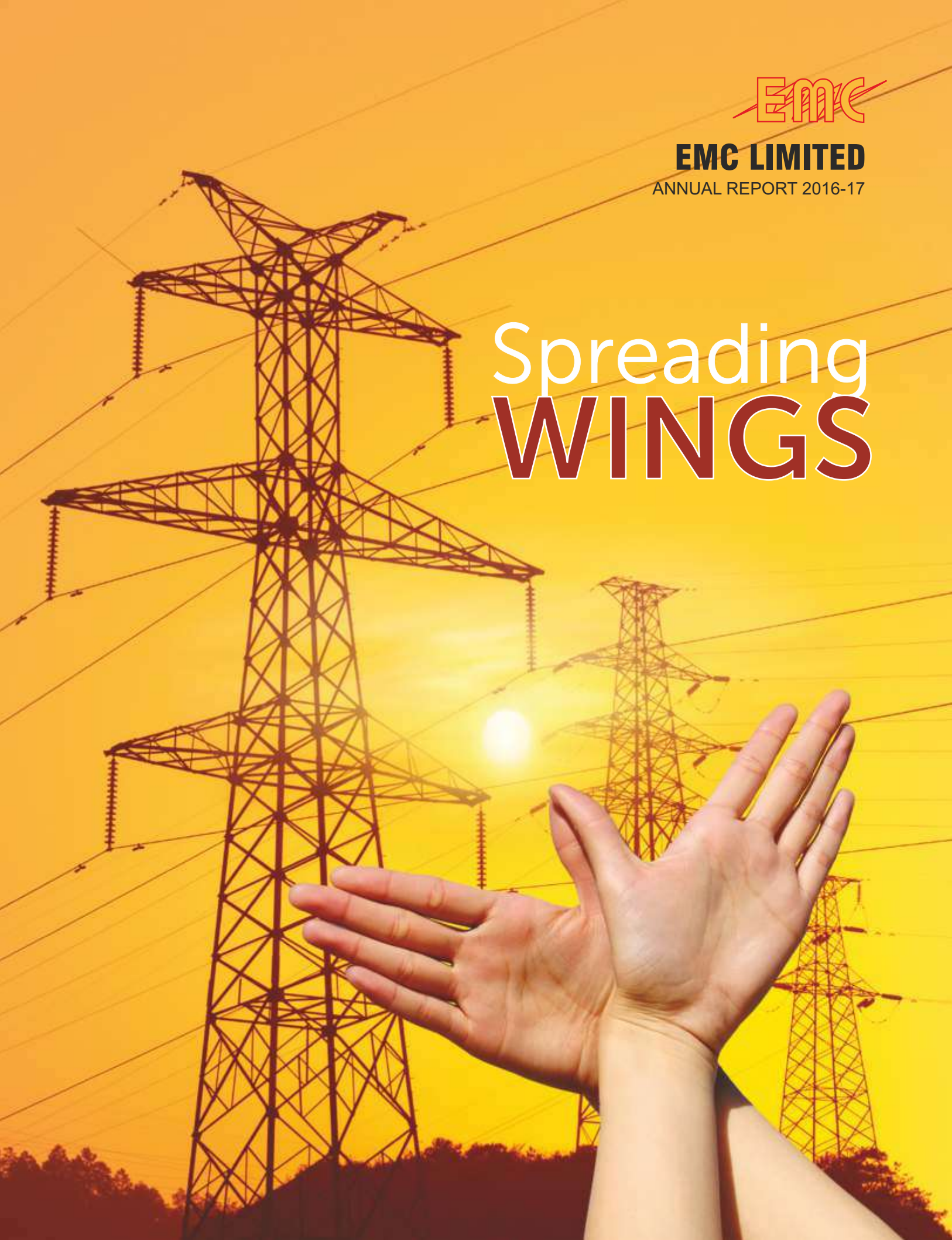




EMC LIMITED
ANNUAL REPORT 2016-17

Spreading **WINGS**



Corporate Information

BOARD OF DIRECTORS

Mr. Manoj Toshniwal

Managing Director

Mr. Ramesh Chandra Bardia

Joint Managing Director

Mr. Biplab Shankar Bose

Whole-time Director

Ms. Arundhuti Dhar

Independent Director

Mr. Bijan Roy

Independent Director

CHIEF FINANCIAL OFFICER

Mr. Arun Kumar Kedia

COMPANY SECRETARY

Mr. Sumit Kumar Surana

STATUTORY AUDITORS

SRB & Associates

Chartered Accountants

COST AUDITORS

N. Radhakrishnan & Co.

Cost Accountants

SECRETARIAL AUDITORS

B. Nair & Co.

Company Secretaries

BANKERS

State Bank of India

Allahabad Bank

Punjab National Bank

UCO Bank

United Bank of India

Oriental Bank of Commerce

Syndicate Bank

Corporation Bank

Central Bank of India

The Karur Vysya Bank Limited

The South Indian Bank Limited

Lakshmi Vilas Bank Limited

Vijaya Bank

Canara Bank

Bank of India

Dena Bank

IDBI Bank

Bank of Baroda

Union Bank of India

Bank of Maharashtra

SOLICITORS

Khaitan & Co.

REGISTERED OFFICE

"Constantia Office Complex"

(South Block), 8th Floor

11, Dr. U. N. Brahmachari Street, Kolkata - 700 017

Phone : (033) 2289 3122-4, Fax : (033) 2289 3121

E-mail : info@emcpower.com

Website : www.emcpower.com

REGISTRAR & TRANSFER AGENTS

Maheshwari Datamatics Pvt. Ltd.

23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001

Phone : (033) 2243 5809/5029, Fax : (033) 2248 4787

E-mail : mdpldc@yahoo.com

Spreading and navigating wings to

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ON THE COVER:

Spreading wings

The EMC Annual Report 2016-17 shows its endeavor to better its performance on a day-to-day basis, take its businesses to newer verticals & geographies and attain market leadership.



This Annual Report is available online at www.emcpower.com

At EMC Limited we believe that the power to change and the courage to evolve are what will drive our continuing success.

Today we're consolidating on present strengths even as we continue to progress on many fronts besides revenue generation. Long term strategies activated by the management insight and the global opportunities saw EMC Limited become one of few-first multinationals in the industry, present across the high value and premium segments of Transmission Line business, Green energy generation and a dependable vendor-partner-supplier at the Indian Railways, generating healthy revenue from multiple business segments.

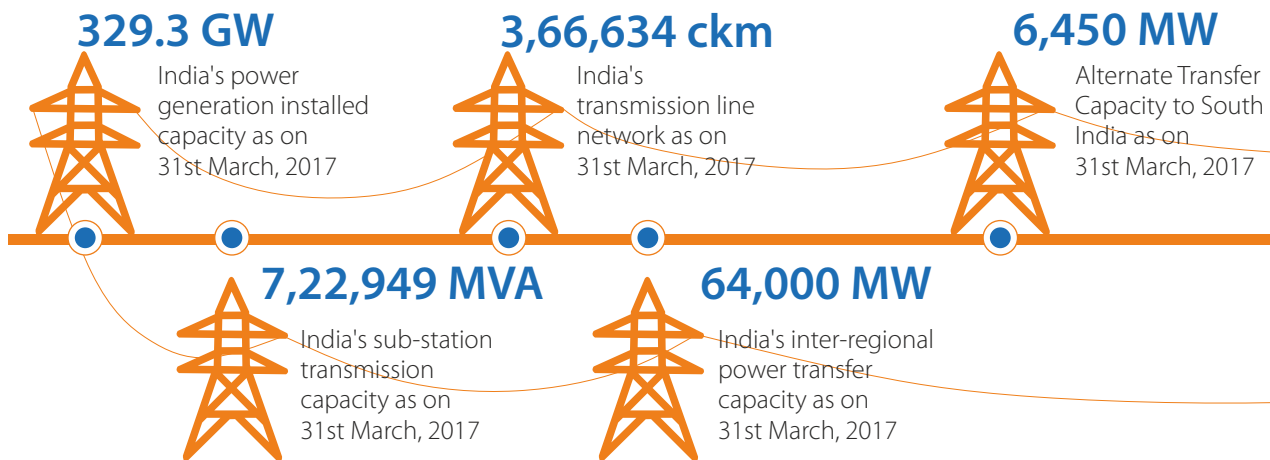
This report also pays tribute to our people - the EMC Team whose passion, commitment and innovative ideas will continue to keep your Company ahead as we spread our wings and soar, taking courses towards the new horizons we will conquer in the years that lie ahead.



Major countries in the world are keen to remove their power sector bottlenecks and re-energise their infrastructure

Electricity is vital for the socio-economic development of any country. The global power transmission line and distribution infrastructure business is likely to be benefitted by factors such as enhanced distribution infrastructure, expanding power transmission infrastructure, growing initiatives by the governments across the globe in order to upgrade power transmission units, growing demand for power globally, and rising focus on power generation via renewable sources of energy.

Growing measures towards the renovation and upgradation of existing grid infrastructure will stimulate the power transmission lines market share by 2024. Increasing adoption of renewable energy technologies over the existing fossil fuel will further augment the power transmission towers market size from 2016 to 2024.





175 GW

Renewable Energy Mission by Government of India by 2022

50 GW

India's total clean energy generation

₹ 2,60,000 crores

Proposed by Government of India towards new sub-station and transmission line

20,000 MW

Capacity of 34 Solar Parks in 21 states under various stages of development as on 31st March, 2017

5,798 MU

India's surplus power export between April 2016 & February 2017

At EMC, a dedicated pursuit represents the cornerstone of our business model and our focus towards spreading the wings & fly higher.

The result being, today whenever there is an exigent project involving complex terrain knowledge, trained manpower, right mix of technology & equipment and a sound balance sheet, customers always turn to EMC.

Our focus and foresightedness has enabled us to adopt appropriate growth strategies for becoming a dedicated and dependable EPC player in the domestic as well as in the international T&D space thereby contributing to the nation building and indicating better prospects ahead for our Company.



Vision

We strive to set-up the highest standards of excellence in modern power systems globally.



Mission

We aim to be a global provider of outstanding, end-to-end integrated solutions in transmission lines, sub-stations, industrial power distribution and illumination projects and railway infrastructure projects through best-in-class technology, supported by experienced professionals, thereby enhancing scalability, providing clean energy, expanding business and empowering lives.



Values

Excellence: Strive relentlessly and constantly improve ourselves in our offerings.

Integrity: Conduct our business fairly with "total" honesty and transparency.

Responsible: For our words and actions.

Respect: For our stakeholders, environment and community.

FACTS YOU NEED TO KNOW ABOUT EMC

1

With 6+ decades of legacy, the company was established during 1953

2

Registered office at Kolkata and Branch offices situated at New Delhi, Hyderabad, Chennai and Mumbai. Overseas presence at USA, Singapore, Italy, UAE, Hongkong, Tanzania, Kenya, Bangladesh, Saudi Arabia, Sweden, Finland, Peru and Chile

3

Turnover of ₹ 4,63,161.93 Lakhs

4

A pure-play EPC Company with established credentials in the Power T&D space and Railway infrastructure

5

Executed more than 16,000 kms of transmission line network of upto 765 kV in last six-and-a-half-decades through a support of more than 1500 employees

6

One of the few companies in the T&D sector to execute 765kV transmission line projects & upto 765kV sub-stations including GIS sub-stations and industrial power systems. Qualified to execute EHV Transmission Lines up to 500kV in leading European and African Countries

7

An ISO-9001 & ISO-14001 certified organisation; Also accredited for OHSAS-18001 occupational health and safety management system



Spreading wings through our product offerings



Transmission Line Projects

Supply Contracts

Transmission line towers including Bolts & Nuts and Tower Accessories, Line Hardware, Insulators and Earth-wire.

Construction Activities

Survey, detailed soil investigation, civil construction of foundations, erection of towers, stringing of conductors and testing & commissioning of line.



EHV Sub-Stations

EHV Substation projects up to 400 and 765kV; supply contracts for major equipments & auxiliary systems of substations; and construction activities including erection, testing & commissioning.



EHV Gas Insulated Substation (GIS)

Gas Insulated Substation (GIS) upto EHV 765 kV has been commissioned, one of it being the largest substation in South India.



Industrial Power Distribution & Illumination

Load Distribution Centre (LDC); underground tunneling, electrical cabling & Cable Bridge; PLCC & SCADA installation, ventilation & A/C systems; and plant illumination, electrification & street lighting.



Tower, Structures, Hardwares & Conductors

Manufacturing of hardware fittings, and accessories suitable for overhead power transmission lines and manufacturing of bare conductors and conductor accessories suitable for overhead power transmission lines.



Signaling & Safety Products

Signaling Systems; Security & Surveillance Systems; selective telephone systems; intrusion detection and access control; and anti collision device systems.



Alloy Forging & Machine Products

Manufacturing quality non-ferrous alloys, extrusions & forging and special aluminum alloy / copper components.



Railways Electrification

Overhead Electrification (OHE); Traction substation (TSS) & Associated SCADA systems; and general electrical work (station, depot, yard and workshop lighting, etc).



Signaling, Telecommunication, Safety & Security System

Design, engineering, supply, installation, testing, commissioning, maintenance, trading, innovation and development of technologies in the areas of signaling, telecommunication, safety and security systems; Interlocking works, outdoor & indoor supply and installation works; and maintenance of signal and telecommunication networks along new & existing railway lines.



Rural Electrification

Supply, test, transport, construction, erection, testing and commissioning of overhead lines; installation of distribution transformers, turnkey execution of rural electricity infrastructure and household electrification under different schemes of Govt. of India like APDRP, RGGVY and for direct work of SEB'S.



Solar Power Plant

Our 5MW photo-voltaic (PV) Solar Power Plant located at Naini, Allahabad, commissioned in March, 2012 and successfully producing and supplying power to Central Grid.

Spreading wings

by pursuing consistent growth

At EMC, we believe that the junction to consistent growth is to deliver projects with technological and engineering excellence within the budgeted time and cost & acquire newer projects of strategic interests.

Our vision of transforming India's transmission network gains strength from the technology, experienced management and project diversity which have enhanced our credibility as a dependable EPC player in the domestic and as well in the international T&D space.

How electricity does contribute to nation building?

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. India's power sector is one of the most diversified in the world. Sources of power generation range from conventional to viable non-conventional sources as well. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required which will have to be balanced with a corresponding increase in power transmission sector investments. While generation has grown more than 11% since March 2011, transmission capacity has grown less than 7% since then. To address all of the above, a huge strengthening of the transmission infrastructure is required, not only in terms of its resilience, but also in terms of geographical spread. Recognizing this fact, the Draft National Electricity Plan of December 2016 states that the All-India transmission capacity addition during the 13th Five Year Plan (for a period of 2017-2022) would require a capital investment of ₹ 2.6 Lakh crores.

How EMC contributed to the change and achieved growth?

EMC is one of the leading EPC infrastructure companies in India involved in the complex T&D business with an experience of around 23,000 days (since inception). The Company's management's reputation and experience has been built on a track record of successful execution of several projects of repute. At EMC, we follow an integrated approach towards the implementation of projects with an objective of achieving quality. Although India's power sector is grasping with shrinking realisations, dwindling margins thereby threatening the projects viability, but our Company's integrated presence across the value chain and strong in-house capabilities makes us uniquely positioned to capitalise on emerging opportunities and flexibility to enter new ones. The Government's growing emphasis on the "765 kV single line transmission projects and sub-stations" makes the future of ours more viable as we are only one of the few companies domestically as well as internationally with an expertise to execute such projects. Besides keeping our presence in the lucrative 400kV – 765 kV segment, we are also planning to enter and bid for the 1200 kV segment.

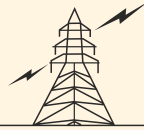


Esteemed Clientele



पावरग्रिड

Power Grid Corporation of India Ltd.



APTRANSCO

Transmission Corporation of Andhra Pradesh



West Bengal State Electricity Transmission Company Ltd.



MAHATRANSCO

Maharashtra State Electricity Transmission Co. Ltd.



Jammu & Kashmir Power Development Department



Central Organisation for Railway Electrification



MAHAVITARAN

Maharashtra State Electricity Distribution Co. Ltd.



West Bengal State Electricity Distribution Company Ltd.



Power Grid Company of Bangladesh Ltd., Bangladesh



Ameren Corporation, USA



Fingrid Oyj, Finland



Svenska Kraftnat, Sweden



Terna S.p.A, Italy



JSC Georgian State Electrosystem, Georgia



Tanzania Electric Supply Co. Ltd.



Spreading wings

and de-risking from singular sector dependence

Hope is always good but solely relying on hope, isn't. In our experience of more than six decades we are well aware that every downturn leads to an upturn and vice versa. However, the critical factor is preparation. Being prepared is the only reason why some walk and the others soar in wake of an opportunity.

At EMC, we choose to be prepared. Thus we forayed into green power generation and railway infrastructure business thereby insulating us from sectoral downtrend and reporting steady performance during economic slowdown.

Foray into the exciting railway infrastructure business

Indian Railways have a total 66,000 route Kms which was operating on Diesel engines, in view of cost of Diesel & Pollution issues the Government of India decided to go for overhead electrification of all its railways network operating on Diesel engines. Railway Ministry's plan for electrification has been in progress and 28,000 route Kms have already been electrified. In the last three years electrification of railways has gathered momentum to 5,000 route Kms per year, up from 1,800 route Kms. Recently, the Railway Ministry has announced to electrify balance 38,000 route Kms in next four years. Once the objective of Railway Electrification is achieved, cost of operation as well as carbon emission will be drastically reduced.

Railway Ministry has also accessed that railways are consuming electricity of 18.25 billion units out of which 85% is traction energy for operation of Railways across the country. In order to reduce the consumption of conventional electrical energy the Railway Ministry has already started installation of photo-voltaic solar panels on roof of railway coaches and wagons. The Government has set up an ambitious objective to have entire network of railways to be run on Green Energy (Solar Power) by 2040.

In view of above, the Company expects to improve its footprints in Railway network by tapping huge potential in Railway Electrification projects. During the last five years, the Company has already achieved a reputable milestone in Railway sector by obtaining 10 projects for electrification including the single largest order worth ₹ 300 crores from one of its esteemed client Central Organisation for Railway Electrification (CORE) for Ahmedabad (Excl.) Rajkot (Incl.) and Mehsana (Excl.) Viramgam-Samkhiyali (Incl.) Section of Ahmedabad & Rajkot Division of Western Railway under RE Project Ahmedabad (Total 525 RKM / 1066.31 TKM).

Besides above, the Company has successfully commissioned Turnkey projects of Signaling & Telecommunication (S & I) and Train Protection Warning System (TPWS) in India as well as Overseas in Railway Sector.





Graduating from conventional to non-conventional

Globally renewable power generation reported capacity recorded its largest annual increase in 2016 with an estimated of total 161 GW of total capacity addition. Solar energy accounted for 47% of the world's total share. The Government of India is committed to increased use of clean sources of energy. The Ministry of New and Renewable Energy (MNRE) has set an ambitious target to set up 100 GW of solar energy capacity by 2022.

EMC moved up from addressing conventional energy requirements to renewable energy generation. This extension was inspired by the conviction that sustainable growth could only be achieved from a progressive reduction in the dependence on conventional sources of energy. During 2012, the Company had entered into solar power generation through its subsidiary "EMC Solar Limited" and commissioned a 5 MW solar power plant (under Jawaharlal Nehru National Solar Mission) at Naini in Allahabad, India. We at EMC believe that this 'green energy' requirement and its further linking with national grid will need specialist service providers who understand the complexities of conventional & renewable energy and can manage to combine both with scale and technology. Truly, EMC is at the right place and at the right time.



Managing Director Perspective

Dear Shareholders,

We have grown stronger, better equipped and more confident to help shape the future of the Power industry nationally and internationally. This has happened, because we moved forward with a conviction of spreading wings.

Spreading wings is often "misquoted" as zeal to scale up and move ahead of others. To my perception, it is first about being ahead of ourselves, fighting the odds, challenging conventions and doing things that we did not think were possible. Spreading wings involve dynamic thinking, accurate decisive action and surpass the speed of change in the external environment. Only then can this journey be sustained. This is what we consider our biggest challenge as well as our biggest success.

We believe that spreading wings is a transition from insight to innovation, fulfilling customer expectations and also exceeding it, and above all setting trends for other industry players to follow. In a constantly evolving Power T&D industry and Railway infrastructure industry we continually need to align our businesses with higher margin jobs, leverage the market niches that are opening up as a result and respond to the aspirations of customers with speed and efficacy.

Power sector in India

2016-17 has been a good year for the Indian power sector. If

2015-16 is known as the 'Turnaround Year', 2016-17 could very well be called as the 'Result Year'. All the policy initiatives taken by the present government in the year 2014-15 and 2015-16 have started showing results in 2016-17. During 2016-17, 24,500 Megawatt (MW) of generation capacity has been added in the country and the total installed capacity has crossed the 300,000 MW mark. We expect approximately 25,000 MW of generation capacity to be added this year which is by far the highest capacity additions in a year.

Around 75,298 MVA of substation capacity was added during 2016-17 which was 61,701 MVA for 2015 and 39,464 MVA for 2014. This indicates the pace at which transmission network strengthening activity is happening in the country. On the transmission line front, capacity addition slightly dipped during 2016 which stood at 26,300 Circuit Kilometer (CKm) while it was 29,466 CKm in 2015 and 22,282 CKm in 2014.

With the Central Government focused on resolving T&D issues through funding and legislative intent, state resources could be freed up to invest in upgrading state-level transmission systems to increase capacity and improve quality of power. Competitive intensity in the industry has also declined, as financially stressed companies have exited. These developments augur well for our business as we aim to leverage the evolving opportunities to bolster our position.



We believe that spreading wings is a transition from insight to innovation, fulfilling customer expectations and also exceeding it, and above all setting trends for other industry players to follow

Renewable energy push

The Ministry of New and Renewable Energy (MNRE) has taken several steps to fructify our countries dream of clean energy. The largest renewable capacity expansion program in the world is being taken up by India. The government is aiming to increase share of clean energy through massive thrust in renewable. Core drivers for development and deployment of new and renewable energy in India have been Energy security, Electricity shortages, Energy Access, Climate change etc.

A capacity addition of 14.30 GW of renewable energy has been reported during the last two and half years under Grid Connected Renewable Power, which include 5.8 GW from Solar Power, 7.04 GW from Wind Power, 0.53 from Small Hydro Power and 0.93 from Bio-power. The total installed capacity of renewable energy during the end of FY 16-17 stood at 57,260 MW. Confident by the growth rate in clean energy sector, the Government of India in its submission to the United Nations Frame Work Convention on Climate Change on Intended Nationally Determined Contribution (INDC) has stated that India will achieve 40% cumulative Electric power capacity from non-fossil fuel based energy resources by 2030 with the help of transfer of technology and low cost International Finance including from Green Climate Fund. The very nature of non-firm (renewable) energy will need diverse transmission competencies. Besides, the management of large quantities of this energy in a sophisticated manner poses to be a wholly different ball game. This sophistication will demand the reconciliation of efficient systemic design with cutting-edge electronic solutions and dynamic load management capabilities.

Global electricity demand is expected to increase to 34,460 TWh by 2040 at an average increase of 2.6% p.a. This is primarily driven by electrification and economic growth in emerging nations. The anticipated increase in demand is expected to give a boost to the global installed capacity at a pace of 71.5% from 6,500 GW in 2016-17 to 10,570 GW by 2040, with the generation mix increasingly shifting towards clean source of energy. Additional transmissions lines will be required to facilitate the evacuation as utilities and governments across the world develop new generation projects. While Transmission & Distribution (T&D) investment will be significant in all major geographies, the largest will be expected from China and India, since they are expected to foresee a rising electricity demand while modernizing their grids. Out of the total T&D investments from 2014 to 2040, 70%

is expected to be contributed from non-OECD countries. As per World Energy Outlook, a total of USD 20 trillion is expected to flow in the power sector between 2015 and 2040. The global electric power transmission network is set to expand from 6 million CKm of high-voltage lines in 2016 to 6.8 million CKm by 2020, representing a CAGR of 3%.

Railway business

Railways offer vast array of opportunities to the service providers in this sector. Indian Railways aims to be the engine for India's economic growth and development by being safe, financially viable, environment-friendly and caring for its customers. Indian Railways is putting thrust on to increase throughput on existing network, build terminal infrastructure, accelerate infrastructure build out and deliver a safer & high speed network.

Rising income levels and increasing urbanisation is going to drive sustained growth in the passenger segment. Growing industrialisation increased freight traffic is expected to increase even more following economic growth on the one hand and growing private sector investments on the other. Over the next 10-12 years, the Railways are looking at investing US\$500 billion to increase capacity and upgrade existing infrastructure. The government is also envisaging metro rail projects across many cities over the next ten years. With increasing participation expected from private players, both domestic and foreign, due to favourable policy measures, both passenger and freight traffic is expected to grow rapidly over the medium to long term.

At EMC, our capabilities in building railway infrastructure are unparalleled. We cater to every aspect of railway infrastructure contracting: right from laying tracks; railway infrastructure; signaling, telecommunication and safety & security systems; overhead electrification. We aim to play as a connecting lifeline thereby reducing travel time, helping to create new markets for goods & services, accelerating economic development and social upliftment in adjoining regions.

Advantage EMC

I am pleased that during 2016-17, EMC reinforced its building blocks and emerged as a unique power sector company in India. The Company reported Turnover of ₹ 4,63,161.92 Lakhs. and PAT stood at ₹ 16,579.83 Lakhs. This profitability in a challenging environment was the result of a conscious business de-risking that the Company commenced a few years ago.



EMC possesses the skill of being one of the few companies with an experience of laying upto 16,000 kms of transmission lines and delivering complex projects across all voltage platforms and in challenging climatic and topographic conditions

For one, we at EMC began bidding for increasingly complex projects marked by lower competition and higher margins to counter the decline in the strike-rate for usual EPC projects, graduated our business model towards predictable revenues and embarked on the exercise to evolve from a project contractor to diversified supplier of various components needed in a power T&D and EPC business. I am pleased to state that at a time these initiatives are well paying-off, strengthening EMC's prospects.

Secondly, we strategically intended to emerge as a power generator and so our foray into a 5MW Solar Power Plant at Naini in Allahabad, Uttar Pradesh and the power purchasing agreement (PPA) signed with NTPC Vidyut Vyaapar Limited reinforce our commitment towards forward integration and de-risking our business model through clean energy.

Thirdly, we are also a dependable vendor-partner-supplier at Indian Railways, and offers best-in-class design, installation, testing and commissioning of electronic signaling, telecommunication and OHE and TSS for railway networks, both mainline and mass transit systems with a huge experience of more than a century.

With this we have de-risked our business from dependency on revenue and healthy margin from one segment to multiple ones.

Banking on strengths

EMC possesses the skill of being one of the few companies with an experience of laying upto 16,000 kms of transmission lines and delivering complex projects across all voltage platforms and in challenging climatic and topographic conditions that include deserts, snowfields, seas, mountainous regions and thick forests as well as in exigent socio-political conditions including war-torn regions.

We enjoy a leadership position in 500-plus kV space and are one of the few companies to execute the premium 765 kV transmission line, sub-station and industrial power systems. We are also qualified to execute transmission lines of upto 400kV in leading African and European countries. We think as more private companies would enter into power generation, they would require the specialization of dependent partners like EMC for setting up transmission lines up to 1200kV.

We at EMC are proud that we executed India's largest 765kV/400 GIS kV substation in Vemagiri in Andhra Pradesh. We completed 212 km of 765 kV Salem –Tuticorin

transmission line in barely 4 months time thereby setting a new benchmark of turnkey execution of T&D projects. The 500kV transmission line project of 100kms in Georgia, 230 kV D/C Transmission Line project in Bangladesh and 400kV D/C TL & 400/220/33kV sub-station projects in Tanzania contract by us is going to be a game changer into the working history of EMC. We are also pleased to mention that we have successfully completed our first Railway OHE project on Turnkey Basis in Vizianagaram (Excl.) - Singapur Road and are also working on handful of projects of repute in the railway infrastructure business.

Survival Strategies

Future is promised to no one and therefore belongs to people who are ready to create it. At EMC, we have built a well-integrated Company with a business model relevant for all market cycles through the following initiatives:

- By retaining its industry pre-eminence through quality services supported by robust technical capabilities, rich project management skills and large, complex project execution.
- Improved the consistency and discipline of its business practices across all business verticals.
- Increased its capacity to execute contracts through the addition of engineers and technical members on the one hand and the expansion of design centre on the other.
- Pursued continuous improvement in everything we did.
- Leverage established position in key technologies; alliances with global leaders for access to superior capabilities in the execution of large and technically challenging projects.

Expectations and Prospects

EMC is attractively positioned for 2017-18. We are building on proven strengths, and your trust gives us the courage to continue doing what we love and are passionate about: Spreading wings and powering nations across the globe. We cherish your trust. I, on behalf of the Board of Directors and the entire leadership team, thank you for this love and support, and assure you a great future ahead.

With best wishes

Manoj Toshniwal

Spreading wings

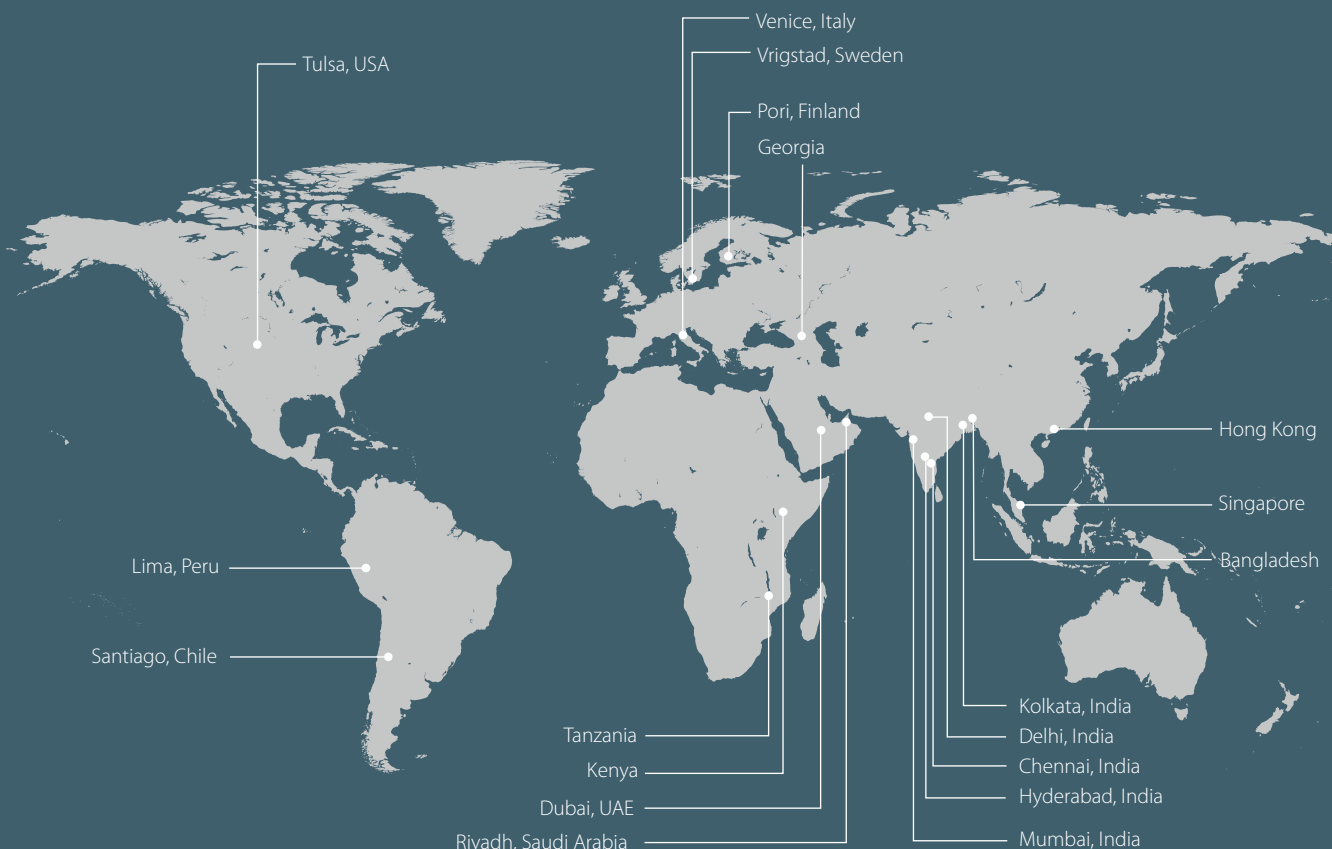
and widening geographical presence

For all those companies dedicated to growing their presence in India, the last few years remained challenging yet bright.

Over the years we at EMC have reinforced our business model by widening our geographic presence across global pockets that not only enjoy similar demographics to India but also at those which are marked by growing sectoral potential.

For all those companies, whose sole dependency were on projects and services coming out of India's power and railway infrastructure business, were at visible risk on being dependent on a single geographical segment. At EMC, we did the opposite. We went on to bid and bag projects at countries outside with long term growth potentials. The result being, today we are present across 14 countries outside India. This multi locational presence have contributed significantly to our total revenue during the Financial Year 2016-17.

Today, we are having an order book of approx.100 million USD for transmission line and substation projects at Tanzania in Africa. We are also working on: 230 kV D/C Transmission Line on turnkey basis in Bangladesh from Power Grid Company of Bangladesh; 500 kV Transmission Line project of 100 kms in Georgia; 400 kV Transmission Line Project from Arusha – Namanga (Kenya – Tanzania Interconnection Project) of 114 kms; and 400/220/33kV, 2 X 250 MVA & 2X 125 MVA Substation at Arusha & extension of existing 220/33 kV substation at Singida.



Spreading wings by focusing on quality parameter

At EMC Limited, our main objective is to be recognised as “quality enablers”. We always remain focused and ensure that the highest standards of products and utmost care are followed at our various factories and project sites.

At EMC the quality function is reflected in the manner we handle every aspect of our business. We cannot be recalled as a dependable vendor-partner in the T&D industry if we are not concerned about the quality of our processes and deliverables. When we achieve this level of quality leadership in everything we do, then only we are recognised as quality enablers. This quality framework and implementation at our Company have made us won with various international laurels and certifications including:

- ISO-9001 certification ISO-14001 certification by KVQA for Transmission line business.
- OHSAS-18001 certification by KVQA for occupational health and safety management system.
- The Company has been awarded by Power Grid for Transmission Line Performance - Volume of Work during the F.Y. 2016-17.
- The Company has been awarded by Power Grid for Substation Performance (765kV) during the F.Y. 2016-17.
- The Company has been awarded by Power Grid for support for critical targets – Transmission Line during the F.Y. 2016-17.
- The Company has been awarded by CORE for Gr.166 under RE Project.
- The Company's JV has also been appreciated for the Railway Electrification work in difficult terrain by Railway Electrification Board, Danapur division.
- The Company's JV has also been appreciated by CORE for exceeding target set for Railway Electrification work.

Quality Certifications



International Laurels



Crystal Star Award 2017 to ASC, Inc.



Governor's Manufacturing Leadership Award 2015 to ASC, Inc.

Best Performance awards from Power Grid Corporation of India Limited (PGCIL) for consecutively last 4 years



Support for critical targets - Transmission Line during the F.Y. 2016-17.



Transmission Line Performance-Volume of Work-II during the F.Y. 2016-17.



Substation Performance - 765kV during the F.Y. 2016-17.



Maximum Volume of work during FY 2015-16.



Maximum Capitalization during FY 2015-16.



Special Performance during the year 2014.



Extraordinary Achievement in completion of Transmission Lines during the year 2013.

Spreading wings

by fostering relationships

At EMC Limited, we recognise that growth does not come from how well we can grow our assets. But from how well we can grow our relationships. The soul of our unwritten mission statement is not about the profits for the Company, but with value for the stakeholders associated with the Company.

Talent Management at EMC involves the design and implementation of strategies, policies and systems to ensure that highly qualified individuals can be attracted, recruited and retained. Our company is fully committed towards its responsibilities and is contributing effectively to facilitate value-creation in various arenas of its operations including health & safety, employee training. Our skilled team of over 1500 peoples including technical & non-technical staff, drives execution excellence. Through initiatives like employee engagement in decision making, annual get-together, sports & office picnic, the Company aims to foster a sense of equality and diversity amongst its human resource.

EMC Academy is one such unique institution established by the Company which imparts training in various disciplines for the professional development of engineers, supervisors and other skilled & non-skilled manpower to meet the growing need of trained manpower in the power sector.

We also work with our suppliers, customers and various other peoples associated with the Company on a long-term perspective. Innovative management policies ensure the development and trust of various stakeholders. Our above-industry average performance has come from the extension of this value beyond a one-off transaction into a sustainable relationship across the long-term.



A classroom session at EMC Academy

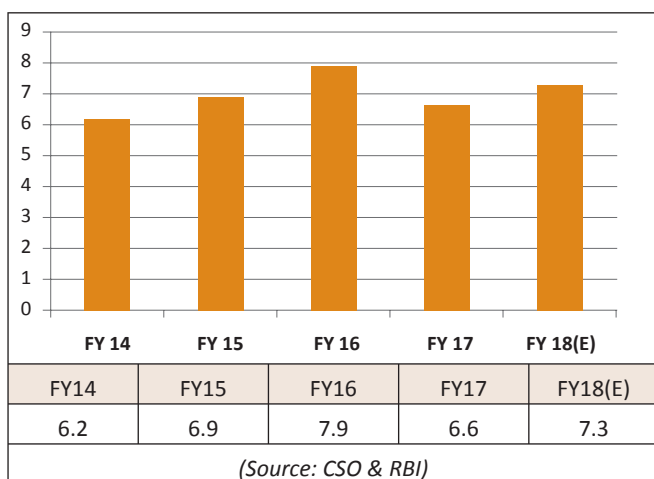
Global economy

Stagnant global trade, subdued investment and heightened policy uncertainty marked another difficult year in the world economy. A moderate recovery is expected for 2017, weak investment is weighing on medium term prospects across many emerging markets and developing economies. Although fiscal stimulus in major economies, if implemented, may boost global growth above expectations, risks to growth forecasts remain tilted to the downside. Important downside risks stem from heightened policy uncertainty in major economies.

As per the World Bank, global growth rate is projected to accelerate to 2.7% in FY 18 and further expected to strengthen to 2.9% in FY 19, in line with previous projections. However, the world economy continues to face a number of downside risks. These include increased protectionism, heightened policy uncertainty, the possibility of financial market turbulence and over the longer run weaker potential growth. These risks highlight the urgency for policymakers in emerging market and developing economies to rebuild macroeconomic policies and implement policies that support investment and trade.

Indian economy

India remains one of the fastest growing economies in the world despite the temporary slowdown in growth due to government's decision to withdraw high denomination notes from circulation. High frequency data, such as automobile sales, cement consumption; personal loan growth and exports growth suggest that the economy is gradually recovering from the impact of demonetisation. RBI expects real GDP growth to accelerate to 7.3% in FY18 from 6.6% in FY17 (GVA basis). Sustained low inflation, falling fiscal deficit, low current account deficit, and a stable currency have created a positive environment for economic growth. Goods and Services Tax (GST) is expected to be implemented in India in FY18. This unified tax regime, coupled with the Central Government's thrust on areas, such as power, infrastructure, and affordable housing should help accelerate India's growth rate closer to 8% in the medium term.



India's consumption growth over the past decade has been strong and resilient even during periods of slower GDP growth. This bodes well for our industry, as spends on power and t&d (transmission and distribution) are linked to government's readiness to upgrade the existing power network and power-up newer terrains. The year 2016-17 continued to be challenging with moderate growth in the market, better than the preceding three years that saw a steady decline in growth. Power Infrastructure investments were primarily driven by the central utilities, state utilities and private transmission players, with focus on building high capacity power transmission corridors and strengthening the inter and intra-state transmission networks.

Indian Power industry review

India's GDP has grown at a rate of 7.9% in 2016-17 in tandem with an increase in industrial and commercial activity in the country. With the growth in the economy, electricity consumption is set to grow rapidly in the next decade driven by population growth, as

well as increasing urbanization. This is particularly relevant given increased expectations for economic growth and reforms. India has the fifth-largest power generation sector globally, with a total installed capacity of more than 329.3 GW. The country has added 88.10 GW of capacity as part of the Twelfth Five Year Plan, achieving 98.6% of its capacity addition targets (88.50 GW). Thermal power dominates the generation mix with total installed capacity of 211.90 GW (69.5%), followed by renewable power with 44.20 GW (14.5%), hydro with 42.90 GW (14.1%), and nuclear power with 5.80 GW (1.9%). The sizeable coal power project pipeline and the widespread availability of coal — from low cost Asia seaborne imports and growing domestic production — is likely to ensure that coal will remain the dominant fuel choice for India's power sector, despite growth in renewable sources. The contribution of the private sector in terms of total capacity addition is increasing, and has now surpassed 126.60 GW (41.6%) followed by state governments and the Central Government with respective contribution of 101.90 GW (33.4%) and 76.20 GW (25.0%).

India's power transmission network has expanded rapidly in the last five-year plans with 32.70% growth in transmission lines, and 61.1% in AC transformation capacity from FY12 to end of FY16-17. Total transmission lines in India stood at 3,66,634 ckm and around 75,298 ckm of transmissions lines were commissioned between in FY16-17. In addition, total transformation capacity stands at 7,22,949 MVA.

Significant expansion of inter-state transmission system is under way to cater to the transmission requirement of new generation projects. India has an inter-regional power transfer capacity of appx 64,000 MW. The transmission sector has taken up several initiatives in order to expand the grid resource efficiently. The government is targeting an additional investment of Rs.2,60,000 crores towards addition of 1,05,580 ckm of transmission lines and 2,92,000 MVA of transmission capacity between 2017-2022. Transmission line capacity is being upgraded to high voltage 1,200 MW. To reduce Right of Way (ROW) requirements for transmission lines, 765 kV transmission voltage is increasingly being adopted. This is due to the fact that a single-circuit 765 kV line can carry as much power as three single-

Power points:

- *India is world's sixth largest energy consumer, accounting for 3.4% of global energy consumption.*
- *The aim of Government of India is to provide each household access to electricity, round the clock (24x7).*
- *The per capita power consumption in India is 733.54KWh/yr.*
- Total capacity increased by 24 GW in 2016-17.
- The estimated private sector investments in T&D is expected to reach Rs. 3 trillion by 2019 including government support of Rs. 1 trillion through Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGVY) and the Integrated Power Development Scheme (IPDS).
- *At the end of 12th Five - Year Plan, 42% growth in the transmission line capacity addition is expected and 69% in the substation capacity. By the end of 12th Five-Year Plan it is expected that the national grid inter regional power transfer capacity will be 72,250 MW.*
- *In the beginning of FY16-17, India, for the first time in history, India became a power-surplus country, leaving behind a historical legacy of increasing power deficit. In the April-February period, it exported around 5,798 MU to Nepal, Bangladesh, and Myanmar. As per the Central Electricity Authority, India is likely to end FY17 with 1.1% excess electricity supplies thus paving a way to become an exporter in this industry space.*

circuit 500 kV lines, three double-circuit 345 kV lines, or six single-circuit 345 kV lines, reducing the overall number of lines and rights of way required to deliver equivalent capacity. Moreover, gas-insulated substations (GIS) are preferred, since the total space required for a GIS is 10% of that needed for a conventional substation. This will help combat the problem of land requirement. Competitive landscape/industry structure Power Grid Corporation of India Ltd. (PGCIL), owns 80% of interstate transmission networks while accounting for 95% of state transformation capacity. Ministry of Power (MoP) has also announced mandatory procurement of transmission services through competitive bidding thereby, encouraging private sector investments in the industry. The private players can enter the power transmission industry via two routes — joint ventures and independent power transmission projects. These all expected to unfold tremendous opportunities for players like us.

Distribution reforms underway

Lowest peak power deficit ever

For the first time in the Indian power sector's history, energy deficit has fallen below the 1% mark which is a significant achievement. The deficit which was during the beginning of 2016 further reduced to 0.6% at the end of 2016. On the peak deficit front, for 2016, peak demand recorded at 159,500 MW during September 2016 and peak deficit in that month was 1.6% which is also the lowest for any calendar year. Consistent generation capacity addition and almost a flat growth in power demand have helped this cause.

UDAY – yet to see the full impact of it on Distribution Utilities

The Ujwal Discom Assurance Yojana (UDAY) has been one of the most talked about schemes related to the Indian power sector. The scheme has been designed in such a way so as to strike at the heart of the issues bugging the whole sector – the inefficient operation of the power distribution companies. As per the report from the ministry, of the 16 states which are part of the scheme, at least eight have a lower gap between their average cost of electricity supply and average cost of realisation and about 12 states have reduced their Aggregate Technical & Commercial (AT&C) loss levels. If successfully implemented, this policy can permanently solve the long-standing issues of the distribution sector and revive energy demand of the country.

'Power For All' and 100 percent Rural Electrification – going on full throttle and may achieve targets sooner

Under Deen Dayal Upadhyay Gram Jyoti Yojana's (DDUGJY) rural electrification package, measures were taken up in mission mode starting August 2015 with a target to electrify un-electrified villages of the country by May 2018, to fit into the grander plans of providing '24x7 Power for All' by 2019. As per GARV dashboard, of the 18,452 villages to be electrified, electrification has already been done for 11,434 villages. Electrification needs to be carried out in 6,320 villages and the remaining 698 villages are uninhabited. Other than the above mentioned mega policies, few other policies like New Tariff Policy, Wind Re-

powering policy, Wind Solar Hybrid Policy etc. were announced in 2016 which is going to help the sector in coming years.

Never seen before Transparency in the Power Sector

Every aspect of the power sector performance is now mostly available on a tap on a mobile phone through various apps being developed by the Ministry. This is a far improved scenario in a sector which was known for its bureaucratic and opaque functioning. Various apps have been developed to bring in transparency and instant information dissemination. Some of these apps include Garv, Vidyut Pravah, DEEP, Tarang, Ujjala etc

Energy efficiency in the forefront and creation of a Major PSU 'Ratna' in the making in double quick time

Energy efficiency has been in the forefront since the last 2.5-3 years and a separate PSU named EESL (Energy Efficiency Service Ltd) was formed with the task of creating the market for Energy Efficiency through a business plan and not be dependent on Government subsidies. This has taken a huge turn and we have nearly 180 million LED Bulbs and 1.5 million LED Street Lights having been distributed

already and many other energy efficiency products are on the way to create self-sustaining and low cost energy efficiency market in India.

Renewable sources of energy

For the first time in the country, capacity additions in the renewable energy sector were close to those of the thermal power segment in 2016-17. The renewable energy sector has ended 2016-17 with a record capacity addition of 11,320 MW, though it fell short of its target (16,660 MW) for the year. Capacity additions in thermal power segment stood at 11,551 MW during the fiscal.

The fiscal 2016-17 witnessed many milestones in the clean energy segment – total installed capacity of the sector crossed 50 GW and solar contribution stood at 10 GW. During 2016-17 solar industry brought in 5,526 MW of new capacity to the grid against the target of 12,000 MW (including Wind Energy) and total installed capacity of solar power stood at 12,289 MW (Source: Union Ministry of New and Renewable Energy).

In order to achieve the renewable energy target of 175 GW by the year 2022, the major programmes/schemes on implementation of Solar Park, Solar Defence Scheme, Solar scheme for CPUs Solar PV power plants on Canal Bank and Canal Tops, Solar Pump, Solar Rooftop etc have been launched during the last two years.

Various policy measures have been initiated and special steps taken in addition to providing financial support to various schemes being implemented by the Ministry of New and Renewable Energy (MNRE) for achieving the target of renewable energy capacity to 175 GW by the year 2022. These include, inter alia, suitable amendments to the Electricity Act and Tariff Policy for strong enforcement of Renewable Purchase Obligation (RPO) and for providing Renewable Generation Obligation (RGO); setting up of exclusive solar parks; development of power transmission network through Green Energy Corridor project; identification of large government complexes/buildings for rooftop projects; provision of roof top solar and 10% renewable energy as mandatory under Mission Statement and Guidelines for development of smart cities; amendments in building bye-laws for mandatory provision of roof top solar for new construction or higher Floor Area Ratio; infrastructure status for solar projects; raising tax free solar bonds; providing long tenor loans; making roof top solar as a part of housing loan by banks/ NHB; incorporating measures in Integrated Power Development Scheme (IPDS) for encouraging distribution companies and making net-metering compulsory and raising funds from bilateral and international donors as also the Green Climate Fund to achieve the target.

Major Initiatives taken by Ministry for development of Solar Power

- Under National Solar Mission, the target for setting up solar capacity increased from 20 GW to 100 GW by 2021-22. Target of 10,500 MW, set for 2016-17 which will take the cumulative capacity to 17 GW till 31st March 2017.
- As on date, 19,276 MW has been tendered out, of which LOI issued for 13,910 MW/PPA signed for 10,824 MW.
- 34 Solar Parks of capacity 20,000 MW in 21 states have been sanctioned which are under various stages of execution.
- Total amount of Rs.67.01 crore has been sanctioned for preparation of master plans, solar city cells, promotional activities and installation of renewable energy projects and an amount of Rs.24.16 crore has been released, so far, under Solar City Programme.
- Various departments and ministries under central government have collectively committed to deploying 5,938 MW of rooftop solar capacity for their internal power consumption. SECI is aggregating demand for a part of this requirement and helping in procuring rooftop solar systems. SECI has issued a tender for development of 1,000 MW rooftop solar capacity on pre-identified central government/department owned buildings. It is the largest such tender in India's fledgling rooftop solar market.
- Several schemes namely (i) Defence scheme (ii) Central Public Sector Undertakings (CPSUs) scheme (iii) Bundling scheme (iv) Canal Bank/Canal Top scheme (v) VGF Scheme (vi) Solar Park scheme (vii) Solar rooftops, have been initiated/launched by the Ministry under National Solar Mission which are under implementation.
- A target of 40 GW grid connected solar rooftops to be achieved by 2022 has been set. So far, about 500 MW have been installed and about 3,000 MW has been sanctioned which is under installation. All major sectors i.e. Railways, Airports, Hospitals, Educational Institutions; Government Buildings of Central/State/PSUs are being targeted besides, the private sector.
- A massive Grid Connected Solar Rooftop Programme launched with 40 GW target. State Electricity Regulatory Commissions of 30 States/UTs notified regulations for net-metering/feed-in-tariff mechanism. Rs.5000 crore approved for solar rooftops. About 500 MW solar rooftop capacities installed till 30.09.2016.
- Ministry has tied up with ISRO for Geo tagging of all the Rooftop plants using ISRO's VEDAS Portal.

India Railway – a jewel in our crown

EMC Ltd is also engaged into the business of Railway infrastructure.

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

In the last budget, the Government decided to provide Rs. 55,000 crore (US\$ 8.25 billion) towards capital and development expenditure of Railways. The Government proposed to commission 3500 kms of Railway line in 2017-18. The Ministry of Railways has signed a memorandum of understanding (MoU) with the Ministry of Urban Development, under which railway stations in each city included in the SMART Cities and AMRUT scheme will be redeveloped to create an integrated public transit hub around the railway stations and encourage transit oriented development. The Government of India and The World Bank have signed a US\$ 650 million loan agreement for the Eastern Dedicated Freight Corridor-III (EDFC-III) project, which is expected to enhance railway transport capacity, improve service quality and boost freight carriage on the 401-km- long Ludhiana-Khurja section of the EDFC, along with developing institutional capacity of Dedicated Freight Corridor Corporation of India Ltd (DFCCIL) to build, maintain and operate the entire network.

On infrastructure front the government has proposed commissioning of 2,800 km of new tracks, nearly 30% higher than last year; 7 km of broad gauge lines to be commissioned every day; 400 stations to be re-developed through PPP; Railway electrification to be increased by 50%; Nearly 2,000 km route to be electrified next fiscal; 44 new projects valued at Rs. 92,714 crore (US\$ 13.5 billion) to be implemented this year; Enhanced capacity of e-ticketing system - from 2,000 tickets per minute to 7,200 per minute (to support 120,000 concurrent users).

Outlook

The long term outlook for transmission and distribution sector remains positive as the bulk power generated in the country needs grid infrastructure for reliable, efficient and stable power supply to consumer. The government seems deeply committed to drive the economic growth, enable recovery of sick Gencos and SEBs and stabilize the banking system in the economy. The focus on Power and T&D sector is high. There is an increasing trend towards the use of high voltage alternating current (HVAC) and high voltage direct current (HVDC) overhead lines to carry large amounts of electricity from generation hubs to load centres, especially in countries like China, India and Brazil. The coming decade is expected to witness greater commercial application of these technologies. Making land available for new investments, implementing GST and improving the ease of doing business also seems to be in high focus. Our company is overall optimistic that various reforms initiated by Government if India will lead to revival of the economy, primarily due to resulting increase in capital expenditure in utilities, power generation, industry and infrastructure. Our EMC team is fully ready to address such growth opportunities. The strong thrust on renewable power generation, evacuation and integration of clean energy opens up new market opportunities within the power sector.

We are an integrated player in railway infrastructure and undertake projects related to civil and track works, electrification and signaling works. Presently, the Company's business mainly comes from conventional railway projects but it is also looking at relevant opportunities in Dedicated Freight Corridors and Metro Railway projects.

Under the current challenges, the Company's management team remains holistically focused and committed to deliver increased value for its stakeholders.

Adequacy and Internal Controls

A strong Internal Control framework has been an important part of operations and corporate governance. The Internal Control process of the Company has been robust and provides reasonable assurance on - reliability of financial information, compliances with laws and regulations in force and realization and optimization of operations. It ensures documentation and evaluation of unit and entity level controls through existing policies and procedures, primarily to identify any significant gaps and define key actions for improvement. Also, a formal system exists for periodic monitoring and reporting of the results of the internal control self-assessments.

The Audit Committee and the Board of Directors reviewed the internal controls and the progress of implementation of the recommendations of internal audits. The management actively implements the recommendations of such reviews.

During the year, as per the provisions of Companies Act, 2013, an in-depth exercise for evaluating the adequacy of Internal Controls over financial reporting was undertaken and their design and operating effectiveness was assessed by the management. It was concluded that as at March 31, 2017, controls were operating effectively.

Further, as part of the statutory audit, the statutory auditors opinionated that the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such controls were operating effectively as at March 31, 2017.

Human Resources

We at EMC have grown exponentially and have seen a drastic change in the way our people are performing. We firmly believe that people are the biggest strength. It is the display of our Values of Courage, Trust and Commitment by our employees that provides us the ability to expand our horizons at this place. We go beyond the boundaries of talent acquisition, compensation, performance reviews etc. and look at employee's well-being holistically. We partner with our employees to ensure timely interventions that help build a career that is long lasting. We nurture employees by putting great emphasis on learning & development, career progression and employee welfare. Towards this end, we have developed and implemented a gamut of employee-centric policies and interventions. We put more focus on developing and promoting internal talent as part of our people strategy. We assess internal candidates for their potential to take on enhanced responsibilities and leadership roles wherever possible and this strategy ensures that we continue to have strong talent pipelines across all levels. We engage with our employees and offer opportunities to help build successful careers.

Besides this, we have HR policies of the group which are uniform across all the business verticals, which gives us the flexibility to internally transfer the workforce and quickly meet the requirement from within the organization. A number of initiatives are taken to ensure that care and support is extended to the employees through policies which help us improve quality of life of our employees.

We believe that constant feedback on performance and career development helps our workforce perform with greater efficiency. We have rolled out an initiative which ensures a structured appraisal feedback. We recognize that for creating a sustainable organization Identifying Hi – Potential employees and training them for future organizational needs plays a very critical role. Training needs of these high potentials are identified by carrying out Assessment/ development plans. Development of these identified employees is monitored by the Management of the organization.

Training and education has always been considered as an integral part of Human Resource development. We provide extensive training and learning opportunities to our employees through well-designed and customized training programs which are carried out through the year. The training and development requirements of the employees are identified through a structured competency framework. We are committed to fair employment practices and freedom of expression, supported by a strong, Companywide value system.

Risk Management

The Company is predominantly engaged in the Engineering Procurement and Construction (EPC) business. As business is spread across many countries and faces various risks associated with turnkey projects, its long-term success depends largely on robust risk identification and management system, which helps the Company continuously identify and mitigate various risks. It continuously reviews its systems to ensure they are in-line with current internal and external environments.

Details of some of the risks involved in the business and their mitigation ways are discussed below:

Commodity price variations and currency fluctuations: The Company deals with various commodities, such as steel, zinc, copper and aluminium. Fixed price contracts can have a negative impact if input costs rise, if it is not appropriately hedged in time. With a significant contribution to the business from international markets, the Company is exposed to the risk of currency fluctuations, if any exposure remains open.

Mitigation: The Company believes in keeping its commodity and currency exposures hedged to optimum levels. It measures and manages these risks centrally and carries out periodic reviews of these risks.

Infrastructure Investment Slowdown: Infrastructure investment slowdown can lead to lower order intake and lower sales.

Mitigation: The Company's global presence helps it minimise impact on business during investment slowdown in one country or region. Further, the Company is significantly exposed to underdeveloped and emerging economies, where infrastructure investment is a key priority for sustainable growth.

Political Unrests: Political unrest in countries and markets where the Company is present can impact the progress of its projects.

Mitigation: The Company carries out detailed studies of the potential risks involved in a market before bidding for a project in a country. This careful selection of the country, along with the Company's prior experience, aids in coping with the challenges.

Delays in execution of projects: EPC projects could face delays due to issues relating to right of way, forest clearances, man power shortage and so on. This could lead to payment postponements, thereby prolonging the working capital cycle and increasing the overall project costs.

Mitigation: The Company reviews these risks periodically and employs suitable strategies and actions to minimize their impact.

Control Risks: Since, the Company works on diverse projects across different locations, weak operational control could lead to project delays.

Mitigation: The Company has responded to this challenge through proactive investments in SAP technology thereby resulting in informed decision-making which in turn have quickened the project execution capability of the Company.

Competence Risks: Failure to successfully execute challenging projects could tarnish the Company's repute.

Mitigation: The Company possesses an experienced team of engineers to successfully carry its Power Transmission line and Railway infrastructure business. The Company avoids picking projects in areas that fall outside the realm of its expertise.

Dear Members,

The Board of Directors presents the Company's Annual Report, together with the audited financial statements for the financial year ended March 31, 2017.

FINANCIAL RESULTS

The Company's performance for the financial year ended 31st March, 2017 as per Standalone Financial Statements is summarized below –

(₹ in Lacs)

	2016-17	2015-16
INCOME		
Revenue from Operations	4,63,161.92	4,13,126.66
Other Income	1,402.32	1,427.81
	4,64,564.24	4,14,554.47
EXPENDITURE		
Manufacturing and Other Expenses	4,16,213.66	3,71,280.02
Finance Cost	21,319.49	18,565.18
Depreciation and Amortization expenses	1,730.83	1,755.51
	4,39,263.98	3,91,600.70
Profit before Exceptional, Extraordinary Items and Taxation	25,300.25	22,953.77
Add/Less: Exceptional / Extraordinary Items	-	-
Profit before Taxation from continuing operations	25,300.25	22,953.77
Tax Expenses	8,720.43	7,900.65
Profit after Taxation	16,579.83	15,053.13

FINANCIALS

The total income of your Company has increased from ₹ 4,14,554.47 Lacs to ₹ 4,64,564.24 Lacs during the financial year under consideration. The profit before tax (PBT) increased from ₹ 22,953.77 Lacs to ₹ 25,300.25 Lacs. The profit after tax for the current year is ₹ 16,579.83 Lacs as against ₹ 15,053.13 Lacs in the previous financial year.

AMALGAMATION OF THE COMPANY

The management in view of the recent changes in the business dynamics and financial markets decided not to go ahead with the Scheme of Amalgamation of EMC Limited, McNally Bharat Engineering Company Limited and McNally Sayaji Engineering Limited with Kilburn Engineering Limited and hence resolved to withdraw the proposed Scheme on 3rd December, 2016.

DIVIDEND

Your Board has not recommended any Dividend for the financial year 2016-17 to the Equity shareholders of your Company.

TRANSFER TO GENERAL RESERVE

The Company proposes not to transfer any funds out of its total profit for the financial year to the General Reserve.

CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statement for all the subsidiary companies is provided in the Statutory Auditors' Report, which forms a part of this Annual Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of the business of the Company for the year 2016-17.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in future.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2017 and the date of this Report of the Directors.

SUBSIDIARY

As on 31st March, 2017, your Company has fourteen subsidiary companies namely EMC Hardware Limited, EMC Solar Limited, EMC Tower Limited, EMC Forging Limited, EMC Logistics Limited, EMC Academy Limited, EMC Overseas Limited, Quatro Rail Tech Solutions Limited, ASC Inc. (formerly, Advanced Steel & Crane Inc.), TecnoLines S.r.l, EMC West Asia DMCC, EMC East Asia Limited, TecnoLines Singapore Pte. Limited and EMC Saudi LLC.

The statement containing the salient features of the financial performance and position of the Company's subsidiaries/ joint ventures is given in Form AOC – 1, which forms a part of this Annual Report and is included in the Consolidated Financial Statements. Details pertaining to companies that became subsidiaries/ joint ventures and those that ceased to be the subsidiaries/ joint ventures of the Company during the year are provided in the notes to the Consolidated Financial Statements.

SHARE CAPITAL

During the year 2016-17, the Company allotted 13,35,000 equity shares of Rs.10 each pursuant to conversion of loan. Consequently, the paid up equity share capital of the Company stood at Rs.48,33,50,000/- (Rupees Forty-Eight Crore Thirty-Three Lakh Fifty Thousand only) consisting of 4,83,35,000 (Four Crore Eighty-Three Lakh Thirty-Five Thousand) equity shares of Rs.10 each.

DEPOSITS

During the year under review the Company has neither invited nor accepted deposit from the public falling within the ambit of Section 73 of the Companies Act 2013 and the Companies (Acceptance of Deposits) Rules 2014.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY COMPANY

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

RELATED PARTY TRANSACTION

All RPTs, including those relating to the Company's overseas direct/indirect subsidiaries, are done on an arm's length basis and in the ordinary course of business. The Company presents a detailed landscape of all RPTs to the Audit Committee, specifying the nature, value and terms and conditions of the transaction. Apart from the Related Party Transactions in the ordinary course of business and at arm's length basis, details of which are given in the notes to the financial statements, there were no other Related Party Transactions requiring disclosure in the Directors' Report. Accordingly, the disclosure required u/s 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company.

MEETINGS OF THE BOARD

The Board of Directors of the Company met 4 (Four) times during the financial year on 4th July, 2016, 31st August, 2016, 3rd December, 2016 and 31st March, 2017. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT – 9 as required under Section 92 of the Companies Act 2013 is included in this Report as 'Annexure A'.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Members at the Annual General Meeting held on 29th September, 2016 approved the appointment of Mr. Biplab Shankar Bose (DIN: 01737400) as Whole Time Director, with effect from 4th July, 2016 for a period of two years on and from 4th July, 2016 to 3rd July, 2018, by passing an ordinary resolution at the Meeting.

The Nomination and Remuneration Committee at its meeting recommended to the Board of Directors the appointment of Mr. Bijan Roy, Mr. Sanjay Khandelwal, each excelling in their careers and holding valuable experience and expertise as Independent Directors of the Company. The Board on the recommendation and on receiving the declaration of independence and consent in Form DIR-2 from Mr. Bijan Roy and Mr. Sanjay Khandelwal and after careful consideration appointed them to the Board, subject to the approval of members at the ensuing Annual General Meeting.

During the year, Mr. Suraj Mall Singhi, Mr. Manish Agarwal and Mr. Sanjay Khandelwal resigned from the Board on 1st October, 2016, 1st December, 2016 and 3rd February, 2016 respectively. The Board placed on record their deep appreciation for the valuable contribution made by Mr. Suraj Mall Singhi, Mr. Manish Agarwal and Mr. Sanjay Khandelwal during their unstinted tenure of services with the Company.

All the Independent Directors have given their declaration of independence as required under Section 149(6) of the Companies Act, 2013;

In accordance with the provisions of the Articles of Association of the Company read with section 152 of the Companies Act, 2013, Mr. Manoj Toshniwal, Director, retires by rotation in the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors have laid down the manner for carrying out an annual evaluation of its own performance, its various Committees and individual directors pursuant to the provisions of the Act and relevant Rules. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria such as Board Composition, process, dynamics, quality of deliberations, strategic discussions, effective reviews, committee participation, governance reviews etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as Committee composition, process, dynamics, deliberation, strategic discussions, effective reviews etc. The Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as Transparency, Analytical Capabilities, Performance, Leadership, Ethics and ability to take balanced decisions regarding stakeholders etc.

During the year under review your Company has the following persons as Key Managerial Person (KMP) –

Sl. No.	Name	Designation
1.	Mr. Manoj Toshniwal	Managing Director
2.	Mr. Ramesh Chandra Bardia	Joint Managing Director
3.	Mr. Arun Kumar Kedia	Chief Financial Officer
4.	Mr. Sumit Kumar Surana	Company Secretary

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of Independent Directors was held on 31st March, 2017 to evaluate performance of the Chairman of the Board of the Directors and the Board as a whole and the same was found satisfactory.

WHISTLE BLOWER POLICY

The Company has in place a robust vigil mechanism for reporting genuine concerns through the Company's Whistle Blower Policy. All cases reported as part of whistle blower mechanism are taken to their logical conclusion within a reasonable timeframe. However, during the year under review, no Whistle Blower Cases were reported to the Audit Committee of the Company.

RISK MANAGEMENT

Our Risk Management Framework is designed to help the organization meet its objectives through alignment of operating controls with the Company's mission and vision.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

REMUNERATION AND NOMINATION POLICY

For the purpose of selection of any Director, the Nomination & Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. The Committee also ensures that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Act or other applicable laws. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection, appointment and remuneration of Directors & Senior Management. The appointments are made based on this policy.

STATUTORY AUDIT

At the Annual General Meeting held on September 29, 2016, M/s SRB & Associates, Chartered Accountants, were appointed as statutory auditors of the Company to hold office from the conclusion of Annual General Meeting for the financial year 2015-16 till the conclusion of the Annual General Meeting for the financial year 2020-21. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s SRB & Associates, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders.

M/s. Acharyya Swapan & Co., Chartered Accountants are the Internal Auditors of the Company. They function independently and submit their report to the Audit Committee.

Any query from the Auditors is being dealt with in the Notes to Accounts.

COST AUDIT

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has been carrying out audit of cost records every year.

The Board of Directors on the recommendation of Audit Committee has appointed M/s. N. Radhakrishnan & Co., Cost Accountants as Cost Auditors to audit the cost accounts of the Company for the financial year 2017-18. 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.

SECRETARIAL AUDIT

Pursuant to the provisions of the Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed B.Nair & Company, a firm of Company Secretaries in Practice (C. P. No. 10778) to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Report of the Secretarial Audit for the Financial Year 2016-17 in the Form MR-3 is annexed herewith as 'Annexure B'. The Board has taken note of the observations made by the Secretarial Auditor and the same are being complied with.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board of Directors (Board) has devised systems, policies and procedures / frameworks, which are currently operational within the Company for ensuring the orderly and efficient conduct of its business, which includes adherence to Company's policies, safeguarding assets of the Company, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. In line with best practices, the Audit Committee and the Board reviews these internal control systems to ensure they remain effective and are achieving their intended purpose. Where weaknesses, if any, are identified as a result of the reviews, new/revised standard operating procedures are put in place to strengthen controls. These controls are in turn reviewed at regular intervals.

The systems/frameworks include proper delegation of authority, operating philosophies, policies and procedures, effective IT systems aligned to business requirements, an internal audit framework, an ethics framework, a risk management framework and adequate segregation of duties to ensure an acceptable level of risk.

The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal audit is entrusted to M/s. Acharya Swapan & Co., Chartered Accountants. To enhance internal controls, the internal audit follows a stringent grading mechanism, focusing on the implementation of recommendations of internal auditors. The internal auditors make periodic presentations on audit observations, including the status of follow-up to the Audit Committee.

Based on the information provided, nothing has come to the attention of the Directors to indicate that any material breakdown in the function of these controls, procedures or systems occurred during the year under review. There have been no significant changes in the Company's internal financial controls during the year that have materially affected, or are reasonably likely to materially affect its internal financial controls.

There are inherent limitations to the effectiveness of any system of disclosure, controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their objectives. Moreover, in the design and evaluation of the Company's disclosure controls and procedures, the management was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

PARTICULARS OF EMPLOYEES

The statement containing employee information as required under Section 197(12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. The Reports and Accounts are being sent to members and other entitled thereto, excluding the information on employee's particulars which is available for inspection by the members at the Registered Office of the Company during business hours on any working day. If any member is interested in obtaining a copy thereof, such member may write to Company Secretary in this regard.

CORPORATE SOCIAL RESPONSIBILITY

As on March 31, 2017 the Corporate Social Responsibility (CSR) Committee consists of the Members as stated below:

Name of Members	Chairman / Member	Category
Mr. Manoj Toshniwal	Chairman	Managing Director
Ms. Arundhuti Dhar	Member	Independent Director
Mr. Bijan Roy	Member	Independent Director

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

The Company has in place the CSR Policy formulated by the Committee and approved by the Board of Directors. The formal CSR policy of the Company is available on the website of the Company www.emcpower.com at the link [https://www.emcpower.com /pdf/Company_Policies/CSR_Policy.pdf](https://www.emcpower.com/pdf/Company_Policies/CSR_Policy.pdf).

The CSR Committee meeting was held on 23rd March, 2017 wherein the Committee discoursed about the discussions which the Company has been having with schools and NGOs regarding the implementation of the proposed policy and the various other activities under which the Company can undertake its CSR Initiatives and the avenues to invest the funds of the Company as prescribed in the Act. The Committee also praised and emphasized on the social activities the Company has been carrying out at ground levels at various project sites of the Company across the Country and encouraged the Company to continue to carry out the same.

Your Company would like to submit that it is under process of tie-up with various associations/ organisation/ trust for pursuing the CSR activities as envisaged in the CSR Policy. The process of identifying activities and various tie ups delayed the CSR spend and hence the Company could not spend the amount of envisaged CSR expenditure. The Company is committed to the underlying intent of CSR and is optimistic of meeting its commitment by spending higher amount in the coming financial year and thereby make a positive impact on the society.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31st March, 2017 and state that :

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any ;
- the Directors have 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 at the end of the financial year and of the profit of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDIT COMMITTEE

Your Company is having an Audit Committee comprising of the following Directors –

Sl. No.	Name	Status	Category
1.	Mr. Bijan Roy	Chairman	Non Executive & Independent Director
2.	Ms. Arundhuti Dhar	Member	Non Executive & Independent Director
3.	Mr. Biplab Shankar Bose	Member	Whole-time Director

Four Audit Committee Meetings were held during the financial year under consideration.

NOMINATION AND REMUNERATION COMMITTEE

Your Company is having a Nomination and Remuneration Committee comprising of the following Directors -

Sl. No.	Name	Status	Category
1.	Mr. Bijan Roy	Chairman	Non Executive & Independent Director
3.	Ms. Arundhuti Dhar	Member	Non Executive & Independent Director

Two Nomination and Remuneration Committee Meetings were held during the financial year under consideration.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company is having a Stakeholder Relationship Committee comprising of the following Directors –

Sl. No.	Name	Status	Category
1.	Mr. Bijan Roy	Chairman	Non Executive & Independent Director
2.	Mr. Manoj Toshniwal	Member	Managing Director
3.	Mr. Ramesh Chandra Bardia	Member	Joint Managing Director

Necessary Stakeholder Relationship Committee meetings were held during the FY 16-17 to approve the necessary transfer of shares.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION

Energy conservation continued to be an area of priority. Continued efforts on rationalization of demands in manufacturing locations and increase in production volume resulted in the saving of energy compared to the earlier years. Your Company has used modern technology to install solar power plants and thereby generating solar energy.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The detail relating to Foreign Exchange Earnings and outgo is provided in the Statutory auditors' Report, which forms a part of this Annual Report.

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

Your Company has endeavored to encourage women professionals by creating proper policies to tackle issues relating to safe and proper working conditions, and create and maintain a healthy and conducive work environment that is free from discrimination. This includes discrimination on any basis, including gender, as well as any form of sexual harassment. Your Company has an Internal Complaints Committee in place in accordance with the requirements under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which ensures implementation and compliance with the Law as well as the policy at every unit and tackle issues relating to sexual harassment. The Internal Compliant Committee is formed with the following members –

Sl. No.	Name	Chairperson / Member
1.	Ms. Yamini More	Chairperson
2.	Ms. Madhumita Bhattacharyya	Member
3.	Mr. Swapan Kumar Dutta	Member
4.	Mr. Apurva Roy – NGO Representative	Member

There were no cases/ complaints reported in this regard during the year 2016-17 and no meetings were held during the year.

APPRECIATION

The Directors place on record their sincere appreciation for the significant contribution made by employees through their dedication, hard work and commitment to ensure the Company's long-term growth and sustainability.

The Board places on record its appreciation for the support and cooperation your Company has received from its customers, vendors, suppliers, business partners, who are our partners in progress. The Directors acknowledge the support and assistance extended to us by the Government of India, various State Governments and government departments, financial institutions, bankers, shareholders and all other statutory agencies at large and look forward to their support in our future endeavours.

For and on behalf of the Board

Place: Kolkata
Dated: 30/06/2017

Manoj Toshniwal
Managing Director
DIN : 00022787

Ramesh Chandra Bardia
Joint Managing Director
DIN : 00374148

MGT - 9
EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS		
i)	CIN	U31901WB1953PLC021044
ii)	Registration Date	18th May, 1953
iii)	Name of the Company	EMC Limited
iv)	Category/Sub-category of the Company	Public Company
v)	Address of the Registered office & contact details	"Constantia Office Complex" 8th Floor, (South Block) 11, Dr. U.N. Brahmachari Street Kolkata - 700017
vi)	Whether listed company - Yes No	No (Unlisted)
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Private Limited 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700001 Ph: 033 - 22435809

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated :

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	EPC contractors in the field of EHV, Transmission Line projects upto 800 KV, EHV substations projects upto 765 KV including GIS substations, Power Distribution for large industrial projects like steel plant, cement plants, railways and distribution projects like APDRP/R-APDRP	42202	92.24%
2	Manufacturing of Transmission Line Towers, Conductors and Hardware, Aluminium Extrusion & Forging	3510	Nil
3	Solar Power Production	35105	Nil

III. PARTICULARS OF HOLDING, SUBSIDIARY COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	EMC Solar Limited 51, Canal East Road, Kolkata - 700085	U40108WB2010PLC149583	Subsidiary	100%	2 (87)
2	EMC Tower Limited 51, Canal East Road, Kolkata - 700085	U40107WB2010PLC149842	Subsidiary	100%	2 (87)
3	EMC Forging Limited 51, Canal East Road, Kolkata - 700085	U40102WB2010PLC149843	Subsidiary	100%	2 (87)
4	EMC Logistics Limited 51, Canal East Road, Kolkata - 700085	U60230WB2010PLC150647	Subsidiary	100%	2 (87)
5	EMC Academy Limited 51, Canal East Road, Kolkata - 700085	U80221WB2010PLC151754	Subsidiary	100%	2 (87)
6	EMC Overseas Limited 51, Canal East Road, Kolkata - 700085	U40102WB2011PLC162101	Subsidiary	100%	2 (87)
7	EMC Hardware Limited 51, Canal East Road, Kolkata - 700085	U24299WB1982PLC183166	Subsidiary	100%	2 (87)
8	ASC, Inc. (formerly, Advanced Steel & Crane Inc.) 6420 S. 39th West Avenue Tulsa Ok 74132, USA	-	Subsidiary	100%	2 (87)
9	Tecnolines S.r.l Via San Daniele, n.8 33170 Pordenone, Italy	02507970347	Subsidiary	90%	2 (87)
10	EMC West Asia DMCC Unit No. 2109, Jumeirah Bay Tower, Plot No. X2, Jumeirah Lakes Towers, Dubai, U.A.E.	JLT5180	Subsidiary	100%	2 (87)
11	Quatro Rail Tech Solutions Ltd. 756, (1st Floor), 80 Feet Road, 4th Block, Koramangala, Bangalore, Karnataka - 560034	U74900KA2012PTC064625	Subsidiary	60%	2 (87)
12	EMC East Asia Limited 18th Floor, Unit 1803, Lemmi Centre 50 Hoi Yuen Road, Kwun Tong, Kowloon, HongKong	62649163-000-01-14-7	Subsidiary	100%	2 (87)
13	Tecnolines Singapore Pte. Limited 3, Philip Street, 17-01, Commerce Point Singapore - 048693	204402856R	Subsidiary	100%	2 (87)
14	EMC Saudi LLC PO BOX 60768 ZIP Code 11555, Riyadh, KSA	1010441917	Subsidiary	60%	2 (87)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Shareholding

Category of Shareholders	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 Share	Demat	Physical	Total	% of Total Shares	
A Promoters									
(1) Indian									
(a) Individual/HUF	11954300	0	11954300	25.4347	12754300	0	12754300	26.3873	0.9526
(b) Central Government	0	0	0	0	0	0	0	0	0
(c) State Government	0	0	0	0	0	0	0	0	0
(d) Bodies Corporate	34161520	0	34161520	72.6841	30496520	0	30496520	63.0941	-9.59
(e) Banks/Fin. Institution	0	0	0	0	0	0	0	0	0
(f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A)(1) :	46115820	0	46115820	98.1188	43250820	0	43250820	89.4814	-8.6374

Category of Shareholders		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 Share	Demat	Physical	Total	% of Total Shares	
(2)	Foreign									
(a)	NRIs - 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/Fin.Institution	0	0	0	0	0	0	0	0	0
(e)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A)(2) :	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	46115820	0	46115820	98.1188	43250820	0	43250820	89.4814	-8.6374
B	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds	0	0	0	0	0	0	0	0	0
(b)	Banks/Fin.Institution	0	50	50	0.0001	0	50	50	0.0001	0
(c)	Central Government	0	0	0	0	0	0	0	0	0
(d)	State Govrnments	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)	FIs	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Funds	0	0	0	0	0	0	0	0	0
(i)	Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub-total (B)(1) :	0	50	50	0.0001	0	50	50	0.0001	0
(2)	Non-Institutions									
(a)	Bodies Corporate	1951	3250	5201	0.0111	5001951	3250	5005201	10.3552	10.3441
(i)	Indian	0	0	0	0	0	0	0	0	0
(ii)	Overseas	0	0	0	0	0	0	0	0	0
(b)	Individuals:									
(i)	Individual shareholders holding nominal share capital upto Rs.2 lakh	22057	56872	78929	0.1679	22807	56122	78929	0.1633	-0.0046
(ii)	Individual shareholders holding nominal share capital upto Rs.2 lakh	800000	0	800000	1.7021	0	0	0	0	-1.7021
(c)	Others (Specify)	0	0	0	0	0	0	0	0	0
	Sub-total (B)(2) :	824008	60122	884130	1.8811	5024758	59372	5084130	10.5185	8.6374
	Total Public Shareholding (B)=(B)(1)+(B)(2)	824008	60172	884180	1.8812	5024758	59422	5084180	10.5186	8.6374
C	Shares held by custodian for GDRs & ADRs									
	Grand Total (A+B+C)	46939828	0	47000000	100	48275578	0	48335000	100	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		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	Mr. Sunder Lal Dugar	199020	0.4234	0	0	0	0	-0.4234
2	Mr. Manoj Toshniwal	1035683	2.2036	0	1035683	2.1427	0	-0.0608
3	Mr. Ramesh Chandra Bardia	1109089	2.3598	0	1109089	2.2945	0	-0.0653
4	Mr. Vinod Dugar	4318624	9.1886	0	4517644	9.3465	0	0.1578
5	Smt. Sheetal Dugar	4429145	9.4237	0	4429145	9.1634	0	-0.2603
6	Smt. Kusum Devi Dugar	45962	0.0978	0	45962	0.0951	0	-0.0026
7	Mr. Shree Kumar Toshniwal	532159	1.1323	0	532159	1.1009	0	-0.0314
8	Smt. Sunita Bardia	284618	0.6056	0	284618	0.5888	0	-0.0167
9	Siddhartha Bardia	0	0	0	800000	1.6551	0	1.6551
10	YMS Finance Private Limited	6040001	12.8511	0	6040001	12.4961	0	-0.3550
11	Trinetra Electronics Limited	2448528	5.2096	0	2448528	5.0657	0	-0.1438
12	Sharada Commerce Private Limited	1100000	2.3404	0	1100000	2.2757	0	-0.0646
13	Tamkore Investment Private Limited	2400000	5.1064	0	2400000	4.9653	0	-0.1411
14	Subhas Impex Private Limited	3453252	7.3473	0	3453252	7.1444	0	-0.2028
15	Statefield Trade Link Private Limited	1869425	3.9775	0	1869425	3.8676	0	-0.1098
16	Metalind Private Limited	2850000	6.0638	0	2850000	5.8963	0	-0.1674
17	MKN Investment Private Limited	14000314	29.7879	0	10335314	21.3826	0	-8.4053
	Total :	46115820	98.1188	0	43250820	89.4807	0	-8.6374

(iii) Change in Promoters' Shareholding

Sl. No.	Name of the Promoter	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	MKN Investment Private Limited				
	At the beginning of the year	14000314	29.7879	14000314	29.7879
	Decrease during the year	5000000	10.6382	9000314	19.1496
	Increase during the year	1335000	2.7619	10335314	21.3826
	At the end of the Year			10335314	21.3826
2	Mr. Sunder Lal Dugar				
	At the beginning of the year	199020	0.4234	199020	0.4234
	Decrease during the year	199020	0.4234	0	0
	At the end of the Year			0	0
3	Mr. Vinod Dugar				
	At the beginning of the year	4318624	9.1886	4318624	9.1886
	Increase during the year	199020	0.4234	4517644	9.3465
	At the end of the Year			4517644	9.3465

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

Sl. No.	For Each of Top 10 Shareholders at the beginning of the year Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	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	Shri Parasram Securities Pvt. Ltd.				
	At the beginning of the year	2950	0.0063	2950	0.0063
	At the end of the year			2950	0.0063
2	Pinakin Chimanlal Shah				
	At the beginning of the year	2750	0.0059	2750	0.0059
	At the end of the year			2750	0.0059
3	Dr. Ramsudhi Ganguly				
	At the beginning of the year	1450	0.0031	1450	0.0031
	At the end of the year			1450	0.0031
4	Rajni Kantilal Sanghvi				
	At the beginning of the year	1150	0.0024	1150	0.0024
	At the end of the year			1150	0.0024
5	Prem Bawari				
	At the beginning of the year	1000	0.0021	1000	0.0021
	At the end of the year			1000	0.0021
6	Dinesh Vrijlal Lakhani				
	At the beginning of the year	1000	0.0021	1000	0.0021
	At the end of the year			1000	0.0021
7	Shah Paresh Chimanlal				
	At the beginning of the year	900	0.0019	900	0.0019
	At the end of the year			900	0.0019
8	Mrs. Pushpa Goenka				
	At the beginning of the year	900	0.0019	900	0.0019
	At the end of the year			900	0.0019
9	Shri Parasram Holdings Pvt. Ltd.				
	At the beginning of the year	800	0.0017	800	0.0017
	At the end of the year			800	0.0017
10	Mrs. Maneckbai Kooverji Gamadia				
	At the beginning of the year	700	0.0015	700	0.0015
	At the end of the year			700	0.0015

(v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	For Each of the Directors and KMP at the beginning of the year Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease e.g. allotment/transfer/bonus/sweat equity etc.):	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. Manoj Toshniwal				
	At the beginning of the year	1035683	2.7991	1035683	2.7991
	At the end of the Year			1035683	2.2036
2	Mr. Ramesh Chandra Bardia				
	At the beginning of the year	1109089	2.3598	1109089	2.3598
	At the end of the Year			1109089	2.3598
	At the end of the Year			1109089	2.3598

V. INDEBTEDNESS

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the financial year				
i) Principal Amount	58,84,17,770	4,57,60,00,000	-	5,16,44,17,770
ii) Interest due but not paid	38,61,882	8,49,23,720	-	8,87,85,602
iii) Interest Accrued but not due	-	-	-	-
Total : (I + ii + iii)	59,22,79,652	4,66,09,23,720	-	5,25,32,03,372
* Addition	2,23,03,49,358	74,88,25,751	-	2,97,91,75,109
* Reduction	40,77,52,234	3,11,37,22,719	-	3,52,14,74,953
Net Change	1,82,25,97,124	-2,36,48,96,968	-	-54,22,99,844
Indebtedness at the end of the financial year				
i) Principal Amount	2,33,13,55,682	2,15,45,00,000	-	4,48,58,55,682
ii) Interest due but not paid	8,35,21,094	3,71,64,476	-	12,06,85,570
iii) Interest Accrued but not due	-	10,43,62,276	-	-
Total : (I + ii + iii)	2,41,48,76,776	2,29,60,26,752	-	4,71,09,03,528

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Mr. Manoj Toshniwal	Mr. Ramesh Chandra Bardia	Mr. Biplab Shankar Bose	Mr. Durga Prasad Sharma	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1,18,80,000.00	1,18,80,000.00	46,77,030.00	21,73,122.00	3,06,10,152.00
	(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, specify	-	-	-	-	-
	TOTAL (A)	1,18,80,000.00	1,18,80,000.00	46,77,030.00	21,73,122.00	3,06,10,152.00
	Ceiling as per the Act	10% of Net Profit				

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Suraj Mall Singhi	Mr. Sanjay Khandelwal	Ms. Arundhuti Dhar	Mr. Bijan Roy	Mr. Manish Agarwal	
1	Independent Directors						
	- Fee for attending board committee meetings	80,000.00	10,000.00	1,40,000.00	35,000.00	-	3,00,000.00
	- Commission	-	-	-	-	-	-
	- Others, please specify	-	-	-	-	-	-
	Total (1)	80,000.00	10,000.00	1,40,000.00	35,000.00	-	3,00,000.00
2	Other Non-Executive Directors						
	- Fee for attending board committee meetings	-	-	-	-	35,000.00	-
	- Commission	-	-	-	-	-	-
	- Others, please specify	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-
	Total (B) = (1 + 2)	80,000.00	10,000.00	1,40,000.00	35,000.00	35,000.00	3,00,000.00
	Total Managerial Remuneration						3,09,10,152.00
	Ceiling as per the Act	1% of Net Profit					
	Overall Ceiling as per the Act	11% of Net Profit					

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	CS	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	66,06,794.00	17,32,020.00	83,38,814.00
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	66,06,794.00	17,32,020.00	83,38,814.00

VI. 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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2017

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

To
The Members,
EMC Limited
"Constantia Office Complex" South Block,
8th Floor, 11, Dr. U. N. Brahmachari Street,
Kolkata - 700 017
West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by EMC Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31.03.2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment;
- (v) The Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act') with respect to Securities are not applicable to the company, as being an unlisted Public Company.
- (vi) The Company is engaged in EPC Contract, Transmission Line Projects, Sub-station and Power Distribution for large Projects.

We have also examined compliance with the applicable clauses of the followings :-

- a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.

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

- (a) the Company has not made the requisite expenditure towards the Corporate Social Responsibility (CSR) in terms of Section 135 of the Companies Act, 2013;

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

MANAGEMENT RESPONSIBILITY:

- i. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
- ii. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
- iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or verified compliances of laws other than those mentioned above;
- iv. 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;

- v. 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.

We further report that:

- (a) 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.
- (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast 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.
- (c) Majority decision is carried through majority while the dissenting members' ,if any, views are captured and recorded as part of the minutes.
- (d) There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period :

- (a) A lender of the Company have converted the loan amount of Rs. 250,312,500/- into 1,335,000 Equity shares of Rs. 10/- each at a premium of Rs. 177.50 per share in terms of the Special Resolution passed by the shareholders during the year under audit.
- (b) The company has made further investment in Technolines S.r.l., Italy, a subsidiary of the company during the period under report.
- (c) The Scheme of Amalgamation/merger of EMC Limited, Mcnally Bharat Engineering Co. Ltd, Macnally Bharat Sayaji Engineering Limited with Kilburn Engineering Limited was withdrawn by the Board due to prevailing unfavourable market environment.

For **B. NAIR AND COMPANY**
Company Secretary In Practice

CS. B U NAIR
Membership No. FCS 5546
CP NO. 10778

Place : Kolkata
Dated : 30th day of June, 2017

STANDALONE FINANCIAL STATEMENTS

To The Members of
EMC Limited

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS financial statements of EMC Limited ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

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

AUDITOR'S RESPONSIBILITY

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

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

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

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

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

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at 31 March, 2017, and its financial performance including other comprehensive income, its cash flows and the changes in equity 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 Companies Act, 2013, we give in the 'Annexure A'; a statement on the matters specified in the paragraph 3 and 4 of the said order, to the extent applicable.
- (2) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 Standalone Ind AS Balance Sheet, Statement of Profit and Loss, the statement of cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rule issued thereunder;
- (e) on the basis of the written representations received from the Directors as on 31st March, 2017, taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2017 from being appointed as a Director in terms of section 164 (2) of the Act;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the pending litigations in its Ind AS financial statements;
 - (ii) The Company did not have any long- term contracts, including derivative contracts. Accordingly, no provisions for material foreseeable losses have been made; and
 - (iii) There were no amounts which are required to be transferred to the investor education & protection fund by the Company.
 - (iv) The Company has provided requisite disclosures in its standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures and relying on the management representation we report that the disclosure are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For **SRB & Associates**
Chartered Accountants
Firm Registration No-310009E

Bisworanjan Sutar
Partner
Membership No: 066708

Kolkata,
30th June 2017

Annexure-A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31 March 2017, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to such program, a portion of fixed asset has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable.
- (b) The discrepancies noticed on the aforesaid verification between the physical stocks and book records were not material.
- (iii) (a) According to the information and explanations given to us, the terms and conditions in respect of the loans granted by the Company (secured/ unsecured loans) to companies/ firms/ limited liability partnerships or other parties covered in the register maintained under section 189 of the Act are not prima-facie prejudicial to the interest of the Company.
- (b) In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable.
- (c) In respect of the aforesaid loans, there is no overdue amount for a period exceeding 90 days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public and accordingly paragraph 3 (v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.
- (b) According to the information and explanations given to us, the following dues of sales tax & service tax have not been deposited by the Company on account of disputes:

Sl. No.	Name of the Statute	Nature of the Dues	Year since pending	Forum where Disputes is pending	Amount involved (₹ In Lakhs)
1.	Central Excise Act, 1944	Service Tax	2007-08	The CESTAT (Chennai)	26.01
			2007-08	The CESTAT(Kolkata)	302.63
			2008-09		
			2009-10 2010-11		
2.	Central Sales Tax Act, 1956 & Sales Tax Act of Various States	Sales Tax/VAT and Entry Tax	2012-13	The Sales Tax Appeal, Revision Board(WB)	123.06
			2011-12	The Add. Commissioner Sales Tax Appeal(AP)	122.82
			2011-12	The Sales Tax Appeal, Revision Board(WB)	24.56
			2012-13	The Add. Commissioner Sales Tax Appeal(MP)	378.94
			2012-13	The DY. Commissioner Sales Tax Appeal(TS)	39.23
			2012-13, 2013-14 & 2014-15	The Sales Tax Appeal, Tribunal(Rajasthan)	85.41
			2012-13	The Dy. Commissioner, Sales Tax Appeal(TN)	63.91
			2013-14	The Add. Commissioner, Sales Tax Appeal(MP)	340.95

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institutions, bankers and government or debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or on by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 & 188 of the Act where applicable and the details of such transactions have been disclosed in the standalone Ind AS financial statements of the Company as required by the applicable accounting standards.
- (xiv) According to the information & explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of fully paid up equity shares during the year under review in compliance with the requirements of section 42 and 62 of the Companies Act and the amount so raised have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph (xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **SRB & Associates**
Chartered Accountants
Firm Registration No-310009E

Kolkata,
30th June 2017

Bisworanjan Sutar
Partner
Membership No: 066708

Annexure -B to the Independent 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 EMC Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SRB & Associates**
Chartered Accountants
Firm Registration No-310009E

Bisworanjan Sutar
Partner
Membership No: 066708

Kolkata,
30th June 2017

(₹ in lacs)

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I. ASSETS				
1. Non-current Assets				
a. Property, Plant and Equipment	5	26,164.36	16,736.22	18,229.72
b. Capital Work-in-Progress	5	-	22.00	62.82
c. Intangible Assets	5	59.03	51.31	44.62
d. Financial Assets				
(i) Investments	6(i)	13,905.27	18,456.54	7,121.18
(ii) Trade Receivables	7(i)	2,853.94	2,593.69	2,099.59
(iii) Other Financial Assets	8(i)	3.62	3.62	3.18
e. Other Assets	9(i)	3,899.73	3,011.95	2,048.45
2. Current Assets				
a. Inventories	11	11,032.94	13,488.49	13,849.90
b. Financial Assets				
(i) Trade Receivables	7(ii)	1,92,105.99	1,70,163.12	1,49,711.45
(ii) Cash & Cash Equivalent	12	497.99	892.88	477.02
(iii) Other Financial Assets	8(ii)	14,984.82	13,458.71	9,635.97
c. Other Assets	9(ii)	1,37,530.21	1,34,969.71	1,04,416.08
TOTAL ASSETS		4,03,037.90	3,73,848.24	3,07,699.98
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital	13	4,833.50	4,700.00	3,700.00
b. Other Equity	14	94,547.74	71,524.03	58,850.69
2. Non-current liabilities				
a. Financial Liabilities				
(i) Borrowings	15(i)	23,358.39	32,663.47	24,561.27
(ii) Trade Payables	16(i)	5,826.66	4,829.85	5,733.15
(iii) Other Financial Liabilities	17(i)	20,498.04	22,938.61	12,682.92
b. Deferred Tax Liabilities (net)	10	18,927.36	11,233.38	119.27
3. Current liabilities				
a. Financial Liabilities				
(i) Borrowings	15(ii)	77,001.53	76,900.90	60,522.14
(ii) Trade Payables	16(ii)	1,28,112.28	1,21,684.66	1,21,373.53
(iii) Other Financial Liabilities	17(ii)	27,051.43	22,338.64	12,348.04
b. Provisions	18	195.10	169.23	229.39
c. Other Liabilities	19	2,571.79	4,827.55	1,360.42
d. Current Tax Liability (net)	20	114.08	37.92	6,219.15
TOTAL EQUITY AND LIABILITIES		4,03,037.90	3,73,848.24	3,07,699.98
Significant Accounting Policies	1 to 2			
Notes form an integral part of Standalone Financial Statement	3 to 46			

As per our Report of even date attached

 For **SRB & Associates**
 Chartered Accountants
 (F. Regd. No.310009E)

Bisworanjan Sutar
 (Partner)

 Membership No. - 066708
 Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal
 Managing Director
 DIN : 00022787

Ramesh Chandra Bardia
 Jt. Managing Director
 DIN : 00374148

Yamini More
 VP (Finance & Accounts)

Arun Kumar Kedia
 Chief Financial Officer

Sumit Kumar Surana
 Company Secretary

(₹ in lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016
INCOME			
I. Revenue from Operations	21	4,63,161.93	4,13,126.65
II. Other Income	22	1,402.31	1,427.81
Total Income		4,64,564.24	4,14,554.46
III. EXPENSES			
(a) Cost of Materials Consumed	23	3,48,884.49	3,08,588.20
(b) Change in Inventory (Increase)/Decrease	24	2,715.36	840.98
(c) Manufacturing and Processing Costs	25	34,316.80	34,062.35
(d) Employee Benefit Expenses	26	8,265.31	7,672.73
(e) Finance cost	27	21,319.50	18,565.19
(f) Depreciation and Amortization expenses	28	1,730.83	1,755.51
(g) Other Expenses	29	22,031.73	20,115.76
Total Expenses		4,39,264.02	3,91,600.71
IV. Profit Before exceptional items and tax		25,300.22	22,953.75
Exceptional items		-	-
V. Profit before Taxes		25,300.22	22,953.74
VI. Tax Expenses	30		
(a) Current Tax		1,236.68	1,376.79
(b) Deferred Tax		7,483.75	6,523.86
VII. Profit (Loss) for the Year		16,579.79	15,053.09
VIII. Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit or loss:			
(a) Changes in investments in equity shares carried at Fair Value through OCI		(3,469.66)	(3,429.28)
(b) Re-measurement of defined employee benefit plans		16.63	(10.01)
(c) Revaluation Surplus on Property, Plant & Equipment		10,237.53	-
(d) Income tax effect		-	-
- on Revaluation Surplus on Property, Plant & Equipment		(201.01)	-
- on Re-measurement of defined employee benefit plans		(9.22)	3.47
(ii) Items that will be reclassified subsequently to profit or loss :			
(a) Changes in investments other than equity		-	-
(b) Income tax effect		-	-
IX. Total Other comprehensive Income after tax		6,574.27	3,435.83
X. Total comprehensive income for the period		23,154.09	11,617.30
XI. Earnings per equity share:			
(1) Basic in (₹)	35	35.28	33.09
(2) Diluted in (₹)	35	35.28	33.09
Significant Accounting Policies	1 to 2		
Notes form an integral part of Standalone Financial Statement	3 to 46		

As per our Report of even date attached

 For **SRB & Associates**
 Chartered Accountants
 (F. Regd. No.310009E)

Bisworanjan Sutar
 (Partner)

 Membership No. - 066708
 Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal
 Managing Director
 DIN : 00022787

Ramesh Chandra Bardia
 Jt. Managing Director
 DIN : 00374148

Yamini More
 VP (Finance & Accounts)

Arun Kumar Kedia
 Chief Financial Officer

Sumit Kumar Surana
 Company Secretary

A. Equity Share Capital

(₹ in lacs)

Particulars	Amount
As at 1 April 2015	3,700.00
Changes in equity share capital	1,000.00
As at 31 March 2016	4,700.00
Changes in equity share capital	133.50
As at 31 March 2017	4,833.50

B. Other Equity

(₹ in lacs)

Particulars	Attributable to owners of EMC Limited						Total other equity
	Share Application Money	Equity Component of Debt Instrument	Reserves & Surplus		Other Comprehensive Income		
			Securities Premium Reserve	Retained Earnings	FVOCI-equity investments	Revaluation Surplus	
Balance at 1 April 2015	12,500.00	-	7,300.00	39,048.56	2.14	-	58,850.70
Profit for the year	-	-	-	15,053.13	-	-	15,053.13
Other comprehensive income	-	-	-	(6.55)	(3,429.28)	-	(3,435.83)
Total comprehensive income for the year	-	-	-	15,046.58	(3,429.28)	-	11,617.30
Other Adjustments	-	2,500.00	-	1.35	-	-	2,501.35
Issue of equity shares	(12,500.00)	-	11,500.00	-	-	-	(1,000.00)
Dividends paid	-	-	-	(445.32)	-	-	(445.32)
Balance at 31 March 2016	-	2,500.00	18,800.00	53,651.17	(3,427.14)	-	71,524.03
Profit for the year	-	-	-	16,579.83	-	-	16,579.83
Other comprehensive income	-	-	-	7.41	(3,469.66)	10,036.50	6,574.26
Total comprehensive income for the year	-	-	-	16,587.24	(3,469.66)	10,036.50	23,154.09
Other Adjustments	-	3.13	-	-	-	-	3.13
Issue of equity shares	-	(2,503.13)	2,369.63	-	-	-	(133.50)
Balance at 31 March 2017	-	-	21,169.63	70,238.41	(6,896.80)	10,036.50	94,547.74

As per our Report of even date attached

 For **SRB & Associates**

Chartered Accountants

(F. Regd. No.310009E)

Bisworanjan Sutar

(Partner)

Membership No. - 066708

Kolkata, The 30th day of June, 2017

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Manoj Toshniwal

Managing Director

DIN : 00022787

Ramesh Chandra Bardia

Jt. Managing Director

DIN : 00374148

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VP (Finance & Accounts)

Arun Kumar Kedia

Chief Financial Officer

Sumit Kumar Surana

Company Secretary

(₹ in lacs)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
A OPERATING ACTIVITIES		
Profit before tax from continuing operations	25,300.22	22,953.74
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	25,300.22	22,953.77
Adjustment to reconcile profit before tax operating cash flows:		
Depreciation on Property, plant and equipment	1,720.30	1,746.81
Amortisation of intangible assets	10.53	8.70
Net foreign exchange differences	110.35	(139.60)
Finance income (including fair value change in financial instruments)	(1,235.48)	(1,150.43)
Finance costs (including fair value change in financial instruments)	21,319.49	18,565.18
Working capital adjustments:		
Decrease/(Increase) in Trade receivables	(22,203.12)	(20,945.77)
Decrease/(Increase) in Derivative Financial Assets	51.94	(31.27)
Decrease/(Increase) in Inventories	2,455.54	361.42
Decrease/(Increase) in Other Assets	(3,558.63)	(31,377.53)
(Decrease)/Increase in Trade Payables	7,424.41	(592.16)
(Decrease)/Increase in Other Financial Liability	2,288.86	20,236.27
(Decrease)/Increase in Other Liability	(2,229.87)	3,406.97
	31,454.54	13,042.36
Income tax paid	1,160.52	2,964.30
NET CASH GENERATED BY OPERATING ACTIVITIES (A)	30,294.03	10,078.06
B INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(888.31)	(198.37)
Purchase of Intangible Assets	(18.25)	(15.39)
Purchase of Capital Work In Progress	(0.61)	(13.68)
Purchase/(Sale) of Investments	1,081.62	(14,764.65)
Interest received (finance income)	1,235.48	1,150.43
NET CASH USED IN INVESTING ACTIVITIES (B)	1,409.93	(13,841.65)
C FINANCING ACTIVITIES		
Proceeds from issue of equity shares	2,503.13	-
Changes in Other Equity	(2,500.00)	2,500.92
Interest paid	(21,319.49)	(18,565.18)
Proceeds/(Repayment) from borrowings	(9,204.45)	24,480.95
Dividends paid including Dividend Distribution Tax	-	(445.32)
NET CASH USED IN FINANCING ACTIVITIES (C)	(30,520.82)	7,971.37
Net increase in cash and cash equivalents (A+B+C)	1,183.17	4,207.78
Cash and cash equivalents at the beginning of the year	14,303.27	10,095.50
Cash and cash equivalents at year end	15,486.43	14,303.27

The above cashflow statement has been prepared under the "Indirect method" set out in Ind AS 7 "Statement of Cash flows"

As per our Report of even date attached

 For **SRB & Associates**
 Chartered Accountants
 (F. Regd. No.310009E)

Biswornjan Sutar
 (Partner)

 Membership No. - 066708
 Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal
 Managing Director
 DIN : 00022787

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 VP (Finance & Accounts)

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 Chief Financial Officer

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 Company Secretary

NOTE 1 BACKGROUND

EMC Limited with over six decades of experience is one of India's fastest growing Engineering, Procurement and Constructions (EPC) companies and a world-class provider of end-to-end power systems solutions across the world. Since 1953 EMC Limited has built critical power & infrastructure assets for our country & clients globally. Today EMC Limited is a global company with a world wide presence in Power Transmission, Power Distribution, Balance of Plant and Railways.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation :

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements up to year ended 31st March 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements under Ind AS. Refer to note no.45 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and net cash flows.

ii) Historical cost convention

The financial statements have been prepared under the historical cost convention, except for the followings asset and liabilities which have been measured at fair value:

- a) Certain financial assets and liabilities (including derivatives)
- b) Net Defined Obligations

iii) Current And Non-Current Classification

All assets and liabilities have been classified as current and non-current as per the company's operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classifications.

2.2 Property, Plant and Equipment, Intangible Assets and Capital Work-in-progress :

i) Recognition and Measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted as separate assets is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The cost of Property, plant and equipment not available for use as on each reporting date are disclosed under capital work-in-progress.

If an asset carrying amount is increased as a result of revaluation the increase shall be recognised in other comprehensive income and accumulated in equity under the heading revaluation surplus. If an asset carrying amount is decreased as a result of revaluation, the decrease shall be recognised in statement of profit and loss. The revaluation surplus included in equity shall be directly transferred to retained earning when the asset is derecognized.

Stores and Spares that meets the criteria for recognition as Property, plant and equipment are recognized as Property, plant and equipment.

ii) Transition to Ind AS

On transition to Ind AS, the company has opted to continue with the carrying amount of all of its property, plant and equipment recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Amount lying in revaluation reserve as on transition date is transferred to retained earnings in accordance with Ind AS Transition Facilitation Group Bulletin-8 issued by Institute of Chartered Accountant of India (ICAI) .

iii) Depreciation methods, estimated useful lives and residual value

- a) Depreciation is calculated using the straight line method to allocate their cost, net of their residual values over their estimated useful lives. The useful lives have been determined based on the technical evaluation done by the independent experts which are in line with the useful life prescribed under Schedule II to the Companies Act, 2013.

- b) Any assets whose aggregate actual cost does not exceed five thousand rupees has been fully charged off in the year of addition.
 - c) The residual values are not more than 5% of the original cost of the assets. The assets' residual values and useful lives are reviewed and adjusted at the end of each reporting period.
 - d) Depreciation on assets purchased/acquired during the year is charged from the date of purchase of the assets. Assets that are acquired during the year are depreciated on pro rata basis from the date of such addition or, as the case may be, up to the date on which such assets has been derecognized.
 - e) An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.
 - f) Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in statement of profit or loss within other gains/(losses).
- iv) **Intangible assets :**
- a) **Recognitions and Measurements**
Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses , if any.
 - b) **Amortization methods and periods**
Intangible Assets with finite useful lives are amortized on straight line basis over their estimated useful lives.
 - c) **Transition to Ind AS**
On transition to Ind AS, the company has opted to continue with the carrying amount of all of intangible assets recognized as at 1st April 2015 measured as per the previous GAAP and use that carrying amount as the deemed cost of intangible assets.

2.3 Leases :

Leases under which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight line basis in net profit in the Statement of Profit and Loss over the lease term.

2.4 Investment properties :

Investment properties held to earn rentals or for capital appreciation or both are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the statement of profit and loss. Transfer to, or from, investment property are recognized at the carrying amount of the property.

2.5 Revenue recognition :

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, value added taxes and amounts collected on behalf of third parties.

It recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company and specific criteria have been met for each of the groups activities as described below:

The company adopts the following criteria as for recognizing the revenue:-

- a) **Sale of Services- Erection and Installation Contracts**
Revenue from the erection and installation of power infrastructure is recognized by reference to the stage of completion. Stage of completion is determined based on the joint certifications by the company and the customers .
- b) **Sale of Products- Time and Material Contracts**
Revenue from the time and material contracts are recognized when the significant risk and rewards of ownerships of the materials have been transferred to the customer.
- c) **Other Incomes**
Insurance claims has been recognized as revenue on cash basis.

2.6 Inventories :

Raw materials, Stores and spares, Semi-finished goods, traded and finished goods

Inventories are valued as under –

- a) Raw materials, Stores spares, loose tools and Erection materials are valued at cost
- b) Cost of Semi Finished Goods and Finished Goods have been valued on Weighted Average basis.

- c) Finished goods are valued at lower of Cost and Net Realisable Value
- d) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value

Cost of raw materials and stores comprises cost of purchase. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate portion of variable and fixed overhead expenditure. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale.

2.7 Financial Instruments :

Financial assets and liabilities are recognized when the company becomes party to the contractual provisions of the instrument.

Financial Assets

i) Trade Receivables

Trade Receivables are recognized initially at fair value and subsequently measured at amortized costs less of provisions for impairment.

ii) Investments in subsidiaries, associates and joint ventures

SUBSIDIARY - A subsidiary is an entity that is controlled by another entity.

Control is achieved when the Company:

- a) Has power over the investee;
- b) Is exposed, or has rights, to variable returns from its involvement with the investee; and
- c) Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

ASSOCIATE - An associate is an entity over which the Company has significant influence. Where as significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

INTERESTS IN JOINT VENTURES - A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investment in subsidiaries, associates and joint ventures are measured at cost in accordance with Ind AS 27 – Separate Financial Statements.

iii) Derivatives

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

iv) Other Financial Assets

a) Classifications

The company classifies its financial assets in the following categories:

- i) Those to be measured subsequently at fair value (either through other comprehensive income or through profit and loss).
- ii) Those measured at amortized costs

The classification depends upon the business model for managing the financial assets and contractual characteristics of the cash flows.

b) Measurements

Initial Recognition

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

Subsequent Measurement

There are three subsequent measurement categories into which the company classifies its debt instruments financial assets:

i) **measured at amortized cost**

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

ii) **measured at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

iii) **measured at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or fair value through other comprehensive income on initial recognition.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognized at the proceeds received net off direct issue cost.

All equity instruments classified under financial assets are subsequently measured at fair value.

c) **Impairment of Financial Assets**

The company assesses on forward looking basis the expected credit losses associated with its assets carried at amortized costs. The impairment methodology applied depends on whether there has been a significant increase in credit risks.

For trade receivables only, the company has applied the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time credit losses to be recognized from initial recognition of the trade receivables.

d) **Derecognition of Financial Assets**

A financial asset is derecognized only when :

The company has transferred the rights to receive cash flows from the financial assets or retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients.

e) **Income from Financial Assets**

i) **Interest Income :**

Interest income from debt instruments is recognized using the effective interest rate method.

ii) **Dividends :**

Dividends are recognized in the statement of profit and loss only when the right to receive the payment is established, it is probable that economic benefits associated with the dividend will flow to the group, and the amount of the dividend can be measured reliably.

Financial Liabilities

a) **Borrowings :**

i) Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method.

ii) Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

iii) Borrowings are classified as current liabilities unless the entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

b) **Trade and other payables :**

These amounts represent liabilities for goods and services provided to the entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 180 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

c) **Other Financial Liabilities :**

Financial liabilities are measured at amortized cost using effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the statement of profit and loss.

Interest bearing loans and borrowings are subsequently measured at amortized cost using effective interest rate method. Gain and losses recognized in profit and loss when the liabilities are derecognized.

d) **Offsetting of Financial Instruments :**

A financial asset and a financial liability shall be offset and the net amount presented in the balance sheet when, and only when, an entity:

- a) currently has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.8 Employee benefits :

i) **Short-term employee benefit obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

All Short term employee benefits such as salaries, incentives, special award, medical benefits which fall due within 12 months of the period in which the employee renders related services, which entitles him to avail such benefits and non accumulating compensated absences (like maternity leave and sick leave) are recognized on an undiscounted basis and charged to Profit and Loss Statement.

ii) **Post-employment obligations**

The entity operates the following post-employment schemes:

- a) defined benefit plans such as gratuity, Superannuation and
- b) defined contribution plans such as provident fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less than the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligations denominated in INR is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the term of related obligations.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in statement of profit and loss.

Re-measurements gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Provident fund obligations

Contribution to the provident fund, which is a defined contribution plan, made to the Regional Provident Fund Commissioner is charged to the Profit and loss Statement on accrual basis.

2.9 Foreign currency translation :

i) **Functional and presentation currency**

Each items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is functional and presentation currency.

ii) **Transactions and balances**

Foreign currency transactions i.e. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. Translation differences on assets and liabilities carried at fair value are reported as part of fair value gain or loss.

2.10 Income tax :

- i) The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.
- ii) The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.
- iii) Current income tax expense comprises taxes on income from operations in India and is determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) is paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future income tax liability. The company offsets on a year on basis, the current tax assets and liabilities, where it intends to settle such assets and liabilities on a net basis. The current tax expense recognized in the financial statements is net off MAT credit utilized during the period.
- iv) Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.
- v) Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.
- vi) Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.
- vii) Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.11 Cash and cash equivalents :

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with bank and other financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.12 Borrowing costs :

- a) General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.
- b) Other borrowing costs are expensed in the period in which they are incurred.

2.13 Provisions, Contingent Liabilities and Contingent Assets:

- a) A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. Contingent assets are not recognized.

- b) Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.
- c) Contingent assets are not recognized in the financial statement, but are disclosed where an inflow of economic benefit is probable.

2.14 Contributed equity :

a) **Equity:**

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

b) **Dividends :**

Provision is made for any amount of dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of reporting period but not distributed at the end of the reporting period.

2.15 Earning Per Share :

a) **Basic Earning Per Share**

Basic Earning Per Share is calculated by dividing the profit attributable to owners of the company by the weighted average number of equity shares outstanding during the financial year.

b) **Diluted Earning Per Share**

Diluted Earning Per Share adjusts the figures used in the determination of the basic earning per share to take into account the after income tax effect of interest or other finance costs associated with the dilutive potential equity shares and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.16 Segment Reporting :

Ind AS 108 “operating segments” establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company’s operations predominantly relate to providing end-to-end business solutions to enable clients to enhance business performance. Based on the “management approach” as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company’s performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments, and are as set out in the significant accounting policies.

Revenue and identifiable operating expenses in relation to segments are categorized based on items that are individually identifiable to that segment. Allocated expenses of segments include expenses incurred for rendering services. Certain expenses, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying assets are used interchangeably. Management believes that it is not practical to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as “unallocated” and adjusted against the total income of the Company.

Assets and liabilities in relation to segments are categorised based on items that are individually identifiable to segments.

2.17 Impairment of non-financial assets - property, plant and equipment and intangible assets :

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset’s carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset’s fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

2.18 Rounding of amounts :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lacs as per the requirement of Schedule III, unless otherwise stated.

NOTE 3 RECENT ACCOUNTING PRONOUNCEMENT :**Accounting Pronouncement Issued but not effective :**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the company from April 1, 2017.

a) Amendment to Ind AS 7:

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

The company is in the process of evaluating the disclosure requirements of the amendment and the effect on the financial statements.

b) Amendment to Ind AS 102:

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes. It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement.

This has no implication on the company's financial statement as there is no share based transaction as on the reporting date.

NOTE 4 CRITICAL ESTIMATES AND JUDGMENTS :**a) Use of Estimates :**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

b) Critical Accounting Estimates and Judgments :**i) Property, plant and equipment**

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

ii) Income Taxes

The Company's major tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

iii) Equity instruments

The company has made an irrecoverable election at the time of initial recognition to account for the equity instrument at fair value through other comprehensive income.

iv) Defined benefit obligation

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

v) Impairment of trade receivables

The company estimates the uncollectability of accounts receivables by analysing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of customer deteriorates, additional allowances may be required.

(₹ in lacs)

Net Book Value		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 5	PROPERTY, PLANT AND EQUIPMENT [at deemed cost]			
		INR	INR	INR
	Property, Plant and Equipment	26,164.36	16,736.22	- 18,229.72
	Capital Work-in-progress	-	22.00	62.82
	Intangible Assets	59.03	51.31	44.62

Particulars	Freehold Land	Buildings	Furniture, Fittings and Equipment	Plant and Machinery	Vehicles	TOTAL	Capital Work-in-Progress	Intangible Assets
Estimated Useful Life (in years)	NA	3 - 60	3 - 10	2 - 40	8 - 10		NA	10
Gross Carrying Amount								
At 1st April, 2015	34.50	933.12	653.49	23,898.22	218.09	25,737.41	62.82	71.63
Additions/Adjustments during the year	-	32.54	75.60	106.59	38.15	252.88	13.68	15.39
Disposals during the year	-	-	-	-	-	-	(54.50)	-
At 31st March, 2016	34.50	965.66	729.09	24,004.81	256.24	25,990.30	22.00	87.02
Additions/Adjustments during the year	9,656.70	671.85	100.74	265.70	453.46	11,148.44	0.61	18.25
Disposals during the year	-	-	-	-	-	-	(22.61)	-
At 31st March, 2017	9,691.20	1,637.51	829.83	24,270.51	709.71	37,138.74	-	105.27
Accumulated Depreciation and Impairment								
At 1st April, 2015	-	272.36	417.00	6,718.07	100.26	7,507.69	-	27.01
Depreciation charge for the year	-	58.09	107.82	1,559.52	20.96	1,746.39	-	8.70
Disposals during the year	-	-	-	-	-	-	-	-
At 31st March, 2016	-	330.45	524.82	8,277.59	121.22	9,254.08	-	35.71
Depreciation charge for the year	-	58.69	89.35	1,499.63	72.62	1,720.30	-	10.53
Disposals during the year	-	-	-	-	-	-	-	-
At 31st March, 2017	-	389.14	614.17	9,777.22	193.84	10,974.38	-	46.24
Net Book Value as at 31st March, 2017	9,691.20	1,248.37	215.65	14,493.29	515.86	26,164.36	-	59.03
Net Book Value as at 31st March, 2016	34.50	635.22	204.27	15,727.22	135.03	16,736.22	22.00	51.31
Deemed cost as at 1st April, 2015	34.50	660.76	236.49	17,180.15	117.83	18,229.72	62.82	44.62

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 6 INVESTMENTS			
Investment in Equity Instruments			
Quoted at FVTOCI			
3,878 (31 March 2016: 3,878, 1 April 2015 : 3,878) Shares of ₹ 10/- each fully paid-up in Powergrid Corporation of India Ltd.	7.65	5.39	5.63
1,42,87,689 (31 March 2016: 1,42,87,689) Shares of ₹ 10/- each fully paid in McNally Bharat Engineering Ltd (65,36,722 Shares out of 1,42,87,689 is pledged)	7,386.74	10,858.64	-
Unquoted at Cost			
Indian Subsidiary/Joint Ventures			
15,000 (31 March 2016:15,000, 1 April 2015:15,000)Shares of ₹ 100/- each fully paid in EMC Hardware Ltd.	15.00	15.00	15.00
50,000 (31 March 2016:50,000, 1 April 2015:50,000)Shares of ₹ 10/- each fully paid in EMC Logistics Ltd.	5.00	5.00	5.00
Nil (31 March 2016: 2,500, 31 March 2015:2,500) Shares of ₹ 10/- each fully paid in EMC Infrastructure Ltd.	-	0.25	0.25
50,000 (31 March 2016: 50,000, 31 March 2015: 50,000) Shares of ₹ 10/- each fully paid in EMC Forging Ltd.	5.00	5.00	5.00
1,30,00,000 (31 March 2016: 1,30,00,000, 31 March 2015: 1,30,00,000) Shares of ₹ 10/- each fully paid in EMC Tower Ltd.	1,300.00	1,300.00	1,300.00
50,000 (31 March 2016: 50,000, 31 March 2015: 50,000) Shares of ₹ 10/- each fully paid in EMC Solar Ltd.	5.00	5.00	5.00
50,000 (31 March 2016: 50,000, 31 March 2015: 50,000) Shares of ₹ 10/- each fully paid in EMC Academy Ltd.	5.00	5.00	5.00
15,00,000 (31 March 2016: 15,00,000, 31 March 2015:15,00,000) Shares of ₹ 10/- each fully paid-up in EMC Overseas Ltd.	150.00	150.00	150.00
6,00,000 (31 March 2016: 6,00,000, 31 March 2015:6,00,000) Shares of ₹ 10/- each fully paid-up in Quatro Rail Tech Solutions Ltd.	60.00	60.00	60.00
Investment in BCPL - EMC - JV	2.45	2.45	2.45
Foreign Subsidiary/Joint Ventures			
4,900 (31 March 2016: 4,900, 31 March 2015: 4,900) shares of ASC, Inc.	1,105.85	1,105.85	1,105.85
NIL (31 March 2016: 22,500, 31 March 2015: 22,500) Shares of Euro 1/- each CE Maschinenbau GmbH (formerly, MBE Colonge Engineering GmbH)	-	1,251.90	1,251.90
90% (31 March 2016: 70%, 31 March 2015: 70%) Quota of TecnoLines S.r.l.	3,047.19	2,901.55	2,901.55
1,850 (31 March 2016: 1850, 31 March 2015: 1850) shares of AED 1000/- each fully paid in EMC West Asia DMCC	304.00	304.00	304.00
1,000 (31 March 2016: 1000, 31 March 2015: 1000) shares of Singapore \$1/- each, subscribed in TecnoLines Singapore PTE Ltd.	0.49	0.49	0.49
87,500 (31 March 2016 : 87500) shares of OMR 1/- each fully paid up in EMC MBE Contracting Co. LLC	151.97	151.97	-
1,800 (31 March 2016 - 1800) Shares of SAR 1,000/- each, fully paid up in EMC Saudi LLC	324.99	324.99	-
51,000 (31 March 2016: 51,000, 31 March 2015: 51,000) shares of HK \$1/- each, subscribed in EMC East Asia Ltd.	4.06	4.06	4.06
Investment in Structured Entity			
36,013 Shares of ₹ 10/- each fully paid in McNally Sayaji Engineering Ltd	24.88	-	-
Total	13,905.27	18,456.54	7,121.18
i) Non-current	13,905.27	18,456.54	7,121.18
ii) Current	-	-	-
Aggregate cost price of quoted shares	14,291.18	14,291.18	3.49
Aggregate market value of quoted shares	7,394.38	10,864.04	5.63

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 7 TRADE RECEIVABLES			
Secured, considered good			
i) Non-Current	2,853.94	2,593.69	2,099.59
Sub Total	2,853.94	2,593.69	2,099.59
ii) Current	1,97,232.00	1,75,856.45	1,54,163.85
Less: Impairment loss/(Gain) on financial assets	(5,126.01)	(5,693.33)	(4,452.40)
Sub Total	1,92,105.99	1,70,163.12	1,49,711.45
Total	1,94,959.93	1,72,756.81	1,51,811.04

No trade receivables or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 90 to 150 days.

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 8 OTHER FINANCIAL ASSETS			
i) Non-Current			
Derivative Financial Asset			
Other bank balances*	3.62	3.62	3.18
Sub Total	3.62	3.62	3.18
ii) Current			
Derivative Financial Asset	-	51.94	20.68
Other bank balances*	14,984.82	13,406.77	9,615.29
Sub Total	14,984.82	13,458.71	9,635.97
Total	14,988.44	13,462.33	9,639.15
*Details of other balances with banks			
Earmarked Balances with Banks	3.62	3.62	3.18
Term Deposits with Bank	31.25	-	-
Margin money, guarantee and security with banks*	14,953.57	13,406.77	9,615.29
Total	14,988.44	13,410.39	9,618.47

*The margin money, guarantee and security with Banks includes deposits held as collateral security.

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 9 OTHER ASSETS			
i) Non-Current			
Advance Sales Tax	1,566.78	1,308.96	968.82
Prepaid Expenses	1,073.79	643.35	268.97
Security Deposits	1,259.16	1,059.64	810.66
Sub Total	3,899.73	3,011.95	2,048.45
ii) Current			
Advance to related parties	2,320.68	3,560.53	1,393.69
Advance to Employees	70.89	162.64	102.27
Advance to Statutory payment	76.73	111.83	506.25
Advance to Suppliers/Others	1,29,422.40	1,27,502.63	99,594.28
Prepaid Expenses and Other Deposits	5,115.99	3,002.12	2,231.08
Security Deposits	523.51	629.96	588.51
Sub Total	1,37,530.21	1,34,969.71	1,04,416.08
Total	1,41,429.94	1,37,981.66	1,06,464.53

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 10 DEFERRED TAX (ASSETS)/LIABILITIES (NET)			
Property, plant and equipment	2,071.87	1,750.27	1,612.90
Intangible Assets	9.09	6.42	6.36
Employee Benefit Obligation	7.07	33.33	13.38
Retention Money/Price Variation Receivable	18,613.34	11,413.71	-
Impairment loss/(gain) on financial assets	(1,774.01)	(1,970.35)	(1,513.37)
Total	18,927.36	11,233.38	119.27

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 11 INVENTORIES			
a) Raw Materials	275.12	455.43	968.59
b) Stores, Loose Tools and Spares includes goods in transit	1,465.38	1,149.61	1,155.12
c) Semi Finished Goods	324.83	739.50	1,206.57
d) Finished Goods	1,825.14	4,103.92	4,457.44
e) Construction work in Progress	7,127.33	7,002.98	6,004.74
f) Scrap	15.14	37.05	57.44
Total	11,032.94	13,488.49	13,849.90

Refer Significant accounting policy for method of valuation.

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 12 CASH AND CASH EQUIVALENTS			
Balances with banks			
i) Cash at Bank	15,284.88	13,744.28	9,848.42
ii) Cash in Hand	124.67	296.03	111.85
iii) Cheques in Hand	76.88	262.96	135.22
Less: Bank overdraft	-	-	-
Sub Total	15,486.43	14,303.27	10,095.50
Less: Balances with bank other than above	14,988.44	13,410.39	9,618.47
Total	497.99	892.88	477.02

Specified Bank Note Disclosure(SBNs)

In accordance with the MCA notification G.S.R.308E dated 30th March,2017 details of Specified Bank Note(SBN) and Other Denomination Notes(ODN) held and transacted during the period from 8th November,2016 to 30th December, 2016 is given below:

Particulars	SBNs	ODNs	TOTAL
Closing cash on hand as on November 8, 2016	232.49	104.76	337.24
(+) Non permitted receipts	-	-	-
(+) Permitted receipts	3.70	177.95	181.65
(-) Permitted payments	89.96	130.93	220.89
(-) Amounts Deposited in Banks	146.23	-	146.23
Closing cash on hand as on December 30, 2016	-	151.78	151.78

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 13 SHARE CAPITAL			
Equity Share Capital			
a) Authorised			
7,50,00,000 Nos of Equity shares of 10/- each	7,500.00	7,500.00	7,500.00
	7,500.00	7,500.00	7,500.00
b) Issued, Subscribed and Paid Up			
Equity Shares:			
4,83,35,000 Nos of shares of 10/- each fully paid up	4,833.50	4,700.00	3,700.00
(2015-2016: 4,70,00,000 Nos of shares of 10/- each fully paid up)			
(2014-2015: 3,70,00,000 Nos of shares of 10/- each fully paid up)			
Total	4,833.50	4,700.00	3,700.00
c) Reconciliation of number of equity shares are set out below:			
a) Shares outstanding at the beginning of the financial year	470.00	370.00	370.00
b) Issued during the year	13.35	100.00	-
c) Shares forfeited/brought back/cancelled during the year	-	-	-
d) Shares outstanding at the end of the financial year	483.35	470.00	370.00

d) Details of shareholders holding more than 5% of shares

Name of the Shareholders	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	% held	No. of Shares	% held	No. of Shares	% held	No. of Shares
i) MKN Investments Private Limited	21.38%	1,03,35,314	29.79%	1,40,00,314	10.81%	40,00,014
ii) YMS Finance Private Limited	12.50%	60,40,001	12.85%	60,40,001	16.32%	60,40,001
iii) Trinetra Electronics Limited	5.07%	24,48,528	5.21%	24,48,528	6.62%	24,48,528
iv) Tamkore Investments Private Limited	4.97%	24,00,000	5.11%	24,00,000	6.49%	24,00,000
v) Metalind Private Limited	5.90%	28,50,000	6.06%	28,50,000	7.70%	28,50,000
vi) Subhas Impex Private Limited	7.14%	34,53,252	7.35%	34,53,252	9.33%	34,53,252
vii) Mr. Vinod Dugar	9.35%	45,17,644	9.19%	43,18,624	11.67%	43,18,624
viii) Ms. Sheetal Dugar	9.16%	44,29,145	9.42%	44,29,145	11.97%	44,29,145

- e) The Company has a single class of Equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the company's residual assets.
- f) For the period of five years immediately preceding the date at which the balance sheet is prepared, the company has not :-
- Issued class of shares allotted as fully paid up by way of bonus shares; and
 - Bought back any shares.
- g) For the period of five years immediately preceding the date at which the balance sheet is prepared, the company has issued the following equity shares for consideration other than cash

Name of Allottee	Allotment Date	No. of Shares	Face Value	Amount including premium per share
MKN Investment Pvt Ltd.	30.03.2013	40,00,000	10.00	125.00
MKN Investment Pvt Ltd.	25.05.2015	1,00,00,000	10.00	125.00
MKN Investment Pvt Ltd.	30.03.2017	13,35,000	10.00	187.50
Total :		1,53,35,000		

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 14 OTHER EQUITY			
a) Share Application Money	-	-	12,500.00
Sub Total	-	-	12,500.00
b) Equity Component of debt Instrument			
Opening Balance	2,500.00		
Add: Addition during the Year	3.13	2,500.00	
Less: Issued during the year	(2,503.13)		
	-	2,500.00	-
This represents mandatorily convertible loan from MKN Investment Pvt Ltd. The company has computed the equity and debt component in accordance with IND AS 109 whereas the value of debt component is Nil.			
c) Capital Reserve			
Opening Balance	-	-	14.52
Less: Transferred to Retained Earnings	-	-	(14.52)
Sub Total	-	-	-
d) Securities Premium			
Opening Balance	18,800.00	7,300.00	7,300.00
Add: Additions during the year	2,369.63	11,500.00	-
Sub Total	21,169.63	18,800.00	7,300.00
e) Revaluation Reserve			
Opening Balance	-	-	27.50
Add: Received During the Year	10,036.51	-	-
Less: Transferred to Retained Earnings	-	-	(27.50)
Sub Total	10,036.51	-	-
f) Reserve for Investments at Fair Value through OCI			
Opening Balance	(3,427.14)	2.14	-
Add: Net fair value gain/(loss) on investments during the period	(3,469.66)	(3,429.28)	2.14
Sub Total	(6,896.80)	(3,427.14)	2.14
g) Retained Earnings			
Opening Balance	53,651.16	39,048.56	41,665.75
Add: Profit/(Loss) during the year	16,579.83	15,053.13	-
Add: Re-measurement of defined employee benefit plans through OCI	7.41	(6.55)	-
Add: Adjustment for earlier years	-	1.35	-
Less: Deferred Tax liability / (Assets) on Transition date	-	-	1,347.35
Less: Impairment loss on financial assets	-	-	(4,452.40)
Less: Final dividend	-	(370.00)	370.00
Less: Dividend Distribution Tax	-	(75.32)	75.32
Less: Transfer from Revaluation Reserve	-	-	27.50
Less: Transfer from Capital Reserve	-	-	14.52
Less: Transfer from Forfeiture reserve Account	-	-	0.51
Sub Total	70,238.40	53,651.17	39,048.55
h) Foreign currency translation reserve			
Opening Balance	-	-	-
Sub Total	-	-	-
i) Forfeiture reserve Account			
Opening Balance	-	-	0.51
Less: Transferred to Retained Earnings	-	-	(0.51)
Sub Total	-	-	-
Grand Total	94,547.74	71,524.03	58,850.69

(₹ in lacs)

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 15	BORROWINGS			
i) Non-Current Borrowings				
Secured Loan				
a)	Term Loan From Banks	2,231.20	4,047.92	2,936.22
b)	Term Loan From others	14,545.09	554.84	604.84
c)	Financial Lease Obligations	251.43	4.07	20.21
Unsecured Loan				
	Loans from Bank	1,664.00	3,332.00	-
	Loan from Others	4,666.67	24,724.64	21,000.00
Total non-current borrowings		23,358.39	32,663.47	24,561.27
ii) Current Borrowings				
	Cash Credit	77,001.53	76,900.90	60,522.14
	Current maturities of long term Borrowings	11,287.16	8,220.71	5,101.92
Total current borrowings		88,288.69	85,121.61	65,624.06
	Less : Amount clubbed under Other Financial Liability	11,287.16	8,220.71	5,101.92
Net Borrowings		1,00,359.91	1,09,564.37	85,083.41

Notes :

- 1) Term Loans from Punjab National Bank and Oriental Bank of Commerce are secured by way of creation of charge ranking Pari Passu on the movable and immovable assets of Solar Power Project. The loans are further secured by personal guarantees of some of the Directors of the Company.
- 2) Term Loans from Punjab National Bank & Oriental Bank of Commerce are repayable over 35 Quarterly Installments commencing from the quarter ending October 2012 and bears an Interest rate of 5 year MCLR + 2.95% from PNB & BR + 2.25% from OBC.
- 3) Loan from Govt. of West Bengal is secured by way of Pari Passu charge ranking next only to the charges in favour of financial institutions / Banks, on the fixed assets of the company, both present as well as future. The Loan is repayable in fourteen equal annual installments (excluding interest) starting from 31st March, 2013. The Loan carries interest of 8.75% p.a with a rebate of 2% p.a for timely repayment. Interest is paid as and when due.
- 4) Vehicle loans are secured by way of mortgage of vehicles. The loans are repayable by april 2021.
- 5) Term Loan from Karur Vysya Bank is secured by way of creation of Mortgage on the commercial space being purchased by the company. The loans are further secured by personal guarantees of some of the Directors of the Company. The loan is repayable in 19 quarterly instalments commencing from quarter ending March'16 and bears an interest rate of BR + 2.25%.
- 6) Unsecured Term Loan from banks (to the tune of ₹ 50 crores) was taken during the FY 15-16, its repayment started from the quarter ending June 2016-2017 and bears an interest rate of BR + 2.30%.
- 7) Secured Term Loan from others (to the tune of ₹ 200 crores) was taken during the FY 15-16, its repayment started from the quarter ending Sep 2016-2017 and bears an interest rate of BR + 3.00% . It is secured by way of pledge of shares of Mcnally Bharat Engineering Co. Ltd by EMC Ltd.
- 8) Unsecured Term Loan from others (to the tune of ₹ 100 crores) was taken during the FY 15- 16, its repayment started from the quarter ending June 2016-2017 and bears an interest rate of BR + 3.00%.
- 9) Working Capital Facilities are secured by way of :
 - i) Hypothecation on Pari Passu basis with the Working Capital Banks of the Company on the entire Stock in Trade, Book Debts and any other current assets of the company, both present and future excluding OBC's Share of charge in receivable and proceeds in bank account related to Solar Power Project at Naini, Allahabad.
 - ii) First charge on the entire immovable and movable Fixed Assets of the Company and equitable mortgage on Landed properties of the Company at Naini (Allahabad) excluding OBC's share on Solar Power equipments and equipment purchased through equipment Loan present and future.
 - iii) Personal guarantees of some of the Directors of the Company.

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 16 TRADE PAYABLES			
i) Non-Current	5,826.66	4,829.85	5,733.15
Sub Total	5,826.66	4,829.85	5,733.15
ii) Current	1,28,112.28	1,21,684.66	1,21,373.53
Sub Total	1,28,112.28	1,21,684.66	1,21,373.53
Grand Total	1,33,938.94	1,26,514.51	1,27,106.68

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 17 OTHER FINANCIAL LIABILITIES			
i) Non-Current			
Other Loans & advances	20,498.04	22,938.61	12,682.92
Sub Total	20,498.04	22,938.61	12,682.92
ii) Current			
Current maturities of long term borrowings	11,287.16	8,220.71	5,101.92
Other Loans & advances	15,037.67	13,134.57	6,329.62
Unpaid Dividend	3.61	3.61	3.17
Other Liabilities*	722.99	979.75	913.33
Sub Total	27,051.43	22,338.64	12,348.04
Total	47,549.47	45,277.25	25,030.96

* Other liabilities includes current account with subsidiaries and payables to employees.

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 18 PROVISIONS			
Provision for Excise duty on Closing Stock	195.10	169.23	229.39
Total	195.10	169.23	229.39

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 19 OTHER LIABILITIES			
Current Liabilities			
Interest payable	1,206.86	445.20	298.39
Statutory dues	1,364.93	4,382.35	1,062.03
Total	2,571.79	4,827.55	1,360.42

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 20 CURRENT TAX LIABILITY (NET)			
Income tax payable	114.08	37.92	6,219.15
Total	114.08	37.92	6,219.15

(₹ in lacs)

Particulars		31st March, 2017	31st March, 2016
NOTE 21	REVENUE FROM OPERATIONS		
	Sale of Products (Including Excise Duty)	4,20,210.15	3,74,010.88
	Sale of Services	42,793.22	38,947.54
	Other Operating Revenue	158.56	168.23
	Total	4,63,161.93	4,13,126.65

Particulars		31st March, 2017	31st March, 2016
NOTE 22	OTHER INCOME		
	Interest Income	1,235.48	1,150.43
	Miscellaneous Income	166.83	277.38
	Total	1,402.31	1,427.81

Particulars		31st March, 2017	31st March, 2016
NOTE 23	COST OF MATERIAL CONSUMED		
	Opening Stock	6,740.18	8,128.45
	Add:Purchased during the year	3,51,012.14	3,07,199.94
	Less:Closing Stock	8,867.83	6,740.18
	Total	3,48,884.49	3,08,588.20
	Details of materials consumed		
	Steels	3,764.69	5,149.92
	Aluminium	141.37	235.22
	Zinc	568.02	894.63
	Stores & Spares	408.90	482.62
	Erection & Concreting Material	6,269.57	4,111.12
	Project Purchase	3,37,704.54	2,97,667.20
	Other Materials	27.40	47.49
	Total	3,48,884.49	3,08,588.20

Particulars		31st March, 2017	31st March, 2016
NOTE 24	CHANGE IN INVENTORIES		
	Opening Stock		
	Finished Goods	4,103.92	4,457.44
	Semi-Finished Goods	739.50	1,206.57
	Scrap Material	37.05	57.44
	Sub Total	4,880.47	5,721.45
	Less: Closing Stock		
	Finished Goods	1,825.14	4,103.92
	Semi-Finished Goods	324.83	739.50
	Scrap Material	15.14	37.05
	Sub Total	2,165.11	4,880.47
	INCREASE(-)/DECREASE(+)	2,715.36	840.98

Particulars		31st March, 2017	31st March, 2016
NOTE 25	MANUFACTURING AND PROCESSING COSTS		
		INR	INR
	Processing / Job Charges	26,980.35	28,588.63
	Freight,Carriage & Transport	5,412.05	3,503.38
	Power & Fuel	342.98	392.86
	Rent	762.72	723.72
	Insurance	818.70	853.76
	Total	34,316.80	34,062.35

(₹ in lacs)

Particulars		31st March, 2017	31st March, 2016
NOTE 26	EMPLOYEE BENEFIT EXPENSES		
	Salaries,Wages & Bonus	7,744.85	7,255.77
	Contribution to Provident and other Funds	278.01	273.29
	Workmen & Staff welfare Expenses	242.45	143.67
	Total	8,265.31	7,672.73

Particulars		31st March, 2017	31st March, 2016
NOTE 27	FINANCE COST		
	Interest on Borrowings	15,659.56	14,294.92
	Interest on finance lease obligations	31.58	3.54
	Interest to Others*	5,628.36	4,266.73
	Total	21,319.50	18,565.19

* Interest to others includes interest on other advances

Particulars		31st March, 2017	31st March, 2016
NOTE 28	DEPRECIATION AND AMORTISATION EXPENSES		
	Depreciation on Property,plant and equipments	1,720.30	1,746.81
	Amortisation of intangible assets	10.53	8.70
	Total	1,730.83	1,755.51

Particulars		31st March, 2017	31st March, 2016
NOTE 29	OTHER EXPENSES		
Repairs & Renewals:			
	Plant & Machinery	19.99	40.47
	Building	22.81	7.64
	Others	81.40	67.30
	Hire Charges	641.63	718.51
	Travelling & Conveyance	508.22	483.25
Auditors Remuneration:			
	Statutory Audit Fees	25.00	25.00
	Internal Audit Fees	2.25	2.02
	Tax Audit	0.50	0.50
	Custom Duty	6.25	64.09
	Excise Duty	867.46	1,187.31
	Rates & Taxes	1,988.51	1,180.45
	Communication Expenses	128.21	163.86
	Bank Commission and Charges	15,613.01	13,151.75
	Translation Loss	110.35	(139.60)
	Loss on Contract Performance	39.41	16.77
	Impairment loss/(gain) on financial assets	(567.32)	1,240.93
	Miscellaneous Expenses (A)	2,544.05	1,905.51
	Total	22,031.73	20,115.76
(A) Miscellaneous Expenses			
	Legal Charges, Listing & Filing Fees	127.76	120.97
	Sales Promotion & Advertisement Expenses	58.69	62.22
	Testing Charges	93.56	95.00
	Computer/R&D Charges	28.59	21.58
	Entertainment Expenses	28.48	27.51
	General Charges	86.81	93.30
	Office Up-Keep	97.73	73.42

(₹ in lacs)

Particulars		31st March, 2017	31st March, 2016
NOTE 29	OTHER EXPENSES (Contd.)		
	Printing & Stationery	73.38	64.29
	Subscription & Donation	6.77	5.23
	Professional fees & Service Charges	1,800.35	1,173.85
	Motor Car Expenses	5.39	5.62
	Mobilisation Expenses	56.36	99.86
	Tender Fees	19.90	20.99
	Others	41.94	24.48
	Rebate	14.15	15.40
	Recruitment Expenses	4.19	1.79
	Total	2,544.05	1,905.51

NOTE 30 INCOME TAX EXPENSES

This note provides an analysis of the company's tax expenses, show amounts that are recognised directly in equity and how the tax expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax position.

Particulars		31st March, 2017	31st March, 2016
a)	Income Tax Expenses		
	Current Tax :		
	Current Tax on profits for the year	1,236.68	1,376.79
	Total Current Tax Expenses	1,236.68	1,376.79
	Deferred Tax :		
	Decrease/(Increase) in deferred tax assets	(35.48)	23.42
	(Decrease)/Increase in deferred tax liabilities	7,519.23	11,094.16
	Adjustments for deferred tax of prior periods		(4,593.72)
	Total Deferred tax expenses/(benefits)	7,483.75	6,523.86
	Total Income Tax Expenses	8,720.43	7,900.65
	Income Tax Expenses is attributable to :		
	Current Tax	1,236.68	1,376.79
	Deferred Tax	7,483.75	6,523.86
	Total	8,720.43	7,900.65
b)	Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate :		
	Profit from continuing operations before income tax expenses	25,300.22	22,953.74
	Tax at the Indian tax rate of 34.608% (2015-16: 34.608%)	8,755.91	7,943.84
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
	Depreciation	(123.26)	(107.93)
	Retention Money/Price Variation	(7,199.63)	(6,733.17)
	Remeasurement of Employee Benefit Obligation	-	(3.47)
	Adjustments for current tax of prior periods	-	(67.10)
	Tax losses for which no deferred income tax was recognised	-	-
	Unrecognised tax losses recouped to reduce current tax expenses	-	(84.85)
	Impairment losses used to reduce deferred tax expenses	(196.34)	429.46
	Tax Expenses	1,236.68	1,376.79

(₹ in lacs)

Particulars	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015
	Through PL	Through OCI	Through PL	Through OCI	Transition
NOTE 31 MOVEMENT IN DEFERRED TAX ASSET / LIABILITY					
Property, Plant and Equipment	120.59	201.01	137.37	-	1,612.90
Intangible Assets	2.67	-	0.06	-	6.36
Employee benefit obligation	(35.48)	9.22	23.42	(3.47)	13.38
Retention Money/Price Variation Receivable#	7,199.63	-	6,819.99	-	-
Impairment loss/(gain) on financial assets	196.34	-	(456.98)	-	(1,513.37)
Impact	7,483.75	210.23	6,523.86	(3.47)	119.27

Note : This excludes deferred tax amounting to ₹ in lacs 4,593.72 created in the Financial year 2015-16 on account of earlier year adjustments.

(All amounts in ₹ in Lacs, unless otherwise stated)

NOTE 32 FAIR VALUE MEASUREMENTS

i) Financial instruments by category:

Particulars	31st March, 2017			31st March, 2016			1st April, 2015		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investments:									
Equity instruments (*)	-	7,394.38	6,510.89	-	10,864.04	7,592.51	-	5.63	7,115.55
Trade receivables	-	-	1,94,959.93	-	-	1,72,756.81	-	-	1,51,811.04
Cash and cash equivalents	-	-	15,486.43	-	-	14,303.27	-	-	10,095.50
Other bank balances	-	-	14,984.82	-	-	13,458.71	-	-	9,635.97
Derivative financial assets	-	-	-	51.94	-	-	20.68	-	-
Total financial assets	-	7,394.38	2,31,942.08	51.94	10,864.04	2,08,111.29	20.68	5.63	1,78,658.05
Financial liabilities									
Borrowings	-	-	1,00,359.91	-	-	1,09,564.37	-	-	85,083.41
Trade payables	-	-	1,33,938.94	-	-	1,26,514.51	-	-	1,27,106.68
Other financial liabilities	-	-	47,549.47	-	-	45,277.25	-	-	25,030.96
Total financial liabilities	-	-	2,81,848.33	-	-	2,81,356.12	-	-	2,37,221.05

* Includes investments in subsidiaries accounted as per cost model as prescribed under paragraph 10 of Ind AS 27 "Separate Financial Statements".

ii) Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- recognised and measured at fair value, and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Ind AS 113 "Fair Value Measurements". An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements at March 31, 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	7,394.38	-	-	7,394.38
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Total	7,394.38	-	-	7,394.38

(₹ in lacs)

Financial assets and liabilities measured at fair value - recurring fair value measurements At March31, 2016	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	10,864.04	-	-	10,864.04
Derivatives				
Foreign exchange forward contracts	-	51.94	-	51.94
Total	10,864.04	51.94	-	10,915.98

Financial assets and liabilities measured at fair value - recurring fair value measurements At March31, 2015	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	5.63	-	-	5.63
Derivatives				
Foreign exchange forward contracts	-	20.68	-	20.68
Total	5.63	20.68	-	26.31

Level 1:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments(including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2:

Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3:

If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

 iii) **Valuation technique used to determine fair value**

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above tables:

- 1) Derivative instruments: The company enters into foreign currency forward contracts with banks with investment grade credit ratings. These are valued using the forward pricing valuation technique, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships.
- iv) As per Ind AS 107 "Financial Instrument:Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:-
 - 1) Trade receivables
 - 2) Cash and cash Equivalent
 - 3) Other Bank Balances
 - 4) Interest Accrued On Deposits
 - 5) Borrowings
 - 6) Trade payables
 - 7) Capital creditors
 - 8) Other payables

NOTE 33 FINANCIAL RISK MANAGEMENT

The company's few portion of activities are exposed to variety of financial risks i.e. market risk, credit risk and liquidity risk.

a) Market Risk

The company operates globally and a portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales and services outside India, and purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the company's operations are affected positively/ adversely as the rupee appreciates/ depreciates against these currencies. The company evaluates exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposures as and when required.

aa) **The company's exposure to foreign currency risk as on March 31, 2017 expressed in ₹ in lacs, is as follows:**

Particulars	31st March, 2017		
	USD	Other currencies	Total
Financial assets			
Cash and cash equivalents	19.64	244.10	263.74
Trade receivables	14,233.50	-	14,233.50
Other Assets	1,289.21	1,793.13	3,082.34
Financial liabilities			
Trade payables	1,249.05	-	1,249.05
Employee benefit obligations	-	-	-
Other liabilities	21,531.90	1,602.04	23,133.94
Net assets/ (liabilities)	(7,238.62)	435.20	(6,803.42)

ab) **The company's exposure to foreign currency risk as on March 31, 2016 expressed in ₹ in lacs, is as follows:**

Particulars	31st March, 2016		
	USD	Other currencies	Total
Financial assets			
Cash and cash equivalents	-	-	-
Trade receivables	12,887.27	-	12,887.27
Other Assets	55.76	2,623.91	2,679.67
Financial liabilities			
Trade payables	7,706.24	-	7,706.24
Employee benefit obligations	-	-	-
Other liabilities	2,981.95	1,673.16	4,655.11
Net assets/ (liabilities)	2,254.84	950.75	3,205.59

ac) **The company's exposure to foreign currency risk as on April 1, 2015 expressed in ₹ in lacs, is as follows:**

Particulars	1st April, 2015		
	USD	Other currencies	Total
Financial assets			
Cash and cash equivalents	-	-	-
Trade receivables	20,249.93	-	20,249.93
Other Assets	0.83	999.81	1,000.64
Financial liabilities			
Trade payables	18,201.11	-	18,201.11
Employee benefit obligations	-	-	-
Other liabilities	-	-	-
Net assets/ (liabilities)	2,049.66	999.81	3,049.47

(₹ in lacs)

ad) Derivative financial Instruments

The company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observation in the marketplace.

The following table gives details in respect of outstanding foreign exchange contracts:

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	FC in lacs	₹ in lacs	FC in lacs	₹ in lacs	FC in lacs	₹ in lacs
Derivatives Forward Contracts						
Forward contracts						
In USD	-	-	25.30	1726.38	25.30	1597.96
Total forwards	-	-	25.30	1,726.38	25.30	1,597.96

The foreign exchange forward contracts mature within twelve months. The table below analyzes the derivative financial into relevant maturity groupings based on the remaining period of the balance sheet date:

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Not later than one month	-	-	-
Later than one month and later than three months	-	1,726.38	778.28
Later than three months and not later than one year	-	-	819.68

ae) Sensitivity- Interest rate risk exposure

Profit or loss sensitive to higher/ lower of interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on profit after tax (*)	
	31st March, 2017	31st March, 2016
Interest rates-increase by 50 basis points (50bps)	-0.12%	-0.20%
Interest rates-decrease by 50 basis points (50bps)	0.12%	0.20%

*holding all other variables constant

b) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess impairment loss or gain. the company uses a matrix to compute the expected credit loss allowance for trade receivable.

bb) **The allowance for life time expected credit loss on customer balances for the year ended March 31, 2017 and March 31, 2016 was ₹ 5,126.01 lakhs and ₹ 5,693.33 lakhs respectively. The movement of allowance for bad and doubtful debt is as below :**

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	5,693.33	4,452.40
Translation differences	-	-
Allowance for doubtful debt	(567.32)	1,240.93
Write offs	-	-
Balance at the end of the year	5,126.01	5,693.33

The company's credit period generally ranges from 120-150 days

Particulars	31st March, 2017	31st March, 2016
Trade receivables	1,94,959.93	1,72,756.81
Days sales outstanding - DSO (Days)	154 days	155 days

bc) **Credit risk on cash and cash equivalents is limited as the company generally invites in deposits with banks and financial institutions with high credit ratings assigned be international and domestic credit rating agencies.**

NOTE 34 CAPITAL MANAGEMENT
a) Risk management

The company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by total Equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of reporting period was as follows:

(₹ in lacs)

Particulars	31st March, 2017	31st March, 2016	1st April 2015
Net Debt	84,873.48	95,261.10	74,987.91
Total Equity	99,381.24	76,224.03	62,550.69
Net debt to Equity Ratio	0.85	1.25	1.20

b) Dividends

Particulars	31st March, 2017	31st March, 2016
(i) Equity shares		
Final dividend for the year ended 31.03.2017 of ₹ NIL (31.03.2016 ₹ NIL) per fully paid share	-	-
Interim dividend for the year ended 31.03.2017 of ₹ NIL (31.03.2016 ₹ Nil) per fully paid share	-	-
(ii) Dividends not recognised at the end of the reporting period	-	-
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of ₹ NIL per fully paid equity share (31.03.2016 ₹ NIL). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-

Particulars	31st March, 2017	31st March, 2016
NOTE 35 EARNINGS PER SHARE (EPS)		
i) Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (₹ In Lacs)	16,579.79	15,053.09
ii) Weighted Average number of equity shares used as denominator for calculating EPS	4,70,00,000	4,54,93,151
iii) Basic and Diluted Earnings per share (₹)	35.28	33.09
iv) Face Value per Equity Share (₹)	10.00	10.00

Particulars	31st March, 2017	31st March, 2016
NOTE 36 FOREIGN EXCHANGE		
EARNINGS IN FOREIGN EXCHANGE		
FOB Value of Exports	16,746.83	22,202.76
EXPENDITURE IN FOREIGN CURRENCY		
Imported Material	14,440.59	21,876.10
Tour Expenses	75.51	75.91
Others	1,034.99	197.30
	15,551.09	22,149.31

Particulars	31st March, 2017	31st March, 2016
NOTE 37.1 CONTINGENT LIABILITIES		
i) Guarantees given by Company's Bankers on behalf of the Company.	2,26,557.28	1,91,019.46
ii) Claims against the Company not acknowledged as debts:		
a) Sales Tax	1,178.87	1,439.76
b) Service Tax	328.64	333.08
iii) Corporate Guarantees given by Company	5,273.18	11,603.78

However as per management perception, the above liabilities will not devolve upon the company in future.

(₹ in lacs)

Particulars		31st March, 2017	31st March, 2016
NOTE 37.2	CAPITAL COMMITMENTS		
Estimated value of contracts in capital account remaining to be executed		571.12	700.05

Particulars		31st March, 2017	31st March, 2016
NOTE 38	SEGEMENT REPORTING AS PER IND AS 108		
Segment Revenue:			
Project Construction Division		4,38,282.28	3,79,561.39
Tower Manufacturing Division		8,914.89	9,863.17
Aluminium Extrusion, Forging & Conductor Division		489.70	696.98
Solar Power Division		871.69	937.80
Others		14,603.36	22,067.32
Segment Total		4,63,161.93	4,13,126.65
Segment Results:			
Project Construction Division		47,454.49	43,133.31
Tower Manufacturing Division		130.86	396.20
Aluminium Extrusion, Forging & Conductor Division		1.38	5.69
Solar Power Division		540.85	603.04
Segment Total		48,127.58	44,138.24
Unallocated income over expenses		(1,507.86)	(1,387.95)
Profit Before Interest & Tax		46,619.72	42,750.29
Interest		21,319.50	18,565.18
Provision for Current Year Tax		8,720.43	8,218.03
Profit after Current Year Tax		16,579.79	15,967.09

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 38	SEGEMENT REPORTING AS PER IND AS 108 (Contd.)			
Segment Assets & Liabilities:		Assets		
Segment Assets				
Project Construction Division		3,31,214.03	3,03,437.24	2,58,883.75
Tower Manufacturing Division		21,500.95	23,396.21	17,078.44
Aluminium Extrusion, Forging & Conductor Division		10,365.25	738.80	1,170.70
Solar Power Division		6,231.06	6,205.50	6,852.25
Unallocated Assets & Liabilities		33,726.61	40,070.47	23,714.84
Total		4,03,037.90	3,73,848.22	3,07,699.98
		Liabilities		
Segment Liabilities				
Project Construction Division		1,69,611.17	1,69,094.77	1,45,441.91
Tower Manufacturing Division		1,338.13	1,241.07	756.38
Aluminium Extrusion, Forging & Conductor Division		85.38	186.87	146.75
Solar Power Division		-	-	3.56
Unallocated Assets & Liabilities		77,728.12	74,500.82	62,500.68
Total		2,48,762.80	2,45,023.53	2,08,849.28

NOTE 39 RELATED PARTY DISCLOSURE AS PER IND AS 24

Name	Relation	Particulars	Net Transaction During the year	Balance as on 31st March, 2017
EMC Hardware Ltd	100% Subsidiary	Investment	-	15.00
		Advance	0.33	4.76
		Interest	0.32	-
EMC Tower Ltd	100% Subsidiary	Investment	-	1,300.00
		Advance	43.74	744.86
		Interest	54.75	-
EMC Solar Ltd.	100% Subsidiary	Investment	-	5.00
		Advance	0.25	(1.94)
		Interest	(0.15)	-
EMC Forging Ltd.	100% Subsidiary	Investment	-	5.00
		Advance	0.33	(1.58)
		Interest	(0.13)	-
EMC Logistic Ltd.	100% Subsidiary	Investment	-	5.00
		Advance	0.23	(1.93)
		Interest	(0.15)	-
EMC Overseas Ltd.	100% Subsidiary	Investment	-	150.00
		Advance	1.18	(141.30)
		Interest	(10.09)	-
EMC Academy Ltd.	100% Subsidiary	Investment	-	5.00
		Advance	2.12	123.58
		Interest	8.70	-
ASC, Inc. (Formerly, Advanced Steel & Crane Inc.)	100% Subsidiary	Investment	-	1,105.85
Tecnolines S.r.l	90% Subsidiary	Investment	145.64	3,047.19
		Advance	36.37	526.26
EMC West Asia DMCC	100% Subsidiary	Investment	-	303.99
		Advance	406.82	626.06
		Interest	52.23	-
BCPL - EMC Joint Venture	Joint Venture	Investment	-	2.45
		Sales	351.91	382.90
		Advance	-	-
EMC - BCPL Joint Venture	Joint Venture	Investment	-	-
		Sales	558.05	182.33
		Advance	-	-
EMC - BCPL Joint Venture Subir	Joint Venture	Investment	-	-
		Sales	761.34	85.72
		Advance	-	-
Quatro Rail Tech Solutions Ltd. (Formerly, Quatro Rail Tech Solutions Pvt. Ltd)	60% Subsidiary	Investment	-	60.00
		Advance	150.00	282.38
		Interest	16.61	-
EMC MBE Contracting Co. LLC	Joint Venture	Investment	-	151.97
		Advance	(18,810.55)	(18,810.55)
EMC Saudi LLC	60 % Subsidiary	Investment	-	324.99
Fedders - EMC - Quatro JV	Joint Venture	Sales	429.63	(666.65)
		Advance	-	-

(₹ in lacs)

Name	Relation	Particulars	Net Transaction During the year	Balance as on 31st March, 2017
EMC East Asia Ltd	100% Subsidiary	Investment	-	4.06
		Advance	2,658.89	12.42
Tecnolines Singapore PTE Ltd.	100% Subsidiary	Investment	-	0.49
		Advance	(0.01)	0.38
		Interest	0.02	-
Mr. Manoj Toshniwal	Key Managerial Personnel	Salary	130.32	-
Mr. Ramesh Chandra Bardia	Key Managerial Personnel	Salary	130.32	-
Mr. Nikunj Toshniwal	Relative of Key Managerial Personnel	Salary	34.20	-
Mr. Keshav Toshniwal	Relative of Key Managerial Personnel	Salary	3.98	-
Mr. Siddhartha Bardia	Relative of Key Managerial Personnel	Salary	17.02	-

* Figures in Brackets indicate amounts payable to related parties.

Particulars	As at 31st March, 2017	As at 31st March, 2016
NOTE 40 FINANCIAL HEDGING INSTRUMENTS		
For hedging Currency Related Risks		
i) Forward Contracts - Outstanding Nominal Value	Nil	1,726.38

NOTE 41 AS PER IND AS 19 "EMPLOYEE BENEFITS", THE DISCLOSURES AS DEFINED IN THE ACCOUNTING STANDARD ARE GIVEN BELOW:

Defined Benefit Plan

The employees' gratuity fund scheme managed by a trust is a defined benefit plan. The Present Value of obligations is determined based on actuarial valuation using the Projected Unit Cost Method.

	2016-17	2015-16
1) Change in Defined Benefit Obligation :		
Defined Benefit Obligation at the beginning of the year	348.83	328.81
Interest Cost	27.35	25.58
Current Service Cost	44.63	43.88
Benefits Paid	(42.84)	(59.00)
Actuarial Gain / (Loss) on Obligation	(18.30)	9.56
Present Value of obligation as at the end of the year	359.67	348.83
2) Change in Fair Value of the Asset		
Fair Value of the plan assets at the beginning of the year	252.52	289.45
Investment Income	19.80	22.52
Contributions	111.44	
Benefits paid	(42.84)	(59.00)
Return on plan assets, excluding amount recognised in Net Interest Expenses	(1.67)	(0.45)
Fair Value of Plan assets at the end of the year	339.25	252.52
3) Net Asset/(Liability) recognised in the Balance Sheet		
Fair Value of the Plan Assets	339.25	252.52
Present Value of the obligation as at the end of the year	359.67	348.83
Amount recognized in Balance Sheet	(20.42)	(96.31)

(₹ in lacs)

	2016-17	2015-16
4) Expenses recognised in the Income Statement (under the head contribution to provident fund and other funds)		
Current Service Cost	44.63	43.88
Net Interest Income/(cost) on the Net Defined Benefit liability	7.55	3.06
Expenses recognised in the statement of Profit and Loss	52.18	46.94
5) Other Comprehensive Income		
Expected Return from Plan Asset	1.67	9.56
Net Actuarial Gain/(Loss) recognized in the year	(18.30)	0.45
Components of defined benefit costs recognised in Other Comprehensive income	(16.63)	10.01

Particulars	31st March, 2017	31st March, 2016	31st March, 2015
NOTE 41.1 THE KEY ASSUMPTIONS USED IN THE CALCULATIONS ARE AS FOLLOWS :			
Discount Rate	7.34% p.a.	7.84% p.a.	7.78% p.a.
Rate of increase in salaries	6.00% p.a.	6.00% p.a.	6.00% p.a.
Mortality	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate
Attrition Rate	2.00% p.a.	2.00% p.a.	2.00% p.a.

Particulars	As on 31st March, 2017		As on 31st March, 2016	
	Decrease	Increase	Decrease	Increase
NOTE 41.2 SENSITIVITY ANALYSIS				
Discount Rate (-/+ 1%)	390.71	333.18	376.22	325.38
% change compared to base due to sensitivity	8.63%	-7.36%	7.85%	-6.72%
Salary Growth (-/+1%)	333.85	389.37	326.02	374.87
% change compared to base due to sensitivity	-7.18%	8.26%	-6.54%	7.46%
Attrition Rate (-/+1%)	356.62	362.26	344.86	352.23
% change compared to base due to sensitivity	-0.85%	0.72%	-1.14%	0.97%
Mortality Rate (-/+1%)	358.90	360.43	347.90	349.75
% change compared to base due to sensitivity	-0.21%	0.21%	-0.27%	0.26%

NOTE 41.3 DESCRIPTION OF RISK EXPOSURES

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk : This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk : The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk : Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act , 1972(as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

(₹ in lacs)

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 42	ASSETS PROVIDED AS SECURITY	₹ in Lacs	₹ in Lacs	₹ in Lacs
Current Assets				
Financial Assets				
	Trade Receivables	1,92,105.99	1,70,163.12	1,49,711.45
	Other Financial Assets	1,29,422.40	1,27,502.63	99,594.28
Non Financial Assets				
	Inventories	11,032.94	13,488.48	13,849.90
	Total Current assets provided as security	3,32,561.33	3,11,154.22	2,63,155.63
Non Current assets				
	Property, Plant and Equipment	26,164.35	16,736.21	18,229.72
	Intangible Assets	59.04	51.31	44.62
	Investment	3,379.49	1,292.00	-
	Total Non - Current assets provided as security	29,602.88	18,079.52	18,274.34
	Total Assets provided as Security	3,62,164.21	3,29,233.74	2,81,429.97

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 43	THE OBLIGATIONS ON LONG TERM , NON-CANCELLABLE FINANCE LEASES PAYABLE AS PER THE RESPECTIVE AGREEMENTS ARE AS FOLLOWS :			
	Future minimum lease payable			
	Not Later than 1 year	71.29	16.14	14.20
	Later than 1 year and not later than 5 years	251.43	4.07	20.21
	Later than 5 year	-	-	-
		322.72	20.21	34.41

Particulars		Revaluation of	
		Land	Building
NOTE 44	REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		
	Effective date of the revaluation	31st March, 2017	31st March, 2017
	Revaluation by	United Surveyors & Valuers	United Surveyors & Valuers
	Carring amount before revaluation	34,50,280	3,39,86,212
	Revaluation Amount	96,56,69,720	5,80,82,788
	Carring amount after revaluation	96,91,20,000	9,20,69,000
	Depreciation	-	-
	Fair value Hierarchy	II	II
	Valuation techniques	Sales Comparison market approach	Sales Comparison market approach

NOTE 45 FIRST TIME ADOPTION OF IND AS

The accounting policy set out in Note 2 have been applied in preparing the financial statements for the year ended 31st March 2017, the comparative information presented in these financial statements for the year ended 31st March 2016 and in the preparation of an opening Ind AS Balance sheet at 01st Apr 2015(transition date).In preparaing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP).An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial postion, financial performance and cash flows is set out in the following tables and notes.

A) Exemption Availed
1) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant & Equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly the company has elected to measure all of its Property, Plant & Equipment, Intangible assets at their previous GAAP carrying value.

2) Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The company has elected to apply this exemption for its investment in equity investments.

B) Exceptions Followed
a) Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI; and
- Impairment loss/gain on Financial assets.

b) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C) Transition to Ind AS -Reconciliation

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

- I. Reconciliation of Balance sheet as at April 1, 2015 and March 31, 2016
- II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016
- III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliations of Balance Sheet as at April 1, 2015 and March 31, 2016
(a) Reconciliations of Balance Sheet as at April 1, 2015

(₹ in Lacs)

Particulars	Note No.	As at	Adjustments	As at
		1st April, 2015 (Previous GAAP)		1st April, 2015 (Ind AS)
I. ASSETS				
1. Non-current assets				
a. Property, Plant and Equipments		18,229.72	-	18,229.72
b. Capital work-in-progress		62.82	-	62.82
c. Intangible Assets		44.63	-	44.62
d. Financial Assets				
(i) Trade Receivables		2,099.59	-	2,099.59
(ii) Investments	1	7,119.04	2.14	7,121.18
(iii) Other Financial assets		3.18	-	3.18
e. Other non-current asset		2,048.45	-	2,048.45
f. Deferred tax assets (net)		-	-	-
2. Current assets				
a. Inventories		13,849.90	-	13,849.90
b. Financial Assets				
(i) Current investments		-	-	-
(ii) Trade Receivables	3	1,54,163.85	(4,452.40)	1,49,711.45
(iii) Cash & Bank balances		477.02	-	477.02
(iv) Other financial Assets		9,635.97	-	9,635.97
c. Other assets		1,04,416.08	-	1,04,416.08
Total		3,12,150.24	(4,450.26)	3,07,699.98
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital		3,700.00	-	3,700.00
b. Other Equity	6	61,508.28	(2,657.58)	58,850.69
2. Non-current liabilities				
a. Financial Liabilities				
(i) Borrowings		24,561.27	-	24,561.27
(ii) Trade payables		5,733.15	-	5,733.15
(iii) Other Financial Liabilities		12,682.92	-	12,682.92
b. Provisions		-	-	-
c. Deferred Tax Liabilities (net)	2	1,466.62	(1,347.35)	119.27
d. Other Non-current Liabilities		-	-	-
3. Current liabilities				
a. Financial Liabilities				
(i) Borrowings		60,522.14	-	60,522.14
(ii) Trade payables		1,21,373.53	-	1,21,373.53
(iii) Other Financial Liabilities		12,348.04	-	12,348.04
b. Provisions	4	674.71	(445.32)	229.39
c. Other Liabilities		1,360.42	-	1,360.42
d. Current Tax Liability (Net)		6,219.15	-	6,219.15
Total		3,12,150.24	(4,450.26)	3,07,699.98

(b) Reconciliations of Balance Sheet as at March 31, 2016

(₹ in Lacs)

Particulars	Note No.	As at	Adjustments	As at
		31st March, 2016 (Previous GAAP)		31st March, 2016 (Ind AS)
I. ASSETS				
1. Non-current assets				
a. Property, Plant and Equipments		16,736.22	-	16,736.22
b. Capital work-in-progress		22.00	-	22.00
c. Intangible Assets		51.31	-	51.31
d. Financial Assets				
(i) Trade Receivables		2,593.69	-	2,593.69
(ii) Investments	1	21,883.68	(3,427.14)	18,456.54
(iii) Other Financial assets		3.62	-	3.62
e. Other non-current asset		3,011.95	-	3,011.95
f. Deferred tax assets (net)				
2. Current assets				
a. Inventories		13,488.49	-	13,488.49
b. Financial Assets				
(i) Current investments		-	-	-
(ii) Trade Receivables	3	1,75,856.45	(5,693.33)	1,70,163.12
(iii) Cash & Bank balances		892.88	-	892.88
(iv) Other financial Assets		13,458.71	-	13,458.71
c. Other assets		1,34,969.71	-	1,34,969.71
Total		3,82,968.71	(9,120.47)	3,73,848.24
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital		4,700.00	-	4,700.00
b. Other Equity	6	76,193.46	(4,669.43)	71,524.03
2. Non-current liabilities				
a. Financial Liabilities				-
(i) Borrowings		32,663.47	-	32,663.47
(ii) Trade payables		4,829.85	-	4,829.85
(iii) Other Financial Liabilities		22,938.61	-	22,938.61
b. Provisions		-	-	-
c. Deferred Tax Liabilities (net)	2	12,901.58	(1,668.20)	11,233.38
d. Other Non-current Liabilities		-	-	-
3. Current liabilities				-
a. Financial Liabilities				
(i) Borrowings		76,900.90	-	76,900.90
(ii) Trade payables		1,21,684.66	-	1,21,684.66
(iii) Other Financial Liabilities	11	24,838.64	(2,500.00)	22,338.64
b. Provisions	4	489.99	(282.84)	207.15
c. Other Current Liabilities		4,827.55	-	4,827.55
Total Equity and Liabilities		3,82,968.71	(9,120.47)	3,73,848.24

II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

(₹ in Lacs)

Particulars	Note No.	31st March, 2016	Adjustments	31st March, 2016
		(Previous GAAP)		(Ind AS)
Income				
I. Revenue from Operations	9	4,12,108.58	1,018.08	4,13,126.65
II. Other Incomes		1,427.81	-	1,427.81
Total Income		4,13,536.39	1,018.08	4,14,554.46
III. Expenses				
(a) Cost of Raw Materials Consumed		3,08,588.20	-	3,08,588.20
(b) Change in Inventory (Increase) /decrease		840.99	-	840.98
(c) Manufacturing and Processing Costs		34,062.35	-	34,062.35
(d) Employee Benefit Expenses	5	7,682.75	(10.01)	7,672.73
(e) Finance cost		18,565.18	-	18,565.19
(f) Depreciation and Amortization expenses	10	1,755.09	0.43	1,755.51
(g) Other Expenses	9, 3	17,856.71	2,259.01	20,115.76
Total expenses		3,89,351.26	2,249.43	3,91,600.71
IV. Profit Before exceptional and tax		24,185.13	(1,231.35)	22,953.75
Exceptional items		-	-	-
V. Profit before Taxes		24,185.13	(1,231.35)	22,953.75
VI. Provision for Taxes				
(a) Current Tax		1,376.79	-	1,376.79
(b) Deferred Tax	2	6,841.24	(317.39)	6,523.86
VII. Profit (Loss) for the Year		15,967.10	(913.96)	15,053.09
VIII. Other Comprehensive Income				
(i) Items that will not be reclassified subsequently to profit or loss :	7			
(a) Changes in investments in equity shares carried at FVTOCI		-	(3,429.28)	(3,429.28)
(b) Re-measurement of defined employee benefit plans		-	(10.01)	(10.01)
(c) Income tax effect		-	3.47	3.47
IX. Total Other comprehensive Income after tax		-	(3,435.83)	(3,435.83)
X. Total comprehensive income for the period		15,967.10	(4,349.79)	11,617.29

III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016

(₹ in Lacs)

Particulars	Refer Notes below	As at 31st March, 2016	As at 1st April, 2015
Total equity as per previous GAAP		80,893.45	65,208.28
Deferred taxes under balance sheet approach	2	1,668.20	1,347.35
Reserves for equity instruments through OCI	1	(3,427.14)	2.14
Revaluation Surplus of Plant, Property and Equipment	10	-	-
Reversal of Proposed Dividend with distribution tax on it	4	283	445
Impairment Losses on Financial Assets	3	(5,693)	(4,452)
Recognition of equity component of debt instrument	11	2,500	-
Total equity as per Ind AS		76,224.02	62,550.70

Notes to first time adoption**1) Fair Valuation of Investments**

Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are required to be measured at fair value either through OCI (FVTOCI). The company has opted to fair value these investments through other comprehensive income (FVTOCI). Accordingly, resulting fair value change of these investments have been recognised in retained earnings as at the date of transition and subsequently in the other comprehensive income for the year ended March 31, 2016.

2) Deferred Taxes

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base. The Deferred tax impact has been recognised in retained earnings on the date of transition and subsequent adjustments in statement of profit and loss.

3) Impairment of Trade receivables

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the impairment loss or gain on Trade receivables, consequently the impairment loss on date of transition has been recognised in retained earnings and subsequent changes in statement of profit and loss.

4) Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting, accordingly provision for the proposed dividend lying as on the date of transition is derecognized.

5) Remeasurement of post employment benefit obligations

Under Ind AS, remeasurement i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expenses on the net benefit liability are recognised in other comprehensive income instead of profit or loss.

6) Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to Ind AS transition adjustments.

7) Other comprehensive income

Under Ind AS, all items of income and expenses recognised in a period should be included in profit or loss for the period, unless a standard required or permits otherwise. Items of income and expenses that are not recognised in profit and loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, foreign exchange difference arising on translation of foreign operations, effective portion of gains and losses on cash flow hedging instruments and fair value gains or (losses) on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

8) Financial Guarantee

The company has extended financial guarantees on behalf of its related entities, the recognition of financial liabilities arising thereon has not been accounted in the books of account being the fair value is immaterial.

9) Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

10) Revaluation Reserve

The Amount lying in revaluation reserve as on transition date is transferred to retained earnings in accordance with Ind AS Transition Facilitation Group Bulletin-8 issued by Institute of Chartered Accountant of India (ICAI).

11) Recognition of equity component of debt instrument

Under previous GAAP, the company had classified mandatorily convertible debt under other loans and advances, the same has been measured and recognized as equity component in accordance with Ind AS 109 and 32.

NOTE 46**FIGURES FOR THE PREVIOUS YEAR HAVE BEEN RE-ARRANGED AND RE-GROUPED WHEREVER NECESSARY.**

As per our Report of even date attached

For **SRB & Associates**
Chartered Accountants
(F. Regd. No.310009E)

Bisworanjan Sutar
(Partner)
Membership No. - 066708
Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal
Managing Director
DIN : 00022787

Ramesh Chandra Bardia
Jt. Managing Director
DIN : 00374148

Yamini More
VP (Finance & Accounts)

Arun Kumar Kedia
Chief Financial Officer

Sumit Kumar Surana
Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

To The Members of
EMC Limited

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying consolidated Ind AS financial statements of EMC Limited ("the Holding Company") and its subsidiaries (collectively referred to as 'the Company' or 'the Group'), which comprises the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Ind AS Financial Statements').

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

We believe that the audit evidence obtained by us is Sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial Statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group, as at 31st March, 2017 and its consolidated financial performance including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year then ended.

OTHER MATTERS

- (a) We did not audit the financial statements of twelve subsidiaries, whose financial statements reflect total assets and liabilities of ₹ 46,797.01/- Lakhs and ₹ 38,894.88/- Lakhs respectively as at 31st March, 2017, total revenues of ₹ 51,215.68/- Lakhs and net cash flows amounting to ₹ 733.17/- Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also includes the Group's share of net loss of ₹ 99.27/- Lakhs for the year ended March 31, 2017, as considered in the consolidated Ind AS Financial Statements, in respect of five joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the

amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and joint ventures, is based solely on the reports of the other auditors.

- (b) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets and liabilities of ₹ 27,375.55/- Lakhs and ₹ 23,293.30/- Lakhs respectively as at 31st March, 2017 and total revenue of ₹ 22,781.94 Lakhs and net cash flows amounting to ₹ 863.82/- Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, the financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements above, 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 work done and the reports of the other auditors and the financial statement/ financial information certified by the management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidate Ind AS financial statements.
 - (d) In our opinion, the aforesaid consolidated Ind AS 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, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Holding Company has disclosed the pending litigations in its consolidated Ind AS financial statements.
 - ii. The Holding Company did not have any long-term contracts including derivative contracts. Accordingly, no provision for material foreseeable losses have been made; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India; and
 - iv. The Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

For **SRB & Associates**
Chartered Accountants
Firm Registration No-310009E

Bisworanjan Sutar
Partner
Membership No: 066708

Kolkata,
30th June 2017

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

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of EMC 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 Holding Company and its subsidiary companies, which are companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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 ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 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 (i) pertain to the maintenance of records that, 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

OTHER MATTERS

Our aforesaid report under section 143(3)(1) of the Act on the adequacy and operating effectiveness of the Internal Financial Control Over Financial Reporting insofar as it relates to eight Subsidiary Companies & four Joint Ventures, which are companies incorporated in India. Our opinion is not qualified in respect of this matter.

For **SRB & Associates**
Chartered Accountants
Firm Registration No-310009E

Bisworanjan Sutar
Partner
Membership No: 066708

Kolkata,
30th June 2017

(₹ in lacs)

Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
I. ASSETS				
1. Non-current Assets				
a. Property, Plant and Equipment	2	35,154.99	25,332.08	26,256.01
b. Capital Work-in-Progress	2	226.85	553.00	3,648.96
c. Goodwill on Consolidation		1,238.91	3,456.44	3,124.08
d. Other Intangible Assets	2	513.96	5,343.94	1,961.80
e. Financial Assets				
(i) Investments	3(i)	7,898.57	11,480.54	233.49
(ii) Trade Receivables	4(i)	3,289.36	2,593.69	2,099.59
(iii) Other Financial Assets	5(i)	3.62	3.62	3.18
f. Other Assets	6(i)	4,043.20	5,173.43	2,059.58
2. Current Assets				
a. Inventories	8	13,965.00	17,714.24	16,988.79
b. Financial Assets			-	
(i) Trade Receivables	4(ii)	2,34,671.73	2,31,377.16	1,64,913.22
(ii) Cash & Cash Equivalent	9	5,828.48	4,586.63	2,483.54
(iii) Other Financial Assets	5(ii)	15,008.22	13,678.67	9,640.11
c. Other Assets	6(ii)	1,43,455.63	1,34,119.43	1,04,332.02
TOTAL ASSETS		4,65,298.52	4,55,412.87	3,37,744.36
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital	10	4,833.50	4,700.00	3,700.00
b. Other Equity	11	1,01,161.41	79,435.41	61,073.82
Attributable to owners of EMC Limited		1,05,994.91	84,135.41	64,773.82
Non Controlling Interest		380.47	404.04	218.17
2. Non-current liabilities				
a. Financial Liabilities				
(i) Borrowings	12(i)	31,918.02	39,911.21	29,635.83
(ii) Trade Payables	13(i)	6,100.18	4,829.85	5,733.15
(iii) Other Financial Liabilities	14(i)	24,497.41	23,136.04	12,682.92
b. Deferred Tax Liabilities (net)	7	19,294.19	11,417.38	119.65
3. Current liabilities				
a. Financial Liabilities				
(i) Borrowings	12(ii)	77,449.16	78,676.07	61,155.80
(ii) Trade Payables	13(ii)	1,61,664.44	1,81,630.71	1,37,441.15
(iii) Other Financial Liabilities	14 (ii)	34,471.15	25,987.98	18,135.03
b. Provisions	15	195.11	169.23	229.39
c. Other Liabilities	16	3,159.33	5,059.24	1,381.65
d. Current Tax Liability (net)	17	174.15	55.71	6,237.79
TOTAL EQUITY AND LIABILITIES		4,65,298.52	4,55,412.87	3,37,744.36
Significant Accounting Policies	1			
Notes form an integral part of Consolidated Financial Statements	2 to 46			

As per our Report of even date attached

 For **SRB & Associates**

 Chartered Accountants
(F. Regd. No.310009E)

Bisworanjan Sutar

(Partner)

Membership No. - 066708

Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal
Managing Director
DIN : 00022787

Ramesh Chandra Bardia
Jt. Managing Director
DIN : 00374148

Yamini More
VP (Finance & Accounts)

Arun Kumar Kedia
Chief Financial Officer

Sumit Kumar Surana
Company Secretary

(₹ in lacs)

Particulars	Note No.	31st March, 2017	31st March, 2016
INCOME			
I. Revenue from Operations	18	5,35,686.61	5,16,263.46
II. Other Income	19	2,694.16	3,693.84
Total Income		5,38,380.77	5,19,957.30
III. EXPENSES			
(a) Cost of Materials Consumed	20	4,07,209.51	3,92,853.94
(b) Change in Inventory (Increase)/Decrease	21	2,715.36	421.97
(c) Manufacturing and Processing Costs	22	40,571.88	42,810.37
(d) Employee Benefit Expenses	23	13,451.67	14,665.52
(e) Finance cost	24	21,810.80	18,963.39
(f) Depreciation and Amortization expenses	25	2,600.52	2,814.64
(g) Other Expenses	26	23,685.96	21,554.19
Total Expenses		5,12,045.70	4,94,084.02
IV. Share of Net Profit of Joint Ventures accounted under Equity Method		(135.98)	224.22
V. Profit Before exceptional items and tax		26,199.09	26,097.50
Exceptional items		-	-
VI. Profit before Taxes		26,199.09	26,097.50
VII. Tax Expenses	27		
(a) Current Tax		1,377.61	1,754.52
(b) Deferred Tax		7,666.57	6,707.47
VIII. Profit (Loss) for the Year		17,154.91	17,635.51
IX. Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit or loss:			
(a) Changes in investments in equity shares carried at Fair Value through OCI		(3,469.66)	(3,429.28)
(b) Re-measurement of defined employee benefit plans		16.63	(10.01)
(c) Revaluation Surplus on Property, Plant & Equipment		10,237.53	-
(d) Income tax effect			
- on Revaluation Surplus on Property, Plant & Equipment		(201.01)	-
- on Re-measurement of defined employee benefit plans		(9.22)	3.47
(ii) Items that will be reclassified subsequently to profit or loss :			
(a) Exchange differences in translating the financial statements of foreign operations		(568.40)	1,507.04
(b) Income tax effect		-	-
X. Total Other comprehensive Income after tax		6,005.87	(1,928.79)
XI. Total comprehensive income for the period		23,160.78	15,706.73
Profit for the period			
Attributable to :-			
Owners of EMC Limited		17,177.98	17,649.19
Non - Controlling Interest		(23.07)	(13.67)
Total comprehensive income for the period			
Attributable to :-			
Owners of EMC Limited		23,190.84	15,732.60
Non - Controlling Interest		(30.06)	(25.87)
XII. Earnings per equity share:			
(1) Basic (in ₹)	32	36.55	38.80
(2) Diluted (in ₹)	32	36.55	38.80
Significant Accounting Policies	1		
Notes form an integral part of Consolidated Financial Statements	2 to 46		

As per our Report of even date attached

 For **SRB & Associates**
 Chartered Accountants
 (F. Regd. No.310009E)

Bisworojan Sutar
 (Partner)

 Membership No. - 066708
 Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal
 Managing Director
 DIN : 00022787

Ramesh Chandra Bardia
 Jt. Managing Director
 DIN : 00374148

Yamini More
 VP (Finance & Accounts)

Arun Kumar Kedia
 Chief Financial Officer

Sumit Kumar Surana
 Company Secretary

A. Equity Share Capital

(₹ in lacs)

Particulars	Amount
As at 1 April 2015	3,700.00
Changes in equity share capital	1,000.00
As at 31 March 2016	4,700.00
Changes in equity share capital	133.50
As at 31 March 2017	4,833.50

B. Other Equity

(₹ in lacs)

Particulars	Reserves & Surplus						Other Comprehensive Income			Attributable to owners of EMC Limited	Non - Controlling Interest	Total other equity
	Share Application Money	Equity Component of Debt Instrument	Capital Reserve on Consolidation	Securities Premium Reserve	Retained Earnings	Statutory Reserve	FVOCI-equity investments	Revaluation Surplus	Foreign Currency Translation Reserve			
Balance at 1 April 2015	12,500.00	-	18.44	7,300.00	40,193.44	1,277.98	2.14	-	-	61,073.83	218.17	61,292.00
Profit for the year	-	-	-	-	17,635.52	-	-	-	-	17,649.19	(13.67)	17,635.52
Other comprehensive income	-	-	-	-	(6.55)	-	(3,429.28)	-	1,507.04	(1,916.59)	(12.20)	(1,928.79)
Total comprehensive income for the year	-	-	-	-	17,628.97	-	(3,429.28)	-	1,507.04	15,732.60	(25.87)	15,706.73
Other Adjustments	-	2,500.00	-	-	1,689.98	(115.67)	-	-	-	4,074.31	-	4,074.31
Issue of equity shares	(12,500.00)	-	-	11,500.00	-	-	-	-	-	(1,000.00)	-	(1,000.00)
Dividends paid	-	-	-	-	(445.32)	-	-	-	-	(445.32)	-	(445.32)
Transaction with Non - Controlling Interest	-	-	-	-	211.74	-	-	-	-	-	211.74	211.74
Balance at 31 March 2016	-	2,500.00	18.44	18,800.00	59,278.81	1,162.31	(3,427.14)	-	1,507.04	79,435.41	404.04	79,839.45
Profit for the year	-	-	-	-	17,154.91	-	-	-	-	17,177.98	(23.07)	17,154.91
Other comprehensive income	-	-	-	-	7.41	-	(3,469.66)	10,036.51	(568.40)	6,012.86	(6.99)	6,005.87
Total comprehensive income for the year	-	-	-	-	17,162.32	-	(3,469.66)	10,036.51	(568.40)	23,190.84	(30.06)	23,160.78
Other Adjustments	-	3.13	69.13	-	(1,397.11)	-	-	-	-	(1,331.34)	6.48	(1,324.86)
Issue of equity shares	-	(2,503.13)	-	2,369.63	-	-	-	-	-	(133.50)	-	(133.50)
Balance at 31 March 2017	-	-	87.56	21,169.63	75,044.02	1,162.31	(6,896.80)	10,036.51	938.64	1,01,161.41	380.47	1,01,541.88

As per our Report of even date attached

 For **SRB & Associates**

Chartered Accountants

(F. Regd. No.310009E)

Bisworanjan Sutar

(Partner)

Membership No. - 066708

Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal

Managing Director

DIN : 00022787

Ramesh Chandra Bardia

Jt. Managing Director

DIN : 00374148

Yamini More

VP (Finance & Accounts)

Arun Kumar Kedia

Chief Financial Officer

Sumit Kumar Surana

Company Secretary

(₹ in lacs)

Particulars	Year Ended 31st March, 2017	Year Ended 31st March, 2016
A OPERATING ACTIVITIES		
Profit before tax from continuing operations	26,199.10	26,097.52
Profit/(loss) before tax from discontinuing operations	-	-
Profit before tax	26,199.10	26,097.52
Adjustment to reconcile profit before tax operating cash flows:		
Depreciation on Property, plant and equipment	2,409.09	2,571.29
Amortisation of intangible assets	191.43	243.35
Translation Loss	88.01	(138.84)
Finance income (including fair value change in financial instruments)	(1,135.58)	(972.81)
Finance costs (including fair value change in financial instruments)	21,810.80	18,963.39
Share of (profit)/losses of Joint Ventures	135.96	(224.24)
Other Non Cash Adjustment	16.48	-
Foreign Currency Translation Difference	(568.40)	1,507.04
Changes in Operating Assets and Liabilities		
Decrease/(Increase) in Trade receivables	(3,990.25)	(66,958.05)
Decrease/(Increase) in Derivative Financial Assets	51.94	(31.27)
Decrease/(Increase) in Inventories	3,749.23	(725.44)
Decrease/(Increase) in Other Assets	(6,092.94)	(33,094.78)
(Decrease)/Increase in Trade Payables	(18,695.94)	43,286.27
(Decrease)/Increase in Other Financial Liability	9,844.54	18,306.06
(Decrease)/Increase in Other Liability	(1,857.40)	3,607.42
	32,156.09	12,436.92
Income tax paid	1,259.17	3,342.89
NET CASH (USED)/GENERATED BY OPERATING ACTIVITIES (A)	30,896.91	9,094.03
B INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,994.44)	(1,647.37)
Purchase of Intangible Assets	4,638.54	(3,625.49)
Purchase of Capital Work In Progress	326.14	3,095.97
(Purchase)/Sale of Investments	(23.65)	(14,452.09)
Interest received (finance income)	1,135.58	972.81
NET CASH (USED)/GENERATED IN INVESTING ACTIVITIES (B)	4,082.18	(15,656.17)
C FINANCING ACTIVITIES		
Proceeds from issue of equity shares	2,503.13	-
Changes in Other Equity	(3,827.98)	4,286.05
Interest paid	(21,810.80)	(18,963.39)
Proceeds/(Repayment) from borrowings	(9,220.09)	27,795.64
Dividends paid including Dividend Distribution Tax	-	(445)
NET CASH (USED)/GENERATED IN FINANCING ACTIVITIES (C)	(32,355.75)	12,672.98
Net increase in cash and cash equivalents (A+B+C)	2,623.34	6,110.84
Cash and cash equivalents at the beginning of the year	18,216.99	12,106.15
Cash and cash equivalents at year end	20,840.33	18,216.99

The above cashflow statement has been prepared under the "Indirect method" set out in Ind AS 7 "Statement of Cash flows"

As per our Report of even date attached

For **SRB & Associates**
Chartered Accountants
(F. Regd. No.310009E)

Bisworanjan Sutar
(Partner)

Membership No. - 066708
Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal
Managing Director
DIN : 00022787

Ramesh Chandra Bardia
Jt. Managing Director
DIN : 00374148

Yamini More
VP (Finance & Accounts)

Arun Kumar Kedia
Chief Financial Officer

Sumit Kumar Surana
Company Secretary

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES**A) Basis of preparation :****i) Compliance with Ind AS :**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The financial statements up to year ended 31 March, 2016 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements under Ind AS. Refer to note no.45 for an explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and net cash flows.

ii) Historical cost convention :

The financial statements have been prepared under the historical cost convention, except for the following asset and liabilities which have been measured at fair value:

- a) Certain financial assets and liabilities (including derivatives).
- b) Net Defined Obligations.

iii) Current and Non-Current Classification :

All assets and liabilities have been classified as current and non-current as per the company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The company has ascertained its operating cycle as 12 months for the purpose of current and non-current classifications.

B) Principles of Consolidation and Equity Accounting

The Consolidated Financial Statements consist of EMC Limited ("the Company"), its subsidiary companies and Joint ventures (collectively referred to as "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

i) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to or has rights to variable returns from continuous involvement with the entity and has ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date on which control ceases.

The group consolidates the financial statements of the parent and its subsidiaries by adding line by line together like items of assets, liabilities, equity, income and expenses. Intercompany balances, transactions and unrealized gains or losses on transactions between the group companies are eliminated. Accounting policies of subsidiaries have been changed and realigned wherever necessary to ensure consistency with the policies adopted by the group.

Non-controlling Interest in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interests in the subsidiary is recognized within equity.

ii) Joint Ventures

Interest in joint ventures are accounted using the equity method after initially being recognized at cost in the consolidated financial statements.

Under the equity method of accounting, investments are initially recognized at cost and adjusted thereafter to recognize the group's share of post acquisition profit or loss of the investee in profit and loss and the group's share of other comprehensive income of the investee in the other comprehensive income. Dividend receivable from the joint ventures are recognized as a reduction in the carrying amount of the investment.

Unrealized gains or losses on transaction between the group and its joint ventures are eliminated to the extent group's interest in the entity. Accounting policies of Joint Ventures have been changed and realigned wherever necessary to ensure consistency with the policies adopted by the group.

iii) Loss of Control

When the group ceases to consolidate or do equity accounting of an investment because of loss of control or joint control, any retained interest in the investee is measured to its fair value with the change in carrying amount recognized in the statement of profit and loss.

In addition any amount previously recognized in other comprehensive income in respect of the entity are accounted for as if the group had directly disposed of the related assets or liabilities.

iv) **Foreign Operation**

The result and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:-

- i) Assets and liabilities are translated at closing rate at the date of balance sheet.
- ii) Income and expenses are translated at average exchange rates and
- iii) All resulting exchange differences are recognized in other comprehensive income.

When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss as a part of the gain or loss on sale of investment.

Goodwill and fair value adjustments arising on the acquisition of foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

C) Other Significant accounting policies

These are set out under “ Significant Accounting Policies, Recent Accounting Pronouncement and Critical Estimates and Judgements” as given in the Company’s separate financial statements.

(₹ in lacs)

Net Book Value		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 2	PROPERTY, PLANT AND EQUIPMENT [at deemed cost]			
	Property, Plant and Equipment	35,154.99	25,332.08	26,256.01
	Capital Work-in-progress	226.85	553.00	3,648.96
	Other Intangible Assets	513.96	5,343.94	1,961.80

Particulars	Freehold Land	Buildings	Furniture, Fittings and Equipment	Plant and Machinery	Vehicles	TOTAL	Capital Work-in-Progress	Other Intangible Assets
Estimated Useful Life (in years)	NA	3 - 60	3 - 10	2 - 40	8 - 10		NA	10
Gross Carrying Amount								
At 1st April, 2015	670.46	4,941.44	5,541.12	26,193.55	258.57	37,605.13	3,648.96	2,544.89
Additions/Adjustments during the year	83.89	231.99	197.97	209.92	81.75	805.52	13.69	3,587.36
Effect of Foreign Currency Translation	-	363.47	380.75	258.06	-	1,002.28	-	103.11
Disposals during the year	-	-	-	-	-	-	(3,109.65)	-
At 31st March, 2016	754.35	5,536.90	6,119.84	26,661.53	340.32	39,412.94	553.00	6,235.34
Additions/Adjustments during the year	9,670.81	1,666.31	859.74	1,151.94	465.01	13,813.80	0.61	29.62
Derecognized the assets of disposed subsidiary		(147.52)	(435.86)	(1,530.14)	-	(2,113.53)	-	(4,727.93)
Effect of Foreign Currency Translation	(5.39)	(270.01)	(385.85)	(10.53)	(14.60)	(686.38)	-	(112.56)
Disposals during the year	-	-	-	-	-	-	(326.75)	-
At 31st March, 2017	10,419.77	6,785.68	6,157.87	26,272.80	790.73	50,426.84	226.85	1,424.47
Accumulated Depreciation and Impairment								
At 1st April, 2015	2.00	1,287.03	2,099.41	7,835.78	124.90	11,349.12	-	583.09
Depreciation charge for the year	1.89	203.91	521.66	1,811.23	32.61	2,571.29	-	243.35
Disposals/Adjustment during the year	-	98.10	62.34	-	-	160.44	-	64.96
At 31st March, 2016	3.89	1,589.04	2,683.41	9,647.01	157.51	14,080.87	-	891.40
Depreciation charge for the year	5.17	187.85	511.54	1,620.04	84.49	2,409.09	-	191.43
Disposals/Adjustment during the year	-	(104.34)	(23.26)	(1,077.54)	(12.93)	(1,218.07)	-	(172.33)
At 31st March, 2017	9.06	1,672.53	3,171.71	10,189.50	229.07	15,271.90	-	910.51
Net Book Value as at 31st March, 2017	10,410.71	5,113.15	2,986.16	16,083.29	561.66	35,154.94	226.85	513.96
Net Book Value as at 31st March, 2016	750.46	3,947.86	3,436.43	17,014.52	182.81	25,332.08	553.00	5,343.94
Deemed cost as at 1st April, 2015	668.46	3,654.41	3,441.71	18,357.77	133.67	26,256.01	3,648.96	1,961.80

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 3 INVESTMENTS			
Investment in Equity Instruments			
Quoted at FVTOCI			
3,878 (31 March 2016: 3,878, 1 April 2015 : 3,878) Shares of ₹ 10/- each fully paid-up in Powergrid Corporation of India Ltd.	7.65	5.39	5.63
1,42,87,689 (31 March 2016: 1,42,87,689) Shares of ₹ 10/- each fully paid in McNally Bharat Engineering Ltd (65,36,722 Shares out of 1,42,87,689 is pledged)	7,386.74	10,858.64	-
Unquoted at Cost			
Nil (31 March 2016: 2,500, 31 March 2015: 2,500) Shares of ₹ 10/- each fully paid in EMC Infrastructure Ltd.	-	0.25	0.25
Joint Ventures (Carrying amount determined using the equity method of accounting)			
Indian Joint Ventures			
Investment in BCPL - EMC - JV	2.45	2.45	2.45
Add: Share of profit/(Losses) upto 31.03.2017	34.82	61.83	74.46
Investment in EMC - BCPL - JV	-	-	-
Add: Share of profit/(Losses) upto 31.03.2017	68.11	60.73	48.12
Investment in EMC - BCPL - SUBIR JV	-	-	-
Add: Share of profit/(Losses) upto 31.03.2017	95.07	77.90	38.96
Investment in Fedders - EMC - Quatro JV	-	-	-
Add: Share of profit/(Losses) upto 31.03.2017	133.41	248.94	63.62
Foreign Joint Ventures			
87,500 (31 March 2016 : 87500) shares of OMR 1/ each fully paid up in EMC MBE Contracting Co. LLC	151.97	151.97	-
Add: Share of profit/(Losses) upto 31.03.2017	(17.98)	-	-
Investment in Structured Entity			
36,013 Shares of ₹ 10/- each fully paid in McNally Sayaji Engineering Ltd	24.88	-	-
Tecnolines Makedonjia Doel	10.41	11.31	-
Tecnolines Czech	1.04	1.13	-
Total	7,898.57	11,480.54	233.49
i) Non-current	7,898.57	11,480.54	233.49
ii) Current	-	-	-
Aggregate cost price of quoted shares	14,291.18	14,291.18	3.49
Aggregate market value of quoted shares	7,394.38	10,864.04	5.63

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 4 TRADE RECEIVABLES			
Secured, considered good			
i) Non-Current	3,289.36	2,593.69	2,099.59
Sub Total	3,289.36	2,593.69	2,099.59
ii) Current	2,39,811.03	2,37,070.49	1,69,365.62
Less: Impairment loss/(Gain) on financial assets	(5,139.30)	(5,693.33)	(4,452.40)
Sub Total	2,34,671.73	2,31,377.16	1,64,913.22
Total	2,37,961.09	2,33,970.85	1,67,012.81

No trade receivables or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 90 to 150 days.

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 5 OTHER FINANCIAL ASSETS			
i) Non-Current			
Derivative Financial Asset			
Other bank balances*	3.62	3.62	3.18
Sub Total	3.62	3.62	3.18
ii) Current			
Derivative Financial Asset	-	51.94	20.68
Other bank balances*	15,008.22	13,626.74	9,619.43
Sub Total	15,008.22	13,678.67	9,640.11
Total	15,011.84	13,682.29	9,643.29
*Details of other balances with banks			
Earmarked Balances with Banks	3.62	3.62	3.18
Term Deposits with Bank	31.25	-	-
Margin money, guarantee and security with banks*	14,976.97	13,626.74	9,619.43
Total	15,011.84	13,630.36	9,622.61

*The margin money, guarantee and security with banks includes deposits held as collateral Security.

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 6 OTHER ASSETS			
i) Non-Current			
Advance Sales Tax	1,566.78	1,308.96	968.82
Other Loan and advances	-	2,150.07	-
Prepaid Expenses	1,073.79	643.35	268.97
Security Deposits	1,402.63	1,071.05	821.79
Sub Total	4,043.20	5,173.43	2,059.58
ii) Current			
Advance to related parties	29.35	1.33	11.58
Advance to Employees	85.98	180.46	113.95
Advance to Statutory payment	726.40	532.85	896.66
Advance to Suppliers/Others	1,36,574.59	1,28,703.14	1,00,004.93
Prepaid Expenses and Other Deposits	5,515.80	4,066.21	2,711.02
Security Deposits	523.51	635.44	593.87
Sub Total	1,43,455.63	1,34,119.43	1,04,332.02
Total	1,47,498.83	1,39,292.86	1,06,391.60

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 7 DEFERRED TAX (ASSETS)/LIABILITIES (NET)			
The balance comprises temporary differences attributable to:			
Property, plant and equipment	2,438.69	1,934.27	1,613.28
Intangible Assets	9.09	6.42	6.36
Employee Benefit Obligation	7.07	33.33	13.38
Retention Money/Price Variation Receivable	18,613.34	11,413.71	-
Impairment loss/(gain) on financial assets	(1,774.01)	(1,970.35)	(1,513.37)
Total	19,294.19	11,417.38	119.65

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 8 INVENTORIES			
a) Raw Materials	801.44	854.75	1,109.56
b) Stores, Loose Tools and Spares (including goods in transit)	1,476.13	1,164.40	1,162.16
c) Semi Finished Goods	547.43	1,158.51	1,396.33
d) Finished Goods	1,825.14	4,103.92	7,258.56
e) Construction work in Progress	9,299.72	10,395.61	6,004.74
f) Scrap	15.14	37.05	57.44
Total	13,965.00	17,714.24	16,988.79

Refer Significant accounting policy for mode of valuation.

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 9 CASH AND CASH EQUIVALENTS			
i) Cash at Bank	20,624.21	17,624.96	11,846.89
ii) Cash in Hand	139.24	329.07	124.04
iii) Cheques in Hand	76.87	262.96	135.22
Less: Bank overdraft	-	-	-
Sub Total	20,840.32	18,216.99	12,106.15
Less: Balances with bank other than above	15,011.84	13,630.36	9,622.61
Total	5,828.48	4,586.63	2,483.54

Specified Bank Note Disclosure (SBNs)

In accordance with the MCA notification G.S.R.308E dated 30th March, 2017 details of Specified Bank Note(SBN) and Other Denomination Notes (ODN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 are given below:

Particulars	SBNs	ODNs	TOTAL
Closing cash on hand as on November 8, 2016	245.44	104.82	350.26
(+) Non permitted receipts	-	-	-
(+) Permitted receipts	3.70	179.43	183.13
(-) Permitted payments	100.07	131.61	231.68
(-) Amounts Deposited in Banks	149.07	-	149.07
Closing cash on hand as on December 30, 2016	-	152.64	152.64

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 10 SHARE CAPITAL			
Equity Share Capital			
a) Authorised			
7,50,00,000 Nos of Equity shares of ₹ 10/- each	7,500.00	7,500.00	7,500.00
	7,500.00	7,500.00	7,500.00
b) Issued, Subscribed and Paid Up			
Equity Shares:			
4,83,35,000 Nos of shares of ₹ 10/- each fully paid up	4,833.50	4,700.00	3,700.00
(2015-2016: 4,70,00,000 Nos of shares of ₹ 10/- each fully paid up)			
(2014-2015: 3,70,00,000 Nos of shares of ₹ 10/- each fully paid up)			
Total	4,833.50	4,700.00	3,700.00
c) Reconciliation of number of equity shares are set out below:			
a) Shares outstanding at the beginning of the financial year	470.00	370.00	370.00
b) Issued during the year	13.35	100.00	-
c) Shares forfeited/brought back/cancelled during the year	-	-	-
d) Shares outstanding at the end of the financial year	483.35	470.00	370.00

d) Details of shareholders holding more than 5% of shares

Name of the Shareholders	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	% held	No. of Shares	% held	No. of Shares	% held	No. of Shares
i) MKN Investments Private Limited	21.38%	1,03,35,314	29.79%	1,40,00,314	10.81%	40,00,014
ii) YMS Finance Private Limited	12.50%	60,40,001	12.85%	60,40,001	16.32%	60,40,001
iii) Trinetra Electronics Limited	5.07%	24,48,528	5.21%	24,48,528	6.62%	24,48,528
iv) Tamkore Investments Private Limited	4.97%	24,00,000	5.11%	24,00,000	6.49%	24,00,000
v) Metalind Private Limited	5.90%	28,50,000	6.06%	28,50,000	7.70%	28,50,000
vi) Subhas Impex Private Limited	7.14%	34,53,252	7.35%	34,53,252	9.33%	34,53,252
vii) Mr. Vinod Dugar	9.35%	45,17,644	9.19%	43,18,624	11.67%	43,18,624
viii) Ms. Sheetal Dugar	9.16%	44,29,145	9.42%	44,29,145	11.97%	44,29,145

- e) The Company has a single class of Equity shares. Accordingly, all equity shares rank equally with regard to dividend and share in the company's residual assets.
- f) For the period of five years immediately preceding the date at which the balance sheet is prepared, the company has not :-
- Issued class of shares allotted as fully paid up by way of bonus shares; and
 - Bought back any shares.
- g) For the period of five years immediately preceding the date at which the balance sheet is prepared, the company has issued the following equity shares for consideration other than cash.

Name of Allottee	Allotment Date	No. of Shares	Face Value	Amount including premium per share
MKN Investment Pvt Ltd.	30.03.2013	40,00,000	10.00	125.00
MKN Investment Pvt Ltd.	25.05.2015	1,00,00,000	10.00	125.00
MKN Investment Pvt Ltd.	30.03.2017	13,35,000	10.00	187.50
Total :		1,53,35,000		

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 11 OTHER EQUITY			
a) Share Application Money	-	-	12,500.00
Sub Total	-	-	12,500.00
b) Equity Component of debt Instrument			
Opening Balance	2,500.00	-	-
Add: Addition during the Year	3.13	2,500.00	-
Less: Issued during the year	(2,503.13)	-	-
Sub Total	-	2,500.00	-
This represents mandatorily convertible loan from MKN Investment Pvt Ltd. The company has computed the equity and debt component in accordance with IND AS 109 whereas the value of debt component is Nil.			
c) Capital Reserve on Consolidation			
Opening Balance	18.44	18.44	32.96
Add: Additions during the year	69.13	-	-
Less: Transferred to Retained Earnings	-	-	(14.52)
Sub Total	87.56	18.44	18.44
d) Securities Premium			
Opening Balance	18,800.00	7,300.00	7,300.00
Add: Additions during the year	2,369.63	11,500.00	-
Sub Total	21,169.63	18,800.00	7,300.00
e) Revaluation Reserve			
Opening Balance	-	-	27.50
Add: Received During the Year	10,036.51	-	-
Less: Transferred to Retained Earnings	-	-	(27.50)
Sub Total	10,036.51	-	-
f) Reserve for Investments at Fair Value through OCI			
Opening Balance	(3,427.14)	2.14	-
Add: Net fair value gain/(loss) on investments during the period	(3,469.66)	(3,429.28)	2.14
Sub Total	(6,896.80)	(3,427.14)	2.14
g) Retained Earnings			
Opening Balance	59,278.81	40,193.44	43,229.63
Add: Profit/(Loss) during the year	17,154.91	17,635.52	-
Add: Re-measurement of defined employee benefit plans through OCI	7.41	(6.55)	-
Add: Adjustment for earlier years	-	1,574.31	-
Less: Transaction on cease of control in Subsidiary	(1,213.98)	-	-
Add: Transaction with Non - Controlling Interest	(183.13)	211.74	-
Add: Profit for the Joint venture	-	-	225.15
Less: Deferred Tax liability / (Assets) on Transition date	-	-	1,347.35
Less: Impairment loss on financial assets	-	-	(4,452.40)
Less: Final dividend	-	(370.00)	370.00
Less: Dividend Distribution Tax	-	(75.32)	75.32
Less: Transfer from Revaluation Reserve	-	-	27.50
Less: Transfer from Capital Reserve	-	-	14.52
Less: Transfer from Forfeiture reserve Account	-	-	0.51
Less: Transfer from Foreign currency translation reserve	-	-	(560.33)
Less: Transfer from Statutory & Other Reserves	-	115.67	(83.82)
Sub Total	75,044.02	59,278.81	40,193.43

(₹ in lacs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
h) Foreign currency translation reserve			
Opening Balance	1,507.04	-	(560.33)
Add: Additions during the year	(568.40)	-	
Less: Transferred to Retained Earnings	-	1,507.04	560.33
Sub Total	938.64	1,507.04	-
i) Statutory & Other Reserves*			
Opening Balance	1,162.31	1,277.98	1,277.98
Less: Transferred to Retained Earnings	-	(115.67)	-
Sub Total	1,162.31	1,162.31	1,277.98
* Reserve created to compliant with overseas statutory requirement			
j) Forfeiture Reserve Account			
Opening Balance	-	-	0.51
Less: Transferred to Retained Earnings	-	-	(0.51)
Sub Total	-	-	-
Grand Total	1,01,541.88	79,839.45	61,291.99

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 12 BORROWINGS			
i) Non-Current Borrowings			
Secured Loan			
a) Term Loan From Banks	10,790.83	11,295.66	8,010.77
b) Term Loan From others	14,545.09	554.84	604.84
c) Financial Lease Obligations	251.43	4.07	20.21
Unsecured Loan			
Loans from Bank	1,664.00	3,332.00	-
Loan from Others	4,666.67	24,724.64	21,000.00
Total non-current borrowings	31,918.02	39,911.21	29,635.83
ii) Current Borrowings			
Cash Credit	77,449.16	78,676.07	61,155.80
Current maturities of long term Borrowings	15,123.26	9,940.13	5,126.30
Sub Total	92,572.42	88,616.19	66,282.10
Less : Amount clubbed under Other Financial Liability	15,123.26	9,940.13	5,126.30
Total current borrowings	77,449.16	78,676.07	61,155.79
Net Borrowings	1,09,367.18	1,18,587.27	90,791.61

Notes :

- 1) Term Loans from Punjab National Bank and Oriental Bank of Commerce are secured by way of creation of charge ranking Parri Passu on the movable and immovable assets of Solar Power Project. The loans are further secured by personal guarantees of some of the Directors of the Company.
- 2) Term Loans from Punjab National Bank & Oriental Bank of Commerce are Repayable over 35 Quarterly Installments commencing from the quarter ending October 2012 and bears an Interest rate of 5 year MCLR + 2.95% from PNB & BR + 2.25% from OBC.
- 3) Loan from Govt. of West Bengal is secured by way of Pari Passu charge ranking next only to the charges in favour of financial institutions / Banks , on the fixed assets of the company, both present as well as future. The Loan is repayable in fourteen equal annual installments (excluding interest) starting from 31st March, 2013. The Loan carries interest of 8.75% p.a with a rebate of 2% p.a for timely repayment. Interest is paid as and when due.
- 4) Vehicle loans are secured by way of mortgage of vehicles. The loans are repayable by April 2021.
- 5) Term Loan from Karur Vysya Bank is secured by way of creation of Mortgage on the commercial space being purchased by the company. The loans are further secured by personal guarantees of some of the Directors of the Company. The loan is repayable in 19 quarterly installments commencing from quarter ending March'16 and bears an interest rate of BR + 2.25%.

- 6) Unsecured Term Loan from banks (to the tune of ₹ 50 crores) was taken during the FY 15-16, its repayment started from the quarter ending June 2016-2017 and bears an interest rate of BR + 2.30%.
- 7) Secured Term Loan from others (to the tune of ₹ 200 crores) was taken during the FY 15-16, its repayment started from the quarter ending Sep 2016-2017 and bears an interest rate of BR + 3.00% . It is secured by way of pledge of shares of McNally Bharat Engineering Co. Ltd by EMC Ltd.
- 8) Unsecured Term Loan from others (to the tune of ₹ 100 crores) was taken during the FY 15- 16, its repayment started from the quarter ending June 2016-2017 and bears an interest rate of BR + 3.00% .
- 9) Foreign Term Loans related to Foreign subsidiaries are secured by the Guarantees given by Holding company.
- 10) Bank Loan In Technolines from Cariparma Credit Agricole and Abanca Espanol is secured by collaterals on the company's building in Pordenone and its subsidiary's building in Spain respectively.
- 11) Bank Loans in Asc Inc. is secured by collateral on the company's tangible assets.
- 12) Working Capital Facilities are secured by way of :
- Hypothecation on Pari Passu basis with the Working Capital Banks of EMC Limited on the entire Stock in Trade, Book Debts and any other current assets of the company, both present and future excluding OBC's Share of charge in receivable and proceeds in bank account related to Solar Power Project at Naini, Allahabad.
 - First charge on the entire immovable and movable Fixed Assets of EMC Limited and equitable mortgage on Landed properties of the Company at Naini (Allahabad) excluding OBC's share on Solar Power equipments and equipment purchased through equipment Loan present and future.
 - Personal guarantees of some of the Directors of EMC Limited.

(₹ in lacs)

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 13	TRADE PAYABLES			
i) Non-Current		6,100.18	4,829.85	5,733.15
Sub Total		6,100.18	4,829.85	5,733.15
ii) Current		1,61,664.44	1,81,630.71	1,37,441.15
Sub Total		1,61,664.44	1,81,630.71	1,37,441.15
Grand Total		1,67,764.62	1,86,460.56	1,43,174.30

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 14	OTHER FINANCIAL LIABILITIES			
i) Non-Current				
Other Loans & advances		24,497.41	23,136.04	12,682.92
Sub Total		24,497.41	23,136.04	12,682.92
ii) Current				
Current maturities of long term borrowings		15,123.26	9,940.13	5,126.30
Other Loans & advances		17,107.21	11,502.71	9,864.51
Unpaid Dividend		3.61	3.61	3.17
Other Liabilities		2,237.07	4,541.53	3,141.04
Sub Total		34,471.15	25,987.98	18,135.01
Total		58,968.56	49,124.02	30,817.94

(₹ in lacs)

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 15	PROVISIONS			
	Provision for Excise duty on Closing Stock	195.11	169.23	229.39
	Total	195.11	169.23	229.39

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 16	OTHER LIABILITIES			
	Current Liabilities			
	Interest payable	1,206.86	445.20	298.39
	Statutory dues	1,952.47	4,614.04	1,083.26
	Total	3,159.33	5,059.24	1,381.65

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 17	CURRENT TAX LIABILITY (NET)			
	Income tax payable	174.15	55.71	6,237.79
	Total	174.15	55.71	6,237.79

(₹ in lacs)

Particulars		31st March, 2017	31st March, 2016
NOTE 18	REVENUE FROM OPERATIONS		
	Sale of Products (Including Excise Duty)	4,68,965.51	4,61,543.13
	Sale of Services	66,562.54	54,552.10
	Other Operating Revenue	158.56	168.23
	Total	5,35,686.61	5,16,263.46

Particulars		31st March, 2017	31st March, 2016
NOTE 19	OTHER INCOME		
	Interest Income	1,135.58	972.81
	Miscellaneous Income	1,558.58	2,721.03
	Total	2,694.16	3,693.84

Particulars		31st March, 2017	31st March, 2016
NOTE 20	COST OF MATERIAL CONSUMED		
	Opening Stock	7,154.29	8,276.46
	Add:Purchased during the year	4,09,246.63	3,91,731.79
	Less:Closing Stock	9,191.39	7,154.29
	Total	4,07,209.51	3,92,853.94
	Details of materials consumed		
	Steels	3,764.69	5,149.92
	Alluminium	141.37	235.22
	Zinc	568.02	894.63
	Stores & Spares	408.90	482.62
	Erection & Concreting Material	6,269.57	4,111.12
	Project Purchase	3,96,029.58	3,81,932.95
	Other Materials	27.40	47.49
	Total	4,07,209.53	3,92,853.95

Particulars		31st March, 2017	31st March, 2016
NOTE 21	CHANGE IN INVENTORIES		
	Opening Stock		
	Finished Goods	4,103.92	4,457.44
	Semi-Finished Goods	1,158.51	1,206.57
	Scrap Material	37.05	57.44
	Sub Total	5,299.48	5,721.45
	Less: Closing Stock		
	Finished Goods	1,825.14	4,103.92
	Semi-Finished Goods	743.84	1,158.51
	Scrap Material	15.14	37.05
	Sub Total	2,584.12	5,299.48
	INCREASE(-)/DECREASE(+)	2,715.36	421.97

Particulars		31st March, 2017	31st March, 2016
NOTE 22	MANUFACTURING AND PROCESSING COSTS		
		INR	INR
	Processing / Job Charges	33,013.64	36,652.68
	Freight,Carriage & Transport	5,457.83	3,549.98
	Power & Fuel	360.17	628.38
	Rent	849.41	1,122.72
	Insurance	890.83	856.61
	Total	40,571.88	42,810.37

(₹ in lacs)

Particulars		31st March, 2017	31st March, 2016
NOTE 23	EMPLOYEE BENEFIT EXPENSES		
	Salaries, Wages & Bonus	12,593.36	13,107.88
	Contribution to Provident and other Funds	424.25	1,243.89
	Workmen & Staff welfare Expenses	434.06	313.75
	Total	13,451.67	14,665.52

Particulars		31st March, 2017	31st March, 2016
NOTE 24	FINANCE COST		
	Interest on Borrowings	16,162.20	14,325.98
	Interest on finance lease obligations	31.58	3.54
	Interest to Others*	5,617.02	4,633.87
	Total	21,810.80	18,963.39

* Interest to others includes interest on other advances.

Particulars		31st March, 2017	31st March, 2016
NOTE 25	DEPRECIATION AND AMORTISATION EXPENSES		
	Depreciation on Property, plant and equipments	2,409.09	2,571.29
	Amortisation of intangible assets	191.43	243.35
	Total	2,600.52	2,814.64

Particulars		31st March, 2017	31st March, 2016
NOTE 26	OTHER EXPENSES		
	Repairs & Renewals:		
	Plant & Machinery	19.99	40.47
	Building	22.81	7.64
	Others	128.11	263.96
	Hire Charges	1,207.25	1,015.38
	Travelling & Conveyance	611.55	617.13
	Auditors Remuneration:		
	Statutory Audit Fees	39.82	39.01
	Internal Audit Fees	2.25	2.02
	Tax Audit	0.50	0.50
	Custom Duty	6.25	64.09
	Excise Duty	867.46	1,187.31
	Rates & Taxes	2,004.07	1,032.90
	Communication Expenses	142.58	378.32
	Bank Commission and Charges	15,613.03	13,170.28
	Translation Loss	88.01	(138.84)
	Loss on Contract Performance	39.41	29.18
	Impairment loss/(gain) on financial assets	(554.04)	1,240.93
	Miscellaneous Expenses (A)	3,446.91	2,603.91
	Total	23,685.96	21,554.19

(₹ in lacs)

Particulars		31st March, 2017	31st March, 2016
NOTE 26	OTHER EXPENSES (Contd.)		
(A) Miscellaneous Expenses			
	Legal Charges, Listing & Filing Fees	143.12	136.76
	Sales Promotion & Advertisement Expenses	80.06	76.79
	Testing Charges	93.71	95.25
	Computer/R&D Charges	28.89	21.93
	Entertainment Expenses	28.88	29.96
	General Charges	89.67	93.30
	Office Up-Keep	127.71	57.02
	Printing & Stationery	73.80	66.83
	Subscription & Donation	19.67	20.62
	Professional fees & Service Charges	2,215.73	1,486.21
	Motor Car Expenses	18.48	14.09
	Mobilisation Expenses	101.01	99.86
	Tender Fees	47.49	26.05
	Others	360.35	362.05
	Rebate	14.15	15.40
	Recruitment Expenses	4.19	1.79
	Total	3,446.91	2,603.91

NOTE 27 INCOME TAX EXPENSES

This note provides an analysis of the company's tax expenses, show amounts that are recognised directly in equity and how the tax expenses is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax position.

Particulars		31st March, 2017	31st March, 2016
a)	Income Tax Expenses		
	Current Tax :		
	Current Tax on profits for the year	1,377.61	1,754.52
	Total Current Tax Expenses	1,377.61	1,754.52
	Deferred Tax :		
	Decrease/(Increase) in deferred tax assets	(35.48)	23.42
	(Decrease)/Increase in deferred tax liabilities	7,702.06	11,277.78
	Adjustments for deferred tax of prior periods	-	(4,593.72)
	Total Deferred tax expenses/(benefits)	7,666.57	6,707.47
	Total Income Tax Expenses	9,044.18	8,461.99
	Income Tax Expenses is attributable to :		
	Current Tax	1,377.61	1,754.54
	Deferred Tax	7,666.57	6,707.47
		9,044.18	8,462.01
b)	Reconciliation of tax expenses and the accounting profit multiplied by India's tax rate :		
	Profit from continuing operations before income tax expenses	26,199.10	26,097.52
	Tax at the Indian tax rate of 34.608% (2015-16: 34.608%)	9,066.98	9,031.84
	Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
	Depreciation	(306.09)	(291.54)
	Retention Money/Price Variation	(7,199.63)	(6,733.17)
	Remeasurement of Employee Benefit Obligation	-	(3.47)
	Impact of change in Tax rates	76.99	88.98
	Effect of Non taxable Income	(64.30)	(614.76)
	Adjustments for current tax of prior periods	-	(67.47)
	Tax losses for which no deferred income tax was recognised	-	(0.49)
	Unrecognised tax losses recouped to reduce current tax expenses	-	(84.85)
	Impairment losses used to reduce deferred tax expenses	(196.34)	429.46
	Tax Expenses	1,377.61	1,754.54

(₹ in lacs)

NOTE 28	MOVEMENT IN DEFERRED TAX ASSET / LIABILITY	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015
		Through PL	Through OCI	Through PL	Through OCI	Transition
	Property, Plant and Equipment	303.41	201.01	320.99	-	1,613.28
	Intangible Assets	2.67	-	0.06	-	6.36
	Employee benefit obligation	(35.48)	9.22	23.42	(3.47)	13.38
	Retention Money/Price Variation Receivable #	7,199.63	-	6,819.99	-	-
	Impairment loss/(gain) on financial assets	196.34	-	(456.98)	-	(1,513.37)
	Impact	7,666.57	210.23	6,707.47	(3.47)	119.65

Note: This excludes deferred tax amounting to ₹ in lacs 4,593.72 created in the Financial year 2015-16 on account of earlier year adjustments.

(All amounts in ₹ in Lacs, unless otherwise stated)

NOTE 29 FAIR VALUE MEASUREMENTS

i) Financial instruments by category:

Particulars	31st March, 2017			31st March, 2016			1st April, 2015		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets									
Investments:									
Equity instruments (*)	-	7,394.38	504.19	-	10,864.04	616.50	-	5.63	227.85
Trade receivables	-	-	2,37,961.09	-	-	2,33,970.85	-	-	1,67,012.81
Cash and cash equivalents	-	-	5,828.48	-	-	4,586.63	-	-	2,483.54
Other bank balances	-	-	15,011.84	-	-	13,630.36	-	-	9,622.61
Derivative financial assets	-	-	-	51.94	-	-	20.68	-	-
Total financial assets	-	7,394.38	2,59,305.60	51.94	10,864.04	2,52,804.34	20.68	5.63	1,79,346.81
Financial liabilities									
Borrowings	-	-	1,09,367.18	-	-	1,18,587.27	-	-	90,791.61
Trade payables	-	-	1,67,764.62	-	-	1,86,460.56	-	-	1,43,174.30
Other financial liabilities	-	-	58,968.56	-	-	49,124.02	-	-	30,817.95
Total financial liabilities	-	-	3,36,100.36	-	-	3,54,171.85	-	-	2,64,783.86

*Includes investments in Joint Ventures accounted as per equity method as prescribed under Ind AS 28 "Investments in Associates and Joint Ventures".

ii) Fair value hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- recognised and measured at fair value, and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into three levels prescribed under the Ind AS 113 "Fair Value Measurements". An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	7,394.38	-	-	7,394.38
Derivatives				
Foreign exchange forward contracts	-	-	-	-
Total	7,394.38	-	-	7,394.38

(₹ in lacs)

Financial assets and liabilities measured at fair value - recurring fair value measurements At March 31, 2016	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	10,864.04	-	-	10,864.04
Derivatives				
Foreign exchange forward contracts	-	51.94	-	51.94
Total	10,864.04	51.94	-	10,915.98

Financial assets and liabilities measured at fair value - recurring fair value measurements At April 1, 2015	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVPL				
Equity instruments	5.63	-	-	5.63
Derivatives				
Foreign exchange forward contracts	-	20.68	-	20.68
Total	5.63	20.68	-	26.31

Level 1:

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2:

Fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument as observable, the instrument is included in level 2.

Level 3:

If one or more of the significant inputs is not based on observable data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification assets.

 iii) **Valuation technique used to determine fair value**

The following methods and assumptions were used to estimate the fair value of the level 2 financial instruments included in the above tables:

- 1) Derivative instruments: The company enters into foreign currency forward contracts with banks with investment grade credit ratings. These are valued using the forward pricing valuation technique, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and foreign exchange spot and forward rates. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships.
- iv) As per Ind AS 107 "Financial Instrument: Disclosure", fair value disclosures are not required when the carrying amounts reasonably approximate the fair value. Accordingly fair value disclosures have not been made for the following financial instruments:
 - 1) Trade receivables
 - 2) Cash and cash Equivalent
 - 3) Other Bank Balances
 - 4) Interest Accrued on Deposits
 - 5) Borrowings
 - 6) Trade payables
 - 7) Capital creditors
 - 8) Other payables

NOTE 30 FINANCIAL RISK MANAGEMENT

The company's few portion of activities are exposed to variety of financial risks i.e. market risk, credit risk and liquidity risk.

a) Market Risk

The company operates globally and a portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales and services outside India, and purchases from overseas suppliers in various foreign currencies. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the company's operations are affected positively/ adversely as the rupee appreciates/ depreciates against these currencies. The company evaluates exchange rate exposure arising from these transactions and enters into foreign exchange forward contracts to mitigate the risk of changes in exchange rate on foreign currency exposures as and when required.

aa) **The group's exposure to foreign currency risk as on March 31, 2017 expressed in ₹ in lacs, is as follows:** (₹ in lacs)

Particulars	31st March, 2017		
	USD	Other currencies	Total
Financial assets			
Cash and cash equivalents	1,409.06	244.83	1,653.89
Trade receivables	32,380.69	-	32,380.69
Other Assets	1,289.21	1,793.13	3,082.34
Financial liabilities			
Trade payables	19,856.91	-	19,856.91
Employee benefit obligations	-	-	-
Other liabilities	21,531.90	1,602.04	23,133.94
Net assets/ (liabilities)	(6,309.85)	435.92	(5,873.93)

ab) **The group's exposure to foreign currency risk as on March 31, 2016 expressed in ₹ in lacs, is as follows:**

Particulars	31st March, 2016		
	USD	Other currencies	Total
Financial assets			
Cash and cash equivalents	167.47	0.03	167.51
Trade receivables	35,934.17	-	35,934.17
Other Assets	55.76	2,623.91	2,679.67
Financial liabilities			
Trade payables	30,690.83	-	30,690.83
Employee benefit obligations	-	-	-
Other liabilities	2,981.95	1,673.16	4,655.11
Net assets/ (liabilities)	2,484.63	950.78	3,435.42

ac) **The group's exposure to foreign currency risk as on April 1, 2015 expressed in ₹ in lacs, is as follows:**

Particulars	1st April, 2015		
	USD	Other currencies	Total
Financial assets			
Cash and cash equivalents	7.95	-	7.95
Trade receivables	20,249.93	-	20,249.93
Other Assets	0.83	999.81	1,000.64
Financial liabilities			
Trade payables	18,201.11	-	18,201.11
Employee benefit obligations	-	-	-
Other liabilities	-	-	-
Net assets/ (liabilities)	2,057.61	999.81	3,057.42

ad) Derivative financial Instruments

The group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. These financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observation in the marketplace.

The following table gives details in respect of outstanding foreign exchange contracts: (₹ in lacs)

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	FC in lacs	₹ in lacs	FC in lacs	₹ in lacs	FC in lacs	₹ in lacs
Derivatives Forward Contracts						
Forward contracts						
In USD	-	-	25.30	1,726.38	25.30	1,597.96
Total forwards	-	-	25.30	1,726.38	25.30	1,597.96

The foreign exchange forward contracts mature within twelve months. The table below analyzes the derivative financial into relevant maturity groupings based on the remaining period of the balance sheet date:

Particulars	31st March, 2017	31st March, 2016	1st April, 2015
Not later than one month	-	-	-
Later than one month and not later than three months	-	1,726.38	778.28
Later than three months and not later than one year	-	-	819.68

b) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily trade receivables from customers other than government entities. These Trade receivables are typically unsecured and are derived from revenue earned from domestic and foreign customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the company uses expected credit loss model to assess impairment loss or gain. the company uses a matrix to compute the expected credit loss allowance for trade receivable .

ba) **The allowance for life time expected credit loss on customer balances for the year ended March 31, 2017 and March 31, 2016 was ₹ 5,139.29 lakhs and ₹ 5,693.33 lakhs respectively. The movement of allowance for bad and doubtful debt is as below:**

Particulars	31st March, 2017	31st March, 2016
Balance at the beginning of the year	5,693.33	4,452.40
Translation differences	-	-
Allowance for doubtful debt	(554.04)	1,240.93
Write offs	-	-
Balance at the end of the year	5,139.29	5,693.33

The company's credit period generally ranges from 120-150 days.

Particulars	31st March, 2017	31st March, 2016
Trade receivables	2,37,961.09	2,33,970.85
Days sales outstanding - DSO (Days)	154 days	155 days

bb) **Credit risk on cash and cash equivalents is limited as the company generally invites in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.**

NOTE 31 CAPITAL MANAGEMENT
a) Risk management

The group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return on capital to shareholders or issue new shares. The company monitors capital using gearing ratio, which is net debt divided by

total Equity. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of reporting period was as follows:

(₹ in lacs)

Particulars	31st March, 2017	31st March, 2016	1st April 2015
Net Debt	88,526.86	1,00,370.29	78,685.46
Total Equity	1,06,375.38	84,539.45	64,991.99
Net debt to Equity Ratio	0.83	1.19	1.21

b) **Dividends**

Particulars	31st March, 2017	31st March, 2016
i) Equity shares		
Final dividend for the year ended 31.03.2017 of ₹ NIL (31.03.2016 ₹ NIL) per fully paid share	-	-
Interim dividend for the year ended 31.03.2017 of ₹ NIL (31.03.2016 ₹ Nil) per fully paid share	-	-
ii) Dividends not recognised at the end of the reporting period	-	-
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of ₹ NIL per fully paid equity share (31.03.2016 ₹ NIL). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	-	-

Particulars	31st March, 2017	31st March, 2016
NOTE 32 EARNINGS PER SHARE (EPS)		
i) Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders (₹ In Lacs)	17,177.98	17,649.19
ii) Weighted Average number of equity shares used as denominator for calculating EPS	4,70,00,000	4,54,93,151
iii) Basic and Diluted Earnings per share (₹)	36.55	38.80
iv) Face Value per Equity Share (₹)	10.00	10.00

Particulars	31st March, 2017	31st March, 2016
NOTE 33 FOREIGN EXCHANGE		
EARNINGS IN FOREIGN EXCHANGE		
FOB Value of Exports	16,746.83	22,202.76
EXPENDITURE IN FOREIGN CURRENCY		
Imported Material	14,440.59	21,876.10
Tour Expenses	75.51	75.91
Others	1,034.99	197.30
	15,551.09	22,149.31

Particulars	31st March, 2017	31st March, 2016
NOTE 34 CONTINGENT LIABILITIES		
i) Guarantees given by Group's Bankers on behalf of the Group.	2,26,657.28	1,91,021.13
ii) Claims against the Group not acknowledged as debts:		
a) Sales Tax	1,178.87	1,439.76
b) Service Tax	328.64	333.08
iii) Corporate Guarantees given by Group	6,929.15	11,603.78
iv) Accrued Liabilities/Guarantees for leased property	1,339.19	-

However as per management perception, the above liabilities will not devolve upon the company in future.

(₹ in lacs)

Particulars		31st March, 2017	31st March, 2016
NOTE 35	CAPITAL COMMITMENTS		
Estimated value of contracts in capital account remaining to be executed		571.12	700.05

Particulars		31st March, 2017	31st March, 2016
NOTE 36	SEGEMENT REPORTING AS PER IND AS 108		
Segment Revenue:			
Project & Services		4,65,780.56	3,98,012.28
Manufacturing		13,918.30	22,173.99
Others		55,987.75	96,077.19
Segment Total		5,35,686.61	5,16,263.46
Segment Results:			
Project & Services		48,461.23	47,422.73
Manufacturing		392.07	1,423.72
Others		452.22	(1,968.40)
Segment Total		49,305.52	46,878.05
Unallocated income over expenses		(1,431.57)	-1592.9
Profit Before Interest & Tax Expenses		47,873.94	45,285.15
Interest		21,810.80	18,963.39
Share of net profit of Joint Venture		(135.96)	224.24
Profit before Tax		26,199.09	26,097.52
Tax Expenses		9,044.18	8,461.99
Profit after Tax		17,154.91	17,635.52

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 36	SEGEMENT REPORTING AS PER IND AS 108 (Contd.)			
Segment Assets & Liabilities:		Assets		
Segment Assets				
Project & Services		3,61,700.04	3,31,761.04	2,77,615.40
Manufacturing		35,807.77	36,931.44	29,456.60
Others		67,790.71	86,720.39	30,672.37
Total		4,65,298.52	4,55,412.87	3,37,744.37
		Liabilities		
Segment Liabilities				
Project & Services		1,79,705.13	1,74,149.37	1,49,067.43
Manufacturing		1,896.21	6,150.03	9,118.56
Others		1,09,605.32	1,28,804.39	73,148.40
Total		2,91,206.66	3,09,103.79	2,31,334.39

(₹ in lacs)

NOTE 37 RELATED PARTY DISCLOSURE AS PER IND AS 24

Name	Relation	Particulars	Net Transaction During the year	Balance as on 31st March, 2017
BCPL - EMC Joint Venture	Joint Venture	Investment	-	2.45
		Sales	351.91	382.90
EMC - BCPL Joint Venture	Joint Venture	Investment	-	0
		Sales	558.05	182.33
EMC - BCPL Joint Venture Subir	Joint Venture	Investment	-	0
		Sales	761.34	85.72
EMC MBE Contracting Co. LLC	Joint Venture	Investment	-	217.10
		Advance	(18,804.75)	(18,804.75)
Fedders - EMC - Quatro JV	Joint Venture	Sales	429.63	(666.65)
Tecnolines Makedonjia Doel	Subsidiary of Tecnolines S.r.l	Advance	27.06	27.06
Tecnolines Czech		Advance	2.29	2.29
Mr. Manoj Toshniwal	Key Managerial Personnel	Salary	130.32	0
Mr. Ramesh Chandra Bardia	Key Managerial Personnel	Salary	130.32	0
Mr. Sarbananda Lahiri	Key Managerial Personnel	Advance	(64.00)	(64.00)
		Salary	57.00	0
Mr. Partho Mullick	Key Managerial Personnel	Salary	34.00	0
Mr. Amitava Majumdar	Key Managerial Personnel	Salary	34.15	0
Mr. Subroto Chaudhury	Key Managerial Personnel	Advance	(15.00)	(15.00)
Mr. Nikunj Toshniwal	Relative of Key Managerial Personnel	Salary	34.20	0
Mr. Siddhartha Bardia	Relative of Key Managerial Personnel	Salary	17.02	0
Mr. Keshav Toshniwal	Relative of Key Managerial Personnel	Salary	3.98	0

* Figures in Brackets indicate amounts payable to related parties.

Particulars	As at 31st March, 2017	As at 31st March, 2016
NOTE 38 FINANCIAL HEDGING INSTRUMENTS		
For hedging Currency Related Risks :		
i) Forward Contracts - Outstanding Nominal Value	-	1,726.38

NOTE 39 AS PER IND AS 19 "EMPLOYEE BENEFITS", THE DISCLOSURES AS DEFINED IN THE ACCOUNTING STANDARD ARE GIVEN BELOW :
Defined Benefit Plan

The employees' gratuity fund scheme managed by a trust is a defined benefit plan. The Present Value of obligations is determined based on actuarial valuation using the Projected Unit Cost Method.

(₹ in Lacs)

	2016-17	2015-16
1) Change in Defined Benefit Obligation :		
Defined Benefit Obligation at the beginning of the year	348.83	328.81
Interest Cost	27.35	25.58
Current Service Cost	44.63	43.88
Benefits Paid	(42.84)	(59.00)
Actuarial Gain / (Loss) on Obligation	(18.30)	9.56
Present Value of obligation as at the end of the year	359.67	348.83
2) Change in Fair Value of the Asset		
Fair Value of the plan assets at the beginning of the year	252.52	289.45
Investment Income	19.80	22.52
Contributions	111.44	-
Benefits paid	(42.84)	(59.00)
Return on plan assets, excluding amount recognised in Net Interest Expenses	(1.67)	(0.45)
Fair Value of Plan assets at the end of the year	339.25	252.52
3) Net Asset/(Liability) recognised in the Balance Sheet		
Fair Value of the Plan Assets	339.25	252.52
Present Value of the obligation as at the end of the year	359.67	348.83
Amount recognized in Balance Sheet	(20.42)	(96.31)
4) Expenses recognised in the Income Statement		
(under the head contribution to provident fund and other funds)		
Current Service Cost	44.63	43.88
Net Interest Income/(cost) on the Net Defined Benefit liability	7.55	3.06
Expenses recognised in the statement of Profit and Loss	52.18	46.94
5) Other Comprehensive Income		
Expected Return from Plan Asset	1.67	9.56
Net Actuarial Gain/(Loss) recognized in the year	(18.30)	0.45
Components of defined benefit costs recognised in Other Comprehensive income	(16.63)	10.01

Particulars	31st March, 2017	31st March, 2016	31st March, 2015
NOTE 39.1 THE KEY ASSUMPTIONS USED IN THE CALCULATIONS ARE AS FOLLOWS :			
Discount Rate	7.34% p.a	7.84% p.a	7.78% p.a
Rate of increase in salaries	6.00% p.a	6.00% p.a	6.00% p.a
Mortality	IALM 06-08 Ultimate	IALM 06-08 Ultimate	IALM 06-08 Ultimate
Attrition Rate	2.00% p.a	2.00% p.a	2.00% p.a

(₹ in lacs)

NOTE 39.2	PARTICULARS	As on 31st March, 2017		As on 31st March, 2016	
		Decrease	Increase	Decrease	Increase
	Discount Rate (-/+ 1%)	390.71	333.18	376.22	325.38
	% change compared to base due to sensitivity	8.63%	-7.36%	7.85%	-6.72%
	Salary Growth (-/+1%)	333.85	389.37	326.02	374.87
	% change compared to base due to sensitivity	-7.18%	8.26%	-6.54%	7.46%
	Attrition Rate (-/+1%)	356.62	362.26	344.86	352.23
	% change compared to base due to sensitivity	-0.85%	0.72%	-1.14%	0.97%
	Mortality Rate (-/+1%)	358.90	360.43	347.90	349.75
	% change compared to base due to sensitivity	-0.21%	0.21%	-0.27%	0.26%

NOTE 39.3 DESCRIPTION OF RISK EXPOSURES
Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary overtime. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

Interest Rate risk : The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

Liquidity Risk : This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash / cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

Salary Escalation Risk : The present value of the defined benefit plans calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

Demographic Risk : The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Regulatory Risk : Gratuity benefit is paid in accordance with the requirements of the Payment of Gratuity Act, 1972 (as amended from time to time). There is a risk of change in regulations requiring higher gratuity payouts.

NOTE 40	PARTICULARS	As at	As at	As at
		31st March, 2017	31st March, 2016	1st April, 2015
		₹ in Lacs	₹ in Lacs	₹ in Lacs
	Current Assets			
	Financial Assets			
	Trade Receivables	1,93,190.43	1,70,920.87	1,50,019.49
	Other Financial Assets	1,29,422.40	1,27,502.63	99,594.28
	Non Financial Assets			
	Inventories	11,267.89	13,809.91	13,859.40
	Total Current assets provided as security	3,33,880.72	3,12,233.40	2,63,473.17
	Non Current assets			
	Property, Plant and Equipment	29,082.42	18,575.05	19,789.61
	Intangible Assets	59.04	51.31	44.63
	Investment	3,379.49	1,292.00	-
	Total Non - Current assets provided as security	32,520.95	19,918.36	19,834.23
	Total Assets provided as Security	3,66,401.67	3,32,151.76	2,83,307.41

(₹ in lacs)

Particulars		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 41	THE OBLIGATIONS ON LONG TERM, NON-CANCELLABLE FINANCE LEASES PAYABLE AS PER THE RESPECTIVE AGREEMENTS ARE AS FOLLOWS :			
	Future minimum lease payable			
	Not Later than 1 year	71.29	16.14	14.20
	Later than 1 year and not later than 5 years	251.43	4.07	20.21
	Later than 5 year	-	-	-
		322.72	20.21	34.41

Particulars		Revaluation of	
NOTE 42	REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	Land	Building
	Effective date of the revaluation	31st March, 2017	31st March, 2017
	Revaluation by	United Surveyors & Valuers	United Surveyors & Valuers
	Carring amount before revaluation	34.50	339.86
	Revaluation Amount	9,656.70	580.83
	Carring amount after revaluation	9,691.20	920.69
	Depreciation	-	-
	Fair value Hierarchy	II	II
	Valuation techniques	Sales Comparison market approach	Sales Comparison market approach

NOTE 43.1 ENTERPRISES CONSOLIDATED AS SUBSIDIARY IN ACCORDANCE WITH IND AS 110 CONSOLIDATED FINANCIAL STATEMENTS

Name of the Enterprise	Country of Incorporation	Percentage of Ownership Interest (%) as at 31.03.2017	Percentage of Ownership Interest (%) as at 31.03.2016	Percentage of Ownership Interest (%) as at 31.03.2015
ASC, Inc. (Formerly, Advanced Steel & Crane Inc.)	U.S.A	100%	100%	100%
Tecnolines S.r.l	Italy	90%	70%	70%
EMC West Asia DMCC	U.A.E	100%	100%	100%
EMC East Asia Limited	China	100%	100%	100%
Quatro Rail Tech Solutions Limited (Formerly, Quatro Rail Tech Solutions Pvt Ltd)	India	60%	60%	60%
Tecnolines Singapore PTE Limited	Singapore	100%	100%	100%
CE Maschinenbau GmbH (Formerly, MBE Cologne Engineering GmbH)	Germany	Nil	90%	90%
EMC Saudi LLC	U.A.E	60%	60%	-
EMC Tower Limited	India	100%	100%	100%
EMC Hardware Limited	India	100%	100%	100%
EMC Solar Limited	India	100%	100%	100%
EMC Forging Limited	India	100%	100%	100%
EMC Logistics Limited	India	100%	100%	100%
EMC Overseas Limited	India	100%	100%	100%
EMC Academy Limited	India	100%	100%	100%

NOTE 43.2 ENTERPRISES ACCOUNTED AS JOINT VENTURES IN ACCORDANCE WITH IND AS-28 INVESTMENT IN ASSOCIATES AND JOINT VENTURES

Name Of the Enterprise	Country of Incorporation	Percentage of Ownership Interest (%) as at 31.03.2017	Percentage of Ownership Interest (%) as at 31.03.2016	Percentage of Ownership Interest (%) as at 31.03.2015
EMC - BCPL Joint Venture	India	51%	51%	51%
BCPL - EMC Joint Venture	India	49%	49%	49%
FEDDERS - EMC - QUATRO Joint Venture	India	74%	74%	-
EMC MBE Contracting Co. LLC	Oman	35%	35%	-
EMC - BCPL Subir Joint Venture	India	71%	71%	71%

NOTE 44 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE - III

(₹ in lacs)

Sr, No	Name of the Enterprise	Net Assets i.e total Assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/(Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent Company									
	EMC Limited	86.33%	91,831.63	95.89%	16,449.96	100.12%	6,012.86	96.99%	22,462.82
Subsidiaries									
Indian									
1	Quatro Rail Tech Solutions Limited (Formerly, Quatro Rail Tech Solutions Private Limited)	0.45%	476.45	0.37%	63.48	-	-	0.27%	63.48
2	EMC Tower Limited	1.65%	1,758.96	0.38%	64.36	-	-	0.28%	64.36
3	EMC Hardware Limited	0.02%	17.45	0.00%	0.18	-	-	0.00%	0.18
4	EMC Solar Limited	0.00%	0.37	0.00%	(0.26)	-	-	0.00%	(0.26)
5	EMC Forging Limited	0.00%	0.46	0.00%	(0.34)	-	-	0.00%	(0.34)
6	EMC Logistics Limited	0.00%	0.37	0.00%	(0.23)	-	-	0.00%	(0.23)
7	EMC Overseas Limited	0.00%	(0.44)	(0.02%)	(3.59)	-	-	(0.02%)	(3.59)
8	EMC Academy Limited	0.00%	1.26	0.00%	(0.54)	-	-	0.00%	(0.54)
Foreign									
1	Tecnolines Singapore PTE Limited	0.02%	21.98	(0.06%)	(11.08)	-	-	(0.05%)	(11.08)
2	ASC, Inc. (Formerly, Advanced Steel & Crane Inc.)	1.44%	1,528.08	0.40%	68.92	-	-	0.30%	68.92
3	Tecnolines S.r.l	0.78%	832.72	0.83%	142.31	-	-	0.61%	142.31
4	EMC West Asia DMCC	8.35%	8,882.81	3.69%	632.44	-	-	2.73%	632.44
5	EMC Saudi LLC	0.18%	193.95	(0.70%)	(119.28)	-	-	(0.51%)	(119.28)
6	EMC East Asia Limited	0.13%	135.42	0.16%	27.61	-	-	0.12%	27.61
Non - Controlling Interest in all Subsidiaries		0.36%	380.47	(0.13%)	(23.07)	(0.12%)	(6.99)	(0.13%)	(30.06)

(₹ in lacs)

Sr, No	Name of the Enterprise	Net Assets i.e total Assets minus total liabilities		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated Net Assets	Amount	As % of Consolidated Profit/(Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
	Joint Ventures								
1	EMC - BCPL Joint Venture	0.06%	68.11	0.04%	7.38	-	-	0.03%	7.38
2	BCPL - EMC Joint Venture	0.03%	34.82	(0.16%)	(27.01)	-	-	(0.12%)	(27.01)
3	FEDDERS -EMC - QUATRO Joint Venture	0.13%	133.41	(0.67%)	(115.52)	-	-	(0.50%)	(115.52)
4	EMC MBE Contracting Co. LLC	(0.02%)	(17.98)	(0.10%)	(17.98)	-	-	(0.08%)	(17.98)
5	EMC - BCPL Subir Joint Venture	0.09%	95.07	0.10%	17.17	-	-	0.07%	17.17
	Total	100.00%	1,06,375.38	100.00%	17,154.91	100.00%	6,005.87	100.00%	23,160.78

NOTE 45 FIRST TIME ADOPTION OF IND AS

These are the group's first consolidated financial statement prepared in accordance with Ind AS .

The accounting policy set out in Note 2 to the Consolidated Financial Statements have been applied in preparing the financial statements for the year ended 31st March 2017, the comparative information presented in these financial statements for the year ended 31st March 2016, and in the preparation of an opening Ind AS Balance Sheet at 1st April 2015 (transition date) respectively. In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (Previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows as on transition date as well as the comparative period, is set out in the following tables and notes.

Set out below are the applicable Ind AS 101 optional Exemption and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A) Exemption Availed
1) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property , Plant & Equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition. Accordingly the company has elected to measure all of its Property, Plant & Equipment, Intangible assets at their previous GAAP carrying value.

2) Cumulative Translation Differences

Ind AS 101 permits cumulative translation gains or losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation difference in accordance with Ind AS 21 from the date of subsidiary or equity method investee was formed or acquired. The group has elected to reset all cumulative translation gains or losses to zero by transferring it to opening retained earnings at its transition date.

3) Joint Ventures

Ind AS 101 provides an exemption from changing from proportionate consolidation to equity method of accounting. As per the exemption, when changing from proportionate consolidation to equity method accounting, an entity should recognise its investment in joint ventures at transition date to Ind AS. The initial investment should be measured as the aggregate of the carrying amount of the assets and liabilities that the entity has previously proportionately consolidated, including any goodwill arising from acquisition. The balance of the investment in joint venture at the date of transition to Ind AS, determined in accordance with above is regarded as the deemed cost of the investment at initial recognition. The group has elected to apply this exemption for its joint venture entities.

4) Designation of previously recognised financial instruments.

Ind AS 101 allows an entity to designate investments in equity instruments at FVTOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The company has elected to apply this exemption for its investment in equity investments.

B) Ind AS Exceptions Followed**1) Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies). Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- Investment in equity instruments carried at FVTPL or FVOCI; and
- Impairment loss/gain on Financial assets.

2) Non Controlling Interest

Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of parent and to non controlling interests. This requirement needs to be followed even if this results in deficit balance of the non controlling interest. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.

3) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess, classify and measure the financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

C) Transition to Ind AS -Reconciliation

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

- I. Reconciliation of Balance sheet as at April 1, 2015 and March 31, 2016.
- II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016.
- III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016.

The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

I. Reconciliations of Balance Sheet as at April 1, 2015 and March 31, 2016
(a) Reconciliations of Balance Sheet as at April 1, 2015

Particulars	Note No.	As at	Adjustments	As at
		1st April, 2015 (Previous GAAP)		1st April, 2015 (Ind AS)
I. ASSETS				
1. Non-current assets				
a. Property, Plant and Equipments		26,256.01	-	26,256.01
b. Capital work-in-progress		3,648.96	-	3,648.96
c. Intangible Assets		1,961.80	-	1,961.80
d. Goodwill on Consolidation		3,124.08	-	3,124.08
e. Financial Assets				
(i) Trade Receivables		2,099.59	-	2,099.59
(ii) Investments	1 & 2	3.74	229.75	233.49
(iii) Other Financial assets		3.18	-	3.18
f. Other non-current asset	2	2,059.71	(0.13)	2,059.58
g. Deferred tax assets (net)		-	-	-
2. Current assets				
a. Inventories		16,988.79	-	16,988.79
b. Financial Assets				
(i) Current investments		-	-	-
(ii) Trade Receivables	4	1,69,866.97	(4,953.75)	1,64,913.22
(iii) Cash & Bank balances	2	2,636.29	(152.75)	2,483.54
(iv) Other financial Assets	2	9,651.06	(10.96)	9,640.11
c. Other assets	2	1,04,417.54	(85.52)	1,04,332.02
Total		3,42,717.72	(4,973.36)	3,37,744.36
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital		3,700.00	-	3,700.00
b. Other Equity	7 & 12	63,667.79	(2,593.97)	61,073.82
Attributable to owners of the parent		67,367.79	(2,593.97)	64,773.82
Non Controlling Interest		218.17	-	218.17
2. Non-current liabilities				
a. Financial Liabilities				
(i) Borrowings		29,635.83	-	29,635.83
(ii) Trade payables		5,733.15	-	5,733.15
(iii) Other Financial Liabilities		12,682.92	-	12,682.92
b. Provisions		-	-	-
c. Deferred Tax Liabilities (net)	3	1,467.00	(1,347.35)	119.65
d. Other Non-current Liabilities		-	-	-
3. Current liabilities				
a. Financial Liabilities				
(i) Borrowings		61,155.80	-	61,155.80
(ii) Trade payables	2	1,37,997.56	(556.42)	1,37,441.15
(iii) Other Financial Liabilities	2	18,162.90	(27.87)	18,135.03
b. Provisions	4	674.71	(445.32)	229.39
c. Other Liabilities	2	1,384.09	(2.44)	1,381.65
d. Current Tax Liability (Net)		6,237.79	-	6,237.79
Total		3,42,717.72	(4,973.36)	3,37,744.36

(₹ in lacs)

(b) Reconciliations of Balance Sheet as at March 31, 2016

Particulars	Note No.	As at	Adjustments	As at
		31st March, 2016 (Previous GAAP)		31st March, 2016 (Ind AS)
I. ASSETS				
1. Non-current assets				
a. Property, Plant and Equipments		25,332.08	-	25,332.08
b. Capital work-in-progress		553.00	-	553.00
c. Intangible Assets		5,343.94	-	5,343.94
d. Goodwill on Consolidation		3,456.44	-	3,456.44
e. Financial Assets				
(i) Trade Receivables		2,593.69	-	2,593.69
(ii) Investments	1 & 2	14,291.43	(2,810.89)	11,480.54
(iii) Other Financial assets		3.62	-	3.62
f. Other non-current asset	2	5,185.99	(12.56)	5,173.43
g. Deferred tax assets (net)		-	-	-
2. Current assets				
a. Inventories		17,714.23	-	17,714.23
b. Financial Assets				
(i) Current investments		-	-	-
(ii) Trade Receivables	4	2,37,699.92	(6,322.77)	2,31,377.16
(iii) Cash & Bank balances	2	4,685.62	(98.99)	4,586.63
(iv) Other financial Assets		13,678.68	-	13,678.68
c. Other assets	2	1,34,316.99	(197.56)	1,34,119.43
Total		4,64,855.63	(9,442.77)	4,55,412.87
II. EQUITY AND LIABILITIES				
1. Equity				
a. Equity Share Capital		4,700.00	-	4,700.00
b. Other Equity	7	83,946.75	(4,511.34)	79,435.41
Attributable to owners of the parent		88,646.75	(4,511.34)	84,135.41
Non Controlling Interest		404.04	-	404.04
2. Non-current liabilities				
a. Financial Liabilities				
(i) Borrowings		39,911.21	-	39,911.21
(ii) Trade payables		4,829.85	-	4,829.85
(iii) Other Financial Liabilities		23,136.04	-	23,136.04
b. Provisions		-	-	-
c. Deferred Tax Liabilities (net)	3	13,085.58	(1,668.20)	11,417.38
d. Other Non-current Liabilities		-	-	-
3. Current liabilities				
a. Financial Liabilities				
(i) Borrowings		78,676.07	-	78,676.07
(ii) Trade payables	2	1,82,027.51	(396.80)	1,81,630.71
(iii) Other Financial Liabilities	2	28,500.22	(2,512.24)	25,987.98
b. Provisions	5	465.34	(296.11)	169.23
c. Other Current Liabilities		5,059.24	-	5,059.24
d. Current Tax Liability (Net)	2	113.79	(58.08)	55.71
Total Equity and Liabilities		4,64,855.64	(9,442.77)	4,55,412.87

(₹ in lacs)

II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2016

Particulars	Note No.	31st March, 2016	Adjustments	31st March, 2016
		(Previous GAAP)		(Ind AS)
Income				
I. Revenue from Operations	10	5,17,597.13	(1,333.67)	5,16,263.46
II. Other Incomes	2	3,680.01	13.83	3,693.84
Total Income		5,21,277.14	(1,319.84)	5,19,957.30
III. Expenses				
(a) Cost of Raw Materials Consumed	2	3,94,696.15	(1,842.20)	3,92,853.94
(b) Change in Inventory (Increase) /decrease		421.98	(0.00)	421.97
(c) Manufacturing and Processing Costs		42,810.37	-	42,810.37
(d) Employee Benefit Expenses	5	14,675.53	(10.01)	14,665.52
(e) Finance cost	2	18,963.62	(0.24)	18,963.39
(f) Depreciation and Amortization expenses	11	2,814.22	0.43	2,814.64
(g) Other Expenses	10 & 4	19,455.16	2,099.01	21,554.19
Total expenses		4,93,837.03	247.00	4,94,084.02
IV. Share of profit of Joint Ventures			224.24	224.22
V. Profit Before exceptional items and tax		27,440.11	(1,342.60)	26,097.50
Exceptional items		-	-	-
VI. Profit before Taxes		27,440.11	(1,342.60)	26,097.50
VII. Provision for Taxes				
(a) Current Tax		2,049.74	-	1,754.52
(b) Deferred Tax	2	6,840.89	(133.42)	6,707.47
VIII. Profit (Loss) for the Year		18,549.48	(1,209.18)	17,635.51
IX. Other Comprehensive Income				
(i) Items that will not be reclassified subsequently to profit or loss :				
(a) Changes in investments in equity shares carried at FVTOCI		-	(3,429.28)	(3429.28)
(b) Re-measurement of defined employee benefit plans		-	(10.01)	(10.01)
(c) Income tax effect		-	3.47	3.47
(ii) Items that will be reclassified subsequently to profit or loss :				
(a) Exchange differences in translating the financial statements of foreign operations		-	1,507.04	1507.04
X. Total Other comprehensive Income after tax		-	(1,928.79)	(1928.79)
XI. Total comprehensive income for the period		18,549.48	(3,137.97)	15,706.76

III. Reconciliation of Equity as at April 1, 2015 and March 31, 2016

Particulars	Refer Notes below	As at 31st March, 2016	As at 1st April, 2015
Total equity as per previous GAAP		89,050.79	67585.97
Deferred taxes under balance sheet approach	3	1,668.20	1347.35
Reserves for equity instruments through OCI	1	(3,427.14)	2.14
Revaluation Surplus of Plant, Property and Equipment	11	-	-
Reversal of Proposed Dividend with distribution tax on it	5	282.84	445.32
Impairment Losses on Financial Assets	4	(5,693.33)	(4452.40)
Recognition of equity component of debt instrument	11	2,500.00	-
Discontinuation of Proportion consolidation of Interest in Joint Venture	2	158.09	63.62
Total equity as per Ind AS		84,539.45	64,992.00

Notes to first time adoption
1) Fair Valuation of Investments

Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are required to be measured at fair value either through OCI (FVTOCI). The group has opted to fair value these investments through other comprehensive income (FVTOCI). Accordingly, resulting fair value change of these investments have been recognised in retained earnings as at the date of transition and subsequently in the other comprehensive income for the year ended March 31 2016.

2) Joint Venture

Under previous GAAP Jointly Controlled Entities accounted for using the proportionate consolidation method. Under Ind AS, the group has accounted interest in joint venture using equity method. For the purpose of applying equity method, as at transition date, the investment in joint venture has been measured as the aggregate of the carrying amounts of assets and liabilities including any goodwill arising from acquisition, that the group has previously proportionately consolidated.

3) Deferred Taxes

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base. The Deferred tax impact has been recognised in retained earnings on the date of transition and subsequent adjustments in statement of profit and loss.

4) Impairment of Trade receivables

As per Ind AS 109, the company is required to apply expected credit loss model for recognising the impairment loss or gain on Trade receivables, consequently the impairment loss on date of transition has been recognised in retained earnings and subsequent changes in statement of profit and loss.

5) Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting, accordingly provision for the proposed dividend lying as on the date of transition is derecognized.

6) Remeasurement of post employment

Under Ind AS, remeasurement i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expenses on the net benefit liability are recognised in other comprehensive income instead of profit or loss.

7) Retained earnings

Retained earnings as at April 1, 2015 has been adjusted consequent to Ind AS transition adjustments.

8) Other comprehensive income

Under Ind AS, all items of income and expenses recognised in a period should be included in profit or loss for the period, unless a standard required or permits otherwise. Items of income and expenses that are not recognised in profit and loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefits plans, foreign exchange difference arising on translation of foreign operations, effective portion of gains and losses on cash flow hedging instruments and fair value gains or (losses) on FVTOCI equity instruments. The concept of other comprehensive income did not exist under previous GAAP.

9) Financial Guarantee

The company has extended financial guarantees on behalf of its related entities, the recognition of financial liabilities arising thereon has not been accounted in the books of account being the fair value is immaterial.

10) Excise Duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses.

11) Revaluation Reserve

The Amount lying in revaluation reserve as on transition date is transferred to retained earnings in accordance with Ind AS Transition Facilitation Group Bulletin-8 issued by Institute of Chartered Accountant of India (ICAI).

12) Recognition of equity component of debt instrument

Under previous GAAP, the company had classified mandatorily convertible debt under other loans and advances, the same has been measured and recognized as equity component in accordance with Ind AS 109 and 32.

NOTE 46
FIGURES FOR THE PREVIOUS YEAR HAVE BEEN RE-ARRANGED AND RE-GROUPED WHEREVER NECESSARY.

As per our Report of even date attached

For **SRB & Associates**
Chartered Accountants
(F. Regd. No.310009E)

Bisworanjan Sutar
(Partner)
Membership No. - 066708
Kolkata, The 30th day of June, 2017

For and on behalf of the Board

Manoj Toshniwal
Managing Director
DIN : 00022787

Ramesh Chandra Bardia
Jt. Managing Director
DIN : 00374148

Yamini More
VP (Finance & Accounts)

Arun Kumar Kedia
Chief Financial Officer

Sumit Kumar Surana
Company Secretary

A) SUBSIDIARIES (₹ in Lacs)

No.	Name of Subsidiary Company	Date of Acquisition	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of Share-holding
1	EMC West Asia DMCC	06-05-2013	INR	326.69	3,612.32	32,769.27	28,830.26	-	31,462.79	551.86	-	551.86	-	100.00%
				18.50	204.56	1,855.67	1,632.61	-	1,763.81	30.92	-	30.92	-	
2	ASC Inc. (Formerly, Advanced Steel & Crane Inc.)	19-07-2012	INR	3.18	2,201.06	4,617.73	2,413.49	-	4,589.72	287.68	190.91	96.77	-	100.00%
				0.05	33.94	71.20	37.21	-	70.05	4.21	2.91	1.30	-	
3	Tecnolines S.r.l	18-10-2012	INR	69.38	3,997.57	23,505.82	19,438.87	11.45	22,781.94	253.64	84.90	168.75	-	90.00%
				1.00	57.62	338.78	280.16	0.17	314.77	3.50	1.17	2.33	-	
4	Tecnolines Singapore PTE Ltd	28-01-2014	INR	0.49	14.80	3,869.72	3,854.43	-	-	(11.10)	-	(11.10)	-	100.00%
				0.01	0.23	59.66	59.43	-	-	(0.17)	-	(0.17)	-	
5	EMC East Asia Ltd	17-01-2014	INR	4.27	59.15	4,469.20	4,405.79	-	11,171.36	31.05	3.44	27.61	-	100.00%
				0.07	0.91	68.91	67.93	-	170.51	0.47	0.05	0.42	-	
6	EMC Saudi LLC	16-02-2016	INR	518.81	(198.79)	373.90	53.88	-	-	(198.79)	-	(198.79)	-	60.00%
				30.00	(11.38)	21.62	3.00	-	-	(11.38)	-	(11.38)	-	
7	Quatro Rail Tech Solutions Ltd. (Formerly, Quatro Rail Tech Solutions Pvt Ltd)	31-07-2013	INR	100.00	223.45	1,940.61	1,617.17	-	3,011.66	116.16	41.12	75.04	-	60.00%
8	EMC Solar Ltd.	26-05-2010	INR	5.00	(2.69)	2.36	0.05	-	0.17	(0.10)	-	(0.10)	-	100.00%
9	EMC Overseas Ltd.	28-04-2011	INR	150.00	(9.13)	142.13	1.26	-	11.22	11.01	3.39	7.62	-	100.00%
10	EMC Logistics Ltd.	24-06-2010	INR	5.00	(2.70)	2.35	0.05	-	0.17	(0.07)	-	(0.07)	-	100.00%
11	EMC Hardware Ltd.	22-09-1982	INR	25.00	(12.31)	17.59	4.89	-	0.46	(0.18)	-	(0.18)	-	100.00%
12	EMC Forging Ltd.	28-05-2010	INR	5.00	(2.96)	2.09	0.05	-	0.14	(0.20)	-	(0.20)	-	100.00%
13	EMC Tower Ltd.	28-05-2010	INR	1,300.00	(285.90)	2,457.50	1,443.39	-	968.00	3.82	-	3.82	-	100.00%
14	EMC Academy Ltd.	28-07-2010	INR	5.00	(127.33)	2.27	124.60	-	-	(10.21)	-	(10.21)	-	100.00%

As on 31.03.2017: EURO - 69.384, USD - 64.8589, AED - 17.659, SAR - 17.2936

As on 31.03.2016: EURO - 75.3674, USD - 66.1753, AED - 18.0169, SAR - 17.6447,

As on 31.03.2015: EURO - 66.9663, USD - 62.3355, AED - 16.9731

B) Joint Ventures (₹ in Lacs)

Sl No.	Name of Joint Venture	Indian JV				Foreign JV	
		EMC - BCPL JV	BCPL - EMC - JV	Feeders - EMC - Quatro	EMC- BCPL - Subir	EMC MBE Contracting Co. LLC	
1	Latest audited Balance Sheet Date	31-03-2017	31-03-2017	31-03-2017	31-03-2017		31-03-2017
2	Date on which the Joint Venture was associated or acquired	04-02-2013	04-08-2012	03-12-2014	02-04-2014		26-10-2016
3	Shares of Joint Ventures held by the Company on the year end						
	- Amount of Investment in Joint Ventures (₹ in Lacs)	-	2.45	-	-		151.97
	- Extent of Holding %	51%	49%	74%	71%		35%
4	Description of how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture		Joint Venture
5	Reason why the Associate/Joint Venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated		Consolidated
6	Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lacs)	68.11	37.27	133.41	95.07		133.99
7	Profit/(Loss) for the year (₹ in Lacs)						
	i. Considered in Consolidation	16.03	3.23	(115.52)	14.97		(17.98)
	ii. Not considered in Consolidation	15.41	3.36	(40.59)	6.11		(33.38)



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