



# RPP Infra Projects Ltd

Saturday, 17<sup>th</sup> September, 2016

Corporate Relationship Department  
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**Scrip Code: 533284**

The Manager, Listing Department  
**National Stock Exchange of India Ltd**  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot no. C/1, Block G,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400051.  
**Scrip Code: RPPINFRA**

## Sub: Annual Report for the Financial Year 2015-16

Dear Sir/Madam,

Pursuant to Regulation 34 of the SEBI (LODR) Regulations, 2015, we submit the Annual Report of the Company for the financial year 2015-16 as approved and adopted by the Members as per the provisions of the Companies Act, 2013 at the 21<sup>st</sup> Annual General Meeting of the Company held on Friday, 9<sup>th</sup> September 2016 at 10.00 A.M. at Builders' Welfare Trust Hall, Builders Association of India, No. 35, Perundurai Road, Erode - 638 011.

Kindly acknowledge receipt of the same.

Thanking you,

Yours Truly,

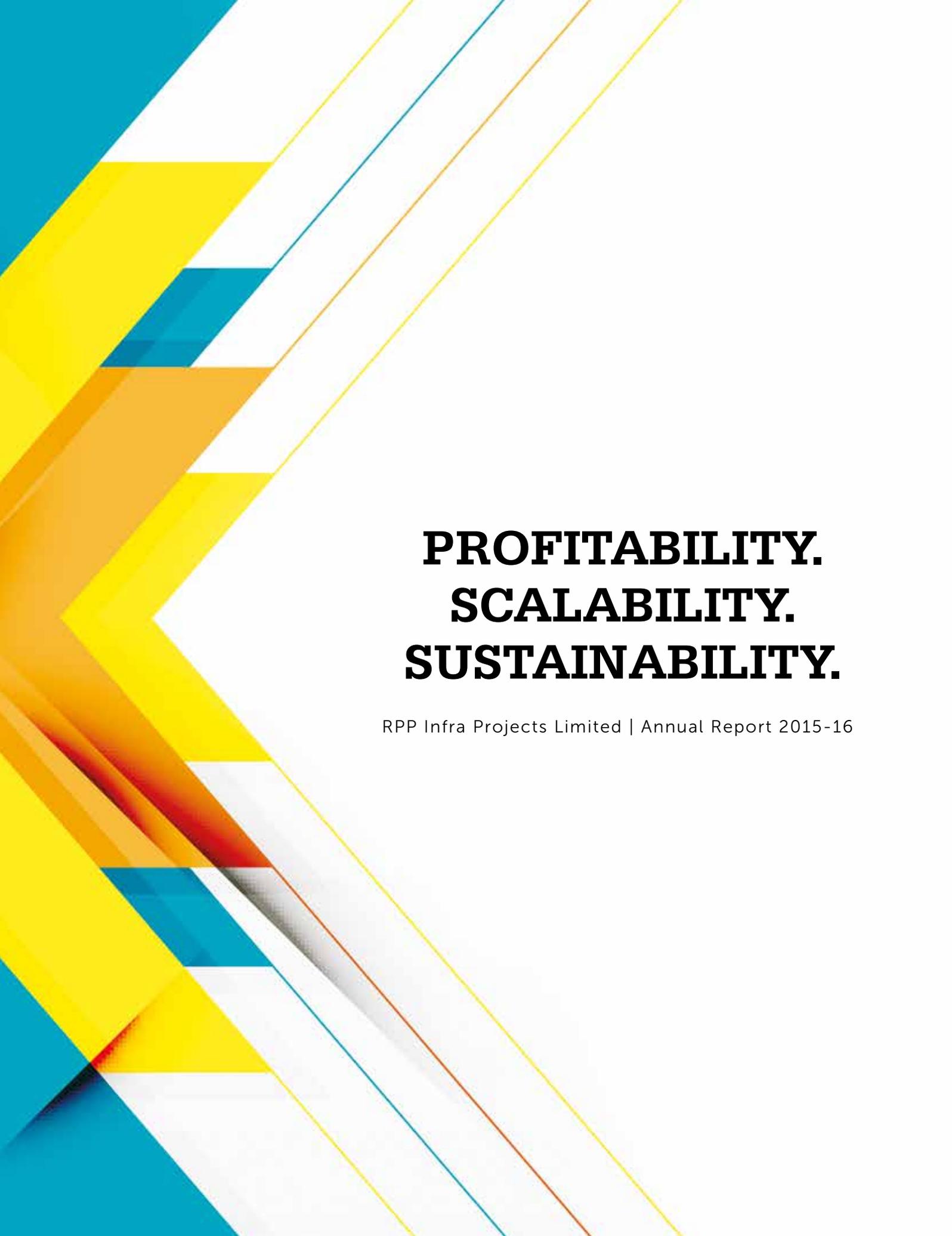
**For RPP Infra Projects Ltd**

**K Jayanthar**  
Company Secretary

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**PROFITABILITY.  
SCALABILITY.  
SUSTAINABILITY.**

RPP Infra Projects Limited | Annual Report 2015-16

## Disclaimer

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘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 realised, 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 materialise, 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.

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**T**he big RPP Infra Projects Limited message that one needs to communicate is that the impact of our experience and expertise translated into reality in the last financial year.

This was reflected in two areas.

One, growth in the company's topline and bottomline by 18.2 percent and 15.74 per cent respectively in 2015-16.

Two, the substantial growth in order book by ₹182.69 cr (largest in any single year) to a year-end pipeline of ₹725.26 cr.

Three, during the most challenging days for the country's infrastructure sector, RPP Infra reported an EBIDTA margin of 15.79 per cent.

As we address a peak order book, we are optimistic of increasing this margin, which, combined with our large volumes, should translate into higher revenues and profits.

Our story is just beginning...

**RPP Infra is not the usual infrastructure construction company.**

**The company is present in niche infrastructure spaces.**

**The company works with a manageable scale of projects.**

**The company generates margins higher than the sectoral average.**

**This makes the company an attractive proxy of the impending infrastructure opportunity.**

#### Our background

RPP Infra has been engaged in nation-building since 1995. The Company has executed many projects in Tamil Nadu, Karnataka and Andhra Pradesh (erstwhile) across 20 years.

#### Our promoters

RPP Infra is promoted by Mr. P. Arul Sundaram (Chairman and Managing Director), a first-generation entrepreneur with a two-decade experience in the country's infrastructure sector. Mrs. A. Nithya (Whole Time Managing Director) possesses over a decade of experience in infrastructure financing. The promoters are assisted by techno-commercial professionals with an average sectoral experience of 20 years.

#### Our verticals

RPP Infra is engaged in construction across multiple infrastructure verticals like roads, buildings, industrial structures, power, irrigation and waste management.

#### Our presence

RPP Infra had 26 concurrent projects in Tamil Nadu, Karnataka, Andhra and Telangana (as on 31st March 2016).

#### Our order book

The RPP Infra order book grew at a (0.05)% CAGR over the past five years and 0.11% CAGR over the past three years, indicating robust order accretion. In 2015-16, the Company's order book was ₹857.37 crore (₹725.26 crore at the close of the previous fiscal).

**17.31%**

EBIDTA margin (%) by RPP  
Infra in 2014-15

**16.28%**

EBIDTA margin (%) by RPP  
Infra in 2015-16

**857.37**

Order book (₹ cr) at the close  
of 2014-15

### Order book (% , 2014-15)

Buildings	231.49
Off Shore	17.14
SEZ	34.29
Water Management	188.62
Infra Structure	42.87
Power	334.37
Others	8.59

Total order book: ₹857.37 crores as on 31st March 2015

### Order book (% , 2015-16)

Irrigation	117.00
Roads	96.07
Industrial structures	91.83
Buildings	164.15
Rail Infra	32.57
Water Projects	223.64

Total order book: ₹725.26 crore as on 31st March 2016

### Our prominent projects

- Construction of godowns at Thanjavur, Coimbatore and Nagapattinam for TNCSC
- Construction of toilet blocks under Swacch Bharat Scheme at Andhra Pradesh
- Road and drain improvement works in Gadag, Karnataka
- Providing CWSS (Combined Water Supply Schemes) to rural habitations in Salem, Tirupur and Trichy districts
- Formation of Flood Carrier Canals in Ramanathapuram District of Tamil Nadu
- WSIS to Tindivanam Municipality in Villupuram District of Tamil Nadu
- Implementation of Phase II eco restoration in the 300 acres of Adyar estuary and creek

### Our valuation

The market capitalisation of the Company (listed on the Bombay Stock Exchange) increased from ₹244.09 crore as on 31st March 2015 to ₹275.50 crore as on 31st March 2016.

725.26

Order book (₹ cr) at the close of 2015-16

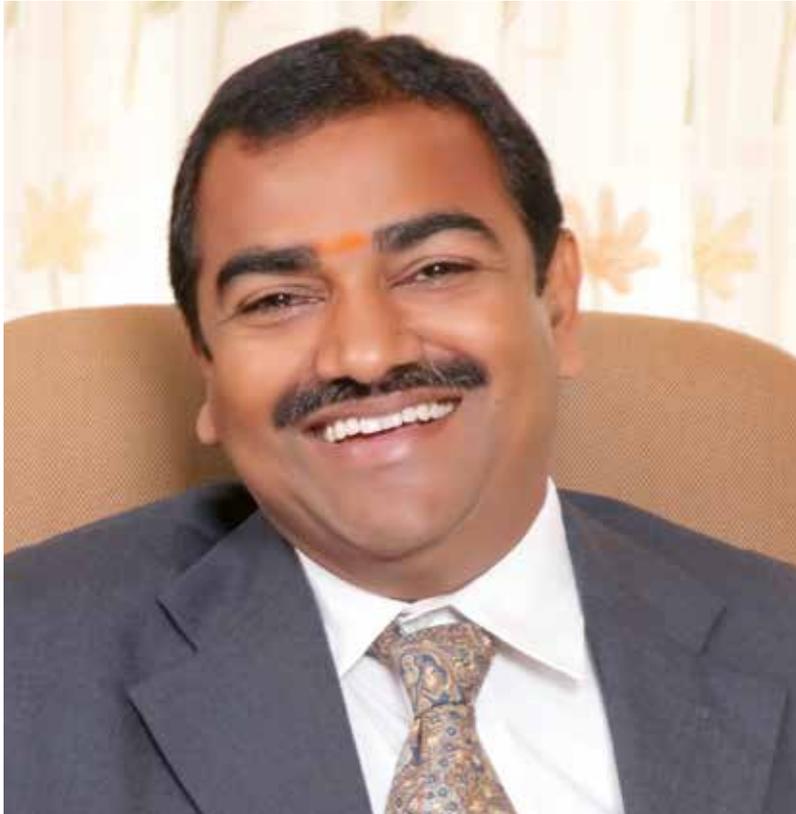
26.76%

RoCE (%) reported by RPP Infra in 2014-15

28.00%

RoCE (%) reported by RPP Infra in 2015-16

# Chairman's Message



## Our vision

To be a global leader in the construction and infrastructure industry, by continuously moving forward.

To have international standards by adopting latest technologies, ideas and systems by creating quality minded employees to deliver to client expectations.

## Our mission

To perform exceptionally well in all aspects in the industry by providing innovative, reliable and high quality services to our clients.

Developing highly trained loyal employees who work as a team to anticipate, identify and respond to client needs.

IT GIVES ME PLEASURE TO SHARE WITH YOU THAT YOUR COMPANY HAS POSTED ROBUST FINANCIAL PERFORMANCE, ON THE BACK OF CHALLENGING ECONOMIC SCENARIO, WITH IMPROVEMENTS ACROSS KEY PARAMETERS, DUE IN NO SMALL PART TO OUR CONTINUED EFFORTS IN PRODUCTIVITY ENHANCEMENT AND RESOURCE MANAGEMENT.

Positive policy actions together with the decline in oil prices have helped make India one of the fastest-growing large economies in the world. India's growth outlook is favourable, with GDP growth projected to strengthen from 7.3 percent in 2015-16 to 7.5 percent in the upcoming fiscal year. According to the IMF, the potential is enormous but to remain in the economic 'sweet spot,' India must ensure forward momentum of economic reforms.

Union Budget 2016-17 highlighted the government's focus, once again, on the infrastructure sector. Like last year, there was a substantial increase in outlay for roads and railways. The government has also taken measures to address issues in irrigation and civil aviation space. The government has continued

to build upon the promises made last year and has made significant progress during the year.

India's growth would spur only with the growth and development of infrastructure in size, scale and speed. For the development of infrastructure, role of private players shall be pivotal, many of which are

implemented in the "Public Private Partnership" (PPP) model. The PPP model, which involves both private and public sectors, joining hands, symbiotically, is the route forward to achieving success. The government has taken a multi-pronged approach to improve the PPP model for all stakeholders. They

have systematically identified the hurdles of these projects & tried to address them.

### Performance review

Notwithstanding the uncertainties of the economic environment, your company has turned in a laudable performance on most key performance parameters for 2015-16.

We have registered a 20% growth in revenue as well as 20% increase in profit after tax. The company's revenue for the FY1516 was ₹315 crores as against ₹263 crores in the previous financial year. Net profit for the year was ₹20.67 crores as against ₹17.27 crores in the previous year.

Some of the significant projects undertaken by the Company during the year included:

- Construction of godowns at Thanjavur, Coimbatore and Nagapattinam for TNCSC
- Construction of toilet blocks under Swacch Bharat Scheme at Andhra Pradesh
- Road and drain improvement works in Gadag, Karnataka
- Providing CWSS (Combined Water Supply Schemes) to rural habitations in Salem, Tirupur and Trichy districts
- Formation of Flood Carrier Canals in Ramanathapuram District of Tamil Nadu

- WSIS to Tindivanam Municipality in Villupuram District of Tamil Nadu
- Implementation of Phase II eco restoration in the 300 acres of Adyar estuary and creek

As a part of our overall strategy of enlarging our footprint across India, we have bagged projects in Madhya Pradesh. We have also entered in to a Consortium agreement with Siemens Ltd., India for submitting a joint bid to Power Grid Company of Bangladesh in respect of design, supply, erection, testing and commissioning of 400 KV, 230 KV and 132KV substations on turnkey basis.

The performance of the subsidiary companies remained muted with the Group's consolidated revenues for the year being ₹315 crores, while the consolidated profit after tax was ₹19.19 crores.

It gives me pleasure to announce that your Company has recommended a dividend of Re.0.50 per equity share for the financial year ending 31st March 2016.

### Outlook

Infrastructure is not a matter of choice, but of need. Good Infrastructure fuels economic growth of a country. Spending by the public sector in core infrastructure has been improving. Funding from increased budgetary allocation by the Central Government, increased level

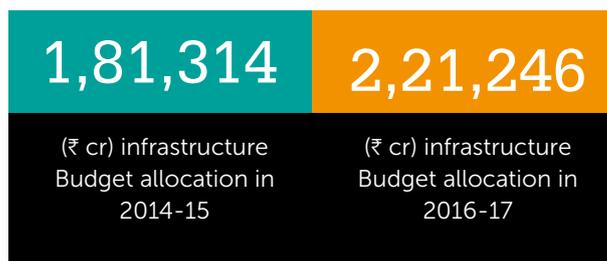
of ordering by healthy public sector undertakings and a steady inflow of soft loans from external multilateral lending agencies have contributed to a perceptible rise in the core infrastructure investment momentum. This has considerably enhanced potential business opportunities for your Company.

R.P.P Infra continues to build on core competencies thus reducing the risk of dependence, on any one sector or project and helps in participating in projects across the country. We will stay focused and selective in achieving increased returns. We are bullish on the long term growth opportunities and are well positioned to capitalise on the opportunities by leveraging on our execution capabilities, track record and robust balance sheet. With a positive view on the economic status of the sector, we can look forward to significant growth for the company.

I thank the Board members, Shareholders, Lenders, Employees and Vendors who have walked with us and strengthened us in our pursuit of excellence and have enabled sustainable and profitable growth in business year after year.

Thank You,

P. Arul Sundaram  
Chairman & Managing Director  
27th May, 2016





# Whole Time Director's operational review

A. Nithya, Whole Time Director, reviews the company's performance of 2015-16

**Q** Were you pleased with the company's performance during the year under review?

**A** The answer is yes – for a number of reasons.

**One**, even though the country's GDP growth indicated an improvement by 30 bps to 7.6 per cent growth during the financial year under review, the ground realities indicated yet another year of sluggish economies realities.

**Two**, the much-awaited infrastructure investment push in the country did not transpire to the extent that one had anticipated. The revival was noticed in limited infrastructure segments and the result was

that most infrastructure-based construction companies continued to work with high operating leverage, or, in other words, much below their potential.

**Three**, interest rates continued to be high through the year and, considering that this represents a critical 'raw material' for our business, our profitability was relatively affected.

**Four**, our project deliveries were delayed and costs increased during the third quarter following the unprecedented impact of the

Chennai floods.

Despite these challenging realities, it is creditable that the company reported a 19.59 per cent growth in revenues, a (1.04) per cent growth in EBIDTA and a 15.74 per cent increase in profit after tax. The big message that one would like to send out to our shareholders is that if this is how the company could have responded during an economic slowdown, then better times lies ahead when the infrastructure investment-led economy revives.

**Q** What were some of the other highlights of the company's working in 2015-16?

**A** The company continued to make inroads into profitable construction segments that should strengthen our profitability. During the year under review, the company was awarded a ₹117 cr irrigation infrastructure construction project in Karnataka. This project is special for some good reasons: one, it represented our largest single order in the irrigation infrastructure

construction space; the EBIDTA margins for such projects range in the 15-18 per cent band, which is around our corporate average; following successful completion, we will be eligible for ₹200 cr of such standalone projects.

The big point is that we are not merely bidding for just about any kind of infrastructure construction project that comes our way; we enter spaces where we possess

experience, where we can leverage competence from other spaces, where a government priority will translate into larger national investments, and where successful delivery could easily translate into larger contracts in our individual capacity (without the need to seek partners).



**Q** What were some of the other highlights of the company's working in 2015-16?

**A** Ever since we went into business in 1995, RPP Infra has been a South India-focused construction company. This focus allowed us to mine deeper for projects within this geography; it allowed us to allocate construction equipment quicker across locations; it allowed us to strengthen relationships with our customers through an ongoing

understanding of their emerging investment patterns and agenda.

During the last financial year, we made a decisive extension in our operating presence: we were awarded a concrete road project in Madhya Pradesh. Even as we will continue to be focused on opportunities arising out of South

India, we believe that Madhya Pradesh holds out attractive prospects: the state government is progressive, it is one of the early implementers of the Indian government's infrastructure agenda and it is investing in just the spaces where RPP Infra possesses expertise and track record.

**Q** What was the principal highlight of the company's working during the year under review?

**A** The principal highlight was our robust order book which was ₹725.26 cr at the year-end. The year-end order book was one of the largest in our existence. A sizable ₹350 cr of orders were booked in the last quarter, which provides the optimism that this

aggressive accretion will extend into the current financial year.

What I would like to impress upon shareholders is that this order book will be value-accretive: the corresponding margins are in the EBIDTA band of 17.31 per cent to 16.28 per cent, at least 14.75 bps

higher than what the company witnessed in the last few years. We believe that this combination of unprecedented volume on the one hand and superior operating margins on the other will translate into enhanced value for our shareholders.

**Q** Can you give us another instance of this kind that transpired during the year under review?

**A** During the year under review, the company completed the handover of 1024 constructed toilets as part of the Swachh Bharat Abhiyan. This ₹23 cr project was addressed across Srikakulam, Anantapur, Kurnool

and Vijayanagaram. There were some interesting features of this assignment: this enhances our profile as a part of the government's priority, which is only expected to grow over time. The company carved out a 14%

EBIDTA margin for the project, which was again in our desired profitability band. Best of all, the project consumed only six months, generating an attractive return on our invested time.

**Q** Are you optimistic of the company's prospects?

**A** At RPP Infra, we have our work cut out for the next 24 months: we need to liquidate our ₹750 cr order book on schedule, we need to deliver projects in line with customer specifications, we need to strengthen our project bidding capability and graduate to larger projects, we need to raise

our presence in areas marked by relatively low competition, we need to bid successfully for projects where we possess established competence and we need to focus on projects and spaces that offer us the prospect of enhanced margins.

I am optimistic that the national momentum of infrastructure investment will only grow stronger from this point onwards, strengthening our order book, margins and profits, which in turn enhances value for all those who own shares in our company.

# This is the dashboard of the health of our business



## Definition

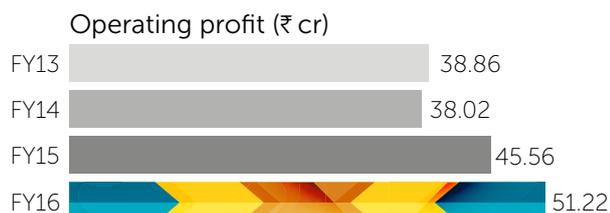
Sales growth without deducting excise duties.

## Why we measure

This measure reflects the result of our capacity to understand market needs and service them with corresponding projects.

## Performance

Our aggregate sales (including subsidiaries) increased 18.33 per cent to ₹314.69 cr in FY 16, which compared favourably with the 8.5 per cent growth of the country's infrastructure sector and 7.6 per cent growth of the national economy.



## Definition

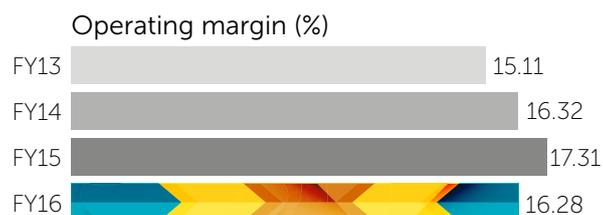
What the company earned before the deduction of interest, depreciation, extraordinary items and tax.

## Why we measure

This measure is an index of the company's operating profitability (as distinct from financial), which can be easily compared with sector peers.

## Performance

The company's operating profit grew every single year through the last three years. The company reported a 12.42 per cent increase in its operating profit in FY 16, which was the sharpest increase reported by the company in three years.



## Definition

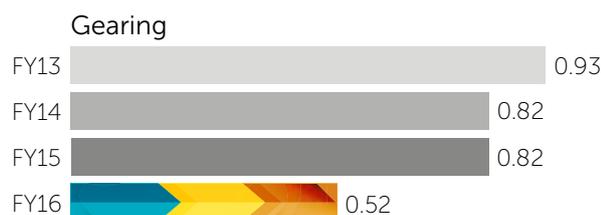
The movement in percentage points in operating profit before interest, depreciation, exceptional items and tax when divided by the company's revenues.

## Why we measure

This movement essentially indicates whether the business is becoming more efficient or not. RPP Infra works at the upper end of operating margins, higher than the sectoral average.

## Performance

The company's operating profit margin increased every single year through the last three years. This was the result of more remunerative projects and superior operating synergies across the business.



## Definition

This is derived through the ratio of debt to net worth (less revaluation reserves).

## Why we measure

This is one of the defining measures of a company's financial health, indicating the ability of the company to remunerate shareholders over debt providers (the lower the gearing the better). In turn, it indicates the ability of the company to sustain growth in profits, margins and shareholder value.

## Performance

The company's gearing was 0.82 in FY15 and 0.52 in FY16. We recommend that this ratio be read in conjunction with net debt: operating profit (declining, indicating a growing ability to service debt).

### Interest cover



#### Definition

This ratio is derived following the division of EBITDA by interest outflow.

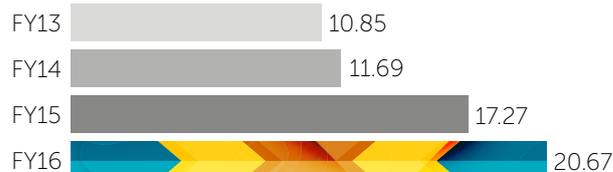
#### Why we measure

In an increasingly cash-stressed world, interest cover indicates a company's comfort in servicing interest payment obligations.

#### Performance

The company's interest was 2.76 in 2015-16, which was a fair achievement in a sectoral downtrend.

### Profit after tax (₹ cr)



#### Definition

This is derived after all the expenses and provisions have been deducted.

#### Why we measure

This indicates the bottomline generated by the business and the quantum available for distribution among shareholders (and reinvestment).

#### Performance

The company's PAT increased 19.70% to ₹20.67 cr in FY16.

### Earnings per share (₹)



#### Definition

This is derived from the division of profit after tax by the number of equity shares outstanding.

#### Why we measure

This indicates the equity efficiency of the company – whether the profits filter down to shareholders.

#### Performance

The company's EPS increased from ₹7.64 in FY15 to ₹9.14 in FY16, indicating that the company was enhancing shareholder value.

### People productivity (₹ cr)



#### Definition

This ratio is derived through a division of revenues by the number of employees.

#### Why we measure

In an increasingly competitive space, success is derived through superior leverage of knowledge and intellectual capital, which is effectively measured by the financial throughput per person employed.

#### Performance

The company's per person revenues increased from ₹2.17 cr in FY15 to ₹2.54 cr in FY16.

### Book value per share (₹)



#### Definition

This is derived through a division of the net worth by the number of equity shares outstanding.

#### Why we measure

This measure indicates the net worth per share, which is often used as an index in ascertaining market valuation.

#### Performance

The company's book value per share has consistently increased in line with rising profits.

### Dividend per share (%)



#### Definition

This number indicates the amount paid per share to shareholders.

#### Why we measure

This indicates the company's propensity and willingness to reward shareholders.

#### Performance

The company's dividend per share was Re. 0.50 in 2015-16 corresponding to a payout of ₹1.13 cr and a payout ratio of 5.5 per cent.

# Sectoral optimism and RPP's competencies

Sectors	Governmental Initiatives	Investments	RPP's position	Projects	Clients
Construction	<ul style="list-style-type: none"> <li>Housing for all</li> <li>Swachh Bharat Abhiyaan</li> <li>Exemption from service tax on houses up to 60 sq. meters under any scheme of the Central or State government, including PPP schemes.</li> <li>Excise duty exemption to Ready Mix Concrete</li> </ul>	<ul style="list-style-type: none"> <li>₹4 lakh crore in the next two years, under the Housing for All scheme</li> <li>₹9000 crore allocated under Swachh Bharat Abhiyaan</li> <li>₹70.6 billion allocated for the Smart Cities programme and FDI norms relaxed</li> </ul>	<ul style="list-style-type: none"> <li>Proven track record in civil construction and housing projects</li> <li>Robust capabilities in designing and engineering.</li> </ul>	<ul style="list-style-type: none"> <li>HIG flats in Chennai</li> <li>Police quarters in Ponchampalli</li> <li>Commercial tax office in Chennai</li> <li>Jawan's Bhavan in Erode</li> </ul>	<ul style="list-style-type: none"> <li>State government</li> <li>Central government</li> </ul>
Transportation	<ul style="list-style-type: none"> <li>Pradhan Mantri Gram Sadak Yojana</li> <li>Introduction of the Hybrid Annuity Model</li> <li>Various packages for state governments to upgrade state highways to national highways.</li> </ul>	<ul style="list-style-type: none"> <li>Total investment of ₹97,000 crore in the road sector.</li> <li>Total budget outlay of ₹2,21,246 crore for infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>Skilled in concrete road laying.</li> <li>Experienced player in the road construction segment</li> <li>Equipped for quick project execution</li> </ul>	<ul style="list-style-type: none"> <li>NH road works from Salem to Coimbatore</li> <li>State highway maintenance in Erode District-I and District II</li> </ul>	<ul style="list-style-type: none"> <li>State government</li> <li>NHAI</li> </ul>
Irrigation	<ul style="list-style-type: none"> <li>Pradhan Mantri Krishi Sinchai Yojana</li> <li>28.5 lakh hectares to be brought under irrigation</li> <li>Fast-tracking of 89 irrigation projects stuck in the AIBP</li> <li>Creation of a long-term irrigation fund</li> </ul>	<ul style="list-style-type: none"> <li>Government outlay of 50,000 crore for irrigation projects</li> <li>Initial corpus of long-term irrigation fund of ₹20,000 crore.</li> <li>Possibility of mobilisation of additional finances toward NABARD, Inland Water Authority to the extent of ₹31,300 crore by raising bonds.</li> </ul>	<ul style="list-style-type: none"> <li>Maximum experience in the irrigation sector</li> <li>Competence in canal lining which prevents water seepage</li> <li>Timely execution of projects through equipment ownership and experience</li> </ul>	<ul style="list-style-type: none"> <li>Irrigation work at Trichy</li> <li>Irrigation work at Pudukottai district</li> <li>Construction of surplus regulator across the Vaipar river in Virudhunagar district</li> </ul>	<ul style="list-style-type: none"> <li>State government</li> <li>Neyveli Lignite Corporation</li> <li>Chemplast</li> </ul>

Sectors	Governmental Initiatives	Investments	RPP's position	Projects	Clients
SEZ	<ul style="list-style-type: none"> <li>Benefit of 10AA will be available to units which commence activity before 31.3.2020</li> </ul>	<ul style="list-style-type: none"> <li>Approximately ₹3.63 lakh crore investments in SEZs currently, with an additional ₹1.5 lakh crores in the pipeline</li> </ul>	<ul style="list-style-type: none"> <li>Robust capabilities in designing and engineering</li> </ul>	<ul style="list-style-type: none"> <li>SEZ works in Coimbatore</li> <li>SEZ works in Madurai</li> </ul>	<ul style="list-style-type: none"> <li>State government</li> <li>IT Parks</li> </ul>
Waste Management	<ul style="list-style-type: none"> <li>Swachh Bharat Abhiyaan</li> </ul>	<ul style="list-style-type: none"> <li>₹9000 crore outlay for the campaign</li> </ul>	<ul style="list-style-type: none"> <li>Robust capabilities in designing and engineering</li> </ul>	<ul style="list-style-type: none"> <li>1024 toilets constructed in Andhra Pradesh</li> </ul>	<ul style="list-style-type: none"> <li>Central government</li> </ul>
Power	<ul style="list-style-type: none"> <li>Power for All by 2022</li> </ul>	<ul style="list-style-type: none"> <li>The power sector is expected to attract \$1 trillion in investments by 2030</li> </ul>	<ul style="list-style-type: none"> <li>Consistent focus on quality</li> <li>Possesses strong skills in civil engineering required for stations and sub-stations.</li> </ul>	<ul style="list-style-type: none"> <li>Pykara hydro-electric project</li> <li>Chemplast captive power plant</li> <li>Coal-based captive plant for Madras Aluminium Company</li> </ul>	<ul style="list-style-type: none"> <li>State government</li> <li>Private enterprises</li> <li>BHEL</li> <li>NTPC</li> </ul>

# Our distinctive business model

## Positioning

The Company is broadly positioned to capitalise on developments in the southern States of Tamil Nadu, Karnataka, Andhra Pradesh and Telangana. It is also extending into Central India (Madhya Pradesh) to seek opportunities. Our joint ventures and alliances with partners catalyse growth and experience. RPP focuses on governance and has developed processes and systems to achieve operational consistency. The Company has also chosen to diversify its business into diverse verticals, allowing it to address niche projects with lower competition.

## Project selectivity

The Company is focused on projects that are relatively complex, allowing the Company to leverage its engineering expertise and captive equipment. It selects projects selectively in the ₹50-100 cr range, bidding mostly for EPC projects with attractive margins. The company has established a hurdle margins rate, below which it prefers to walk away from bidding. This selectivity has made it possible for the Company to protect viability in the most challenging markets, strengthening its capacity to address vigorous sectoral rebounds.

## Government contracts

The Company bids mainly for government contracts in addition to projects from credible companies like BHEL, NTPC, L&T etc. This prudent mix of projects enhances security of funding, faster execution and delivery. RPP also enjoys a presence in areas where the State and Central government initiate projects.

## Client centricity

RPP has earned client respect, visible in the higher proportion of repeat projects from existing clients. The strong operations discipline has often helped generate project bonuses due to timely project completion. The Company has acquired client testimonials and certifications in equal measure, demonstrating its execution excellence.

### Sustainability

The Company believes that the most successful companies are not necessarily those working on the largest projects but those with the most attractively-sized Balance Sheets. The latter, we believe, is derived from profitable projects, timely cash flows, attractive margins, large reinvestments, decline in gearing and increasing interest cover. This is the company that we have set out to become, influencing every aspect of our corporate strategy.

### Agility

An ability to respond swiftly to market dynamics is business-strengthening. RPP possesses this ability. The focus on consistency has also ensured that quality is maintained across projects, resulting in timely execution. RPP understands various industry sectors and terrains, which enhances its capability to undertake diverse projects. The Company also deploys specialised project coordinators with a comprehensive understanding of technology and engineering. The ownership of captive equipment enhances flexibility and accelerates project execution.

### Capabilities

The Company operates in various infrastructure verticals, which has enhanced its civil engineering capabilities. Leveraging its core competencies, RPP is able to plan, design, manage receivables and execute projects, while ensuring that customer service needs are met. It consistently invests in skill development and increasing its sub-contracting projects.

### Responsibility

The Company has inculcated a high safety culture on project sites to reduce accidents. A continuous investment in state-of-the-art equipment keeps operations at par with industry standards. The Company has also implemented environment-friendly practices to reduce impact on surroundings while executing projects.

### Culture

RPP has nurtured a reputation for excellence. The Company's professionals operate with an entrepreneurial outlook, seeking opportunities with speed and addressing them efficiently. The Company has delivered projects on schedule.

### Forward looking

The Company has invested in top-of-the-line IT tools, making it possible to chart out accurate project estimates leading to timely project implementation.

# RPP - Delivering value to shareholders

## Holistic Return

At RPP Infra, we strive to deliver consistent value to shareholders. The returns on capital employed increased in the past two years.

Moreover, every rupee invested as capital employed generated ₹51.22 as topline; every rupee earned as topline enabled the company to generate ₹20.67 as net profit in 2015-16.

The market capitalisation also strengthened to ₹275.50 crore (as on 31st March 2016) from ₹244.09 crore (as on 31st March

2015), demonstrating the Company's robust business model.

The Company possesses a diversified shareholder base. At the end of fiscal 2016, foreign equity ownership (foreign investors and FII) comprised 2.37% of the Company's equity, while retail investors (domestic corporates and others) held 25.21%. Nearly 72.42% of the equity capital was in the hands of the Company's promoters, 44.07% was unencumbered.

## Market capitalisation (₹ crore)

2011-12	2012-13	2013-14	2014-15	2015-16
138.77	91.08	133.57	244.09	275.50

Five-year CAGR of 0.15%

## Order book

RPP Infra's order book was ₹725.26 crore as on 31 March 2016. This healthy order book emphasises our success as a construction company and provides revenue visibility for the next 30 months. The Company received orders worth ₹182.69 crore during the period under review, among the highest annual order books for the Company. Interestingly, out of the fresh orders received, almost 29.37% was for the RCC road and water pipeline construction spaces, which augurs well for margins

accumulation, going forward.

## Liquidity

The Company's cash and cash receivables increased from ₹14.16 crore in 2014-15 to ₹24.84 crore in 2015-16 and stood at 31.89% of the total debt on the books at ₹77.89 crore as on 31st March 2016. The Company's growing cash and liquid balance is an indicator of operational efficiency and represents a crucial source of reserves.

## Cash and cash receivables (₹ crore)

2011-12	2012-13	2013-14	2014-15	2015-16
23.85	13.44	11.67	14.16	24.84

Five-year CAGR of 0.01%

## Return on gross block

RPP Infra's gross block represents a competitive advantage in terms of state-of-the-art equipment, machinery and technology. It also indicates an ability to swiftly mobilise resources for projects and ensure in-time project completion. The Company's RoGB enhanced from 14.12% in 2013-14 to 26.85% in 2014-15 to 40.08% in 2015-16. The Company also pursues an asset-light approach, generating superior business returns. For specialised jobs, either the Company hires the necessary equipment, or purchases with subsequent disposal following use.

## Margins

RPP Infra maintained its 2015-16

EBIDTA margins at the level of the previous year. The Company's EBIDTA margin of 10.47% was among the highest in the Indian infrastructure space. The net profit margin of 6.57% in 2015-16 was marginally higher than the margin of 6.56% reported in the previous financial year. This could have been higher but for a charge due to a change in the depreciation policy from the written down (WDV) to the straight line (SLM) method (resulting in a more accurate usage pattern and economic asset benefits). Going forward, softening commodity prices and bulk procurement will enhance margins. We will continue to bid for projects with attractive margins.

## Dividend

RPP Infra proposed a 5% dividend of Re 0.50 per share (face value of ₹10 each) in 2015-16. This announcement was consistent with the Company's dividend payout policy; the Company attempted to balance rewarding shareholders in the immediate term and reinvesting cash profits to grow the business.

## Earnings per share (EPS) and book value

RPP Infra's EPS climbed from ₹7.64 in 2014-15 to ₹9.14 in 2015-16. The Company's book value per share stood at ₹67 in 2015-16 against ₹60 in 2014-15.

### Earnings per share (₹)

2011-12	2012-13	2013-14	2014-15	2015-16
6.13	4.80	5.17	7.64	9.14

Five-year CAGR of 0.083%

### Book value per share (₹)

2011-12	2012-13	2013-14	2014-15	2015-16
40	45	52	60	67

Five-year CAGR of 0.10%

## Six points that are fast-tracking our growth

1. Order book of ₹725 crore (as on 31st March 2016) with projects in power, roads and other EPC spaces. Conscious avoidance of BOT and private sector-awarded projects
2. Integrated business presence – conceptualise, conceive, construction and commission infrastructure assets
3. Significant presence in South India through 26 concurrent operational sites in four states
4. Gross block of a healthy ₹51.57 crore (as on 31st March

2016) with a high return on gross block of 40.08% in 2015-16, resulting in quicker project completion and minimal asset idling. Ability to acquire, use and dispose-off specialised one-time assets

5. Among the highest EBIDTA margins in our peer group; consistent margins growth on account of bidding for and bagging larger ticket size projects, tight costs control, prudent financial modelling and treating each project as a profit center SBU

6. Niche presence in high-margin construction spaces including RCC roads development and water pipeline projects

# How we manage risks at RPP Infra

<p><b>Industry risk</b></p>	<p><b>Risk impact</b> An industry dependent on economic conditions in the Country can adversely affect the Company's profitability.</p>	<p>'Housing for all', 'Power for all', 'Smart City projects' etc., are gaining momentum. Besides, a new Tamil Nadu Government augurs well for RPP Infra to bag projects locally and regionally. Industry buoyancy is also reflected in the fact that the company projects its order book to grow in 2016-17.</p>
	<p><b>Risk mitigation measures</b> The economy of India is growing robustly, and the governmental initiatives across industry sectors are taking effect after two years. Initiatives such as 'Make in India', Pradhan Mantri Gram Sadak Yojana',</p>	
<p><b>Strategy risk</b></p>	<p><b>Risk impact</b> A prudent operational strategy is necessary for long-term sustainability.</p>	<p>projects on the back of alliances</p> <ul style="list-style-type: none"> <li>• Appointing a techno-commercial central coordinator for each project around an SBU approach and direct P&amp;L responsibility</li> <li>• Focusing on infrastructure niches like RCC, road and water pipeline development that are marked by lower competitive intensity</li> </ul> <p>All these measures resulted in an attractive topline growth year-on-year over the last five years. Besides, RPP Infra also provides extensive training to its team in best-in-class operating procedures, project management and financial modeling.</p>
	<p><b>Risk mitigation measures</b> The Company has embraced a prudent business strategy that includes:</p> <ul style="list-style-type: none"> <li>• Focusing only on government contracts; 100% of its order book includes government-awarded projects</li> <li>• Focusing only on EPC and cash credit projects</li> <li>• Focusing only on projects between ₹50-100 crore though the company aspires to bid for and bag larger</li> </ul>	
<p><b>Government policy risk</b></p>	<p><b>Risk impact</b> Uncertainties regarding government policies can affect operations.</p>	<p>prioritising infrastructure investments, limiting the impact of this policy risk. The residual risk is managed by seeking opportunities to control costs and diversify presence across geographies and sectors.</p>
	<p><b>Risk mitigation measures</b> The Central Government has been</p>	

RISK MANAGEMENT IS AN ESSENTIAL ASPECT OF GOOD GOVERNANCE. A RISK MAY BE IDENTIFIED AS AN INTERNAL OR EXTERNAL EVENT THAT HAS THE CAPABILITY OF IMPACTING THE COMPANY'S OBJECTIVES, ASSETS OR FINANCIALS. THE COMPANY HAS A SERIES OF CHECKS AND CONTROLS TO ENSURE THE FINANCIALS ARE FREE FROM MATERIAL MISSTATEMENTS. AT THE ORGANISATIONAL LEVEL RISK IDENTIFICATION AND MITIGATION INITIATIVES ARE PROVIDED BELOW.

 <p><b>Competition risk</b></p>	<p><b>Risk impact</b> Increasing competition can impact market share and profitability.</p>	<p>has also chosen to work in niche spaces that are niche on account of their complexity and high entry barriers.</p> <p>The company also forged alliances with Hunan Corporation of China and Delamore &amp; Owl of the UK for improving its project bidding and financial structuring capabilities. This consortium approach will enable RPP to bid for and bag larger ticket projects resulting in a stronger order pipeline.</p>
 <p><b>Operational risk</b></p>	<p><b>Risk impact</b> Staff attrition and non-availability of key personnel can affect the Company's operations. Volatility in the price of critical raw materials can also impact project profitability.</p> <p><b>Risk mitigation measures</b> The Company maintains a workforce based on its current and anticipated workloads. Besides, attrition is managed by adopting healthy employee practices</p>	<p>that promote a healthy work culture. This is coupled with performance-based promotion and rewards, conflict-resolution mechanisms, sound pay and incentive structures benchmarked with industry standards. Besides, the company's active resource – human and equipment – rotation policy minimises idling. The company also embraces best-in-class operating practices that minimise its environmental footprint and mandate the highest adherence to safety standards.</p>

# STATUTORY SECTION



## R. P. P INFRA PROJECTS LIMITED

CIN: L45201TZ1995PLC006113

### CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	Mr. P Arulsundaram, Chairman & Managing Director Mrs. A Nithya, Whole-time Director Mr. P Muralidasan, Director Mr. A P C Krishnamoorthy, Independent Director Mr. S Swaminathan, Independent Director Mr. K Natarajan, Independent Director
<b>AUDIT COMMITTEE</b>	Mr. S Swaminathan, Chairman Mr. A P C Krishnamoorthy Mr. P Muralidasan
<b>NOMINATION AND REMUNERATION COMMITTEE</b>	Mr. A P C Krishnamoorthy, Chairman Mr. P Muralidasan Mr. S Swaminathan
<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>	Mr. P Muralidasan, Chairman Mrs. A Nithya Mr. A P C Krishnamoorthy
<b>CORPORATE SOCIAL RESPONSIBILITY COMMITTEE</b>	Mr. A P C Krishnamoorthy, Chairman Mrs. A Nithya Mr. P Muralidasan
<b>RISK MANAGEMENT COMMITTEE</b>	Mr. A P C Krishnamoorthy, Chairman Mrs. A Nithya Mr. P Muralidasan
<b>LEGAL AND FINANCE COMMITTEE</b>	Mr. A P C Krishnamoorthy, Chairman Mrs. A Nithya Mr. P Muralidasan
<b>COMPANY SECRETARY</b>	Mr. K Jayanthar

<b>REGISTERED OFFICE</b>	S F No. 454, Raghupathynaiken Palayam, Railway Colony Post, Poondurai Road, Erode - 638 002 Tamil Nadu, India
<b>BANKERS</b>	Indian Overseas Bank Axis Bank Limited
<b>STATUTORY AUDITORS</b>	M/s. Karthikeyan & Jayaram 'Sri Towers' 30 Bharathidasan Street, Teachers Colony, Erode – 638011.
<b>INTERNAL AUDITORS</b>	M/s. Balaji & Sridhar No. 76, P.S. Sivasamy Salai, II Floor, Mylapore, Chennai – 600004.
<b>COST AUDITOR</b>	Mr. S Chandrasekaran 4, Sreshta, 57 Subramaniam Street, Abhiramapuram, Chennai – 600018.
<b>SECRETARIAL AUDITOR</b>	Mr. Gouri Shanker Mishra Second Floor, #76, P.S. Sivasamy Salai, Mylapore, Chennai – 600004.
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	M/s. Cameo Corporate Services Limited No.1 Club House Road, Chennai – 600002. Tamil Nadu, INDIA
<b>LISTED AT</b>	National Stock Exchange of India Limited Symbol: RPPINFRA Series: EQ BSE Limited Scrip Code: 533284 Scrip ID: RPPINFRA
<b>WEBSITE</b>	<a href="http://www.rppi.com">www.rppi.com</a>

## NOTICE

Notice is hereby given that the 21st Annual General Meeting (AGM) of the members of R.P.P Infra Projects Limited will be held on Friday the 9th September, 2016 at 10.00 A.M. at Builders' Welfare Trust Hall, Builders Association of India, No. 35 Perundurai Road, Erode - 638 011, to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt:
  - (a) the Audited Financial Statements of the Company for the financial year ended 31st March 2016, the Reports of the Board of Directors and the Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2016.
2. To declare dividend on equity shares.
3. To appoint a Director in the place of Mrs. A Nithya (DIN 00125357), who retires by rotation and being eligible, seeks re-appointment.
4. To appoint Auditors of the Company by passing following resolution as an ordinary resolution:

RESOLVED THAT pursuant to the provision of section 139 and other applicable provision, if any of the Companies Act, 2013 read with the underlying rules, Companies (Audit and auditors) Rules, 2014 as may be applicable the auditors M/s. Sundaram & Narayanan, Chartered Accountants (Firm Registration No 004204S), be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in the year 2021 on such remuneration as shall be fixed by the Board of Directors of the Company.

### Special Business:

5. Ratification of Remuneration to Cost Auditor

**To Consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:**

**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to Mr. S Chandrasekaran, Cost Accountant (M.No. 4784) appointed as the Cost Auditor of the Company by the Board of Directors of the Company to conduct the audit of cost records of the Company for the financial year 2015-16, amounting to Rs. 3.50 Lakh (Rupees Three Lakh and Fifty Thousand Only) excluding service tax as applicable and re-imburement of travel and out of pocket expenses incurred by them in connection with the aforesaid audit be and is hereby ratified and confirmed.

6. Issuance of Equity Shares under Qualified Institutional Placement

**To consider and, if thought fit, to pass the following Resolution as a Special Resolution:**

**RESOLVED THAT** pursuant to the provisions of Sections 23, 42 and 62(1)(c), as may be applicable and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made there-under ("Act") (including any amendment thereto or re-enactment thereof or 'as amended') and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to and in accordance with any other applicable laws or regulation, in India or outside India, including without limitation, listing agreement entered into with the stock exchanges where the equity shares of the Company are listed ("Stock Exchanges"), the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("SEBI ICDR Regulations") as amended, provisions of the SEBI (Listing Obligations and Disclosure Requirement)

Regulation, 2015 as amended, the Foreign Exchange Management Act, 1999 ("FEMA"), as amended, Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon, from time to time, by Securities and Exchange Board of India, Reserve Bank of India, the Stock Exchanges, the Government of India, the Registrar of Companies or any other relevant authority from time to time ("Governmental Authorities"), to the extent applicable and subject to such approvals, consents, permissions and sanctions as may be required from such Governmental Authorities and subject to such conditions and modifications as may be prescribed, stipulated or imposed by such Governmental Authorities while granting such approvals, consents, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) thereof constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution to the extent permitted by law), the Board be and is hereby authorized, on behalf of the Company, to create, offer, issue and allot, (including with provisions for reservation on firm and/or competitive basis, of such part of issue and for such categories of persons, as may be permitted), with or without a green shoe option, such number of equity shares of the Company with a face value of Rs. 10 (Rupees Ten) each ("Equity Shares") and/or Equity Shares through convertible bonds (whether denominated in Indian rupees or foreign currency) and/or other securities convertible into Equity Shares at the option of the Company and/or the holder(s) of such securities and/or securities linked to Equity Shares or other securities with or without warrants, which may either be detachable or linked, and which warrant has a right exercisable by the warrant holder to subscribe for the Equity Shares and/or warrants with an option exercisable by the warrant holder to subscribe for Equity Shares and/or any instruments or securities representing either Equity Shares and/or convertible securities linked to Equity Shares (including the issue and allotment of Equity Shares pursuant to a green shoe option, if any), (all of which are hereinafter collectively referred to as "Securities") or any combination of Securities, in one or more tranches, in India or in course

of international offering(s) in one or more foreign markets, by way of one or more public and/or private offerings, Qualified Institutions Placement ("Qualified Institutional Placement" or "QIP") and/or on preferential allotment basis or any combination thereof, through issue of prospectus and /or placement document/ or other permissible/requisite offer document to any eligible person, including qualified institutional buyers ("QIBs") in accordance with Chapter VIII of the SEBI ICDR Regulations, (whether residents and/or non-residents and/or institutions/banks and/or incorporated bodies, mutual funds, venture capital funds (foreign or Indian) alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors and/or multi-lateral financial institutions, stabilizing agents and/or any other eligible investors, and whether they be holders of the Equity Shares of the Company or not (collectively called the "Investors") as may be decided by the Board in its absolute discretion and permitted under applicable laws and regulations, for an aggregate amount not exceeding Rs. 75 Crores (Rupees Seventy Five Crores) or its equivalent thereof, in one or more currencies, if any, inclusive of such premium as may be fixed on the Securities by offering the Securities, at such price or prices, including at a permissible discount (including but not limited discount of 5 per cent as permitted under Chapter VIII of SEBI ICDR Regulations or any further discount as may be permitted there under) or premium to market price or prices permitted under applicable laws in such manner and on such terms and conditions including security, rate of interest etc. as may be deemed appropriate by the Board at its absolute discretion including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made to the exclusion of other categories of Investors at the time of such offer, issue and allotment considering the prevailing market conditions and other relevant factors and wherever necessary in terms of abovementioned regulations and/ or in consultation with book running lead manager(s) and/or underwriter(s) and/or other advisor(s) or intermediary (ies) appointed and / or to be appointed by the Company (the "Issue").

**RESOLVED FURTHER THAT** in case of any issue of Securities made by way of QIP in terms of Chapter VIII of the SEBI ICDR Regulations, the allotment of the Securities or any combination of Securities as may be decided by the Board shall be completed within twelve

(12) months from the date of this Resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such a price being not less than the price determined in accordance with the pricing formula provided under Chapter VIII of SEBI ICDR Regulations and the Company may, in accordance with applicable law is also authorized and allowed to offer a discount up to five percent (5%) or such other additional percentage as may be permitted vide any amendment under applicable law on price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations and in case of allotment of any eligible convertible or exchangeable eligible securities the tenure of Securities shall not exceed sixty months from the date of allotment or such other time as may be permitted.

**RESOLVED FURTHER THAT** in the event the Equity Shares are issued pursuant to the QIP in accordance with Chapter VIII of the SEBI ICDR Regulations, the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board (including a committee of the Board) decides to open the proposed issue and in the event that eligible convertible Securities (as defined under the Chapter VIII of SEBI ICDR Regulations) are issued pursuant to the QIP, the relevant date for the purpose of pricing of such convertible securities, shall be the date of the meeting in which the Board of the Company (including a committee of the Board) decides to open the proposed issue.

**RESOLVED FURTHER THAT** the Board / committee of directors be and is hereby authorized to finalize and approve the offering circular / placement document / offer letter for the proposed issue of the Securities and to authorize any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorized persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorized person, be required from time to time, and to arrange for the submission of the offering circular / placement document / offer letter and any amendments and supplements thereto with any applicable Stock Exchanges (whether in

India or abroad), government statutory and regulatory authorities, institutions or bodies, as may be required.

**RESOLVED FURTHER THAT** the Board / committee of directors be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted, including issue and allotment of Equity Shares upon conversion of any Securities referred to above or as may be necessary in accordance with the terms of the Issue, all such Equity Shares shall rank paripassu inter-se and with the then existing Equity Shares of the Company in all respects, including dividend, which shall be subject to relevant provisions of the Memorandum of Association and Articles of Association of the Company and the applicable laws and regulations including any rules and regulations of any Stock Exchanges.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of Equity Shares or Securities or instruments representing the same, as described above, the Board, where required in consultation with the merchant bankers and/or other advisors, be and is hereby authorised on behalf of the Company, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, including but not limited to terms and conditions for issuance of Securities including number of Securities that may be offered in domestic and international markets and proportion thereof, timing for issuance of such Securities and shall be entitled to vary, modify or alter any of the terms and conditions as it may deemed expedient, entering into an executing arrangement for managing, underwriting, marketing, listing, trading and providing legal advice as well as acting as registrar, stabilizing agent, paying and conversion agent, trustee, escrow agent and executing other agreements, including any amendments, supplements thereto, as necessary or appropriate and to finalize, approve and issue any document(s), including but not limited to finalization and approval of the preliminary as well as final offer document(s), letter of offer, determining the form and manner of the Issue, including the selection of qualified institutional buyers to whom the Securities are to be offered, issued and allotted, number of Securities to be allotted, issue price, face value, discounts permitted under applicable law (now or hereafter), premium amount on issue / conversion of the Securities, if any, rate of interest, and

matters related thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** the Board / committee of directors be and is hereby authorized to appoint lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agents, trustees, bankers, lawyers, advisors and all such professionals or agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memorandum, documents, etc., with such agencies and also to seek the listing of such Securities on the Stock Exchange(s) and the Equity Shares to be issued on conversion of the Securities as set forth in the aforesaid resolution, if any, on the Stock Exchange(s), authorising any director(s) or any officer(s) of the Company to sign for and on behalf of the Company, the offer document(s), agreement(s), arrangement(s), application(s), authority letter(s), or any other related paper(s) / document(s) and give any undertaking(s), affidavit(s), certificate(s), declaration(s) as the Board may in its absolute discretion deem fit including the authority to amend or modify the aforesaid document(s).

**RESOLVED FURTHER THAT** the Board / committee of directors be and is hereby authorized to form a committee and/or delegate all or any of its power to any committee of directors (including any officer(s) of the

Company) to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any question or difficulty that may arise in regard to issue and allotment of Equity Shares.

**RESOLVED FURTHER THAT** without prejudice to the generality of the above, the aforesaid issue of Securities may have all or any of the terms or combinations of the terms in accordance with the prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, premium or the redemption at the option of the Company and / or holders of any Securities including terms or issue of additional equity shares or variations of the price or period of conversion of Securities into equity shares or issue of equity shares during the period of the Securities or terms pertaining to voting rights or option(s) for early redemption of Securities.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this resolution.

**By the Order of the Board  
For R.P.P Infra Projects Limited**

**K Jayanthar  
Company Secretary**

Place: Erode

Date: August 13, 2016

## Notes:

1. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the special business in the Notice is annexed hereto and forms part of this Notice
2. A statement giving that the details of the Director seeking reappointment as required by Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 is provided after explanatory statement.
3. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
4. A person can act as a proxy for only 50 (fifty) members and holding in the aggregate not more than 10 percent of the total share capital of the company carrying voting rights. Member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.
5. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Members/proxies/Authorised Representatives should bring the enclosed attendance slip, duly filled in, for attending the Meeting.
8. Members who hold share(s) in electronic mode may please to write their DP Id and Client Id number and those who hold share(s) in physical form are requested to write their folio numbers in the Attendance Slip for attending the Meeting to facilitate identification of membership at the Meeting.
9. The Register of Members and the Share Transfer books of the Company shall remain closed from 3rd September 2016 to 9th September 2016 (both days inclusive)
10. Dividend as recommended by the Board, if declared at the AGM, will be paid within 30 days from the date of declaration.
11. Members are requested to send all communications relating to shares, dividend matters, change of address etc, to the Registrar and Share Transfer Agent, viz., Cameo Corporate Services Limited, (Unit: R.P.P Infra Projects Limited), by writing to them at Subramanian Building, No.1, Club House Road, Anna Salai, Chennai - 600 002 or by E-Mail to investor@cameoindia.com.
12. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and relevant documents referred to in the accompanying Notice and Explanatory Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sunday between 11.00 A.M. and 5.00 P.M. from the date hereof up to the date of the Annual General Meeting.
13. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries at an early date so as to enable the Management to keep the information ready at the meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents.
15. The Ministry of Corporate Affairs has taken a 'Green Initiative' in the Corporate Governance by allowing paperless compliances by the Companies. As a result, Companies are allowed to send all communication / documents in electronic mode to its members. In order to support the green initiative and to reduce the usage of paper, your Company requests all shareholders to update their e-mail Ids with their respective depository participant, where they hold shares in electronic form and to the Company's Registrar and Share Transfer agent, if the shares are held in physical form.
16. Pursuant to Section 124 of the Companies Act, 2013, all dividends remaining unclaimed or unpaid for seven years

from the date of transfer to Company's Unpaid dividend account are required to be transferred to the "Investor Education and Protection Fund" (IEPF) established by the Central Government under the amended provisions of the Companies act 2013.

17. As per Regulation 39 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 the company has transferred all the share certificates remaining undelivered, unclaimed by the shareholders due to insufficient/incorrect information to Unclaimed Suspense Account" and also has dematerialised the shares held in the said unclaimed suspense account. In terms of securities accruing on such shares viz., IPO shall also be credited to such Unclaimed Suspense Account. The voting rights on such shares shall remain frozen till the rightful owner claims the shares. Members who have not claimed their shares pursuant to IPO are requested to claim the same either to the Company or to the Registrars and Transfer Agents.

18. Electronic copy of the Notice for the Annual General Meeting and the Annual Report for year 2015-16 are being sent to all the Members whose e-mail Ids are registered with the Company / Depository Participants(s). Physical copy of the Notice together with the Annual Report are being sent in permitted mode, to Members for whom the e-Mail Ids are not available and who have requested for physical copies. The Notice and the Annual Report are also available on the Company's Website – www.rppi.pl.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office 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, free of cost.

19. **VOTING THROUGH ELECTRONIC MEANS**

Pursuant to Section 108 of the Companies Act, 2013

and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 21st AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

**The instructions for members for voting electronically are as under:-**

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "R.P.P INFRA PROJECTS LIMITED" from the drop down menu and click on "SUBMIT".
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company. Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(vi) Now, fill up the following details in the appropriate boxes:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<b>PAN*</b>	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
<b>DOB#</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
<b>Dividend Bank Details#</b>	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\*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 Vimal with sequence number 1 then enter VI00000001 in the PAN field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

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- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the relevant EVSN for R.P.P Infra Projects Limited on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- In case of members receiving the physical copy:
- (A). Please follow all steps from sl.no(i) to sl.no.(xvii) above to cast vote.
- (B). The voting period begins on 6th September 2016, Tuesday at 10.00 A.M. and ends on 8th September 2016, Thursday at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. 2nd September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 P.M. on 8th September 2016. Members holding shares in physical or in demat form as on 4th September 2016 shall only be eligible for e-voting.
- (C). 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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (D). The results of voting will be announced by the Chairman of the meeting at the Annual General Meeting to be held on 9th September 2016. The result of the voting will be hosted on the website of the Company, i.e. [www.rppiil.com](http://www.rppiil.com) after declaration of results by Chairman.
- (E). The Company has appointed Mr. Gouri Shanker Mishra, Practicing Company Secretary (C.P. No: 13581) as the Scrutinizer for conducting the E-voting process in fair and transparent manner.
- (F). A copy of this notice has been placed on the website of the Company and website of the CDSL.
18. The Road map to the venue of the AGM is detailed in back side of the Attendance slip.

## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

### Item No. 5

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of Company and the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company.

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment of Mr. S Chandrasekaran, Cost Accountant (M.No.4784) as Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2015-16 at a remuneration of Rs. 3.50 Lakh (Rupees Three Lakh and Fifty Thousand only) excluding service tax as applicable and re-imburement of travel and out of pocket expenses incurred by him. In view of the requirement of the Act as set out above, the approval of members are required to ratify the remuneration payable to the Cost Auditors for the Cost Audit for the financial year 2015-16 and hence being placed for approval of members.

Your Board recommends the approval of this resolution as Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested in the said Resolution.

### Item No. 6

Taking into account the progressive process of economic and market revival both in domestic and international markets and also to encash the resultant potentialities and opportunities under the prevailing conditions, your Company needs to augment long term financial resources for the purpose of:

- Strengthening the project portfolio by adding new projects having wide opportunity in the market;
- Strengthening the existing and ongoing projects;
- To fund the capital expenditure of the Company;
- Such other General Corporate requirements as may be required.

The Company proposes to tap the capital market to raise additional long-term resources to meet the likely investment requirements for its ongoing projects and abovementioned projects among others.

For the purpose of the same, your Company would like to obtain your approval to issue Securities for aggregate amount not exceeding Rs. 75 Crores (Rupees Seventy Five Crores) in one or more tranches as the Board of Directors of the Company may determine. Further, the Board of Directors of the Company will decide about the timing of the raising of the money and nature of securities to be offered based on the requirement of money for the purpose as mentioned above.

This special resolution enables the Board of Directors and/ or the Committee to undertake a qualified institutions placement with qualified institutional buyers as per the Chapter VIII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, ("SEBI ICDR Regulations") and section 42 of the Companies Act, 2013 and rules there under including the Companies (Prospectus and Allotment of Securities) Rules, 2014, amended from time to time. The Board of Directors/ Committee may adopt this mechanism, as per prescribed under SEBI ICDR Regulations in order to facilitate the proposed plan of expansion and meet capital expenditure needs of the existing/ future projects of the Company and to meet any exigencies etc. without the need for fresh approval from the shareholders.

The pricing of the Securities to be issued to qualified institutional buyers pursuant to the chapter VIII of SEBI ICDR Regulations shall be determined by the Board of Directors and/or Committee subject condition that the price for the same shall not be less than the price calculated in accordance with the SEBI ICDR Regulations.

The special Resolution also enables the Board of Directors and/or Committee issue Securitas in tranches, at such times, at such prices and to such person(s) including institutions, incorporated bodies and/or individuals or otherwise as the Board of Directors and/or the Committee deems fit. The Company may, in accordance with applicable laws, offer a discount up to five percent(5%) or such percentage as may be permitted, on the price determined pursuant to the Chapter VIII of SEBI ICDR Regulations. The 'Relevant Date' for this purpose will be the date when the Board of Directors and/or Committee thereof decide to open the QIP for subscription.

The details terms and conditions for the Issue will be determined by the Board of Directors and/or Committee in consultation with the lead managers and such other authorities as may be required considering the market conditions and in accordance with the applicable provisions of law.



The special resolution seek the consent and authorization of the members to the Board of Directors / Committee to make the proposed issue of Securities, in consultation with the lead managers, advisors, other intermediaries and in the events it is decided to issue securities convertible into Equity Shares, to issue to holders of such convertible Securities in such manner and such number of Equity Shares on conversion as may be required to be issued in accordance with the terms of the Issue, keeping in view the prevailing

market conditions in accordance with the applicable rules, regulation and guidelines.

Your Board recommends the approval of this resolution as Special Resolution..

None of the Directors, Key Managerial Personnel of the company and their relatives, is in any way concerned or interested in the said Resolution.

Details of Director as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Details of Director as on 31.03.2016	
Name of the Director	Mrs. A Nithya
Director Identification Number (DIN)	00125357
Date of Birth	11.03.1973
Address	No. 11, Raghupathy Naickenpalayam, Annaikalpalayam, Railway Colony, Lakkapurampudur, Erode – 638002
Nationality	Indian
Date of Appointment on the Board	19.02.1999
Qualifications	MBA
Expertise	Finance, Accounting and Treasury Functions
Brief Resume	Mrs. A Nithya holds Masters degree in Business Administration from Anna University, Chennai. She is responsible for the finance, accounting and treasury functions of the Company.
Relationships between Directors Inter-se	Wife of Mr. P Arulsundaram, Chairman and Managing Director of the Company
Directorship held in other Public Companies (excluding foreign, private and Section 8 companies)	SPAC Terminal Market Complex Limited
Names of listed entities in which the person also holds directorship and the membership of Committees of the Board	NIL
Shareholding in the Company	65,79,898

By the Order of the Board  
For R.P.P Infra Projects Limited

K Jayanthar  
Company Secretary

Place: Erode  
Date: August 13, 2016

# Directors' Report

*Dear members*

Your Directors have pleasure in presenting their 21st Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March, 2016.

## 1. Financial Highlights (Standalone and Consolidated)

During the year under review, performance of your company standalone and consolidated of the group is as under:

(₹ Crore)

Particulars	Year Ended			
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
	Standalone Results		Consolidated Results	
Turnover	314.69	263.14	314.69	265.94
Profit/(Loss) before taxation	27.81	21.63	26.34	21.11
Less : Tax Expense	7.15	4.37	7.15	4.53
Profit/(Loss) after tax	20.67	17.27	19.19	16.58
Add : Balance B/F from the previous year	113.25	97.37	148.08	132.58
Balance Profit / (Loss) C/F to the next year	128.40	113.25	164.30	148.07

## Operation and Performance Review

### Standalone Results

During the year under review, on standalone basis, revenue from operations increased to Rs. 315 crores from Rs. 263 crores in the previous year. The EBIDTA for the year was Rs. 51.31 Crore as compared to Rs. 39.28 Crore in the previous year, which showed a growth of 30% and the EBIDTA margin increased from 14.94% in F.Y. 14-15 to 16.29% in the year under review. The Profit after tax was Rs. 20.67 crore as against Rs. 17.27 Crore for the previous year. The company's net worth touched Rs. 151 Crore as on 31st March 2016 from Rs. 135.28 Crore as on 31st March 2015.

### Consolidated Results

The consolidated revenues for the year under review were Rs. 315 Crore as against Rs. 266 Crore in the previous year, recording a growth or around 18%. For F.Y. 2015-16, the consolidated EBIDTA was Rs. 50.49 Crore. The net profit after tax for consolidated company was Rs. 19.19 Crore. The Company's consolidated net worth increased to Rs.186.90 Crore as on March 31, 2016 from Rs. 170.11 Crore as on March 31, 2015.

In accordance with the Accounting standard AS - 21 on Consolidated Financial Statements, the audited Consolidated Financial statements are also provided along with Standalone Financial Statement in the Annual report.

## 2. Company's Affairs and Future Outlook

Your Directors are pleased to inform that during the year under report, the company has secured the following major contracts.

- Construction of Police Quarters in Dharwad, Mangalore, Panambur in Karnataka for Karnataka State Police Housing Board & Infrastructure Development Corporation
- Construction of Combined Administration Block, Quarter Guard, Master Stores, Barracks Development

Works at Kalkiri, Chittoor for Engineering Projects India (Gol Enterprise) (Package I)

- Construction of Quarters and other infrastructure works for the proposed ITBP complex at Kalkiri, Chittoor for Engineering Projects India (Gol Enterprise) (Package III)
- Construction of various types of residential quarters for NTPL Township at Tuticorin (Phase II)
- Warehouse Godown for Container Corporation of India
- Road Widening & improvement works on NH 17 & NH 48 in identified stretches of New Mangalore Port Road Connectivity Project from National Highway Authority of India
- Strengthening of Amarpatan Rampur Road in Madhya Pradesh
- Rehabilitation of Bhadrawathi Canal from KNNL
- Orders relating to Gauge Conversion works, Protective works and other works of Southern Railways in certain sections of Tiruvarur- Karaikudi, Muthipet & Adirampattinam Stations and Muthipet & Pattukotai Stations.

The total value of works on hand as on March 31, 2016 is Rs. 725 Crore.

The Company has a robust business model and is focused on widening its services by venturing in to niche areas/ new sectors/ geographies/ segments and expanding market reach. The Company lays great significance on ensuring cost competitiveness, sound execution strategies, managing volatility, control over working capital, and efficient contract management, thereby ensuring improved operational efficiency.

The Company has already expanded its footprint to Madhya Pradesh and has also entered in to a Consortium agreement with Siemens Ltd, India for submitting a joint bid to Power Grid Company of Bangladesh in respect of design, supply,

erection, testing and commissioning of 400 KV, 230 KV and 132 KV substations on turnkey basis.

Company keeps on looking out for strengthening its project portfolio by addition of new projects. Company endeavors to encash all opportunity available both in domestic and/ or international markets. The progressive revival of economy is indicative that in short term better opportunities will be available. For the purpose to undertake new projects, your Company may need to augment long term financial resources. Even the present projects may require further long term resources for its execution.

Hence, your Company may look forward to raise long term resources for strengthening its project portfolio, further requirement for existing and ongoing projects, any planned capital expenditure or general corporate requirements. Any such requirement will be assessed by Board of Directors and accordingly such decision including mode of raising of the money and nature of securities to be offered will be decided by Board. Further, increase of the capital base will also grant the company flexibility to raise additional debt.

### 3. Change in Nature of Business

There was no change in the nature of the business of the Company and its subsidiaries during the year.

### 4. Dividend & Amounts Transfer to Reserves

Your Directors are pleased to recommend a dividend of 5% i.e. Re. 0.50 per Equity Share of face value of Rs. 10/- for the Financial Year 2015-16, subject to the approval of the members of the Company. The dividend on approval of the

shareholder will be paid to the eligible members. The equity dividend outgo for the financial year 2015-16 would absorb a sum of Rs. 1.13 Crore. The balance profits of Rs. 19.31 Crore after provision for dividend and dividend distribution tax is proposed to be retained in the Statement of Profit and Loss. Hence, no amount is proposed to be transferred to reserves.

### 5. Extract of Annual Return

The extract of Annual Return, in form MGT - 9, for the Financial Year 2015-16 has been enclosed with this report as Annexure - 1.

### 6. Board of Directors and Meetings of Board

The Board is properly constituted with appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

Board is properly constituted in compliance to Section 149 of Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulation. The total strength of the Board presently is Six Directors comprising of Two Executive Promoter Directors, One Non-Executive Director and Three Independent Directors with One Women Director on Board. More details about Board including the profile of directors are provided in Corporate Governance Report forming part of the Board Report.

During the Financial Year 2015-16, four Board meetings were held on 29th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016.

The attendance of directors in the Board Meeting is provided below:

Name of the Director	No. of Meetings held	No. of Meetings Attended
Mr. P Arulsundaram	4	4
Mrs. A Nithya	4	4
Mr. P Muralidasan	4	4
Mr. A P C Krisshnamoorthy	4	4
Mr. S Swaminathan	4	4
Mr. K Natarajan	4	4

### 7. Loan, Guarantees and Investments under Section 186

During the financial year 2015-16, the company has not granted any loan or extended any guarantee or provided any security in connection with the loans to other companies or made any investments under Section 186 of the Companies Act 2013 and hence no disclosure is required to be made.

Please refer to note no.12 to Notes on Accounts for details of all investments earlier made by the company.

### 8. Contracts or Arrangements with Related Parties

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 for the Financial Year 2015-16 in the prescribed format,

AOC - 2 has been enclosed with this report as Annexure – 2.

## 9. Material Changes Affecting the Financial Position of the Company

There are no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company i.e. 31st March 2016 and the date of the Directors' Report.

## 10. Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo

Information as per the Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo has been enclosed with this report as Annexure – 3.

## 11. Subsidiaries

As required under the Section 129(3) of Companies Act, 2013 and Regulation 34(2) of SEBI (LODR) Regulation, 2015, a consolidated financial statement duly audited by the Statutory Auditors forms part of this report.

The Company will provide a copy of financial statements in respect of each of its subsidiary to any shareholder of the Company, who asks for it and the said financial statements will also be kept open for inspection at the registered office of the Company and that of the respective subsidiary companies.

Further, as required, a statements pursuant to Section 129(3) read with rule 5 of Companies (Accounts) Rules, 2014 of the Companies Act, 2013 in form AOC-1 is attached with this report as Annexure – 4.

As of 31st March 2016, the list of subsidiaries of your company is as follows:

1. R.P.P Infra Projects (Lanka) Limited
2. R.P.P Infra Overseas PLC
3. R.P.P Infra Projects Gabon SA
4. R.P.P Energy Systems Private Limited
5. Sanskar Dealcom Private Limited
6. Greatful Mercantile Private Limited
7. Lunkar Finance Private Limited

A detailed overview of the operations and financial performance of the Subsidiary is provided in the Management Discussion and Analysis Report forming part of the Board Report.

A copy of the Policy determining 'material' subsidiaries has been hosted on the website of the Company at the weblink <http://www.rppiopl.com/>

The Company does not have any Associate or joint venture.

## 12. Risk Management Policy

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. The Committee had formulated a Risk Management Policy for dealing with different kinds of risks which it faces in day to day operations of the Company. Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures. The risks are reviewed for the change in the nature and extent of major risks identified since the last assessment. It also provides control measures for risks and future action plans. The Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. The Company believes that the overall risk exposure of present and future risks remains within risk capacity.

The details about composition of the Risk Management Committee, Policy and its terms of reference have been provided in the Corporate Governance Report.

## 13. Directors and Key Managerial Personnel

All the existing directors continue in the Board and no change has taken place in Board during the year. Mr. K Jayanthar has been appointed as Company Secretary w.e.f. 29th May 2015. Mrs. A Nithya (DIN 00125357) Director of the Company retires by rotation and being eligible offers herself for re-appointment and same will be for the consideration of members in the Annual General Meeting of the Company.

Mr. P Arulsundaram (DIN 00125403) is Chairman and Managing Director of the Company and has been appointed for a period of three years w.e.f. 1st April 2014. He is not liable to retire by rotation.

Mrs. A Nithya (DIN 00125357) is Whole-time Director and Chief Financial Officer of the Company and has been appointed for a period of three years w.e.f. 1st April 2014. She is liable to retire by rotation.

Mr. P Muralidasan (DIN 02186774) Non-Executive Director of the Company liable to retire by rotation.

The shareholders of the Company have appointed Mr.

K Natarajan (DIN 03638450), Mr. S Swaminathan (DIN 02800432) and Mr. A P C Krishnamoorthy (DIN 02181130) as Independent directors of the Company to hold office for five consecutive years from the conclusion of the 19th Annual General Meeting dated 8th September 2014 of the Company.

Mr. K Jayanthar has been appointed as Company Secretary w.e.f. 29th May 2015 as per provisions of Section 203 of the Companies Act, 2013.

#### 14. Significant and material orders passed by the regulators courts or tribunals

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

#### 15. Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements

##### Internal Controls

A robust system of internal control, commensurate with the size and nature of its business, forms an integral part of the Company's corporate governance policies. Internal Audit has been conducted by qualified outside Internal Auditors. Findings of the Internal Audit report are reviewed by the Management and by the Audit committee of the Board and proper follow up action are ensured wherever required. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the company and nature of its business.

##### Internal Financial Controls

As per Section 134(5) (e) of the Companies Act, 2013, the Directors have an overall responsibility for ensuring that the Company has implemented robust systems and framework of internal financial controls.

##### These include those policies and procedures that:

- i. pertain to the maintenance of records which in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements in accordance with generally accepted accounting principles and that receipts and

expenditures are being made only in accordance with authorizations of the Management and the Directors of the Company and

- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the assets that can have a material effect on the financial statements.

This provides the Directors reasonable assurance regarding the adequacy and operating effectiveness of controls with regards to reporting, operational and compliance risks, to enable them to meet these responsibilities. The Company has devised appropriate systems and framework including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, Internal audit framework, risk management framework and whistle blower mechanism.

The Audit committee regularly reviews the internal control system to ensure that it remains effective and aligned with the business requirements, where weaknesses are identified as a result of the reviews, new procedures are put in place to strengthen controls. These are in turn reviewed at regular intervals.

The Company has developed a framework for designing and assessing effectiveness of internal controls over financial reporting and has already laid down entity level policies and process level standard operating procedures.

The entity level policies comprise anti-fraud policies (code of conduct including conflict of interest, confidentiality and whistle blower policy) and other policies (organization structure, roles and responsibilities, insider trading policy, related party policy, prevention of sexual harassment policy, risk management policy, policy for materiality of information or events and policy for preservation of documents). The Company has also prepared Standard Operating Practices for each of its processes of revenue to receive, procure to pay, hire to retire, finance and accounts, fixed assets, treasury, inventory, operations and administrative expenses.

The Management assessed the effectiveness of the internal financial controls over financial reporting as of 31st March 2016 and the Board believes that the controls are adequate.

#### 16. Deposits

The Company has not accepted any deposits from members or public in terms of Section 73 or Section 76 of the Companies Act, 2013.

### 17. Declaration by Independent Director

The Independent Directors have submitted the declaration of Independence, stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

### 18. Receipt of any commission by MD / WTD from Company or receipt of commission / remuneration from subsidiary

MD/WTD are not in receipt of any commission from Company or any commission/remuneration from subsidiary.

### 19. Auditors' Remark

There are no qualifications or reservation or remarks made by the Auditors in their Standalone Audit Report. Further, there are no qualifications or reservation or remarks made by the Auditors in their Consolidated Audit Report. However, Auditor has made a disclaimer that out of five subsidiaries, whose accounts have been consolidated, one of the subsidiary Companies Auditors Report have not been provided to him. Board will like to clarify that financial account for subsidiary based at Mauritius namely, R.P.P Infra Overseas PLC was duly audited before the date of audit report of the Company, however, due to some logistic problem, the same could not be provided to Statutory Auditor at the time of Audit. The Auditors Report of R.P.P Infra Overseas PLC, Mauritius does not contain any qualification/ reservation.

### 20. Appointment of Independent Auditor

The Shareholders of the Company at the Annual General Meeting held on 14th September, 2015 have appointed M/s. Karthikeyan & Jayaram, Chartered Accountants as Statutory Auditors of the Company.

The term of M/s. Karthikeyan & Jayaram, Chartered Accountants, and Statutory Auditors will expire on the date of 21st Annual General Meeting to be held on 9th September, 2016.

As per the requirement of Section 139(2) of the Companies Act, 2013 and rules made there under for the listed entity and with a view to provide rotation of Independent Auditors,

Company proposes to appoint M/s. Sundaram & Narayanan, Chartered Accountants as Statutory Auditors in the ensuing Annual General Meeting for a period of five year, i.e. until the conclusion of the next Annual General Meeting of the Company. The members are requested to consider their appointment and authorize the Board of Directors to fix their

remuneration.

The Audit Committee recommended to the Board to appoint M/s. Sundaram & Narayanan, Chartered Accountants as Statutory Auditors in the ensuing Annual General Meeting for a period of five years and authorize to fix their remuneration by the Board of Directors.

M/s. Sundaram & Narayanan, Chartered Accountants (ICAI Firm Regn. No.004204S) have confirmed that their appointment, if made, shall be in accordance with the provisions of Section 139 of the Companies Act, 2013.

### 21. Cost Auditor

As per the requirement of Section 148 of the Companies Act, 2013 the Board of Directors, on the recommendation of Audit Committee, has appointed Mr. S Chandrasekaran, Cost Accountant as Cost Auditor to audit the cost accounts of the Company for the financial year 2015-16 at a remuneration of Rs.3,50,000/- (Rupees Three Lakh Fifty Thousand) plus service tax applicable and reimbursement of out of pocket expenses. As required under the Companies Act, 2013, a resolution seeking member's approval for the remuneration payable to the Cost Auditor forms part of the Notice convening the Annual General Meeting.

### 22. Secretarial Audit Report

As per the provisions of Section 204 of the Companies Act, 2013, the Board of Directors have appointed Mr. Gouri Shanker Mishra, Practicing Company Secretary (C.P. No: 13581) as Secretarial Auditor to conduct Secretarial Audit of the company for the Financial year ended on 31st March, 2016.

Secretarial Audit Report issued by Mr. Gouri Shanker Mishra, Practicing Company Secretary in form MR-3 pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 has been enclosed with this report as Annexure – 5.

Apart from one observation, there were no qualifications, reservations or adverse remarks made by the Secretarial Auditor in his Secretarial Audit Report. Due to oversight, the filing of the Cost Audit Report was missed and same will be filed without delay.

### 23. Audit Committee

As required under Section 177 of Companies Act, 2013 and SEBI (LODR) Regulation, 2015, Company has constituted

Audit Committee. The details about composition of the Audit Committee and its terms of reference have been provided in the Corporate Governance Report.

There were no such incidences where Board has not accepted the recommendation of the Audit Committee during the year.

#### **24. Corporate Social Responsibility (CSR) Policy**

The Board of Directors of the Company have constituted Corporate Social Responsibility Committee and adopted policy for Corporate Social Responsibility. The Committee defines the parameters and would observe them for effective discharge of the social responsibility of your company.

Report on Corporate Social Responsibility including details as Per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed with this report as Annexure - 6.

#### **25. Nomination & Remuneration Committee**

The Company strongly believes that human resources which manage the other resources have infinite potential and therefore, their development is the key to organizational effectiveness. We commit ourselves to integrate human resources with Organizational growth and development for mutual benefit. The Nomination and Remuneration Policy has been formulated in compliance with Section 178 and other applicable provisions of the Companies Act 2013 read with the applicable rules thereto and the provisions of SEBI (LODR) Regulation, 2015.

The details about composition of the Nomination and Remuneration Committee, Policy and its terms of reference have been provided in the Corporate Governance Report.

#### **26. Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually including independent directors as well as the evaluation of the working of its Committees, i.e. Audit and Nomination & Remuneration Committees.

A structured format was prepared to rate after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties,

obligations and governance.

A separate exercise was carried out to evaluate the performance of independent 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 mechanism for the evaluation of the Board is given in detail in the Corporate Governance Report.

#### **27. Disclosure on Establishment of a Vigil Mechanism**

The Board of Directors have adopted Whistle Blower Policy. The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Directors and all permanent employees of the Company are covered under the Whistle Blower Policy. A mechanism has been established for directors/ employees to report concerns about unethical behavior, actual or suspected fraud or violation of Code of Conduct and Ethics. It also provides for adequate safeguards against the victimization of directors/ employees who avail of the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. A copy of the Whistle Blower Policy is also hosted on the website of the Company.

#### **28. Corporate Governance**

As per Schedule V of SEBI (LODR) Regulation, 2015, a separate section on corporate governance practices followed by the Company, report on Corporate Governance together with a certificate confirming compliance and CEO/CFO certificate by Managing Director and Chief Financial Officer forms an integral part of this Directors' Report.

#### **29. Managerial Remuneration**

Statistical Disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been enclosed with this report as Annexure - 7.

#### **30. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

The Company has adopted policy on Prevention of Sexual Harassment of Women at Workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention,

Prohibition and Redressal) Act, 2013 and has also created an Internal Complaints Committee headed by Mrs. A Nithya, Whole-time Director of the Company who directly reports to the Chairman & Managing Director. During the financial year ended 31st March, 2016, the Company has not received any complaints pertaining to sexual harassment. A copy of the Policy on Sexual Harassment is also hosted on the website of the Company.

### 31. Management Discussion and Analysis Report

As per Regulation 34(3) & Schedule V of SEBI (LODR) Regulation, 2015, a separate section on Management Discussion and Analysis Report forms an internal part of this Directors' Report.

### 32. Directors Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments 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 31st March 2016 and of the profit /loss of the Company for that period;
- c) 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) the directors had prepared the annual accounts on a going concern basis;
- e) 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.
- f) 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.

### Transfer to Investor Education and Protection Fund

Company doesn't have dividend remaining unclaimed by the members of the company for a period exceeding 7 years, hence no amount was transferrable to the Investor Education and Protection Fund.

### Acknowledgment

Your Directors take this opportunity to offer their sincere thanks to the various departments of the Central and State Governments, Government agencies, Banks, Financial Institutions, shareholders, customers and employees who through their continued support and co-operation, have helped in your Company's progress.

**For and on behalf of the Board of Directors**

**P Arulsundaram  
Chairman & Managing Director  
DIN 00125403**

Place: Erode  
Date: May 27, 2016

# ANNEXURE – 1

## FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

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

### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45201TZ1995PLC006113
2.	Registration Date	04.05.1995
3.	Name of the Company	R.P.P INFRA PROJECTS LIMITED
4.	Category/Sub-category of the Company	CONSTRUCTION AND ENGINEERING
5.	Address of the Registered office & contact details	SF No.454, RAGHUPATHYNAIKEN PALAYAM, RAILWAY COLONY POST, POONDURAI ROAD, ERODE, TAMILNADU – 638002. PHONE: 0424 2284077
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. CAMEO CORPORATE SERVICES LIMITED SUBRAMANIAN BUILDING, No.1 CLUB HOUSE ROAD, CHENNAI, TAMILNADU – 600002. PHONE: 044 28460390

### 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)

Name and Description of main Products/ Services	NIC Code of the Product/Service	% to total turnover of the Company
Engineering and Construction activities	42204, 42205, 42902, 42909	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary / Associate	% of shared	Applicable Section
1.	R.P.P Infra Projects (Lanka) Limited 521, 1/C, Galle Road, Wellawatta, Colombo – 06.	Foreign Company	Subsidiary	100%	2(87)
2.	R.P.P Infra Overseas PLC Level 3, Alexander House, 35 Cybercity, Ebene, Mauritius.	Foreign Company	Subsidiary	100%	2(87)
3.	R.P.P Infra Projects Gabon SA BP 12292, Libreville, Gabon.	Foreign Company	Subsidiary (Step-down)	100%	2(87)
4.	R.P.P Energy Systems Private Limited S F No. 454, Raghupathynaiken Palayam, Railway Colony Post, Poondurai Road, Erode, Tamilnadu - 638 002.	U72200TZ2010PTC016441	Subsidiary	100%	2(87)

S. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary / Associate	% of shared	Applicable Section
5.	Sanskar Dealcom Private Limited 8/B, Mahesh Chowdhary Lane, Bhawanipur, Kolkata, West Bengal – 700025.	U51101WB2010PTC146070	Subsidiary	100%	2(87)
6.	Greatful Mercantile Private Limited 8/B, Mahesh Chowdhary Lane, Bhawanipur, Kolkata, West Bengal – 700025.	U51101WB2010PTC146065	Subsidiary	100%	2(87)
7.	Lunkar Finance Private Limited No. A 21, Phase III, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai – 600032.	U65929TN1999PTC041812	Subsidiary (Step-down)	100%	2(87)

#### IV. SHARE HOLDING PATTERN:

(Equity Share Capital Breakup as percentage of Total Equity)

##### (i) Category-wise Share Holding

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	
<b>A. Promoters</b>									
(1) Indian									
a) Individuals/HUF	16368391	0	16368391	72.42	16368391	0	16368391	72.42	0
b) Central Government	0	0	0	0	0	0	0	0	0
c) State Government(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub - Total (A)(1)</b>	<b>16368391</b>	<b>0</b>	<b>16368391</b>	<b>72.42</b>	<b>16368391</b>	<b>0</b>	<b>16368391</b>	<b>72.42</b>	<b>0</b>
(2) Foreign									
a) NRI - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub - Total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2)</b>	<b>16368391</b>	<b>0</b>	<b>16368391</b>	<b>72.42</b>	<b>16368391</b>	<b>0</b>	<b>16368391</b>	<b>72.42</b>	<b>0</b>
<b>B. Public Shareholding</b>									
(1) Institutions									
a) Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	43277	0	43277	0.19	0.19
c) Central Government	0	0	0	0	0	0	0	0	0
d) State Government(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) Foreign Institutional Investors	0	0	0	0	496500	0	496500	2.19	2.19
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub - Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>539777</b>	<b>0</b>	<b>539777</b>	<b>2.38</b>	<b>2.38</b>

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	5263680	0	5263680	23.29	3095345	0	3095345	13.69	-9.59
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.1 lakh	526711	847	527558	2.33	1269028	847	1269875	5.61	3.28
ii) Individual Shareholders holding nominal share capital in excess of Rs.1 lakh	344686	0	344686	1.52	917947	0	917947	4.06	2.53
c) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
d) Any Other									
Clearing Members	11300	0	11300	0.05	54144	0	54144	0.24	0.19
Hindu Undivided Families	70158	0	70158	0.31	184645	0	184645	0.81	0.51
Non Resident Indians	14811	0	14811	0.06	25380	0	25380	0.11	0.04
Trusts	0	0	0	0	145000	0	145000	0.64	0.64
Escrow Account	0	0	0	0	80	0	80	0	0
Sub - Total (B)(2)	6231346	847	6232193	27.58	5691569	847	5692416	25.19	-2.39
Total Public Shareholding (B) = (B)(1)+(B)(2)	6231346	847	6232193	27.57	6231346	847	6232193	27.57	0
Total (A)+(B)	22599737	847	22600584	100	22599737	847	22600584	100	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A)+(B)+(C)	22599737	847	22600584	100	22599737	847	22600584	100	0

(ii) Shareholding of promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	P. ARUL SUNDARAM	9788443	43.31	11.06	9788443	43.31	11.06	0
2	A. NITHYA	6579898	29.11	20.08	6579898	29.11	20.08	0
3	GOWRIAMMAL	50	0	0	50	0	0	0

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

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>P. ARUL SUNDARAM</b>				
At the beginning of the year	9788443	43.31	9788443	43.31
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change during the year			
At the end of the year	9788443	43.31	9788443	43.31
<b>A. NITHYA</b>				
At the beginning of the year	6579898	29.11	6579898	29.11
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change during the year			
At the end of the year	6579898	29.11	6579898	29.11
<b>GOWRIAMMAL</b>				
At the beginning of the year	50	0	50	0
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change during the year			
At the end of the year	50	0	50	0

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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	HI TECH HOUSING PROJECTS PRIVATE LIMITED				
	At the beginning of the year	675032	2.9867	675032	2.9867
	Sale 29-May-2015	-13839	0.0612	661193	2.9255
	Sale 05-Jun-2015	-32210	0.1425	628983	2.7830
	Sale 19-Jun-2015	-40511	0.1792	588472	2.6037
	Sale 26-Jun-2015	-49745	0.2201	538727	2.3836
	Sale 30-Jun-2015	-22854	0.1011	515873	2.2825
	Sale 03-Jul-2015	-5314	0.0235	510559	2.2590
	Sale 10-Jul-2015	-510559	2.2590	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
<b>2</b>	<b>COMFORT SECURITIES LTD</b>				
	At the beginning of the year	474267	2.0984	474267	2.0984
	Sale 17-Apr-2015	-25000	0.1106	449267	1.9878
	Sale 24-Apr-2015	-32500	0.1438	416767	1.8440
	Sale 01-May-2015	-15000	0.0663	401767	1.7776
	Sale 30-Sep-2015	-226767	1.0033	175000	0.7743
	At the end of the Year	175000	0.7743	175000	0.7743
<b>3</b>	<b>SREE SARAVANA ENGINEERING BHAVANI PRIVATE LIMITED</b>				
	At the beginning of the year	328910	1.4553	328910	1.4553
	At the end of the Year	328910	1.4553	328910	1.4553
<b>4</b>	<b>UNISYS SOFTWARES AND HOLDINGS INDUSTRIES LTD.</b>				
	At the beginning of the year	314449	1.3913	314449	1.3913
	Sale 31-Jul-2015	-50000	0.2212	264449	1.1700
	Sale 07-Aug-2015	-150000	0.6636	114449	0.5063
	Sale 21-Aug-2015	-75000	0.3318	39449	0.1745
	Purchase 30-Sep-2015	139267	0.6162	178716	0.7907
	Sale 23-Oct-2015	-75000	0.3318	103716	0.4589
	Purchase 06-Nov-2015	50000	0.2212	153716	0.6801
	Sale 27-Nov-2015	-25000	0.1106	128716	0.5695
	Sale 08-Jan-2016	-2431	0.0107	126285	0.5587
	Sale 15-Jan-2016	-50000	0.2212	76285	0.3375
	Sale 22-Jan-2016	-76285	0.3375	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
<b>5</b>	<b>RADHASOAMI SECURITIES PRIVATE LIMITED</b>				
	At the beginning of the year	261150	1.1555	261150	1.1555
	Sale 17-Apr-2015	-29000	0.1283	232150	1.0271
	Sale 15-May-2015	-2140	0.0094	230010	1.0177
	Sale 21-Aug-2015	-25000	0.1106	205010	0.9071
	Sale 08-Jan-2016	-205010	0.9071	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
<b>6</b>	<b>PRIME CAPITAL MARKETS LTD</b>				
	At the beginning of the year	205569	0.9095	205569	0.9095
	Sale 10-Jul-2015	-50000	0.2212	155569	0.6883
	Sale 17-Jul-2015	-50000	0.2212	105569	0.4671
	Sale 24-Jul-2015	-50000	0.2212	55569	0.2458
	Sale 31-Jul-2015	-45500	0.2013	10069	0.0445
	Purchase 30-Sep-2015	87500	0.3871	97569	0.4317
	Sale 04-Dec-2015	-25000	0.1106	72569	0.3210

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 08-Jan-2016	-72569	0.3210	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
<b>7</b>	<b>JMD TELEFILMS INDUSTRIES LTD</b>				
	At the beginning of the year	201557	0.8918	201557	0.8918
	Sale 15-Jan-2016	-98000	0.4336	103557	0.4582
	Sale 22-Jan-2016	-23715	0.1049	79842	0.3532
	Sale 29-Jan-2016	-79842	0.3532	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
<b>8</b>	<b>JIGNESH RAMNIKLAL SHETH</b>				
	At the beginning of the year	200000	0.8849	200000	0.8849
	Sale 30-Oct-2015	-100000	0.4424	100000	0.4424
	Sale 27-Nov-2015	-100000	0.4424	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
<b>9</b>	<b>P AND C CONSTRUCTIONS (P) LTD</b>				
	At the beginning of the year	194887	0.8623	194887	0.8623
	Sale 10-Apr-2015	-20000	0.0884	174887	0.7738
	Sale 24-Apr-2015	-50000	0.2212	124887	0.5525
	Sale 08-May-2015	-30000	0.1327	94887	0.4198
	Sale 29-May-2015	-20000	0.0884	74887	0.3313
	Sale 05-Jun-2015	-10000	0.0442	64887	0.2871
	Sale 07-Aug-2015	-64887	0.2871	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
<b>10</b>	<b>KEVAL SHARE BROKING P.LTD</b>				
	At the beginning of the year	192829	0.8532	192829	0.8532
	Sale 10-Apr-2015	-2754	0.0121	190075	0.8410
	Sale 17-Apr-2015	-13005	0.0575	177070	0.7834
	Sale 24-Apr-2015	-6000	0.0265	171070	0.7569
	Sale 01-May-2015	-70125	0.3102	100945	0.4466
	Purchase 08-May-2015	20000	0.0884	120945	0.5351
	Purchase 15-May-2015	7500	0.0331	128445	0.5683
	Sale 22-May-2015	-42000	0.1858	86445	0.3824
	Purchase 29-May-2015	20000	0.0884	106445	0.4709
	Purchase 05-Jun-2015	10000	0.0442	116445	0.5152
	Sale 12-Jun-2015	-9740	0.0430	106705	0.4721
	Sale 19-Jun-2015	-7631	0.0337	99074	0.4383
	Purchase 26-Jun-2015	24566	0.1086	123640	0.5470
	Purchase 30-Jun-2015	2855	0.0126	126495	0.5596
	Purchase 03-Jul-2015	23788	0.1052	150283	0.6649
	Sale 10-Jul-2015	-22673	0.1003	127610	0.5646
	Purchase 17-Jul-2015	20472	0.0905	148082	0.6552

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 24-Jul-2015	25473	0.1127	173555	0.7679
	Purchase 31-Jul-2015	15262	0.0675	188817	0.8354
	Sale 07-Aug-2015	-44817	0.1983	144000	0.6371
	Sale 14-Aug-2015	-36238	0.1603	107762	0.4768
	Sale 21-Aug-2015	-20188	0.0893	87574	0.3874
	Purchase 28-Aug-2015	9150	0.0404	96724	0.4279
	Purchase 04-Sep-2015	3887	0.0171	100611	0.4451
	Purchase 09-Sep-2015	12852	0.0568	113463	0.5020
	Sale 11-Sep-2015	-2129	0.0094	111334	0.4926
	Purchase 18-Sep-2015	2228	0.0098	113562	0.5024
	Sale 25-Sep-2015	-2374	0.0105	111188	0.4919
	Sale 30-Sep-2015	-83165	0.3679	28023	0.1239
	Sale 09-Oct-2015	-28023	0.1239	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
<b>10</b>	<b>KEVAL SHARE BROKING P. LTD.</b>				
	At the beginning of the year	182875	0.8091	182875	0.8091
	Sale 01-May-2015	-42875	0.1897	140000	0.6194
	Sale 21-Aug-2015	-40000	0.1769	100000	0.4424
	Sale 09-Oct-2015	-84083	0.3720	15917	0.0704
	Purchase 16-Oct-2015	32834	0.1452	48751	0.2157
	Purchase 23-Oct-2015	12449	0.0550	61200	0.2707
	Purchase 30-Oct-2015	51185	0.2264	112385	0.4972
	Sale 06-Nov-2015	-442	0.0019	111943	0.4953
	Purchase 13-Nov-2015	2896	0.0128	114839	0.5081
	Sale 20-Nov-2015	-25023	0.1107	89816	0.3974
	Purchase 27-Nov-2015	24280	0.1074	114096	0.5048
	Purchase 04-Dec-2015	13109	0.0580	127205	0.5628
	Sale 11-Dec-2015	-2185	0.0096	125020	0.5531
	Sale 18-Dec-2015	-18178	0.0804	106842	0.4727
	Sale 25-Dec-2015	-35921	0.1589	70921	0.3138
	Purchase 31-Dec-2015	18037	0.0798	88958	0.3936
	Purchase 01-Jan-2016	466	0.0020	89424	0.3956
	Sale 08-Jan-2016	-37677	0.1667	51747	0.2289
	Purchase 15-Jan-2016	55253	0.2444	107000	0.4734
	Sale 22-Jan-2016	-28772	0.1273	78228	0.3461
	Purchase 29-Jan-2016	10278	0.0454	88506	0.3916
	Sale 05-Feb-2016	-61506	0.2721	27000	0.1194
	Purchase 12-Feb-2016	48650	0.2152	75650	0.3347
	Purchase 19-Feb-2016	12447	0.0550	88097	0.3897

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 26-Feb-2016	1606	0.0071	89703	0.3969
	Purchase 04-Mar-2016	845	0.0037	90548	0.4006
	Purchase 11-Mar-2016	25000	0.1106	115548	0.5112
	Purchase 18-Mar-2016	3035	0.0134	118583	0.5246
	Purchase 25-Mar-2016	466	0.0020	119049	0.5267
	At the end of the Year	119049	0.5267	119049	0.5267
<b>11</b>	<b>LTS INVESTMENT FUND LTD</b>				
	At the beginning of the year	0	0.0000	0	0.0000
	Purchase 15-Jan-2016	450000	1.9910	450000	1.9910
	At the end of the Year	450000	1.9910	450000	1.9910
<b>12</b>	<b>MENTOR CAPITAL LIMITED</b>				
	At the beginning of the year	0	0.0000	0	0.0000
	Purchase 29-Jan-2016	54000	0.2389	54000	0.2389
	Purchase 12-Feb-2016	150704	0.6668	204704	0.9057
	At the end of the Year	204704	0.9057	204704	0.9057
<b>13</b>	<b>SANJAY MANUBHAI DESAI JT1 : SMITA SANJAY DESAI</b>				
	At the beginning of the year	67041	0.2966	67041	0.2966
	Purchase 17-Apr-2015	8500	0.0376	75541	0.3342
	Sale 01-May-2015	-1200	0.0053	74341	0.3289
	Purchase 22-May-2015	2000	0.0088	76341	0.3377
	Purchase 29-May-2015	2760	0.0122	79101	0.3499
	Purchase 05-Jun-2015	22500	0.0995	101601	0.4495
	Purchase 12-Jun-2015	4750	0.0210	106351	0.4705
	Purchase 07-Aug-2015	21000	0.0929	127351	0.5634
	Purchase 14-Aug-2015	1267	0.0056	128618	0.5690
	Purchase 21-Aug-2015	8500	0.0376	137118	0.6067
	Sale 06-Nov-2015	-8000	0.0353	129118	0.5713
	Purchase 13-Nov-2015	3764	0.0166	132882	0.5879
	Sale 20-Nov-2015	-100	0.0004	132782	0.5875
	Sale 27-Nov-2015	-2000	0.0088	130782	0.5786
	Purchase 08-Jan-2016	5000	0.0221	135782	0.6007
	Purchase 15-Jan-2016	38700	0.1712	174482	0.7720
	Sale 22-Jan-2016	-2288	0.0101	172194	0.7619
	Sale 29-Jan-2016	-10	0.0000	172184	0.7618
	Sale 05-Feb-2016	-33000	0.1460	139184	0.6158
	Purchase 26-Feb-2016	21128	0.0934	160312	0.7093
	Purchase 04-Mar-2016	5000	0.0221	165312	0.7314
	At the end of the Year	165312	0.7314	165312	0.7314

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
14	NAVDURGA INVESTMENT CONSULTANTS PRIVATE LIMITED				
	At the beginning of the year	161600	0.7150	161600	0.7150
	At the end of the Year	161600	0.7150	161600	0.7150
14	NAVDURGA INVESTMENT CONSULTANTS PRIVATE LIMITED				
	At the beginning of the year	121507	0.5376	121507	0.5376
	At the end of the Year	121507	0.5376	121507	0.5376
15	JATASHIV VYAPAAR PRIVATE LIMITED				
	At the beginning of the year	157377	0.6963	157377	0.6963
	At the end of the Year	157377	0.6963	157377	0.6963
16	ANAND RATHI SHARE AND STOCK BROKERS LTD				
	At the beginning of the year	0	0.0000	0	0.0000
	Purchase 31-Mar-2016	147000	0.6504	147000	0.6504
	At the end of the Year	147000	0.6504	147000	0.6504
16	ANAND RATHI SHARE & STOCK BROKERS LIMITED				
	At the beginning of the year	675	0.0029	675	0.0029
	Sale 03-Apr-2015	-675	0.0029	0	0.0000
	Purchase 17-Apr-2015	252	0.0011	252	0.0011
	Purchase 24-Apr-2015	897	0.0039	1149	0.0050
	Sale 01-May-2015	-1149	0.0050	0	0.0000
	Purchase 08-May-2015	318	0.0014	318	0.0014
	Sale 15-May-2015	-258	0.0011	60	0.0002
	Sale 22-May-2015	-60	0.0002	0	0.0000
	Purchase 29-May-2015	900	0.0039	900	0.0039
	Sale 05-Jun-2015	-800	0.0035	100	0.0004
	Purchase 12-Jun-2015	900	0.0039	1000	0.0044
	Sale 19-Jun-2015	-1000	0.0044	0	0.0000
	Purchase 10-Jul-2015	85	0.0003	85	0.0003
	Purchase 17-Jul-2015	1045	0.0046	1130	0.0049
	Purchase 24-Jul-2015	2945	0.0130	4075	0.0180
	Purchase 31-Jul-2015	886	0.0039	4961	0.0219
	Sale 07-Aug-2015	-1599	0.0070	3362	0.0148
	Purchase 14-Aug-2015	3194	0.0141	6556	0.0290
	Purchase 21-Aug-2015	78011	0.3451	84567	0.3741
	Sale 28-Aug-2015	-5483	0.0242	79084	0.3499
	Sale 04-Sep-2015	-584	0.0025	78500	0.3473
	Purchase 11-Sep-2015	30	0.0001	78530	0.3474
	Sale 18-Sep-2015	-30	0.0001	78500	0.3473

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 30-Sep-2015	1100	0.0048	79600	0.3522
	Purchase 09-Oct-2015	2900	0.0128	82500	0.3650
	Sale 16-Oct-2015	-2500	0.0110	80000	0.3539
	Sale 23-Oct-2015	-496	0.0021	79504	0.3517
	Sale 06-Nov-2015	-78207	0.3460	1297	0.0057
	Sale 20-Nov-2015	-297	0.0013	1000	0.0044
	Purchase 27-Nov-2015	1415	0.0062	2415	0.0106
	Sale 04-Dec-2015	-1036	0.0045	1379	0.0061
	Purchase 11-Dec-2015	5528	0.0244	6907	0.0305
	Sale 18-Dec-2015	-6907	0.0305	0	0.0000
	Purchase 25-Dec-2015	3737	0.0165	3737	0.0165
	Sale 31-Dec-2015	-3331	0.0147	406	0.0017
	Sale 01-Jan-2016	-50	0.0002	356	0.0015
	Purchase 08-Jan-2016	24729	0.1094	25085	0.1109
	Sale 15-Jan-2016	-14485	0.0640	10600	0.0469
	Purchase 22-Jan-2016	21347	0.0944	31947	0.1413
	Sale 29-Jan-2016	-2650	0.0117	29297	0.1296
	Purchase 05-Feb-2016	3290	0.0145	32587	0.1441
	Purchase 12-Feb-2016	1676	0.0074	34263	0.1516
	Purchase 19-Feb-2016	6206	0.0274	40469	0.1790
	Sale 26-Feb-2016	-6876	0.0304	33593	0.1486
	Purchase 04-Mar-2016	8844	0.0391	42437	0.1877
	Sale 11-Mar-2016	-9950	0.0440	32487	0.1437
	Purchase 18-Mar-2016	9209	0.0407	41696	0.1844
	Sale 25-Mar-2016	-7198	0.0318	34498	0.1526
	Purchase 31-Mar-2016	36136	0.1598	70634	0.3125
	At the end of the Year	70634	0.3125	70634	0.3125
<b>16</b>	<b>ANAND RATHI SHARE &amp; STOCK BROKERS LIMITED</b>				
	At the beginning of the year	163	0.0007	163	0.0007
	Sale 10-Apr-2015	-28	0.0001	135	0.0005
	Sale 17-Apr-2015	-135	0.0005	0	0.0000
	Purchase 24-Apr-2015	500	0.0022	500	0.0022
	Sale 01-May-2015	-500	0.0022	0	0.0000
	Purchase 03-Jul-2015	55	0.0002	55	0.0002
	Sale 10-Jul-2015	-45	0.0001	10	0.0000
	Purchase 17-Jul-2015	290	0.0012	300	0.0013
	Sale 24-Jul-2015	-300	0.0013	0	0.0000
	Purchase 31-Jul-2015	250	0.0011	250	0.0011
	Sale 07-Aug-2015	-150	0.0006	100	0.0004

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 14-Aug-2015	-100	0.0004	0	0.0000
	Purchase 25-Sep-2015	1000	0.0044	1000	0.0044
	Sale 30-Sep-2015	-1000	0.0044	0	0.0000
	Purchase 06-Nov-2015	150	0.0006	150	0.0006
	Sale 13-Nov-2015	-150	0.0006	0	0.0000
	Purchase 08-Jan-2016	2000	0.0088	2000	0.0088
	Sale 22-Jan-2016	-2000	0.0088	0	0.0000
	Purchase 19-Feb-2016	1200	0.0053	1200	0.0053
	Sale 26-Feb-2016	-1200	0.0053	0	0.0000
	Purchase 11-Mar-2016	112	0.0004	112	0.0004
	Sale 18-Mar-2016	-12	0.0000	100	0.0004
	Sale 25-Mar-2016	-100	0.0004	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
<b>16</b>	<b>ANAND RATHI SHARE AND STOCK BROKERS LIMITED</b>				
	At the beginning of the year	100	0.0004	100	0.0004
	Sale 03-Apr-2015	-100	0.0004	0	0.0000
	Purchase 17-Apr-2015	500	0.0022	500	0.0022
	Sale 24-Apr-2015	-149	0.0006	351	0.0015
	Sale 01-May-2015	-351	0.0015	0	0.0000
	Purchase 08-May-2015	295	0.0013	295	0.0013
	Sale 15-May-2015	-295	0.0013	0	0.0000
	Purchase 22-May-2015	1548	0.0068	1548	0.0068
	Sale 29-May-2015	-1001	0.0044	547	0.0024
	Sale 05-Jun-2015	-547	0.0024	0	0.0000
	Purchase 12-Jun-2015	375	0.0016	375	0.0016
	Sale 19-Jun-2015	-375	0.0016	0	0.0000
	Purchase 03-Jul-2015	914	0.0040	914	0.0040
	Purchase 10-Jul-2015	4086	0.0180	5000	0.0221
	Sale 17-Jul-2015	-3315	0.0146	1685	0.0074
	Purchase 24-Jul-2015	2565	0.0113	4250	0.0188
	Sale 31-Jul-2015	-2344	0.0103	1906	0.0084
	Sale 07-Aug-2015	-906	0.0040	1000	0.0044
	Purchase 14-Aug-2015	1000	0.0044	2000	0.0088
	Purchase 21-Aug-2015	67600	0.2991	69600	0.3079
	Sale 09-Sep-2015	-100	0.0004	69500	0.3075
	Sale 25-Sep-2015	-1000	0.0044	68500	0.3030
	Purchase 09-Oct-2015	2899	0.0128	71399	0.3159
	Sale 16-Oct-2015	-2899	0.0128	68500	0.3030
	Sale 06-Nov-2015	-68400	0.3026	100	0.0004

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Sale 13-Nov-2015	-100	0.0004	0	0.0000
	Purchase 20-Nov-2015	2	0.0000	2	0.0000
	Purchase 27-Nov-2015	148	0.0006	150	0.0006
	Sale 04-Dec-2015	-100	0.0004	50	0.0002
	Purchase 11-Dec-2015	2225	0.0098	2275	0.0100
	Sale 18-Dec-2015	-2175	0.0096	100	0.0004
	Sale 25-Dec-2015	-8	0.0000	92	0.0004
	Purchase 01-Jan-2016	1000	0.0044	1092	0.0048
	Purchase 08-Jan-2016	541	0.0023	1633	0.0072
	Purchase 15-Jan-2016	8409	0.0372	10042	0.0444
	Purchase 22-Jan-2016	6324	0.0279	16366	0.0724
	Sale 29-Jan-2016	-2524	0.0111	13842	0.0612
	Purchase 05-Feb-2016	30208	0.1336	44050	0.1949
	Sale 12-Feb-2016	-8	0.0000	44042	0.1948
	Purchase 26-Feb-2016	5730	0.0253	49772	0.2202
	Sale 04-Mar-2016	-4886	0.0216	44886	0.1986
	Sale 11-Mar-2016	-26886	0.1189	18000	0.0796
	Purchase 18-Mar-2016	10050	0.0444	28050	0.1241
	Purchase 25-Mar-2016	27961	0.1237	56011	0.2478
	Purchase 31-Mar-2016	71545	0.3165	127556	0.5643
	At the end of the Year	127556	0.5643	127556	0.5643
<b>16</b>	<b>ANAND RATHI SHARE STOCK BROKERS LIMITED</b>				
	At the beginning of the year	36	0.0001	36	0.0001
	Purchase 03-Apr-2015	460	0.0020	496	0.0021
	Sale 10-Apr-2015	-290	0.0012	206	0.0009
	Sale 17-Apr-2015	-206	0.0009	0	0.0000
	Purchase 24-Apr-2015	1270	0.0056	1270	0.0056
	Sale 01-May-2015	-1270	0.0056	0	0.0000
	Purchase 08-May-2015	650	0.0028	650	0.0028
	Sale 15-May-2015	-474	0.0020	176	0.0007
	Sale 22-May-2015	-176	0.0007	0	0.0000
	Purchase 05-Jun-2015	1967	0.0087	1967	0.0087
	Sale 12-Jun-2015	-1967	0.0087	0	0.0000
	Purchase 26-Jun-2015	3	0.0000	3	0.0000
	Sale 30-Jun-2015	-3	0.0000	0	0.0000
	Purchase 17-Jul-2015	52	0.0002	52	0.0002
	Sale 24-Jul-2015	-52	0.0002	0	0.0000
	Purchase 07-Aug-2015	3000	0.0132	3000	0.0132
	Sale 14-Aug-2015	-2900	0.0128	100	0.0004
	Purchase 21-Aug-2015	300	0.0013	400	0.0017

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 28-Aug-2015	100	0.0004	500	0.0022
	Sale 04-Sep-2015	-419	0.0018	81	0.0003
	Sale 09-Sep-2015	-81	0.0003	0	0.0000
	Purchase 11-Sep-2015	5	0.0000	5	0.0000
	Sale 18-Sep-2015	-5	0.0000	0	0.0000
	Purchase 25-Sep-2015	500	0.0022	500	0.0022
	Sale 30-Sep-2015	-450	0.0019	50	0.0002
	Sale 09-Oct-2015	-50	0.0002	0	0.0000
	Purchase 30-Oct-2015	4000	0.0176	4000	0.0176
	Sale 06-Nov-2015	-3975	0.0175	25	0.0001
	Sale 13-Nov-2015	-25	0.0001	0	0.0000
	Purchase 20-Nov-2015	50	0.0002	50	0.0002
	Sale 27-Nov-2015	-50	0.0002	0	0.0000
	Purchase 18-Dec-2015	2175	0.0096	2175	0.0096
	Sale 25-Dec-2015	-2175	0.0096	0	0.0000
	Purchase 08-Jan-2016	20508	0.0907	20508	0.0907
	Sale 15-Jan-2016	-19608	0.0867	900	0.0039
	Sale 22-Jan-2016	-631	0.0027	269	0.0011
	Sale 29-Jan-2016	-269	0.0011	0	0.0000
	Purchase 05-Feb-2016	130	0.0005	130	0.0005
	Purchase 12-Feb-2016	12870	0.0569	13000	0.0575
	Sale 19-Feb-2016	-12125	0.0536	875	0.0038
	Sale 26-Feb-2016	-875	0.0038	0	0.0000
	Purchase 11-Mar-2016	815	0.0036	815	0.0036
	Sale 18-Mar-2016	-815	0.0036	0	0.0000
	Purchase 25-Mar-2016	46500	0.2057	46500	0.2057
	Sale 31-Mar-2016	-46450	0.2055	50	0.0002
	At the end of the Year	50	0.0002	50	0.0002
<b>16</b>	<b>ANAND RATHI SHARE AND STOCK BROKERS LIMITED</b>				
	At the beginning of the year	21	0.0000	21	0.0000
	Sale 10-Apr-2015	-21	0.0000	0	0.0000
	Purchase 10-Jul-2015	500	0.0022	500	0.0022
	Sale 17-Jul-2015	-500	0.0022	0	0.0000
	Purchase 21-Aug-2015	100	0.0004	100	0.0004
	Sale 28-Aug-2015	-100	0.0004	0	0.0000
	Purchase 18-Dec-2015	70	0.0003	70	0.0003
	Sale 25-Dec-2015	-70	0.0003	0	0.0000

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
	Purchase 08-Jan-2016	25376	0.1122	25376	0.1122
	Sale 15-Jan-2016	-24376	0.1078	1000	0.0044
	Sale 22-Jan-2016	-990	0.0043	10	0.0000
	Sale 29-Jan-2016	-10	0.0000	0	0.0000
	Purchase 19-Feb-2016	225	0.0009	225	0.0009
	Sale 26-Feb-2016	-225	0.0009	0	0.0000
	At the end of the Year	0	0.0000	0	0.0000
17	IL AND FS TRUST COMPANY LIMITED				
	At the beginning of the year	0	0.0000	0	0.0000
	Purchase 25-Mar-2016	145000	0.6415	145000	0.6415
	At the end of the Year	145000	0.6415	145000	0.6415

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. P ARULSUNDARAM, Chairman & Managing Director				
	At the beginning of the year	9788443	43.31	9788443	43.31
	At the end of the year	9788443	43.31	9788443	43.31
2	Mrs. A NITHYA, Whole-time Director				
	At the beginning of the year	6579898	29.11	6579898	29.11
	At the end of the year	6579898	29.11	6579898	29.11
3	Mr. P MURALIDASAN, Non Executive Director				
	At the beginning of the year	156	0	156	0
	At the end of the year	156	0	156	0
4	Mr. A P C KRISHNAMOORTHY, Independent Director				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
5	Mr. S SWAMINATHAN, Independent Director				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
6	Mr. K NATARAJAN, Independent Director				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
7	Mr. K JAYANTHAR, Company Secretary				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0

## V. INDEBTEDNESS

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

(₹ Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	104.63	0.91	-	105.54
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>104.63</b>	<b>0.91</b>	<b>-</b>	<b>105.54</b>
Change in Indebtedness during the financial year				
* Addition	-	2.50	-	2.50
* Reduction	30.14	-	-	30.14
Net Change	-30.14	2.50	-	-27.65
Indebtedness at the end of the financial year	0	0	0	0
i) Principal Amount	74.48	3.41	-	77.89
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>74.48</b>	<b>3.41</b>	<b>-</b>	<b>77.89</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(₹ Lakh)

S. No.	Particulars of Remuneration	MD Mr. P Arulsundaram	WTD Mrs. A Nithya	Total Amount
	Gross salary			
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	67.20	28.80	96.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40	1.66	2.06
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify...			
5	Others, please specify	-	-	-
	Total (A)	67.60	30.46	98.06
	Overall Ceiling as per the Act			191.93

B. Remuneration to other directors:

(₹ Lakh)

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
	Independent Directors	Mr. A P C Krisshnamoorthy	Mr. S.Swaminathan	Mr. K Natarajan	
1	Fee for attending board /committee meetings	0.40	0.40	0.20	1.00
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>0.40</b>	<b>0.40</b>	<b>0.20</b>	<b>1.00</b>
	Other Non-Executive Directors	Mr. P Muralidasan			
2	Fee for attending board /committee meetings	0.40			0.40
	Commission	-			
	Others, please specify	-			
	<b>Total (2)</b>	<b>0.40</b>			<b>0.40</b>
	<b>Total (B)=(1+2)</b>				<b>1.40</b>
	Total Managerial Remuneration				1.40
	Overall Ceiling as per the Act				19.19

C. Remuneration to other Directors, Key Managerial Personnel Other than MD/Manager/WTD

(₹ Lakh)

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		C S Mr. K.Jayanthar*	Total
	Gross salary		
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3.85	3.85
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	others, specify...	-	-
5	Others, please specify	-	-
	<b>Total</b>	<b>3.85</b>	<b>3.85</b>

\*Appointed w.e.f. 29.05.2015

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

## ANNEXURE – 2

FORM NO. AOC -2

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

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

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

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement / Regulation 23 of SEBI (LODR) Regulation, 2015 during the financial year were in the ordinary course of business and on arms length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which was hosed on the website of the Company.

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

S. No.	Particulars	Details
1. a)	Name of the related party & nature of relationship	M/s. Sanjeevi Constructions (Mr. P Muralidasan who is the Non-Executive Director of the company is a Managing Partner of the Firm)
b)	Nature of contract	The Executive Engineer (PWD)/ Construction Engineer, TNWC, Guindy, Chennai - 600032 for "Construction of an additional Godown of 5000 MT capacity with road and drainage arrangements in Karaikudi Warehouse Complex at Sivagangai District"
c)	Duration of the contract	12 Months
d)	Salient terms of the contract or arrangements or transaction including the value	₹3,20,37,970/-
e)	Date of approval by the Board	14.11.2015
f)	Amount paid as advances, if any	0

## ANNEXURE – 3

The Conservation of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo pursuant to the provisions of section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014:

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under:

### A. CONSERVATION OF ENERGY:

The Steps taken for conservation of Energy:	The Company is engaged in construction and infrastructure activities and efforts are taken to conserve energy wherever possible by economizing on the use of power and fuel at the various sites.
The Steps taken for utilizing alternate sources of energy:	
The Capital investment on energy conservation equipments:	

### B. TECHNOLOGY ABSORPTION:

**Technology Absorption, Adoption and Innovation, Efforts made, Benefits derived, Import of Technology:** The Company has not absorbed any particular technology from any outside sources. However the Company consciously adopts latest technology available in the Industry to assure better quality of work and reduction in cost.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Details of foreign exchange earnings and outgo during the year are as follows:

For the Year ended	(₹ Lakh) 31.03.2016
Foreign Exchange earnings	NIL
Foreign Exchange outgo	0.31

## ANNEXURE – 4

Form No. 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

(₹ Crore)

Name of the Subsidiary	R.P.P Infra Projects (Lanka) Limited	R.P.P Infra Overseas PLC	R.P.P Infra Projects Gabon SA	R.P.P Energy Systems Private Limited	Sanskar Dealcom Private Limited	Greatful Mercantile Private Limited	Lunkar Finance Private Limited
Reporting period for the subsidiary concerned	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	LKR INR/LKR – 0.45	US \$ INR/USD - 66.33	US \$ INR/USD - 66.33	INR -	INR -	INR -	INR -
Share Capital	0.05	0.02	0.10	0.05	0.03	0.03	0.42
Reserves & surplus	4.23	15.07	0.36	(0.03)	0.15	0.17	15.96
Total assets	13.97	24.22	2.91	0.76	0.18	0.20	16.40
Total Liabilities	9.69	9.13	2.44	0.74	0.00	0.00	0.02
Investments	-	0.10	-	-	0.18	0.18	-
Turnover	-	-	-	-	-	-	-
Profit before taxation	(1.17)	(0.21)	(0.07)	0.00	0.00	0.00	(0.01)
Provision for taxation	-	-	-	-	0.00	0.00	0.00
Profit after taxation	(1.17)	(0.21)	(0.07)	0.00	0.00	0.00	(0.01)
Proposed Dividend	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%
Proposed Dividend	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%

### Part "B": Associates and Joint Ventures

Company does not have any associate or joint venture.

For and on behalf of the Board of Directors

**P. Arulsundaram**  
Chairman and Managing Director  
DIN 00125403

**A. Nithya**  
Whole Time Director & Chief Financial Officer  
DIN 00125357

**K.Jayanthar**  
Company Secretary

Place: Erode

Date: May 27, 2016

# ANNEXURE – 5

## SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March 2016

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

To,  
The Members,  
RPP Infra Projects Limited  
SF No. 454, Raghupathynaiken Palayam,  
Railway Colony Post, Poondurai Road,  
Erode - 638002, Tamil Nadu,  
INDIA

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RPP Infra Projects Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2016 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:

I 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 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (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, 1992 and 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) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) The list of major heads/ group of Acts, Law and Regulations as applicable to the Company as per management declaration and representation, is mentioned below. In relation to these laws we have relied on the representation made by the Company and its Officers for system and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

**1. Labour Laws:**

- i. The Employees Provident Funds And Miscellaneous Provision's Act, 1952.
  - ii. Employees' State Insurance Act, 1948.
  - iii. Minimum Wages Act, 1946.
  - iv. Contract Labour (Regular and Abolition) Act, 1970.
  - v. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
  - vi. Maternity Benefit Act, 1960.
  - vii. Industrial Disputes Act, 1961.
  - viii. Payment of Bonus Act, 1965.
  - ix. Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988.
  - x. Child Labour (Prohibition & Regulation) Act, 1986.
  - xi. Equal Remuneration Act, 1976.
  - xii. Payment of Gratuity Act, 1979.
  - xiii. Industrial Employment (Standing Orders) Act, 1946.
2. Housing Board Act, 1965
  3. Transfer of Property Act, 1882
  4. Building and Other Construction Worker's (Regulation of Employment and Conditions of Services) Act, 1996
  5. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and Bombay Stock Exchange Limited and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has failed to file Cost Audit Report in e-form CRA-4 with MCA during the audit period.

**I further report that**

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

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.

All decisions of the Board and Committees were unanimous and the same was captured and recorded as part of the minutes and hence no dissent is recorded in minutes.

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

Place: Chennai  
Date: 23rd May 2016

Gouri Shanker Mishra  
FCS No. 6906  
C P No.: 13581

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

## Annexure

To,  
The Members,  
RPP Infra Projects Limited  
SF No. 454, Raghupathynaiken Palayam,  
Railway Colony Post, Poondurai Road,  
Erode - 638002, Tamil Nadu,  
INDIA

Our Secretarial Audit Report of even date is to be read along with this letter.

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

We have followed the audit practices and process 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 accounts 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 management. Our examination was limited to the verification of procedure 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.

Place: Chennai  
Date: 23rd May 2016

Gouri Shanker Mishra  
FCS No. 6906  
C P No.: 13581

## ANNEXURE – 6

### Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. (a) A brief outline of the company's CSR policy:

The Company as per its policy has decided to engage in following CSR activity:

- Promoting Education.
- Reducing child mortality and improving maternal health.
- Encouraging women entrepreneurs and conducting various Counseling Programs.
- Eradicating hunger, poverty & malnutrition.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development.

(b) Overview of projects or programs proposed to be undertaken

The company proposes to undertake the projects in accordance with the CSR policy, as laid down and approved by the Committee and by the Board as earlier mentioned.

(c) Reference to the web-link to the CSR policy and projects or programs:

The CSR policy of the Company is available in the Company's website and Web-link is:  
[http://www.rpipl.com/investor.php?menu\\_type=Corporate%20Governance](http://www.rpipl.com/investor.php?menu_type=Corporate%20Governance)

2. The Composition of the CSR Committee:

S. No.	Name	Designation
1	Mr. A P C Krishnamoorthy	Independent Director/Chairman
2	Mrs. A Nithya	Executive Director/Member
3	Mr. P Muralidasan	Non-Executive Director/Member

3. Average net profit of the company for last three financial years:

Net Profit	For the Financial Year ended 31st March		
	2015	2014	2013
	1727	1169	1085
Average Net Profit for the preceding three Financial Years	1327		

(₹ Lakhs)

4. Prescribed CSR Expenditure (2% of the Average Net Profit) : ₹26.54 Lakhs

5. Details of CSR spent during the financial year:

- a) Total amount spent for the financial year : ₹10.40 Lakhs
- b) Amount unspent:
- i) For the Financial Year 2014-2015 : ₹24 Lakhs
- ii) For the Financial Year 2015-2016 : ₹16.14 Lakhs

6. Manner in which the amount spent during the financial year is detailed below:

S.No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Promoting Education	Education	Local Area, Erode, Tamilnadu	24.00 Lakhs	Direct expenditure on projects for ₹10.40 Lakhs	₹10.40 Lakhs	Spent through Erode Builders Education Trust and others of ₹10.40 Lakhs

7. Reasons for Unspent CSR Amount:

Company is committed to CSR. It is identifying the further places/ area for CSR related activity aligned with its CSR Policy. It will endeavor to utilize the CSR amount appropriately including that of unspent amount for previous years. The CSR amount during the year could not be spent fully due to non-identification of activities / partners aligned with Company's CSR Policy.

8. Responsibility statement:

"The Committee hereby states that implementation and monitoring of corporate social responsibility policy is and will be in compliance with the CSR objectives and Policy of the Company."

**A P C Krishnamoorthy**  
Chairman of the Committee  
DIN: 02181130

**P Arulsundaram**  
Chairman & Managing Director  
DIN: 00125403

Place: Erode  
Date: May 27, 2016

## ANNEXURE – 7

Disclosure pursuant to Rule 5 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

**1. (i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:**

S. No.	Name of the Director	Ratio to Median Remuneration (times)
1.	Mr. P Arulsundaram, Chairman and Managing Director	42
2.	Mrs. A Nithya, Whole-time Director	19
3.	Mr. A P C Krishnamoorthy, Independent Director	NIL
4.	Mr. P Muralidasan, Non Executive Director	NIL
5.	Mr. S Swaminathan, Independent Director	NIL
6.	Mr. K Natarajan, Independent Director	NIL

*\*The Director's other than Managing Director and Whole-time Director, were paid only sitting fees for attending the meeting and were not been paid any remuneration.*

**(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:**

S. No.	Name of the Director	Ratio to Median Remuneration
1.	Mr. P Arulsundaram, Chairman and Managing Director	61
2.	Mrs. A Nithya, Whole-time Director	69
3.	Mr. K Jayanthar, Company Secretary	6
4.	Mr. A P C Krishnamoorthy, Independent Director	NIL
5.	Mr. P Muralidasan, Non Executive Director	NIL
6.	Mr. S Swaminathan, Independent Director	NIL
7.	Mr. K Natarajan, Independent Director	NIL

**(iii) The percentage increase in the median remuneration of employees in the financial year 31.03.2016:**

19.99%

**(iv) The number of permanent employees on the rolls of company:**

There are 124 permanent employees on the rolls of the Company.

**(v) The explanation on the relationship between average increase in remuneration and company performance:**

S. No.	Average increase in remuneration	Company performance
1	19.99 %	Net profit of the Company increased by 19.70 %

The remuneration paid is commensurate with the Company's performance taking in to account the scope of duties, their role and nature of responsibilities.

**(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:**

Particulars	Remuneration of Key Managerial Personnel (in crore)		Difference in Remuneration	Increase in Remuneration as % of PAT
	2014-15	2015-16		
Remuneration of Key Managerial Personnel	0.63	1.02	0.39	1.88 %

PAT of the Company is ₹20.67 crore

(vii) Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.

Particulars	NSE		BSE	
	As on 31.03.2016	As on 31.03.2015	As on 31.03.2016	As on 31.03.2015
Closing price	121.95	108.45	121.90	108.00
No. of Shares	22600584	22600584	22600584	22600584
Market Capitalization	2,75,61,41,219	2,45,10,33,335	2,75,50,11,190	2,44,08,63,072
Price Earning Ratio (Considering consolidated EPS)	14.36	14.78	14.36	14.71
Initial Public Offer	75.00	75.00	75.00	75.00
Market value on IPO	1,69,50,43,800		1,69,50,43,800	
Percentage of Increase in Market Value	62.60%	44.60%	62.53%	44.00%

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

Average increase in remuneration is 19.99 % for employees other than Key Managerial Person. Increase in managerial remuneration for the financial year is 60.15 %.

The increase in managerial remuneration has been carried out based on their potential, performance and contribution to overall growth of the Company. The increase in the remuneration was carried after due consideration by Nomination and Remuneration Committee and their recommendation. The present managerial remuneration is still below the level of remuneration generally being paid in the industry.

(ix) comparison of the remuneration of each Key Managerial Personnel against the performance of the company

S. NO.	Name	Remuneration of Key Managerial Personnel ( in crore)	Remuneration as % of PAT	Increase in Remuneration as % of Revenue
1	Mr. P Arulsundaram, Chairman and Managing Director	0.68	3.27%	0.50
2	Mrs. A Nithya, Chief Financial Officer	0.30	1.47%	0.24
3	Mr. K. Jayanthar, Company Secretary	0.04	0.19%	0.02
	<b>Total</b>	<b>1.02</b>	<b>4.93%</b>	<b>0.75</b>

PAT of the Company is ₹20.67 crore

(x) The Key Parameters for any variable component of remuneration availed by the directors:

No variable component of remuneration availed by the MD/WTD. Other Directors are not paid any remuneration except sitting fee for attending the Board Meetings.

(xi) 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:

No Employee received remuneration in excess of the highest paid director during the year.

(xii) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Remuneration paid to Key Managerial Personnel is as per the Remuneration policy of the Company.

2. A statement showing the terms of the provisions of section 197 of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

None of the employees of the Company, whether employed for the whole year or part thereof has been in receipt of remuneration in excess of limit provided under the rules, i.e. Rs. 60 Lakh per annum or 5 Lakh per month. Further none of the employees of the Company whether employed for the whole year or part thereof has been in receipt of remuneration in excess of remuneration drawn by the MD or WTD and holding more than 2% of equity shares of the Company. Hence, the information required under this segment has not been provided.

# Management Discussion and Analysis

## Forward-looking statements

*The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, market position, expenditures, and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, the Company cannot guarantee that these are accurate or will be realized. The Company's actual results, performance or achievements could thus differ from those projected in any forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.*

## Industry Structure and Developments

India is expected to become the fourth largest infrastructure market in the world by 2025, as per the Royal Institute of Chartered Surveyors (RICS). Currently India is at sixth position with 5.30% market share in the global infrastructure market and is estimated to go up to 9.8% by 2025. The infrastructure sector plays a very crucial role as a vehicle of growth in economies, even more so in emerging economies such as India. As an emerging economy's population grows, there is a proportional growth in the requirements for supporting physical infrastructure like roads, power, water supply systems, sanitation systems and social infrastructure such as hospitals, educational institutions, etc. The government has clearly laid its focus on infrastructure development by implementing desired policies, removal of barriers to foreign investment and other initiatives to achieve long term sustainable economic growth.

India's rate of urbanisation is high and the ambitious 100

smart cities project will require a number of infrastructure planning and development efforts. The Twelfth Five Year Plan lays special emphasis on development of the infrastructure sector as an imperative for sustaining high growth and also ensuring that the growth is inclusive. According to the Twelfth Plan projections, during the Plan period, i.e. 2012- 17, an investment of US\$ 1 trillion is required in the infrastructure sector in India.

The last two Budgets saw the Government dealing and addressing legacy issues. This year's Budget has been projected to be in line with the current Government's "Transform India" focus. The global outlook for India seems encouraging and International Monetary Fund has projected India to be at a 'bright spot' and the World Economic Forum has commented that India's growth rate is 'extraordinarily high'. The current government has been quite vociferous in their attempts to promote infrastructure development, which is one of the most important factors towards providing a sustainable backbone to the rapid growth dream. The total outlay for infrastructure in the Budget 2016-17 including 'Internal and Extra Budgetary Resources' (IEBR) stands at INR 2,46,246 crore, approximately 8% of our GDP. The budgetary allocation seems to be in the right direction given our limited means and mounting fiscal deficit.

The infrastructure sector has been very expectant of the current Government due to its clear intent of being focused on higher infra spending. Across forums, it has been recognized that India's growth would spur only with the growth and development of infrastructure in size, scale and speed, and hence the sector has witnessed enhanced scrutiny across the public and private sector. Multiple reforms have been initiated in the infrastructure sector, resulting in robust growth in most key areas.

The Government has announced some key policy measures such as the approval of The National Investment and

Infrastructure fund to extend equity support to infrastructure non-bank financial companies. Further, for the development of infrastructure, role of private players shall be pivotal, many of which are implemented in the "Public Private Partnership" (PPP) model. In order to incentivize this model, a three point framework has been announced which focuses on:

- Institutional arrangement for Resolution of Disputes in infrastructure related construction contracts, PPP and public utility contracts,
- Guidelines for renegotiation of PPP concession agreements, and
- A new credit rating system for infrastructure projects with an emphasis on various in-built credit enhancement structures

Urbanization in India has become an irreversible process and an important determinant of national economic growth and poverty reduction. The increased pace of urbanization poses challenges with respect to providing adequate infrastructure, improving connectivity, and mobilizing resources. The level of urbanization has increased from 27.78 per cent in 2001 to 31.18 per cent in 2011. According to Census 2011, as many as thirty-five cities in India had a million plus population. At current rates of growth, urban population in India is projected to reach 575 million by 2030. Only 30% of Indian population lives in urban areas. As per Government of India estimates, urbanization in India is expected to grow at an astonishing rate of 38%. Over the next 20 years, it is estimated that INR 39,00,000 crore investment is required in urban infrastructure.

Lower oil prices, higher FDI inflows and the reform initiatives of the new government at the centre, along with its commitment to sound fiscal management and consolidation augur well for the growth prospects and the overall macroeconomic situation.

## Opportunities and Threats

With growing population, emerging economies have been witnessing rapid urbanisation, which has become a major driver for investments in infrastructure. According to the World Bank, the number of people living in cities is expected to double in emerging economies by 2030. In India alone,

the proportion of urban population is expected to increase from 31% in 2011 to 36% in 2022. One of the reasons for rapid urbanisation is the growth in industries, both manufacturing and services largely located in urban areas. Growing industries, too, drive demand for power, water and transport infrastructure including roads and railways. In India, urbanisation has become an important and irreversible process, and a crucial contributing factor of national growth and poverty reduction. Typically, urbanisation is characterised by a dramatic increase in the number of large cities. Urbanisation and industrial growth coupled with the gaps in the quality and quantity of infrastructure facilities in emerging nations like India highlight the potential for growth in infrastructure and hence growth in investments in infrastructure.

The need for infrastructure development for economic prosperity and global integration cannot be overemphasized. Infrastructure sector has suffered from financing and time lag in physical capacity creation and time over-runs. These not only delay availability, but through cost overruns raise pricing and affordability issues. Infrastructure costs, as these are often non-tradable may also affect the competitiveness of economy in long run. The key to global competitiveness of the Indian economy lies in building world class infrastructure and service delivery at competitive rates. Lack of infrastructure not only results in reduced economic output, it also translates into additional costs in terms of time, effort, and money for accessing essential services such as health care and education. Rapid economic growth in recent years has put enormous pressure on existing infrastructure, particularly in transport, energy, and communications. Unless it is significantly improved, infrastructure will continue to be a bottleneck for growth and an obstacle to poverty reduction. In other words, the challenge is to ensure strong, sustainable, and balanced development through integration of economies with environmentally sustainable development of infrastructure.

Stepping up infrastructure investment, improving productivity and quality of infrastructure spending, removing procedural bottlenecks, improving governance, and above all maintaining consistency in government's infrastructure policies are some issues that need to be urgently addressed

in this context. From a broader perspective, a high level of investment in the infrastructure sector is essential for the overall revival of investment climate which may finally lead to sustainable growth in an economy. However, in the current macroeconomic environment, to achieve this objective, there is need to address sector-specific issues over the medium to long-term horizon in India.

The ongoing global downturn and slowdown in India's Economic growth poses a cause of concern for all business entities operating in India. Industry specifically, the contracting and construction markets in our country are competitive and require substantial resources and capital investment in equipment, technology and skilled personnel. We are increasingly moving towards larger projects with stringent Pre-qualification requirements where intense competition is expected to continue and may even increase as a result of the entry of foreign construction companies into the Indian market. All this is likely to lead to significant challenges to our maintaining historical growth rates and acceptable profit and margins. Our contracts are awarded after a competitive bidding processes and satisfaction of other prescribed pre-qualification criteria.

## Operations Review & Segment Wise Performance

The Company is engaged in the business of infrastructure development such as civil construction work for irrigation and water supply projects and power plants and construction of civil infrastructure for residential and commercial structures for infrastructure projects, highways, roads and bridges.

The Company is focused on strengthening its presence across the present operating verticals, venture in to niche areas, capitalize on new opportunities and invest in growth with prudence. RPP is pursuing strategic objectives of continuously growing the order book and executing them efficiently, by adopting best practices that enables it to achieve quality, cost optimization and timely completion of projects.

Emphasis continued on continuous improvements in project execution efficiencies, which has resulted in notable gains in terms of operating margins and employee productivity. All of these have played their part in the company improving its

performance in a highly competitive environment.

## Subsidiaries

In line with the Company's strategy to expand in to new geographies, the company operates the following subsidiaries:

### **R.P.P Infra Projects (Lanka) Limited, Sri Lanka**

R.P.P Infra Projects (Lanka) Limited is a Wholly Owned Subsidiary of your Company based in Sri Lanka. The Company successfully completed housing project for internally displaced people of Sri Lanka's Northern Province, for which Hindustan Prefab Limited were the Project Consultants. The Company has not taken up any new project during the year under review and the operating revenues were Nil during the period. The Company recorded a net loss of Rs. 1.17 crore for the year ended 31st March 2016.

### **R.P.P Infra Overseas PLC, Mauritius**

R.P.P Infra Overseas PLC is a Wholly Owned subsidiary of your Company based in Mauritius. The principal activity of the Company is to provide infrastructure project related consultancy services. The operating revenues were Nil for the year ended 31st March 2016 and the company recorded a Net Loss of Rs.0.21 Crore.

### **R.P.P Infra Projects Gabon SA, Gabon**

R.P.P Infra Projects Gabon SA, Gabon, is a wholly owned subsidiary of RPP Infra Overseas PLC, Mauritius and a Step down subsidiary of the Company. It was incorporated to execute the mass housing project awarded by the Republic of Gabon, a West African country in 2011. But due to change in political situation, increase in the work specifications without an appropriate compensation for the change in work, the Company withdrew from the project and the contract has been terminated. The Company is looking at new opportunities in this geography.

The Company had no revenues during the year ended 31st March 2016 and had a Net loss of Rs. 0.07 Crore.

### **R.P.P Energy Systems Private Limited, India**

R.P.P Energy Systems Private Limited, a wholly owned subsidiary of your Company was incorporated mainly to embark into the power segment viz. to procure, sell, supply electricity power from various sources including bio-fuels such as bio-mass, bio-gas etc., and from coal and thermal

energy. The other objects of the Company to generate and sell power from all sources including non-conventional sources such as solar system, wind farms, wind mills etc. The operation of this subsidiary has not been commenced during the period under review. The Directors are initiating steps to commence the business.

The Company had no revenues during the year ended 31st March 2016 and had a very insignificant Net Loss for the year.

**Sanskar Dealcom Private Limited, India**

Sanskar Dealcom Private Limited, a wholly owned subsidiary of your Company and its main activities include being distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including clearing agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry any kind of commercial business.

The Company had no revenues during the year ended 31st March 2016 and had a very insignificant Net Loss for the year.

**Greatful Mercantile Private Limited, India**

Greatful Mercantile Private Limited, a wholly owned

subsidiary of your Company and its main activities include being distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and articles of all kinds including clearing agents, freight contractors, forwarding agents, licensing agents, general brokers and to carry any kind of commercial business.

The Company had no revenues during the year ended 31st March 2016 and had a very insignificant Net Loss for the year.

**Lunkar Finance Private Limited**

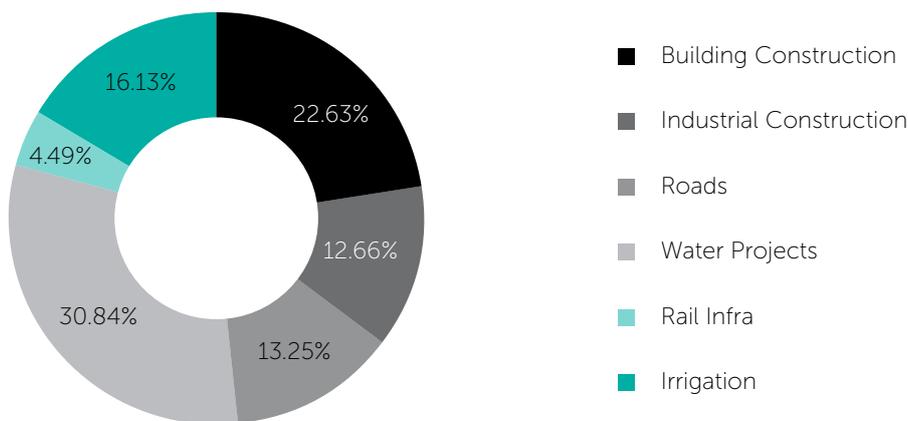
Lunkar Finance Private Limited is a subsidiary of Greatful Mercantile Private Limited and a Step down subsidiary of the Company. Lunkar Finance Private Limited is a non-deposit taking NBFC which is involved in Investment activities.

The Company had no revenues during the year ended 31st March 2016 and had a very insignificant net loss for the year.

**Order Book Position**

The Company has received sizeable orders during the year. The order book position as on 31st March 2016 is Rs. 725 crores.

The following chart gives the segment wise distribution of the order book as on 31st March 2016:



The significant projects under various segments are:

### Buildings & Industrial Structures

- Construction of Scientific godown of 40K MT capacity at Nagapatinam for TNCSC
- Construction of Scientific godown of 29K MT capacity at Thanjavur for TNCSC
- Construction of Police Quarters in Dharwad, Mangalore, Panambur in Karnataka for Karnataka Police Housing Board
- Construction of Combined Administration Block, Quarter Guard, Master Stores, Barracks Development Works at Kalkiri, Chittoor for Engineering Projects India (GoI Enterprise) (Package I)
- Construction of Quarters and other infrastructure works for the proposed ITBP complex at Kalkiri, Chittoor for Engineering Projects India (GoI Enterprise) (Package III)
- Construction of various types of residential quarters for NTPL Township at Tuticorin (Phase II)
- Warehouse for Container Corporation of India

### Irrigation /Water Projects

- Rehabilitation of Badrawathi Canal for KNNL
- Construction of Integrated storm water drains in Coovum water shed of Coovum basin for Chennai Corporation
- Providing CWSS to rural Habitation in Andhanallur, Manikandam and Manapparai Unions in Trichy District, Gudimangalam and Udumalaipettai union in Tiruppur District for TWAD Board
- Formation of Flood Carrier Canal from Kanjampatti Odai in Vilathikulam Taluk of Thoothukudi District to Feed Sayalkudi Tank and other Tanks in Kamuthi and Kadaladi Taluks of Ramanathapuram District for Public Works Department, Tamil Nadu
- Implementation of Phase II Eco restoration in 300 acres of Adyar Estuary and Creek for Chennai Rivers Restoration Trust
- WSIS to Tindivanam municipality in Vilipuram District for

TWAD Board.

### Road/ Rail Infrastructure

- Road and Drain improvement works in City Municipal Council, Gadag, Karnataka
- Gauge conversion work between Tiruvarur-Karaikudi section-Earthwork/Widening/Protective works
- Widening and Strengthening of Chainpura Charanpura Bhaura Road-Madhya Pradesh
- Road and Storm water drain in NTPL campus at Tuticorin

We are constantly re-engineering our activities, putting up stronger efforts at revising our over heads and costing and minimizing expenditure. We have initiated various steps to grow our business and have focused on efficient and timely project execution.

### Financial Performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India and Generally Accepted Accounting Principles (GAAP) in India. The management of RPP accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present the state of affairs on the Balance Sheet and profit of the Company for the year ended on that date.

The revenue from operations achieved for the year was Rs. 315 crore as against Rs. 263 crore in the previous year which is an increase of 20% on y-o-y basis. RPP's core business is engineering and construction and it executes its works on the basis of contracts. Considering the challenging economic and financial environment, the Company has successfully executed projects and has performed well in revenue terms. This underscores the Company's position of strength in its various businesses and its strength to harness opportunities offered by the growing Indian economy.

The consumption of materials and other direct costs increased by 18 % to Rs. 249 crore as against Rs.211 Crore in

the previous year. Employee cost was Rs. 5.53 Crore for the year as against Rs. 5.33 Crore in the previous year.

The EBIDTA for the year was Rs. 51.31 crore as compared to Rs. 39.28 crore in the previous year. The EBIDTA margin increased to 16.31% from 14.93% in FY14-15.

Finance cost was higher at Rs.18.56 Crore as against Rs.16.67 Crore in the previous year.

Depreciation (including depletion and amortization) was lower at Rs. 4.85 Crore, as against Rs.7.25 Crore in the previous year.

Profit after tax was Rs. 20.67crore as against Rs. 17.27 Crore for the previous year.

The total secured and unsecured loans by way of working capital cash credit, term loans and hire purchase loans for fixed assets at the end of the year under review were significantly down at Rs. 77.89 crore as compared to Rs. 105.54 crore as on 31st March 2015. The net decrease is Rs. 27.65 crore.

The capital expenditure for the year ended March 31, 2016 was Rs. 3.09 crores. Assets of the value of Rs. 13.55 crores were sold during the year.

Gross working capital as at March, 31 2016 was Rs. 306.46 Crore, comprising mainly customer receivables of Rs.148 Crore and Unbilled revenue of Rs. 91 crore. Unbilled revenue represents amounts to be billed to the Contractee clients in respect of revenue earned under the percentage completion method, followed by the Company, as reduced by that portion of such revenue already billed and receivable from those clients. Net working capital as at March 31, 2016 was Rs. 112.04 Crore as against Rs. 79.61 crore for the year ended March 31, 2015. The Construction infrastructure industry is by its nature working capital intensive and net investments in current assets amount to a significant proportion of total income.

Return on Capital employed was at 28.00% and return on equity was at 13.69%.

Cash accruals from the operations were higher at Rs. 34.78 crore as compared to the previous year. Apart from

deployment of cash for capital expenditure, the company has repaid debts of Rs. 27.65 Crores during the year. Consequently, there was net cash inflow of Rs. 10.69 crores.

As on March 31, 2016, RPP's total debt was at Rs. 77.89 Crores. RPP's gross debt to equity ratio, including long-term and short-term debt, as on March 31, 2016 was at 0.52.

## Group Results

Highlights of RPP's consolidated performance for the year are as follows:

- Revenue from operations increased by around 18% to Rs. 314.69 Crores
- EBITDA was Rs.50.49 Crores
- Profit Before Tax was Rs. 26.34 Crores
- Net Profit increased to Rs. 19.19 Crores

## Financial Performance with Respect to Operational Performance

Company has improved operational performance which in turn has resulted in improved financial performance. The company is further trying to improve the operational efficiency or performance which in turn will reduce the overall cost and increase profitability.

## Business Outlook

Infrastructure is a key driver for the Indian economy. Increased spending in this sector has a multiplier effect on overall economic growth as it necessitates industrial growth and manufacturing. This in turn boosts aggregate demand by improving living conditions.

India's 2016-2017 Union Budget provides a significant outlay for infrastructure expenditure. This spending is seen as a key component of the government's plans to boost India's growth levels to projections ranging between 7 and 9 percent. The allocation of US\$ 32.41 to US\$ 32.70 billion (Rs 2.19-2.21 lakh crore) and a newly liberalized foreign direct investment (FDI) policy further underline the government's commitment in this regard.

For these reasons, the Indian government has promoted

investing in infrastructure, providing benefits such as the easing of tax restrictions and multiple financing alternatives. Such a focus on investment to boost GDP is a clear departure from previous consumption-led growth strategies. This is reflected in the total budgetary allocation – US\$ 20.32 billion (Rs 137,333 crore) or almost 30 percent of the Union Budget.

**Smart Cities Mission:** This is an urban renewal and retrofitting program by the Government of India that aims to develop the infrastructure of 100 cities, making them citizen friendly and sustainable. A total of US\$ 15 billion (Rs 980 billion) has been approved by the Union Cabinet, with the remaining funding to emerge from PPPs and municipal bonds. Each participating city will establish a special purpose vehicle (SPV) to implement its Smart City plan. An SPV is a limited company incorporated at the city-level, in which the state and the urban local body are promoters, though private entities may hold up to a 50 percent equity stake. The largest sectors targeted for PPPs are in areas such as water supply, waste management, and transportation.

Experts believe that as various reforms begin to gain traction and attract greater private investment, the construction sector is forecast to grow by an annual average of 6.6% between FY2016-17 and FY2019-20 in real terms. Forecasts suggest a strengthening of growth in the country's construction sector, as positive growth drivers gradually gain traction. The improving funding conditions and various other measures the government is taking to boost funding for construction companies would reignite credit growth amid a benign inflationary environment.

The construction industry in India is the second largest employer and contributes more than 10% of India's GDP. 50% of the demand for construction activity in India is for infrastructure, and the rest comes from industrial activities, residential and commercial development etc. The Indian construction industry is valued at over USD 126 Billion (117 Billion Euro).

While private sector investments in industrial capex are yet to take off, spends by the public sector in core infrastructure have been improving. Funding from increased budgetary allocation by the Central Government, increased level of ordering by healthy public sector undertakings and a steady inflow of soft loans from external multilateral

lending agencies have contributed to a perceptible rise in the core infrastructure investment momentum. This has considerably enhanced potential business opportunities for your Company.

The medium and long term prospects for the Indian building and construction industry are very promising; the potential for infrastructure investments for the next 15 years is still huge as the dynamic growth in the Indian population stimulates the need for infrastructure improvements. All those factors create a positive effect on the domestic construction industry.

## Growth Strategies

The Company is leveraging on its capabilities in order to benefit from the emerging growth opportunities. The focus of the strategy is to ensuring cost competitiveness, sound execution strategies, managing volatility, control over working capital, efficient contract management, expanding customer base, focusing on due diligence of prospects, strengthening business development efforts, improved operational efficiency and improved supply chain management.

As part of its widening geographic presence strategy, the Company has already set its footprint in Madhya Pradesh and has also entered in to a Consortium agreement with Siemens Ltd., India for submitting a joint bid to Power Grid Company of Bangladesh in respect of design, supply, erection, testing and commissioning of 400 KV, 230 KV and 132KV substations on turnkey basis.

## Risks and Concerns

Mitigation of risks is the all-encompassing requirement. Broadly speaking, Construction Projects face the following type of risks:

**General Economic / Sector Risks:** We derive and expect to derive substantially all of our revenue from infrastructure projects in India. Accordingly, we are heavily dependent on sustained economic development that we operate in and government policies relating to infrastructure development. It is also significantly dependent on budgetary allocations made by central and state governments, participation from multilateral agency sponsored developments, public bodies as well as access to private sector funding. Macro economic

factors in India relating to the infrastructure sector will have a significant impact on our prospects and results of operations. Our results of operations are and would continue to be dependent on the policies adopted by the central and state governments.

**Bidding and execution capabilities:** Infrastructure project development for large projects in India involves a process of pre-qualifying of interested bidders based on technical and financial strengths. Pre-qualifications criteria are based on factors such as relevant past achievement of project execution, net worth, cash accruals etc. After a project is awarded, completion on time is subject to various factors. We target for efficient project management and execution through efficient deployment of equipment and resources, quick decision making capabilities by on site project managers, strong relationships with suppliers and sub contractors and coordination between project sites and the head office. We monitor the progress of project execution in terms of time, cost, quality, efficiency, manpower resources and deployment of plant and equipment. Our ability to continue to execute contracts effectively, as our business grows, is important to our strategy and results of operations.

**Completion risk:** This is the risk that the project may not be completed on time, or at all, due to various reasons such as cost overruns, technology failure, force majeure etc. We ensure timely mobilization of site team and other requirements and also ensure timely availability of material/ labour/ equipment in a co-ordinated manner. We have also in place a Monitoring system to monitor the requirement of drawings/ clearances needed from client and ensure that these are communicated in advance and also documented.

**Resource risk:** This risk includes the non-availability of raw materials for the project operation. It also includes the risk that the raw material prices might move adversely. We draw up the project cost estimates based on site conditions, expected duration of the project, seasonal cost/ availability factors while quoting. We also negotiate better rates from suppliers/ service providers, leveraging on the volumes across sites.

**Operating risk:** This is a risk that the project costs would escalate. It also includes the risk that the project will have operational problems. We ensure an elaborate study of the

site conditions and the scope of the project and involve cross functional teams at the tendering stage to capture all variables across different processes. The Plan for project execution is then done elaborately with process linkages.

**Casualty risk:** This is the risk of physical damage to the project equipment. It also includes liabilities to third parties on account of accidents at the project site.

**Site risk:** This is the risk that the project site might have legal encumbrances. It also includes the risk that the site has technical problems.

**Cost Management:** We have experienced that our operating expenses constitute a major chunk of our total income. Our operating costs which relate to project costs mainly comprise cost of inputs, labour, fuel expenses, sub-contracting expenses and usage of various machinery. These costs are subject to volatility and may fluctuate owing to reasons beyond our control. Our ability to handle these costs in an effective manner will impact our results of operations.

**Competition:** we face significant competition for the award of projects from a large number of infrastructure companies who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Competition from other infrastructure companies will continue to have a significant impact on our ability to successfully bid for projects at price levels which would generate desired returns for us.

The Company has taken a number of initiatives such as deployment of risk mitigation strategies, superior execution of projects and astute cost management to deal with an overall environment dominated by high interest rates, sluggish demand, liquidity issues and higher input costs. The Company has adopted a pragmatic approach to navigate through the turbulent times and had cut down on overhead expenses and optimally stretched its available resources, making it lean yet effective in order to improve its operational efficiencies.

## Risk Management Policy

Risk Management is an integral part of the business process.

The risk management process, inter alia provides for review of the risk assessment and mitigation procedure and timely report to the management and review of the identified risks at periodical interval to assess the progress of control measures. The Audit committee of the Board reviews the risk management efforts periodically.

The company follows the following risk management framework:

- Risk identification
  - This function involves pre-emptive strategies to identify potential risks and evolve a framework for mitigation
- Risk assessment and analysis
  - Risk assessment is the objective evaluation of the quantitative and qualitative value of risk related to the uncertainties of a specific situation
- Proactive risk governance measures
  - This requires the organization to ascertain action plans to address identified issues and forestall potential damage
- Comprehensive risk reporting
  - Record the causes and mitigation measures for future reference

The reporting systems ensure precise monitoring for quick decision making and smooth running of the operations. Prompt attention is drawn to any risk related function which is then closely monitored to enable appropriate decision making to avoid problems/ regain stability within the shortest possible time.

### Internal Controls and Their Adequacy

Your Company has adequate internal control systems to monitor business processes, financial reporting and compliance with applicable regulations. It has documented procedures covering all financial, operating and management functions. These controls have been designed to provide

a reasonable assurance with regard to maintaining proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with best practices in these areas as well. The systems are periodically reviewed for identification of control deficiencies and formulation of time bound action plans to improve efficiency at all the levels.

The Audit committee of the Board reviews internal control systems and their adequacy, significant risk areas, observations made by the internal auditors on control mechanism and the operations of the company, recommendations made for corrective action and the internal audit reports. The committee reviews with the statutory auditors and the management, key issues, significant processes and accounting policies. The company continues its efforts in strengthening internal controls to enable better management and controls over all processes.

### Human Resource Development and Industrial Relations

Our continued success will depend in part on our ability to retain and attract key personnel with relevant skills, expertise and experience. We are aware of the challenge in attracting and retaining the best of talents in the industry. All our HR policies and practices are aligned with the overall organizational strategy. Presently, our company has 124 employees at various levels under its direct employment. We have in place a well-drawn out HR Policy and a working environment encouraging innovation, cost reduction and a time bound completion of projects along with measures targeted to emerge as a merit driven organization in these challenging times. The management has been paying special attention to various aspects like employee training, welfare and safety thereby strengthening the human resources.

# Report on Corporate Governance

## 1. Company's philosophy on Code of Governance

The Company's philosophy on code of governance is to ensure that its obligations are discharged in a fair and transparent manner in order to protect the interests of its stakeholders. The Company emphasizes the best practices towards preserving the environment and adherence to the highest safety standards across all operations. The Company aims at achieving transparency, accountability and equity in all facets of its operations and in all interactions with stakeholders, including shareholders, employees, government, lenders and other constituents, while fulfilling the role of a responsible corporate representative committed to good corporate practices. The Company is committed to achieve good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at true Corporate Governance.

The Company believes that all its operations and actions must result in enhancement of the overall shareholder value in terms of maximizing shareholder's benefits, over a sustained period of time.

## 2. Board of Directors

### Composition of the Board

Companies' policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management. The total strength of the Board presently is Six Directors comprising of Two Executive Promoter Directors, One Non-Executive Director and Three Independent Directors.

As per the requirement of Regulation 17(1) of SEBI (LODR) Regulation, 2015 the company has optimum combination of executive and non-executive directors with one woman director and two third of total directors are non-executive directors. Further, Chairman being the promoter executive director, half of the board comprise of independent directors.

Following is the present composition of our Board and their number of directorships in other companies:

Name of the Director	Category	Date of Appointment	Inter se relationship	Share holding	Directorship in other Public Companies*	Number of Committee Positions in other Public Companies **	
						Chairman	Member
Mr. P Arulsundaram	PD/ED	04.05.1995	Mrs. A Nithya's Husband	9788443	2	-	-
Mrs. A Nithya	PD/ED	19.02.1999	Mr. P Arulsundaram's wife	6579898	1	-	-
Mr. P Muralidasan	NED	01.04.2008	-	156	-	-	-
Mr. S Swaminathan	ID/NED	21.04.2011	-	0	-	-	-
Mr. K Natarajan	ID/NED	22.08.2011	-	0	-	-	-
Mr. A P C Krisshnamoorthy	ID/NED	01.04.2008	-	0	-	-	-

PD- Promoter Director; ED- Executive Director; NED-Non Executive Director; ID- Independent Director

\* The directorship does not include directorship in Private Limited Company which are not subsidiary of Public Limited Company, Section 25 Companies and Companies incorporated outside India.

\*\* Membership/ Chairmanship of only Audit Committee / Stakeholders' Relationship Committee has been considered.

As required by SEBI (LODR) Regulation, 2015, none of the Directors on Board is a member of more than ten Board-level Committees and Chairman of more than five such committees, across all such Companies in which he/she is a Director.

## Directors Profile

**Mr. P Arulsundaram**, Chairman and Managing Director, aged 49 years, holds a Bachelor of Engineering Degree in Civil Engineering from Sri Vinayaka Mission Research Foundation, Deemed University, Salem and a Diploma in Civil Engineering from Kongu Engineering College, Erode, Tamil Nadu. He has over 27 years of experience in civil works in the fields of transportation / power / commercial buildings and irrigation projects. He has been responsible for strategic direction and development of our Company and is in overall control of our operations. His experience and his intimate understanding of the businesses verticals of our operations have played a central role in the rapid growth of our Company.

**Mrs. A Nithya**, Whole Time Director, aged 43 years, holds Masters degree in Business Administration from Anna University, Chennai. She is responsible for the finance, accounting and treasury functions of the Company.

**Mr. P Muralidasan**, Non-Executive Director, aged 51 years, holds a bachelor's degree in Civil Engineering from Bangalore University. He has over 28 years of experience in the construction industry.

**Mr. S Swaminathan**, Non-Executive Independent Director

aged 67 years, has four decades of experience in the various facets of technology management and holds bachelor's degree in Mechanical Engineering from Regional Engineering collage, Trichy (RECT), ICWA(Inter) from ICWA, Calcutta and PG Diploma in Advanced Systems from Indian Institute of Management, Ahmadabad. He has held senior positions with challenging responsibilities from Green field start-ups to Global Revenue responsibilities. He has also worked on M&A assignments involving Technology Companies in India and abroad. He is well versed with practices in Strategic Planning, Business Process Analysis, Enterprise Resource Planning, Marketing, Vendor Management and Customer Acquisition.

**Mr. A P C Krisshnamoorthy**, Non-Executive Independent Director, aged 62 years, is an advocate by profession holds a B.Com degree from Annamalai University. He has over 39 years of experience as a practicing council in the Bar and handles both Civil and Criminal cases.

**Mr. K Natarajan**, Non-Executive Independent Director, aged 58 years, has over 24 years of experience in International business and development. Mr. K Natarajan holds bachelor's degree in Commerce. He is having wide experience in Indonesian coal mines.

## Attendance of Directors at Board Meetings and at Annual General Meeting

Following are the attendance of directors in the Board Meetings and AGM:

Name of the Director	No. of Board Meetings held	Board Meetings Attended	Attendance at Previous AGM
Mr. P Arulsundaram	4	4	Yes
Mrs. A Nithya	4	4	Yes
Mr. P Muralidasan	4	4	Yes
Mr. S Swaminathan	4	4	Yes
Mr. K Natarajan	4	4	No
Mr. A P C Krisshnamoorthy	4	4	Yes

### Board Meeting held during the year

The Board of Directors met Four times during the year under review on 29th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016. The interval between two meetings was within the maximum period mentioned under section 173 of the Companies Act, 2013 and the Listing Agreement. All the meeting held during the year as above was attended by all the directors of the Company.

### Committee of Directors

The Board has constituted the following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder's Relationship Committee
- Corporate Social Responsibility (CSR) Committee
- Risk Management Committee
- Legal and Finance Committee
- Internal Complaints Committee

### 3. Audit Committee

#### Composition, Meetings and Attendance

Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 and Part C of Schedule V of SEBI (LODR) Regulation, 2015. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. Mr. S Swaminathan, Non-Executive, Independent Director is the Chairman of the Audit Committee. The other members of the Audit Committee include Mr. P Muralidasan and Mr. A P C Krishnamoorthy.

The Audit Committee met four times during the financial year on 29th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016.

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

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. S Swaminathan	Non Executive/ Independent / Chairman	4	4
Mr. A P C Krishnamoorthy	Non Executive/ Independent/ Member	4	4
Mr. P Muralidasan	Non Executive/ Non Independent/ Member	4	4

### Terms of reference

The terms of reference has been set for the Audit Committee by Board in compliance to the Section 177 of Companies Act, 2013 and Regulation 18(3) & Part C of Schedule II SEBI (LODR) Regulation 2015. Following are inter alia the main terms of reference provided by the Board of Directors to the Audit committee:

1. Regular review of accounts, accounting policies and disclosures.
2. Review the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
3. Review any qualifications in the draft audit report.
4. Establish and review the scope of the independent audit including the observations of the auditors and review of

the quarterly, half-yearly and annual financial statements before submission to the Board.

5. Upon completion of the audit, attend discussions with the independent auditors to ascertain any area of concern.
6. Establish the scope and frequency of the internal audit, review the findings of the internal auditors and ensure the adequacy of internal control systems.
7. Examine reasons for substantial defaults in payment to depositors, debenture holders, shareholders and creditors.
8. Examine matters relating to the Director's Responsibility Statement for compliance with Accounting Standards and accounting policies.

9. Oversee compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
10. Examine any related party transactions, i.e. transactions of the Company that are of a material nature with promoters or management, their subsidiaries, relatives, etc., that may have potential conflict with the interests of the Company.
11. Appointment and remuneration of statutory and internal auditors.
12. Risk assessment and minimization procedures.
13. Management discussion and analysis of financial condition and results of operations
14. Statement of significant related party transactions (as defined by the audit committee), submitted by management.
15. Management letters / letters of internal control weaknesses issued by the statutory auditors.
16. Internal audit reports relating to internal control weaknesses.
17. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

18. Statement of deviations:

- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## 4. Nomination and Remuneration Committee

### Composition, Meetings and Attendance

The Nomination and Remuneration Committee comprises of three Directors, Mr. A P C Krishnamoorthy, Non-Executive, Independent Director; Mr. P Muralidasan, Non-Executive Director and Mr. S Swaminathan, Non-Executive, Independent Director. Mr. A P C Krishnamoorthy, Non-Executive, Independent Director is the Chairman of the Committee.

The Composition of Nomination and Remuneration Committee is in compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19(1) of the SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee met one time during the year on 26th May 2015.

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

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. A P C Krishnamoorthy	Non Executive/ Independent / Chairman	1	1
Mr. P Muralidasan	Non Executive/ Non Independent/ Member	1	1
Mr. S Swaminathan	Non Executive/ Independent / Member	1	1

### Terms of Reference

The terms of reference has been set for the Nomination and Remuneration Committee by Board in compliance to the Section 178 of Companies Act, 2013 and Regulation 19(4) & Part D of Schedule II of SEBI (LODR) Regulation 2015. The terms of reference of is Regulation 19(4). The terms of reference of the Nomination and Remuneration Committee /Compensation Committee as set by the Board of Directors inter alia includes following:

1. To determine the remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered).
2. To recommend to the Board appointment/reappointment and removal and to evaluation of Independent Directors and the Board.
3. To review the Nomination and Remuneration policy.

4. Establish and administer employee compensation and benefit plans.
5. Such other matters as may be required from time to time under any statutory, contractual or other regulatory requirement.

### Nomination and Remuneration Policy

The Board of Directors has formulated Nomination and Remuneration Policy as follows:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
6. To devise a policy on Board diversity.
7. To develop a succession plan for the Board and to regularly review the plan.
8. To determine the remuneration, review performance and decide on fixed and variable pay of Executive Directors if any.

### Mechanism for Evaluation of Board and Performance evaluation criteria for independent directors

Evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

#### (A) Criteria for evaluation of Board of Directors:

1. Attendance & active participation in Board, Committee & General Meetings.

2. Adequate Preparation for all such meetings.
3. Constructive contribution to formulation of Strategy & translation into plans, policies and annual goals.
4. Achievement of Sales, Productivity & Financial Goals.
5. Active involvement in quality systems & improvement activities for future growth.
6. Updating knowledge in area of expertise, overall business & industry environment.
7. Open communication with Board Members and down the line.
8. Awards & recognitions received by Company.
9. Conduct in ethical manner consistent with the applicable laws.
10. Brand building through contribution to & discharge of Social responsibilities.

#### (B) Criteria for evaluation of the Independent Directors:

- i. Qualifications & skills to understand corporate culture, business & its complexities
- ii. Adequate preparation for Board, Committee & General Meetings and updating knowledge in area of expertise.
- iii. Attendance & active participation in above meetings.
- iv. Objective & constructive participation in informed & balanced decision making.
- v. No abuse of position detrimental to Company's/ shareholder's interest and/or personal advantage, direct or indirect.
- vi. Ability to monitor management performance and integrity of financial controls & systems.
- vii. Active and timely execution of any tasks assigned by the Board.
- viii. Communication in open and fair manner.
- ix. Credibility, directions & guidance on key issues in the best interest of Company.
- x. Ethical conduct consistent with applicable laws, rules & regulations.

## 5. Remuneration to Directors

The details of remuneration paid/payable, sitting fees and commission paid to each of the directors during the year ended 31st March 2016 are given below:

Name of the Director	Remuneration	Sitting Fees	Commission	No. of Shares held
Mr. P Arulsundaram (Chairman and Managing Director)	67,59,923	-	-	97,88,443
Ms. A Nithya (Executive director)	30,45,705	-	-	65,79,898
Mr. P Muralidasan (Non- Executive Director)	-	40,000	-	156
Mr. APC Krishnamoorthy (Non- Executive Independent Director)	-	40,000	-	-
Mr. S Swaminathan (Non- Executive Independent Director)	-	40,000	-	-
Mr. K Natarajan (Non- Executive Independent Director)	-	20,000	-	-

The company does not pay remuneration to any of its Non-executive Directors barring sitting fees for attending the meeting(s). The sitting fees paid are Rs. 5,000/- for each Meeting of Board and Audit Committee.

There are no materially pecuniary relationship between the Company and Non executive Directors, other than payment of sitting fee. However, Company has entered into a contract with M/s. Sanjeevi Constructions in which Mr. P Muralidasan, Non-Executive Directors' relative have full control over that Company. Company in compliance to the Companies Act, 2013 and Listing Agreement/ LODR Regulation has entered into a agreement with M/s. Sanjeevi Constructions for the sub-contract of project work awarded to the company by The Executive Engineer (PWD)/ Construction Engineer, TNWC, Guindy, Chennai – 600032 for "Construction of an additional Godown of 5000 MT capacity with road and drainage arrangements in Karaikudi Warehouse Complex at Sivagangai District" for the value of Rs. 3,20,37,970/-. The Company has granted sub-contract work to this company on the same terms and conditions as being done for other subcontract to non related party and present sub-contract as referred above is on arms length basis.

The employment of the Chairman & Managing Director and Executive Director is contractual. The employment is for a period of five years and terminable by either party giving prior notice. No severance fee as such has been agreed.

The Company pays remuneration to its Chairman & Managing Director and Executive Director by way of salary and benefits as approved by the Shareholders. The Company does not have stock option plans for any of its directors. Presently the Company pays a salary of Rs. 5.60 Lakhs per month to Chairman & Managing Director and Rs. 2.40 Lakhs per month to Executive Director and CFO.

Further, Chairman and Managing Director and Executive Director are entitled for the following benefits:

- Reimbursement of all medical expenses incurred, including premium paid on health insurance policies, whether in India or abroad for self and family including hospitalization.
- Education of children covering tuition fees and other expenses on higher educations.
- Leave Travel concession/allowance: Foreign trip once a

year with family or / and Inland Trip for self and family twice in a year.

- iv. Club fees subject to a maximum of two clubs.
- v. Personal accident insurance premium.
- vi. Use of Company maintained cars with drivers for business and personal use.

## 6. Stakeholders Relationship Committee:

### Composition, Meetings and Attendance

Stakeholders Relationship Committee comprises of three

Directors. Mr. P Muralidasan, Non-Executive Director, Mrs. A Nithya, Executive Director and Mr. A P C Krishnamoorthy, Non Executive and Independent Director. Mr. P Muralidasan, Non-Executive Director is the Chairman of the Committee.

The Composition of Stakeholders Relationship Committee is in compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015.

The Stakeholders Relationship Committee met two times during the financial year on 30th June 2015 and 31st December 2015.

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

Name	Category/ Status	Meetings Held	Meetings Attended
Mr. P Muralidasan	Non Executive/ Non Independent/Chairman	2	2
Mrs. A Nithya	Executive/ Promoter/ Member	2	2
Mr. A P C Krishnamoorthy	Non Executive/ Independent/ Member	2	2

### Terms of Reference

The terms of reference has been set for the Stakeholders Relationship Committee by Board in compliance to the Section 178 of Companies Act, 2013 and Regulation 20(4) & Part D of Schedule II of SEBI (LODR) Regulation 2015.

The term of reference to the Committee includes overseeing and review of all matters connected with transfer of securities, non-receipt of annual report, notices, dividend and various grievances of the shareholders. The Committee oversees performance of Registrars and Share Transfer Agents of the Company and recommends remedial measures to improve quality of investors' services. The Committee has delegated the authority for share transfers to the Managing Director.

### Compliance Officer:

Mr. R Sathishkumar, Company Secretary has resigned w.e.f. 14th February 2015 and Mr. K Jayanthar has been appointed as the Company Secretary of the Company w.e.f. 29th May 2015. Post resignation of earlier Company Secretary, Mrs. A Nithya, Executive Director was appointed as Compliance Officer in interim.

Further, pursuant to coming into effect of SEBI (LODR) Regulation, 2015, Mr. K Jayanthar, Company Secretary has

been appointed as the Compliance Officer. He has been authorized to deal with all correspondence and complaints of the investors. He appraises the Committee about the status of Complaints/ Grievances.

### Stakeholder's Grievance Redressal

During the year ended 31st March 2016, no investor complaints/ grievances were received.

## 7. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee comprises of three Directors, Mr. A P C Krishnamoorthy, Non-Executive, Independent Director; Mrs. A Nithya, Executive Director; and Mr. P Muralidasan, Non-Executive Director. Mr. A P C Krishnamoorthy is the Chairman of the Committee.

The Composition of CSR Committee is in compliance to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company has formulated CSR Policy, which is uploaded on the website of the Company.

## 8. Risk Management Committee

The Committee comprises of three Directors, with Mr. A P C Krishnamoorthy, Non-Executive, Independent Director as the Chairman and Mrs. A Nithya, Executive Director and Mr. P Muralidasan, Non-Executive Director as members.

The Company formulated Risk Management Policy, which is hosted on the website of the Company. Evaluation of Business Risk and managing the risk has always been an ongoing process in your Company. The Company has set up a robust risk management framework to identify, monitor and minimize risk and also to identify business opportunities. A detailed note on the risks is included in the Management Discussion and Analysis Report.

## 9. Legal and Finance Committee

The Board has constituted this Committee to authorize grant of Power of Attorney to executives, to approve various facilities as and when granted by the Banks and execution of documents for these facilities within the limit set out with a view to facilitate and expedite the required work.

The Committee comprises of three Directors, Mr. A P C Krishnamoorthy, Non-Executive, Independent Director is the Chairman of the Committee and Mrs. A Nithya, Executive Director and Mr. P Muralidasan, Non-Executive Director as members.

## 10. Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on 13th February 2016 to review the

performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees, which is necessary to effectively and reasonably perform and discharge their duties.

## 11. Familiarisation Programme for Directors

At the time of appointing a Director, a letter of appointment incorporating the role, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI (LODR) Regulation, 2015 and other relevant regulations and affirmation taken with respect to the same. A Meeting is arranged with the Managing Director cum Chairman, Chief Financial Officer to discuss with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its business and the on-going events relating to the Company. The details of the familiarization programmes imparted to independent directors is available at the website of Company at weblink <http://www.rppiil.com/>.

## 12. Subsidiary Companies

The Company has five wholly owned subsidiaries and two Step-down subsidiaries as on 31st March 2016. These Subsidiary companies are Board managed Companies. Brief profiles of the subsidiaries are given under Management Discussion and Analysis Report forming part of Directors Report.

### 13. General Body Meeting

The details of the Annual General Meetings held during the preceding three years and the Special Resolutions passed there at as under:

AGM	Financial Year	Date & Time	Venue	Details of Special Resolutions passed
18th	2012-13	Thursday, 22.08.2013, 10.00 A.M.	Builders' Welfare	No Special Resolution
19th	2013-14	Monday, 08.09.2014, 10.00 A.M.	Trust Hall, Builders Association of India, No. 35, Perundurai Road, Erode – 638 011, Tamil Nadu, India	<ul style="list-style-type: none"> <li>Increasing the borrowing powers of the Company</li> <li>Alteration of Articles of Association of the Company</li> </ul>
20th	2014-15	Monday, 14.09.2015, 10.00 A.M.		No Special Resolution

- No Extra-Ordinary General Meeting was held during the year 2015-16.
- No Court Convened Meeting of Members was held during the year 2015-16.
- No Special Resolution was passed last year through Postal Ballot.

Resolution, if any, to be passed through Postal Ballot in upcoming days will be taken up as and when necessary. As of now, Board has not decided to take any resolution by way of postal ballot.

#### Procedure for conducting voting through postal ballot

Voting through postal ballot is conducted in compliance to the Section 110 of Companies Act, 2013 read along with Rule 22 of Companies (management and Administration) Rules, 2014. Following is the illustrative steps to conduct the voting through postal ballot:

- To Prepare draft of Board resolution, postal ballot notice along with explanatory statement and postal ballot form.
- To obtain consent of the Scrutinizer to act as such.
- To Convene Board meeting to approve the draft documents, appoint Scrutinizer, authorise WTD/ CS to oversee the entire postal ballot "Calendar of events" process.
- To arrange for printing of address slips, notice, postal ballot forms and self-addressed postage pre-paid envelope (with Scrutinizer's name and address).
- To Dispatch notices to shareholders whose names appear in the Register of members as on particular date as decided by the Board.
- To Place postal ballot notice on the company's website.
- To File 3 copies of postal ballot notice with stock exchange where the company has listed its securities.
- To Put an advertisement in news papers showing the date of dispatch of postal ballot forms and last date for receipt of the filled-in forms.
- The scrutinizer will be available at the registered office of the company to ascertain the number of forms received. The company will ensure that, receipt stamp is put on the envelope and the same is kept under safe custody. If the resolution is assented to by majority of the shareholders then it shall have the same effect of a resolution passed in the general meeting. The filled-in forms received after expiry of thirty days from the date of dispatch of notice shall be treated as if reply from the member has not been received.

- The scrutinizer will submit the report on the outcome of the postal ballot procedure to the Chairman.
- To declare the result by chairman and publish in the newspaper. To make arrangements to convey the results to the Shareholders and the stock exchange.
- To file the resolution with the ROC within 30 days of passing.

## 14. Means of Communication

In terms of Regulation 46 of SEBI (LODR) Regulation, 2015, the Company has been maintaining a functional website at [www.rppipl.com](http://www.rppipl.com) containing basic information about the Company including details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. The contents of the said website are updated from time to time.

The quarterly / yearly financial results of the Company are disseminated at once to the Stock Exchanges after the approval by the Board. These are published in Business Standard (National Issue) and Maalai Sudar (Tamil daily), which are national and local dailies respectively and also hosted on the website of the Company for the benefit of the stakeholders.

Results and reports of the company are also available in [www.nseindia.com](http://www.nseindia.com) & [www.bseindia.com](http://www.bseindia.com). Official news releases are made whenever it is considered necessary. There were no specific presentations made to Institutional investors or to analysts during the year. The Company complies with all norms related to proper disclosure and dissemination of information and will keep adhering to same.

## 15. General Shareholder information:

### a. Information about 21st Annual General Meeting:

Date & Time: Monday, 9th September 2016 at 10.00 A.M.

Venue: Builders' Welfare Trust Hall, Builders' Association of India, No.35, Perundurai Road, Erode - 638 011, Tamil Nadu

### b. Financial Year

The financial year of the Company commences with 1st April every year and ends with 31st March in the succeeding year.

Financial Calendar (tentative)

Results for the quarter ending:

June 30, 2016 - Second week of August, 2016

September 30, 2016 - Second week of November, 2016

December 31, 2016 - First week of February, 2017

March 31, 2017 - Second to Fourth week of May, 2017 in compliance to SEBI (LODR) Regulations, 2015

### c. Date of Book Closure

The Register of Members and Share Transfer Books shall be closed for a period of 7 days starting from Saturday, 3rd September 2016 to Friday, 9th September 2016 (Inclusive of Both Days).

### d. Dividend payment date

Dividend, if declared by the members shall be paid on or before 9th October 2016.

### e. Listing on Stock Exchanges

The Equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE) and the Bombay stock Exchange Limited (BSE).

### f. Stock Exchange Security Code and other related information

National Stock Exchange of India Limited RPPINFRA

BSE Limited 533284

Depository ISIN Number INE324L01013

Corporate Identification Number (CIN) L45201TZ1995PLC006113

### g. Payment of Listing and Depository Fees

The Company has paid the annual listing fees for the year 2016-17 to NSE and BSE. The Company has also paid custodial fees for the year 2016-17 to National Securities Depository Limited and Central Depository Services (India) Limited.

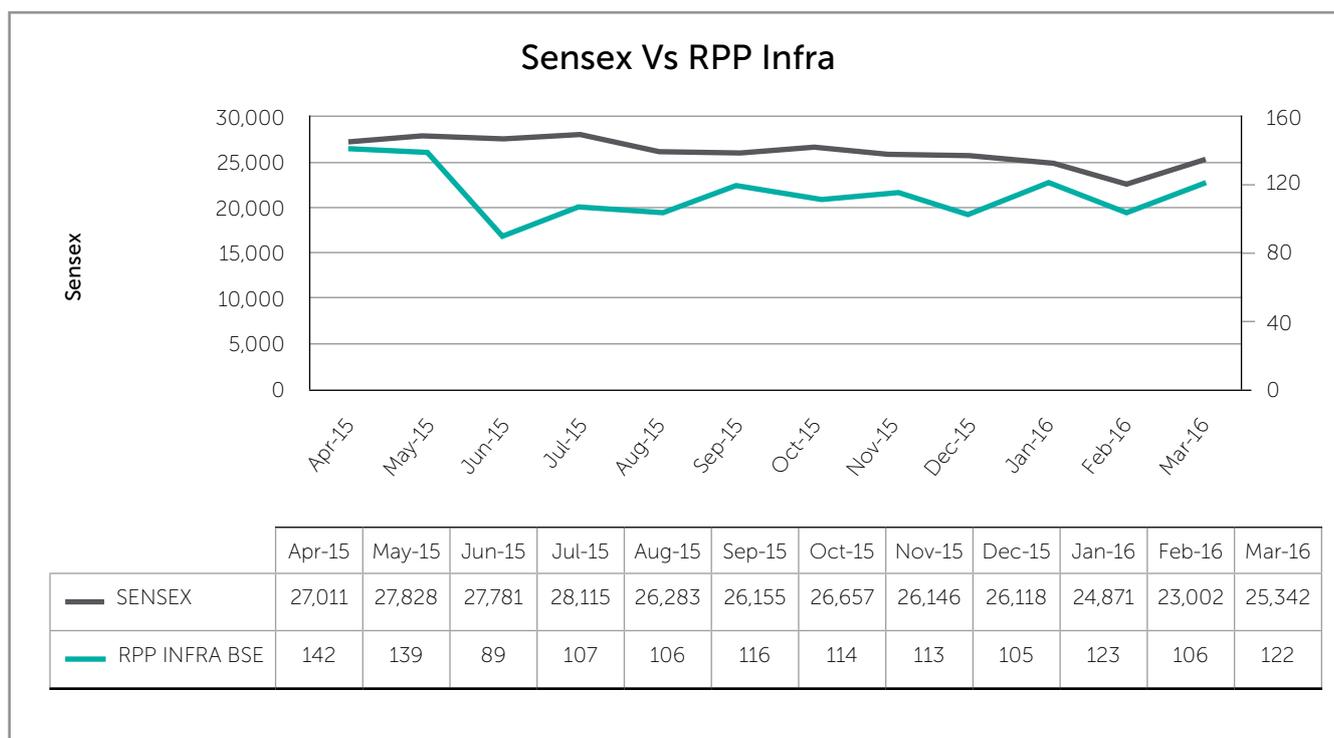
#### h. Market Price Data:

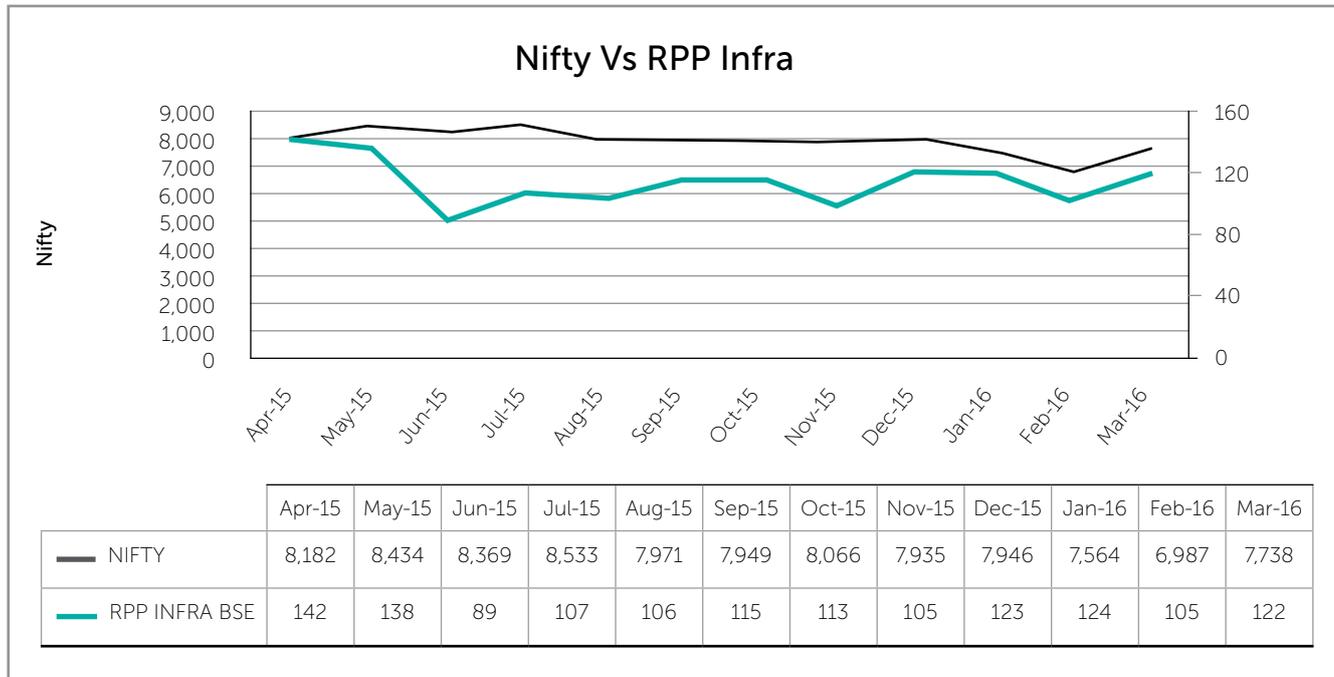
High/Low (₹) during each month of 2015-16 at BSE and NSE

Month	BSE		NSE	
	Low ₹	High ₹	Low ₹	High ₹
April 2015	108.80	162.90	108.15	163.20
May 2015	135.20	165.80	135.00	168.85
June 2015	87.00	146.00	85.50	141.50
July 2015	86.90	119.70	86.25	119.00
August 2015	88.00	132.80	87.00	135.40
September 2015	84.90	121.30	91.00	121.25
October 2015	113.00	129.50	112.75	129.65
November 2015	103.00	120.90	101.00	121.20
December 2015	102.00	119.00	101.50	115.20
January 2016	102.10	132.50	102.00	132.70
February 2016	102.40	137.50	102.00	136.90
March 2016	105.00	123.40	105.00	123.65

#### i. Share Performance in Comparison to Indices

The following charts compare RPP share prices with the BSE Sensex and NSE Nifty respectively





**j. Registrars and Share Transfer Agents**

M/s Cameo Corporate Services Limited,  
 "Subramanian Building"  
 No. 1, Club House Road,  
 Chennai 600 002, Tamil Nadu  
 Email: Cameo@cameoindia.com

**k. Share Transfer Process:**

The Company's shares are traded on the stock exchange only in electronic mode. Shares in physical form are processed by the Registrar and transfer agents M/s Cameo Corporate Services Limited only after getting approval from shareholders committee.

The share transfers are registered and returned within

the period of 15 days of receipt if documents are in order.

**l. Reconciliation of Share Capital Audit:**

A qualified practicing Company Secretary carried out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The Share Capital Audit Report confirms that the total issued / paid-up capital is intact with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

**m. Shareholding Pattern as on 31.03.2016:**

Category	No. of shares held	Percentage of holding
Promoters	16368391	72.42
Banks	5211	0.02
Trusts	145000	0.64
Clearing Members	54144	0.24
Corporate Bodies	3095345	13.70
Non-Resident Indians	25380	0.11
FII	496500	2.20
FI	38066	0.17
Resident	2372547	10.50
<b>Total</b>	<b>2,26,00,584</b>	<b>100.00</b>

n. **Distribution of Holdings as on 31.03.2016:**

Category	No. of shares held		Percentage of holding		
	No of shares	Number	% of total	₹	% of total
10 – 5000		2899	79.36	3737950	1.65
5001 – 10000		320	8.76	2393350	1.06
10001 – 20000		168	4.60	2610940	1.16
20001 – 30000		60	1.64	1555140	0.69
30001 – 40000		27	0.74	972680	0.43
40001 – 50000		41	1.12	1925060	0.85
50001 – 100000		55	1.51	3939720	1.74
100001 & Above		83	2.27	208871000	92.42
<b>Total</b>		<b>3653</b>	<b>100.00</b>	<b>226005840</b>	<b>100.00</b>

o. **Dematerialization of shares and liquidity:**

Dematerialization status of equity shares as on 31st March 2016:

Particulars	No. of Shares	% to Share capital
National Securities Depository Limited	19551624	86.51
Central Depository Services (India) Limited	3048113	13.48
<b>Total</b>	<b>22599737</b>	<b>99.99</b>

Since the shares of the Company is traded only in dematerialized form and the shares are frequently traded and hence has high liquidity.

p. There are no Outstanding GDRs/ADRs/Warrants or any Convertible instruments as on 31st March 2016.

q. There are no commodity price risk or foreign exchange risk and hedging activities associated with the Company.

r. **Plant Location:** The Company carries out works at various site and the fabrication unit for engineering construction is based at the registered Office of the Company.

s. **Address for Investor Correspondence:**

R.P.P Infra Projects Limited,  
 Secretarial Department,  
 Registered Office: SF No. 454, Raghupathynaiken Palayam,  
 Railway Colony Post, Poondurai Road  
 Erode – 638002  
 Tamil Nadu  
 Phone: +91 424 2259022  
 Fax: +91 424 2253130  
 Email: ipo@rppi.com & secretary@rppi.com

## 14. Disclosures

### a. Related Party Transactions

None of the transactions with any of the related parties viz., Promoters, Directors or the Senior Management, their Subsidiaries or relatives were in conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standard (AS 18) relating to "Related Party Transactions" have been made separately in the Annual Report.

The related party transactions with Subsidiary Companies are at arm's length and are based on consideration of business necessity and strategy for investments, profitability, legal requirements and the like.

### b. Details of Non Compliances

During the last three years, no penalties or strictures have been imposed on the company by Stock Exchanges, SEBI or any statutory authority for non compliance on any matter relating to the capital markets.

### c. Whistle Blower Policy

The Company had adopted the Whistle Blower Policy. Employees can report to Management concerned unethical behavior, act or suspected fraud or violation of the Company's Code of Conduct policy.

No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also hosted on the website of the Company.

### d. Mandatory and Non-Mandatory Compliances

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company continues to follow the principles of good Corporate Governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the mandatory requirements laid down by SEBI (LODR) Regulation, 2015. The non-mandatory requirements compliance have been disclosed at the relevant places.

### e. Policy on Material Subsidiaries

In terms of SEBI (LODR) Regulation, 2015, the Board of Directors have adopted a policy with regard to determination of Material Subsidiaries and also hosted

the same on the website of the Company at weblink <http://www.rppiopl.com/>

### f. Policy on Related Party Transactions

In terms of SEBI (LODR) Regulation, 2015, the Board of Directors of the Company have adopted a policy and also hosted the same on the website of the Company at weblink <http://www.rppiopl.com/>

### g. Commodity price risks and commodity hedging activities

Company has its process to safeguard itself from increase in prices of the essential commodity required by it. However, the Company has no commodity price risks and has not done any commodity hedging activities.

## 15. Non-compliance of any requirement of corporate governance

The Company is in compliance to all mandatory requirements in relation to the Corporate Governance Norms and the same has been stated at relevant places as required as per SEBI (LODR) Regulations, 2015 and there are no instances of non-compliance in relation to same.

## 16. Compliance to discretionary requirement of corporate governance

The Company has complied with all the mandatory requirements in relation to the Corporate Governance and wherever required has also taken steps for compliance/ implementation of discretionary items.

The details of implementation of discretionary items are provided below:

- a. Since the Chairman is executive, Company has not provided for Chairperson office of non-executive chairperson.
- b. Company ensures proper disclosure and dissemination of information. However, Company does not circulate any half-yearly declaration of financial performance or summary of the significant events in last six-months to shareholders.
- c. The Companies audit report is without any qualification. It had only an observation which has been duly explained at the appropriate place.

- d. The business of the Company requires integration and based on same it has opted for Managing Director to act as Chairperson. The present level of activity doesn't support separate Chairperson. However, Company has balanced the same with half of the Board being Independent Directors.
- e. Company has duly adopted this discretionary requirement and internal auditor reports directly to the Audit Committee.

### 17. Disclosures of the compliance with corporate governance requirements

The Company has made all required disclosures in relation

to the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46.

### 18. Details of Unclaimed and Unpaid dividend:

As at March 31, 2016, dividend amounting to Rs.742 Lakh has not been claimed by shareholders. The Company has been intimating the shareholders to lodge their claim for dividend from time to time.

As per the provisions of Section 124 of the Companies Act, 2013, dividends remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account are required to be credited to the IEPF.

The following statements showing the details of unclaimed dividend:

S. No.	Financial Year	Amount Due	Proposed year of transferred to IEPF
1.	2010-11	666431	August, 2018
2.	2011-12	17673.50	September, 2019
3.	2012-13	43577	August, 2020
4.	2013-14	6199	September, 2021
5.	2014-15	7870	September, 2022

### 19. Disclosure of the Demat Suspense Account

The following are the unclaimed shares in the Demat Suspense Account of the Company as at 31st March 2016:

Particulars	Number of Shareholders	Outstanding shares in the Suspense Account
Aggregate number of shareholders and outstanding shares in the suspense account lying at the beginning and end of the year.	1	80
<b>Total</b>	<b>1</b>	<b>80</b>

During the year, there was no movement of shares in the suspense account as on 31st march 2016. The shares held in suspense account shall remain frozen till the rightful owner of such shares claim the shares.

## 20. Code of Conduct

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board members and Senior Management Personnel of the Company. An affirmation of compliance with the code is received from them on an annual basis. The Code is also hosted on the website of the Company.

A declaration about compliance with Code of Conduct and Ethics for the Board of Directors and Senior Management is provided at the end of this report.

## 21. CEO/CFO Certification:

The Managing Director and Chief Financial Officer have issued certificate pursuant to Regulation 17(8) of SEBI (LODR) Regulation, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

A CEO and CFO Certificate as per Regulation 17(8) of SEBI (LODR) Regulations, 2015 is attached at the end of this report.

## 22. Certificate on Compliance of Corporate Governance

Pursuant to Regulation 15(2) of SEBI (LODR) Regulation, 2015, a certificate from a Practicing Company Secretary, certifying the compliance by the Company with the provisions of the Corporate Governance is annexed with this report.

**For and on behalf of the Board of Directors**

Place: Erode  
Date: May 27, 2016

**P Arulsundaram**  
**Chairman & Managing Director**  
**DIN: 00125403**

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## DECLARATION

As provided under SEBI (LODR) Regulation, 2015, the members of Board of Directors and the Senior Management Personnel have affirmed compliance with Companies Code of Conduct and Ethics for the Board of Directors and senior management for the year ended 31st March 2016.

Place: Erode  
Date: May 27, 2016

**P Arulsundaram**  
**Chairman & Managing Director**  
**DIN: 00125403**



## CEO AND CFO CERTIFICATE

Board of Directors  
R.P.P. Infra Projects Limited  
Erode

Dear Member of the Board,

We, P Arulsundaram, Chairman and Managing Director and A Nithya, Whole Time Director and Chief Financial Officer of R.P.P. Infra Projects Limited certify that:

- a) we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March 2016 and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that there are no:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

Place: Erode  
Date: May 27, 2016

**A Nithya**  
**Chief Financial Officer**  
**DIN: 00125357**

**P Arulsundaram**  
**Chairman and Managing Director**  
**DIN: 00125403**

# CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER REGULATION 34(3)(E) OF SEBI (LODR) REGULATION, 2015

To,  
The Members of  
**R.P.P. Infra Projects Limited**

I have examined all relevant records of R.P.P. Infra Projects Limited ("Company") for the purpose of certifying compliances of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') entered into with National Stock Exchange of India Limited and BSE Limited (Stock Exchanges) for the period 1st April 2015 to 30th November 2015 and as per relevant provisions of Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulation, 2015) as referred to in Regulation 15(2) of the SEBI (LODR) Regulation, 2015 for the period 1st December 2015 to 31st March 2016.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliances of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. This certificate is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the information provided and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulate in the above mentioned Listing Agreement.

Place: Chennai  
Date: 23rd May 2016

**Gouri Shanker Mishra**  
**FCS No.: 6906**  
**C. P. No.: 13581**



# Financial Statements

# Independent Auditor's Report

To  
The Members of  
**M/s. RPP INFRA PROJECTS LIMITED**

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/s. RPP Infra Projects Limited, which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, 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 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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, 2016, and its profit/loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.



2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. or the Company does not have any pending litigations which would impact its financial position
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **KARTHIKEYAN & JAYARAM**  
Chartered Accountants

**CA G.N. JAYARAM.,FCA.,DISA**  
Partner

Place: Erode  
Date: 27.05.2016

Membership No: 200 – 27291  
Firm Reg. No: - 007570S

## Annexure A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2016, we report that:

1. a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The fixed assets have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c) The title deeds of all the immovable properties of the Company shown under the Fixed Assets schedule are held in the name of Company.
2. The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable and no discrepancies were noticed at the time of verification.
3. a) The company has not granted loans, secured or unsecured, to companies, firms, LLP's or other parties covered in the register maintained U/s. 189 of the Act.
- b) & c) Not applicable since, the company has not granted any loans to the parties covered in the register maintained U/s. 189 of the Act.
4. The company has not given any loans / investments / guarantees to which the provisions of Sec. 186 of the Act apply.
5. The company has not accepted any deposits to which the provisions of Sec. 73 to 76 or any other relevant provisions of the Act and the rules framed there under and the directions issued by the RBI are applicable. Hence this clause is not applicable.
6. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records u/s 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and 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.
7. a) Undisputed statutory dues including PF, ESI, income-tax, sales-tax, service tax, duty of custom, duty of excise, VAT, cess have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- b) There are no dues of Sales Tax, Customs Duty, Excise Duty and VAT which have not been deposited on account of any dispute. The particulars of Income tax, Service Tax (or any other tax) which have not been deposited on account of any dispute is as follows:

Name of Statute	Nature of the dues	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act	Income Tax	24,29,318	2005-06	Assistant Commissioner of Income Tax, Circle-I, Erode
Income Tax Act	Income Tax	7,05,443	2006-07	Assistant Commissioner of Income Tax, Circle-I, Erode
Income Tax Act	Income Tax	8,268	2007-08	Assistant Commissioner of Income Tax, Circle-I, Erode
Income Tax Act	Income Tax	91,22,896	2008-09	Assistant Commissioner of Income Tax, Circle-I, Erode
Income Tax Act	Income Tax	1,83,06,420	2009-10	Income Tax Appellate Tribunal ,Chennai
Income Tax Act	Income Tax	1,31,52,700	2010-11	Commissioner of Income Tax, Coimbatore



Name of Statute	Nature of the dues	Amount in Rs.	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act	Income Tax	1,93,52,640	2011-12	Commissioner of Income Tax, Coimbatore
Income Tax Act	Income Tax	1,42,02,440	2012-13	Assistant Commissioner of Income Tax, Circle-I, Erode
Income Tax Act	Income Tax	29,66,600	2013-14	Income Tax Department-CPC
Income Tax Act	TDS	83,16,133	2008-16	TDS -CPC
Central Excise Act	Service Tax	2,52,28,175	2010-11	Commissioner of Central Excise, Salem

#### Contingent Liabilities

		84,25,15,307		Bank Guarantees
		1,88,12,798		Inland Letter of Credits

8. The Company had no loans from a Financial Institution or Bank or government or dues to debenture holders & therefore this clause is not applicable to the Company.
9. Based on our audit procedures, we are of the opinion that the company has not defaulted in repayment of dues to its bank, financial institution, and Government or Debenture holders.
10. Based upon the audit procedures performed, we report that no fraud by the company and no fraud on the Company by its officers / employees has been noticed or reported during the course of our audit.
11. The Managerial Remuneration has been paid / provided in accordance with the requisite approvals mandated by Sec. 197 read with Schedule V to the Act.
12. The Company is not a Nidhi Co. and therefore clause 3(12) of the Order is not applicable to the Company.
13. In our opinion, all the Related Party Transactions entered into by the Company during the year are in compliance with the provisions Sec. 188 & 177 of the Act and the details thereof have been disclosed in the Financial Statements as required by the Accounting standards and the Act.
14. The Company has not made any preferential allotment / private placement of shares during the year and therefore this clause is not applicable to the Company.
15. The Company has not entered into any non-cash transactions with directors / persons connected with him as stipulated u/s. 192 of the Act. Clause 3(15) of the Order is therefore not applicable to the Company.
16. In our opinion, the Company is not required to be registered u/s 45-IA of the Reserve Bank of India Act, 1934.

For **KARTHIKEYAN & JAYARAM**  
Chartered Accountants

**CA G.N. JAYARAM.,FCA.,DISA**  
Partner

Membership No: 200 – 27291  
Firm Reg. No: - 007570S

Place: Erode  
Date: 27.05.2016

## Annexure B to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s. RPP Infra Projects Limited as of March 31, 2016 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.

### Auditors' Responsibility

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

reporting was established and maintained and if such controls operated effectively in all material respects.

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria

established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KARTHIKEYAN & JAYARAM**  
Chartered Accountants

**CA G.N. JAYARAM.,FCA.,DISA**  
Partner

Place: Erode  
Date: 27.05.2016

Membership No: 200 – 27291  
Firm Reg. No: - 007570S

## Balance Sheet as at 31st March, 2016

(₹ Crore)

Particulars	Note No.	Current Year 2015-16	Previous Year 2014-15
A			
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	22.60	22.60
(b) Reserves and surplus	3	128.40	113.25
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	14.31	7.49
(b) Deferred tax liabilities (Net)	5	-	-
(c) Long-term provisions	6	0.34	0.30
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	56.01	73.30
(b) Trade payables	8	93.34	117.51
(c) Other current liabilities	9	36.07	44.81
(d) Short-term provisions	10	9.00	6.61
<b>TOTAL</b>		<b>360.07</b>	<b>385.87</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	25.17	38.51
(ii) Intangible assets		0.01	0.01
(iii) Capital work-in-progress		3.52	3.32
(b) Non-current investments	12	0.83	0.83
(c) Deferred tax assets (net)	5	0.93	0.44
(c) Long-term loans and advances	13	1.23	1.35
(d) Other non-current assets	14	21.92	19.57
<b>2 Current assets</b>			
(a) Inventories	15	3.05	1.41
(b) Trade receivables	16	148.06	169.81
(c) Cash and cash equivalents	17	24.84	14.16
(d) Short-term loans and advances	18	39.65	42.99
(e) Other current assets	19	90.85	93.47
<b>TOTAL</b>		<b>360.07</b>	<b>385.87</b>
Significant Accounting Policies	1		

The accompanying notes including other explanatory information form an integral part of the financial statement

As per our Report of even date

**M/s. Karthikeyan & Jayaram**  
Chartered Accountants  
F.R. No.007570S

**CA G.N. Jayaram F.C.A**  
Partner  
M.No.027291

Date : 27.05.2016  
Place : Erode

For and on behalf of the Board of Directors

**P. Arulsundaram**  
Chairman and Managing Director  
DIN 00125403

**A. Nithya**  
Whole Time Director &  
Chief Financial Officer  
DIN 00125357

**K. Jayanthar**  
Company Secretary



## Statement of Profit and loss statement for the year ended 31st March, 2016

(₹ Crore)

Particulars	Note No.	Current Year 2015-16	Previous Year 2014-15
<b>I. Revenue from operations</b>	20	314.69	263.14
II. Other income	21	5.03	4.45
<b>III. Total Revenue (I + II)</b>		<b>319.72</b>	<b>267.59</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	22	78.76	53.79
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Direct Operating Cost	23	170.38	157.47
Employee benefits expenses	24	5.53	5.33
Finance cost	25	18.56	16.67
Depreciation and amortization expenses	11	4.85	7.25
Other expenses	26	13.73	11.73
<b>Total expenses</b>		<b>291.82</b>	<b>252.24</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>27.90</b>	<b>15.35</b>
VI. Exceptional items	27	0.09	-6.28
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>27.81</b>	<b>21.63</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>27.81</b>	<b>21.63</b>
<b>X Tax expense:</b>			
(1) Current tax		7.64	5.29
(2) Prior Period Tax		-	0.19
(3) Deferred tax	5	-0.50	-1.11
<b>XI Profit (Loss) for the period from continuing operations (IX - X)</b>		<b>20.67</b>	<b>17.27</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>20.67</b>	<b>17.27</b>
XVI Earnings per equity share:			
(1) Basic		9.14	7.64
(2) Diluted		9.14	7.64
Significant Accounting Policies	1		

The accompanying notes including other explanatory information form an integral part of the financial statement

As per our Report of even date

M/s. Karthikeyan & Jayaram  
Chartered Accountants  
F.R. No.007570S

CA G.N. Jayaram F.C.A  
Partner  
M.No.027291

Date : 27.05.2016  
Place : Erode

For and on behalf of the Board of Directors

P. Arulsundaram  
Chairman and Managing Director  
DIN 00125403

A. Nithya  
Whole Time Director &  
Chief Financial Officer  
DIN 00125357

K. Jayanthar  
Company Secretary

## Cash Flow Statement for the year ended 31st March, 2016

(₹ Crore)

Particulars	Current Year 2015-16	Previous Year 2014-15
<b>Cash Flows From Operating Activities</b>		
<b>Profit Before Tax</b>	27.81	21.63
Add: Depreciation	4.85	7.25
Add: Interest	18.56	16.67
Less: Unrealised Forex (Gain /Loss - NET)	-	-
Less: Interest Received	0.80	0.96
<b>Operating Profit Before Working Capital Changes</b>	<b>50.43</b>	<b>44.60</b>
(Increase) /Decrease in Current Assets	23.84	-112.99
Increase /(Decrease) in Current Liability	-30.48	95.23
<b>Operating Profit After Working Capital Changes</b>	<b>-6.64</b>	<b>-17.76</b>
Less: Tax Paid Including Dividend Tax	-7.87	-5.66
Less: Income Tax adjustment for prior Period		
Less: Dividend Paid	-1.13	-1.13
<b>Net Cash Flow From Operating Activities</b>	<b>34.78</b>	<b>20.05</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	-3.09	-0.43
Sales of Fixed Assets	9.80	5.65
Profit / Loss on Sale of Fixed Assets	-2.63	-6.42
Investment in Subsidiaries		
(Increase)/Decrease of Investments	-	-
Interest Received	0.80	0.96
<b>Net Cash Flow From Investing Activities</b>	<b>4.88</b>	<b>-0.24</b>
<b>Cash Flow From Financing Activities</b>		
Proceeds from Issue of Shares including Share Premium		
Interest Paid	-18.56	-16.67
Public Issue Expenses	-	-
others	0.06	
Increase/(Decrease) in Secured Long-Term Loan	6.34	-2.25
Increase/(Decrease) in Secured working Capital Loan	-17.29	6.57
Increase/(Decrease) in Unsecured Loan	0.47	-4.96
(Increase)/Decrease in Deferred Tax Liability		
<b>Net Cash Flow From Financing Activities</b>	<b>-28.97</b>	<b>-17.32</b>
<b>Net Increase/(Decrease) in Cash And Cash Equivalent</b>	<b>10.69</b>	<b>2.49</b>
<b>Cash and Cash Equivalent at beginning of the period</b>	<b>14.16</b>	<b>11.67</b>
<b>Cash and Cash Equivalents at ending of the period</b>	<b>24.84</b>	<b>14.16</b>



## Cash Flow Statement (contd.) for the year ended 31st March, 2016

### Notes :

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3. "Cash Flow Statements" as specified in the Companies (Accounting Standard) Rule, 2006

Purchase of Fixed Assets includes movement of Capital Work-in-progress during the year

Cash and Cash equivalents at the end of the year represents Cash and Bank Balance which includes unpaid Dividend of Rs.6,66,431/-, Rs.17,673.50, Rs.43,577/-, Rs.6,199/- Rs.7870/- for the financial years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-2015 respectively.

Previous year's figures have been regrouped/reclassified wherever applicable

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Significant Accounting Policies	1
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The accompanying notes including other explanatory information form an integral part of the financial statement

### As per our Report of even date

**M/s. Karthikeyan & Jayaram**  
Chartered Accountants  
F.R. No.007570S

### CA G.N. Jayaram F.C.A

Partner  
M.No.027291

Date : 27.05.2016  
Place : Erode

### For and on behalf of the Board of Directors

**P. Arulsundaram**  
Chairman and Managing Director  
DIN 00125403

**A. Nithya**  
Whole Time Director &  
Chief Financial Officer  
DIN 00125357

**K. Jayanthar**  
Company Secretary

# Notes forming part of Accounts

## Note No.1 Significant Accounting Policies

### 1.1 Basis of Preparation

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ["GAAP"]. Further, the guidance notes / announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations viz. SEBI guidelines override the same requiring a different treatment.

The financial statements are prepared in accordance with the requirements of the Companies Act, 2013, and comply with the Accounting Standards referred to in Section 133 of the said Act. The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

### 1.2 Presentation of financial Statement

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

Amounts in the financial statements are presented in Indian Rupees in Crore rounded off to two decimal places in line with the requirements of Schedule III except where stated otherwise. Per share data are presented in Indian Rupees to two decimal places.

### 1.3 Revenue Recognition

#### A. Accounting of construction contracts

The Company follows the (Accounting Standard 7) percentage completion method, based on the stage of completion as at the balance sheet date, taking into account the contractual price and revision there to by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done as on the date of the Balance Sheet. The Company's claim for extra work and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the clients.

#### B. Other Operational Income

Other Operational Income Includes Revenue for Technical services provided and accounted on accrual basis.

#### C. Other Income

- a. Claims were accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance.
- b. Income of Power Generation from Windmill was accounted in the period in which the right to receive of the same is established.
- c. Interest income is recognised on the time proportion basis.
- d. Other items of income are accounted as and when the right to receive arises.



## Notes forming part of Accounts (contd.)

### 1.4 Extraordinary and exceptional Items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

### 1.5 Classification of Assets and Liabilities

The Schedule III to the Companies Act, 2013 requires assets and liabilities to be classified as either Current or Non-current.

- a) An asset shall be classified as current when it satisfies any of the following criteria:
  - I. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
  - II. It is held primarily for the purpose of being traded;
  - III. It is expected to be realized within twelve months after the reporting date; or
  - IV. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- b) All assets other than current assets shall be classified as non-current.
- c) A liability shall be classified as current when it satisfies any of the following criteria:
  - I. It is expected to be settled in the company's normal operating cycle;
  - II. It is held primarily for the purpose of being traded;
  - III. It is due to be settled within twelve months after the reporting date; or
  - IV. The company does not have an unconditional right to defer settlement of the liability for at least twelvemonths after the reporting date.
- d) All liabilities other than current liabilities shall be classified as non-current.

### 1.6 Fixed Assets

- a) Fixed assets are stated at their original cost of acquisition and installation, less accumulated depreciation, amortization and impairment losses, if any. Cost comprises of the purchase price and any other directly attributable cost of bringing the asset to its working condition for its intended use.
- b) Administrative and other general overhead expenses that are specifically to construction or acquisition of Fixed Assets or bringing the Fixed Assets to working conditions are allocated and capitalized as a part of the cost of the Fixed Assets.
- c) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.
- d) From the date Schedule II comes into effect i.e. 1 April 2014, the carrying amount of the asset as on that date depreciated over the remaining useful life of the asset. Pursuant to this policy, depreciation is provided at the rates prescribed in Schedule II of the Companies Act, 2013. Prior to 1 april 2014, the Company was following Written

## Notes forming part of Accounts (contd.)

Down Value Method of depreciation. Effective 1 April 2014, the Company has changed the method of providing depreciation from written down value to straight line method, as in the management's view this change results in more appropriate presentation and gives a systematic basis of depreciation charge.

- e) Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. The costs comprises of all cost, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible asset.
- f) Purchase cost and user license fees for major software are amortised over a period of three years.
- g) Own fabricated assets are capitalized at cost including an appropriate share of overheads.
- h) Depreciation for additions to/deductions is calculated @ pro-rata from/to the date of additions/deductions during the year.
- i) Tangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as Capital Work-in-Progress.

### 1.7 Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents.

### 1.8 Investments

Long Term investments are valued at cost, less provision for diminution other than temporary, in value, if any. Current investments are stated at lower of cost and fair value, computed category-wise

### 1.9 Cash and equivalents

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

### 1.10 Provisions and Contingent Liabilities

A provision is recognised when an enterprise has a present obligation as a result of past event 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 are not discounted to their present values and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed as on the Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a Contingent liability is made when there is a possible obligation or a present obligation that may but probably will not, requires an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### 1.11 Foreign Exchange Translation of Projects and Accounting of Foreign Exchange Translations

Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing on the date of the transaction.

Any income or expense on account of exchange difference either on settlement or on transaction is recognized in the profit and loss account. In case of fixed assets they are adjusted to the carrying cost of such assets. Foreign Currency Monetary Items are retranslated at the exchange rate prevailing on the reporting date.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements,



## Notes forming part of Accounts (contd.)

are recognized as income or as expenses in the year in which they arise except those relating to liability for acquiring fixed assets from outside India which are capitalized and those arising from investments in non-integral operations.

Foreign Branches are classified as non-integral foreign operations.

Gains or losses arising out of translations at the year-end are credited / debited to the Foreign Currency Translation Reserve under Reserves and Surplus.

### 1.12 Accounting for Taxes on Income

#### a) Current Income Tax:

Provision for Current Tax is made based on taxable Income computed for the year under the Income Tax Act, 1961.

#### b) Deferred Taxes :

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Timing differences arising due to difference in depreciation as per accounting records and Income Tax Act has alone been considered. Deferred tax assets are recognized and carried forward only to the extent that there is a certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised.

### 1.13 Employees Benefits

a) Employer's contribution to the recognized provident fund which is a defined contribution scheme and ESI Contribution as per law are charged to the Profit and Loss account.

b) The Gratuity benefit is funded through a defined benefit plan. For this purpose, the Company has obtained a qualifying insurance policy from Life Insurance Corporation of India.

### 1.14 Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS20). Earnings per Share notified by the Companies (Accounting Standards) Rules, 2006. Basic earnings per equity shares are computed by dividing the net profit for the year attributable to the Equity Shareholders including the extraordinary profits arising out of the change in the method of depreciation from WDV method to straight line method by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year adjusting for the effects of dilutive potential equity shares attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti dilutive.

### 1.15 Inventories

Inventory of construction / raw material are valued at the lower of cost and net realizable value. Cost of inventories is determined on first-in-first out (FIFO) method of inventory valuation.

### 1.16 Impairment of Assets

The carrying amount of assets other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount."

## Notes forming part of Accounts (contd.)

### Note No. 2 (A) Share Capital

	As at 31 March 2016		As at 31 March 2015	
	Number	(₹ Crore)	Number	(₹ Crore)
<b>Authorised</b>				
Equity Shares of Rs. 10 each	2,50,00,000	25.00	2,50,00,000	25.00
<b>Issued</b>				
Equity Shares of Rs. 10 each	2,26,00,584	22.60	2,26,00,584	22.60
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10 each fully paid	2,26,00,584	22.60	2,26,00,584	22.60
<b>Total</b>	<b>2,26,00,584</b>	<b>22.60</b>	<b>2,26,00,584</b>	<b>22.60</b>

### Note No. 2.1

The company has only one class of equity share having a par value of Rs.10 per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. 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 preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

### Note No. 2.2

Details of Shares in the Company held by each shareholders holding more than 5% total Shares Issued, Subscribed and Paidup.

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Arulsundaram	97,88,443	43.31%	97,88,443	43.31%
Mrs. A. Nithya	63,10,665	27.92%	65,79,898	29.11%

### Note No. 2.3

Bonus Shares/Buy Back/Shares for consideration other than Cash issued during past five years

Particulars	Year (Aggregate No. of Shares)				
	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

### Note No.2.4 - Share reconciliation

Equity Shares - Number of Shares at the Beginning and at the end of the reporting period

Description	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
Shares at the Beginning of the year	2,26,00,584	22.60	2,26,00,584	22.60
Add : Issues during the year	-	-	-	-
Shares at the End of the year	2,26,00,584	22.60	2,26,00,584	22.60



## Notes forming part of Accounts (contd.)

### Note No. 3 Reserves & Surplus

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>a. Securities Premium Account</b>		
Opening Balance	39.65	39.65
<b>Closing Balance</b>	<b>39.65</b>	<b>39.65</b>
<b>b. Revaluation Reserve</b>		
Opening Balance	6.60	6.67
(-) Written Back in Current Year	4.22	0.07
<b>Closing Balance</b>	<b>2.38</b>	<b>6.60</b>
<b>d. Surplus</b>		
Opening balance	66.99	51.04
(+) Net Profit/(Net Loss) For the current year	20.67	17.27
(-) Proposed Dividend including Dividend Tax	1.36	1.32
(+) Transfer to Reserves	0.06	
<b>Closing Balance</b>	<b>86.36</b>	<b>66.99</b>
<b>Total</b>	<b>128.40</b>	<b>113.25</b>

#### Note No.3.1 - Proposed Dividend

The Directors recommend payment of dividend of Re.0.50 per equity share of Rs.10 each on the number of shares outstanding as on the record date. Provision for Dividend has been made in the books of account for 22600584 equity shares outstanding as at 31st March 2016 amounting to Rs. 1,13,00,292/-

### Note No. 4 Long Term Borrowings

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>Secured</b>		
<b>(a) Term loans</b>		
from banks (refer Note 4.1)	13.54	7.49
from Non-Banking Financial Institutions (refer Note No.4.1)	0.30	-
	<b>13.83</b>	<b>7.49</b>
<b>Unsecured</b>		
<b>(b) Term loans</b>		
from banks (refer Note No.4.1)	-	-
from Non-Banking Financial Institutions (refer Note No.4.1)	0.47	-
	<b>0.47</b>	<b>-</b>
<b>Total</b>	<b>14.31</b>	<b>7.49</b>

The term loans and other loans are repayable over a period of 1 to 5 years as per the terms of agreement entered in to with the Banks/ others.

## Notes forming part of Accounts (contd.)

### Note No. 4.1

(₹ Crore)

	Non-Current Portion		Current Portion	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
<b>Secured</b>				
<b>(a) Term loans</b>				
(i) From Banks				
HDFC Bank Ltd	-	0.00	-	0.23
Axis Bank Ltd	-	-	-	0.22
ICICI Bank Ltd	1.17	-	0.62	-
SIDBI	5.97	6.85	0.88	0.88
IOB	6.40	-	1.80	-
TIIC	-	-	-	22.18
(Secured by First charge by way of Hypothecation of Capital Asset and Hire Purchase Loan)				
Axis Bank Ltd	-	0.64	-	0.32
(Secured by First charge by way of Hypothecation of Chennai Guindy Office towards Land and Super Structure)				
	<b>13.54</b>	<b>7.49</b>	<b>3.30</b>	<b>23.83</b>
(ii) from Non-Banking Financial Institutions				
Kotak Mahindra Prime Ltd	0.20	-	0.14	-
Bherudan Dugar Ind Finance Ltd	0.05	-	0.60	-
Sumathi Bai Indus Finance Ltd	0.05	-	0.60	-
Tata Capital Ltd	-	-	-	0.01
Bajaj Finance Ltd	-	-	-	0.00
(Secured by First charge by way of Hypothecation of Capital Asset and Hire Purchase Loan)				
	<b>0.30</b>	<b>-</b>	<b>1.34</b>	<b>0.01</b>
<b>Total Secured Term Loan Borrowing</b>	<b>13.83</b>	<b>7.49</b>	<b>4.64</b>	<b>23.84</b>
<b>Unsecured Loan</b>				
<b>(b) Term loans</b>				
from banks				
HDFC Bank Ltd	-	-	-	0.17
	-	-	-	<b>0.17</b>
from other parties				
Bherudan Dugar Industrail Finance India Ltd	-	-	-	0.65
Cholamandalam Investment&Finance Company LTD	-	-	2.94	-
Promoter Directors	0.47	-	-	0.09
	0.47	-	2.94	0.74
<b>Total Unsecured Long Term Borrowing</b>	<b>0.47</b>	<b>-</b>	<b>2.94</b>	<b>0.91</b>
<b>Grand Total</b>	<b>14.31</b>	<b>7.49</b>	<b>7.57</b>	<b>24.75</b>

## Notes forming part of Accounts (contd.)

### Note No. 5 Deferred tax liabilities

(₹ Crore)

	As at 31 March 2016		As at 31 March 2015	
<b>Opening Balance (Depreciation)</b>		-0.44		0.67
During the year				
(a) As per Companies Act	4.85		6.97	
(b) As per Income Tax Act	3.32		3.55	
Difference (a) & (b)	-1.53		-3.42	
Tax (DTL)		-0.50		-1.11
<b>Closing Balance</b>		<b>-0.93</b>		<b>-0.44</b>

### Note No. 6 Long Term Provisions

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>(a) Provision for employee benefits</b>		
Superannuation (unfunded)		
Gratuity	0.34	0.30
<b>Total</b>	<b>0.34</b>	<b>0.30</b>

The company has taken Group Insurance policy from LIC who have worked out the Gratuity Payable for the year, accordingly provision has been made.

### Note No. 7 Short Term Borrowings

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
from banks (refer Note No.7.1)	56.01	73.30
<b>Total</b>	<b>56.01</b>	<b>73.30</b>

#### Note No.7.1

##### Fund Based Limit Enjoyed by the Company

(₹ Crore)

Name of Lending institutions	Type of Loan	Sanctioned Limit	Utilised	
			2015-2016	2014-15
Indian Overseas Bank, Surampatti Branch, Erode	Cash Credit	50.00	53.33	61.14
Bank of India - Coimbatore	Cash Credit	8.00	1.68	
TIIC Ltd	Cash Credit	1.00	1.00	
Axis Bank Ltd, Mount Road, Chennai	Cash Credit	-	-	12.16
<b>Total</b>		<b>59.00</b>	<b>56.01</b>	<b>73.30</b>

#### Note No. 7.2

The above loan secured against Book Debts and Inventories in particular and entire Assets of the Company in General.

## Notes forming part of Accounts (contd.)

### Note No. 8 Trade Payable

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
Payable towards Goods Purchased and Services Received during normal course of Business		
(i) Related Parties		
Subsidiaries	13.89	14.71
(ii) Others	79.44	102.80
	<b>93.34</b>	<b>117.51</b>

#### Note No.8.1

- a) The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence the disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act could not be furnished.
- b) The Balance of certain Sundry Creditors are subject to confirmation and reconciliation, if any.

### Note No. 9 Other Current Liabilities

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
(a) Current maturities of Long-Term Secured Debt	4.64	23.84
(b) Current maturities of Long-Term Unsecured Debt	2.94	0.91
Mobilisation Advances / Other Project Payables	12.41	2.39
Advances from customers	0.20	1.89
<b>Retention Money - Sub Contractors</b>		
Retention Money - Others	9.96	10.86
Statutory Dues payable	5.04	3.57
Due to Directors	0.39	0.15
Expenses Payable	0.43	1.05
Unpaid Dividend	0.07	0.07
Advances Received	-	0.08
<b>Total</b>	<b>36.07</b>	<b>44.81</b>

### Note No. 10 Short Term Provisions

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
(a) Others		
Provision for Income Tax	7.64	5.29
Dividend Tax Payable	0.23	0.19
Proposed Dividend	1.13	1.13
<b>Total</b>	<b>9.00</b>	<b>6.61</b>

## Notes forming part of Accounts (contd.)

Note No. 11

### FIXED ASSETS DEPRECIATION FOR THE YEAR 2015-2016

(₹ Crore)

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 01/04/2015	Addition during the year	Sale during the year	Balance as at 31/03/2016	Depreciation for the period ended 31/03/2016	Depreciation on sold Assets upto 31/03/2016	Dep As on 31/03/2016	As on 31/03/2015
<b>A. TANGIBLE ASSETS</b>								
Land	12.99	0.00	9.68	3.31	0.00	0.00	0.00	12.99
Plant & Mahinery	22.46	1.51	0.16	23.81	2.63	0.07	10.46	14.56
Office Equipment	1.35	0.05	0.77	0.63	0.15	0.40	0.49	0.61
Light Motor Vehicle	1.49	0.55	0.27	1.76	0.24	0.20	0.95	0.58
Two Wheeler	0.25	0.04	0.00	0.29	0.03	0.00	0.15	0.13
Heavy Vehicle	17.68	0.86	1.94	16.60	1.74	1.35	9.84	8.23
Computer	0.78	0.04	0.00	0.82	0.02	0.00	0.78	0.03
Building	0.90	0.00	0.33	0.57	0.01	0.02	0.06	0.83
Furniture	0.52	0.03	0.40	0.15	0.03	0.11	0.06	0.37
<b>Total</b>	<b>58.42</b>	<b>3.08</b>	<b>13.55</b>	<b>47.95</b>	<b>4.85</b>	<b>2.16</b>	<b>22.78</b>	<b>38.33</b>
<b>B. INTANGIBLE ASSETS</b>								
Software	0.09	0.01	0.00	0.10	0.00	0.00	0.09	0.00
<b>Total</b>	<b>0.09</b>	<b>0.01</b>	<b>0.00</b>	<b>0.10</b>	<b>0.00</b>	<b>0.00</b>	<b>0.09</b>	<b>0.00</b>
<b>C. CAPITAL WORK IN PROGRESS</b>								
Silo Work in Progress	3.34	0.00	0.00	3.34	0.00	0.00	0.00	3.34
WIP New Office addition	0.17	0.00	0.00	0.18	0.00	0.00	0.00	0.17
<b>Total</b>	<b>3.51</b>	<b>0.00</b>	<b>0.00</b>	<b>3.52</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.51</b>
<b>Grand Total</b>	<b>62.02</b>	<b>3.09</b>	<b>13.55</b>	<b>51.57</b>	<b>4.85</b>	<b>2.16</b>	<b>22.87</b>	<b>41.84</b>
<b>Previous year (2015-16)</b>	<b>82.79</b>	<b>0.21</b>	<b>18.28</b>	<b>64.30</b>	<b>7.25</b>	<b>4.70</b>	<b>22.46</b>	<b>47.96</b>

## Notes forming part of Accounts (contd.)

### Note No. 12 Non-current investments

(₹ Crore)

	Balance as at 31/03/2016	Balance as at 31/03/2015
<b>1 Trade Other Investments (Refer Note No.12.1)</b>		
Investment in Equity instruments	0.32	0.32
<b>2 Trade Investments (Refer Note No.12.2)</b>		
Investment in Subsidiaries	0.51	0.51
<b>Grand Total</b>	<b>0.83</b>	<b>0.83</b>

### Note No. 12.1

#### A. Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		(Rs. Crore)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			Mar-2016	Mar-2015			Mar-2016	Mar-2015	Mar-2016	Mar-2015		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	<b>Investment in Equity Instruments</b>											
	3I Infotech Limited	Other	1000	1000	Quoted	Fully Paid			0.00	0.00	Yes	N.A.
	Hindustan Construction Company Ltd	Other	9000	9000	Quoted	Fully Paid			0.02	0.02	Yes	N.A.
	IVRCL Infrastructure and Projects Ltd	Other	900	900	Quoted	Fully Paid			0.00	0.00	Yes	N.A.
	Nagarjuna Constructions Ltd	Other	500	500	Quoted	Fully Paid			0.00	0.00	Yes	N.A.
	SPAC Terminal Market Complex Ltd	Other	299000	299000	Unquoted	Fully Paid			0.30	0.30	Yes	N.A.
	<b>Total</b>								<b>0.32</b>	<b>0.32</b>		

### Note No. 12.2

#### A. Details of Trade Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		(Rs. Crore)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			Mar-2016	Mar-2015			Mar-2016	Mar-2015	Mar-2016	Mar-2015		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(b)	<b>Investment in Equity Instruments</b>											
	R.P.P. Energy Systems Pvt Ltd, Erode, India	Wholly Owned Subsidiary	50000	50000	Unquoted	Fully Paid	100%	100%	0.05	0.05	Yes	N.A.
	R.P.P. Infra Overseas PLC, Mauritius (4980 shares of USD 1 each)	Wholly Owned Subsidiary	4980	4980	Unquoted	Fully Paid	100%	100%	0.02	0.02	Yes	N.A.
	R.P.P. Infra Projects (Lanka) Ltd (116143 shares of SLR 10 each)	Wholly Owned Subsidiary	116143	116143	Unquoted	Fully Paid	100%	100%	0.05	0.05	Yes	N.A.
	Greatful Mercantile Pvt Ltd (211500 shares of Rs.10/- each)	Wholly Owned Subsidiary	211500	211500	Unquoted	Fully Paid	100%	100%	0.20	0.20	Yes	N.A.
	Sanskar Dealcom Pvt Ltd (209930 shares of Rs.10/- each)	Wholly Owned Subsidiary	209930	209930	Unquoted	Fully Paid	100%	100%	0.19	0.19	Yes	N.A.
	<b>Total</b>								<b>0.51</b>	<b>0.51</b>		

## Notes forming part of Accounts (contd.)

### Note No. 13 Long Term Loans and Advances

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>a. Security Deposits</b>		
Unsecured, considered good		
Deposits		
Deposit with Customers	0.41	0.41
Other Deposits	0.34	0.49
	<b>0.76</b>	<b>0.90</b>
<b>b. Other loans and advances</b>		
Unsecured, considered good		
Prepaid Expenses	0.47	0.45
	<b>0.47</b>	<b>0.45</b>
	<b>1.23</b>	<b>1.35</b>

### Note No. 14 Other Non-Current Assets

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>Others</b>		
Unsecured, considered good		
R.P.P. Infra Overseas PLC Mauritius and Gabon	4.99	3.37
R.P.P Energy Systems (P) Ltd	0.74	0.74
Insurance Claim	0.14	0.08
Non-Trade Receivable	14.85	13.83
Interest Receivable on FDR	1.21	0.98
	<b>21.92</b>	<b>19.01</b>
<b>Unamortised portion of IPO Expenses (IPO)</b>		
IPO Share issue Expenses	-	0.57
	<b>21.92</b>	<b>19.57</b>

### Note No. 15 Inventories

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
a. Raw Materials - Construction Materials	3.05	1.41
<b>Total</b>	<b>3.05</b>	<b>1.41</b>

## Notes forming part of Accounts (contd.)

### Note No. 16 Trade Receivables

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	95.64	118.17
	95.64	118.17
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	52.42	51.64
<b>Total</b>	<b>148.06</b>	<b>169.81</b>

#### Note No. 16.1

The Balance of certain Sundry Debtors are subject to confirmation and reconciliation, if any.

### Note No. 17 Cash and cash equivalents

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
a. Balances with banks	24.40	12.77
This includes:		
Unpaid Dividend	0.07	0.07
Margin money	24.32	15.11
b. Cash on hand	0.45	1.39
<b>Total</b>	<b>24.84</b>	<b>14.16</b>

### Note No. 18 Short-term loans and advances

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
Unsecured, considered good		
Retention by Customers	31.10	37.98
Advance to Employees	0.04	0.07
Balances with Revenue Authorities	7.56	4.07
Prepaid Expenses - Current Portion	0.95	0.67
Project Advance	0.00	0.20
<b>Total</b>	<b>39.65</b>	<b>42.99</b>

### Note No. 19 Other Current Assets

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
a. Others		
Unsecured, considered good		
Unbilled Revenue	90.85	93.47
<b>Total</b>	<b>90.85</b>	<b>93.47</b>

## Notes forming part of Accounts (contd.)

### Note No. 20 Revenue from Operations

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Contract Revenue	314.69	263.14
Other operating revenues	5.03	-
<b>Total Revenue from Operation</b>	<b>319.72</b>	<b>263.14</b>

### Note No. 21 Other Income

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Hire charges Received	0.02	1.90
Discount Received	0.07	-
Interest Income	0.80	0.96
Miscellaneous Income	1.09	0.31
Scrab Sales	0.07	-
Profit on Sale of Assets	2.63	0.09
Claim on Sub - Contractors	-	0.03
Excess Provision Written Back	0.34	0.43
Windmill Power Generation Income	-	0.53
Rent Income	0.01	0.19
<b>Total Other Income</b>	<b>5.03</b>	<b>4.45</b>

### Note No. 22 Cost of materials consumed

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Opening Stock	1.41	0.71
ADD : Purchase	80.40	54.49
LESS : Closing Stock	3.05	1.41
<b>Net Consumption of Raw Materials</b>	<b>78.76</b>	<b>53.79</b>

### Note No. 23 Direct Cost

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Labour Cost	164.97	154.26
Other Operating Cost	5.41	3.20
<b>Total Direct Cost</b>	<b>170.38</b>	<b>157.47</b>

## Notes forming part of Accounts (contd.)

### Note No. 23.1

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Works Contract Payment	128.78	88.73
Labour Wages	38.51	65.53
Freight Charges	2.49	1.42
Customers' Debit Note for supply of common items Power, Water, Labour & Machines - Net	-	0.65
Temporary Shed Erection, Maintenance and Purchase of Materials for Temporary and aiding works	0.43	0.85
Power Cost	0.17	0.28
	<b>170.38</b>	<b>157.47</b>

### Note No. 24 Employee benefits expenses

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Directors' Remuneration	0.98	0.60
Salary Expenses	3.26	3.85
Company's Contribution to Employees' Provident Fund	0.01	0.34
Company's Contribution to Employees' State Insurance Corporation	0.24	0.08
Gratuity	0.04	0.30
Staff Welfare	1.00	0.15
<b>Total Employee Cost</b>	<b>5.53</b>	<b>5.33</b>

### Note No. 25 Finance cost

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest paid on Term Loans and Other Loans	2.59	4.18
Interest paid on Working Capital Loans	8.34	9.97
Bank Charges and Bank Guarantee Commission	7.64	2.23
Interest on Delayed payment of Statutory Dues	-	0.29
<b>Total Finance Cost</b>	<b>18.56</b>	<b>16.67</b>

## Notes forming part of Accounts (contd.)

### Note No. 26 Other expenses

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Advertisement	0.02	0.01
Business Development Expenses	0.30	0.51
Donation	0.03	0.01
Miscellaneous Expense	0.20	0.71
Corporate Social Responsibilities	0.11	-
Electricity Charges	-	0.54
Insurance	0.50	6.34
Repairs & Maintenance - Machinery	4.34	0.06
Repairs & Maintenance - Others	0.07	0.03
Postage & Telegraph	0.16	0.24
Professional Charges	0.61	0.00
Books & Periodicals	0.00	0.00
Legal Fees	0.03	0.06
Printing and Stationery	0.06	0.22
Rent & Electricity	0.46	0.00
Audit Fee	0.12	0.11
Bad Debts	3.04	0.89
Secretarial Expenses	0.06	0.05
Rates and Taxes	0.35	0.33
Interest on Statutory Dues	0.44	-
Telephone Expenses	-	0.10
Travelling Expenses	0.70	0.62
Preliminary Expenses / Share Issue Expenses Written Off	0.57	0.85
Registration and Renewals (Prof fee)	0.09	0.04
Forex Loss	1.12	
Discount and Freight Charges	0.37	
<b>Total Other Expenses</b>	<b>13.73</b>	<b>11.73</b>

### Note No. 27 Exception Items [Expenses / (Income)]

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Prior Period Expenses	0.09	0.04
Loss on Sale of Windmill	-	8.60
Reversal of excess depreciation due to change in Depreciation Account policy.	-	-14.92
<b>Total Exceptional Items</b>	<b>0.09</b>	<b>-6.28</b>

## Notes forming part of Accounts (contd.)

### Note No. 28 Disclosure pursuant to Accounting Standard 7 (Revised) "Construction contracts"

(₹ Crore)

Particulars	2015-2016	2014-15
Contract revenue recognized for the financial year	314.69	263.14
Aggregate amount of contract costs incurred and recognized profits (less recognized losses) as at end of the financial year for all contracts in progress as at that date	249.14	211.26
Amount of customer advances outstanding for contracts in progress as at the end of the financial year	12.61	4.28
Retention amounts due from customers for contracts in progress as at the end of the financial year	30.05	37.98

### Note No. 29 Disclosure of related parties/related party transactions Pursuant to Accounting Standard 18" Related Party Transactions

#### Note No. 29.1 List of related parties over which control exists

RPP Infra Overseas PLC	Subsidiary
RPP Infra Projects (Lanka) Limited	Subsidiary
RPP Energy Systems Private Limited	Subsidiary
RPP Infra Projects Gabon	Step down Subsidiary
Sanskar Dealcom Pvt Ltd	Subsidiary
Greatful Mercantile Pvt Ltd	Subsidiary
Lunkar Finance Private limited	Step down Subsidiary
P Arul Sundaram – Chairman & Managing Director	Key Management Personnel
A Nithya – Whole Time Director	Key Management Personnel
RPP Selvam Infrastructure Private Ltd	Mr. Arul Sundaram (CMD) is the brother of Mr. P. Selvasundaram who is promoter of M/s. RPP Selvam Infrastructure Private Limited
P & C Constructions Pvt Ltd	Mrs. A. Nithya (WTD) is one of the share holder in M/s. P & C Construction Pvt Ltd and Mr. Periyasamy Chairman of M/s. P & C Constructions Pvt Ltd is the father of Mrs. A. Nithya
Sanjeevi Constructions	Mr. Muralithasan who is the Director, is Managing Partner of the Firm

#### Note No. 29.2 Disclosure of related party transactions

(₹ Crore)

Nature of Transaction/ Relationship/ Parties	2015-2016	2014-15
<b>Purchase of Goods &amp; Services/ Work Bills</b>		
<b>Other Related Parties</b>		
P & C Construction Pvt Ltd	0.39	3.31
Sanjeevi Constructions		4.75
<b>Sale of goods/ contract revenue &amp; services</b>		
<b>Other Related Parties</b>		
Renaatus Projects Pvt Ltd	0	5.96

## Notes forming part of Accounts (contd.)

### Note No. 29.2 Disclosure of related party transactions

(₹ Crore)

Nature of Transaction/ Relationship/ Parties	2015-2016	2014-15
<b>Subscription to equity shares (including application money paid)</b>		
<b>Subsidiaries</b>		
R.P.P. Energy Systems Pvt Ltd		
RPP Infra Overseas PLC		
RPP Infra Projects (Lanka) Limited		
Sanskar Dealcom Pvt Ltd		
Greatful Mercantile Pvt Ltd		
RPP Infra Projects (Lanka) Limited		0.6
<b>Advances received/ recovered</b>		
<b>Subsidiaries</b>		
RPP Infra Overseas PLC	0.00	3.37
R.P.P. Energy Systems Pvt Ltd	0.00	0.74
<b>Other Related Parties</b>		
Sakthi Constructions		3.59
Renaatus Projects Pvt Ltd	0.71	0.15
RPP Infra Projects Gabon SA		
<b>Subsidiaries</b>		
RPP Infra Projects (Lanka) Limited	13.89	14.71
<b>Other Related Parties</b>		
Sanjeevi Constructions		0.62
Sakthi Constructions	0.56	0.93
P. Arulsundaram - Chairman and Managing Director	0.18	0.11
Mrs. A. Nithya - Whole Time Directors	0.21	0.04
P & C Constructions Pvt Ltd	0.77	1.61
<b>Payment of Salaries/ perquisites (Other than commission to Key management personnel)</b>		
Mr. P. Arulsundaram - Chairman and Managing Director	0.67	0.42
Mrs. A. Nithya - Whole Time Directors	0.29	0.18
<b>Interest paid to Directors</b>		
Mr. P. Arulsundaram - Chairman and Managing Director	0.04	0.27
Mrs. A. Nithya - Whole Time Directors	0.12	0.06

## Notes forming part of Accounts (contd.)

### Note No. 30 Basic and Diluted earning per share (EPS) computed in accordance with Accounting Standard 20 "Earning per Share"

Particulars		Unit	2015-2016	2014-15
Basic				
Profit after tax as per accounts	A	Rs	20,66,59,000	17,26,51,792
Weighted Average number of shares outstanding	B	Nos	2,26,00,584	2,26,00,584
Basic EPS	A/B	Rs	9.14	7.64
Diluted				
Profit after tax as per accounts	A	Rs	20,66,59,000	17,26,51,792
Weighted average number of shares outstanding	B	Nos	NA	NA
Add: Weighted average number of potential equity shares of dilutive nature	C	Nos	0	0
Weighted average number of shares outstanding for diluted EPS	D=B+C	Nos	2,26,00,584	2,26,00,584
Diluted EPS	A/D	Rs	9.14	7.64
Face value per Share		Rs	10	10

### Note No. 31 Contingent Liabilities

(₹ Crore)

Particulars	2015-2016	2014-15
Counter Indemnities given to Banks in respect of contracts	86.13	49.05
Income Tax Liability that may arise in respect of which Company is in appeal	8.02	12.19
Service Tax liability that may arise in respect of matters in appeal	2.52	2.52
The Income Tax department had conducted a search u/s 132 during the end of financial year and the investigation process is still pending. Based on such proceedings, there could arise some tax liability on the company in future which is not quantifiable as on the date of this balance sheet.		

### Note No. 32 Commitments

(₹ Crore)

Particulars	2015-2016	2014-15
Estimated amount of contracts remaining to be executed on capital account (net of advances)	NIL	NIL

### Note No. 33 Auditors' remuneration (excluding service tax) and expenses charged to the accounts:

(₹ Crore)

Particulars	2015-2016	2014-15
As Auditor	0.10	0.11
For Taxation matters	0.01	0.01
For other services		0

### Note No. 34 Value of Imports on CIF Basis:

(₹ Crore)

Particulars	2015-2016	2014-15
Raw Materials	NIL	NIL
Components and Spare parts	NIL	NIL
Capital Goods	NIL	NIL



## Notes forming part of Accounts (contd.)

### Note No. 35 Expenditure in Foreign Currency

(₹ Crore)

Particulars	2015-2016	2014-15
On Overseas Contracts	0.00	0
Others	0	0

### Note No. 36 Earnings in foreign exchange

(₹ Crore)

Particulars	2015-2016	2014-15
Export of Services	0.00	0

### Note No. 37 Current Assets, Loans and advances

In the opinion of the Board of Directors , all the Current assets , loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities have been provided for.

### Note No. 38 Segmental Reporting

The company's operations predominantly consist of construction / project activities. Hence they are no reportable segments under Accounting standard -17.

### Note No. 39 Corporate Social Responsibility

In terms of provisions of section 135 of the companies Act 2013 and rules thereunder, the company is required to spend an amount of Rs.0.24 crores during the financial year on corporate social responsibility(CSR). However , the company has not spent the requisite amount of Rs 0.14 Crore during this financial year.

### Note No. 40

Previous year's figures have been regrouped / or arranged to confirm to those of current year's figures, wherever necessary.

**M/s. Karthikeyan & Jayaram**  
Chartered Accountants  
F.R. No.007570S

**P. Arulsundaram**  
Chairman and Managing Director  
DIN 00125403

**A. Nithya**  
Whole Time Director &  
Chief Financial Officer  
DIN 00125357

**CA G.N. Jayaram F.C.A**  
Partner  
M.No.027291

**K. Jayanthar**  
Company Secretary

Date : 27.05.2016  
Place : Erode

## Statement Pursuant to section 212 of the companies Act ,1956

Name of Subsidiary	Unit	RPP Energy systems Private Limited , India	RPP Infra projects (Lanka) Limited , Sri Lanka	RPP Infra Overseas PLC , Mauritius	Snaskar Dealcom Pvt Ltd	Greatful Mercantile Pvt Ltd
Financial year Ending	31.03.2016					
No of Shares (Fully Paid up) held by company on the above dates	Nos	50000	116143	4980	27500	29000
Face Value of Each share		INR 10	SLR 10	\$1	INR 10	INR 10
Extent of Holding Company's Interest	%	100%	100%	100%	100%	100%
Net Aggregate amount of Subsidiary's Profit / (Loss)	(Rs . Crore)	0.00	-1.17	-0.29	0.00	0.00
Any Change in the holding company's Interest in the subsidiary between end of the financial year and the end of the holding company's financial year		No	No	No	No	No
Details of any Material changes which have occurred between the end of the financial year and the end of the holding company's financial year in respect of :		NIL	NIL	NIL	NIL	NIL
i) Subsidiary's Fixed Asset (Net)	(Rs . Crore)	0	0.07	0	0	0
ii) Its investments		0	0.00	0.10	0.18	0.18
iii) The Money lent by it						
iv)The money borrowed by it for any purpose other than that of meeting current liabilities .						
Exchange Rate in respect of Foreign Subsidiaries.	Net Aggregate profit and losses of foreign subsidiaries are translated as per AS 11 of Accounting Standard					



The details of Subsidiaries in terms of general Circular No:2/2011 dated 8th February,2011 issued by Government of India , Ministry of Corporate Affairs under section 212(8) of the companies Act 1956, is as under

Name of Subsidiary	RPP Energy systems Private Limited , India	RPP Infra projects (Lanka) Limited , Sri Lanka	RPP Infra Overseas PLC , Mauritius	Snaskar Dealcom Pvt Ltd	Greatful Mercantile Pvt Ltd
	₹ in Crore				
Share Capital	0.05	0.05	0.02	0.03	0.03
Reserves and Surplus	-0.03	4.23	15.43	0.15	0.17
Total Assets	0.76	13.97	24.67	0.18	0.20
Total Liabilities	0.74	9.69	9.22	0.00	0.00
Investment in RPP projects Gabon SA	0.00	0.00	0.10	0.00	0.00
Investment in Lunkar Fianance Pvt Ltd	0.00	0.00	0.00	0.18	0.18
Turnover and Other Income	0.00	0.00	0.00	0.00	0.00
profit/(Loss) Before Taxation	0.00	-1.17	-0.29	0.00	0.00
Provision for Taxation	0.00	0.00	0.00	0.00	0.00
Profi/(Loss) after Taxation	0.00	-1.17	-0.29	0.00	0.00
Proposed Dividend	0.00	0.00	0.00	0.00	0.00

# Independent Auditor's Report

To  
The Members of  
**M/s. RPP INFRA PROJECTS LIMITED**

## Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of RPP INFRA PROJECTS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, 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 in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

## Auditors' Responsibility

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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, as at 31st March, 2016, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

## Other Matters

- (a) We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of Rs.31.40 Crores as at 31st March, 2016, total revenues of Rs. Nil and net cash flows amounting to Rs.0.06 Crores for the year



ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of Rs. 1.19 Crores for the year ended 31st March, 2016, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of one wholly owned subsidiary namely RPP Infra Overseas PLC, Mauritius whose financial statements reflect total assets (net) of Rs. 24.67 crores as at 31st March, 2016, total revenues of Rs. Nil and net cash outflows amounting to Rs. 0.11 crores for the year ended on that date, as considered in the consolidated financial statements.

The consolidated financial statements also include the Group's share of net loss of Rs. 0.28 crores for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of this subsidiary, based on their unaudited financial statement as at and for the period ended 31st March, 2016.

This financial statement is unaudited and has 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 sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such unaudited financial statement. In our opinion and according to the information and explanations given to us by the Management, this financial statement is not material to the Company.

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 auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- (b) In our opinion, 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 reports of the other auditors.
- (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, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, None of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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, in our opinion and to the best of our information and according to the explanations given to us:
- There were no pending litigations which would impact the consolidated financial position of the Group.
  - The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **KARTHIKEYAN & JAYARAM**  
Chartered Accountants

**CA G.N. JAYARAM.,FCA.,DISA**  
Partner

Place: Erode  
Date: 27.05.2016

Membership No: 200 – 27291  
Firm Reg. No: - 007570S

## Annexure A to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of RPP INFRA PROJECTS LIMITED ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform

the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion to the best of Our information and according to the explanation given to us , the Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively

as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **KARTHIKEYAN & JAYARAM**  
Chartered Accountants

**CA G.N. JAYARAM.,FCA.,DISA**  
Partner

Place: Erode  
Date: 27.05.2016

Membership No: 200 – 27291  
Firm Reg. No: - 007570S

# Consolidated Balance Sheet as at 31st March, 2016

(₹ Crore)

Particulars	Note No.	Current Year 2015-16	Previous Year 2014-15
A			
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	22.60	22.60
(b) Reserves and surplus	3	164.30	148.08
<b>2 Non-current liabilities</b>			
(a) Long-term borrowings	4	14.31	7.49
(b) Deferred tax liabilities (Net)	5	-	-
(c) Long-term provisions	6	0.34	0.30
<b>3 Current liabilities</b>			
(a) Short-term borrowings	7	59.01	78.00
(b) Trade payables	8	84.49	107.37
(c) Other current liabilities	9	37.56	47.15
(d) Short-term provisions	10	9.00	6.77
<b>TOTAL</b>		<b>391.61</b>	<b>417.75</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	25.23	38.68
(ii) Intangible assets		0.28	0.28
(iii) Capital work-in-progress		3.52	3.32
(b) Non-current investments	12	0.32	0.32
(c) Deferred tax assets (net)	5	0.93	0.44
(c) Long-term loans and advances	13	1.23	1.35
(d) Other non-current assets	14	16.61	15.49
<b>2 Current assets</b>			
(a) Inventories	15	3.18	1.54
(b) Trade receivables	16	167.79	188.42
(c) Cash and cash equivalents	17	25.01	14.31
(d) Short-term loans and advances	18	56.65	60.13
(e) Other current assets	19	90.85	93.47
<b>TOTAL</b>		<b>391.61</b>	<b>417.75</b>
Significant Accounting Policies	1		

The accompanying notes including other explanatory information form an integral part of the financial statement

As per our Report of even date

**M/s. Karthikeyan & Jayaram**  
Chartered Accountants  
F.R. No.007570S

**CA G.N. Jayaram F.C.A**  
Partner  
M.No.027291

Date : 27.05.2016  
Place : Erode

For and on behalf of the Board of Directors

**P. Arulsundaram**  
Chairman and Managing Director  
DIN 00125403

**A. Nithya**  
Whole Time Director &  
Chief Financial Officer  
DIN 00125357

**K. Jayanthar**  
Company Secretary



## Statement of Consolidated Profit and loss statement for the year ended 31st March, 2016 (₹ Crore)

Particulars	Note No.	Current Year 2015-16	Previous Year 2014-15
<b>I. Revenue from operations</b>	20	314.69	265.94
II. Other income	21	5.04	4.55
<b>III. Total Revenue (I + II)</b>		<b>319.73</b>	<b>270.49</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	22	78.76	53.79
Direct Operating Cost	23	170.38	158.77
Employee benefits expenses	24	5.74	5.45
Finance cost	25	19.17	17.37
Depreciation and amortization expenses	11	4.89	7.43
Other expenses	26	14.35	12.84
<b>Total expenses</b>		<b>293.30</b>	<b>255.65</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>26.43</b>	<b>14.83</b>
VI. Exceptional items	27	0.09	-6.28
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>26.34</b>	<b>21.11</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>26.34</b>	<b>21.11</b>
<b>X Tax expense:</b>			
(1) Current tax		7.64	5.45
(2) Prior Period Tax		-	0.19
(3) Deferred tax	5	-0.50	-1.11
<b>XI Profit (Loss) for the period from continuing operations (IX - X)</b>		<b>19.19</b>	<b>16.58</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>19.19</b>	<b>16.58</b>
XVI Earnings per equity share:			
(1) Basic		8.49	7.34
(2) Diluted		8.49	7.34
Significant Accounting Policies	1		

The accompanying notes including other explanatory information form an integral part of the financial statement

As per our Report of even date

**M/s. Karthikeyan & Jayaram**  
Chartered Accountants  
F.R. No.007570S

**CA G.N. Jayaram F.C.A**  
Partner  
M.No.027291

Date : 27.05.2016  
Place : Erode

For and on behalf of the Board of Directors

**P. Arulsundaram**  
Chairman and Managing Director  
DIN 00125403

**A. Nithya**  
Whole Time Director &  
Chief Financial Officer  
DIN 00125357

**K. Jayanthar**  
Company Secretary

## Consolidated Cash Flow Statement for the year ended 31st March, 2016

(₹ Crore)

Particulars	Current Year 2015-16	Previous Year 2014-15
<b>Cash Flows From Operating Activities</b>		
<b>Profit Before Tax</b>	26.34	21.11
Add: Depreciation	4.89	7.43
Add: Interest	19.17	17.37
Less: Unrealised Forex (Gain /Loss - NET)	-2.55	-0.30
Less: Interest Received	0.80	0.96
<b>Operating Profit Before Working Capital Changes</b>	<b>52.15</b>	<b>45.26</b>
(Increase) /Decrease in Current Assets	24.09	-116.54
Increase /(Decrease) in Current Liability	-30.19	97.38
<b>Operating Profit After Working Capital Changes</b>	<b>-6.10</b>	<b>-19.16</b>
Less: Tax Paid Including Dividend Tax	-7.87	-5.82
Less: Dividend Paid	-1.13	-1.13
<b>Net Cash Flow From Operating Activities</b>	<b>37.05</b>	<b>19.14</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed Assets	-3.09	-0.43
Sales of Fixed Assets	9.81	6.51
Profit / Loss on Sale of Fixed Assets	-2.58	-5.96
(Increase)/Decrease of Investments	-	-
Interest Received	0.80	0.96
<b>Net Cash Flow From Investing Activities</b>	<b>4.94</b>	<b>1.08</b>
<b>Cash Flow From Financing Activities</b>		
Interest Paid	-19.17	-17.37
Public Issue Expenses	-	-
others	0.06	
Increase/(Decrease) in Secured Long-Term Loan	6.34	-2.25
Increase/(Decrease) in Secured working Capital Loan	-18.99	6.66
Increase/(Decrease) in Unsecured Loan	0.47	-5.15
<b>Net Cash Flow From Financing Activities</b>	<b>-31.28</b>	<b>-18.12</b>
<b>Net Increase/(Decrease) in Cash And Cash Equivalent</b>	<b>10.70</b>	<b>2.10</b>
<b>Cash and Cash Equivalent at beginning of the period</b>	<b>14.31</b>	<b>12.21</b>
<b>Cash and Cash Equivalents at ending of the period</b>	<b>25.01</b>	<b>14.31</b>



## Consolidated Cash Flow Statement (contd.) for the year ended 31st March, 2016

### Notes :

Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS) 3. "Cash Flow Statements" as specified in the Companies (Accounting Standard) Rule, 2006

Purchase of Fixed Assets includes movement of Capital Work-in-progress during the year

Cash and Cash equivalents at the end of the year represents Cash and Bank Balance which includes unpaid Dividend of Rs.6,66,431/-,Rs.17,673.50, Rs.43,577/- Rs.6,199/- Rs.7870/-, for the financial years 2010-11, 2011-12, 2012-13 , 2013-14 and 2014-2015 respectively.

Previous year's figures have been regrouped/reclassified wherever applicable

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Significant Accounting Policies	1
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The accompanying notes including other explanatory information form an integral part of the financial statement

### As per our Report of even date

**M/s. Karthikeyan & Jayaram**  
Chartered Accountants  
F.R. No.007570S

### CA G.N. Jayaram F.C.A

Partner  
M.No.027291

Date : 27.05.2016  
Place : Erode

### For and on behalf of the Board of Directors

**P. Arulsundaram**  
Chairman and Managing Director  
DIN 00125403

**A. Nithya**  
Whole Time Director &  
Chief Financial Officer  
DIN 00125357

**K. Jayanthar**  
Company Secretary

# Notes forming part of Consolidated Accounts

## Note No.1 Significant Accounting Policies

### 1.1 Basis of Preparation

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ["GAAP"]. Further, the guidance notes / announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations viz. SEBI guidelines override the same requiring a different treatment.

The financial statements are prepared in accordance with the requirements of the Companies Act, 2013, and comply with the Accounting Standards referred to in Section 133 of the said Act. The preparation of financial statements in conformity with GAAP requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

### 1.2 Presentation of financial Statement

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

Amounts in the financial statements are presented in Indian Rupees in Crore rounded off to two decimal places in line with the requirements of Schedule III except where stated otherwise. Per share data are presented in Indian Rupees to two decimal places.

### 1.3 Revenue Recognition

#### A. Accounting of construction contracts

The Company follows the (Accounting Standard 7) percentage completion method, based on the stage of completion as at the balance sheet date, taking into account the contractual price and revision there to by estimating total revenue and total cost till completion of the contract and the profit so determined has been accounted for proportionate to the percentage of the actual work done as on the date of the Balance Sheet. The Company's claim for extra work and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the clients.

#### B. Other Operational Income

Other Operational Income Includes Revenue for Technical services provided and accounted on accrual basis.

#### C. Other Income

- a. Claims were accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance.
- b. Income of Power Generation from Windmill was accounted in the period in which the right to receive of the same is established.
- c. Interest income is recognised on the time proportion basis.
- d. Other items of income are accounted as and when the right to receive arises.

### 1.4 Extraordinary and exceptional Items

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events/transactions is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.



## Notes forming part of Consolidated Accounts (contd.)

On certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company, is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

### 1.5 Classification of Assets and Liabilities

The Schedule III to the Companies Act, 2013 requires assets and liabilities to be classified as either Current or Non-current.

- a) An asset shall be classified as current when it satisfies any of the following criteria:
  - I. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
  - II. It is held primarily for the purpose of being traded;
  - III. It is expected to be realized within twelve months after the reporting date; or
  - IV. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- b) All assets other than current assets shall be classified as non-current.
- c) A liability shall be classified as current when it satisfies any of the following criteria:
  - I. It is expected to be settled in the company's normal operating cycle;
  - II. It is held primarily for the purpose of being traded;
  - III. It is due to be settled within twelve months after the reporting date; or
  - IV. The company does not have an unconditional right to defer settlement of the liability for at least twelvemonths after the reporting date.
- d) All liabilities other than current liabilities shall be classified as non-current.

### 1.6 Fixed Assets

- a) Fixed assets are stated at their original cost of acquisition and installation, less accumulated depreciation, amortization and impairment losses, if any. Cost comprises of the purchase price and any other directly attributable cost of bringing the asset to its working condition for its intended use.
- b) Administrative and other general overhead expenses that are specifically to construction or acquisition of Fixed Assets or bringing the Fixed Assets to working conditions are allocated and capitalized as a part of the cost of the Fixed Assets.
- c) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalised for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.
- d) From the date Schedule II comes into effect i.e. 1 April 2014, the carrying amount of the asset as on that date depreciated over the remaining useful life of the asset. Pursuant to this policy, depreciation is provided at the rates prescribed in Schedule II of the Companies Act, 2013. Prior to 1 april 2014, the Company was following Written Down Value Method of depreciation. Effective 1 April 2014, the Company has changed the method of providing depreciation from written down value to straight line method, as in the management's view this change results in more appropriate presentation and gives a systematic basis of depreciation charge.

Depreciation has been provided by the foreign subsidiaries on methods and at the rates required/ permissible by the local laws so as to write off the assets over their useful life.
- e) Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation / depletion. The costs comprises of all cost, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible asset.

## Notes forming part of Consolidated Accounts (contd.)

- f) Purchase cost and user license fees for major software are amortised over a period of three years.
- g) Own fabricated assets are capitalized at cost including an appropriate share of overheads.
- h) Depreciation for additions to/deductions is calculated @ pro-rata from/to the date of additions/deductions during the year.
- i) Tangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as Capital Work-in-Progress.

### 1.8 Investments

Long Term investments are valued at cost, less provision for diminution other than temporary, in value, if any. Current investments are stated at lower of cost and fair value, computed category-wise

### 1.9 Cash and equivalents

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

### 1.10 Provisions and Contingent Liabilities

A provision is recognised when an enterprise has a present obligation as a result of past event 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 are not discounted to their present values and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed as on the Balance Sheet date and adjusted to reflect the current best estimates.

A disclosure for a Contingent liability is made when there is a possible obligation or a present obligation that may but probably will not, requires an outflow of resources. When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

### 1.11 Foreign Exchange Translation of Projects and Accounting of Foreign Exchange Translations

Transactions denominated in foreign currency are normally recorded at the exchange rate prevailing on the date of the transaction.

Any income or expense on account of exchange difference either on settlement or on transaction is recognized in the profit and loss account. In case of fixed assets they are adjusted to the carrying cost of such assets. Foreign Currency Monetary Items are retranslated at the exchange rate prevailing on the reporting date.

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except those relating to liability for acquiring fixed assets from outside India which are capitalized and those arising from investments in non-integral operations.

Foreign Branches are classified as non-integral foreign operations.

Gains or losses arising out of translations at the year-end are credited / debited to the Foreign Currency Translation Reserve under Reserves and Surplus.

Foreign subsidiaries are classified as non-integral foreign operations. Assets and Liabilities are translated at the closing rate at the end of the year. Income and expenses are translated at the monthly average rates. All the resulting exchange differences are accumulated in a separate head "Foreign Currency Translation Reserve" and the same is shown in Balance Sheet under Reserves & Surplus.

### 1.12 Accounting for Taxes on Income

#### a) Current Income Tax:

Provision for Current Tax is made based on taxable Income computed for the year under the Income Tax Act, 1961.

Provision for current tax for the foreign subsidiaries are as in accordance with the applicable local laws.

## Notes forming part of Consolidated Accounts (contd.)

### b) Deferred Taxes :

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Timing differences arising due to difference in depreciation as per accounting records and Income Tax Act has alone been considered. Deferred tax assets are recognized and carried forward only to the extent that there is a certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realised.

### 1.13 Employees Benefits

- a) Employer's contribution to the recognized provident fund which is a defined contribution scheme and ESI Contribution as per law are charged to the Profit and Loss account.
- b) The Gratuity benefit is funded through a defined benefit plan. For this purpose, the Company has obtained a qualifying insurance policy from Life Insurance Corporation of India.

### 1.14 Earnings per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS20). Earnings per Share notified by the Companies (Accounting Standards) Rules, 2006. Basic earnings per equity shares are computed by dividing the net profit for the year attributable to the Equity Shareholders including the extraordinary profits arising out of the change in the method of depreciation from WDV method to straight line method by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year adjusting for the effects of dilutive potential equity shares attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti dilutive.

### 1.15 Inventories

Inventory of construction / raw material are valued at the lower of cost and net realizable value. Cost of inventories is determined on first-in-first out (FIFO) method of inventory valuation.

### 1.16 Impairment of Assets

The carrying amount of assets other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount.

Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount."

### 1. 17 Principles of Consolidation

The Consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation as laid down in Accounting Standard- 21.

The Consolidated financial statements have been prepared on the following basis:

- a. The consolidated financial statements of the Group have been combined on a line-by-line basis by adding the book values of all items of assets, liabilities, incomes and expenses after eliminating intra-group balances/ transactions and unrealized profit/ loss in full.
- b. The consolidated financial statements are prepared by using uniform accounting policies for similar significant transactions and other events in similar circumstances. The financial statements of the subsidiaries are adjusted for the accounting principles and policies followed by the Group.
- c. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Group for its separate financial statements. Foreign subsidiaries financial statements are prepared in compliance with the local law and applicable accounting standards and are restated as per Indian Generally Accepted Accounting Principles for the purpose of consolidation taking in to account local laws, if any.

Notes to these consolidated financial statements are intended to serve as a means of informative disclosure and guide to better understanding. Recognizing this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 2 (A) Share Capital

	As at 31 March 2016		As at 31 March 2015	
	Number	(₹ Crore)	Number	(₹ Crore)
<b>Authorised</b>				
Equity Shares of Rs. 10 each	2,50,00,000	25.00	2,50,00,000	25.00
<b>Issued</b>				
Equity Shares of Rs. 10 each	2,26,00,584	22.60	2,26,00,584	22.60
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10 each fully paid	2,26,00,584	22.60	2,26,00,584	22.60
<b>Total</b>	<b>2,26,00,584</b>	<b>22.60</b>	<b>2,26,00,584</b>	<b>22.60</b>

### Note No. 2.1

The company has only one class of equity share having a par value of Rs.10 per share. Each shareholder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. 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 preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

### Note No. 2.2

Details of Shares in the Company held by each shareholders holding more than 5% total Shares Issued, Subscribed and Paidup.

Name of Shareholder	As at 31 March 2016		As at 31 March 2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Arulsundaram	97,88,443	43.31%	97,88,443	43.31%
Mrs. A. Nithya	63,10,665	27.92%	65,79,898	29.11%

### Note No. 2.3

Bonus Shares/Buy Back/Shares for consideration other than Cash issued during past five years

Particulars	Year (Aggregate No. of Shares)				
	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares	-	-	-	-	-
Shares bought back	-	-	-	-	-

### Note No.2.4 - Share reconciliation

Equity Shares - Number of Shares at the Beginning and at the end of the reporting period

Description	As at 31 March 2016		As at 31 March 2015	
	No. of Shares	₹ in Crores	No. of Shares	₹ in Crores
Shares at the Beginning of the year	2,26,00,584	22.60	2,26,00,584	22.60
Add : Issues during the year	-	-	-	-
Shares at the End of the year	2,26,00,584	22.60	2,26,00,584	22.60

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 3 Reserves & Surplus

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>a. Securities Premium Account</b>		
Opening Balance	55.86	55.86
<b>Closing Balance</b>	<b>55.86</b>	<b>55.86</b>
<b>b. Revaluation Reserve</b>		
Opening Balance	6.60	6.67
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	4.22	0.07
<b>Closing Balance</b>	<b>2.38</b>	<b>6.60</b>
<b>c. Other Reserves (As per RBI Regulation)</b>		
Opening Balance	0.04	0.04
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
<b>Closing Balance</b>	<b>0.04</b>	<b>0.04</b>
<b>d. Surplus</b>		
Opening balance	82.42	67.15
(+) Net Profit/(Net Loss) For the current year	19.19	16.58
(+) Transfer from Reserves	-	-
(-) Income Tax adjustment pertaining to prior periods	-	-
(-) Proposed Dividend including Dividend Tax	1.36	1.32
(-) Interim Dividends	-	-
(+) Transfer to Reserves	0.06	-
(-) Foreign Currency Translation Reserve	-	-
<b>Closing Balance</b>	<b>100.31</b>	<b>82.42</b>
<b>e. General Reserves</b>		
Opening Balance	0.05	0.05
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
<b>Closing Balance</b>	<b>0.05</b>	<b>0.05</b>
<b>f. Foreign Currency Translation Reserve</b>		
Opening Balance	3.11	2.81
For the period	2.55	0.30
<b>Closing Balance</b>	<b>5.66</b>	<b>3.11</b>
<b>Total</b>	<b>164.30</b>	<b>148.08</b>

#### Note No.3.1 - Proposed Dividend

The Directors recommend payment of dividend of Re.0.50 per equity share of Rs.10 each on the number of shares outstanding as on the record date. Provision for Dividend has been made in the books of account for 22600584 equity shares outstanding as at 31st March 2016 amounting to Rs. 1,13,00,292/-

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 4 Long Term Borrowings

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>Secured</b>		
<b>(a) Term loans</b>		
from banks (refer Note 4.1)	13.54	7.49
from Non-Banking Financial Institutions (refer Note No.4.1)	0.30	-
	<b>13.83</b>	<b>7.49</b>
<b>Unsecured</b>		
<b>(b) Term loans</b>		
from banks (refer Note No.4.1)	-	-
from Non-Banking Financial Institutions (refer Note No.4.1)	0.47	-
	<b>0.47</b>	<b>-</b>
<b>Total</b>	<b>14.31</b>	<b>7.49</b>

The term loans and other loans are repayable over a period of 1to 5 years as per the terms of agreement entered in to with the Banks/ others.

### Note No. 4.1

(₹ Crore)

	Non-Current Portion		Current Portion	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
<b>Secured</b>				
<b>(a) Term loans</b>				
(i) From Banks				
HDFC Bank Ltd	-	0.00	-	0.23
Axis Bank Ltd	-	-	-	0.22
ICICI Bank Ltd	1.17	-	0.62	-
SIDBI	5.97	6.85	0.88	0.88
IOB	6.40	-	1.80	-
TIIC	-	-	-	22.18
(Secured by First charge by way of Hypothecation of Capital Asset and Hire Purchase Loan)				
Axis Bank Ltd	-	0.64	-	0.32
(Secured by First charge by way of Hypothecation of Chennai Guindy Office towards Land and Super Structure)				
	<b>13.54</b>	<b>7.49</b>	<b>3.30</b>	<b>23.83</b>
(ii) from Non-Banking Financial Institutions				
Kotak Mahindra Prime Ltd	0.20	-	0.14	-
Bherudan Dugar Ind Finance Ltd	0.05	-	0.60	-
Sumathi Bai Indus Finance Ltd	0.05	-	0.60	-
Tata Capital Ltd	-	-	-	0.01



## Notes forming part of Consolidated Accounts (contd.)

### Note No. 4.1

(₹ Crore)

	Non-Current Portion		Current Portion	
	As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Bajaj Finance Ltd	-	-	-	0.00
(Secured by First charge by way of Hypothecation of Capital Asset and Hire Purchase Loan)				
	<b>0.30</b>	-	<b>1.34</b>	<b>0.01</b>
<b>Total Secured Term Loan Borrowing</b>	<b>13.84</b>	<b>7.49</b>	<b>4.64</b>	<b>23.84</b>
<b>Unsecured Loan</b>				
<b>(b) Term loans</b>				
from banks				
HDFC Bank Ltd	-	-	-	0.17
	-	-	-	<b>0.17</b>
from other parties				
Bherudan Dugar Industrail Finance India Ltd	-	-	-	0.65
Cholamandalam Investment&Finance Company LTD	-	-	2.94	-
Promoter Directors	0.47	-	-	0.09
	0.47	-	2.94	0.74
<b>Total Unsecured Long Term Borrowing</b>	<b>0.47</b>	-	<b>2.94</b>	<b>0.91</b>
<b>Grand Total</b>	<b>14.31</b>	<b>7.49</b>	<b>7.58</b>	<b>24.75</b>

### Note No. 5 Deferred tax liabilities

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>Opening Balance (Depreciation)</b>	-0.44	0.67
During the year		
(a) As per Companies Act	4.85	6.97
(b) As per Income Tax Act	3.32	3.55
Difference (a) & (b)	-1.53	-3.42
Tax (DTL)	-0.50	-1.11
<b>Closing Balance</b>	<b>-0.93</b>	<b>-0.44</b>

### Note No. 6 Long Term Provisions

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>(a) Provision for employee benefits</b>		
Superannuation (unfunded)		
Gratuity	0.34	0.30
<b>Total</b>	<b>0.34</b>	<b>0.30</b>

The company has taken Group Insurance policy from LIC who have worked out the Gratuity Payable for the year, accordingly provision has been made.

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 7 Short Term Borrowings

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
from banks (refer Note No.7.1)	59.01	78.00
<b>Total</b>	<b>59.01</b>	<b>78.00</b>

### Note No.7.1

#### Fund Based Limit Enjoyed by the Company

(₹ Crore)

Name of Lending institutions	Type of Loan	Sanctioned Limit	Utilised	
			2015-2016	2014-15
Indian Overseas Bank, Surampatti Branch, Erode	Cash Credit	50.00	53.33	61.14
Bank-BOI-823330110000014-Coimbatore	Cash Credit	8.00	1.68	
TIIC Ltd	Cash Credit	1.00	1.00	
Axis Bank Ltd, Mount Road, Chennai	Cash Credit	-	-	12.16
Indian Overseas Bank, Columo	Cash Credit	-	3.00	4.70
<b>Total</b>		<b>59.00</b>	<b>59.01</b>	<b>78.00</b>

### Note No. 7.2

The above loan secured against Book Debts and Inventories in particular and entire Assets of the Company in General.

### Note No. 8 Trade Payable

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
Payable towards Goods Purchased and Services Received during normal course of Business		
(i) Related Parties		
Subsidiaries	0.00	-
(ii) Others	84.49	107.37
	<b>84.49</b>	<b>107.37</b>

### Note No.8.1

- The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium enterprises Development Act, 2006 and hence the disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act could not be furnished.
- The Balance of certain Sundry Creditors are subject to confirmation and reconciliation, if any.



## Notes forming part of Consolidated Accounts (contd.)

### Note No. 9 Other Current Liabilities

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
(a) Current maturities of Long-Term Secured Debt	4.64	23.83
(b) Current maturities of Long-Term Unsecured Debt	2.94	0.91
Mobilisation Advances / Other Project Payables	12.41	2.39
Advances from customers	0.20	1.89
<b>Retention Money - Sub Contractors</b>		
Retention Money - Related Parties	-	-
Retention Money - Others	9.96	10.86
Statutory Dues payable	6.50	5.56
Due to Directors	0.39	0.35
Expenses Payable	0.45	1.19
Unpaid Dividend	0.07	0.07
Advances Received	-	0.08
<b>Total</b>	<b>37.56</b>	<b>47.15</b>

### Note No. 10 Short Term Provisions

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
(a) <b>Others</b>		
Provision for Income Tax	7.64	5.45
Dividend Tax Payable	0.23	0.19
Proposed Dividend	1.13	1.13
<b>Total</b>	<b>9.00</b>	<b>6.77</b>

## Notes forming part of Consolidated Accounts (contd.)

Note No. 11

### FIXED ASSETS DEPRECIATION FOR THE YEAR 2015-2016

(₹ Crore)

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block		
	Balance as at 01/04/2015	Addition during the year	Sale during the year	Balance as at 31/03/2016	Balance as at 01.04.2015	Depreciation for the period ended 31/03/2016	Depreciation on sold Assets upto 31/03/2016	As on 31/03/2016	As on 31/03/2015
<b>A. TANGIBLE ASSETS</b>									
Land	12.98	0.00	9.68	3.31	0.00	0.00	0.00	3.31	12.98
Plant & Mahinery	22.09	1.51	0.16	23.44	9.02	2.63	0.07	11.86	13.07
Office Equipment	2.42	0.05	0.77	1.70	1.44	0.15	0.40	0.50	0.98
Light Motor Vehicle	1.85	0.55	0.52	1.88	1.20	0.27	0.22	0.63	0.65
Two Wheeler	0.29	0.04	0.00	0.33	0.17	0.03	0.00	0.13	0.12
Heavy Vehicle	19.84	0.86	1.94	18.76	10.07	1.74	1.35	8.29	9.77
Computer	0.63	0.04	0.00	0.67	0.64	0.02	0.00	0.01	0.00
Building	0.79	0.00	0.33	0.46	0.02	0.01	0.02	0.45	0.77
Furniture	0.43	0.03	0.40	0.06	0.10	0.03	0.11	0.05	0.34
Asset in Transit- Mauritius	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asset Work in Progress	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>61.32</b>	<b>3.08</b>	<b>13.79</b>	<b>50.60</b>	<b>22.65</b>	<b>4.89</b>	<b>2.18</b>	<b>25.37</b>	<b>38.68</b>
<b>B. INTANGIBLE ASSETS</b>									
Software	0.10	0.01	0.00	0.11	0.09	0.00	0.00	0.01	0.01
Goodwill	0.27	0.00	0.00	0.27	0.00	0.00	0.00	0.27	0.27
<b>Total</b>	<b>0.37</b>	<b>0.01</b>	<b>0.00</b>	<b>0.38</b>	<b>0.09</b>	<b>0.00</b>	<b>0.00</b>	<b>0.28</b>	<b>0.28</b>
<b>C. CAPITAL WORK IN PROGRESS</b>									
Total	3.32	0.20	0.00	3.52				3.52	3.32
<b>Total</b>	<b>3.32</b>	<b>0.20</b>	<b>0.00</b>	<b>3.52</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.52</b>	<b>3.32</b>
<b>Grand Total</b>	<b>65.02</b>	<b>3.29</b>	<b>13.79</b>	<b>54.51</b>	<b>22.74</b>	<b>4.89</b>	<b>2.18</b>	<b>25.47</b>	<b>42.28</b>
<b>Previous year (2015-16)</b>	<b>86.01</b>	<b>0.20</b>	<b>21.18</b>	<b>65.02</b>	<b>36.11</b>	<b>7.43</b>	<b>5.87</b>	<b>42.28</b>	<b>47.96</b>



## Notes forming part of Consolidated Accounts (contd.)

### Note No. 12 Non-current investments

(₹ Crore)

	Balance as at 31/03/2016	Balance as at 31/03/2015
<b>1 Trade Other Investments (Refer Note No.12.1)</b>		
Investment in Equity instruments	0.32	0.32
<b>Grand Total</b>	<b>0.32</b>	<b>0.32</b>

### Note No. 12.1

#### A. Details of Other Investments

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	(Rs. Crore)		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			Mar-2016	Mar-2015			Mar-2016	Mar-2015		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(11)	(12)	(13)
(a)	<b>Investment in Equity Instruments</b>									
	3I Infotech Limited	Other	1000	1000	Quoted	Fully Paid	0.00	0.00	Yes	N.A.
	Hindustan Construction Company Ltd	Other	9000	9000	Quoted	Fully Paid	0.02	0.02	Yes	N.A.
	IVRCL Infrastructure and Projects Ltd	Other	900	900	Quoted	Fully Paid	0.00	0.00	Yes	N.A.
	Nagarjuna Constructions Ltd	Other	500	500	Quoted	Fully Paid	0.00	0.00	Yes	N.A.
	SPAC Terminal Market Complex Ltd	Other	299000	299000	Unquoted	Fully Paid	0.30	0.30	Yes	N.A.
	<b>Total</b>						<b>0.32</b>	<b>0.32</b>		

### Note No. 13 Long Term Loans and Advances

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>a. Security Deposits</b>		
Unsecured, considered good Deposits		
Deposit with Customers	0.41	0.41
Other Deposits	0.34	0.49
	<b>0.76</b>	<b>0.90</b>
<b>b. Other loans and advances</b>		
Unsecured, considered good		
Advance Recoverable in cash or kind	-	-
Prepaid Expenses	0.47	0.45
	<b>0.47</b>	<b>0.45</b>
	<b>1.23</b>	<b>1.35</b>

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 14 Other Non-Current Assets

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
<b>Others</b>		
Unsecured, considered good		
R.P.P. Infra Overseas PLC Mauritius (Office)	-	-
R.P.P Energy Systems (P) Ltd	-	-
Insurance Claim	0.14	0.08
Non-Trade Receivable	15.26	13.86
Interest Receivable on FDR	1.21	0.98
	<b>16.61</b>	<b>14.92</b>
<b>Unamortised portion of IPO Expenses (IPO)</b>		
IPO Share issue Expenses	-	0.57
	<b>16.61</b>	<b>15.49</b>

### Note No. 15 Inventories

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
a. Raw Materials - Construction Materials	3.05	1.41
b. Shares	0.13	0.13
<b>Total</b>	<b>3.18</b>	<b>1.54</b>

### Note No. 16 Trade Receivables

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	95.64	120.97
	95.64	120.97
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	72.14	67.45
<b>Total</b>	<b>167.79</b>	<b>188.42</b>

#### Note No. 16.1

The Balance of certain Sundry Debtors are subject to confirmation and reconciliation, if any.

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 17 Cash and cash equivalents

(₹ Crore)

	As at 31 March 2016		As at 31 March 2015	
a. Balances with banks		24.45		12.83
This includes:				
Unpaid Dividend	0.07		0.07	
Margin money	24.32		15.11	
b. Cash on hand		0.56		1.48
<b>Total</b>		<b>25.01</b>		<b>14.31</b>

### Note No. 18 Short-term loans and advances

(₹ Crore)

	As at 31 March 2016	As at 31 March 2015
Unsecured, considered good		
Retention by Customers	31.10	37.98
Advance to Employees	0.04	0.07
Advance to Suppliers	0.75	0.89
Balances with Revenue Authorities	7.59	4.10
Prepaid Expenses - Current Portion	0.95	0.67
Project Advance	0.00	0.20
Advance towards Investments	16.21	16.21
<b>Total</b>	<b>56.65</b>	<b>60.13</b>

### Note No. 19 Other Current Assets

(₹ Crore)

	As at 31 March 2016		As at 31 March 2015	
a. Others				
Unsecured, considered good				
Unbilled Revenue	90.85		93.47	
<b>Total</b>		<b>90.85</b>		<b>93.47</b>

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 20 Revenue from Operations

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Contract Revenue	314.69	263.14
Other operating revenues	5.03	2.80
<b>Total Revenue from Operation</b>	<b>319.72</b>	<b>265.94</b>

### Note No. 21 Other Income

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Hire charges Received	0.02	1.90
Discount Received	0.07	-
Dividend Received	-	-
Interest Income	0.80	0.96
Miscellaneous Income	1.10	0.41
Prior Period Income	-	-
Scrab Sales	0.07	-
Profit on Sale of Assets	2.63	0.10
Claim on Sub - Contractors	-	0.03
Excess Provision Written Back	0.34	0.43
Windmill Power Generation Income	-	0.53
Rent Income	0.01	0.19
Forex Gain (Net)	-	-
<b>Total Other Income</b>	<b>5.04</b>	<b>4.55</b>

### Note No. 22 Cost of materials consumed

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Opening Stock	1.54	0.84
ADD : Purchase	80.40	54.49
LESS : Closing Stock	3.18	1.54
<b>Net Consumption of Raw Materials</b>	<b>78.76</b>	<b>53.79</b>

### Note No. 23 Direct Cost

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Labour Cost	167.28	154.26
Other Operating Cost	3.10	3.20
Consultancy charges	-	1.30
<b>Total Direct Cost</b>	<b>170.38</b>	<b>158.77</b>



## Notes forming part of Consolidated Accounts (contd.)

### Note No. 23.1

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Works Contract Payment	128.78	88.73
Labour Wages	38.51	65.53
Freight Charges	2.49	1.42
Customers' Debit Note for supply of common items Power, Water, Labour & Machines - Net	-	0.65
Temporary Shed Erection, Maintenance and Purchase of Materials for Temporary and aiding works	0.43	0.85
Power Cost	0.17	0.28
Consultancy charges	-	1.30
	<b>170.38</b>	<b>158.77</b>

### Note No. 24 Employee benefits expenses

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Directors' Remuneration	0.98	0.60
Salary Expenses	3.47	3.97
Company's Contribution to Employees' Provident Fund	0.01	0.34
Company's Contribution to Employees' State Insurance Corporation	0.24	0.08
Gratuity	0.04	0.30
Staff Welfare	1.00	0.15
<b>Total Employee Cost</b>	<b>5.74</b>	<b>5.45</b>

### Note No. 25 Finance cost

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Interest paid on Term Loans and Other Loans	2.59	4.18
Interest paid on Working Capital Loans	8.93	10.65
Bank Charges and Bank Guarantee Commission	7.65	2.25
Interest on Delayed payment of Statutory Dues	-	0.29
<b>Total Finance Cost</b>	<b>19.17</b>	<b>17.37</b>

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 26 Other expenses

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Advertisement	0.02	0.01
Business Development Expenses	0.30	0.51
Loss on Sale of Assets	0.05	0.46
Brokerage	-	-
Donation	0.03	0.01
Miscellaneous Expense	0.20	1.12
Corporate Social Responsibilities	0.11	-
Equipment Hire Charges		
Electricity Charges	-	0.55
Insurance	0.50	6.39
Repairs & Maintenance - Machinery	4.34	0.06
Repairs & Maintenance - Others	0.07	0.03
Postage & Telegraph	0.17	0.30
Professional Charges	0.61	0.00
Books & Periodicals	0.00	0.00
Legal Fees	0.03	0.07
Printing and Stationery	0.06	0.26
Rent & Electricity	0.46	0.00
Club Expenses	0.01	0.12
Audit Fee	0.12	0.89
Bad Debts	3.04	0.05
Secretarial Expenses	0.06	0.33
Rates and Taxes	0.35	-
Interest on Statutory Dues	0.44	0.11
Telephone Expenses	-	0.67
Travelling Expenses	0.70	0.85
Preliminary Expenses / Share Issue Expenses Written Off	0.57	-
Impairment of Assets	-	0.04
Registration and Renewals (Prof fee)	0.09	-
Deferred Revenue Expenditure	-	0.01
Forex Loss	1.12	-
Reduction in Value of Investment	0.54	-
Discount and Freight Charges	0.37	-
<b>Total Other Expenses</b>	<b>14.35</b>	<b>12.84</b>



## Notes forming part of Consolidated Accounts (contd.)

### Note No. 27 Exception Items [Expenses /(Income)]

(₹ Crore)

	For the year ended 31 March 2016	For the year ended 31 March 2015
Prior Period Expenses	0.09	0.04
Loss on Sale of Windmill	-	8.60
Reversal of excess depreciation due to change in Depreciation Account policy.	-	-14.92
<b>Total Exceptional Items</b>	<b>0.09</b>	<b>-6.28</b>

### Note No. 28 Disclosure pursuant to Accounting Standard 7 (Revised) "Construction contracts"

(₹ Crore)

Particulars	2015-2016	2014-15
Contract revenue recognized for the financial year	314.69	263.14
Aggregate amount of contract costs incurred and recognized profits (less recognized losses) as at end of the financial year for all contracts in progress as at that date	249.14	211.26
Amount of customer advances outstanding for contracts in progress as at the end of the financial year	12.61	4.28
Retention amounts due from customers for contracts in progress as at the end of the financial year	30.05	37.98

### Note No. 29 Disclosure pursuant to Accounting Standard 17 "Segment Revenue"

The Company is engaged in one business segment, namely "Construction and Infrastructure Development". The Company and its subsidiaries (including Step-down Subsidiary in Republic of Gabon) operate in India, Srilanka, Mauritius and Gabon. As the net profit/ loss from the Overseas operations constitutes more than 10% of the total profit, Geographical Segment has been considered as the primary segment for consolidated Financial Statement and there are no other reportable segments as required to be disclosed under Accounting Standard 17 "Segment Reporting".

Particulars	Year Ended	
	2015-2016	2014-15
<b>Segmental Revenues</b>		
India	314.69	263.14
Overseas	-	2.80
Total Revenues	314.69	265.94
Less: Inter segmental revenues	-	-
Net Sales/ Income from Operations	314.69	265.94
Add: Other Income	2.43	4.55
<b>Revenues</b>	<b>317.12</b>	<b>270.49</b>
<b>Segmental Profits (Profit before Interest &amp; Tax)</b>		
India	46.36	39.00
Overseas	(0.85)	(0.51)
Less: Interest & Finance Charges	(19.17)	(17.37)
<b>Profit before Tax</b>	<b>26.34</b>	<b>21.12</b>
<b>Capital Employed (Segmental Assets minus Liabilities)</b>		
India	158.51	161.17
Overseas	19.73	17.29
<b>Total</b>	<b>178.24</b>	<b>178.46</b>

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 30 Disclosure of related parties/related party transactions Pursuant to Accounting Standard 18" Related Party Transactions

#### Note No. 30.1 List of related parties over which control exists

RPP Infra Overseas PLC	Subsidiary
RPP Infra Projects (Lanka) Limited	Subsidiary
RPP Energy Systems Private Limited	Subsidiary
RPP Infra Projects Gabon	Step down Subsidiary
Sanskar Dealcom Pvt Ltd	Subsidiary
Greatful Mercantile Pvt Ltd	Subsidiary
Lunkar Finance Private limited	Step down Subsidiary
P Arul Sundaram – Chairman & Managing Director	Key Management Personnel
A Nithya – Whole Time Director	Key Management Personnel
RPP Selvam Infrastructure Private Ltd	Mr. Arul Sundaram (CMD) is the brother of Mr. P. Selvasundaram who is promoter of M/s. RPP Selvam Infrastructure Private Limited
P & C Constructions Pvt Ltd	Mrs. A. Nithya (WTD) is one of the share holder in M/s. P & C Construction Pvt Ltd and Mr. Periyasamy Chairman of M/s. P & C Constructions Pvt Ltd is the father of Mrs. A. Nithya
Sanjeevi Constructions	Mr. Muralithasan who is the Director, is Managing Partner of the Firm

#### Note No. 30.2 Disclosure of related party transactions

(₹ Crore)

Nature of Transaction/ Relationship/ Parties	2015-2016	2014-15
<b>Purchase of Goods &amp; Services/ Work Bills</b>		
<b>Other Related Parties</b>		
P & C Construction Pvt Ltd	0.39	3.31
Sanjeevi Constructions		4.75
<b>Sale of goods/ contract revenue &amp; services</b>		
<b>Other Related Parties</b>		
Renaatus Projects Pvt Ltd	0	5.96
<b>Subscription to equity shares (including application money paid)</b>		
<b>Subsidiaries</b>		
R.P.P. Energy Systems Pvt Ltd		
RPP Infra Overseas PLC		
RPP Infra Projects (Lanka) Limited		
Sanskar Dealcom Pvt Ltd		
Greatful Mercantile Pvt Ltd		
RPP Infra Projects (Lanka) Limited		0.6
<b>Advances received/ recovered</b>		
<b>Subsidiaries</b>		
RPP Infra Overseas PLC	0.00	3.37
R.P.P. Energy Systems Pvt Ltd	0.00	0.74

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 30.2 Disclosure of related party transactions

(₹ Crore)

Nature of Transaction/ Relationship/ Parties	2015-2016	2014-15
<b>Other Related Parties</b>		
Sakthi Constructions		3.59
Renaatus Projects Pvt Ltd	0.71	0.15
RPP Infra Projects Gabon SA		
<b>Subsidiaries</b>		
RPP Infra Projects (Lanka) Limited	13.89	14.71
<b>Other Related Parties</b>		
Sanjeevi Constructions		0.62
Sakthi Constructions	0.56	0.93
P. Arulsundaram - Chairman and Managing Director	0.18	0.11
Mrs. A. Nithya - Whole Time Directors	0.21	0.04
P & C Constructions Pvt Ltd	0.77	1.61
<b>Payment of Salaries/ perquisites (Other than commission to Key management personnel)</b>		
Mr. P. Arulsundaram - Chairman and Managing Director	0.67	0.42
Mrs. A. Nithya - Whole Time Directors	0.29	0.18
<b>Interest paid to Directors</b>		
Mr. P. Arulsundaram - Chairman and Managing Director	0.04	0.27
Mrs. A. Nithya - Whole Time Directors	0.12	0.06

### Note No. 31 Basic and Diluted earning per share (EPS) computed in accordance with Accounting Standard 20 "Earning per Share"

Particulars		Unit	2015-2016	2014-15
Basic				
Profit after tax as per accounts	A	Rs	20,66,59,000	17,26,51,792
Weighted Average number of shares outstanding	B	Nos	2,26,00,584	2,26,00,584
Basic EPS	A/B	Rs	9.14	7.64
Diluted				
Profit after tax as per accounts	A	Rs	20,66,59,000	17,26,51,792
Weighted average number of shares outstanding	B	Nos	NA	NA
Add: Weighted average number of potential equity shares of dilutive nature	C	Nos	0	0
Weighted average number of shares outstanding for diluted EPS	D=B+C	Nos	2,26,00,584	2,26,00,584
Diluted EPS	A/D	Rs	9.14	7.64
Face value per Share		Rs	10	10

## Notes forming part of Consolidated Accounts (contd.)

### Note No. 32 Contingent Liabilities

(₹ Crore)

Particulars	2015-2016	2014-15
Counter Indemnities given to Banks in respect of contracts	86.13	49.05
Income Tax Liability that may arise in respect of which Company is in appeal	8.02	12.19
Service Tax liability that may arise in respect of matters in appeal	2.52	2.52
The Income Tax department had conducted a search u/s 132 during the end of financial year and the investigation process is still pending. Based on such proceedings, there could arise some tax liability on the company in future which is not quantifiable as on the date of this balance sheet.		

### Note No. 33 Commitments

(₹ Crore)

Particulars	2015-2016	2014-15
Estimated amount of contracts remaining to be executed on capital account (net of advances)	NIL	NIL

### Note No. 34 Auditors' remuneration (excluding service tax) and expenses charged to the accounts:

(₹ Crore)

Particulars	2015-2016	2014-15
As Auditor	0.10	0.11
For Taxation matters	0.01	0.01
For other services		0

### Note No. 35 Value of Imports on CIF Basis:

(₹ Crore)

Particulars	2015-2016	2014-15
Raw Materials	NIL	NIL
Components and Spare parts	NIL	NIL
Capital Goods	NIL	NIL

### Note No. 36 Expenditure in Foreign Currency

(₹ Crore)

Particulars	2015-2016	2014-15
On Overseas Contracts	0.00	0
Others	0	0

### Note No. 37 Earnings in foreign exchange

(₹ Crore)

Particulars	2015-2016	2014-15
Export of Services	0.00	0



## Notes forming part of Consolidated Accounts (contd.)

### Note No. 38 Current Assets, Loans and advances

In the opinion of the Board of Directors , all the Current assets , loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities have been provided for .

### Note No. 39 Segmental Reporting

The company's operations predominantly consist of construction / project activities. Hence they are no reportable segments under Accounting standard -17.

### Note No. 40 Corporate Social Responsibility

In terms of provisions of section 135 of the companies Act 2013 and rules thereunder, the company is required to spend an amount of Rs.0.24 crores during the financial year on corporate social responsibility(CSR). However , the company has not spent the requisite amount of Rs 0.14 Crore during this financial year.

### Note No. 41

Previous year's figures have been regrouped / or arranged to confirm to those of current year's figures, wherever necessary.

**M/s. Karthikeyan & Jayaram**

Chartered Accountants  
F.R. No.007570S

**P. Arulsundaram**

Chairman and Managing Director  
DIN 00125403

**A. Nithya**

Whole Time Director &  
Chief Financial Officer  
DIN 00125357

**CA G.N. Jayaram F.C.A**

Partner  
M.No.027291

**K. Jayanthar**

Company Secretary

Date : 27.05.2016

Place : Erode





# R.P.P. INFRA PROJECTS LIMITED

CIN: L45201TZ1995PLC006113

Regd. Office: S F No. 454, Ragupathynaicken Palayam, Poondurai Road, Erode – 638002.

Form No. MGT-11

## Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

21st Annual General Meeting - 9th September 2016

Name of the member (s) :

E-mail Id :

Registered Address :

Folio No./Client Id :

DP ID No. :

I/We, being the member (s) of..... shares of the above named company, hereby appoint

1. Name :

E-mail Id :

Address :

Signature :

or failing him

2. Name :

E-mail Id :

Address :

Signature :

or failing him

3. Name :

E-mail Id :

Address :

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 21st Annual General Meeting of the company, to be held on Friday, September 9, 2016 at 10.00 A.M. at Builders' Welfare Trust Hall, Builders' Association of India, No. 35, Perundurai Road, Erode - 638011 and at any adjournment thereof in respect of such resolutions as are indicated below:



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Resolution No.	Resolution
<b>Ordinary Business</b>	
1	Receive, consider and adopt: (a) the Audited Financial Statements of the Company for the financial year ended 31st March 2016, the Reports of the Board of Directors and the Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2016
2	Declare dividend on equity shares for the financial year 2015-16.
3	Appointment of a Director in the place of Mrs. A Nithya (DIN 00125357), who retires by rotation and being eligible, seeks re-appointment.
4	Appointment of M/s. Sundaram & Narayan, Chartered Accountant, as Auditors of the Company
<b>Special Business</b>	
5	Ratification of Remuneration to Cost Auditor
6	Issuance of Equity Shares under Qualified Institutional Placement

Signed this ..... day of .....2016

Folio No. :

DP ID No. :

Client ID No.:

Affix ₹1/- Revenue Stamp and sign across
---

.....  
Name of the Member/Proxy

.....  
Signature of the Member/Proxy

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**Note:** This form of proxy in order to be effective should be duly, stamped, signed and deposited at the Registered Office of the Company, not less than 48 Hours before the commencement of the meeting.



## R.P.P. INFRA PROJECTS LIMITED

CIN: L45201TZ1995PLC006113

Regd. Office: S F No. 454, Ragupathynaicken Palayam, Poondurai Road, Erode – 638002.

### ATTENDANCE SLIP

(To be presented at the entrance of the Meeting venue)

21st Annual General Meeting, September 9, 2016 at 10.00 A.M.

Registered Folio No. :

DP ID No. :

Client ID No. :

No. of Shares Held :

I hereby record my presence at the 21st Annual General Meeting of the company held on Friday, September 9, 2016 at 10.00 A.M. at Builders' Welfare Trust Hall, Builders' Association of India, No. 35, Perundurai Road, Erode - 638011.

.....  
Name of the Member/Proxy

.....  
Signature of the Member/Proxy

---

#### Note:

1. Only member/proxy holder can attend the meeting.
2. Member/proxy holder should bring his/her copy of the annual report for reference at the meeting.



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# ROUTE MAP TO THE VENUE OF THE AGM

