338.78

5.1 Terms of Repayment and Security details

₹ in Lakhs

Particulars	As at 31 March 2017	As at 31 March 2016	Interest Rate	Terms of Repayment	Secured by
Central Bank of India	2,861.75	2,943.72	11.25% to 14%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	Primary- Exclusive charge on 5 Wind Energy Generator of 1.5 MW from Leitwind Shriram Manufacturing Limited.
Central Bank of India	12,668.08	12,500.00	11.25% to 14%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	First PariPassu Charge over the pooled assets ie, all moveable (both fixed ,current and non current assets) and immovable assets of the Company.
Term Loans from Banks :					
Working Capital Term Loan :					
YES BANK	616.00	616.00	11.25% to 14%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed ,current and non current assets) and immovable assets of the Company.
IDBI Bank	151.44	11,331.41			
Punjab National Bank	146.30	10,273.14			
State Bank of Travancore	71.53	8,894.38			
INDUSIND Bank	69.81	4,004.00			
Federal Bank Limited	45.76	2,986.71			
Central Bank of India	309.03	17,349.00			
Dena Bank	54.93	3,082.00			
South Indian Bank	12.25	7,529.32			
Bank of Maharashtra	77.88	4,407.41			
State Bank of Mysore	55.25	3,081.99			
Corporation Bank	3,409.26	3,406.56			
DBS BANK	8,663.00	8,663.00			
Oriental Bank of Commerce	-	8,936.76			
AXIS BANK	-	6,852.30			
Bank of India	-	5,378.26			
Allahabad Bank	-	4,206.85			
State Bank of Patiala	-	12,086.57			
Lakshmi Vilas Bank	-	2,796.00			
ICICI Bank	-	564.00			
Sub Total	13,682.44	1,26,445.66			



₹ in Lakhs

Particulars	As at 31 March 2017	As at 31 March 2016	Interest Rate	Terms of Repayment	Secured by
Funded Interest Term loan :					
YES BANK	136.43	136.43	11.25% to 14%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed ,current and non current assets) and immovable assets of the Company.
DBS BANK	1,785.20	1,793.20			
IFCI Factors - Funded Interest Term loan	151.18	149.66			
State Bank of Travancore	-	1,856.94			
Central Bank of India	-	521.25			
Allahabad bank	-	7.54			
AXIS BANK	-	4.63			
Bank of India	-	25.51			
Bank of Maharashtra	-	12.96			
Corporation Bank	-	2.43			
DBS Bank	-	16.52			
Dena Bank	-	6.10			
Federal Bank	-	1.68			
IDBI Bank	-	61.78			
INDUSIND Bank	-	23.73			
Lakshmi Vilas Bank	-	9.27			
Oriental Bank of Commerce	-	9.54			
Punjab National Bank	-	20.89			
State Bank of Mysore	-	12.55			
State Bank of Patiala	-	15.62			
State Bank of Travancore	-	17.22			
South Indian Bank	-	5.37			
YES Bank	-	10.96			
Sub Total	2,072.80	4,721.77			
HDFC Bank	8.82	17.01	13.50%	36 to 60 Months	Secured by Vehicles purchased under Hire Purchase Scheme
IFCI Factors - Working Capital Term Loan	671.00	671.00	10.65%	32 structured quarterly instalments, commencing from June 2016 and ending with March 2024.	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed ,current and non current assets) and immovable assets of the Company.
K P R Investments Private Limited	2,500.00	2,500.00	12.00%	Against collection of retention debtors	Secured by specific charge on retention debtors
Shaswatha Renewable Energy Private Limited	1,079.50	1,200.00	12.00%	Against collection of retention debtors	Secured by specific charge on retention debtors
Total	35,544.39	1,50,999.17			

5.2 Corporate Debt Restructuring

During an earlier year, at the request of the Company, the Corporate Debt Restructuring Proposal (CDR Proposal) of the Company was referred to Corporate Restructuring Cell (CDR Cell) by the consortium of bankers (CDR Bankers) led by Oriental Bank of Commerce (OBC). The CDR Proposal as recommended by OBC and other lenders was approved by CDR Empowered Group (CDR EG) on 20 August 2014 and communicated to the Company vide Letter of Approval dated 11 September 2014. The Master Restructuring Agreement (MRA) between the Company and the CDR lenders was executed on 20 September 2014, by virtue of which the restructured facilities are governed by the provisions specified in the MRA with cut off date as 01 April, 2014.

The key features of the MRA are as follows :

- i. Term loans(TL) are repayable after moratorium of 2 years from cut off date in 32 structured quarterly instalments commencing from June 2016 upto March 2024.
- ii Conversion of various irregular / outstanding / devolved financial facilities into Working Capital Term Loan (WCTL) repayable after moratorium of 2 year from cut off date in 32 structured quarterly instalments commencing from June 2016 upto March 2024.
- iii The interest payable on Term Loans and WCTL during moratorium period of 2 years from cut off date shall be converted into Funded Interest Term Loan (FITL) and repayable over 20 structured quarterly instalments commencing from June 2016 upto March 2021.
- iv Restructuring of existing fund based and non fund based financial facilities, subject to renewal and reassessment every year.
- v The rate of interest on Term Loan(TL), WCTL , FITL and fund based working capital facilities shall be (linked to OBC base rate) increased in a stepped up manner :

Particulars	FY15 to FY16	FY17 to FY19	FY20 to FY24
Interest rate (p.a)	BR + 1%	BR + 1.75%	BR + 3.50%
Present Effective Rate	11.25%	12.00%	14.00%

- vi Waiver of existing events of defaults, penal interest and charges etc, in accordance with MRA.
- vii Right to Recompense to CDR Lenders for the relief and sacrifice extended subject to provisions of CDR Guidelines and MRA.
- viii The Company to operate Trust and Retention account (TRA) with OBC and entire cash flow should be routed through said TRA.
- ix The MRA as well as the provisions of the Master Circular on Corporate Debt Restructuring issued by the Reserve bank of India, give a right to the CDR Lenders to get a recompense of their waivers and sacrifices made as part of the CDR proposal. The total amount of recompense payable to CDR lenders at the time of exit of the CDR, as contained in the MRA is Rs 109,617 lakhs. The present value of such recompense as at 31st March 2015 was Rs 18,417 lakhs. During the previous year, certain CDR lenders agreed to take equity in the company in lieu of recompense of Rs 14,699 lakhs payable to them and the company has allotted equity shares in full settlement of the recompense amount. Accordingly the company has no further liability towards recompense. Also refer Note 10(i).
- x As per the CDR, the Company requires to repay Rs 1,331 lakhs each year towards repayment of WCTL. However, the Company on 30th April 2016, submitted a proposal to OBC and all other CDR lenders for conversion of the entire amount of WCTL reflected above into equity effective 01st April 2016 at a price to be determined in accordance with SEBI(Issue of Capital and Disclosure) Regulations, 1999(the Regulations) the price determined in accordance with the Regulations was Rs 23.25 (inclusion of premium of Rs 13.25 per share). The Company obtained approval of CDR lenders on 29th August 2016 wherein 19 CDR lenders agreed to convert their entire WCTL dues aggregating to Rs 125829.66 lakhs to Equity. Accordingly during the year 18 CDR lenders converted the WCTL dues aggregating to Rs 112,674.40 lakhs into equity. The balance amount of Rs 13,682.44 lakhs will be converted in due course.
- xi All amounts due under CDR are covered by Corporate Guarantee of SVL Limited, Promoter.
- xii 843,60,560 Equity shares of the Company have been pledged with the CDR lenders by SVL Limited, Promoter.



₹ in Lakhs

6 Other Long-term Liabilities		
Particulars	As at 31 March 2017	As at 31 March 2016
Advance from Customers	48,410.43	13,236.36
Security Deposit Received	9.80	9.80
Deferred Rent Obligations	58.02	96.39
Sundry Creditors- Retention	5,189.56	3,969.54
Total	53,667.81	17,312.09

7 Long-term Provisions		
Provision for Employee Benefits - Gratuity (Refer Note 30.1)	449.21	283.65
Provision for Contract Losses (Refer Note 42)	6,707.38	6,707.38
Total	7,156.59	6,991.03

8 Short Term Borrowings		
Loans Repayable on Demand - Secured		
From Banks		
Cash Credit and Overdraft facilities	46,364.46	45,015.12
From Others - Unsecured		
Cash Credit and Overdraft facilities	438.94	456.43
Buyers credit - From banks	2,394.65	
Total	49,198.05	45,471.55

8.1 Details of Borrowings	As at 31 March 2017	As at 31 March 2016	Nature of security
CDR Lenders	46,364.46	45,015.12	First PariPassu Charge over the pooled assets i.e, all moveable (both fixed, current and non current assets) and immovable assets of the Company.
IFCI Factors	438.94	456.43	
Total	46,803.40	45,471.55	

9 Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises	-	-
b) Total outstanding dues of other than micro enterprises and small enterprises		
Acceptances	11,508.22	5,350.25
Other than Acceptances	14,131.39	15,107.81
Total	25,639.61	20,458.06

9.1 There are no dues to Micro and Small Enterprises in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 as of 31 March 2017 and 31 March 2016, on the basis of such parties having been identified by the management and relied upon by the auditors.

10 Other Current Liabilities		
Advance from customers	7,699.00	6,912.00
Advance Billing	-	236.89
Deferred Rent Obligations	3.71	6.24
Current Maturities of Bank Term Loans	504.25	330.59
Current Maturities of Finance Lease Obligations	5.45	8.19
Statutory remittances	137.93	151.97
Interest accrued but not due on borrowings	2,577.59	281.56
Interest sacrifice payable (Refer Note No. 10(i) Below)	962.57	-
Unclaimed Dividend	1.27	1.27
Total	11,891.77	7,928.71

₹ in Lakhs

- 10 (i) Pursuant to the resolution passed on 6th April 2017 by the Board of Directors, the Company issued 2403425 Equity shares to the CDR lenders towards interest sacrifice payable to them for the year ended 31st March 2016, at a price of Rs 40.05 per share, aggregating to Rs 962.57 lakhs.

11 Short-term Provisions

Particulars	As at 31 March 2017	As at 31 March 2016
Provision for Employee Benefits		
Gratuity (Refer Note 30.1)	17.85	56.24
Compensated Absences (Refer Note 30.2)	431.43	368.74
Total	449.28	424.98

12 Property Plant Equipment and Intangible Assets

12.1 Current Year		(in Rs Lakhs)								
S. No	Block of Assets	Gross Block			Accumulated Depreciation and Amortisation				Net Block	
		As at 1 April 2016	Additions	Disposals	As at 31 Mar 2016	As at 1 April 2016	Depreciation/ Amortisation for the year	Depreciation on disposals	As at 31 Mar 2017	As at 31 Mar 2017
	Tangible Assets									
1	Freehold Land	241.50	-		241.50	-	-		-	241.50
2	Leasehold Land	80.00			80.00	31.67	3.48		35.15	44.85
3	Buildings	177.32	0.60		177.92	74.10	5.02		79.12	98.80
4	Leasehold Improvements	546.26		153.06	393.20	208.71	71.98	133.66	147.03	246.17
5	Plant and Equipment (Refer Note 12.2 below)	6,592.92	1,138.73		7,731.65	2,039.72	445.78		2,485.50	5,246.15
6	Furniture and Fixtures	127.89	7.13	1.01	134.01	73.92	8.93	0.22	82.63	51.38
7	Office Equipment	122.26	10.31		132.57	93.81	16.04		109.85	22.72
8	Computers	347.21	22.68		369.89	313.73	22.43		336.16	33.73
9	Vehicle (Refer Note 12.2 below)	196.55	1.14		197.69	120.51	17.04		137.55	60.14
		8,431.91	1,180.59	154.07	9,458.43	2,956.17	590.70	133.88	3,412.99	6,045.44
	Intangible Assets									
10	Technical Knowhow	1,101.97			1,101.97	1,099.54	2.43	-	1,101.97	-
11	Software	473.97			473.97	430.85	15.11	-	445.96	28.01
		1,575.94	-	-	1,575.94	1,530.39	17.54	-	1,547.93	28.02
	Total	10,007.85	1,180.59	154.07	11,034.37	4,486.56	608.24	133.88	4,960.92	6,073.45

12.2 Details of Assets taken under finance lease:

Block of Assets	As at 31 March 2017	As at 31 March 2016
Plant and Machinery		
Gross Block	189.91	189.91
Accumulated Depreciation	71.22	58.32
Net Book value	118.69	131.59
Vehicles		
Gross Block	78.35	78.35
Accumulated Depreciation	34.39	24.21
Net Book value	43.96	54.14



₹ in Lakhs

12 Property Plant Equipment and Intangible Assets										
12.3	Previous Year	(in Rs Lakhs)								
S. No	Block of Assets	Gross Block				Accumulated Depreciation and Amortisation				Net Block
		As at 1 April 2015	Additions	Disposals	As at 31 Mar 2016	As at 1 April 2015	Depreciation/Amortisation for the year	Depreciation on disposals	As at 31 Mar 2016	As at 31 Mar 2016
	Tangible Assets									
1	Freehold Land	241.50	-	-	241.50	-	-	-	-	241.50
2	Leasehold Right to Use	80.00	-	-	80.00	28.19	3.48	-	31.67	48.33
3	Buildings	177.32		-	177.32	69.15	4.95	-	74.10	103.22
4	Leasehold Improvements	546.26			546.26	149.19	59.52		208.71	337.55
5	Plant and Equipments (Refer Note 12.4 below)	4,572.10	2,020.85	0.03	6,592.92	1,625.89	413.86	0.03	2,039.72	4,553.20
6	Furniture and Fixtures	109.97	22.85	4.93	127.89	67.31	9.33	2.72	73.92	53.97
7	Office Equipment	120.31	2.80	0.85	122.26	75.62	18.83	0.64	93.81	28.45
8	Computers	410.95	17.36	81.10	347.21	338.92	55.52	80.71	313.73	33.48
9	Vehicles (Refer Note 12.4 below)	279.87	17.68	101.00	196.55	161.12	40.85	81.46	120.51	76.04
		6,538.28	2,081.54	187.91	8,431.91	2,515.39	606.34	165.56	2,956.17	5,475.74
	Intangible Assets									
9	Technical Knowhow	1,101.97	-	-	1,101.97	1,094.70	4.84	-	1,099.54	2.43
10	Software	468.16	5.81	-	473.97	391.42	39.43	-	430.85	43.12
		1,570.13	5.81	-	1,575.94	1,486.13	44.26	-	1,530.39	45.55
	Total	8,108.41	2,087.35	187.91	10,007.85	4,001.52	650.61	165.56	4,486.57	5,521.29

12.4 Details of Assets taken under finance lease:		
Block of Assets	As at 31 March 2016	As at 31 March 2015
Plant and Machinery		
Gross Block	189.91	189.91
Accumulated Depreciation	58.32	45.44
Net Book value	131.59	144.47
Vehicles		
Gross Block	78.35	61.17
Accumulated Depreciation	24.21	15.50
Net Book value	54.14	45.67

₹ in Lakhs

13 Non Current Investments (Valued at cost unless otherwise stated)		
Particulars	As at 31 March 2017	As at 31 March 2016
Investments		
Investments in Associates - Non Trade - Unquoted		
22,239,167 Equity Shares (Previous year: 22,239,167 Equity Shares) of Rs 10/- each fully paid up in Haldia Coke and Chemicals Private Limited (Refer Note No. 13(i))	4,007.22	4,007.22
Share of Loss	(9,942.35)	(9,942.35)
Share of Reserves	5,935.13	5,935.13
Total Share of Net Worth	(4,007.22)	(4,007.22)
Net Investment in Associate	-	-
Investments in Others - Trade		
661,300 Equity shares (Previous year: 661,300 Equity shares) of Rs 10/- each fully paid in Hexa Wind Farm Private Ltd	66.13	66.13
4,076,474 Equity shares (Previous year: 4,076,474 Equity shares) of Rs 10/- each fully paid up in Leitwind Shriram Manufacturing Limited	407.56	407.56
Less: Provision for Diminution in value of Investments (Refer Note No. 43(b))	(407.56)	
	66.13	473.69
Investments in Others - Trade- Quoted		
386,526 (Previous Year : 386,526 Equity shares) Equity Shares of Rs 10/- each fully paid up in Orient Green Power Company Limited	44.22	44.22
Total	110.35	517.91
Aggregate amount of Quoted Investments - Cost	44.22	44.22
Market Value of Quoted Investments	37.65	45.76
Aggregate amount of Unquoted Investments	66.13	473.69
13.1 Of the above, 10,092,344 Equity Shares have been pledged with a lender for monies borrowed by the associate.		
14 Long-term Loans and Advances (Unsecured and considered good, unless otherwise stated)		
Capital advances (Refer Note No. 14.1 below)	3,605.00	3,605.00
Loans and advances (Refer Notes No. 14.1 & 14.3 below)		
Considered Good	99,993.41	1,01,111.82
Considered doubtful	5,108.10	3,855.00
Less: Provision for doubtful advances	(5,108.10)	(3,855.00)
	99,993.41	1,01,111.82
Advance tax (Net of Provisions Rs 7,260.29 lakhs (Previous Year Rs 7,260.29 lakhs))	2,412.66	4,036.43
Deposits	1,251.32	1,326.09
Prepaid expenses (Refer Note 14.2)	9,922.00	11,432.56
Total	1,17,184.39	1,21,511.90



₹ in Lakhs

14.1 Long-term Loans and Advances include due from:		
Particulars	As at 31 March 2017	As at 31 March 2016
i) Private Companies in which directors are interested:		
Hamon Shriram Cottrell Private Limited	357.36	360.74
Haldia Cokes and Chemicals Private Limited	48,833.58	48,833.58
ii) Other Related Parties:		
SVL Limited	1,418.45	-
Ennore Coke Limited	29,178.71	29,174.65
Leitwind Shriram Manufacturing Limited	12,309.62	12,252.27
Bharath Wind Farm Limited	122.70	23.02

14.2 Pursuant to the Master Restructuring Agreement dated 20th September 2014 (CDR package), the CDR lenders are entitled to receive interest sacrifice (recompense) at the time of exit from CDR. The total amount of recompense payable to CDR lenders at the time of exit of CDR was determined to be Rs 109,617 lakhs. The present value of such recompense as at 31st March 2015 was Rs 18,417 lakhs. Certain CDR lenders agreed to take equity in the company in lieu of recompense of Rs 14,699 lakhs payable to them, and accordingly the company has allotted equity shares in full settlement of the recompense amount. The total amount of interest sacrifice settled to the Bankers, is being amortized over CDR term. The unamortized portion of interest sacrifice as at the year end is disclosed under the head 'Prepaid Expenses'.

14.3 Long term Loans and advances as reflected above, and Other Non Current Assets as reflected in Note No. 15 of the financial statements, include Rs. 2,460 Lakhs and Rs. 6,048.79 Lakhs being amounts due from a company towards sale of Wind Energy Generators and advances given, respectively, in earlier years. Considering the future business potential of the company and the value of its underlying assets, the dues are considered fully realizable.

15 Other Non Current Assets		
Particulars	As at 31 March 2017	As at 31 March 2016
15 Other Non Current Assets		
Long Term Trade Receivables - Retention Monies - Considered good	9,979.48	11,314.69
Long Term Trade Receivables - Retention Monies - Considered Doubtful	349.52	349.52
Less: Provision for doubtful debts	(349.52)	(349.52)
	9,979.48	11,314.69
Other Long Term Trade Receivables - Considered good	1,260.93	1,260.93
Other Long Term Trade Receivables - Considered doubtful	301.79	301.79
Less: Provision for doubtful debts	(301.79)	(301.79)
	1,260.93	1,260.93
Other receivables (Refer Note 15.1 below)	4,505.21	4,527.66
Duer from a Related Party (Refer Note No. 46)	1,023.58	-
Receivables on sale of Fixed Assets (Refer Note No. 14.3 above)	2,460.00	2,460.00
Unbilled Revenue (Refer Note Nos 42, 44 and 45)	16,752.60	16,752.60
Total	35,981.80	36,315.88

15.1 Other Receivables represents the balance consideration receivable from My Home Industries Limited ("MHIL") towards certain receivables due from SreeJayajothi Cements Limited ("SJCL") taken over by MHIL pursuant to an agreement dated 11 August 2013 entered into with them. This amount has been deposited in a Joint Escrow Account to be received by the Company after completion of certain formalities by SreeJayajothi Cements Limited.

₹ in Lakhs

16 Inventories (Lower of Cost and Net Realisable Value)		
Particulars	As at 31 March 2017	As at 31 March 2016
Raw Materials and Components for Wind Turbine Generators	-	220.00
Contract Work-in-Progress	3,813.96	4,324.01
Total	3,813.96	4,544.01
17 Trade Receivables (Unsecured and considered good, unless otherwise stated)		
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, Considered Good	28,507.56	18,039.07
Unsecured, Considered Doubtful	4,517.27	4,175.58
	33,024.83	22,214.65
Other Trade Receivables		
Unsecured, Considered Good	18,021.46	11,080.59
Unsecured, Considered doubtful	-	-
Less: Provision for Doubtful Trade Receivables	(4,517.27)	(4,175.58)
Total	46,529.02	29,119.66
18 Cash and Cash Equivalents		
Cash on hand and in imprest accounts	0.76	0.87
Balances with Banks		
Current Account	4,275.60	150.77
Deposit Account (Original maturity of 3 months or less)	61.87	809.13
Unpaid Dividend Account	18.69	18.69
Margin Money (Original maturity of 3 months or less)	1,205.04	388.80
Total Cash and Cash Equivalents	5,561.20	1,367.39
Other Bank Balances		
Deposit Account (Original maturity of more than 3 months)	1,729.64	1,020.31
Margin Money (Original maturity of more than 3 months)	2,794.51	2,697.36
Total Other Bank Balances	4,524.15	3,717.67
Total	10,086.11	5,085.93
Of the above, the balances that meet the definition of Cash and cash equivalents as per AS 3 Cash Flow Statements is	5,561.96	1,391.43
Balances with banks include deposits with remaining maturity of more than 12 months from the balance sheet date	-	645.82

Details of specified bank notes (SBN) held and transacted during the period November 8, 2016 to 31 December 2016 is provided in the table below:

	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	0.39	0.26	0.64
(+) Permitted receipts	-	0.37	0.37
(-) Permitted payments	-	0.26	0.26
(-) Amount deposited in Banks	0.39		0.39
Closing cash in hand as on December 30, 2016	-	0.37	0.37



₹ in Lakhs

19 Short Term Loans and Advances (Unsecured, considered good unless otherwise stated)		
Particulars	As at 31 March 2017	As at 31 March 2016
Security Deposits	482.65	486.85
Loans and advances to Employees	70.44	65.61
Prepaid Expenses	1,778.67	1,904.40
Advances to Suppliers		
- Considered good	23,219.80	13,215.65
- Considered doubtful	1,640.30	1,355.56
Provision for doubtful Advances	(1,640.30)	(1,355.56)
	23,219.80	13,215.65
Balance with Government Authorities	162.22	479.88
Other Advances	92.78	36.84
Total	25,806.56	16,189.23
20 Other Current Assets		
Unbilled Revenue (Refer Note 48)	83,677.68	63,201.93
Trade Receivable - Retention monies	12,205.41	10,768.00
Interest accrued on Deposits	50.09	33.97
Principal recoverable from CDR lenders	488.32	-
Interest recoverable from CDR lenders	-	1,277.73
Total	96,421.50	75,281.63
21 Revenue from Operations		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Revenue from Engineering and Construction Contracts	74,422.23	54,564.98
Revenue from Sale of Wind Turbine Generators	-	195.00
Total	74,422.23	54,759.98
22 Other Income		
Interest Income :		
- Bank deposits / Margin Money deposits	252.77	1,044.12
- Income Tax Refunds	191.35	
- Loans and Advances	-	10,044.64
Liabilities no longer required written back	414.86	22.00
Profit on sale of fixed assets	-	0.90
Miscellaneous Income	172.43	191.20
Total	1,031.41	11,302.86

₹ in Lakhs

23 Cost of Raw Materials and Components Consumed		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Opening Stock	220.00	415.00
Add: Purchases / Transfers	(220.00)	-
Less: Closing Stock	-	220.00
Total	-	195.00
24 Erection, Construction & Operation Expenses		
Cost of Materials and Labour	51,763.69	33,073.07
Other Contract Related Costs	2,189.50	511.28
Commercial Taxes	2,377.91	1,764.02
Provision for Contract Losses	-	545.20
Contract work in progress/ Unbilled Revenue written off	4,452.48	-
Total	60,783.58	35,893.57
25 Change in Inventories of Contract Work in Progress, Finished Goods and Stock In Trade		
Opening Stock of Contract Work in Progress	4,324.01	8,071.27
Less: Closing Stock of Contract Work in Progress	3,813.96	4,324.01
Total	510.05	3,747.26
26 Employee Benefits Expense		
Salaries and Wages	3,530.06	4,029.97
Contribution to Provident and other funds	216.60	227.61
Gratuity	168.54	52.11
Staff Welfare Expenses	197.15	234.56
Total	4,112.35	4,544.25
27 Finance Costs		
Interest on Cash Credits	4,896.64	4,983.95
Interest on Term Loans	14,648.88	17,482.80
Interest - Others (Refer Note 10.1)	3,807.49	3,916.30
Bank Charges, Letter of Credit / Guarantee charges	1,304.91	789.76
Total	24,657.92	27,172.81



₹ in Lakhs

28 Other Expenses		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Rent including lease rentals (Refer Note No. 35)	256.78	402.00
Rates and taxes	117.24	43.39
Repairs and Maintenance:		
Building	30.39	55.03
Plant and Machinery and Equipments	30.41	59.96
Others	38.00	33.47
Auditors' Remuneration (Refer Note 29.1 below)	42.94	35.00
Printing and stationery	48.59	43.39
Communication expenses	57.50	82.60
Advertisement & Business Promotion	19.25	17.00
Travelling and conveyance	758.97	665.55
Electricity & water	158.25	208.71
Legal & Professional Charges	976.34	860.07
Donation	0.43	0.12
Sitting Fees	10.70	15.95
Insurance premium	233.25	220.20
Bad Trade and Other Receivables Written off (Net)	-	205.01
Provision for doubtful trade and Other receivables and Loans and Advances	2,379.54	4,044.75
Loss on Sales/ Disposal of Fixed Assets	84.39	
Miscellaneous Expenses	957.33	564.22
Total	6,200.29	7,556.42

28.1 Auditors Remuneration		
Payments to the Statutory auditors comprise:		
For audit	25.00	33.00
For other services	16.52	2.00
Out of pocket expenses	1.42	-
Total	42.94	35.00

29 Disclosures pursuant to Accounting Standard (AS) 7 (revised) - Construction Contracts		
Details of Contract revenue and costs		
Contract Revenues recognized	74,422.23	54,564.98
Aggregate amount of Contract costs incurred and recognized profits (less recognized losses) upto the reporting date	61,293.63	45,899.81
Advances received for contracts in progress	56,109.43	20,148.36
Retention money for contracts in progress	22,534.41	22,432.21
Gross amount due from customers for contract work (Asset)	1,00,430.28	79,954.53
Gross amount due to customers for contract work (Liability)	-	236.89

₹ in Lakhs

30 Disclosures under Accounting Standard 15 (Revised)		
Particulars	Year ended 31 March 2017	Year ended 31 March 2016
30.1 Gratuity		
Change in Defined Benefit Obligations (DBO) during the year / period		
Present Value of obligations at the beginning of the year / period	339.89	357.74
Current Service Cost	160.71	56.24
Interest Cost	24.79	25.17
Actuarial (Gain)	(14.42)	(29.30)
Benefits paid	(43.91)	(69.96)
Present Value of obligations at the end of the year / period	467.06	339.89
Current portion	17.85	56.24
Non Current portion	449.20	283.65
Components of Employer Expense		
Cost for the year / period		
Current Service Cost	160.71	56.24
Interest Cost	24.79	25.17
Net actuarial Loss / (Gain) recognized in the year / period	(14.42)	(29.30)
Net Cost	171.08	52.11
Assumptions		
Discount Rate	7.26%	7.80%
Attrition rate per annum	3.00%	3.00%
Expected rate of Salary increases	5.00%	5.00%
Rate of Mortality	Ind Assured Lives (2006-08) Ultimate	Ind Assured Lives (2006-08) Ultimate

Notes:

- The estimate of future salary increase takes into account inflation, likely increments, promotions and other relevant factors.
- The discount rate is based on the prevailing market rate as applicable for risk free investments as at balance sheet date for the estimated term of the obligation.
- Experience adjustments :**

Particulars	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014	Period ended 30 June 2013
Defined benefit obligation	467.05	339.89	357.74	269.50	252.94
Plan assets	-	-	-	-	-
Deficit	467.05	339.89	269.50	269.50	252.94
On plan liabilities - Losses /(Gains)	(14.42)	(26.86)	(19.78)	(19.78)	2.22



₹ in Lakhs

30.2 Compensated absences**Actuarial Assumptions for Compensated Absences**

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
	Ind (2006-08)	Ind (2006-08)
Rate of Mortality		
Discount rate	7.26%	7.80%
Expected rate of Salary increases	5.00%	5.00%

31 Employee Stock Compensation Expenses

The Company has two Employee Stock Option Schemes (A) Employee stock option scheme 2006,(B) Employee stock option scheme 2007. As per the Guidance Note on Accounting for Employee Share- based Payments issued by Institute of Chartered Accountants of India, the Company has considered the best available estimate of the number of shares or stock options expected to vest based on the current attrition rates of its employees and measured the compensation expense at fair value on the date of grant.

31.1 Shriram EPC Limited 2006 ESOP Scheme (the 2006 Scheme)

The Company does not have any options outstanding as at March 31, 2016 and thereafter under this scheme and hence no disclosures have been given.

31.2 Shriram EPC Limited - 2007 - ESOP Scheme (the 2007 Scheme)

The Company instituted another Scheme for all eligible employees in pursuance of a special resolution approved by the shareholders at the extra-ordinary general meeting held on September 20, 2007.

In accordance with the 2007 Scheme the Company has granted on October 1, 2007 and January 1, 2008 (grant dates) options to eligible employees including those of its subsidiaries and associate companies at an exercise price of Rs 10/- per equity share. Under the terms of the 2007 Scheme the options will vest in the employees in the following proportion :

Vesting Schedule	In respect of employees who are in employment with the company prior to January 1, 2001	In respect of employees who have joined the company after January 1, 2001
November 22, 2007	30%	20%
November 22, 2008	30%	20%
November 22, 2009	20%	30%
November 22, 2010	20%	30%

The employees stock options granted shall be capable of being exercised within a period of eight years from the date of grant.

Modification in the Terms of the 2007 Scheme

The company has carried out a modification in "The 2007 scheme" in an earlier year and accordingly additional grants of 10,000 options have been made. These grants have been made as at June 14, 2010 and will vest with the employee in 2 years in equal proportion from the end of 1 year from the date of grant.

The movement in the stock options during the year was as per the table below :

Particulars	As at 31 March 2017	As at 31 March 2016
Options at the beginning of the year / period		
Vested	-	250
Unvested	-	-
Add: Granted during the year / period	-	-
Add: Vested during the year / period	-	-
Less: Lapsed during the year / period	-	250
Less: Exercised during the year / period	-	-
Options outstanding at the end of the year / period	-	-
Vested	-	-
Unvested	-	-
Exercisable at the end of the year / period	-	-

Deferred Stock Compensation Expense

During the period, Rs. Nil (Previous Year Rs Nil Lakhs) being employee compensation expense to the extent of options vested net off lapses, has been charged to Statement of Profit and Loss.

31.3 Fair value of Options Granted :

The estimated fair value of each stock option granted under the employee stock option Scheme 2006 is Rs. 80. The fair value was arrived at based on a transaction entered into between a willing buyer and a seller for purchase of shares recent to the grant date of the options.

The estimated fair value of each stock option granted under the employee stock option Scheme 2007 is Rs. 68.42 as per the Fair value method. The model inputs were the weighted average price arrived under the following methods:

Method	Value per Share	Weights assigned
Net Asset value method	43.27	1
Price earnings capacity method	23.74	2
Market Capitalization method	71.10	2
Value per transaction between willing parties	122.98	2



₹ in Lakhs

32 Segment Information

The Company has considered business segment as the primary segment for disclosure. The Company's operations comprises of three segments namely Construction Contracts, Wind Turbine Generators and Trading. The above segment has been identified taking into account the organization structure as well as the differing risks and return of these segments. Separate secondary segment disclosure is not required as more than 98% of the company's sale is in the Domestic Market.

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments.

A. PRIMARY SEGMENT INFORMATION - BUSINESS SEGMENTS

(in Rs Lakhs)

Particulars	Construction Contracts		Wind Turbine Generators		Trading		Elimination		Unallocated		Total	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016	31 March 2017	31 March 2016
External Sales	74,837.09	54,586.98	-	195.00	-	-	-	-	-	-	74,837.09	54,781.98
Intersegmental Sales	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenue	74,837.09	54,586.98	-	195.00	-	-	-	-	-	-	74,837.09	54,781.98
Result												
Segment Result	16,023.05	21,272.27	-	-	-	-	-	-	-	-	16,023.05	21,272.27
Less: Inter Segment Margin	-	-	-	-	-	-	-	-	-	-	-	-
Unallocated Corporate Expenditure	-	-	-	-	-	-	-	-	(13,868.71)	(9,359.67)	(13,868.71)	(9,359.67)
Operating Loss	16,023.05	21,272.27	-	-	-	-	-	-	13,868.71	9,359.67	21,154.34	11,912.60
Finance Costs (Net of amounts identified with 'Construction Contracts' segment)									23,573.14	25,609.68	23,573.14	25,609.68
Exceptional Items											407.56	6,707.38
(Loss) before Tax	16,023.05	21,272.27	-	-	-	-	-	-	37,441.85	34,969.35	(21,826.36)	(20,404.46)
Tax Expense	-	-	-	-	-	-	-	-	-	-	-	-
Loss after Tax	16,023.05	21,272.27	-	-	-	-	-	-	37,441.85	34,969.35	(21,826.36)	(20,404.46)
Other Information												
Segment Assets	2,15,114.17	1,44,314.01	163.87	986.69	1,348.48	1,348.48	-	-	-	-	2,16,626.52	1,46,649.18
Unallocated Corporate Assets	-	-	-	-	-	-	-	-	1,25,396.15	1,48,451.79	1,25,396.15	1,48,451.79
Total Assets	2,14,090.59	1,44,314.01	163.87	986.69	1,348.48	1,348.48	-	-	1,26,419.73	1,48,451.79	3,42,022.66	2,95,100.97
Segment Liabilities	1,82,795.17	2,49,134.74	34.77	(32.05)	144.86	144.86	-	-	-	-	1,82,974.80	2,49,247.55
Unallocated Corporate Liabilities	-	-	-	-	-	-	-	-	63.00	262.30	63.00	262.30
Total Liabilities	1,82,795.17	2,49,134.74	34.77	(32.05)	144.86	144.86	-	-	63.00	262.30	1,83,037.80	2,49,509.85
Capital Expenditure (Gross)	1,181.17	168.10	-	-	-	-	-	-	-	-	181.17	168.10
Depreciation	608.24	650.61	-	-	-	-	-	-	-	-	608.24	650.61
Non Cash expenses other than Depreciation												
Provision for doubtful debts	2,379.54	4,044.75	-	-	-	-	-	-	-	-	2,379.54	4,044.75
Provision for Contract losses	Nil	545.20	-	-	-	-	-	-	-	-	Nil	545.20

B. SECONDARY SEGMENT INFORMATION - GEOGRAPHICAL SEGMENTS

(in Rs Lakhs)

Particulars	For the Year ended 31 March 2017	For the Year ended 31 March 2016
Rest of the World		
Revenue	22,453.64	
Assets	77,550.17	47,205.25
Capital Expenditure	2.07	
India		
Revenue	52,383.45	54,781.98
Assets	2,64,472.49	2,47,895.72
Capital Expenditure	179.63	168.10

33 Related Party Disclosures under Accounting Standard 18

33.1 Disclosure of related party transactions in accordance with Accounting Standard -18 - Related Party Disclosures notified by Central Government of India under Companies (Accounting Standards) Rules, 2006.

Status of the Related Parties	Name of the Related Parties Year ended 31 March 2017	Name of the Related Parties Year ended 31 March 2016
Holding Company	-	SVL Limited
Ultimate Holding Company	-	SVL Limited
Companies which exercise significant influence over the Company (Investing Party)	SVL Limited	-
Fellow Subsidiaries	-	Shriram SEPL Composites Private Limited
	-	Chem Project Consulting Private Limited
	-	Shriram EPC (Singapore) Pte Ltd
Associates	Haldia Coke and Chemicals Private Limited	Haldia Coke and Chemicals Private Limited
	Ennore Coke Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)	Ennore Coke Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)
	Wellman Coke India Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)	Wellman Coke India Limited (Subsidiary of Haldia Coke and Chemicals Private Limited)
Companies over which Key Management Personnel exercise Significant Influence (Only where transactions have taken place during the year/period)	Orient Green Power Company Limited	Orient Green Power Company Limited
	Subsidiaries of Orient Green Power Company Limited	Subsidiaries of Orient Green Power Company Limited
	Bharath Wind Farm Limited	Bharath Wind Farm Limited
	Clarion Windfarms Private Limited	Clarion Windfarms Private Limited
	Beta Wind Farm Private Limited	Beta Wind Farm Private Limited
	Orient Eco Energy Private Limited	Orient Eco Energy Private Limited
Key Management Personnel	T.Shivaraman - Managing Director M.Amjad Shariff - Joint Managing Director	T.Shivaraman - Managing Director M.Amjad Shariff - Joint Managing Director
Subsidiary of Investing Party (Only where transactions have taken place during the year/period)	Shriram SEPL Composites Private Limited	
Jointly controlled entities of Holding Company	-	Leitwind Shriram Manufacturing Limited
	-	Hamon Shriram Cottrell Private Limited
Jointly controlled entities of Investing Party (Only where transactions have taken place during the year/period)	Leitwind Shriram Manufacturing Limited	-
	Hamon Shriram Cottrell Private Limited	-

Note: Related parties are as identified by the Management and relied upon by the Auditors.



₹ in Lakhs

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
33.2 Transactions during the year / period		
Progressive billings/Revenue		
Shriram SEPL Composites Private Limited	71.25	212.68
Lease Rental Income		
Ennore Coke Limited		32.82
Shriram Venture Limited		40.21
Shriram SEPL Composites Private Limited		27.57
Leitwind Shriram Manufacturing Limited		-
Purchases of goods and Services		
Hamon Shriram Cottrell Private Limited	407.84	252.63
Shriram SEPL Composites Private Limited	189.97	5.51
Transfer of Current Assets and Current Liabilities(Net)		
Leitwind Shriram Manufacturing Limited	1,023.58	-
Expenses incurred on behalf of related party		
Ennore Coke Limited	9.30	10.96
Orient Green Power Company Limited	27.68	28.88
Bharat Wind Farm Limited	-	0.81
SVL Limited	3.34	
Shriram SEPL Composites Private Limited	80.39	6.08
Leitwind Shriram Manufacturing Limited	59.56	30.45
Hamon Shriram Cottrell Private Limited	6.59	
Expenses incurred for the Company by the related party		
SVL Limited		0.31
Interest Income		
Haldia Cokes & Chemicals Private Limited	-	5,144.33
Ennore Coke Limited	-	3,070.85
Leitwind Shriram Manufacturing Limited	-	1,087.50
Hamon Shriram Cottrell Private Limited	-	21.25
Interest Expense		
SVL Limited	12.31	200.97
Remuneration to Key Management Personnel		
T. Shivaraman	42.15	41.02
M. Amjad Shariff	45.99	45.28
Borrowings from		
SVL Limited	-	4,749.00
Repayment of borrowings		
SVL Limited	-	13,351.20
Redemption of Preference Shares		
SVL Limited	-	30,000.00

₹ in Lakhs

Particulars	Year ended 31 March 2017	Year ended 31 March 2016
Transfer of Advances / Receivables to		
SVL Limited	1,262.00	-
Investments in Equity Shares (including premium)		
SVL Limited	26,500.00	38,900.00
Share Application Money Received - SVL Limited	-	6,493.00
Provision for Doubtful advances		
Bharat Wind Farm Limited	22.70	-
33.3 Closing balance as at the year end / period end		
Amount outstanding - Dr / (Cr)		
Shriram EPC FZE, Sharjah	54.00	45.54
Haldia Cokes & Chemicals Private Limited	48,833.00	48,850.50
Ennore Coke Limited	29,178.71	29,198.20
Orient Green Power Company Limited	15.66	51.97
Bharat Wind Farm Limited	122.70	23.02
Clarion Windfarms Private Limited	-	(0.32)
SVL Limited	1,418.45	(262.30)
Beta Wind Farm Private Limited	-	1,403.40
Shriram SEPL Composites Private Limited	123.60	133.10
Shriram EPC (Singapore) Pte Ltd	4,313.18	4,406.62
Leitwind Shriram Manufacturing Limited	13,333.20	12,626.79
Hamon Shriram Cottrell Private Limited	357.36	877.80
Corporate Guarantees given by the Company		
Orient Green Power Company Limited	1,600.00	1,600.00

34 The Company accounts for costs incurred by Related parties based on the actual invoice/debit notes raised and accruals as confirmed by such parties. The related parties have confirmed to the Management that as at 31 March 2017 and as at 31 March 2016, there are no further amounts payable to/receivable from them, other than disclosed above.



₹ in Lakhs

35 Leases

35.1 Operating Lease

The Holding company has operating lease arrangements primarily for office premises, the lease period of which is about 6 to 8 years. An amount of Rs. 256.78 Lakhs (Previous period - Rs. 402 lakhs) has been debited towards lease rental and other charges. The future expected minimum lease payments under operating leases are given below.

Particulars	As at March 31, 2017	As at March 31, 2016
Not later than One Year	112.58	194.06
Later than One Year and less than Five Years	478.50	776.25
Later than Five Years	-	170.96
TOTAL	591.08	1,141.27

35.2 Yearwise future minimum lease rental payments on contracts :

Particulars	As at March 31, 2017		As at March 31, 2016	
	Total Minimum Lease Payments	Present Value of Lease Payments	Total Minimum Lease Payments	Present Value of Lease Payments
Not later than One Year	5.45	4.83	8.19	6.92
Later than One Year and less than Five Years	3.37	3.39	8.82	8.23
Later than Five Years	-	-	-	-
Total	8.82	8.22	17.01	15.15
Less: Future Finance Charges	0.60	-	1.86	
Present Value of Minimum Lease payments	8.22	8.22	15.15	15.15

36 Earnings Per Share

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Basic & Diluted		
Continuing operations:		
Loss for the year / period from continuing operations (Rs. Lakhs)	(21,826.35)	(20,404.46)
Weighted average number of equity shares outstanding during the year / period (In Nos.)	56,25,54,888	22,80,59,560
Par Value of Share (Rs)	10.00	10.00
Earnings per share from continuing operations - Basic & Diluted (Rs.)	(3.88)	(8.95)

The weighted average number of equity shares used for computing Basic and Diluted EPS are same since the outstanding potential equity shares as at 31 March 2016 and 31 March 2015 are anti dilutive in nature.

₹ in Lakhs

37 Taxes on income		
Particulars	As at March 31, 2017	As at March 31, 2016
37.1 Deferred Tax - Disclosure Under Accounting Standard 22		
Deferred Tax Liability		
On Depreciation	316.97	327.33
Total Liability	316.97	327.33
Deferred Tax Asset		
Provision for Gratuity	161.64	117.63
Provision for Compensated absences	149.31	108.06
Carry Forward Losses and Unabsorbed Depreciation		
Others (Restricted to the extent of liability)	6.02	101.64
Total Asset	316.97	327.33
Net Deferred Tax Asset / (Liability)	-	-

The Company has carry forward losses and unabsorbed depreciation which has given rise to deferred tax asset. However in the absence of virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized, the said deferred tax assets has been recognized only to the extent of Deferred Tax Liability. Accordingly, there is no Deferred Tax Asset as on the balance sheet date.

37.2 International Transactions

The Holding Company has entered into transactions with related parties. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the aforesaid legislation will not have any impact on the financial statements, particularly on account of tax expense and provision for taxation.

38 Contingent Liabilities		
Particulars	As at 31 March 2017	As at 31 March 2016
Corporate Guarantees issued	1,600.00	1,640.11
Claims against the Company not acknowledged as debts	15,652.68	15,177.79
Central Excise, Service Tax and customs Duties demands contested in Appeals, not provided for	808.81	428.82
Disputed VAT/ Central Sales tax demands contested in Appeals, not provided for	10,220.55	10,179.02
Income tax demands contested in Appeals, not provided for	211.56	1,039.99

Management is of the opinion that the Appeals preferred by the Holding Company will be decided in its favour. Future cash outflows in respect of the above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

39 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account (Net of advances) and not provided for Rs.340.63 lakhs (31 March 2016: Rs 309.52 lakhs)

40 Sale of WEG Business

Though the Company had obtained its Shareholders' approval through Postal Ballot on August 21, 2008, for transfer of 250 KW Wind Turbine Business to its Joint Venture, Leitwind Shriram Manufacturing Limited (LSML) with effect from April 1, 2008, the Company would continue to sell the 250 KW Wind Turbines till the time LSML obtains all statutory approvals to manufacture and sell the same. Consequently, the Company has not recognized the Profit/ Loss in the Statement of Profit and Loss for the year ended 31 March 2016.



₹ in Lakhs

41.1 Dues from Associates - Disclosure under clause 32 of the listing agreement

Maximum amount outstanding at any time during the year:

Particulars	As at 31 March 2017	As at 31 March 2016
Associates		
Haldia Cokes & Chemicals Private Limited	48,850.50	48,850.50
Orient Green Power Company Limited	117.35	117.35
Ennore Coke Limited	29,178.71	29,174.65
Bharat Wind Farm Limited	122.70	23.03
Total	78,269.27	78,165.53

41.2 Full particulars of loans given, investment made, guarantees given, security provided together with purpose in terms of section 186 (4) of the Companies Act, 2013 :

Investments Made:			
Haldia Coke and Chemicals Private Limited	4,007.22	Related Party	To carry on the business of manufacture of Low Ash Metallurgical Coke
Hexa Windfram Private Limited	66.13	Part of the Shriram Group	To carry on the business of Generation of Power
Leitwind Shriram Manufacturing Limited	407.56	Related Party	To carry on the manufacture of Wind Energy Generators
Orient Green Power Company Limited	44.22	Related Party	To carry on the business of Generation of Power
Sub-total	4,525.13		
Loans given :			
Haldia Cokes & Chemicals Private Limited	48,833.00	Related Party	Business needs and contingencies
Hexa Windfram Private Limited	6,048.79	Part of the Shriram Group	Business needs and contingencies
Leitwind Shriram Manufacturing Limited	12,309.62	Related Party	Business needs and contingencies
Orient Green Power Company Limited	15.66	Related Party	Business needs and contingencies
Ennore Coke Limited	29,178.71	Related Party	Business needs and contingencies
Sub-total	96,385.77		
Guarantees Given:			
Orient Green Power Company Limited	1,600.00	Related Party	For monies borrowed by the related party
Sub-total	1,600.00		
Total	102,510.91		

- 42** The Company had secured an EPC Contract from M/s Abhijeet Projects Limited (APRL) for execution of a Solar Thermal power project at Rajasthan with technology support from M/s EnerT international limited, Israel. The contract should have been executed by 28th February 2013. But due to the financial encumbrances of APRL, the project came to standstill since March 2013. The amount outstanding under Trade Receivables, Unbilled revenue and Short Term loans and advance net of advance received from APRL aggregates to Rs.9,867.91 lakhs. The Company and the customer have been in negotiations with potential financial and strategic investors which would enable the company to recover its dues. However, there has been no progress in these negotiations. Consequently, considering the increasing uncertainty in the ultimate realization of the said dues, the company as a matter of abundant caution has made a provision of Rs. 6,707.38 lakhs in the previous year - Refer Note No. 7, (after adjusting the value of trade liabilities in respect of this project), which has been included in exceptional items in the statement of Profit and Loss for the year ended 31st March 2016.
- 43 (a)** The Holding Company's investment in its associate, Haldia Coke and Chemicals Private Limited is Rs 4,007.22 lakhs. The carrying value of the said investment as at 31st March 2015, after recognizing the group's share of loss in the Associate up to that date was NIL. Considering the erosion of net worth and continuing losses being incurred by it, the group's share of losses in the associate for the current year has not been recognized in these consolidated financial statements.
- 43 (b)** The Company's investment in Leitwind Shriram Manufacturing Limited (a related party) is Rs. 407.56 lakhs. Considering the erosion of net worth and continuing losses being incurred by it, the Management is of the opinion that the diminution in carrying value of the investment in that entity is other than temporary in nature and accordingly the Company has made a provision for diminution, for the said amount and disclosed the same under exceptional item in the statement of Profit and Loss.
- 44** The Company was in the course of executing project for Governorate of Basra, Government of Iraq ('the customer'). There were some delays in commencement of the project due to regulatory compliances. However the said contract has been cancelled by the Customer during February 2014. The construction activities has been ceased, and the legal dispute with the customer for the recovery of the amounts so far incurred in respect of the said project, or for re-commencement of the project and its completion thereon, are in progress. The Government of India has also been extremely supportive for revival of the project. The customer has opened a Letter of credit ('LC') for a value of USD 235 million (INR 139,590 Lakhs) which is an irrevocable LC backed by 100% margin deposited by the customer. Cancellation of this LC is possible only on settlement being reached with the company. Further, Company has also filed a claim with concerned authorities and insurers towards compensation for cancellation of contract. The total amounts due to Company recorded under Trade Receivables, Unbilled revenue representing the actual cost incurred (after excluding the margin which has been written off) and Short Term loans and advances, in respect of this project, aggregate to Rs. 12,141.62 Lakhs. For the above reasons, the management is confident of realizing the monies and do not expect any shortfall in realization.
- 45** The Company entered into a contract to construct Ammonia plant for Bharath Coal and Chemicals Limited (BCCL) (related party). The project is stalled due to delay in statutory approvals. The total exposure in this project recorded under Unbilled Revenue and Contract Work In Progress is Rs. 8,300.19 lakhs. Considering the positive development in BCCL's efforts in identifying alternate options to complete the project, the management is of the view that BCCL will be in a position to complete the Ammonia Plant project and thereby the Company will be able to realize these amounts in full.
- 46** Long term Loans and advances include Rs. 12,309.62 Lakhs (including interest accrued up to 31 March 2016 of Rs. 2,489.57 Lakhs) and Trade Receivables(Net) of Rs. 1,023.58 Lakhs. due from Leitwind Shriram Manufacturing Limited (LSML) (a related party). As part of the Corporate Debt Restructuring (CDR) package entered into by LSML with its bankers, the dues to SEPC is subordinated to the dues to Bankers and hence expected to be recovered substantially before March 2030 and the balance thereafter. Considering the extended repayment period and future business potential for Wind Energy Business, the management is confident of realizing the dues. However as a matter of prudence, the Company has stopped recognising interest from 01st April 2016 on the principal amount outstanding.
- 47** Long term loans and advances include Rs 78,011.70 lakhs due from an associate company and its subsidiary. In order to secure these dues the company has entered into an arrangement, effective from 1st March 2017, with the said associate and another wholly owned subsidiary of the associate which is engaged in coal mining operations in USA by which the company has acquired absolute and unconditional mining operation rights to exploit the coking coal reserves in relation to the mines of the said subsidiary, and the right to surplus cash flows, (after meeting subsidiary's commitments), to the extent of the above mentioned dues. Also the associate company has given an undertaking that it will not divest its holdings in the said subsidiary company till the dues to the company are



settled. Based on the projected operations of the mines and consequential projected cash flows, the outstanding dues are expected to be recoverable over a period of 11 years. In view of a mining asset and its cash flows being secured towards the outstanding due to the Company, no provision is considered necessary for these dues at this stage. However, as a matter of prudence the company has stopped recognising interest from April 1, 2016 on principal amounts outstanding.

48 The Company had entered into a Turnkey contract with a customer in Chennai, in an earlier year for construction of a thermal power plant. The project is on hold, as the customer is awaiting project financial closure from the banks. The total exposure in this project included under Trade Receivables and Unbilled Revenue (Net of advances received and Trade Liabilities) is Rs. 5,634.41 Lakhs. Considering the long standing relationship with the customer and history of prompt realization of dues in respect of projects completed for the customer in earlier years, the management is confident of realizing the monies due under this project within one year.

49 Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the entity	Net assets, i.e., total assets minus total liabilities		Share of profit or (loss)	
	As % of consolidated net assets	Amount (Rs. In Lakhs)	As % of consolidated profit or loss	Amount (Rs. In Lakhs)
Shriram EPC Limited	77.32%	1,22,923.65	106.17%	(23,173.58)
Foreign Subsidiary:				
Shriram EPC (FZE) Pte Limited	22.68%	36,061.21	-6.17%	1,347.23

50 Previous year's figures have been regrouped / reclassified to be in conformity with current year classification/ disclosure, wherever necessary.

51 The Board of Directors of the Company has reviewed the realizable value of all the current assets and has confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognized in the consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the consolidated financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements in its meeting held on 30 May 2017.

For and on behalf of the Board of Directors

T.Shivaraman
Managing Director

S.Krishnamurthy
Director

K.Suresh
Company Secretary

R.S.Chandrasekharan
Chief Financial Officer

Place : Chennai
Date : 30th May 2017

Notes

[illegible]

Shriram EPC Limited

Registered Office: Sigapi Achi Building, 4th Floor,
18/3, Rukmini Lakshmi pathi Road, Egmore, Chennai-600008.
Corporate Identity Number : L74210TN2000PLC045167
Ph: 044-49015678, Website:www.shriramepc.com

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional Slip at the venue of the meeting.

Full Name of the Member attending (in Block Letters)	
Full Name of the first joint-holder	
Name of the Proxy	

I/ We hereby record my/ our presence at the 17th ANNUAL GENERAL MEETING of the Company to be held on Thursday, 24th August, 2017 at 03.05 P.M. at Kamakoti Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T.Nagar, Chennai - 600 017.

No. of Shares held	
Registered Folio No.	
DP ID	
Client ID	

Member's/Proxy's Signature

Route Map to the Venue





Shriram epc

Engineering the future



Shriram epc

Engineering the future

Regd. Office: Sigapi Achi Building, 4th Floor,
18/3, Rukmini Lakshmipathi Road, Egmore, Chennai-600008

Tel: +91(44)49015678, Fax: 91(44)4901 5655

E-mail: suresh@shriramepc.com

Website: www.shriramepc.com

CIN: L74210TN2000PLC045167

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FORM NO. MGT-11

PROXY FORM

Corporate Identity Number	L74210TN2000PLC045167
Name of the company	Shriram EPC Limited
Registered office	Sigapi Achi Building, 4 th Floor, 18/3, Rukmini Lakshmipathi Road, Egmore, Chennai-600008, Ph: 044-49015678, Website:www.shriramepc.com

Full Name of the Member attending (in Block Letters)	
Full Name of the first joint-holder	
Registered Address	
E-Mail	
Folio no./ Client ID	
DP ID	
Name of the Proxy	

I/We, being the member (s) of shares of the above named company, hereby appoint

Name:	Name:	Name:
Address:	Address:	Address:
E-mail Id:	E-mail Id:	E-mail Id:
Signature: or failing him	Signature: or failing him	Signature: or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the SEVENTEENTH ANNUAL GENERAL MEETING of the Company to be held at 03.05 P.M. on Thursday, the 24th August, 2017 at Kamakoti Hall, Sri Krishna Gana Sabha, 20, Maharajapuram Santhanam Road, T.Nagar, Chennai - 600 017 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolutions :
Ordinary Business:	
1	To receive, consider and adopt the Directors' Report and Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31 st March, 2017 and the reports of the Auditors thereon.
2	Appointment of Statutory Auditors.
3	Re-Appointment of M.Amjat Shariff (DIN 00009562)
Special Business:	
4	Appointment of Cost Auditor - Ordinary Resolution
5	Approval for the Increase in the Limits of Guarantees, Loans and Advances - Special Resolution
6	Appointment of Secretarial Auditors - Ordinary Resolution

Signed this day of2017.

Affix
Revenue
Stamp

.....

Signature of Shareholder

.....

Signature of Proxy Holder(s)

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

Disclaimer

In this annual report, we have disclosed forward-looking information to help investors comprehend our projects and take informed investment decisions. This report is based on certain forward-looking statements that we periodically make to anticipate results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Shriram EPC Limited

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