PNC Infratech Limited

An ISO : 9001-2008 Certified Company

Ref No: PNC/SE/51/16-17

Date: 08.10.2016

To,
The Manager
The Department of Corporate Services
BSE Limited
Floor 25, P.J. Towers,
Dalal Street, Mumbai-400 001
Scrip code:539150

To,
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai-400 051
Scrip code: PNCINFRA

Dear Sir,

Sub: Annual Report of the Company for the Financial Year 2015.-16, under Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We send herewith Annual Report of the Company for the Financial Year 2015.-16, pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the members in the 17th Annual General Meeting of the Company held on September 30, 2016.

Please take note of the same.

Thanking you,
For PNC Infratech Limited

PNC INFRATECH LTD. NEW DELHI

Devendra Kumar Agarwal
Chief Financial Officer

Encl: As stated above

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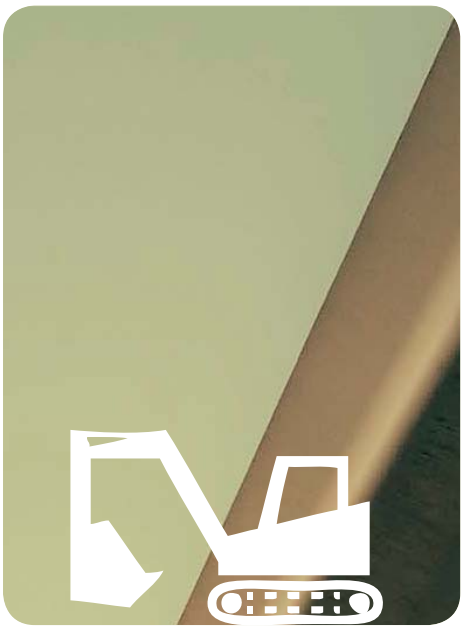
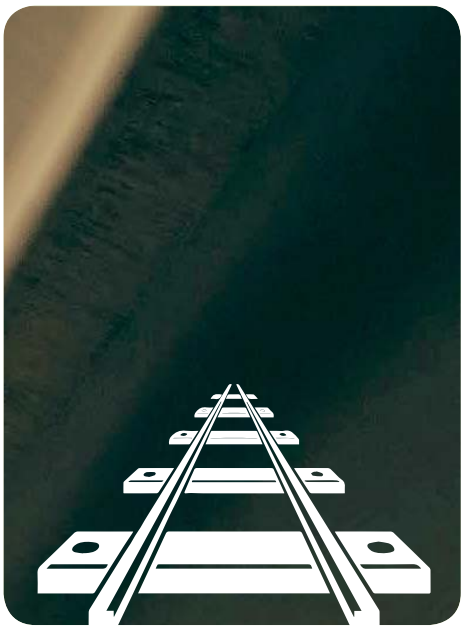
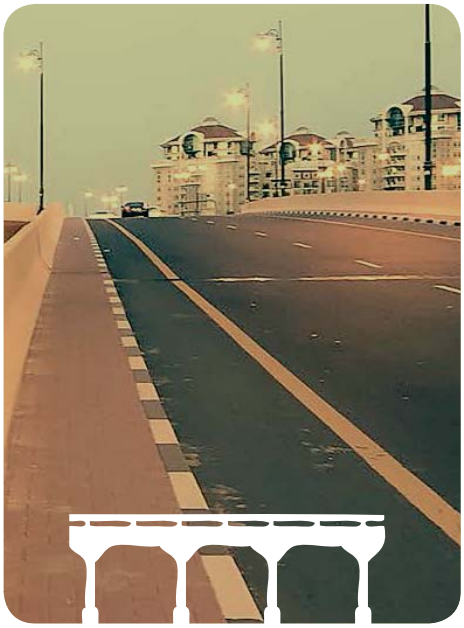
CIN : L45201DL1999PLC195937

PNC Infratech Limited
Annual Report, 2015-16





NEW HORIZONS



Forward-looking statement

In this annual report, we have disclosed certain forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make certain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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NEW HORIZONS

The Indian road building sector is one of the most attractive infrastructure opportunities in India today.

This opportunity is marked by a combination of attractive realities: large increase in the number of road building orders at both central and state levels, increase in the quantum per order, increase in the speed of awarding activities, declining tenure available for projects completion, quicker receivables and lesser risk to investors.

PNC Infratech is one of the best equipped Indian companies to avail this unprecedented road-building opportunity. The company reported the largest ever order book accretion in FY16; it continued to report attractive margins and a right-sized Balance Sheet.

Holding out prospects of a sustainable increase in revenues and profits across the foreseeable future, even as PNC Infratech has spent the last 17 years in this core national sector, the message is clear.

There is a new horizon ahead.

The Indian road building sector is at a historic multi-year point of positive growth.

THERE ARE THREE PRINCIPAL MESSAGES THAT WE WISH TO LEAVE YOU WITH.

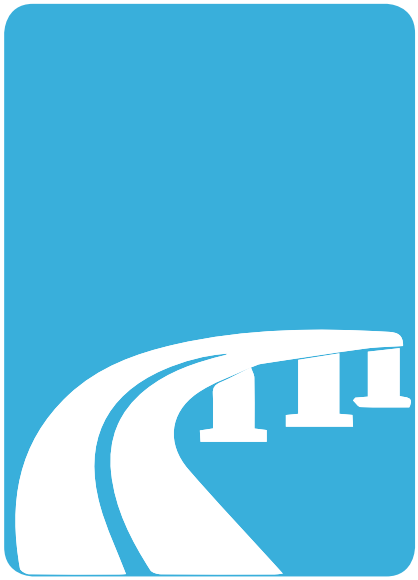
PNC Infratech reported the largest order book accretion in its existence in FY16.

PNC is modestly borrowed with no working capital loan on its books.

This is expected to generate robust growth and value across the foreseeable future. *Creating new horizons.*

PNC Infratech has selected to focus largely on opportunities arising from this single segment.

PNC Infratech has selected not to lose focus on EPC opportunities.



PNC INFRATECH COMBINES DEEP SECTORAL EXPERTISE WITH CUTTING-EDGE TECHNOLOGY.

PNC Infratech has consistently focused on projects within its stronghold region

PNC Infratech is largely under-leveraged and attractively profitable.

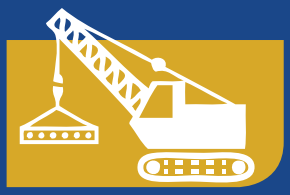
PNC Infratech is process-driven, believing in project delivery with time and cost optimization

The result: Sustainable growth over the years to come.
Creating new horizons.

PNC INFRATECH'S DIFFERENTIATED BUSINESS MODEL HAS TRANSLATED INTO FUNDAMENTALS PROMISING LONG-TERM GROWTH.

PNC Infratech reported over 60% increase in y-o-y order book to ₹5,536 cr as on 31 March, 2016.

PNC Infratech successfully mobilized debt at very competitive rates.



PNC Infratech generated a turnover around five times its gross block in FY16.

PNC Infratech reported a net working capital cycle of a mere three months in FY 16.

PNC Infratech reported a receivables cycle of 60 days in FY 16 (90% inflow in 30 days).

PNC Infratech reports annual revenues per employee in excess of ₹50 lacs, among the highest in the sector.

PNC INFRATECH IS ONE OF THE MOST DYNAMIC INDIAN ROAD INFRASTRUCTURE COMPANIES. POSSESSING AMONG THE PROVEN KNOWLEDGE POOLS IN THE BUSINESS. FOCUSED ON CONTROLLING THE VARIABLES AFFECTING THE CONSTRUCTION BUSINESS. DRIVEN BY PROCESSES THAT MAXIMIZE RETURNS ON RESOURCES. WORKING WITH THE MOST DEMANDING CUSTOMERS. LEVERAGING CORE EXPERIENCE ACROSS SELECT INDIAN TERRAINS. DEMONSTRATING CAPABILITY IN TIMELY EXECUTION OF PROJECTS GROWING ORDER BOOK MARKED BY PROFITABLE PROJECTS. EFFICIENT O&M MECHANISM PUT IN PLACE. *RESULT: ROBUSTLY POSITIONED ACROSS INDUSTRY CYCLES.*

Our vision

To become among the top five infrastructure development and construction solution providers in the country.

Our mission

To become a spearheading force in development, construction and management of infrastructure projects by continually achieving excellence in all spheres of activities; continue completing projects in a timely fashion and adopting state-of-the-art sustainable technologies.

Our legacy

One of India's promising infrastructure construction, development and management organisations, the Company was incorporated in 1999 as PNC Construction Company Private Limited by Mr. Pradeep Kumar Jain, Promoter and Director. The Company was renamed PNC Infratech Limited in 2007.

Our geographical footprint

The Company has undertaken a number of road building projects in Punjab, Haryana, Tamil Nadu, Madhya Pradesh, Maharashtra, Karnataka, Rajasthan, Uttar Pradesh, Uttarakhand, West Bengal and North Eastern India. This makes the one of the most experienced among companies of its size in the Northern India.

Our certifications

- The Company is ISO9001:2008 certified
- Accredited the 'Super Special Class' certification by Military Engineering Services

Our pride-enhancing clientele

- National Highways Authority of India
- Airports Authority of India
- Military Engineering Services
- RITES Limited
- Delhi State Industrial and Infrastructure Development Corporation Limited
- Haryana State Roads and Bridges Development Corporation Limited
- Madhya Pradesh Road Development Corporation Limited
- Uttar Pradesh Power Corporation Limited
- Uttar Pradesh State Highways Authority
- Uttar Pradesh Expressways Industrial Development Authority
- Public Works Department
- Dedicated Freight Corridor Corporation of India Limited

Our business

The Company is actively involved in the construction and development of:

- Highways (including BOT and OMT projects)
- Airport runways
- Bridges and flyovers
- Dedicated rail freight corridor (track construction)
- Industrial area development
- Power transmission lines

Our engagement formats

The Company provides end-to-end Engineering, Procurement and Construction services on turnkey and item rate basis. The Company also implements projects on various PPP (Public-Private-Partnership) formats including DBFOT (Design-Build-Finance-Operate-Transfer), OMT (Operate-Maintain-Transfer) and Hybrid models

OUR ACHIEVEMENTS OVER THE YEARS

1999

Incorporated as PNC Construction Company Private Limited

2001

Received 'Super Special' class certification from Military Engineering Services

Executed first independent project with NHAI – four-laning of the Agra-Gwalior section of National Highway#3 in Uttar Pradesh

2003

Received bonus from NHAI for scheduled four-laning completion of Agra-Gwalior section on National Highway#3 in Uttar Pradesh

2004

Bestowed ISO 9001:2000 certification

2005

Executed the first international airport runway project for AAI in Kolkata

2006

Crossed ₹1,500 million in revenues

2007

Awarded BOT road project by Madhya Pradesh Road Development Corporation Limited

2008

Set up power transmission lines comprising the construction project of approximately 350 kilometres of 132/220 kv lines on a turnkey basis (excluding the supply of towers, conductors and earth wires for the Uttar Pradesh Power Transmission Corporation Limited)

2009

Crossed ₹5,000 million in revenues

- Received contract to improve the Gurgaon-Nuh-Rajasthan Border (State Highway 13) by four-laning, widening, strengthening, providing drains, widening bridges and culverts, retaining structures and other miscellaneous work by the Haryana State Roads and Bridges Development Corporation Limited – amounting to ₹3,380 million – the single largest project awarded to the Company by value

2010

Bestowed ISO 9001:2008 certification

- Awarded first independent BOT road project to improve the Gwalior-Bhind Madhya Pradesh/ Uttar Pradesh Border Road,a two-laning project through two sections on National Highway#92
- Awarded two-laning(with paved shoulders) contract of the Kanpur Kabrai section on National Highway#86 in Uttar Pradesh
- Awarded project to construct 132 kilovolt S/C and 220 kilovolt D/C lines in Uttar Pradesh

2011

Received investment of ₹1,500 million from NYLIM Jacob Ballas who subscribed to 5,686,833 equity shares

- Executed four-laning of the Jaora-Nayagaon section on State Highway#31 in Madhya Pradesh

2012

Awarded two-laning project with paved shoulders of Rae Bareli to Jaunpur Section of National Highway#231 in Uttar Pradesh under NHDP-IV

Constructed road over-bridge on Ajmer-Beawer Road, Old National Highway, including approaches at railway/ kilometre 306/8-9 on the Ajmer Saradhana section

Awarded project for four-laningHamipurKalpi road (State Highway#91) under the Rajya Yojna Samanya project for 2013-14 in Uttar Pradesh

Awarded runway resurfacing project at Air Force Station, Gorakhpur

2013

Awarded and commenced toll collection on OMT basis of the Kanpur-Lucknow section of National Highway#25, Lucknow bypass of National Highway#56A and National Highway#56B and Lucknow-Ayodhya section of National Highway#28 in Uttar Pradesh by NHAI for nine years from August 2013

2014

Executed a redevelopment and management project at Narela Industrial Estate

2015

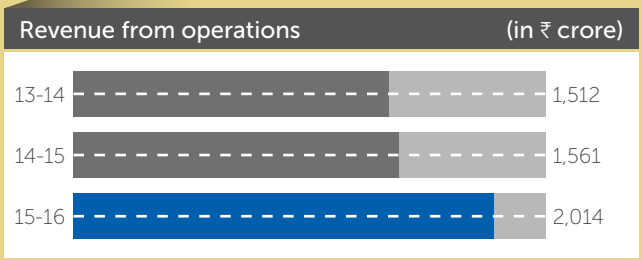
Was listed on the NSE and BSE following the successful IPO

Achieved COD for three BOT-Toll projects (Ghaziabad-Aligarh, Kanpur-Kabrai and Bareilly-Almora) and commenced toll operations.

2016

In February 2016, completed 166 km long Raebareli-Jaunpur highway project on BOT-Annuity project more than 3 months ahead of schedule

This is what we achieved, FY2015-16



WHY THIS IS MEASURED

To assess the effectiveness of our business selection, geographic presence and potential market selection. The accretion in revenues denotes the Company's ability to translate industry potential into revenues.

WHAT IT REVEALS

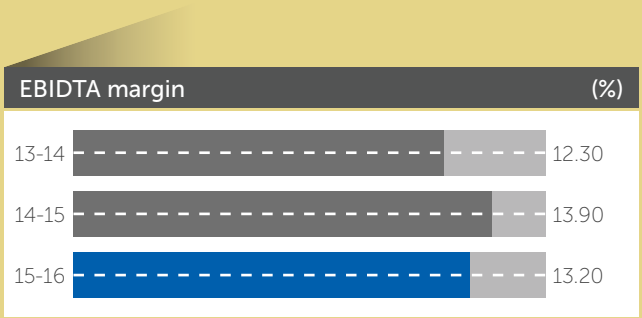
PNC Infratech registered a 29% increase in revenues as a result of strengthening our order book to peak levels.

WHY THIS IS MEASURED

To evaluate overall operating profitability.

WHAT IT REVEALS

PNC reported a 22.80% increase in EBITDA over 2014-15 as a result of improved revenues, prudent bidding strategy and project competence.

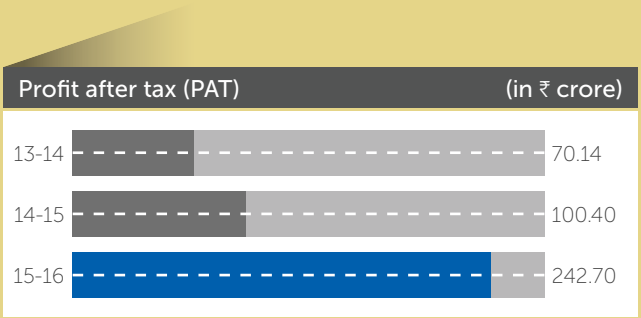


WHY THIS IS MEASURED

To evaluate overall business efficiency – improved margins is an indication that there is adequate surplus available for redeployment.

WHAT IT REVEALS

PNC grew its EBIDTA margin by leveraging its bottomline-focused business model which allowed it to moderate overheads effectively and rein in receivables capably.

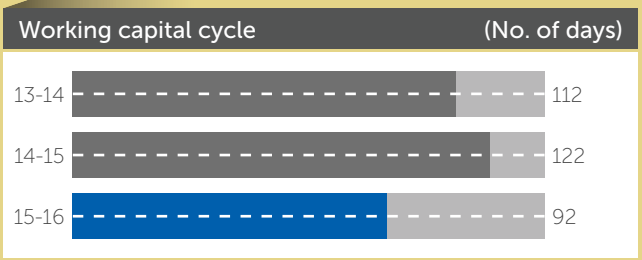


WHY THIS IS MEASURED

To understand the Company's ability to generate attractive returns.

WHAT IT REVEALS

The Company reported a profit after tax of ₹242.70 crore, which was a result of significant interest cost

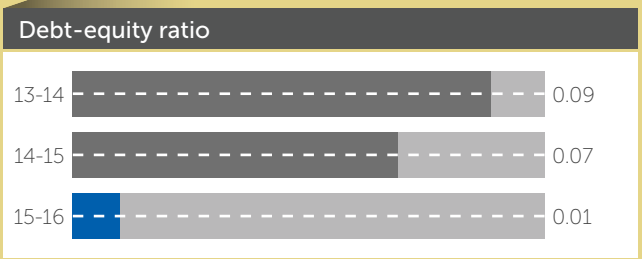


WHY THIS IS MEASURED

To determine the time lag between the operating cycle and the financing cycle.

WHAT IT REVEALS

The Company was able to strengthen its working capital cycle by 30 days to turnover equivalent reducing working capital loans and ensuring that the sanctioned limit is not fully utilized.

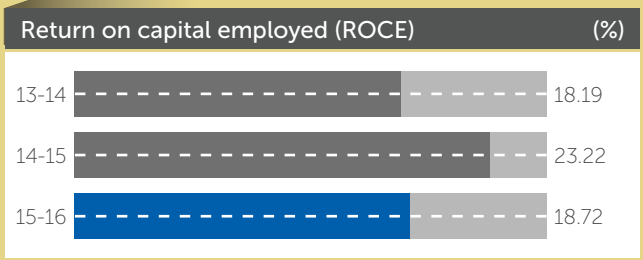


WHY THIS IS MEASURED

To get an insight into a Company's financial health – a steady improvement in gearing indicates its ability to scale volumes and minimal dependence on borrowed funds.

WHAT IT REVEALS

Improvement in gearing from 0.07 in 2014-15 to 0.01 in 2015-16 corroborates the Company's ability to sustain growth in terms of profits, margins and shareholder value.

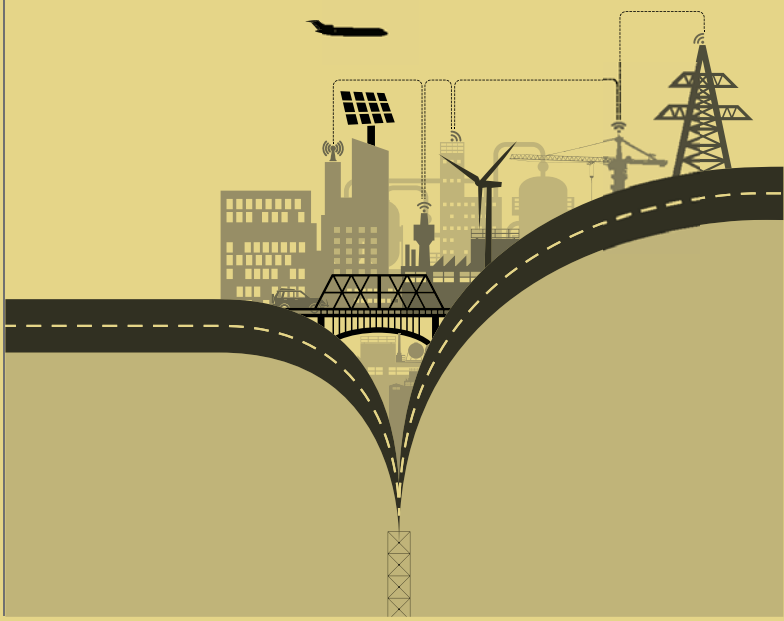


WHY THIS IS MEASURED

To appraise a corporate's profitability – a steady improvement in ROCE validates its financial efficiency and business effectiveness.

WHAT IT REVEALS

PNC has been able to sustain its ROCE, reflecting the Company's ability to leverage competencies and enhance profitability



Numbers that matter

₹2034 Crores
Total Revenues

₹242.70 Crores
Profit after tax

₹265.95 Crores
EBITDA

₹5,536 Crores
Order book

₹1362 Crores
Net worth

₹433 Crores
Gross block

17 Years
Experience in the infrastructure sector

Business Model

HOW WE HAVE SELECTED TO CONDUCT OUR BUSINESS AT PNC INFRATECH

Profitability focus: At PNC Infratech, we do not desire to become the largest in our space as much as we desire to remain the best. We believe that this desire to be among the most competitive in India's road building sector will manifest in a number of intangible (knowledge sharing, risk management) and tangible (low debt leverage) advantages, translating into business sustainability. This profitability focus has also been derived from a commitment to engage in projects above a certain hurdle rate coupled with cost management, generating good returns.

Business focus: At PNC Infratech, we have consciously selected to remain a low liabilities business through the conscious selection of the spaces of our presence. For instance, when it was fashionable for the country's road building companies to engage in investment-heavy BOT projects in exchange for long-term revenue upside, the company continued to stay focused on EPC projects. This focus on the company's core competence and conscious avoidance of investments that would not strengthen its EPC competence has only deepened its competence as an EPC road builder.

Geographical footprint: At PNC Infratech, we have selected to do business in a concentrated geographical area as opposed to working across the largest stretch of the Indian land mass. This focus has made it possible for us to generate huge logistic benefits: a faster sharing of road building equipment between projects as well as lower transportation costs of raw materials (aggregates) from mines to project sites. The result of this deliberate focus translated into nearly 90% of our projects being conducted within a radius of 500kms in North India (Haryana, Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh, Uttarakhand, Punjab and West Bengal).

Backward integration: At PNC Infratech, we believe that the most competitive road construction companies are inevitably those that possess the lowest cost structures. The core of our cost management is derived from the captive in-sourcing of two of the biggest cost items – road construction equipment and construction aggregates. At PNC, we invested over ₹400 cr in gross block (select construction equipment) that has catalyzed timely projects completion; we invested in mines for the captive availability of aggregates, moderating our raw material costs. The result is that we pool our equipment productively (gross clock: revenues in excess of 5.0) and generate over 80% of our aggregates requirement from within.

Enduring relationships: At PNC Infratech, we enjoy a long track record of having worked with (and delighted) some of the most prominent customers: NHAI, Airports Authority of India, Public Works Department, Military Engineering Services, Madhya Pradesh Road Development Corporation Limited, Uttar Pradesh State Highways Authority, Uttar Pradesh Expressways Industrial

At PNC, we invested over ₹400 cr in gross block (select construction equipment) that has catalyzed projects completion; we invested in mines for the captive availability of aggregates, moderating our raw material costs. The result is that we pool our equipment productively (gross clock: revenues in excess of 5.0) and generate over 80% of our aggregates requirement from within.

Development Authority and Delhi State Industrial and Infrastructure Development Corporation Limited. This existing reference base has helped the company reinforce its credentials as a credible road builder.

Attractive credentials: PNC Infratech was accredited for ISO 9001:2008 and given Super Special class accreditation by Military Engineering Services. This has strengthened its process orientation on the one hand and enhanced eligibility for large government infrastructure projects in defense airports.

Focused: Even as the company has addressed projects across multiple verticals (roads, highways, airport runways, bridges, power transmission, and industrial area redevelopment), it is principally recognized as a road building company generated 94% of revenues in 2015-16). This has translated into enduring recall. The company has leveraged its road building competence to build airport runways and vice-versa as well.

Financial structure: At PNC Infratech, we believe that the most sustainable companies are those with the lowest relative debt on their books. As on 31 March 2016, the company possessed a comfortable debt-equity ratio of 1.2 on consolidated basis and no working capital debt on stand-alone basis. The company's working capital sanction remained completely un-drawn. The ability to dispense with the use of expensive working capital and mobilize debt for fund based portfolio including BOT-Toll and BOT-Annuity project at a cost only marginally higher than the base rate has helped enhance any-market competitiveness.

Our business vision is to grow revenues to ₹5000 cr plus by 2020

This is what we have focused on

- Backward integration into mining (for aggregates)
- Selective bidding for projects based on logistical proximity
- Prudent investment in plant and machinery
- Singular focus on timely projects completion
- Pre-determined hurdle rate (EBIDTA margin) for projects

These are some of our business strengths

- One of the lowest debt costs in the sector
- One of the shortest net working capital cycles
- Attractively low receivables
- Large and rapidly growing order book

This is how we intend to grow our business

- Expand in existing spaces
- Selectively diversify into new areas
- Focus largely on EPC contracts
- Strengthen systems and processes
- Strengthen relationships with clients and strategic partners

PNC INFRATECH'S COMMITMENT TO THE NATIONAL AGENDA

India's biggest challenge is investing in its infrastructure with the objective of reviving its economy.

Road building resides at the heart of its infrastructure. An aggressive national road building agenda can potentially transform India's competitiveness and prosperity.

At PNC Infratech, we see ourselves as one of the best equipped to contribute to this national priority.

This significant capacity has been derived from the ability to combine three precious capitals – intellectual, functional and financial.

Intellectual capital: At PNC Infratech, our intellectual capital has been derived from the aggregate sectoral knowledge built by our longstanding road building professionals – 3700+ deployed across projects.

Functional capital: At PNC Infratech, our functional capital has been derived from our over ₹400 cr investment in gross block (making it possible to accelerate project completion with captive equipment) and investment in captive mines (for aggregates).

Financial capital: At PNC Infratech, we possess one of the strongest Balance Sheet in the country's infrastructure sector, marked by zero working capital debt.

400

Our investment in gross block (₹ Crore)

PNC INFRATECH'S COMMITMENT TO RAPIDLY GROWING ITS ORDER BOOK

At PNC Infratech, we have always believed that in the road building business, the most valuable asset is a credible brand.

A brand for delivering projects on schedule. A brand that reports consistently reasonable margins. A brand for making road building challenges easy. A brand that secures sizeable road building contracts even during an economic downtrend. A brand that maximizes order book accretion during an economic recovery.

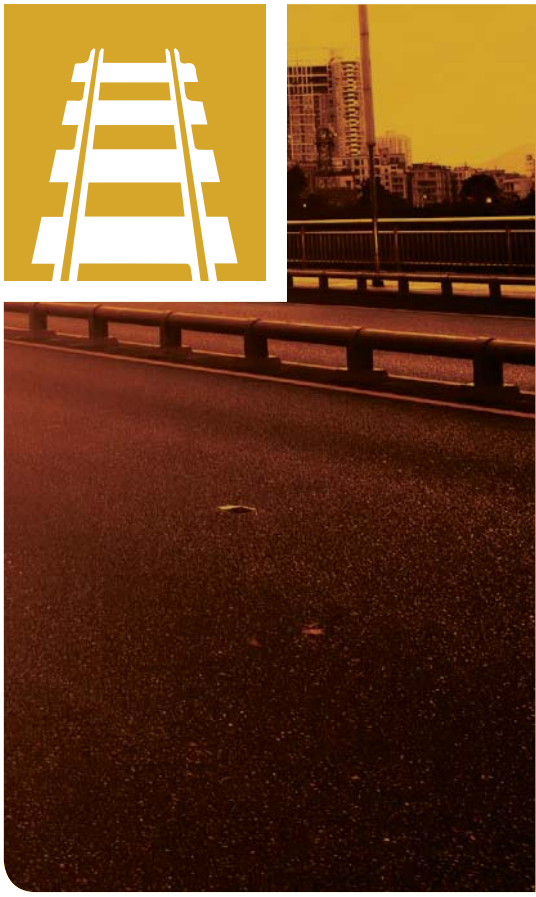
This brand relevance was validated in 2015-16.

As the Indian economy started moving on recovery path at 7.6% GDP growth during 2015-16 , PNC Infratech reported the largest accretion in its order book for any single year.

The company started the year with an order book of ₹3445 cr; it ended the year with an order book of ₹5536 cr. The net over 60% increase in order book during the financial year under review validated the prudent bidding strategy of the company.

5536

Order book
(₹ Crore) as on
31 March, 2016



PNC INFRATECH AND ITS COMMITMENT TO THE 3S STRATEGY FOR LONG-TERM SUCCESS

At PNC Infratech, we profess a simple approach for success in a challenging business and sustainability.

This approach is encapsulated in the 3S strategy Principle.

Sector.Strength. Stronghold.

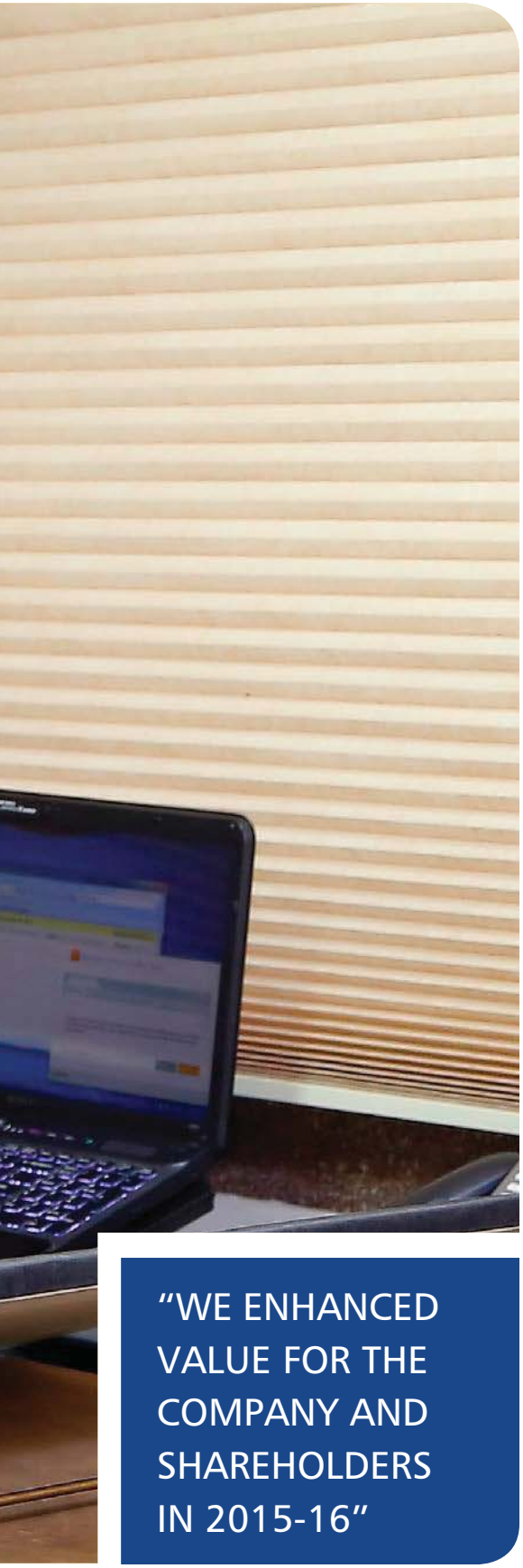
Sector indicates our focus on the roads and highways sector. Over the years, this focus has translated into core competence, brand recall of a specialist and sectoral respect.

Strength indicates our focus on the EPC segment of the business. Over the years, this core strength has made it possible to turn around road contracts in the shortest time to the complete satisfaction of our demanding customers.

Stronghold indicates our principal focus on North India, where we are not only based but also deeply familiarized. Over the years, this regional focus made it possible to shrink distances between projects and select to work on projects proximate to its raw material mines. This combination has helped maximize the resource leveling between operating sites and reduce logistics costs of materials used.

The combination of these three imperatives made it possible for the company to report attractive viability across implementation formats, projects and market cycles.

3S
Sector.
Strength.
Stronghold.



"WE ENHANCED VALUE FOR THE COMPANY AND SHAREHOLDERS IN 2015-16"

CHAIRMAN'S OVERVIEW

Dear Shareholders,

WE LIKE TO SEE OURSELVES AS A RISK-AVERSE COMPANY ON THE ONE HAND, AND AN ENTREPRENEURIAL OPPORTUNITY-RESPONSIVE COMPANY ON THE OTHER.

The management at PNC Infratech is pleased to present the performance of the Company for the first time following its initial public offering in May 2015.

The numbers that we reported during the year under review are a testimony of our competitive advantage and long-term sustainability.

The company's 29% overall growth in top-line from ₹1,861 cr to ₹2,395 cr in 2015-16 resulted in a 45% growth in consolidated EBITDA (from ₹280 crores to ₹407 crores) and 137% increase in profit after tax to ₹216 crores.

The Company's healthy profitable growth at a time when the sector was only turning around is a validation of its prudent bidding discipline on the one hand and project execution competence on the other.

I am pleased to state that this performance translated into a handsome 40% appreciation in our stock post listing on the National Stock Exchange and Bombay Stock Exchange, enhancing value for our stakeholders.

Positioning

We like to see ourselves as a risk-averse company on the one hand, and an entrepreneurial opportunity-responsive company on the other. We believe that this effective balance has made it possible for us to limit our downside during sector troughs and maximize our upside during sectoral rebounds.

This positioning was showcased during the year under review. The operating environment was challenging , access to land for road construction continued to remain an issue and interest rates remained high.

Despite these realities, PNC Infratech strengthened its EBITDA margin from 15% to 17% and PAT margin from 4.9% to 9.0%. The movement of these numbers indicates that the Company's volumes were not generated at the expense of profitability. The Company strengthened its competitiveness even as it continued to grow.

Strengthening the foundation

Our creditable achievement during the year under review was that we did not just report the highest-ever revenues based on orders we had generated in the past, but we created the foundation for sustainable growth by securing new orders worth ₹4000 crores, strengthening our order book to an unprecedented ₹5500 crores, 60% higher than the corresponding order book on March 31st, 2015. The new orders comprised six highway projects and one airport runway assignment, generating strong revenue visibility for the foreseeable future.

We believe that our consistent focus on cost management and our ability to carve out a larger proportion of orders at optimum margins will graduate the company into a new orbit. We foresee that this large increase in order book will generate a significant increase in throughput, which in turn will generate superior economies of scale. The ability to control receivables even as we grow larger is expected to translate into comfortable cash flows that moderate out debt. A combination of these realities is expected to translate into significant surplus increments that enhance value for all the stake-holders.

Sectoral outlook positive

The outlook for India's road building sector reflects unprecedented optimism. During the year under review, a record 10,000 km of highway contracts were awarded; about 6,000 km of road stretches were completed. There was a sharp increase in road-building throughput: from around 6 km a day a couple of years ago to about 20 km per day, which is one of the highest we have possibly seen in the country, and targeted to rise to around 40 kms a day.

These developments indicate that there is something fundamentally right at the ground level in the country: the government is proactively taking measures to expedite road development. We believe that the government's decision to offer projects for bidding only after 80% of the land has been acquired will go a long way in making the country's roads sector one of the reliable and fastest growing. We were pleased to see that the sector received a 25% higher allocation (Central Plan outlay) in the 2016-17 Budget, which means that national intent is being matched by corresponding resource allocation.

The one major transition to have occurred is that the government recognised that the erstwhile BOT model of project allocation was weighted against road developers. The Indian government changed the rules of the game with speed. Nearly 80% of the projects awarded by NHAI during the year were on an EPC basis. More specifically, the government moved to the Hybrid Annuity Model (HAM), where the project awardees provided 40% of the project outlay by the government within the construction period and the rest across 15 years. This revision has transformed the road building game in the country, making it one of the most attractive in the world and would attract a number of long-term pension funds as investors. Going ahead, the Ministry plans to offer about 104 toll projects for long term concession period on a ToT basis.

The big picture is that the government intends to award 25,000 km and construct 15,000 km of roads during the current year and 50,000 km entailing investments of about $250 billion over the next six years.

Attractively placed

PNC Infratech is geared-up to capitalise on the changing industry scenario. We believe that our policies and philosophies will translate into the selection of the 'right project with the right client at the right price'. During implementation, we will continue to focus on 'right planning using right resources at the right cost at the right time!' We will continue to optimize resources for enhanced implementation efficiency. We are already engaged in the process of augmenting our crushing plant capacities by about 20,000 MT per day to address growing stone aggregate needs. We will continue to strengthen relationship management, networking and branding. We are optimistic of our prospects because our principal strengths lie in EPC related to the roads and highways sector – a sector that the government is emphasizing - across Uttar Pradesh, Madhya Pradesh, Uttarakhand, Rajasthan, Haryana and

Punjab, which is again our strong-hold area.

Besides, we possess deep capabilities in planning, design, development construction, operation, maintenance, concurrent projects management coupled with sophisticated construction equipment. We possess end-to-end project construction capabilities extending from raw material mining to road marking, including stone quarrying (boulders for aggregates), state-of-the-art stone crushers, transportation vehicles, concrete and bituminous plants, paver finishers, rollers and other state-of-the-art equipment including road marking equipment. These in-house capabilities provide us with control over execution, quality, time and project costs.

Best of all, our trained employee base over 4000 represents a competitive advantage, addressing the multi-disciplinary requirements of most projects.

Summing up

Going forward, we will continue to build on our core EPC strength in the roads and highways sector and progressively increase our HAM presence. We intend to enhance alliances with complementary companies and technology providers. We aim to leverage our strong project execution record to diversify into new infrastructure areas like dedicated rail freight corridor projects and expand our presence in the development of industrial areas.

We believe that the combination of these initiatives will translate into robust growth for the company across the foreseeable future.

Pradeep Kumar Jain
Chairman

HIGHWAYS, FLYOVERS AND BRIDGES

Turnover

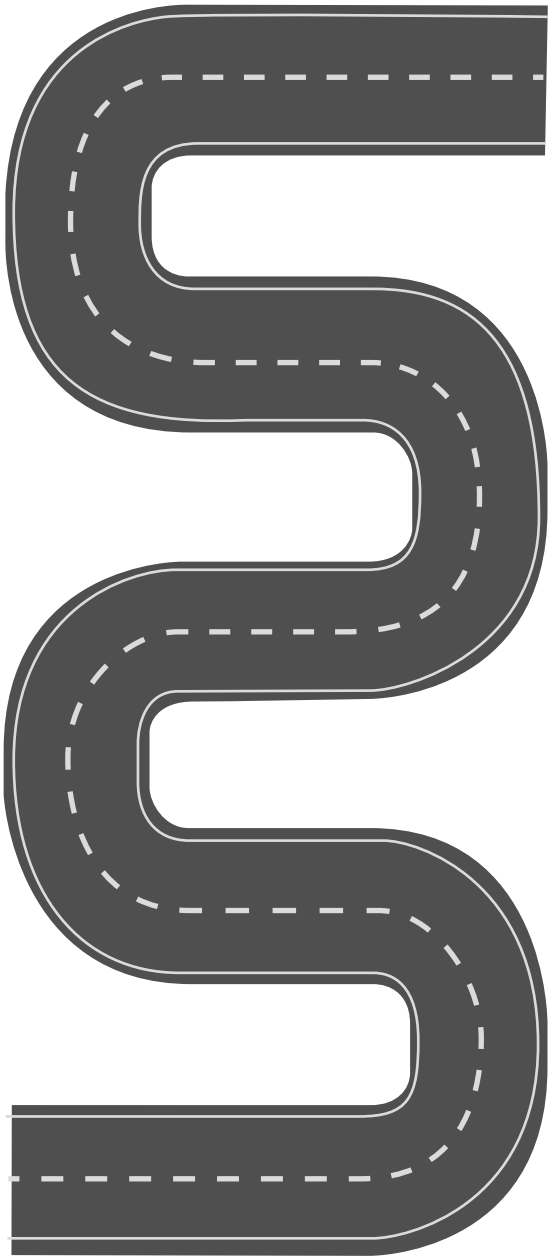
FY2015-16
₹189,849 lacs

FY2014-15
₹140,800 lacs

Outstanding contract value

FY2015-16
₹536,037 lacs

FY2014-15
₹335,974 lacs



Contribution to total turnover

FY2015-16
94.07%

FY2014-15
90.20%

Projects under execution

FY2015-16
19

FY2014-15
20

The highways, flyovers and bridges business vertical (commissioned in 1999) represents the flagship business of PNC Infratech, accounting for 94.07 % of the Company's revenues in 2015-16. The Company is engaged in providing design, engineering, financing, construction, operation and maintenance services for the construction of highways, flyovers and bridges. The Company has successfully completed 50 major projects leading to 2015-16 and had 19 projects under execution as on March 31, 2016.

AIRPORTS

Turnover	Contribution to total turnover	Outstanding contract value	Projects under execution
FY2015-16	FY2015-16	FY2015-16	FY2015-16
₹8,935 lacs	4.40%	₹16,717 lacs	1
FY2014-15	FY2014-15	FY2014-15	FY2014-15
₹10,064 lacs	6.45%	₹6,785 lacs	2

The Company is also engaged in constructing and resurfacing runways. The Company had 1 project under execution as on March 31, 2016. Going ahead, the Company seeks to consolidate its presence in this segment.

MANAGEMENT DISCUSSION AND ANALYSIS

Global economic overview

Global growth during the fiscal gone by was weakened by macroeconomic uncertainties, declining commodity prices, turbulent financial markets and volatile exchange rates. The growth rates of gross fixed capital formation and aggregate demand continue to remain subdued. The anticipated normalization of the US fiscal policy is expected to prevent excessive instabilities in exchange rates and asset prices. As the normalization will eventually lead to higher borrowing costs and interest rates, corporates should front-load investments over the short-term. The improvement in global growth has been projected on the back of a gradual easing of commodity prices. The WEO projected the global growth rate to increase modestly to 4.1% in 2016 and 4.6% in 2017.

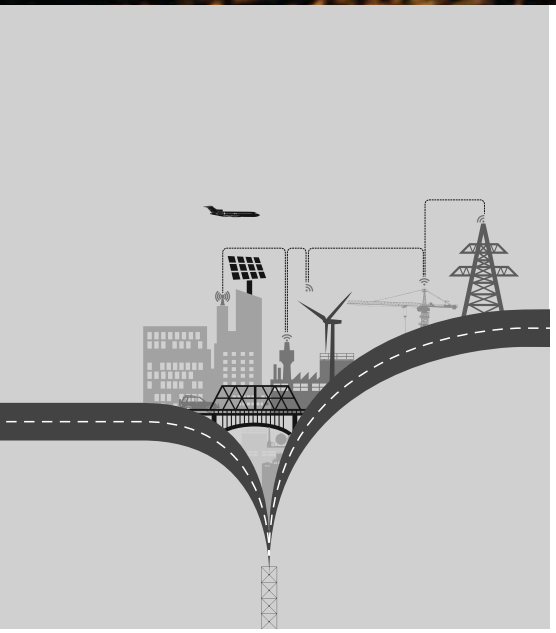
Indian economic overview

India remained the sole bright spot amidst global volatility on the back of strong growth and rising real incomes. As per the CSO and the IMF, India emerged among the fastest-growing economies in the world despite facing multiple headwinds. Back-to-back droughts stressed rural incomes while an insipid global economic environment stymied exports and private investments. The IMF pegged India's growth rate at 7.5% for FY2016-17. The Economic Survey 2015-16 also suggested that the Indian economy will be growing at a rate in excess of 7% for the third successive year in FY2016-17. The India Nikkei Markit Manufacturing Purchasing Managers' Index stood at 51.8 for July 2016, posting a four-month high, indicating the robust performance registered by the Indian manufacturing segment. The sustained improvement in India's economic fundamentals was the result of strong government reforms, RBI's focus on inflation control supported by benign global commodity prices.

Infrastructure

Infrastructure would continue to play a key role in India's economic development. The broad categories under the infrastructure space are power,

THE IMF PEGGED INDIA'S GROWTH RATE AT 7.5% FOR FY2016-17. THE ECONOMIC SURVEY 2015-16 ALSO SUGGESTED THAT THE INDIAN ECONOMY WILL BE GROWING AT A RATE IN EXCESS OF 7% FOR THE THIRD SUCCESSIVE YEAR IN FY2016-17.



railways, bridges, dams, roads and urban infrastructure development. This sector enjoys exceptional focus from the government as it is highly responsible for fuelling India's overall development over the years. Governments focus on this sector can be highlighted through the policies initiated by it to ensure development of world class infrastructure in the country within a stipulated time. The country's Ministry of Road Transport and Highways, and Shipping, has announced the government's target for spending over a period of three years ₹25 trillion (US$ 376.53 billion) in infrastructure space. The planned budget has earmarked ₹8 trillion (US$ 120.49 billion) for developing 27 industrial clusters and an additional ₹5 trillion (US$ 75.30 billion) for road, railway and port connectivity projects.

Business Division

ROADS, HIGHWAYS, FLYOVERS AND BRIDGES SECTOR

Overview

With 5.23 million kilometres of roads transporting over 65% of goods traffic and 80% of the total passenger traffic, India has the second-largest road network in the world. National highways account for over 2% of the network (while carrying about 40% of total road traffic), state highways account for over 3%, while major district roads and other roads account for 95%.

In FY16, the NHAI and MoRTH together awarded over 9,000 kilometres (~4,300 kilometres by NHAI and ~5,000 kilometres by MoRTH) against the targeted 5,100 kilometres. A total of 6,000 kilometres has been constructed in FY16 of which 2,000 kilometres were done by NHAI.

Of the NHAI's awarded projects, ~850 kilometres is under BOT mode, ~3,100 kilometres under EPC mode and ~350 kilometres under the hybrid annuity model. National Transport Development Policy Committee estimates total investments ~₹44,700 billion for the development of roads network over twenty years.

Governmental initiatives

The government has announced several policy measures over the past two years for the revival of the sector as whole including stranded highway projects and to channelize new investments in more effective ways.

The initiatives taken by the government are on both 'Regulatory Environment' and 'Funding Environment'.

Policy changes undertaken to improve the regulatory environment

- De-linking of forest and environment clearances to hasten clearance processes
- Substitution of concessionaires and one-time fund infusion by NHAI helps to revive stuck projects
- Formation of dispute resolution committee on roads has helped to clear disputes between developers and authority there by giving a positive turn to construction activity
- Introduction of new exit policy which has allowed the developers to exit the projects awarded prior to 2009 also completely which has helped few of the developers to free up their capital
- Introduction of hybrid annuity model has improved the viability of PPP model and attracted the developers back to the sector

Policy changes to improve funding environment

- Classification of loans to road BOT projects as 'secured' has improved the liquidity in the sector
- As an another liquidity improvement measure, RBI allows banks to refinance project loans through full or partial take out financing
- The introduction of 5/25 scheme has helped the projects secure long term funds there by easing the financial strain on projects
- Introduction of new funding vehicles in the form of Infrastructure Investment Trust and formation of National Infrastructure Investment Fund will help the developers free up their capital and provide the long term funding in form of both debt and equity.

Opportunities ahead

Future prospects remain bright for the road sector as it would have robust demand due to

- Strong and sustained GDP growth
- Greater socio-economic activity as well as connectivity between different cities, towns and villages has led to increased road traffic over the years
- Growth in automobiles and freight movement commands a better road network in India
- Rise in the number of two and four wheelers, increasing traffic supports the growth

A substantial increase in both passenger and freight traffic in the coming years with estimated passenger traffic to increase by seventeen times in the period FY12 to FY32. Similarly, freight traffic is expected to increase

by five times in the period. Even at a slower pace, there is a substantial increase in traffic expected over the years and would require large investments in the sector.

Development of national highways through PPP is expected to remain the key focus area for the government. During the five years (2014-15 to 2018–19), investments through PPP are expected to be over US$31 billion for national highways and around US$10 billion for state highways.

Looking at the growth prospects in the coming years, steeper targets have been set by MoRTH. In FY17 a target for awarding 25,000 kilometres of national highways has been set as against the about 10,000 kilometres awarded in FY16. In the target set by MoRTH 15,000 kilometres would fall under the target for NHAI and 10,000 kilometres under the target for the Ministry and National Highways and Infrastructure Development Corporation.

With the enhanced targets NHAI looks to spend ₹780 billion in FY17 and ₹950 billion in FY18 on road projects, which is significantly larger than the ₹400 billion spent in FY16. It also expects land acquisition cost to acquire 15,000 hectares of land to go up by four times with the implementation of the new Land Acquisition Act, 2013.

Maharashtra (16%), Rajasthan (15%) and Uttar Pradesh (11%) are expected to garner the maximum share of NHAI awards in terms of lane kilometres. There is also a shift from EPC and BOT-annuity to HAM projects. EPC projects formed bulk of projects awarded by NHAI over FY14-16; however, the authority is changing track in FY17 with HAM projects forming bulk of the awards in the current year. The BOT-toll model has also taken a back seat as the Central Government has come up with the hybrid annuity model.

The shrinking pie of EPC projects (expected to more than halve in FY17 from ~₹400 billion in FY16) is likely to result in intense competition for such projects. On the other hand, HAM projects require strong construction along with balance sheet strength and hence going forward competition for these projects to be limited to 10-12 players.

Key features of the hybrid annuity model are as follow:

- The bids will be evaluated on a life-cycle cost basis which is the total of NPV (net present value) of the quoted bid project cost plus NPV of the O&M cost of the entire operations period
- Cash construction support of 40% of bid project cost payable to concessionaires in five equal investments and linked to project completion milestones
- Concessionaire to fund the balance 60% of bid project cost through combination of debt and equity
- Biannual annuity payments to be made to the concessionaire by authority on completion of project

construction towards the balance 60% of project cost funded by concessionaire.

- Along with annuity payments, interest shall be paid on reducing balance cost at a rate of prevalent bank rate + 3.00%
- Project shall be inflation indexed through a price index multiple, which is weighted average of WPI and CPI for industrial workers in the ratio of 70:30
- Concessionaire shall be responsible for maintenance of the project till the end of concession period
- O&M payments shall be made to the concessionaire by the authority in accordance with the amount quoted which will also be indexed
- Concession period shall comprise construction period, which shall be project-specific and fixed operations period of 15 years
- Toll collection shall be the responsibility of the authority

Airports

The aviation industry is expected to experience increased growth, in view of the civil aviation policy which is introduced for the first time. This idea is based on the passenger throughput in airports (FY16: 17.63% y-o-y) which has out grown as compared to the economic growth. This policy by addressing issues such as regulatory compliances, regional connectivity and affordability, will help develop the industry. The Central Government has recently allowed 100%-FDI in brownfield expansion of airports which will help increase the demand for domestic airports.

The policy's impetus to model future airports under public private partnership augurs well for the sector. Airport Economic Regulatory Authority's order to allow project cost with a ceiling of ₹65,000 per square metre for a terminal building and ₹4,700 per square metre for a runaway excluding earthwork up to sub-grade level underlines the cost efficient structure the regulator expects from new developers.

The AAI shall build new airports with respect to a non-zero internal rate of return excluding no-frills airport. These airports will be built under RCS with a cost of ₹0.5 billion which would be backed by the State Government wherever needed. A new airport can be built within 150 kilometres of an already existing airport by providing suitable compensation to AAI even if the airport capacity is not fully utilized. In order to enhance regional connectivity, the Ministry will partner with State Governments to develop a few airports.

Railways

The Golden Quadrilateral linking Delhi, Mumbai, Chennai and Howrah along with two diagonal links of Delhi-Chennai and Mumbai-Howrah route totaling to 10,000+ kilometres comprised 16% of the route but carried more than 50% of passenger traffic and accounted for more than 55% of revenue earnings freight traffic of the Indian Railways. Currently the Eastern Corridor (Howrah-Delhi) and Western Corridor (Mumbai-Delhi) registered high capacity utilization rates. The national highways along these corridors comprised 0.5% of the road network but carried almost 40% of the road freight.

To meet the high demand for freight movement due to booming economic activities, domestic and international trade, the dedicated freight corridors along the Eastern and Western routes were conceptualized through Dedicated Freight Corridor Corporation of India Limited.

Features of dedicated freight corridors

- Complete network is planned to be free from all level crossings by constructing either road over bridges or road under bridges
- 1,003 level crossings are planned to be eliminated (with 689 road under bridges and 314 road over bridges) which will help in unrestricted movement of both rail and road traffic

Benefits of DFC

It will help create additional rail infrastructure to cater to high levels of transport demand.

The improvements coming as a result of the dedicated freight corridors will allow longer and heavier trains to ply thereby allowing larger and quick movement of freight. Creation of rail infrastructure on such a scale – unprecedented in India – is also expected to drive the establishment of industrial corridors and logistic parks along its alignment and hence improves the scope for larger infrastructure developments.

Current status of dedicated freight corridors

The dedicated freight corridor comprises of the Eastern and the Western corridors. While the Eastern wing spans 1,856 kilometres, the Western wing spans 1,504 kilometres. The total estimated cost of constructing the corridors is ₹81,459 crore. Out of this estimated expenditure, ~ ₹22,315 crore has been already spent towards the same. Approximately 29% of the project has already been completed. Both Eastern and Western dedicated

freight corridors are planned to be fully-commissioned by December, 2019. Capable of carrying of train load of 13,000 tonnes at an average speed of 70-75 kilometres per hour as compared to the present train load capacity of 5,000 tonnes at an average speeds of ~25 kilometres per hour

Prospects

The future corridors that are planned are:

- The North-South Corridor (Delhi-Chennai) spanning ~2,327.64 kilometres at a cost of ~₹89,579.64 crore
- The East-West Corridor (Kolkata-Mumbai) spanning ~2,328.02 kilometres at a cost of ~₹86,805.86 crore
- The East Coast Corridor (Kharagpur-Vijaywada) spanning ~1,114.68 kilometres at a cost of ~₹40,344 crore

Key competitive advantages

Completing projects before the stipulated deadline and within cost is core to our business. Over the past years we have been working on the same philosophy of timely completion of projects. We are able to achieve that due to our integrated business model through in-house design, engineering and construction, large equipment bank and our strategic initiatives of raw material sourcing, long-established relationships with various clients and our pan-India presence with regional focus.

In-house design, engineering and construction

We have established track record in executing large infrastructure projects in sectors like roads and highways, airport runways, redevelopment of industrial areas, and construction of double track railway line, among others. Our in-house design, engineering and construction team controls the entire process from conceptualization to commissioning of a given project which helps in providing customized solutions as per clients' specific requirements ensuring timely completion of projects thereby reducing reliance on third parties and lowering costs.

> The ownership of a fleet of modern equipment enables quick mobilization besides ensuring continuous availability of critical equipment thereby reducing costs and facilitates timely completion of projects through enhanced control.

In-house equipment bank

The ownership of a large fleet of modern equipment enables quick mobilization besides ensuring continuous availability of critical equipment thereby reducing costs and facilitates timely completion of projects through enhanced control.

Established relationship with public sector clientele and excellent pre-qualification credentials

Our focus has been on EPC projects from State, Central and Local Government authorities. Diversifying our client base is helping de-risk our business and lowers the receivable/payment risks. We have executed all kinds of projects being offered by the State, Central and Local Government authorities like NHAI, MoRTH, Airports Authority of India, Military Engineering Services, Delhi State Industrial and Infrastructure Development Corporation Limited, Haryana State Roads and Bridges Development Corporation Limited, Madhya Pradesh Road Development Corporation Limited, Uttar Pradesh State Highways Authority, State PWDs, Dedicated Freight Corridor Corporation of India Limited, among others. Our focus on higher margin projects have enabled in an efficient working capital management. We have deleveraged the risk of a long working capital cycle of increased interest costs. CARE has upgraded long term credit rating from CARE A to CARE A+ and short term credit ratings from CARE A1 to CARE A1+, respectively. We have developed very good working relationships with all the project sponsoring authorities in India. We have the technical and financial qualifications to bid for a single project up to the ticket size of ₹3,000 crore. We fulfil all the criteria to qualify for the bidding for such projects. These qualifications are based on past experience of successful execution of projects and sound financials. We have also forged strong relationships with all our vendors and suppliers to order and receive critical materials such as petroleum products, diesel, steel, cement, machinery and machinery spare parts, among others at competitive rates with lesser lead time. We mobilize the resources between our various projects, efficiently even at short notices. We pool our resources to swap our machinery over sites in a nearby geography.

Pan-India presence with regional focus

We have executed 54 major infrastructure projects spread across 13 states in India as on 31st March 2016. We have developed expertise in projects execution in radius of ~500 kilometres of Delhi spanning over various states.

RISKS AND CHALLENGES

Competition risk

Our Company may face risk of competition as the economy will improve and more players may qualify to bid for projects.

Mitigation

We have to operate at the maximum efficiency. We have to strive to execute maximum number of projects before their scheduled completion and within the budgeted cost. This will enable us to earn the bonus for early completion from clients. This bonus will directly add up to the income thus giving a positive impetus on the margins. Moreover the Company will continue to bid the new projects keeping in mind the threshold profitability margins amid competition, as the opportunities are immense.

Capital-intensive business risk

Infrastructure business is capital-intensive by nature. Availability of funds is critical for bidding of projects, particularly fund based projects such BOT-toll, hybrid annuity and TOT model.

Mitigation

We operate our working capital cycle in a highly optimized manner. We pool our asset and resources to be used on various projects within geographical proximity. Our high credit rating also helps us in getting loan facilities easily at highly competitive rates of interest. Our debt-equity ratio on consolidated basis has gone down significantly indicating optimum utilization of internal accruals and growth in toll revenues. As on 31st March 2016, there was no working capital loan on the Company's books.

Traffic growth risk in BOT projects

In BOT-toll projects, revenue stream has continuous risk of traffic not growing on the project roads as estimated in the projections at the time of bidding.

Mitigation

We have a diligent process of estimation and making projections of the growth in traffic and their validation before tendering of a project. We maintain the quality standards of the roads with periodic maintenance and prompt repairs as and when needed to keep the project roads travel worthy for users. Also, as part of our policy we continue to diversify our fund-based portfolio with mix of projects on BOT-toll, BOT-annuity and hybrid annuity models so that revenues risks are mitigated.

Input cost risk

The availability of the right quality and quantity of resources is critical for the timely completion of infrastructure projects. Any unexpected increase in the input costs will have direct impact on margins.

Mitigation

The Company controls its projects directly with no sub-contracting of core infrastructure –construction activities, deploys and uses the equipment in optimal manner and also has its own mines and crushers to meet the requirement of stone aggregates. The other key raw materials are procured directly from leading manufacturers to ensure best prices, quality and timely supply. The contracts we enter with government client are generally have with relevant cost escalation provisions that protect our margins.

Labour risk

People represent the most valuable asset in the construction business. Undue attrition could lead to loss of competitive edge. Recruitment and retention of trained and talented professionals is an industry-wide problem.

Mitigation

The working environment of the Company is cordial and employee-friendly. We follow an open door policy for all employees to reduce the hierarchical strain in the organization. The remunerations are all at par with the industry standards. Periodical training and team building activities are conducted to reduce the stress among employees.

HUMAN RESOURCE MANAGEMENT

The total employee strength of the Company was over 3,700 as on 31st March 2016. The Company has built a team of professionals within specific domain knowledge in the areas, where the company operates. As the Company is growing at a faster rate, the management is now emphasises more on competence development of young construction professionals and managers to take care of the future growth. The company ensures that proper encouragement both moral and financial is extended to employees to keep them motivated.

INTERNAL CONTROL SYSTEMS

The Company has adequate internal control systems that are commensurate with the size and nature of its business which ensures that all the assets are acquired in an economical manner and are safeguarded, protected against loss from unauthorised use or disposition and all transactions are authorised, recorded and reported correctly. The internal control system is supplemented by well documented policies, guidelines and procedures and reviews carried out by the Company's internal audit department. Audits of various departments are conducted as per the annual audit plan through internal auditors, who submit reports to the management and the Audit Committee of the Board from time to time. The views of the statutory auditors and ISO auditors are also considered to ascertain the adequacy of the internal control system. The project sites of the company are covered through extensive CCTV surveillance system and SAP ERP system. All these measures are continuously reviewed by the management and as and when necessary improvements are made.

CAUTIONARY STATEMENT

In this annual report we have disclosed forward-looking information to enable investors to understand our growth prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. Forward-looking statements are based on certain assumptions and expectations of future events. The achievement of results is subject to risks, uncertainties and even less than assumptions. Market data and information gathered from various published and unpublished reports and sources, their accuracy, reliability and completeness cannot be assured. We do not undertake to make any announcement in case any of economic scenarios, industry developments and the forward looking statements becomes materially incorrect in future or update any development and forward looking statements made from time to time by or on behalf of the Company.

Boards' Report

To the members

On behalf of the Board of Directors, it is our pleasure to present the 17th Annual Report on the business and operations of the Company together with the Audited Financial Statement of PNC Infratech Limited ("the Company") for the financial year ended March 31, 2016.

FINANCIAL RESULTS

The summarized standalone and consolidated financial results of your Company are given below: (₹ in Lacs)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
Total Income from operations	2,01,416.08	1,56,098.54	239,459.63	1,86,088.62
Total Expenses	1,80,067.05	1,38,073.10	209,633.05	1,64,135.60
Profit from operations before other Income, finance cost	21,349.03	18,025.44	29,826.58	21,953.02
Other Income	2,015.54	1,382.08	1,664.63	1,214.46
Profit from ordinary activities before finance cost and exceptional items	23,364.57	19,407.52	31,491.21	23,167.48
Finance cost	3,323.19	4,623.51	12,874.93	9,251.39
Profit from Ordinary activities before tax	20,041.38	14,784.01	18,616.28	13,916.09
Provision for Taxation	(337.64)	4,747.97	(406.48)	4,787.74
Net Profit from Ordinary Activities	20,379.02	10,036.04	19,022.76	9,128.35
Short/(excess) provision for taxation of earlier year	(3,894.87)	–	(3,894.87)	–
Net Profit for the period	24,273.89	10,036.04	22,917.63	9,128.35
Share of Profit/(Loss) of associates	–	–	(1,307.12)	–
Minority Interest	–	–	(0.11)	0.06
Net Profit after Taxes and Minority Interest	24,273.89	10,036.04	21,610.40	9,128.41
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	26,595.52	21,662.07	40,734.54	27,987.35
Amount available for appropriation	73,567.66	50,220.02	_	_
Proposed Divided	1,282.70	769.59	_	_
Dividend Tax	327.88	156.66	_	_
Reserves	1,31,095.71	67,863.40	1,25,843.64	83,127.34
Earnings Per share (Basic/Diluted)	48.77	25.21	43.42	22.93

**previous year figures have been regrouped/rearranged wherever necessary.*

FINANCIAL PERFORMANCE

On a standalone basis, the Company recorded total revenue of ₹2,014 crores, 29.0% higher than the previous year's revenue of ₹1,561 crores. Correspondingly, EBITDA and PAT went up from ₹217 crores and ₹100 crores, respectively, to ₹266 crores and ₹243 crores, marking an increase of 22.7% in EBITDA and 141.8 % in PAT. While EBITDA margin was slightly lower at 13.2% v. 13.9% in FY 2014-15, PAT margin went up from 6.4% to 12.1%.

On consolidated basis, The Company reported total income from operations at ₹2,395 crores in FY 2015-16, up 28.7% from ₹1,861 crores in FY 2014-15. The break-up between EPC and BOT (toll and annuity) income was ₹2,014 crores and ₹381 crores respectively, as against ₹1,600 crores and ₹261 crores in FY 2014-15. Consolidated EBITDA for the year was at ₹407 crores, which is 45.5% higher than ₹280 crores in the previous year, while profit after tax (PAT) at ₹216 crores shot up by 136.7% compared to ₹91 crores in 2014-15. EBITDA margin improved from 15.0% to 17.0%, while PAT margin went up from 4.9% to 9.0%.

STATE OF AFFAIRS & FUTURE OUTLOOK:

During the year and up to the date of this Report, the Company has bid for and been awarded/become L1 for the following projects:

Resurfacing / strengthening of runway at Air Force Station, Kanpur for a total contract cost of ₹167.25 Crore.
Four laning of Koilwar to Bhojpur Section, design Chainage from 33.250 to 77.100 (NH 30 & 84), in the state of Bihar under NHDP Phase-III on EPC mode & Four laning of Bhojpur to Buxar Section, design Chainage from 77.100 to 125.00 (NH 84) in the state of Bihar under NHDP Phase-III on EPC mode.
Improvement/augmentation of 146.4 km long Aligarh-Moradabad Section of NH-93 to two lanes with paved shoulders, in the State of Uttar Pradesh, under NHDP Phase-IV. The NHAI project to be executed on EPC basis, has a total contract cost of ₹644.5 Crores.
Construction of three lane road on both sides of Sharda Sahayak Feeder Canal from Lucknow-Faizabad Road to Lucknow-Sultanpur Road, in the State of Uttar Pradesh. The bid amount for this UP Public Works Department (PWD) project, to be executed on item rate basis, is ₹205.69 Crores.
Four laning of Varanasi-Gorakhpur Section of NH-29 from km 12.000 to km 88.000 (Package II from Sandah to Birnon) in the State of Uttar Pradesh under NHDP Phase-IV at a contract price of ₹868.50 Crores.
Four laning of Nagina-Kashipur Section of NH-74 from km 73.000 to Km 175.00 in the States of Uttarakhand and Uttar Pradesh under NHDP IV at a contract price of ₹1155.70 Crores.
Up-gradation of MDR No. 82W, Nanau-Dodon Section from km 0.000 to km 30.000 in the district of Aligarh, Uttar Pradesh. The bid amount for this ADB funded, UP Public Works Department (PWD) project is ₹119.9 Crores.
Extension and resurfacing of runway at Air Force Station, Bakshi Ka Talab near Lucknow. The bid amount for this project of Military Engineering Services, Government of India is ₹140.6 Crores
Four laning/two laning with paved shoulders from 0.00 km to 83.453 km of Dausa-Lalsot-Kauthun Section of NH-11 A (Extension) in the State of Rajasthan under NHDP IV, on Hybrid Annuity Model for a bid project cost of ₹881.0 Crores.
Four laning of Etah to Kasganj road in Uttar Pradesh for a contract value of ₹232.91 Crore.

PNC Kanpur Highways Limited, a wholly owned subsidiary of PNC Infratech Limited, has commenced toll operations with effect from 7th May 2015 on the Kanpur-Kabrai section of National Highway - 86.

Ghaziabad Aligarh Expressway Pvt. Ltd (GAEPL), an associate company of PNC Infratech Limited, has commenced toll operations with effect from 24th June 2015 on the Ghaziabad-Aligarh section of National Highway – 91.

PNC Bareilly Nainital Highways Private Limited, a wholly owned subsidiary of PNC Infratech Limited, has commenced toll operations with effect from 19th October, 2015, on Bareilly-Almora (Uttarakhand Border) Section of Uttar Pradesh State Highway-37

PNC Raebareli Highways Private Limited, a wholly owned subsidiary of PNC Infratech Limited, has successfully commissioned the project more than 3 months ahead of schedule. PNC was awarded the project for two-laning with paved shoulders from Km 0.000 to Km 166.400 of the Raebareli to Jaunpur Section of NH-231 in the State of Uttar Pradesh under NHDP IV on BOT (Annuity) basis.

The total outstanding contract value pending execution was ₹553671.00 Lacs as on March 31, 2016.

The Company is presently executing the following major projects:

HIGHWAYS		
Sr.	Category	Name of the Project
1	State Highways	Development of Agra to Firozabad (Village Gurha) (Km. – 2.634 to 0.000 to 53.500) Access Controlled Expressway (Green Field) Project in the state of Uttar Pradesh on EPC mode.
2	Highways	EPC Contract for-Design, Engineering, Finance, Construction, Operation and Maintenance of Ghaziabad-Aligarh Section of NH-91 from Km.23.600 to km 140.200 in the State of Uttar Pradesh Under NHDP Phase III on Design, Build, Finance, Operate and Transfer (the "DBFOT") basis.
3	Highways	Construction of Balance work of New Four Lane Agra Bye pass connecting Km 176.800 of NH-2 to Km .13.03 of NH-3 in the state of UP.
4	Highways	Four laning of km 51 to 61 (Including Chambal Bridge) on Dholpur-Morena Section of NH-3 on North-South corridor in the state of Rajasthan—Madhya Pradesh (This project consist of 850 m long State of the art high level PSC Bridge across Chambal river, besides one No. ROB, Two Flyovers and 10 Km long 4 Lane highways).
5	Highways	EPC Contract for Two Laning with Paved Shoulders of Raebareli to Jaunpur Section (Km 0+000 to Km 166.4000) of NH-231 in the State of Uttar Pradesh Under NHDP IV on BOT (Annuity)
6	State Highways	Widening & strengthening of Pilibhit-Bareilly-Mathura Bharatpur Marg (SH-33) Km.79 to Km.99(800) for Four Lane under Dist. Badaun
7	State Highways	Rehabilitation and upgradation of Sonauli to Gorakhpur section (Km.0+000 to Km.80+000) of NH-29E in Uttar Pradesh to two lane with paved shoulders on EPC mode under NHDP Phase-IV.
8	State Highways	Rehabilitation and upgradation of Barabanki-Jarwal section of NH-28C (Km. 0.000 to Km. 43.000) in the state of Uttar Pradesh under NHDP-IV on EPC Basis
9	Highways	Four laning of Koilwar to Bhojpur Section, design Chainage from 33.250 to 77.100 (NH 30 & 84), in the state of Bihar under NHDP Phase-III on EPC mode.
10	Highways	Four laning of Bhojpur to Buxar Section, design Chainage from 77.100 to 125.00 (NH 84) in the state of Bihar under NHDP Phase-III on EPC
POWER TRANSMISSION & DISTRIBUTION		
11	Power	Supply & Installation of 132 KV & 220 KV T/L in various part of U.P.
RAILWAY		
12	DFCCI	Design, procurement, construction of Track and track related works and its testing & commissioning for double track electrified railway line on a Design Build Lump Sum Basis from New Karwandiya (Rly. Km. 564) to Durgawati (Rly. Km. 630) approx. 66 Kms on Mughalsarai-Sonnagar Section of Eastern Dedicated Freight Corridor
AIRPORT RUNWAYS		
13	Airport Runways	Resurfacing / strenghening of Runway at AF Station, Kanpur

DIVIDEND

Keeping in view the continued good performance, future funds requirements of the Company and policy of the Company for rewarding shareholders, your Directors are pleased to recommend a dividend of 25 %, i.e. ₹0.50 per equity share on 25,65,39,165 equity shares of ₹2/- each for the financial year ended 31st March, 2016. For the financial year 2014-15, the Company had paid a dividend of ₹1.50 per share.

The dividend shall be subject to tax on dividend to be paid by your Company but will be tax-free in the hands of the Members. The dividend together with the dividend distribution tax will entail a cash outflow of ₹1,610.58 Lacs (previous year ₹926.25 Lacs).

TRANSFER TO RESERVES

Your Company has not transferred any amount to the general reserve.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS) - 21 on Consolidated Financial Statements read with AS - 23 on Accounting for Investments in Associates and AS - 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, none of the Company's subsidiaries, joint ventures or associate companies have become or ceased to be Company's subsidiaries, joint ventures or associate companies.

In accordance with Sec 129(3) of the Companies Act, 2013 and Accounting Standard AS-21, report on the performance and financial position of each of the subsidiaries, associates and joint venture companies is provided as an Annexure to the consolidated financial statement and hence not repeated here for the sake of brevity.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: http://www.pncinfratech.com/pdfs/policy-on-material-subsidiaries-pnc-infratech-limited.pdf.

INITIAL PUBLIC OFFERING (IPO)

During the year under review, The Company has completed its Initial Public Offering(IPO), in May, 2015, pursuant to which 1,29,21,708 number of equity shares of ₹10 each were allotted at a price of ₹378 per equity share, consisting of fresh issued 1,15,00,000 equity shares and offer for sale of 14,21,708 equity shares by NYLIM Jacob Ballas India (FVCI)III LLC. The equity shares of the company were listed on National Stock Exchange of India Limited and BSE Limited on May 26, 2015.

Your Directors would like to state with great pleasure that the issue received an overwhelming response from the investing community and was subscribed by over 1.40 times, with the QIB portion getting oversubscribed by over 4.5 times, Employee by over 1.04 times. The success of IPO reflects the trust, faith & confidence that our customers, business partners and markets have reposed in your Company inspite of adverse condition of the market at the time of listing.

Your Directors also would like to state with great pleasure that the operations of the Company have grown significantly during the years, which has generated considerable interest in the company's equity shares in the market. This coupled with general positive economic environment the market price of Company shares have also increased significantly.

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the directors had laid down internal financial controls are followed by the Company and that such financial controls are adequate and are operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws are in place and such systems are adequate and operating effectively.

CORPORATE GOVERNANCE

Your Company continues to place greater emphasis on managing its affairs with diligence, transparency, responsibility and accountability and is committed to adopting and adhering

to best Corporate Governance practices.

The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company has set itself the objective of expanding its capacities. As a part of its growth strategy, it is committed to high levels of ethics and integrity in all its business dealings that avoid conflicts of interest. In order to conduct business with these principles, the Company has created a corporate structure based on business needs and maintains a high degree of transparency through regular disclosures with a focus on adequate control systems.

In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a separate report on corporate governance along with a certificate from the M/s DR Associates, Company Secretaries, on its compliance, forms an integral part of this report.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to manage the risk in a proactive and efficient manner. Your Company has Risk Management Policy in place. The Policy provides for a risk management framework to identify and assess risk such as operational, strategic, resources, security, industry, regulatory & compliance and other risk and put in place an adequate risk management infrastructure capable of addressing these risks. The Board periodically reviews the risk, if any, and ensures to take steps for its mitigation.

As per the Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement to formulate a separate risk management committee applies only to top 100 listed entities, determined on the basis of market capitalization, as at the end of the immediate previous financial year. Therefore, this requirement is not applicable to us.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2015-16, your Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with the Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, Rules issued there under and Regulation 23 of the SEBI (LODR) Regulations, 2015. During the financial year 2015-16, the Company did not enter into materially significant transactions with Promoters, Key Managerial Personnel or other related parties. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable. The details of the related party transactions as required under AS - 18 are set out in Notes to the standalone financial statements forming part of this Annual Report.

The policy on Related Party Transactions as approved by the Board may be accessed on the Company's website at the link: http://www.pncinfratech.com/pdfs/policy-on-relatedparty-transactions-pnc-infratech-limited.pdf.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company continues to believe in operating and growing its business in a socially responsible way. This belief forms the core of the CSR policy of the Company that drives it to focus on holistic development of its host community and immediate social and environmental surroundings qualitatively. Hence in accordance with the requirements of Section 135 of the Companies Act, 2013, your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). The composition and terms of reference of the CSR Committee are provided in Corporate Governance Report. The Company has framed Corporate Social Responsibility policy which is available on link at http://www.pncinfratech.com/pdfs/pnc-csr-policy.pdf. Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as Annexure I to this report.

INTERNAL FINANCIAL CONTROL

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively. The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit

function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent applicable. These are in accordance with generally accepted accounting principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Auditors.

The policies to ensure uniform accounting treatment are prescribed to the subsidiaries of your Company. The accounts of the subsidiary companies are audited and certified by their respective Auditors for consolidation.

The Management periodically reviews the financial performance of your Company against the approved plans across various parameters and takes necessary action, wherever necessary. Internal Auditor have been appointed who report on quarterly basis on the processes and system of accounting of the Company. The observations, if any, of the Internal Auditors, are resolved to their satisfaction and are implemented across all the sites. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In compliance with the provisions of Sections 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, During the year, there was no change in the constitutions of the Board.

Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, Managing Directors of the Company are liable to retire by rotation at the ensuing AGM pursuant to the provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company, and being eligible has offered themselves for re-appointment. The brief resume of Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain and other information under Regulation 36 of the SEBI (LODR) 2015 and as per Secretarial Standard 1 with respect to the Director seeking "re-appointment" has been provided in the Notice convening 17th AGM. Your Directors recommend their re-appointment.

During the year, Mr. Chakresh Kumar Jain and Mr. Yogesh Kumar Jain, Managing Directors, Mr. Devendra Kumar Agarwal, Chief Financial Officer and Mr. Binaya Kumar Dash, Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

None of the Key Managerial Personnel has resigned during the year under review.

Further Mr. Binaya Kumar Dash has resigned from the post of Company Secretary w.e.f. July 23, 2016. The Board places on record its appreciation of the immense contribution made by Mr. Binaya Kumar Dash to the Company.

DECLARATION BY INDEPENDENT DIRECTORS

In accordance with the Section 149(7) of the Act, each Independent Director has given a written declaration to the Company at the time of their appointment and at the first meeting of the Board of Directors in every financial year confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (LODR) Regulations, 2015.

BOARD EVALUATION AND REMUNERATION POLICY

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of all the Committees of the Board for the Financial Year 2015-16. A structured questionnaire was prepared after taking into consideration inputs received from the Directors. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the

Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non Independent Directors was carried out by the Independent Directors. The Board of Directors has expressed its satisfaction with the evaluation process.

The composition, and terms of reference along with attendance details of the Nomination and Remuneration Committee are provided in Corporate Governance Report. The Nomination and Remuneration Policy of the Company is attached herewith marked as Annexure –II and also placed on its website at weblink http://www.pncinfratech.com/pdfs/nomination-and-remuneration-policy-pnc-infratech-limited.pdf.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to the requirement of Reg. 25 (7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company needs to formally arrange induction or Familiarization Programme for newly appointed Independent Directors. The details are mentioned in the Report on Corporate Governance which is the part of this report.

HUMAN RESOURCES

Your Company treats its "Human Resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. Your Company believes in the promotion of talent internally through job rotation and job enlargement.

SHARE CAPITAL

During the year under review, your Company's authorised share capital has remain unchanged at ₹55.00 crores (Rupees Fifty Five Crore only) comprising of 5,50,00,000 equity shares of ₹10 each.

During the year under review, your Company's paid up share capital has increased from ₹39,80,78,330 to ₹51,30,78,330(Rupees Fifty One Crores Thirty Lacs Seventy Eight Thousands Three Hundred Thirty only) comprising of 5,13,07,833 (Five Crores Thirteen Lacs Seven Thousands Eight Hundred Thirty Three) equity shares of ₹10 each by issue and allotment of equity shares through Initial Public Offer (IPO) in May, 2015.

During the year under review, the Company has not issued any shares with differential voting rights.

AUDITORS AND AUDITORS' REPORT

AUDITORS

The Auditors, M/s. Purushottam Agrawal & Co., Chartered Accountants (Firm Reg. no. 000731C) and M/s S.S Kothari Mehta & Co., (Firm Reg. no. 000756N), Chartered Accountants, hold office till the conclusion of the ensuing Annual General Meeting and they have confirmed their eligibility and willingness to be re-appointed. The Company has received a certificate from the Statutory Auditors to the effect that their appointment, if made, would be within the limits prescribed under section 141 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of the said section. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the rules framed thereunder, it is proposed to re-appoint M/s Purushottam Agrawal & Co., Chartered Accountants (Firm Reg. no. 000731C) and M/s S.S Kothari Mehta & Co., (Firm Reg. no. 000756N), Chartered Accountants, as the Joint Statutory Auditors from the conclusion of ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

Further the Auditors Report being self-explanatory does not call for any further comments from the Board of Directors.

COST AUDIT

The Board had appointed M/s. R K G & Associates, Cost Accountants, as Cost Auditors for conducting the audit of cost records of the Company for the financial year 2015-16 and necessary application for their appointment was filed by the Company with the Ministry of Corporate Affairs. The said Auditors have conducted the audit of Cost records for the year ended 31st March 2016 and have submitted their report, which is self explanatory and do not call for any further comments.

Your Company shall submit the Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

The Board has also appointed M/s. R K G & Associates, Cost Accountants, as Cost Auditors to conduct Cost Audit for the financial year 2016-17 and their remuneration has also been recommended for the ratification and approval of the Shareholders.

SECRETARIAL AUDIT

In terms of Section 204 of Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. DR Associates, Company Secretaries were appointed as Secretarial Auditors for the financial year 2015-16. The Secretarial Audit Report for the financial year ended on March 31, 2016 is annexed herewith marked as Annexure-III to this Report. There are no qualifications or adverse remark in their Report.

The Board has also appointed M/s. DR Associates, Company Secretaries, as Secretarial Auditors to conduct Secretarial Audit for the financial year 2016-17

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company' business.

DISCLOSURES

Audit Committee

The Audit Committee of the Board of Directors of the Company is duly constituted in accordance with the provisions of Sections 177 (8) of the Companies Act, 2013, read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015 which consists of the following Members. It comprises namely of Mr. C R Sharma, Independent Director (Chairman), Mr. Sunil Chawla, Nominee Director and Mr. Ashok Kumar Gupta, Independent Director as other members. The scope, their attendance and terms of reference of Audit Committee is mentioned in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy in compliance with the provisions of Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015. The policy has been annexed to this report as Annexure VII. The policy provides for a framework and process whereby concerns can be raised by its Employees/Directors or any other person against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them through an e-mail, or a letter to the Vigilance Officer for this purpose/Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the weblink: http://www.pncinfratech.com/pdfs/vigil-mechanism-whistle-blower-policy-pnc-infratech-limited.pdf.

Meetings of the Board

Six meetings of the Board of Directors were held during the year. The detail of dates of board meeting and attendance of directors and similar details of Board Committees are given in Corporate Governance Report which forms part of this Report.

Particulars of Loans given, Investments made, Guarantees given and securities Provided

Your Company is exempted from the applicability of the provisions of Section 186 of the Companies Act, 2013 (Act) read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Companies (Meetings of Board and its Powers) Amendment Rules, 2015 as your Company is engaged in the business of providing infrastructural facilities.

The loans given, security provided, guarantees given and Investments made by the Company under Section 186 of the Companies Act, 2013 are given in the notes to the financial statements.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in Annexure –IV to this Report.

Extract of Annual Return

Extract of Annual Return of the Company is annexed herewith as Annexure –V to this Report.

Particulars of Employees and related disclosures

The particulars of employees drawing remuneration in excess of the limits set out in Section 197(12) of the Act read with Rules 5 of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014, is annexed to this report, as Annexure –VI.

Unpaid/Unclaimed Dividend

During the year under review no amount which remained unclaimed and unpaid detailed under Section 124 of the Companies Act, 2013, is due for transfer to Investor's Education and Protection Fund.

Sub-Division of Shares

Your Directors would like to state with immense pleasure that approval for sub-division of the Company's equity shares of face value ₹10 each into 5 equity shares of face value of ₹2 each, have been taken by passing resolution through Postal Ballot on July 19, 2016 vide Postal Ballot Notice dated May 27, 2016. The Company have completed all the formalities in this regard. This improves the liquidity of the Company's Share in stock market and to make it affordable to the small investors.

Statement of Deviations or Variations-

In terms of Regulation 32(4) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby state that there has been no deviation or variation in utilization of IPO Proceeds for the reporting period. Further on July 19, 2016, the Shareholders by way of Postal Ballot has approved the transfer of ₹89 Lacs being unutilized Issue Related Expenses and ₹336 Lacs being savings on Capital Equipments purchased to General Corporate Purposes & a sum of ₹1223 Lacs earmarked for Purchase of Capital Equipments specified in the Prospectus, be replaced with the new Capital Equipments to be procured based on the current business requirements.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Change in the nature of business.
3. Voluntary revision of Financial Statements or Board's Report.
4. Material change affecting the financial position of the Company.
5. Issue of equity shares with differential rights as to dividend, voting or otherwise.
6. No director is in receipt of commission from the Company and Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries Companies
7. No significant oar material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.
8. Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
9. There was no instance of reporting of fraud to the Audit Committee and of Directors.
10. There was no instance of any Employee Stock Options.

ACKNOWLEDGEMENT

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders, banks and financial institutions, clients, vendors, Intermediaries associated with IPO of the Company, for their co-operation and continued support for the growth of the Company. The Directors also wish to acknowledge the assistance received from various regulatory bodies, NHAI, MPRDC, UPSHA, HSRDC, MES, DSIIDC, UPEDA, Ministry of Corporate Affairs, BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India and other Central and State Government agencies and thank them for the same and look forward to their continued support.

Your Directors also wish to place on record their sincere thanks to M/s. NYLIM Jacob Ballas India (FVCI) III LLC, our private equity partner, who has reposed trust in your Company.

Your Directors take this opportunity to recognize and appreciate the efforts and hard work of all the employees of the Company at all levels and thank them for their competence, sincerity, hard work and commitment.

For and on behalf of the Board of Directors

Pradeep Kumar Jain

(Chairman and Managing Director)

DIN:-00086653

Place: Agra

Date: 24.08.2016

ANNEXURE I TO THE BOARDS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the company's CSR Policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes**

   The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board of Directors on February 10, 2015.

   The CSR Policy may be accessed on the Company's website at the link: http://www.pncinfratech.com/investors.

   The key philosophy of CSR initiatives of the Company is to actively contribute to the social and economic development of the community in which, we operate. In alignment with vision of the company, PNC, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth & economic development for the society and community, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern.

   The Company has identified focus areas of engagement which are as under:

   (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swach Bharat Kosh setup by the Central Government for the promotion of sanitation and making available safe drinking water;

   (ii) Promoting educating, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

   (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

   (iv) Ensuing environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund setup by the Central Government for rejuvenation of river Ganga;

   (v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

   (vi) Measures for the benefit of armed forces veterans, war widows and their dependents;

   (vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;

   (viii) Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

   (ix) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

   (x) Rural development projects;

   (xi) Slum area development;

   Explanation- slum area shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

   (xii) Such other activity as may be notified by Govt. from time to time.

2. **The Composition of the CSR Committee :**

Sl. No.	Name of the Member	Position
1	Shri. Chakresh Kumar Jain	Chairman
2	Shri. Anil Kumar Rao	Member
3	Shri. Ashok Kumar Gupta	Member

3. **Average Net Profit of the company for last 3 financial years, 2012-13, 2013-14 and 2014-15 :**

   Average Net Profit : ₹12,353.08 Lacs

4. **Prescribed CSR expenditure (2% of the amount as in item no. 3 above) :.**

   The Company is required to spend ₹247.06 Lacs.

5. **Details of CSR activities/projects undertaken during the year:**

(a) Total amount to be spent for the financial year 2015-16 is ₹: ₹247.06 Lacs

(b) Amount un-spent, if any is NIL

(c) Manner in which the amount spent during financial year is detailed below :

1	2	3	4	5	6	7	8
Sr. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/Programmes 1. Local area/others- 2. specify the state / district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay (budget) project/ programme wise (₹)	Amount spent on the project/ programme (C) Sub-heads: 1. Direct expenditure on project/ programme, 2. Overheads:	Cumulative spend upto to the reporting period	Amount spent: Direct/ through implementing agency*
1	Educational activities	Promoting education	Agra, Uttar Pradesh	5,00,000	4,62,511	4,62,511	Directly
2	Promoting gender equality and measures for reducing inequalities	Measures for reducing inequalities faced by socially and economically backward groups	Agra, Girnaar ji, Sonagiri, etc.	70,00,000	66,36,361	70,98,872	Directly
3	Promotion of Arts & Culture	Promotion & development of traditional arts and handicrafts	Agra, Ram Nagar	18,00,000	18,00,000	88,98,872	Directly
4	Animal Welfare	Ensuring Enviornmental Sustainabliity		51,000	51,000	89,49,872	Directly
5	Contribution to technology Incubators	Promotion of Science		25,50,000	25,50,000	1,14,99,872	Directly
6	All the Activities of the trust covered under Schedule VII of the Companies Act, 2013	Empowering Women, Old age homes, day care centers etc		1,40,11,000	1,40,11,000	2,55,10,872	Through Srimati Premwati Devi Smriti Nyas, a registered trust established by the Company

6. Reason for not spending 2% of average net profit for CSR Activity for the financial year 2015-16 is as follows : **Not Applicable**

7. **Responsibility Statement of the CSR Committee :**
The CSR Committee confirms that the implementation and monitoring of the CSR Policy of the Company is in compliance with the CSR Objectives and Policy of the Company.

For & on behalf of Corporate Social Responsibility Committee

C K Jain
Chairman of Committee
(Managing Director)
DIN: 00086768

Ashok Kumar Gupta
Member of Committee
(Independent Director)
DIN: 02808356

Place : Agra
Date : 24.08.2016

ANNEXURE - II TO THE BOARDS' REPORT

NOMINATION AND REMUNERATION POLICY

1. **Preamble**

   The Board of Directors (the "Board") of PNC Infratech Limited (the "Company"), has adopted the following policy and procedures with regard to Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management and other employees of the Company. The Nomination and Remuneration Committee will review and recommend to the Board for any amendments from time to time.

2. **Purpose**

   This policy is framed as per requirement of Sections 178 and other applicable provisions of the Companies Act, 2013 ("Act") read with rules and regulations made thereunder, and Listing Agreement and intended to have a Board with diverse background and experience in areas that are relevant for the Company, to ensure the proper appointment and fairness in the remuneration process of the Directors, Key Managerial Personnel (KMP) and Senior Management and other employees of the Company and at the same time to attract and retain the best suitable talent on the Board of the Company.

3. **Applicability**

   This policy is applicable to all Directors, Key Managerial Personnel (KMP), and Senior Management team and other employees of the Company.

4. **Objectives**

   This policy is framed with the following objectives:

   I. To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.

   II. To evaluate the performance of members of the Board and provide necessary report to the Board for further evaluation.

   III. To attract, retain and motivate the Senior Management including its Key Managerial Personnel, evaluation of their performance and provide necessary report to the Board for further evaluation.

   IV. The relationship of remuneration with performance is clear and meets appropriate performance benchmarks.

   V. To recommend the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

   VI. To promote and develop a high performance workforce in line with the Company strategy.

   VII. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Director (Executive & Non- Executive/ Independent/Nominee) and persons who may be appointed in Senior Management, Key Managerial Personnel and determine their remuneration.

   VIII. To determine the remuneration based on the Company's size and financial position and practices in the industry.

5. **Definition**

   I. "Act" means Companies Act, 2013 and rules framed thereunder as amended from time to time.

   II. "Board of Directors" or Board, in relation to the company, means the collective body of the Directors of the Company.

   III. "Committee" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

   IV. "Company" means "PNC Infratech Limited".

   V. "Managerial Personnel" means Managerial Personnel or Persons, appointed under section 196 and other applicable provisions of the Companies Act, 2013.

   VI. "Policy" or "This policy" means Nomination and Remuneration Policy.

   VII. "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

   VIII. "Independent Director" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

   IX. "Key Managerial Personnel" (KMP) means

   a. The Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-time Director;

b. The Company Secretary and

c. The Chief Financial Officer

X. "Senior Management" mean personnel of the company who are members of its core management team excluding Board of Directors.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

6. POLICY

6.1 Appointment of Managerial Personnel, Director, KMP and Senior Management:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Director or KMP or Senior Management and recommend to the Board for his /her appointment.

b) A person should possess adequate qualifications, expertise and experience for the position he /she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the concerned position.

c) Appointment of Independent Directors is also subject to compliance of provisions of section 149 of the Companies Act, 2013, read with Schedule IV and rules thereunder or any other applicable provisions of the Companies Act, 2013 and the Listing Agreement.

6.2 Term / Tenure

a. Managerial Personnel:

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and Disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.. At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

The maximum tenure of Independent Directors shall also be in accordance with the Companies Act, 2013 & Listing Agreement and clarifications/ circulars issued by the Ministry of Corporate Affairs/ SEBI, in this regard, from time to time.

6.3 Retirement

Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to compliance of the provisions of the Companies Act, 2013 and Listing Agreement.

6.4 Remuneration of Managerial Personnel, KMP and Senior Management:

a. The level and composition of remuneration to Managerial Personnel, KMP & Senior Management should be reasonable and sufficient to attract, retain and motivate directors of the qualifty required to run the Company. The Remuneration / Compensation / Profit linked Incentive etc. to Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for

approval. The Remuneration / Compensation / Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

b. The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

c. Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

d. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

e. If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

f. Increments if declared to the existing remuneration / compensation structure shall be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.

g. Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

6.5 Remuneration to Non-Executive / Independent Directors:

a. Remuneration / Profit Linked Commission:
The remuneration / profit linked commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

b. Sitting Fees:
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c. Limit of Remuneration /Profit Linked Commission:
Remuneration /profit linked Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% or / 3% of the net profits of the Company respectively.

d. Stock Options:
Pursuant to the provisions of the Companies Act 2013, Managerial Personnel, KMP, Senior Management and an employee shall be entitled to any Employee Stock Options (ESOPs) of the Company.

6.6 Familiarization program for Independent Directors:

a) The Company shall familiarize the Independent Directors with the company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the company, etc., through various programs.

b) The details of such familiarization programs shall be disclosed on the Company's website and a web link thereto shall also be given in the Annual Report.

7. Monitoring, Evaluation and Removal:

   I. Evaluation:

   The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP or Senior Management. The Committee shall identify evaluation criteria based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

   Framework for performance evaluation of Independent Directors and the Board is as per Annexure to this Policy.

   II. Removal:

   The Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Personnel, Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

8. Amendment to the Policy:

   The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

9. Disclosure:

   The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.

ANNEXURE

Framework for Performance Evaluation of Independent Directors and the Board

As per the provisions of Clause 49, the Nomination and Remuneration Committee (the "Committee") shall lay down the evaluation criteria for performance evaluation of Independent Directors and the Board. Further, in terms of Clause 49, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation framework (including all Committees of the Board and individual directors).

The Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Committee shall establish the following processes for evaluation of performance of Independent Director and the Board:

1. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organize the evaluation process and act on its outcome;

2. The Committee shall formulate evaluation criteria for the Board and the Independent Directors which shall be broadly based on:

   2.1 Knowledge to perform the role;

   2.2 Time and level of participation;

   2.3 Performance of duties and level of oversight; and

   2.4 Professional conduct and independence.

3. The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.

4. In terms of Section 134 of the Act, the Board's Report should include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

ANNEXURE III TO THE BOARDS' REPORT

FORM NO. MR-3

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

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March 2016

To
The Board of Directors
PNC INFRATECH LIMITED
NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi-17

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **PNC INFRATECH LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, statutory registers, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 2016 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 and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(i) The Listing Agreements entered into by the Company with Stock Exchange(s);

(j) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(k) Secretarial Standards issued by the Institute of Company Secretaries of India.

(vi) and other laws as are specifically applicable to the Company.

Our report is to be read along with the noting as mentioned here-in-under:

1. 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.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records, we believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the Compliances of the laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the Management; Our examination was limited to the verification of the procedures on test basis.
6. We have not verified the compliance under various State laws specifically applicable to the Company and relied on the Management Representation Letter.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

1. **Legal Proceedings against the Company**
   There are instances of legal cases filed against the Company under the various laws applicable to the Company. These cases are filed before various courts of the Country under various statutes.
2. **Late Filing of E-forms:**
   The Company has been generally filing the forms and returns with the Registrar within the prescribed time. However, there are few instances where there have been delays, which were filed on payment of additional fees.

We report that:

1. 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.
2. Adequate notices are given to all directors for the Board Meetings and accordingly, agenda and detailed notes on agenda were sent to all directors, 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.
3. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
4. 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 the company has generally complied with the requirements of various Act, Rules and Regulations, guidelines and standards as are applicable to the Company.

For DR Associates
Company Secretaries

Suchitta Koley
Partner
CP No.: 714

Place: Agra
Date: 24th August 2016

ANNEXURE IV TO THE BOARDS' REPORT

Information under Section 134(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules 2014, and forming part of the Directors' Report for the year ended 31st March, 2016

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	The Company is taking all necessary measures for conservation of energy and creating awareness amongst the employees on the necessity of conservation of energy is practiced regularly.
(ii)	the steps taken by the company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipments	The company is involved in construction of highways and airport runways, hence no major impact on the cost of production/construction.

(b) Technology absorption

(i)	the efforts made towards technology absorption	The Company develops in-house technology and is not dependent on any outside technology/source.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	• Improvements in quality, • Reduction in cost • Development of Product
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not Applicable.
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	

(c) Foreign exchange earnings and Outgo

(i) Foreign Exchange earnings : NIL

(ii) Foreign Exchange expenditure : NIL

ANNEXURE V TO THE BOARDS' REPORT

Form No. MGT- 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2016
of
PNC INFRATECH LIMITED
[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

S.No.	Particular	
1	CIN	L45201DL1999PLC195937
2	Registration Date	09/08/1999
3	Name of the Company	PNC INFRATECH LIMITED
4	Category / Sub-Category of the Company	Public Company limited by Shares
5	Address of the Registered Office and contact details	NBCC Plaza, Tower II, IVth Floor, Pushp Vihar, Sector 5, Saket, New Delhi-110017
6	Whether listed company	Yes
7	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Link Intime India Private Limited 44 Community Centre, IInd Floor, Naraina Industrial Area Phase- I, Near PVR Naraina, New Delhi-28

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Roads	42101	95.30

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held*	Applicable Section
1.	PNC Power Private Limited Cabin No.5, NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar, Saket, New Delhi-17	U45209DL2009PTC188338	Subsidiary	72.60	2(87)(ii)
2.	MP Highways Private Limited Cabin No.5, NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar, Saket, New Delhi-17	U45201DL2010PTC211187	Subsidiary	100*	2(87)(ii)

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held*	Applicable Section
3.	PNC Infra Holdings Limited Cabin No.5, NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar, Saket, New Delhi-17	U45400DL2011PLC212473	Subsidiary	100	2(87)(ii)
4.	PNC Kanpur Highways Limited Cabin No.5, NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar, Saket, New Delhi-17	U45400DL2011PLC212392	Subsidiary	100	2(87)(ii)
5.	PNC Delhi Industrialinfra Private Limited Cabin No.4 NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar, Saket, New Delhi-17	U45200DL2011PTC222046	Subsidiary	100	2(87)(ii)
6.	PNC Bareilly Nainital Highways Private Limited Cabin No.4, NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar, Saket,New Delhi-17	U45400DL2011PTC222043	Subsidiary	100	2(87)(ii)
7.	PNC Raebareli Highways Private Limited Cabin No.4, NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar, Saket,New Delhi-17	U45400DL2012PTC241184	Subsidiary	99.99	2(87)(ii)
8.	PNC Kanpur Ayodhya Tollways Private Limited Cabin No.5, NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar, Saket,New Delhi-17	U45400DL2013PTC248507	Subsidiary	99.98	2(87)(ii)
9.	Hospet Bellary Highways Private Limited CS 8-10, 6th Floor, Tower A, The Corenthum, A-41, Sector-62, NOIDA-201301 (U.P.)	U45400UP2012PTC048390	Subsidiary	65	2(87)(ii)
10.	Ferrovia Transrail Solutions Private Limited 14th Floor, Antariksh Bhavan, 22, Kasturba Gandhi Marg, New Delhi - 110001,	U45300DL2012PTC239645	Subsidiary	51	2(87)(ii)
11	Ghaziabad Aligarh Expressway Private Limited A1-157 and 158, 2nd Floor, New Kondli, Mayur Vihar, Phase III, New Delhi 110096	U70101DL2009PTC197148	Associate	35	2(6)

** Holds directly and indirectly through its wholly owned subsidiary PNC Infra Holdings Limited.*

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

(i) Category-wise Share Holding

Category of shareholder (II)	Number of Shares held at the beginning of the year				Number of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoter and Promoter Group									
Indian									
Individuals/ Hindu Undivided Family	23815200	0	23815200	59.83	23815200	0	23815200	46.42	-13.41
Central Government/ State Government(s)	0	0	0	0.00	0	0	0	0.00	0
Bodies Corporate	4953000	0	4953000	12.44	4953000	0	4953000	9.65	-2.79

Category of shareholder (II)	Number of Shares held at the beginning of the year				Number of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (A)(1)	**28768200**	**0**	**28768200**	**72.27**	**28768200**	**0**	**28768200**	**56.07**	**-16.20**
Foreign									
Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0		0	0	0	0.00	0
Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
Banks/ Financial Institutions	0	0	0	0.00	0	0	0	0.00	0
Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (A)(2)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**28768200**	**0**	**28768200**	**72.27**	**28768200**	**0**	**28768200**	**56.07**	**-16.20**
Public shareholding									
Institutions									
Mutual Funds/UTI	0	0	0	0	8043991	0	8043991	15.68	15.68
Financial Institutions/ Banks	0	0	0	0	8197	0	8197	0.016	0.016
Central Government/ State Government(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
Foreign Portfolio Investors	0	0	0	0	3327795	0	3327795	6.48	6.48
Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0.0
Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	**0**	**0**	**0**	**0**	**11379983**	**0**	**11379983**	**22.18**	**22.18**
Non-institutions									
Individuals -	0	0	0		0	0	0	0.00	0.00
i. Individual shareholders holding nominal share capital up to ₹2 lakh.	0	16100	16100	0.04	361970	16102	378072	0.73	0.69
ii. Individual shareholders holding nominal share capital in excess of ₹2 lakh.	0	0	0	0	304368	0.0	304368	0.59	0.59
NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
Employee Trust	0	0	0	0	0	0	0	0	0
Overseas Depositories (Holding DRs)	0	0	0	0	0	0	0	0	0
Any Other (specify)	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	0	0	0	0	16237	0	16237	0.03	0.03
Foreign Companies	5686833	0	5686833	14.29	3343436	0	3343436	6.51	-7.78
Non Resident Indians (Non Repeat)	0	0	0	0	2220	0	2220	0	0
Non Resident Indians (Repeat)	0				7644	0	7644	0.01	0.01

Category of shareholder (II)	Number of Shares held at the beginning of the year				Number of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Clearing Member					16707	0	16707	0.03	0.03
Bodies Corporate	0	5336700	5336700	13.41	1754266	5336700	7090966	13.82	0.40
Sub-Total (B)(2)	**5686833**	**5352800**	**11039633**	**27.73**	**5806848**	**5352802**	**11159650**	**21.75**	**-5.98**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**5686833**	**5352800**	**11039633**	**27.73**	**17186831**	**5352802**	**22539633**	**43.93**	**16.2**
TOTAL (A)+(B)	**34455033**	**5352800**	**39807833**	**100**	**45955031**	**5352802**	**51307833**	**100**	**0**
Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A)+(B)+(C)	**34455033**	**5352800**	**39807833**	**100**	**45955031**	**5352802**	**51307833**	**100**	**0**

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change In share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
Promoter								
1.	Pradeep Kumar Jain	3002325	7.54	0.00	3002325	5.85	0.00	-1.69
2.	Naveen Kumar Jain	3551625	8.92	0.00	3551625	6.92	0.00	-2.00
3.	Chakresh Kumar Jain	435225	1.09	0.00	435225	0.85	0.00	-0.24
4.	Yogesh Kumar Jain	3291225	8.27	0.00	3291225	6.41	0.00	-1.86
5.	PNC Cold Storage Private Limited	360000	0.90	0.00	360000	0.70	0.00	-0.20
6.	PNC Projects Private Limited	2133000	5.36	0.00	2133000	4.16	0.00	-1.20
7.	Shri Parasnath Infrastructure Private Limited	1410000	3.54	0.00	1410000	2.75	0.00	-0.79
Promoter Group								
8.	Shri Pradeep Kumar Jain (HUF)	1050000	2.64	0.00	1050000	2.05	0.00	-0.59
9.	Shri Naveen Kumar Jain (HUF)	300	0.00	0.00	300	0.00	0.00	0.00
10.	Shri Chakresh Kumar Jain (HUF)	1851300	4.65	0.00	1851300	3.61	0.00	-1.04
11.	Shri Yogesh Kumar Jain (HUF)	1020300	2.56	0.00	1020300	1.99	0.00	-0.57
12.	Smt. Madhavi Jain	3599700	9.04	0.00	3599700	7.02	0.00	-2.02
13.	Smt. Ashita Jain	1574700	3.96	0.00	1574700	3.07	0.00	-0.89
14.	Smt. Meena Jain	1485300	3.73	0.00	1485300	2.89	0.00	-0.84
15.	Smt. Renu Jain	2334300	5.86	0.00	2334300	4.55	0.00	-1.31
16.	Smt. Premwati Jain	270300	0.68	0.00	270300	0.53	0.00	-0.15
17.	Shri Abhinandan Jain	348600	0.88	0.00	348600	0.68	0.00	-0.20
18.	KMJ Infrastructure Pvt. Ltd.	281250	0.72	0.00	281250	0.54	0.00	-0.18
19.	Shri Mahaveer Infrastructure Pvt. Ltd.	600000	1.51	0.00	600000	1.17	0.00	-0.34
20.	NCJ Infrastructure Pvt.Ltd	168750	0.42	0.00	168750	0.33	0.00	-0.09

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

Sl No.	Shareholder's Name	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
	At the beginning of the year	No change in shareholding during the year			
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the end of the year				

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year-2015		Transaction during the year		Cumulative Shareholding at the end of the year-2016	
		No. of Shares	% of total Shares of the company	Date of Transaction	No. of Shares	No. of Shares	% of total Shares of the company
1.	HDFC TRUSTEE COMPANY LIMITED	–	–				
	Purchase in IPO			22 May 2015	2507813	2507813	4.88
	Purchase from Open Market			19 Jun 2015	49000	2556813	4.98
	Purchase from Open Market			10 Jul 2015	200000	2756813	5.37
	Purchase from Open Market			17 Jul 2015	90522	2847335	5.54
	Sale in Open Market			21 Aug 2015	-61536	2785799	5.42
	Purchase from Open Market			09 Oct 2015	50000	2835799	5.52
	Purchase from Open Market			16 Oct 2015	88433	2924232	5.69
	Purchase from Open Market			13 Nov 2015	732000	3656232	7.12
	Purchase from Open Market			04 Dec 2015	50000	3706232	7.22
	Purchase from Open Market			11 Dec 2015	50000	3756232	7.32
	Sale in Open Market			15 Jan 2016	-400000	3356232	6.54
	At the End of the Year					3356232	6.54
2.	NYLIM Jacob Ballas India (FVCI) III LLC	5686833	14.29	–	–	5686833	11.08
	Offer for sale in IPO of the Company			20 May 2015	1421708	4265125	8.31
	Sale in Open Market			09 Oct 2015	-116	4265009	8.31
	Sale in Open Market			16 Oct 2015	-7984	4257025	8.29
	Sale in Open Market			23 Oct 2015	-200	4256825	8.29
	Sale in Open Market			30 Oct 2015	-125	4256700	8.29
	Sale in Open Market			06 Nov 2015	-2702	4253998	8.29
	Sale in Open Market			13 Nov 2015	-11058	4242940	8.26
	Sale in Open Market			20 Nov 2015	-23235	4219705	8.22
	Sale in Open Market			27 Nov 2015	-543170	3676535	7.16
	Sale in Open Market			04 Dec 2015	-73369	3603166	7.02
	Sale in Open Market			11 Dec 2015	-55731	3547435	6.91
	Sale in Open Market			18 Dec 2015	-40556	3506879	6.83
	Sale in Open Market			25 Dec 2015	-135791	3371088	6.57
	Sale in Open Market			31 Dec 2015	-10736	3360352	6.54
	Sale in Open Market			08 Jan 2016	-16527	3343825	6.51
	Sale in Open Market			19 Feb 2016	-389	3343436	6.51
	At the End of the Year					3343436	6.51

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year-2015		Transaction during the year		Cumulative Shareholding at the end of the year-2016	
		No. of Shares	% of total Shares of the company	Date of Transaction	No. of Shares	No. of Shares	% of total Shares of the company
3.	ALBERTA MERCHANTS PVT. LTD.	3162500	7.94	–	–	3162500	7.94
4.	GURPRASHAD HOLDINGS PVT. LTD.	1850000	4.56	–	–	1850000	4.56
5.	GOLDMAN SACHS INDIA FUND LIMITED	–	–				
	Purchase in IPO			22 May 2015	1693728	1693728	3.30
	At the End of the Year					1693728	3.30
6.	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED					0	0.00
	Purchase in IPO	–	–	22 May 2015	1219484	1219484	2.37
	Purchase from Open Market			21 Aug 2015	100000	1319484	2.57
	Sale in Open Market			25 Dec 2015	-5000	1314484	2.56
	Sale in Open Market			31 Dec 2015	-2000	1312484	2.55
	Sale in Open Market			08 Jan 2016	-18000	1294484	2.52
	Sale in Open Market			15 Jan 2016	-12000	1282484	2.49
	Sale in Open Market			04 Mar 2016	-3200	1279284	2.49
	At the End of the Year	–	–			1279284	2.49
7.	SUNDARAM MUTUAL FUND A/C SUNDARAM SMILE FUND	–	–				
	Purchase in IPO	–	–	22 May 2015	455413	455413	0.88
	Purchase from Open Market			29 May 2015	50000	505413	0.98
	Purchase from Open Market			05 Jun 2015	31422	536835	1.04
	Purchase from Open Market			03 Jul 2015	13808	550643	1.07
	Purchase from Open Market			24 Jul 2015	2162	552805	1.07
	Purchase from Open Market			31 Jul 2015	57059	609864	1.18
	Sale in Open Market			21 Aug 2015	-40000	569864	1.11
	Purchase from Open Market			28 Aug 2015	42500	612364	1.19
	Sale in Open Market			11 Sep 2015	-15	612349	1.19
	Sale in Open Market			30 Oct 2015	-2500	609849	1.18
	Purchase from Open Market			20 Nov 2015	13500	623349	1.21
	Purchase from Open Market			27 Nov 2015	500051	1123400	2.18
	Purchase from Open Market			11 Dec 2015	14168	1137568	2.21
	Purchase from Open Market			18 Dec 2015	16549	1154117	2.24
	Purchase from Open Market			01 Jan 2016	285	1154402	2.25
	Purchase from Open Market			08 Jan 2016	3806	1158208	2.25
	Purchase from Open Market			12 Feb 2016	38	1158246	2.25
	Purchase from Open Market			19 Feb 2016	77	1158323	2.25
	Purchase from Open Market			26 Feb 2016	7156	1165479	2.27
	At the End of the Year					1165479	2.27

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year-2015		Transaction during the year		Cumulative Shareholding at the end of the year-2016	
		No. of Shares	% of total Shares of the company	Date of Transaction	No. of Shares	No. of Shares	% of total Shares of the company
8.	KOTAK MAHINDRA (UK) LTD A/C INDIA MIDCAP (MAURITIUS) LTD	–	–				
	Purchase in IPO			22 May 2015	540121	540121	1.05
	Purchase from Open Market			05 Jun 2015	85000	625121	1.21
	Purchase from Open Market			26 Jun 2015	50000	675121	1.31
	Purchase from Open Market			03 Jul 2015	65000	740121	1.44
	Purchase from Open Market			07 Aug 2015	37582	777703	1.51
	Sale in Open Market			21 Aug 2015	-25062	752641	1.46
	Purchase from Open Market			28 Aug 2015	25529	778170	1.51
	Purchase from Open Market			18 Sep 2015	30000	808170	1.57
	At the End of the Year					808170	1.57
9.	ABU DHABI INVESTMENT AUTHORITY - BEHAVE	–	–				
	Purchase from Open Market			29 May 2015	269585	269585	0.52
	Purchase from Open Market			05 Jun 2015	491915	761500	1.48
	Sale in Open Market			04 Mar 2016	-238	761262	1.48
	Sale in Open Market			18 Mar 2016	-1525	759737	1.48
	At the End of the Year					759737	1.48
10.	DSP BLACKROCK INDIA T.I.G.E.R. FUND	–	–				
	Purchase in IPO			22 May 2015	572512	572512	1.11
	Purchase from Open Market			10 Jul 2015	130107	702619	1.36
	Purchase from Open Market			17 Jul 2015	18993	721612	1.40
	Sale in Open Market			21 Aug 2015	-28223	693389	1.35
	Sale in Open Market			09 Oct 2015	-72635	620754	1.20
	Sale in Open Market			16 Oct 2015	-4466	616288	1.20
	Sale in Open Market			22 Jan 2016	-6758	609530	1.18
	At the End of the Year					609530	1.18

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	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. Pradeep Kumar Jain				
	At the beginning of the year	3002325	7.54	3002325	7.54
	Changes during the year	No changes during the year			
	At the end of the year	3002325	5.85	3002325	5.85
2	Mr. Naveen Kumar Jain				
	At the beginning of the year	3551625	8.92	3551625	8.92
	Changes during the year	No changes during the year			
	At the end of the year	3551625	6.92	3551625	6.92

Sl. No.	For Each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
3.	Mr. Chakresh Kumar Jain					
	At the beginning of the year		435225	1.09	435225	1.09
	Changes during the year		No changes during the year			
	At the end of the year		435225	0.85	435225	0.85
4.	Mr. Yogesh Kumar Jain					
	At the beginning of the year		3291225	8.27	3291225	8.27
	Changes during the year		No changes during the year			
	At the end of the year		3291225	6.41	3291225	6.41
5.	Mr. Anil Kumar Rao					
	At the beginning of the year		16100	0.04	16100	0.04
	Changes during the year		No changes during the year			
	At the end of the year		16100	0.03	16100	0.03
6.	Mr. Sunil Chawla					
	At the beginning of the year		–	–	–	–
	Changes during the year		No changes during the year			
	At the end of the year		–	–	–	–
7.	Mr. Subhash Chander Kalia					
	At the beginning of the year		–	–	–	–
	Changes during the year		No changes during the year			
	At the end of the year		–	–	–	–
8.	Mr. C.R.Sharma					
	At the beginning of the year		–	–	–	–
	Changes during the year					
	Increase					
	Date	Reason for Increase				
	21.08.2015	Open Market Purchase	500	–	500	–
	08.09.2015	Open Market Purchase	100	–	600	–
	Decrease					
	22.09.2015	Sale in Open Market	500	–	100	–
	24.09.2015	Sale in Open Market	100	–	–	–
	At the end of the year		–	–	–	–
9.	Mr. Rakesh Kumar Gupta					
	At the beginning of the year		–	–	–	–
	Changes during the year		No changes during the year			
	At the end of the year		–	–	–	–
10.	Mr. Ashok Kumar Gupta					
	At the beginning of the year		–	–	–	–
	Changes during the year		No changes during the year			
	At the end of the year		–	–	–	–

Sl. No.	For Each of the Directors and KMP		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
11.	Mr. Dharam Veer Sharma					
	At the beginning of the year		–	–	–	–
	Changes during the year					
	Increase					
	Date	Reason for Increase/Decrease				
	20.05.2015	IPO	10570	0.02	10570	0.02
	Decrease					
	28.05.2015	Sale in Open Market	8353	0.01	2217	0.004
	At the end of the year		–	–	2217	0.004
12.	Mrs. Deepika Mittal					
	At the beginning of the year		–	–	–	–
	Changes during the year		No changes during the year			
	At the end of the year		–	–	–	–
13.	Mr. Devendra Kumar Agarwal					
	At the beginning of the year		–	–	–	–
	Changes during the year		–	–		–
	Increase					
	Date	Reason for Increase/Decrease				
	20.05.2015	IPO	515	–	515	–
	Decrease					
	24.07.2015	Sale in Open Market	100	–	415	–
	At the end of the year		–	–	415	–
14.	Mr. Binaya Kumar Dash					
	At the beginning of the year		–	–	–	–
	Changes during the year		–	–		–
	Increase					
	Date	Reason for Increase/Decrease				
	20.05.2015	IPO	515	–	515	–
	Decrease					
	01.10.2015	Sale in Open Market	200	–	315	–
	09.10.2015	Sale in Open Market	190	–	125	–
	At the end of the year		–	–	125	–

V. INDEBTEDNES

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	35,302.59	NIL	NIL	35,302.59
ii) Interest due but not paid	–			–
iii) Interest accrued but not due	–			–
Total (i+ii+iii)	**35,302.59**	**NIL**	**NIL**	**35,302.59**
Change in Indebtedness during the financial year				
• Addition	738.39	NIL	NIL	738.39
• Reduction	(34,870.92)			(34,870.92)
Net Change	**(34,132.53)**	**NIL**	**NIL**	**(34,132.53)**
Indebtedness at the end of the financial year				
i) Principal Amount	1,170.06	NIL	NIL	1,170.06
ii) Interest due but not paid	–			–
iii) Interest accrued but not due	–			–
Total (i+ii+iii)	**1,170.06**	**NIL**	**NIL**	**1,170.06**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Amount in ₹

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager					Total Amount
		Pradeep Kumar Jain	Naveen Kumar Jain	Chakresh Kumar Jain	Yogesh Kumar Jain	Anil Kumar Rao	
1.	**Gross salary**						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14,400,000	12,600,000	12,600,000	12,600,000	5,332,000	**57,532,000**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under	Nil	Nil	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil	Nil	Nil
	- as % of profit						
	- others, specify…						
5.	Others, please specify	Nil	Nil	Nil	Nil	8,000,000	8,000,000
	Total (A)	**14,400,000**	**12,600,000**	**12,600,000**	**12,600,000**	**13,332,000**	**65,532,000**
	Ceiling as per the Act	10% of the profit calculated under section 198 of the Companies Act, 2013					

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Sunil Chawla	Chhotu Ram Sharma	A.K. Gupta	D.V. Sharma	Subhash Chander Kalia	R.K. Gupta	Deepika Mittal	
1.	**Independent Directors** • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	60,000	115,000	60,000	50,000	60,000	70,000	415,000
	Total (1)	**Nil**	**60,000**	**115,000**	**60,000**	**50,000**	**60,000**	**70,000**	**415,000**
2.	**Other Non-Executive Directors** • Fee for attending board / committee meetings • Commission • Others, please specify	80,000							
	Total (2)	**80,000**							**80,000**
	Total (B)=(1+2)	**80,000**	**60,000**	**115,000**	**60,000**	**50,000**	**60,000**	**70,000**	**495,000**
	Total Managerial Remuneration (1+2)								**495,000**
	Overall Ceiling as per the Act	1% of the profit calculated under section 198 of the Companies Act, 2013							

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	**Gross salary**			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,440,000	3,000,000	4,440,000
	(b) Value of perquisites under Section 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 (A)	**1,440,000**	**3,000,000**	**4,440,000**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

NIL

ANNEXURE VI: PARTICULARS OF EMPLOYEE

a) **Information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Remuneration paid to Whole-time Directors and Key Managerial Personnel

Sl. No.	Name of the Employee	Designation/ Nature of Duties	Remuneration for FY 15-16 ₹in Crore	% increase in remuneration in FY 15-16	Ratio of Remuneration of each Director to median remuneration of employees
1	Mr. Pradeep Kumar Jain	Chairman and Managing Director	1.44	Nil	100:1
2	Mr. Naveen Kumar Jain	Whole Time Director	1.26	Nil	87.5:1
3	Mr. Chakresh Kumar Jain	Managing Director	1.26	Nil	87.5:1
4	Mr. Yogesh Kumar Jain	Managing Director	1.26	Nil	87.5:1
5	Mr. Anil Kumar Rao	Whole Time Director	1.32	20%	92.58:1
6	Mr. Devendra Kumar Agarwal	Chief Financial Officer	0.30	Nil	20.83:1
7	Mr. Binaya Kumar Dash	Company Secretary	0.13	22.30%	10:1

- Mr. Pradeep Kumar Jain holds 30,02,325 Equity Shares of ₹10/- each equivalent to 5.85% of the paid-up Share Capital of the Company.
- Mr. Naveen Kumar Jain holds 35,51,625 Equity Shares of ₹10/- each equivalent to 6.92% of the paid-up Share Capital of the Company.
- Mr. Chakresh Kumar Jain holds 4,35,225 Equity Shares of ₹10/- each equivalent to 0.85% of the paid-up Share Capital of the Company.
- Mr. Yogesh Kumar Jain holds 32,91,225 Equity Shares of ₹10/- each equivalent to 6.41% of the paid-up Share Capital of the Company.
- Mr. Anil Kumar Rao holds 16,100 Equity Shares of ₹10/- each equivalent to 0.03% of the paid-up Share Capital of the Company.
- Mr. Devendra Kumar Agarwal holds 415 Equity Shares of ₹10/- each.
- Mr. Binaya Kumar Dash holds 125 Equity Shares of ₹10/- each.
- No Stock option has not been granted during the Financial Year 2015-16

b) **Percentage increase in the median remuneration of employees in the Financial Year.**

Average percentile increases in the median remuneration of employees other than managerial personnel in the financial year is 15.38%

c) **The number of permanent employees on the rolls of company.**

The Company has 3039 permanent employees as on March 31, 2016

d) **The explanation on the relationship between average increase in remuneration and company performance;**

An average increase in remuneration is 14.83% compared to 141.87% Increase in profit after tax.

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

unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.

Particulars	As at March 31, 2016	As at May 26, 2015[1]	Variation (%)
Market capitalization (in ₹ Cr)	2712.13	1849.64	+46.63
Closing Share Price on NSE (in ₹)	528.60	360.50	+46.63
P/E Ratio	10.83	N.A.	N.A.

[1]*Date of Listing of the Company on the Stock Exchanges*

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

The average annual increase in the salaries of employees other than the managerial personnel was 14.83%. There was no exceptional increase in the managerial remuneration.

g) **the key parameters for any variable component of remuneration availed by the directors;**

There was no Variable Component of remuneration availed by the directors.

h) **the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and**

There was no employee who draws remuneration higher than the highest paid director during the year.

i) I affirm that the remuneration is as per the remuneration policy of the company.

On Behalf of the Board of Directors

(Pradeep Kumar Jain)
Chairman and Managing Director
DIN: 00086653

Place: Agra
Date: 24.08.2016

ANNEXURE VII: VIGIL MECHANISM / WHISTLE BLOWER POLICY

PREAMBLE

Section 177 of the Companies Act, 2013 read with Rules 7 of Companies (Meeting of Board and its Powers) 2014 requires that every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the Directors and employees to report genuine concerns in such manner as may be prescribed.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"), which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel.

Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Clause 49 of the Listing Agreement, inter alia, provides for establishment of mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company's code of conduct.

POLICY

In compliance of the above requirements, PNC Infratech Limited, (PNC), has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

POLICY OBJECTIVES

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees, who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below:-

'Audit Committee" means the Audit Committee constituted by the Board of Director of the Company in accordance with the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.

"Employee" means every present employee of the Company (whether working in India or abroad), including the Directors of the Company.

"Protected Disclosure" means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title "SCOPE OF THE POLICY" with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

"Subject" means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

"Vigilance Officer" is a person, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

"Whistle Blower" is a Director or employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.

SCOPE OF THE POLICY

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any

unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Breach of the Company's Code of Conduct
2. Breach of Business Integrity and Ethics
3. Breach of terms and conditions of employment and rules thereof
4. Intentional Financial irregularities, including fraud, or suspected fraud
5. Deliberate violation of laws/regulations
6. Gross or Willful Negligence causing substantial and specific danger to health, safety and environment
7. Manipulation of company data/records
8. Pilferation of confidential/propriety information
9. Gross Wastage/misappropriation of Company funds/assets
10. Misuse or abuse of Authority
11. And other matter or activity of which the interest of Companies is affected and formally reported by whistle Blower.

ELIGIBILITY

All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

PROCEDURE

All Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English.

The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as "Protected disclosure under the Whistle Blower policy" or sent through email with the subject "Protected disclosure under the Whistle Blower policy". If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

The contact details of the Vigilance Officer are as under:-
Name and Address – Mr. Binaya Kumar Dash
Designation: Company Secretary & Compliance Officer
PNC Infratech Limited
3/22D, Civil Lines, Agra-Delhi Byepass Road,
NH-2, Agra-282002
E-mail: complianceofficer@pncinfratech.com

In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer.

Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer.

On receipt of the protected disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

INVESTIGATION

All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigilance Officer will carry out an investigation either himself/herself or by involving any other Officer of the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

DECISION AND REPORTING

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.

Any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

CONFIDENTIALITY

The complainant, Vigilance Officer, Members of Audit Committee, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

PROTECTION

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimisation of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

The Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend appropriate disciplinary action against anyone responsible.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

DISQUALIFICATIONS

While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

COMMUNICATION

Directors and Employees shall be informed of the Policy by publishing on the notice board and the website of the Company.

RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Directors and employees unless the same is not communicated in the manner described as above

Report on Corporate Governance

Your Company is committed to attain the highest standard of Corporate Governance. The Company's corporate governance structure plays a pivotal role in realizing this long term goal. It provides the fundamental systems, processes and principles that promote objective decision making, performance based management and a corporate culture that is characterized by integrity and fairness in all dealings.

Company's Philosophy

Your Company's philosophy in relation to Corporate Governance is to ensure transparent disclosures and reporting that confirms full compliance to the applicable laws, regulations and guidelines, and to promote ethical conduct of the business operation with primary objective of enhancing all stakeholders' value while being a responsible corporate citizen. Company firmly believes that any meaningful policy on the Corporate Governance must provide empowerment to the executive management of the Company and simultaneously create a mechanism of checks and balances which ensures that the decision making power vested in the executive management are used with care and responsibility to meet shareholders and stakeholders expectations.

Your Board functions either through a full board of directors or through various committees constituted to oversee specific operational areas with a professional management team below board level. Your Company undertakes to take all necessary steps to comply with code of Corporate Governance on a continuous basis.

Your Directors present the Company's Report on Corporate Governance in compliance with the Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) for the financial year 2015-16.

I) Board of Directors

a) **Composition of the Board**

The Board of Directors of your Company has an ideal combination of Executive and Non-executive Directors and is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, which inter alia stipulates that the Board should have an optimum combination of Executive and Non-executive Directors with at least one Woman Director and not less than fifty percent of the Board should consist of Independent Directors.

The composition of Board of Directors, as on 31st March, 2016 comprised of Twelve Directors out of which five are Executive Directors; six are Non-Executive Directors and one Nominee Director.

The composition of the Board of Directors and the category of each Director during the captioned period, to which this Report belongs, is as under:

Sl. No.	Name	Designation	Category
1.	Shri Pradeep Kumar Jain	Chairman and Managing Director	Promoter / Executive Director
2.	Shri Naveen Kumar Jain	Whole Time Director	Promoter / Executive Director
3.	Shri Chakresh Kumar Jain	Managing Director	Promoter / Executive Director
4.	Shri Yogesh Kumar Jain	Managing Director	Promoter / Executive Director
5.	Shri Anil Kumar Rao	Whole Time Director	Non Promoter / Executive Director
6.	Shri Sunil Chawla	Director	Nominee Director of NYLIM Jacob Ballas India (FVCI) III LLC, Private Equity Investor
7.	Shri C.R. Sharma	Director	Independent / Non- Executive Director
8	Shri Subhash Chander Kalia	Director	Independent / Non- Executive Director
9.	Shri Ashok Kumar Gupta	Director	Independent / Non- Executive Director
10.	Shri Dharam Veer Sharma	Director	Independent / Non- Executive Director
11.	Shri Rakesh Kumar Gupta	Director	Independent / Non- Executive Director
12.	Smt. Deepika Mittal	Director	Independent / Non- Executive Director

The Independent Directors are from different fields of work such as finance, accounts, civil engineering, medicine, etc. The Chairman and Managing/whole time Directors have been delegated clearly defined responsibilities. The Company's Board meets at frequent and regular intervals for planning, assessing and evaluating important business.

b) Directors' attendance record and details of Directorships/Committee Positions held

As mandated by SEBI Listing Regulations, none of the Directors on the Board is a member of more than ten Board-level committees and Chairman of more than five such committees, across all such companies in which he/ she is a Director.

Further, none of the Directors of the Company serves as an Independent Director in more than seven listed companies.

Attendance of Directors at the Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanship / Membership of each Director in various Companies as on 31st March, 2016 is as under:-

Name of Director	Category	No. of shares held	No. of Board meeting attended	Last AGM attended	Directorship held in other Indian Companies	Other Committee positions held in Indian Public Limited Companies	
						As Chairman	As Member
Shri Pradeep Kumar Jain	Chairman and Managing Director	3,002,325	04	Yes	Seven	None	None
Shri Naveen Kumar Jain	Whole Time Director	3,551,625	03	Yes	Three	None	None
Shri Chakresh Kumar Jain	Managing Director	435,225	06	Yes	Ten	One	None
Shri Yogesh Kumar Jain	Managing Director	3,291,225	06	Yes	Eight	One	None
Shri Anil Kumar Rao	Whole Time Director	16,100	04	Yes	Three	One	None
Shri Sunil Chawla	Nominee Director	NIL	06	Yes	Two	None	One
Shri C.R. Sharma	Independent Director	NIL	04	Yes	Three	Two	One
Shri Subhash Chander Kalia	Independent Director	NIL	04	Yes	Two	None	None
Shri Ashok Kumar Gupta	Independent Director	NIL	04	No	One	None	None
Shri Dharam Veer Sharma	Independent Director	2217	05	No	Three	None	None
Shri Rakesh Kumar Gupta	Independent Director	NIL	05	Yes	None	None	None
Smt. Deepika Mittal	Independent Director	NIL	06	Yes	None	None	None

Notes:

1. Directorships held by Directors as mentioned above, do not include directorship held in foreign companies and Companies u/s 8 of the Companies Act, 2013.
2. Chairmanship/Membership of Audit Committees and Stakeholders' Relationship Committee of public limited companies have been considered.
3. Except Mr. Pradeep Kumar Jain, Chairman and Managing Director, Mr. Naveen Kumar Jain, Whole time Director, Mr. Chakresh Kumar Jain, Managing Director, Mr. Yogesh Kumar Jain, Managing Director who are the brothers, none of the directors are relative of any other directors.

The Company has received declarations from all the above Independent Directors stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

As per the provisions of Sec. 152 of the Companies Act, 2013, Shri Chakresh Kumar Jain and Shri Yogesh Kumar Jain, Managing Director(s) of the Company, retire by rotation, at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

c) Number of Board Meetings Held

The Board of Directors met six times during the financial year 2015-16. The meetings were held on April 10, 2015, May 14, 2015, June 25, 2015, August 7, 2015, November 4, 2015 and February 8, 2016. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

The details of the Board Meeting are as under:-

Sl. No.	Dates	Board Strength	No. of Directors Present
1	10.04.2015	12	9
2	14.05.2015	12	8
3	25.06.2015	12	10
4	07.08.2015	12	10
5	04.11.2015	12	10
6	08.02.2016	12	10

d) Information to the Board

A detailed agenda folder is sent to each Director seven days in advance of the Board Meetings. As a policy, all major decisions involving investments and loans, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions.

The Board periodically reviews compliance status of laws applicable to the Company, prepared by the Management. Further, the Board also reviews the Annual financial statements of the Unlisted Subsidiary Companies. In addition to the above, pursuant to Regulation 24 of the SEBI Listing Regulations, the Minutes of the Board Meetings of the Company's Unlisted Subsidiary Companies and a statement of all significant transactions and arrangements entered into by the Unlisted Subsidiary Companies are placed before the Board.

e) Policy on Remuneration to Directors/Key Managerial Personnel

i. Remuneration to Managing Director/Whole-time Directors:

a) The Remuneration/Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination & Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.

ii. Remuneration to Non-Executive/Independent Directors:

a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013.

b) All the remuneration of the Non-Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and shall also not be eligible to participate in any share based payment schemes of the Company.

d) Any remuneration paid to Non-Executive/Independent Directors for services rendered, subject to the approval of Nomination and Remuneration Committee and the Board of Directors, which are of professional nature shall not be considered as part of the remuneration for the purposes of clause (b) above, if the following conditions are satisfied:

- The Services are rendered by such Director in his capacity as the professional; and
- In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

iii. **Remuneration to Key Managerial Personnel:**

a) The remuneration to Key Managerial Personnel shall consist of fixed pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time in accordance with the Company's Policy.

Remuneration paid to Non-Executive Directors and Executive Directors

During the year under review, the Non-Executive Independent Directors were paid sitting fees at the rate of ₹20,000/- for attending each of the board meeting and ₹10,000/- for attending each of the committee meeting.

The total remuneration payable to Non Executive/Independent Directors for the Financial Year ended March 31, 2016 is as below:

Name	Remuneration Paid
Shri Sunil Chawla	80,000
Shri C R Sharma	60,000
Shri Subhash Chander Kalia	50,000
Shri. Ashok Kumar Gupta	115,000
Shri Dharam Veer Sharma	60,000
Shri Rakesh Kumar Gupta	60,000
Smt. Deepika Mittal	70,000
Total	**495,000**

The remuneration of executive directors for the year 2015-16 is as per the table below:

Name of Director	Salary benefits, bonuses	Stock Option	Pension	Total	Contract period
Shri Pradeep Kumar Jain	14,400,000	Nil	Nil	14,400,000	01.10.2011-30.09.2016
Shri Naveen Kumar Jain	12,600,000	Nil	Nil	12,600,000	01.10.2012-30.09.2017
Shri Chakresh Kumar Jain	12,600,000	Nil	Nil	12,600,000	01.10.2011-30.09.2016
Shri Yogesh Kumar Jain	12,600,000	Nil	Nil	12,600,000	01.10.2011-30.09.2016
Shri Anil Kumar Rao	13,232,000*	Nil	Nil	13,232,000*	01.10.2011-30.09.2016

** Includes incentive of ₹80,00,000/- and salary has been increased from ₹4.23 Lacs per month to ₹4.75 Lacs per month w.e.f. January 1, 2016.*

The detailed Remuneration Policy of the Company has been provided in the Board's Report which forms part of the Annual Report.

f) **Details of Equity Shares held by the Non-Executive Directors**

The details of the Equity Shares held by the Non-Executive Director as on March 31, 2016 is given as follows:

Name of the Director	Number of Equity Shares
Shri C R Sharma	Nil
Shri Subhash Chander Kalia	Nil
Shri. Ashok Kumar Gupta	Nil
Shri Dharam Veer Sharma	2217
Shri Sunil Chawla	Nil
Shri Rakesh Kumar Gupta	Nil
Smt. Deepika Mittal	Nil

g) **Code of Conduct**

The Board of Directors has laid down Code of Conduct, which is intended to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the Company in an ethical manner. The purpose of this code is to recognize and deal with ethical issues and to provide mechanisms to report unethical conduct of Employees, Board of Directors. This Code has been posted on the Company's website – http://www.pncinfratech.com/pdfs/code-of-conduct-pnc-infratech-limited.pdf.

All the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the year ended March 31, 2016. A declaration to this effect signed by Managing Director is annexed to this Report.

h) **Induction & Familiarization Programs for Independent Directors:**

The Familiarisation program aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights and responsibilities.

On appointment, the concerned Director is issued a letter of Appointment setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a familiarization programme. The program aims to familiarize the Directors with the Company, their role and responsibilities, business model of the Company etc.

In addition to the above, the familiarization program for Independent Directors forms part of the Board process. At the quarterly Board meetings of the Company held during

the financial year 2015-16, the Independent Directors have been updated on the strategy, operations of the Company performance, developments in the Company and the Company's performance.

The details of such familiarisation programmes are disclosed on the company's website at www.pncinfratech.com and can be accessed through web link http://www.pncinfratech.com/pdfs/familiarization-program-for-independent-directors-pnc-infratech-limited.pdf.

i) **Performance Evaluation and Independent Directors Meeting**

Pursuant to the provisions of Section 134(3)(p), 149(8) and Schedule IV of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, annual performance evaluation of the Directors as well as of the Board of Directors and their committees viz. the Audit Committee, Nomination and Remuneration Committee Stakeholders Relationship Committee, CSR Committee, Banking and Investment Committee and Project Management Committee has been carried out. The performance evaluation of the Independent Directors was carried out by the entire Board and the Performance Evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

II. Committees of the Board

The Board of Directors has constituted four Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committees are taken by the Board of Directors. Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below.

A) **Audit Committee**

Composition, Name of the Member and the Chairman

In terms of Reg. 18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013, the Board of Directors of the Company has constituted an Audit Committee comprising of Two Non-Executive and Independent Directors and One Nominee Director. Members of the Audit Committee possess accounting and financial management knowledge. Shri B. K. Dash, Company Secretary acted as the Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 28, 2015 to answer the members' queries.

The Audit Committee met 5 times during the financial year on April 10, 2015, June 25, 2015, August 07, 2015, November 04, 2015 and February 08, 2016.

The composition of the Audit Committee, no. of meetings and the attendance of its members are detailed below:

Name of the Member	Category	Status	No. of meetings held	No. of meetings attended
Shri C. R. Sharma	Non-Executive and Independent Director	Chairman	5	3
Shri Sunil Chawla	Non-Executive (Nominee Director)	Member	5	5
Shri A. K. Gupta	Non-Executive and Independent Director	Member	5	4

The Minutes of the meeting of the Audit Committee are circulated to all the Members of the Board.

Terms of reference:

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II to the SEBI (LODR) Regulations, 2015 and its terms of reference include besides other terms as may be referred by the Board of Directors, from time to time. The Audit Committee has also powers inter alia to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

B) **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee has been constituted to formulate and recommend to the Board all elements of the Appointment and Remuneration package including perquisites payable of the Directors, Managing Directors and Whole Time Directors, Senior Management & other employees.

In terms of Reg. 19 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted this Committee comprising Two Non-Executive and Independent Directors and One Non-Executive Nominee Director. Shri B. K. Dash, Company Secretary acted as the Secretary to the Nomination and Remuneration Committee.

The Minutes of the meeting of the Nomination and Remuneration Committee are circulated to all the Member of the Board.

During the Financial Year 2015-16, Nomination and Remuneration Committee met two times on August 7, 2015 and February 8, 2016.

The composition of the Nomination and Remuneration Committee, no. of meetings and the attendance of its members are detailed below:

Name of the Member	Category	Status	No. of meetings held	No. of meetings attended
Shri A. K. Gupta	Non-Executive and Independent Director	Chairman	2	2
Shri C. R. Sharma	Non-Executive and Independent Director	Member	2	1
Shri Sunil Chawla	Non-Executive (Nominee Director)	Member	2	2

Terms of Reference for the Nomination and Remuneration Committee:

The Remuneration Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Considering and recommending grant of employees stock option, if any, and administration and superintendence of the same; and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

The Board has also framed an Evaluation policy in terms of the requirement of Section 178 of the Companies Act, 2013 and the same is available on your Company's website at link http://www.pncinfratech.com/pdfs/nomination-and-remuneration-policy-pnc-infratech-limited.pdf.

C) Stakeholders Relationship Committee

In terms of Reg. 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the Board of Directors of the Company has constituted this Committee comprising one Non-Executive and Independent Directors and two Executive Directors. Shri B. K. Dash, Company Secretary acted as the Secretary to the Stakeholders Relationship Committee.

The Minutes of the meeting of the Stakeholders Relationship Committee are circulated to all the Member of the Board.

During the Financial Year 2015-16, Stakeholders Relationship Committee met five times on April 18, 2015, June 24, 2015, July 22, 2015, October 20, 2015 and December 10, 2015.

The composition of the Stakeholders Relationship Committee, no. of meetings and the attendance of its members are detailed below:

Name of the Member	Category	Status	No. of meetings held	No. of meetings attended
Shri A. K. Gupta	Non-Executive and Independent Director	Chairman	5	5
Shri C. K. Jain	Executive and Non-Independent Director	Member	5	5
Shri Y. K. Jain	Executive and Non-Independent Director	Member	5	5

Terms of Reference for the Stakeholders Relationship Committee:

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- Considering and resolving grievances of shareholders', debenture holders and other security holders;
- Redressal of grievances of the security holders of the Company, including complaints in respect of transfer

of shares, non-receipt of declared dividends, balance sheets of the Company, etc.;

- Allotment of shares, approval of transfer or transmission of equity shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Request for demat and remat and
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time."

During the financial year 2015-16, 13 queries/complaints were received by the Company from members/investors, which have been redressed / resolved to date, satisfactorily as shown below:

Details of investor queries/complaints received and attended during financial year 2015-16

Opening	Nil
Number of shareholders' complaints received during the year under review:	13
Number of complaints not resolved to the satisfaction of shareholders:	13
Number of pending share transfer applications on March 31, 2016:	Nil

Name and designation of Compliance Officer;

Shri B.K. Dash, Company Secretary, acted as Compliance Officer during the financial year ended 31st March 2016.

D) **Corporate Social Responsibility Committee:**

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on March 25, 2014, has constituted this Committee comprising one Non-Executive and Independent Directors and two Executive Directors. Shri B.K. Dash, Company Secretary acted as the Secretary to the Corporate Social Responsibility Committee.

The Minutes of the meeting of the Corporate Social Responsibility Committee are circulated to all the Member of the Board.

During the Financial Year 2015-16, Corporate Social Responsibility Committee met three times on September 21, 2015, January 29, 2016 and March 21, 2016.

The composition of the Corporate Social Responsibility Committee, no. of meetings and the attendance of its members are detailed below:

Name of the Member	Category	Status	No. of meetings held	No. of meetings attended
Shri Chakresh Kumar Jain	Executive and Non-Independent Director	Chairman	3	3
Shri Anil Kumar Rao	Executive and Non-Independent Director	Member	3	3
Shri Ashok Kumar Gupta	Non-Executive Independent Director	Member	3	2

The Scope and Responsibility of the CSR Committee are:

i) To formulate the Corporate Social Responsibility Policy

ii) To recommend the activities to be undertaken, as per Sch. VII of the Companies Act, 2013

iii) To recommend the amount of expenditure

iv) To Monitor the Corporate Social Responsibility Policy and the expenditure

v) To take steps for formation of any Trust/Society/ Company for charitable purpose and get the same registered for the purpose of complying CSR provisions

The CSR Policy of the Company has been uploaded and can be viewed on the Company's website at link http://www.pncinfratech.com/pdfs/pnc-csr-policy.pdf.

E) **Project Management Committee:**

The Project Management Committee comprises of Shri. Pradeep Kumar Jain, Chairman and Managing Director, Shri Chakresh Kumar Jain, Managing Director and Shri. Anil Kumar Rao, Whole Time Director. Shri. Pradeep Kumar Jain, Chairman and Managing Director acts as the Chairman of the Project Management Committee and Shri B.K. Dash, Company Secretary acted as the Secretary to the Project Management Committee.

During the Financial Year 2015-16, Project Management Committee met 14 times on April 10, 2015, May 14, 2015, June 26, 2015, July 20, 2015, August 12, 2015, August 25, 2015, September 25, 2015, October 27, 2015, November 07, 2015, December 10, 2015, January 13, 2016, February 09, 2016, March 14, 2016 and March 21,

2016. The attendance of each member of the Committee is given below:-

Name of the Member	No. of meetings held	No. of meetings attended
Shri Pradeep Kumar Jain	14	12
Shri Chakresh Kumar Jain	14	14
Shri Anil Kumar Rao	14	14

F) **Banking and Investment Committee:**

The Banking and Investment Committee comprises of Shri. Pradeep Kumar Jain, Chairman and Managing Director, Shri Chakresh Kumar Jain, Managing Director and Shri Yogesh Kumar Jain, Managing Director. Shri. Pradeep Kumar Jain, Chairman and Managing Director acts as the Chairman of the Banking and Investment Committee and Shri B.K. Dash, Company Secretary acted as the Secretary to the Banking and Investment Committee.

During the Financial Year 2015-16, Banking and Investment Committee met 9 times on April 18, 2015, May 15, 2015, May 28, 2015, June 25, 2015, August 07, 2015, November 07, 2015, December 01, 2015, January 15, 2016 and February 17, 2016. The attendance of each member of the Committee is given below:-

Name of the Member	No. of meetings held	No. of meetings attended
Shri Pradeep Kumar Jain	9	9
Shri Chakresh Kumar Jain	9	9
Shri Yogesh Kumar Jain	9	9

III. SHAREHOLDER INFORMATION

a) **General Body Meetings**

The details of date, location and time of the last three Annual General Meetings held are as under;

Year	Location	Date	Time	Special Resolution
2014-15	Arya Auditorium, Des Raj Campus, C-Block, East of Kailash, New Delhi-110065	September 28, 2015	11.00 A.M.	1. Approval for keeping and maintaining of statutory books and registers and other documents at a place other than registered office under companies act, 2013
2013-14	NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector – V, Saket, New Delhi	September 11, 2014	11.30 A.M.	1. Increase in Authorised Share Capital 2. Raising of capital through further issue of securities 3. Authority to the board to borrow money 4. Authority to the board to create charge 5. Incentive to whole-time director 6. Alteration of Article of Association of the Company
2012-13	NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector – V, Saket, New Delhi	September 30, 2013	11.30 A.M.	Nil

Postal ballot

No resolution was passed by way of postal ballot, by the Company during 2015-16. However, the Company has sought the approval of shareholders by way of postal ballot vide its notice dated May 27, 2016.

b) **Disclosures regarding the Board of Directors**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations. Detailed profile of the Director who is seeking appointment at the ensuing Annual General Meeting of the Company is given under the Explanatory Statement to the Notice which is forming part of the Annual Report of the Company.

(c) **Means of communication**

In accordance with Regulation 46 of the SEBI Listing Regulations, the Company has maintained a functional website at www.pncinfratech.com containing information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, details of the policies approved by the Company, contact information of the designated official of the Company, who is responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

The quarterly and annual results are published in Financial Express (English) and Jansatta (Hindi), which are national and local dailies respectively and also displayed on the Company's website for the benefit of the public at large.

Presentations made to institutional investors or to analysts, are also uploaded on the website of the Company.

Further, the Company disseminates to the Stock Exchanges (i.e. BSE and NSE), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/ operations and issues press releases, wherever necessary, for the information of the public at large.

For the benefit of the members, a separate email id has been created for member correspondence viz., complianceofficer@pncinfratech.com

d) General Shareholders Information

i)	Annual General Meeting		
	a. Date	30th September, 2016	
	b. Time:	11:00 A.M.	
	c. Venu	Delhi Karnataka Sangha(R), Rao Tularam Marg, Sector 12, R.K. Puram, New Delhi - 110022	
ii)	Financial year	1st April to March 31st	
	During the financial year under review, the Board Meetings for approval of quarterly and annual financial results were held on the following dates:		
	1st Quarter Results	August 7, 2015	
	2nd Quarter Results	November 4, 2015	
	3rd Quarter Results	February 8, 2016	
	4th Quarter & Annual Results	May 27, 2016	
	The tentative dates of the Board Meetings for consideration of financial results for the year ending March 31, 2017 are as follows:		
	1st Quarter Results	September 14, 2016	
	2nd Quarter Results	December 14, 2016	
	3rd Quarter Results	February 14, 2017	
	4th Quarter & Annual Results	End of May, 2017	
iii)	Dividend payment date	Within 30 days of the AGM to the Shareholders and to the Shareholders/ Beneficial owners who hold shares, after giving effect the transfer request, at the close of business hours 23rd September 2016.	
iv)	Book Closure Date	24th September 2016 to 30th September 2016	
v)	Listing on stock exchanges & payment of listing fees	1. National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400 051	
		2. BSE Limited Floor 25, P.J. Towers, Dalal Street, Mumbai - 400 001	
		Your Company has paid the annual listing fee for the financial year 2016-17 to both the Exchanges	
vi)	Stock Code	BSE	539150
		NSE	PNCINFRA
vii)	ISIN No. for NSDL / CDSL	ISIN-INE195J01029 (Old ISIN – INE195J01011) Your Company has paid the annual custodial fee for the financial year 2016-17 to NSDL and CDSL	
viii)	Corporate Identification Number	L45201DL1999PLC195937	
ix	Share Transfer System	The Company has appointed Registrar and Shareholder Transfer Agents for all activities in relation to both physical and electronic share transfer facility.	

d) General Shareholders Information

x)	Registrar and Share Transfer Agents	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Road Bhandup (West), Mumbai Branch off: - 44 Community Centre, IInd Floor, Naraina Industrial Area Phase- I, Near PVR Naraina, New Delhi-110028.
xi)	Electronic Clearing Service (ECS)	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, LBS Road Bhandup (West), Mumbai Branch off: - 44 Community Centre, IInd Floor, Naraina Industrial Area Phase- I, Near PVR Naraina, New Delhi-110028.
xii)	Investor Complaints to be addressed to	Registrar and Share Transfer Agents or to the Company at the address mentioned below.

Stock Market Price Data:

The details of monthly high and low price of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for the fiscal year 2015-16 are as follows:

Month	BSE				NSE			
	PNC		SENSEX		PNC		NIFTY	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2015*	–	–	–		–	–	–	
May, 2015	417.00	346.30	28071.16	26423.99	419.85	346.40	8489.55	7997.15
June, 2015	409.90	361.20	27968.75	26307.07	411.00	351.00	8467.15	7940.30
July, 2015	480.40	386.00	28578.33	27416.39	480.00	383.00	8654.75	8315.40
August, 2015	538.00	412.10	28417.59	25298.42	533.70	408.00	8621.55	7667.25
September, 2015	505.00	411.00	26471.82	24833.54	500.00	445.00	8055.00	7539.50
October, 2015	530.10	493.50	27618.14	26168.71	543.00	492.00	8336.30	7930.65
November, 2015	541.75	498.00	26824.30	25451.42	545.20	503.75	8116.10	7714.15
December, 2015	550.00	518.75	26256.42	24867.73	554.00	516.35	7979.30	7551.05
January, 2016	558.00	450.00	26197.27	23839.76	549.90	444.10	7972.55	7241.50
February, 2016	538.25	450.00	25002.32	22494.61	539.50	445.90	7600.45	6825.80
March, 2016	535.00	475.00	25479.62	23133.18	539.00	470.00	7777.60	7035.10

** The Company's share were listed on May 26, 2015.*

Distribution of Shareholding as on March 31, 2016

Sl. No.	Category	No. of Shares	Total Shares (%)	No. of Shareholders	Total Shareholders (%)
1	1 to 500	227931	0.44	3183	92.58
2	501 to 1000	72231	0.14	94	2.73
3	1001 to 2000	41162	0.08	27	0.79
4	2001 to 3000	30698	0.06	12	0.35
5	3001 to 4000	24748	0.05	7	0.20
6	4001 to 5000	18423	0.04	4	0.12
7	5001 to 10000	85277	0.17	12	0.35
8	10001 & above	50807363	99.02	99	2.88
	Total	**51307833**	**100**	**3438**	**100**

Pattern of Shareholding as on 31st March, 2016

Category	As on March 31, 2016		As on March 31, 2015	
	No. of Shares	%age	No. of Shares	%age
Promoter and Promoter Group and Directors and Relatives	28786517	56.11	28784300	72.31
Public Financial Institutions/State Financial Corporation/Insurance Companies	5597	0.01	0	0.00
Mutual Funds (Indian) and UTI	8043991	15.68	0	0.00
Nationalised and other Banks	2600	0.01	0	0.00
NRI/OCBs	9864	0.02	0	0.00
Public	11131469	21.70	11023533	27.69
TOTAL	**51307833**	**100.00**	**39807833**	**100.00**

Dematerlisation of shares and Liquidity

As on March 31, 2016, 4,59,55,031 equity shares representing 89.57% of the total equity share capital of the Company, were held in dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2016, is given below:

S.No.	Particulars	No. of Share	Percentage (%)
1	Held in dematerialised form with CDSL	5,12,834	1.00
2	Held in dematerialised form with NDSL	4,54,42,197	88.57
3	Physical	53,52,802	10.43
	Total	**5,13,07,833**	**100.00**

The Promoters hold their entire equity shareholding in the Company in dematerialized form.

The Company's equity shares are regularly traded on the NSE and BSE.

Address for Members' Correspondence;

Members are requested to correspond with the Registrars and Share Transfer Agents at the below given address on all matters relating to transfer/ dematerialisation of shares, payment of dividend and any other query relating to Equity Shares or Debentures of the Company.

(a) Registered Office:

Name of Co. **PNC Infratech Limited**
Address: NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi-17
Tel. No. & Fax No. 011-29574800 & 011-29563844
Email:- complianceofficer@pncinfratech.com
Website: www.pncinfratech.com

(b) Corporate Office

Name of Co. PNC Infratech Limited
Address: PNC Tower, 3/22-D, Civil Lines, Bypass Road, NH-2 (Near Omaxe SRK Mall) Agra-282002
Tel. No. & Fax No. 0562-4054400 & 0562-4070011
Email complianceofficer@pncinfratech.com
Website: www.pncinfratech.com

(c) Registrar & Share Transfer Agent

Link Intime India Private Limited
Address: 44 Community Centre, IInd Floor,
Naraina Industrial Area Phase- I,
Near PVR Naraina, New Delhi-110028
Tel. No. & Fax No. 011-41410592 & 011-41410591
Email: delhi@linkintime.co.in
Website: www.linkintime.co.in

IV. MANAGEMENT

Management Discussion and Analysis Report

Management Discussion and Analysis is given in a separate section forming part of the Boards' Report in this Annual Report.

Other Disclosures

(a) Related Party Transactions

Details of materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the Directors or the management, their subsidiaries or relatives, etc. are presented in the Note No. 38 to the Financial Statements. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors neither participate in the discussion, nor vote on such matters. During the financial year 2015-16, there were no material related party transactions entered by the Company that may have a potential conflict with the interests of the Company.

The Company has formulated a Policy on Related Party Transactions, which has been uploaded and can be viewed on the Company's website http://www.pncinfratech.com/pdfs/policy-on-relatedparty-transactions-pnc-infratech-limited.pdf.

(b) Disclosure of Pending Cases/Instances of Non- Compliance

There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

(c) Code for Prevention of Insider Trading Practices

In terms of notification of SEBI on Insider Trading Regulations, our Company has formulated and adopted a Code for Prevention of Insider Trading. "PNC Infratech Limited: Code of Conduct, for Prevention of Insider Trading in line with these Regulations. The code viz "Code of Conduct for Prevention of Insider Trading" and the "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" allows the formulation of trading plan subject to certain conditions as mentioned in the said Regulations and requires pre-clearance for dealing in the Company's shares. It also prohibits the purchase or sale of Company's securities by the Directors, designated persons and connected persons, while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. Company Secretary of the Company has been designated as the Compliance Officer for this Code.

Vigil Mechanism / Whistle Blower Policy

The Company promotes ethical behaviour in all the business activities and has put in place a mechanism for reporting illegal and unethical behaviour. Employees are free to report violations of law, rules, regulations or unethical conduct to their immediate superior/notified person. The Directors and senior management are obligated to maintain confidentiality of such reporting and ensure that the whistle-blowers are not subjected to any discriminatory practices.

The Company has adopted a Vigil Mechanism Policy, which can be viewed on the Company's website at link http://www.pncinfratech.com/pdfs/vigil-mechanism-whistle-blower-policy-pnc-infratech-limited.pdf.

It is also affirmed that no personnel has been denied access to the Audit Committee.

(d) Compliance with mandatory requirements

The Company has complied with all the mandatory items of the erstwhile Clause 49 of the Listing Agreement as applicable till November 30, 2015 and the SEBI Listing Regulations from December 01, 2015 onwards.

Non- mandatory requirements

The Company has adopted the following non-mandatory requirements on Corporate Governance:-

i. Board

Since your Company did not have a Non-Executive Chairman during the financial year 2015-16, hence, the requirement of maintaining a Chairman's Office was not applicable to the Company.

ii. Shareholder Rights

The Company sends the financial statements along with the Boards' Report and Auditor's Report to shareholders every year.

iii. Audit qualifications

There was no audit qualification on your Company's financial statements, during the year under review.

iv. Separate Posts of Chairman and CEO

The Company has separate posts of Chairman and CEO / Managing Director.

v. Reporting of Internal Auditor

The Internal Auditors of the Company directly reports to the Audit Committee of the Company.

(e) Subsidiary Companies

In accordance with Regulation 24 of the SEBI Listing Regulations, the Company has one material non listed Indian subsidiary namely, PNC Infra Holdings Limited.

As on March 31, 2016, Shri A. K. Gupta Independent Director of the Company is on the Board of PNC Infra Holdings Limited. The Subsidiaries of the Company function independently, with an adequately empowered Board of Directors and necessary management resources.

For effective governance, the Company overviews the performance of its subsidiaries, inter alia, in the following manner:

- The financial statements, in particular, the investments made by the unlisted Subsidiary companies, are reviewed by the Audit Committee and the Board of Directors of the Company.
- The Minutes of the Board Meetings of the subsidiary companies are placed before the Board of Directors of the Company.

Details of all significant transactions and arrangements entered into by the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company. As required under erstwhile Clause 49 of the Listing Agreement, the Company has also formulated a Policy for determining "Material Subsidiaries" which is available on the website of the Company at www.pncinfratech.com/investors.

(f) **Disclosure of Commodity price risks or Foreign Exchange Risk and hedging activities.**

The Company is not dealing in commodities and Foreign Exchange and hence disclosure relating to commodity price risks and commodity hedging activities is not required.

(g) **Accounting treatment in preparation of financial statements**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and in conformity, in all material respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statement are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.

(h) **Risk Management**

The Company has well-defined Risk Management Policy, duly approved by the Board, which are periodically reviewed to ensure that the executive management controls risk by means of a properly defined framework.

Under this framework, risks are identified across all business processes of the Company on a continuous basis. Once identified, these risks are systematically categorized as strategic risks, business risks or reporting risks. Based on this framework, the Company has set in place various procedures for Risk Management.

V) COMPLIANCE:

(a) **Details of non-compliance, if any**

There is no Non-Compliance of any requirement of Corporate Governance Report of sub para (2) to (10) of the Part C of Schedule V of the SEBI Listing Regulations.

(b) **Certificate on Corporate Governance from Practising Company Secretary**

The Company has obtained a Certificate from its Secretarial Auditors regarding compliance of the conditions of Corporate governance, as stipulated in Regulation 34(3) and PART E of Schedule II of SEBI Listing Regulations, which together with this Report on Corporate Governance is annexed to the Boards' Report and shall be sent to all the members of the Company and the Stock Exchanges along with the Annual Report of the Company.

(c) **Compliance with Regulation 39(4) read with Schedule V and VI of SEBI Listing Regulations – Uniform procedure for dealing with unclaimed shares:**

As on March 31, 2016, there was no unclaimed share and thereby, the detail pertaining to demat suspence account / unclaimed shares shall not be disclosed.

(d) **Disclosure under Regulation 30 and 46 of SEBI Listing Regulations regarding certain agreements with the media companies:**

Pursuant to the requirement of Regulation 30 of the SEBI Listing Regulations, the Company would like to inform that no agreement(s) have been entered with media companies and/or their associates which has resulted/ will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable.

The Company has not entered into any other back to back treaties/ contracts/agreements/ MoUs or similar instruments with media companies and/or their associates.

(e) **CEO/ CFO certification**

Certificate from Mr. Chakresh Kumar Jain, Managing Director and Mr. D K Agarwal, Chief Financial Officer of the Company, in terms of Reg. 17(8) of the SEBI Listing Regulations, for the year under review, was placed before the Board of Directors of the Company in their meeting held on May 27, 2016. A copy of the certificate is given along with this report.

VI) INVESTOR SAFEGUARDS AND OTHER INFORMATION:

- **Dematerlisation of shares**

  Members are requested to convert their physical holdings to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held.

- **Revalidation of Dividend DD/Warrant**

  In respect of members who have either not opted for NECS/ECS mandate or do not have such a facility with their bankers and who have not encashed earlier dividends paid by the Company, are requested to write to the Company's

Share Transfer Agents for revalidation of expired dividend warrants and failing their encashment for a period of seven years, they stand to lose the right to claim such dividend owing to transfer of unclaimed dividends beyond seven years to Investor Education and Protection Fund.

- **Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)**

  Under the Companies Act, 2013, dividends which remain unclaimed for a period of seven years are required to be transferred to the Investor Education & Protection Fund (IEPF) administered by the Central Government.

  During the year, there was no unpaid/unclaimed amount which was required to be transferred to the Investor Education & Protection Fund (IEPF).

- **Update Address/E-mail Address/Bank details**

  To receive all communications/corporate actions promptly, members holding shares in dematerialised form are requested to please update their address/email address/ bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

- **Electronic service of documents to members at the Registered Email Address**

  SEBI, through its Circular No. CIR/MRD/DP/10/2013, dated March 21, 2013, has mandated the Companies to use Reserve Bank of India(RBI) approve electronic payment modes, such as ECS[LECS(Local ECS)/RECS (Regional ECS) / NECS (National ECS)], NEFT and other to pay members in cash.

  Recognizing the spirit of the circular issued by the SEBI, Members whose shareholding is in the electronic mode are requested to promptly update change in bank details with the Depository through your Depository Participant for receiving dividends through electronic payment modes.

  Members who hold shares in physical form are requested to promptly update change in bank details with the Company/Registrar and Transfer Agents, M/s. Link Intime India Pvt. Ltd. (Unit: PNC Infratech Limited) for receiving dividends through electronic payment modes.

  Green Initiative

  Your Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its Circular Nos.17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011, respectively, has allowed Companies to send official documents to their shareholders electronically as a part of its green initiatives in corporate governance.

  Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send documents like the Notice convening the general meeting, Financial Statements, Boards' Report, Auditor's Report and others to the email address provided by you with the relevant depositories.

- **E-Voting facility to members**

  In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 17th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

- **Consolidate multiple folios [in respect of physical shareholding)**

  Members are requested to consolidate their shareholdings under multiple folios to eliminate the receipt of multiple communications and this would ensure that future correspondence/corporate benefits could then be sent to the consolidated folio.

- **Register Nomination(s)**

  Members holding shares in physical form, are requested to register the name of their nominee(s), who shall succeed the member as the beneficiary of their shares and in order to avail this nomination facility, they may obtain/submit the prescribed form from the Registrars & Share Transfer Agents. Members holding shares in dematerialised form are requested to register their nominations directly with their respective DPs.

- **Dealing of Securities with SEBI registered intermediaries**

  In respect of dealings in securities, members must ensure that they deal only with SEBI registered intermediaries and must obtain a valid contract note/ confirmation memo from the broker/sub-broker within 24 hours of execution of the trade(s) and it should be ensured that the contract note/confirmation memo contains details about order no., trade no., trade time, quantity, price and brokerage.

For and on behalf of the Board of Directors

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Place: Agra
Date: August 24, 2016

Certificate on Corporate Governance

To
The Members of
PNC Infratech Limited,

We have examined the compliance of conditions of Corporate Governance by PNC Infratech Limited ('the Company'), for the year ended 31st March 2016, as stipulated in Clause 49 of the Listing Agreement (listing Agreement') of the Company with the stock exchanges for the period 26th May 2015 (the date of Listing of Securities with BSE & NSE) to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st December 2015 to 31st March 2016.

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

In our opinion and to the best of our information and according to the explanation given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/ Listing Regulations, as applicable.

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

For DR Associates
Company Secretaries

Suchitta Koley
Partner
CP No.: 714

Place: Agra
Date: 24th August 2016

Date: 27th May, 2016

To,
The Board of Directors
PNC Infratech Limited,
NBCC Plaza, Tower-II, 4th Floor,
Pushp Vihar, Sector-V, Saket
New Delhi – 110017

Re: Certification by Managing Director/Chief Financial Officer for financial year 2015-16 -under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We, Chakresh Kumar Jain, Managing Director and Devendra Kumar Agarwal, Chief Financial Officer of PNC Infratech Limited to the best of our knowledge and belief, certify that:

A) We have reviewed the financial statements and the Cash Flow Statement for the year and that to the best our knowledge and belief;

   (I) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:

   (II) These statements together present a true and fair view of the Company's affairs, and are in compliance with existing accounting standards, applicable laws and regulations.

B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

C) We accept responsibility for establishing and maintaining internal controls for financial reporting for the Company and have:

   (I) Evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting

   (II) Disclosed to the Auditors and the Audit Committee of the Board, deficiencies in the design or operation of internal control, if any of which we are aware and

   (III) Taken necessary steps/proposed necessary steps to rectify these deficiencies

D) We have indicated to the Auditors and the Audit Committee of the Board that there have been:

   (I) No significant changes in internal control over the financial reporting during the year;

   (II) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and

   (III) No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

(Chakresh Kumar Jain)	(Devendra Kumar Agarwal)
Managing Director	*Chief Financial Officer*
DIN: 00086768	

Declaration by the Managing Director Regulation 34(3) Part D of the SEBI Listing Regulations

To,
The Board of Directors
PNC Infratech Limited,
CIN: L45201DL1999PLC195937
NBCC Plaza, Tower-II, 4th Floor,
Pushp Vihar, Sector-V, Saket
New Delhi – 110017

I hereby declare that all the Directors and the designated employees including the Senior management personnel of the Company have affirmed compliance with their respective codes for the financial year ended March 31, 2016.

For PNC Infratech Ltd.

Place: Agra
Date: August 24, 2016

CHAKRESH KUMAR JAIN
Managing Director
DIN: 00086768

INDEPENDENT AUDITORS' REPORT

To
The Members of
PNC INFRATECH LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of PNC INFRATECH LIMITED ("the Company") which comprises the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016 and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying, we draw attention to note no. 47 of the financial statement stating that Change in revenue recognition on the basis of completion linked to certified completion to physical completion of work as acknowledged by the client. The impact of change in accounting policy, while not ascertainable, is expected to be negligible.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government of India in terms of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order;

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

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

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

   c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

   d. In our opinion, the aforesaid 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 written representations received from the directors as on 31 March 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of Section 164(2) of the Act.

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

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

      i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements- Refer Note34 to the financial statements;

      ii) As explained to us, there is notany material foreseeable losses, on long term contracts, therefore the Company has not made any provision, required under the applicable law or accounting standards;

      iii) As informed, there has been no amount required to be transfer, to the Investor Education and Protection Fund by the Company.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Reg. No. 000756N

(Neeraj Bansal)
Partner
Membership No. 95960

For **Purushottam Agrawal & Co.**
Chartered Accountants
Firm Reg. No. : 000731C

(Sanjay Agarwal)
Partner
Membership No. 72696

Place: Agra
Date: May 27, 2016

ANNEXURE 'A' TO THE AUDIT REPORT TO THE PNC INFRATECH LIMITED

Referred to in paragraph 1 of report on other legal and regulatory requirement's paragraph of our report on the financial statement of even date,

(I) In Respect of Fixed Assets

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, the fixed assets are physically verified by the management in a phased manner over a period of three years, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to information and explanation given to us, the discrepancies noticed on current phase of physical verification were not material.

(c) The title deed of immovable property is held in the name of the company based on certificate, as certified by the management.

(II) In Respect of inventories

(a) The inventories of the Company have been physically verified by the management during the year.

(b) In our opinion and according to the information & explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size and nature of the business of the Company.

(c) In our opinion and according to the information & explanations given to us, the Company is maintaining proper records of inventory. During the year, the physical verification was conducted at various sites and no material discrepancies have been noticed. The process of recording of physical verification needs to be further strengthened considering the expansion and nature & cycle of various projects.

(III) In respect of unsecured Loan

(a) As informed to us, the Company has granted unsecured interest free loans to its three subsidiaries & an associate and interest bearing loan to a subsidiary, covered in the register maintained under section 189 of the Companies Act, 2013, the balance outstanding is ₹7626.24 Lacs and ₹4855.22 Lacs (including interest) respectively.

(b) The tenure of agreement period of repayment are six months from the date of disbursement or recipt of grant/annuity, the recipt of principle amount as explained it will be recovered once the payment received by borrower from respective authority.

(c) In case of one subsidiary company there is overdue interest of ₹517.46 Lacs. As explained the company is pursuing for its recovery.

(iv) The loans, investments, gurantees an pledge of securities given to/for subsidiaries/associates/joint ventures are in compliance of section 185 and 186 of the Companies Act, 2013 as these are covered under exceptions as provided in section 185 and 186 of the Act, and are with in the prescribed limits.

(v) The Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder.

(vi) We have broadly reviewed the books of account relating to materials, Labour and other items of cost maintained by the Company as specified by the Central Government of India under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not made a detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) In Respect of Statutory Dues

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular and is in process of aligning with changing regulations, in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax/VAT/Work Contract Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues, as applicable, with the appropriate authorities except the wealth tax payable of ₹13.39Lacs outstanding for more than six months at the balance sheet date.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value added tax and Cess as at March 31, 2015 which have not been deposited on account of disputes, are as follows

Name Of Statute	Nature of Dues	Period to which Amt. relates	Forum where Dispute is pending	Demand Amount (₹ in Lacs)	Amount Deposited (₹ in Lacs)
MP Entry Tax Act, 1976	Entry Tax	2007-2012	Appellate Tribunal & challenge the constitution validity with Hon'ble Supreme Court of India	181.48	46.33
Rajasthan Entry Tax Act, 2007	Entry Tax	2012-2016	Hon'ble Supreme Court of India	101.78**	-
UP Entry Tax Act, 2007	Entry Tax	2004-2014	Hon'ble Supreme Court of India	480.89**	68*
		2008-2015	Additional Comissioner Grade II Appeal, Agra	95.48	-
UP Trade Tax, 1948	Sale Tax	2006-2011	Assessing Officer, Commercial Tax Deptt., Agra	396.55	-
		2013-2014 (Upto Dec-13)	Additional Commisioner Grade II (Appeal Commercial Tax Agra)	10.55	-
UP VAT ACT, 2008	VAT	2006-2012	Appellate Tribunal	127.32	14.99
		2007-2013	Hon'ble Allahabad High Court	1,061.46**	-
		2011-13	Additional Comissioner Grade II, Appeal, Agra	1227.42	-
		2014-2015	Additional Comissioner	4.15	-
Uttarakhand VAT Act, 2005	VAT	2005-2009	First appellate	34.52	-
		2007-2012	Joint Commissioner Appeals	176.52	-
MP VAT Act, 2002	VAT	2009-2012	First appellate	41.91	4.50
Haryana VAT Act' 2003	VAT	2010-12	Taxation Tribunal Haryana	34.75	
		2005-06	CESTAT , New Delhi	339.29	-
Central Excise & Service Tax Act, 1994	Service Tax	2003 - 2006	CESTAT , Ludhiana	164.10	-
Income Tax Act, 1961	Income Tax	2005-2012	Commissioner (Appeal) of IT, Agra	1,125.93	600.00
Labour Welfare Act, 1953	Labour Cess	2010	Hon'ble MP High Court	268.85	2.69
Total				5,872.95	736.51

* Includes Bank Guarantee of ₹34 lacs

** Amount on estimated basis

(viii) According to the records of the Company examined by us and the information and explanations given to us, in our opinion, the Company has not defaulted in repayment of its dues to Banks/ Financial Institution.

(ix) As per the information and explanation given to us and on the basis of our examination of the records, the company has raised moneys by way of Initial Public Offer and the amount have been applied for the purpose for which they were obtained pending utilisation the amount parked in designated excrow account and short term fixed deposit for further utilization in next year.We have verified the disclosure made by the management in the financial statement. The term loan amounts have been applied for which they have been obtained.(Refer note no. 50 to the financial statements).

(x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by the management.

(xi) As per the information and explanation given to us and on the basis of our examination of the records, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013. (refere note no. 45 to the financial statements).

(xii) The company is not Nidhi Company, therefore this clause is not applicable to the company

(xiii) As per the information and explanation given to us and on the basis of our examination of the records,the company has transacted with the related parties which are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements refer note no. 38 to the financial statements.

(xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

(xv) As per the information and explanations given to us and on the basis of our examination of the records, the company has not entered into any non-cash transactions with directors or persons connected with him.

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

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Reg. No. 000756N

(Neeraj Bansal)
Partner
Membership No. 95960

For **Purushottam Agrawal & Co.**
Chartered Accountants
Firm Reg. No. : 000731C

(Sanjay Agarwal)
Partner
Membership No. 72696

Place: Agra
Date: May 27, 2016

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF PNC INFRATECH LIMITED

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 PNC INFRATECH LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion based on summarised observations on Internal Financial Control Report, 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 generally operating effectively as at March 31, 2016, based on "the internal control over financial reporting system & procedures, criterias 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 **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Reg. No. 000756N

(Neeraj Bansal)
Partner
Membership No. 95960

For **Purushottam Agrawal & Co.**
Chartered Accountants
Firm Reg. No. : 000731C

(Sanjay Agarwal)
Partner
Membership No. 72696

Place: Agra
Date: May 27, 2016

BALANCE SHEET as at March 31, 2016

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	5,130.78	3,980.78
(b) Reserves and surplus	3	1,31,095.71	67,863.40
2 Non-current liabilities			
(a) Long-term borrowings	4	603.06	2,376.20
(b) Deferred tax liabilities (Net)	5	-	38.80
(c) Other long term liabilities	6	15,699.42	24,569.90
(d) Long-term provisions	7	281.99	420.14
3 Current liabilities			
(a) Short-term borrowings	8	-	30,026.46
(b) Trade payables	9	10,616.45	10,812.25
(c) Other current liabilities	10	21,962.47	14,910.59
(d) Short-term provisions	11	3,634.73	2,769.66
TOTAL		1,89,024.61	1,57,768.18
ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	21,059.20	21,034.44
(ii) Intangible assets	13	193.21	13.20
(iii) Intangible assets under development	13(i)	-	130.54
(iv) Capital work-in-progress	14	186.82	566.34
(b) Non-current investments	15	46,436.35	42,353.72
(c) Deferred tax assets (Net)	5	298.84	-
(d) Long-term loans and advances	16	23,438.74	10,357.34
(e) Other non-current assets	17	552.93	704.71
2 Current assets			
(a) Inventories	18	23,637.75	22,252.63
(b) Trade receivables	19	37,629.80	36,673.77
(c) Cash and bank balances	20	9,705.03	2,115.58
(d) Short-term loans and advances	21	25,768.35	21,430.57
(e) Other current assets	22	117.59	135.34
TOTAL		1,89,024.61	1,57,768.18
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS	1-53		

As per our report of even date attached.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No. 95960

Place: Agra
Date: May 27, 2016

Purushottam Agrawal & Co.
Chartered Accountants
Firm Registration No. 000731C

Sanjay Agarwal
Partner
Membership No. 72696

Binaya Kumar Dash
Company Secretary

On behalf of the Board of Directors

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Chakresh Kumar Jain
Managing Director
DIN: 00086768

D K Agarwal
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS for the period ended March 31, 2016

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue from operations	23	2,01,416.08	1,56,098.54
Other income	24	2,015.54	1,382.08
Total Revenue		**2,03,431.62**	**1,57,480.62**
Expenses:			
Cost of materials consumed	25	87,946.63	63,173.39
Changes in inventories of work-in-progress	26	3,450.66	(6,008.15)
Employee benefits expense	27	8,358.59	7,373.59
Finance costs	28	3,323.19	4,623.51
Depreciation and amortization expenses	29	5,246.49	3,636.63
Other expenses	30	75,064.68	69,897.64
Total expenses		**1,83,390.24**	**1,42,696.61**
Profit before tax (A)		**20,041.38**	**14,784.01**
Tax expense:			
Current Tax		4,200.77	4,982.24
MAT Credit entitlement		(4,200.77)	-
Taxes of earlier years including MAT credit entitlement*		(3,894.87)	-
Deferred Tax Charge/(Credit)		(337.64)	(234.27)
Total Tax (B)		(4,232.51)	4,747.97
Profit (Loss) for the period (A - B)		**24,273.89**	**10,036.04**
Earnings per equity share of ₹10 each	31		
Basic (in ₹)		48.77	25.21
Diluted (in ₹)		48.77	25.21
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS	1-53		

*Refer note no. 43B

As per our report of even date attached.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No. 95960

Purushottam Agrawal & Co.
Chartered Accountants
Firm Registration No. 000731C

Sanjay Agarwal
Partner
Membership No. 72696

On behalf of the Board of Directors

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Chakresh Kumar Jain
Managing Director
DIN: 00086768

Place: Agra
Date: May 27, 2016

Binaya Kumar Dash
Company Secretary

D K Agarwal
Chief Financial Officer

CASH FLOW STATEMENT for the year ended March 31, 2016

(₹ in Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31 2015
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and exceptional items	20,041.38	14,784.01
Adjustments for:		
Depreciation and amortization expenses	5,246.49	3,636.63
Finance cost	3,323.19	4,623.51
Interest Income	(834.97)	(890.89)
Loss/(Profit) on Sale of Fixed Assets(Net)	(30.56)	16.09
Loss/(Profit) on Sale of Investments (Net)	(972.32)	
Miscellaneous Expenses written off		55.02
Other Non- Cash items	-	23.30
Operating Profit Before Working Capital Changes	26,773.21	22,247.67
Adjustments for changes in Working Capital :		
(Increase)/Decrease in Inventories	(1,385.12)	(11,769.18)
(Increase)/Decrease in Trade Receivables	(956.03)	(2,317.82)
(Increase)/Decrease in Other Receivables	(13,354.78)	(10,082.35)
Increase/(Decrease) in Trade Payables	(195.80)	3,816.09
Increase/(Decrease) in Other Payables	(31,118.15)	9,410.65
Cash Generated From Operations	(20,236.67)	11,305.06
Taxes Paid (net of refunds)	-	(4,982.24)
Extraordinary Items		
Pre-Initial Public Offer & Misc.Expenses	-	-
Net Cash Generated from Operating Activities	(20,236.67)	6,322.82
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets (including Capital work in progress)	(5,451.25)	(10,167.28)
Sale of Fixed Assets	1,512.95	47.56
Purchase of Investment	(4,082.64)	(7,255.04)
Interest Paid	834.97	890.89
Net Cash Used in Investing Activities	(7,185.97)	(16,483.87)
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	1,150.00	-
Proceeds from Security Premium	40,569.00	-
Proceeds from Long Term Borrowings	-	2,388.30
Repayment of Long Term Borrowings	(1,773.14)	(2,644.83)
Proceeds from Working Capital Borrowings from Banks (Net)	-	8,092.19
Finance cost paid	(3,323.19)	(4,623.51)
Dividend Paid	(1,610.58)	(926.25)
Net Cash Used in Financing Activities	35,012.09	2,285.90
Net Increase/(Decrease) in Cash & Cash Equivalents	7,589.45	(7,875.15)
Opening Cash and Cash Equivalents	2,115.58	9,990.73
Closing Cash and cash equivalents	9,705.03	2,115.58

CASH FLOW STATEMENT for the year ended March 31, 2016

(₹ in Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Notes:		
1 Closing Cash and cash equivalants Comprise :		
a. Cash & Cash Equivalents		
Cash in hand	130.82	154.23
Cheques in hand	-	-
Balance with Current Account	4,267.03	466.88
Other Bank Balances:		
(with maturity upto 3 months)		
Fixed Deposits	1,401.00	-
Fixed deposits as margin money on bank guarentee	585.98	380.10
Earnest money deposits	339.84	113.24
FDR In Hand (Earmarked)	1,559.00	-
Current Account (Earmarked)	89.06	-
(with maturity more than 3 months but upto 12 months)		
Fixed deposits as Margin money on bank guarentee	1,301.53	968.94
Earnest money deposits	30.77	32.18
Total	9,705.03	2,115.58

2 Figures in bracket indicate cash outflow.

3 The above cash flow statement has been prepared under the indirect method set out in AS-3 notified under the Companies Act, 1956

4 Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year's classification.

5 This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date attached.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Purushottam Agrawal & Co.
Chartered Accountants
Firm Registration No. 000731C

On behalf of the Board of Directors

Neeraj Bansal
Partner
Membership No. 95960

Sanjay Agarwal
Partner
Membership No. 72696

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Chakresh Kumar Jain
Managing Director
DIN: 00086768

Place: Agra
Date: May 27, 2016

Binaya Kumar Dash
Company Secretary

D K Agarwal
Chief Financial Officer

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the period ended March 31, 2016

COMPANY OVERVIEW

PNC Infratech Limited was incorporated on 9th August 1999 as PNC Construction Company Private Limited. The Company was converted into a limited company in 2001 and was renamed PNC Infratech Limited in 2007. The Company has raised the equity capital by issue & allotment of equity share through Initial Public Offer (IPO) during the current year in May 2015 and listed with National Stock Exchange and Bombay Stock Exchange.

The Company is engaged in India's infrastructure development through the construction of highways including BOT (built, operate and transfer projects), airport runways, bridges, flyovers and power transmission projects, among others.

In case of BOT, the company bid as a sponsor either alone or in the joint venture with other venturer and once the project is awarded then it is executed by incorporating a company (special purpose vehicle)

The Company's registered office is located in New Delhi, corporate office in Agra and operations are spread across Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand, Assam, West Bengal and Bihar among others.

The Company is ISO 9001:2008-certified, awarded 'SS' (Super Special) class from the Military Engineering Services as well as appreciation from NHAI and the Military Engineer Services, Ministry of Defence.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of preparation of financial statements:

These financial statements has been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956, and as specified under section 133 of Companies Act 2013, read with rule 7 of Companies (Accounts) Rules, 2014. The Financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The Company follows the accounting policies consistently unless otherwise stated.

During the previous year ended 31 March 2015, the Schedule III notified under the Companies Act, 2013 has become applicable to the Company for the preparation and presentation of its financial statements, Accordingly appropriate re-classifications/ adjustments have been made in the Financial Statements wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company.

1.2. Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that effect the reported balances of assets and liabilities and disclosures of contingents liabilities at the date of financial statements and results of operations during the reporting period. Although these estimates are based upon management's basic knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognized in the year in which the results are shown /materialized.

1.3. Fixed assets and capital work in progress:

Tangible Assets

Tangible fixed assets are stated at cost less depreciation and impairment losses, if any Cost includes cost of acquisitions or construction including incidental expenses thereto and other attributable cost of bringing the assets to its working condition for the intended use and is net of recoverable duty /tax credits.

Intangible Assets

Intangible assets are stated at cost of acquisition net of accumulated amortization and impairment losses, if any.

Intangible Assets under development

Expenditure related to and incurred during development of Assets are included under "Intangible assets under development". The same will be transfered to the respective assets on its completion.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

Capital Work in progress

Capital work in progress comprises of expenditure, direct or indirect incurred on assets which are yet to be brought into working condition for its intended use.

1.4. Depreciation & amortization:

Depreciation on Fixed Assets is provided on straight line method (other than specified Plant & Machinery which are depreciated on written down value basis) based on useful life stated in schedule II to the Companies Act 2013, and is on pro-rata basis for addition and deletions. In case of Plant & Machinery as per technical estimate, (excluding Cranes & Earthmoving Equipments), the useful life is more than as stated in Schedule II.

Intangible assets are amortized on straight line method over the expected duration of benefits not exceeding 10 years. The period of amortization is decided in accordance with the Accounting Standard (AS -26) "Intangible Assets".

1.5. Cash & cash equivalents:

Cash & cash equivalents comprise of cash at bank and cash-in-hand. The Company consider all highly liquid investments which are subject to an insignificant risk of change in value with an original maturity of three months or less from date of purchase to be cash equivalent.

1.6. Revenue Recognition:

Construction contract: Contract revenue is recognized under percentage of completion method. The Stage of Completion is determined on the basis of physical completion of work as acknowledged by the client.

Revenue related claims are accounted in the year in which arbitration award is awarded/settled or accepted by customer or there is a tangible evidence of acceptance received.

Other sales are accounted on dispatch of material and exclude applicable sales tax/VAT and are net of discount.

Revenue from Joint Venture contract is accounted for net of joint venture share, under turnover, in these financial statements. Agency charges, if any, are accounted on receipt basis as other operating income.

1.7. Other Income:

Interest income is generally recognized on a time proportion basis by considering the outstanding amount and applicable rate.

In the absence of ascertainment with reasonable certainty the quantum of accruals in respect of claims recoverable, the same is accounted for on receipt basis. Income from investments is accounted for on accrual basis when the right to receive income is established.

Income from dividend is recognized when the right to received is established.

1.8. Inventories:

The stock of raw material, stores, spares and embedded goods and fuel is valued at lower of cost or net realizable value. Cost is computed on first in first out basis.

Work-in- progress is valued at the item rate contracts in case of completion of activity by project department, in case where the Work-in- progress is not on item rate contract stage then item rate contract are reduced by estimated margin or estimated cost of completion and/or estimated cost necessary to make the items rates equivalent to Stage of Work-in- progress.

1.9. Investments:

Long term investments are stated at cost and diminution in carrying amount, other than temporary,is written down/ provided for.

Current investments which are acquired to be disposed off/ liquidated within one year of the date of acquisition are valued at lower of cost and fair market value.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

1.10. Accounting For Leases:

Finance Lease is recognized as an asset and liability to the lessor at fair value at the inception of the lease.

Leases in which a significant portion of the risk and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit & Loss on a straight-line basis over the period of lease; or any other appropriate basis.

1.11. Employee Benefits:

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standards (AS-15) "Employee Benefits"

Post employment benefit plans

Provident Fund: The contribution to provident fund is in the nature of defined contribution plan. The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952.The contribution paid or payable is recognized as an expense in the period in which services are rendered.

Gratuity (Funded): Gratuity is in the nature of defined benefit plan. The cost is determined using the projected unit credit method with actuarial valuation being carried at cash at each Balance Sheet date by an independent actuary. The retirement benefits obligation recognized in the Balance Sheet represent the present value of defined benefit obligation as adjusted for recognized past service cost. Actuarial gains and losses are recognized in full in the Statement of Profit & Loss for the period in which they occur. The Company has taken Group Gratuity Policy of L.I.C of India.

Other long term employee benefits (unfunded)

The cost of long term employee benefits is determined using project unit credit method and is present value of related obligation, determined by actuarial valuation done on Balance Sheet date by an independent actuary.The unrecognized past service cost and actuarial gain & losses are recognised immediately in the Statement of Profit & Loss in which they occur.

Short term employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period in which the employee render the service.

1.12. Transactions in foreign currencies:

(i) Initial Recognition:

All transaction in respect of foreign currencies are recorded at exchange rate prevailing on the date of the transactions.

(ii) Conversion:

All monetary assets and liabilities in foreign currency are restated at the end of accounting period, using closing rate.

(iii) Exchange difference:

Exchange differences on restatement/settlements of monetary items are recognized in the Statement of Profit & Loss.

1.13. Borrowing costs:

Borrowing costs that are attributed to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

1.14. Segment Reporting:

The Company's operations pre-dominantly consist of infrastructure development and construction, hence it operates in one business segment, Thus, the reporting requirement of Accounting Standard (AS-17) Segment Reporting are not applicable.

1.15. Earnings per share:

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS-20).

Basic earning per share is computed by dividing the net profit for the year attributable to the equity share holder by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity share, attributable to the equity share holders by the weighted average number of the equity shares and dilutive potential equity share outstanding during the year except where the results are anti dilutive.

1.16. Taxation:

The tax expense comprises of current tax & deferred tax charged or credited to the Statement of Profit and Loss for the year.

Current tax is determined as an amount of tax payable in respect of taxable income for the year in accordance with the Income Tax Act, 1961.

The deferred tax for timing difference between the book and tax profit for the year is accounted using the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date in accordance with 'Accounting Standard (AS-22) Accounting for taxes on income'.

1.17. Impairment of assets:

The carrying amount of assets, other than inventories is reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists the recoverable amount of assets is estimated. The recoverable amount is greater of asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present value. An impairment loss is recognized whenever the carrying amount of assets or its cash generating unit exceeds its recoverable amount.

1.18. Miscellaneous Expenditure:

Preliminary Expenses and pre private equity expenses are being written off in five year from commencement of operation and year of expenses respectively.

Pre IPO expenses to be adjusted from the security premium reserve of proposed issue.

1.19. Claims & Counter Claims:

Claims and counter claims including under arbitrations are accounted for on their final settlement/ Award. Contract related claims are recognized when there is a reasonable certainty.

1.20. Provisions, Contingent liabilities and contingent assets:

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that outflow of reasons embodying economic benefits will be required to settle the obligation.

When it is not probable and amount can not be estimated reliably than it is disclosed as contingent liabilities unless the probability of outflow of reasons embodying economic benefits is remote Possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events are also disclosed as contingent liabilities unless the probability of outflow of resource embodying economic benefit is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 2 Share Capital

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised		
Equity Shares of ₹10/- each		
55,000,000 (Previous Year 55,000,000)	5,500.00	5,500.00
	5,500.00	5,500.00
Issued ,Subscribed & Fully Paid up		
Equity Shares of ₹10/- each		
5,13,07,833 (Previous Year 39,807,833)	5,130.78	3,980.78
Total	5,130.78	3,980.78

A Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Nos.	Nos.
Opening	3,98,07,833	3,98,07,833
Add: Issued during the year	1,15,00,000	-
Less: Deductions during year	-	-
Closing	5,13,07,833	3,98,07,833

B Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Shareholder's Name	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2015
	Nos.	%	Nos.	%
Madhavi Jain	35,99,700	7.02	35,99,700	9.04
Naveen Kumar Jain	35,51,625	6.92	35,51,625	8.92
HDFC Mutual Fund	33,56,232	6.54	-	-
NYLIM Jacob Ballas India (FVCI) III, LLC	33,43,436	6.52	56,86,833	14.29
Yogesh Kumar Jain	32,91,225	6.41	32,91,225	8.27
Alberta Merchants Private Limited	31,62,500	6.16	31,62,500	7.94
Pradeep Kumar Jain	30,02,325	5.85	30,02,325	7.54
Renu Jain*	-	-	23,34,300	5.86
PNC Project Private Limited*	-	-	21,33,000	5.36

* the % shares reduced below 5% during the year.

C Rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In case any dividend is proposed by the Board of Directors the same is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of Interim Dividend. There are no restrictions attached to Equity Shares except the restriction in persuant to listing of equity shares dated 26.05.2015.

D There are no Bonus Shares/ Shares issued for consideration other then cash and Shares brought back during the period of five years immediately preceeding five years.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 3 Reserves and Surplus

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Securities Premium Reserves		
Opening Balance	18,440.67	18,440.67
(+) Addition During the Year	42,320.00	-
(-) Utilization During the Year	1,751.00	-
Closing Balance	**59,009.67**	**18,440.67**
General Reserve		
Opening Balance	128.96	293.62
(+) Current Year transfer from Statement of Profit & Loss	-	-
(-) Utilization During the Year	-	-
(-) Adjustment of depreciation on assets whose useful life is expired	-	164.66*
Closing Balance	**128.96**	**128.96**
Surplus/(Loss) in Statement of Profit and Loss		
Balance as at the beginning of the year	49,293.77	40,183.98
(+) Net Profit for the current year	24,273.89	10,036.04
Amount available for appropriation	73,567.66	50,220.02
(-) Proposed Dividends on Equity Shares	1,282.70	769.59
(-) Corporate Dividend Tax	327.88	156.66
Closing Balance	**71,957.08**	**49,293.77**
Total	**1,31,095.71**	**67,863.40**

*Refer note no. 48

NOTE 4 Long Term Borrowings

Secured		
Term loans -from Banks	603.06	2,331.77
Term loans -from NBFCs	-	44.43
Total	**603.06**	**2,376.20**

The requisite particulars in respect of secured borrowings are as under:

(₹ In Lacs)

Particulars	Total	Current Maturity	Non-Current Maturity	
			2nd Year	3 to 5 Years
Term Loan From Banks				
Axis Bank	**233.06**	**112.97**	**86.77**	**33.32**
	(1,476.53)	(723.14)	(623.75)	(129.63)
HDFC Bank Limited	**490.00**	**211.52**	**212.01**	**66.47**
	(3,307.38)	(1,981.43)	(1,145.74)	(180.21)
ICICI Bank	**128.93**	**77.18**	**51.75**	**-**
	(219.75)	(90.83)	(77.21)	(51.72)
Yes Bank	**273.64**	**120.90**	**134.91**	**17.83**
	(180.00)	(56.49)	(61.24)	(62.27)
Term Loan From NBFCs				
SREI Equipment Finance Private Limited	**44.43**	**44.43**	**-**	**-**
	(92.48)	(48.04)	(44.43)	-
Total	**1,170.06**	**567.00**	**485.44**	**117.62**
	(5,276.13)	(2,899.93)	(1,952.38)	(423.83)

(i) The above loans are secured by way of hypothecation of asset financed out of said loans.

(ii) The above loans are repayable in equitable monthly installment over the period of loan.

(iii) Figures in brackets represents previous year figures.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 5 Deferred tax Asset/(Liability)

(₹ In Lacs)

Particulars	As on March 31, 2016	Charge/(Credit) during the year	As on March 31, 2015	Charge/ (Credit) during the year	As on March 31, 2014
Deferred Tax Assets on account of :					
Gratuity & Leave encashment	149.96	(29.27)	179.24	26.00	153.24
Pre IPO & PE Expenses	-	-	-	-	-
Difference between Book and tax depreciation	148.88	360.25	(211.38)	193.52	(404.89)
Provision for Doubtful Debts	-	(12.04)	12.04	8.11	3.93
Total Deferred tax Assets	298.84	318.94	(20.10)	227.63	(247.72)
Deferred Tax Liabilities on account of :					
Pre IPO & PE Expenses	-	(18.70)	18.70	(6.65)	25.35
Total Deferred tax liabilities	-	(18.70)	18.70	(6.65)	25.35
Deferred tax Asset/(Liability)	**298.84**	(337.64)	**(38.80)**	(234.28)	**(273.07)**

NOTE 6 Other Long Term Liabilities

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Payables		
Retention from contractors/suppliers	6,012.84	5,489.18
Capital Creditors	742.79	275.60
Others		
Advances from contract customers	8,891.39	18,746.34
Security received from contractor/suppliers	52.40	58.78
Total	**15,699.42**	**24,569.90**

NOTE 7 Long Term Provisions

Provision for employee benefits*		
Gratuity (funded)#	190.86	339.88
Leave Encashment (unfunded)	91.13	80.26
Total	**281.99**	**420.14**

#Previous year Graturity was unfunded

*For details refer Note No. 39

NOTE 8 Short Term Borrowings

Secured		
Working Capital Loans - repayable on demand	-	30,026.46
Total	**-**	**30,026.46**

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 8 Short Term Borrowings *(contd.)*

The requisite particulars in respect of secured borrowings are as under:

Particulars	Particulars of security/guarantee
Loan repayable on demand from banks-	
Working Capital Loans	Cash credit facilities and working capital demand loans from consortium of banks are secured by: (i) Hypothecation against first charge of Stocks viz raw material, stocks in process, finished goods, stores and spares and book debts of the company. (ii) Further secured by hypothection of plant & machinery (excepting to hypothecated to Banks and NBFCs) (iii) Equitable mortgage of 6 properties (Land & Building) as per joint deed of Hypothecation belonging to the Directors and group company. (iv) Corporate Guarantee of Taj Infrabuilders Private Limited. (v) Personal guarantee of promoters.

NOTE 9 Trade Payables

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Micro and Small enterprises*	-	-
Others**	10,616.45	10,812.25
Total	**10,616.45**	**10,812.25**

*There are no outstanding to parties to the extent of information received by Company under the Micro, Small & Medium Enterprises Development Act 2006

**Including retention money ₹1194.09 Lacs (Previous Year ₹749.09 Lacs)

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
- Principal amount due to suppliers under MSMED Act,2006	-	-
- Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-	-
- Payment made to suppliers (other than interest) beyond the appointed day/due date during the year	-	-
- Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
- Interest paid to suppliers under MSMED Act (Section 16)	-	-
- Interest due and payable towards suppliers under MSMED Act for payments already made	-	-
- Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-
- Amount of further interest remaining due and payable in succeeding years	-	-

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 10 Other Current Liabilities

(₹ In Lacs)

Particulars		As at March 31, 2016	As at March 31, 2015
Current maturities of long-term debt			
From Banks		522.57	2,851.89
From NBFCs		44.43	48.04
Total Current maturity of long term debt	(A)	**567.00**	**2,899.93**
Advance received from contract customer		17,578.13	3,232.72
Other payables			
Due to employees		1,011.05	987.47
Statutory dues		703.26	1,410.92
Creditors - Capital Goods		-	4,062.60
Others*		2,103.03	2,316.95
Total Others	(B)	**21,395.47**	**12,010.66**
Total	(A + B)	**21,962.47**	**14,910.59**

*For details refer Note No. 36

NOTE 11 Short Term Provisions

Provision for employee benefits*			
Gratuity (unfunded)		127.83	85.24
Leave Encashment (unfunded)		31.38	21.94
Others			
Provisions for Proposed Dividend		1,282.70	769.62
Provisions for Corporate Dividend tax		327.88	156.68
Provision for tax (Net of Advance of ₹4072.01 Lacs)		1,864.94	1,736.18
(PY Provision ₹4982.23 Lacs Advance Tax TDS ₹3246.05 Lacs)			
Total		**3,634.73**	**2,769.66**

*For details refer Note No. 39

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 12 Tangible Assets

(₹ In Lacs)

Particulars	Gross Carrying Value					Depreciation					Net Carrying Value	
	As at April 1, 2015	Additions during the year/Period	Disposals / Adjustments	Other Adjustments	As at March 31, 2016	Upto April 1, 2015	For the year/ Period	Charged on account of expiry of useful life	Other adjustments during the year/Period	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Freehold Land	145.29	-	-	-	145.29	-	-	-	-	-	145.29	145.29
Buildings	659.47	-	-	-	659.47	43.69	20.91	-	-	64.60	594.87	615.79
Plant and Equipment	31,517.06	4,531.98	367.43	-	35,681.61	13,491.30	3,738.93	-	348.63	16,881.60	18,800.01	18,025.75
Furniture and Fixtures	234.74	32.17	-	-	266.91	130.14	23.90	-	-	154.04	112.87	104.59
Vehicles	1,198.72	275.18	4.21	-	1,469.69	431.91	127.77	-	4.00	555.68	914.01	766.81
Office equipment	404.54	73.72	-	-	478.26	126.47	86.14	-	-	212.61	265.65	278.07
Computers	621.05	60.06	-	-	681.11	439.90	199.10	-	-	639.00	42.11	181.14
Temporary Building	3,237.69	274.46	-	-	3,512.15	2,320.69	1,007.07	-	-	3,327.76	184.39	917.00
Total	**38,018.56**	**5,247.57**	**371.64**	**-**	**42,894.49**	**16,984.10**	**5,203.82**	**-**	**352.63**	**21,835.29**	**21,059.20**	**21,034.44**
Figures as at March 31, 2015	28,691.77	9,612.84	286.07	-	38,018.54	13,408.60	3,633.26	164.66	222.42	16,984.10	21,034.44	15,283.17

NOTE 13 Intangible Assets

(₹ In Lacs)

Particulars	Gross Carrying Value					Amortization					Net Carrying Value	
	As at April 1, 2015	Additions during the year/Period	Disposals / Adjustments	Other Adjustments	As at March 31, 2016	Upto April 1, 2015	For the year/ Period	Charged on account of expiry of useful life	Other adjustments during the year/Period	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Softwares (Acquired)	23.05	222.68	-	-	245.73	9.85	42.67	-	-	52.52	193.21	13.20
Total	**23.05**	**222.68**	**-**	**-**	**245.73**	**9.85**	**42.67**	**-**	**-**	**52.52**	**193.21**	**13.20**
Figures as at March 31, 2015	7.56	15.49	-	-	23.05	6.48	3.38	-	-	9.86	13.20	1.08

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 13(i) Intangible Assets under development

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Intangible Assets under development		
Opening Cost	130.54	-
Addition during the year	90.36	130.54
Capitalized/Adjustments during the year	220.90	-
Total	**-**	**130.54**

NOTE 14 Capital Work - in - Progress

Capital Work in Progress		
Opening Cost	566.34	157.93
Addition during the year	578.96	-
Capitalized/Adjustments during the year	958.48	157.93
Capital Goods in Transit	-	566.34
Total	**186.82**	**566.34**

NOTE 15 Non-Current Investments

Trade, Unquoted (At Cost)		
Equity Shares fully paid-up:		
(i) Investment in Subsidiaries		
10 equity shares (Previous Year 10) of PNC Raebareli Highways Private Limited of ₹10/- each (Face value ₹10/- each)*	0.00	0.00
5000000 equity shares (Previous Year 5000000) of PNC Bareilly Nainital Highways Private Limited of ₹10/- each (Face value ₹10/- each)	500.00	500.00
50000 equity shares (Previous Year 50000) of PNC Infra Holdings Limited of ₹10/- each (Face value ₹10/- each)	5.00	5.00
85855794 equity shares (Previous Year 72805794) of PNC Infra Holdings Limited acquired of ₹50/- each (Face value ₹10/- each)	42,927.90	36,402.90
20000 equity shares (Previous Year 20000) of PNC Power Private Limited of ₹10/- each (Face value ₹10/- each)	2.00	2.00
6500 equity shares (Previous Year 6500) of PNC Power Private Limited acquired of ₹200/- each (Face value ₹10/- each)	13.00	13.00
5100 equity shares (Previous Year 5100) of Ferrovia Transrail Solutions Private Limited of ₹10/- each (Face value ₹10/- each)	0.51	0.51
10 Equity shares (Previous Year 10) of PNC Kanpur Ayodhya Tollways Private Limited of ₹10/- each (Face value ₹10/- each)*	0.00	0.00
(ii) Investment in Associates		
29324000 equity shares (Previous Year 29324000) of Ghaziabad Aligarh Expressway Private Limited of ₹10/- each (Face value ₹10/- each)	2,932.40	2,932.40
(iii) Investment in Others		
Nil equity shares (Previous Year 24423700) of Jaora Nayagaon toll road company Private Limited. of ₹10/- each (Face value ₹10/- each)**	-	2,442.37
555370 equity shares (Previous Year 555370) of Indian Highways Management Company limited	55.54	55.54
Total	**46,436.35**	**42,353.72**

* Figures are nil due to rounding off norms adopted by the Company

** Refer note no. 42

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 15 Non-Current Investments *(contd.)*

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate book value of unquoted investments	46,436.35	42,353.72
Provision for diminution in value of investments	-	-
	46,436.35	**42,353.72**

a Out of the Investments of the Company following investments are pledged with the Financial Institutions /Banks for security against the financial assistance extended to the companies under the same management and others:

No. of Equity shares of ₹10 each

Name of the Company	Relationship	As at March 31, 2016	As at March 31, 2015
PNC Bareilly Nainital Highways Pvt. Ltd.	Subsidiaries	25,50,000	19,50,000
Ghaziabad Aligarh Expressway Private Limited	Associates	1,49,55,240	1,49,55,240
Jaora Nayagaon Toll Road Co. Pvt. Ltd.	Others	-	1,68,32,550

NOTE 16 Long Term Loans and Advances

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured, Considered good unless otherwise stated)		
Retentions & Security Deposits		
with government Authority & Other clients	7,014.29	4,500.83
with related parties	824.22	824.22
with others	89.65	63.79
Advance tax & tax deducted at source (Net)*#	1,962.23	416.87
Tax & Duty deposited under protest	1,165.94	197.26
MAT Credit Entitlements #	6,572.03	-
Mobilization advance to sub-contractors	624.52	1,259.43
Advances Recoverable in cash or In Kind or for Value to be received-others		
Balance with Government authorities	5,183.40	3,092.05
Others	2.46	2.89
Total	**23,438.74**	**10,357.34**

*The refund receivable for certain years, are held up by tax authorities for verification of TDS certificates internally or with other issuing departments.

refer note no. 43B

NOTE 17 Other Non Current Assets

Other Bank balances-(having maturity of more than 12 months)*		
-Term deposits as margin money for bank guarentees	540.43	468.12
-Earnest money deposits (in the form of term deposits)	12.50	11.00
Miscellaneous Expenditure:		
Pre IPO Expenses	-	225.59
Total	**552.93**	**704.71**

*For details refer Note No.20

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 18 Inventories

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Raw Materials (construction material)	18,212.18	12,766.77
Raw Material in transit	263.40	11.80
Work-in-progress	3,797.70	7,248.36
Stores and spares	1,364.47	2,225.54
Stores and spares in transit	-	0.16
Total	**23,637.75**	**22,252.63**

NOTE 18.1 Bifurcation of Raw Material and WIP under broad heads:

Raw material		
Bitumen	410.09	191.53
Cement	641.29	464.10
Steel	1,252.70	919.49
Stone,Grit and Sand	14,385.23	10,064.03
High speed diesel and Fuel oil	177.26	138.41
Others	1,345.61	989.21
	18,212.18	**12,766.77**
Work-in-progress		
Road	3,749.42	6,942.94
Airport Runways	48.28	305.42
	3,797.70	**7,248.36**

NOTE 19 Trade Receivables

(Unsecured, considered good unless otherwise stated)		
Trade receivables outstanding for a period more than six months from the date they are due for payment	3,289.60	4,045.61
Other Receivables	34,340.20	32,628.16
Total	**37,629.80**	**36,673.77**

NOTE 20 Cash and Bank Balances

Cash & Cash Equivalents		
Cash in hand	130.82	154.23
Balances with Banks:		
In Current Account	4,267.03	466.88
In Term Deposits (Less than 3 months)*	1,401.00	-
Other Bank Balances:		
(with maturity less than 3 months maturity)		
Earmarked Term deposits as Margin money for bank guarentee	585.98	380.10
Earnest money deposits	339.84	113.24
FDR In Hand (Earmarked)	1,559.00	-
Current Account (Earmarked)	89.06	-
(with maturity more than 3 months but upto 12 months)		
Earmarked Term deposits as Margin money for bank guarentee	1,301.53	968.94
Earnest money deposits	30.77	32.19
Total	**9,705.03**	**2,115.58**

* includes a sum of ₹340 Lacs earmarked for import of machinery under Foreign Letter of Credit (FLC) out of IPO proceeds.

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET as at March 31, 2016

NOTE 20 Cash and Bank Balances *(contd.)*

Details of Term Deposits kept as security

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Fixed deposits as Margin money on bank guarantee		
Under lien in favour of Banks as margin deposits for letter of credit and Bank Guarentees	2,427.94	1,817.16
Earnest money (in form of term deposits) deposits in favour of customers	383.11	156.44
Total Deposits	**2,811.05**	**1,973.60**
Deposit having more than 12 months maturity from reporting date		
Term Deposit	540.43	468.12
Earnest money deposits	12.50	11.00
Total Non-Current Deposits*	**552.93**	**479.12**
Total Current Deposits	**2,258.12**	**1,494.48**

* These deposits are treated as non current due to the reason that they are not expected to get matured within 12 months from the reporting date.

NOTE 21 Short Term Loans and Advances

Unsecured and considered good- unless otherwise stated		
Retentions & Security Deposits		
with government and other clients	1,291.47	1,073.75
with others	100.00	100.00
Loans and advances to related parties	-	-
Others	12,481.46	7,830.43
Balance with Government Authorities		
Others	7,542.77	4,496.30
Advances to suppliers		
Unsecured, considered good	3148.65	6248.43
(+) Doubtful	30.12	35.42
	3178.77	6283.85
(-) Provision for Doubtful advances	30.12	35.42
	3,148.65	6,248.43
Mobilization advance to sub-contractors	624.52	1,259.43
Other advances	579.48	422.23
Total	**25,768.35**	**21,430.57**

NOTE 22 Other Current Assets

Interest accrued but not due on Margin money & Earnest money deposits	117.59	135.34
Total	**117.59**	**135.34**

NOTE 23 REVENUE FROM OPERATIONS

(₹ In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Contract Turnover	1,99,206.44	1,53,010.01
Other operating revenues		
Sale of material	1,931.70	2,720.06
Sale of scrap material	277.94	368.47
Total	**2,01,416.08**	**1,56,098.54**

Bifurcation of Contract Turnover are as under:

Contract		
Road	1,89,849.53	1,40,800.47
Airport Runways	8,935.21	10,063.84
Power Projects	421.70	1,833.98
Others	-	311.72
	1,99,206.44	1,53,010.01

NOTE 24 OTHER INCOME

Interest Income:		
From Bank	317.51	148.26
From Others	517.46	742.63
Gain on sale of Fixed Asset (Net)	30.56	-
Gain on sale of Investments (Net)*	972.32	-
Other non-operating income (net of expenses)	177.69	491.19
Total	**2,015.54**	**1,382.08**

*Refer note no. 42

NOTE 25 COST OF MATERIAL CONSUMED

Opening Stock		
Raw Material	12,766.77	7,214.92
Add: Purchases	93,392.04	68,725.24
	1,06,158.81	75,940.16
Less: Closing Stock		
Raw Material	18,212.18	12,766.77
Raw material consumed	**87,946.63**	**63,173.39**

NOTE 26 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

Opening stock of Work-in-progress	7,248.36	1,240.21
Closing stock of Work-in-progress	3,797.70	7,248.36
Excess of opening stock over closing stock	**3,450.66**	**(6,008.15)**

NOTE 27 EMPLOYEE BENEFIT EXPENSE

(₹ In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(a) Salaries and Wages	7,906.51	6,887.53
(b) Contributions to - Provident fund & other funds	244.06	259.68
(d) Staff welfare expenses	208.02	226.38
Total	**8,358.59**	**7,373.59**

NOTE 28 FINANCE COSTS

Interest expense	2,844.45	4,371.18
Other borrowing costs		
Loan processing charges	52.69	10.54
Guarantee charges	426.05	241.79
Total	**3,323.19**	**4,623.51**

NOTE 29 DEPRECIATION AND AMORTIZATION EXPENSE:

Depreciation on Tangible Assets	5,203.82	3,633.26
Amortization on Intangible Assets	42.67	3.37
Total	**5,246.49**	**3,636.63**

NOTE 30 OTHER EXPENSES

Consumption of Stores & Spares*	2,967.44	2,744.88
Power & Fuel	253.66	310.54
Contract Paid	55,437.12	56,380.84
Hire charges of Machineries	515.38	504.15
Other Manufacturing & Construction expenses	3,294.62	2,307.69
Rent	437.97	367.31
Insurance	366.32	331.60
Repairs to Buildings	10.03	9.40
Travelling and Conveyance	323.66	294.46
Legal & Professional Expenses	354.28	272.00
Rates and Taxes**	9,942.42	5,306.59
Auditor's Remuneration***	46.41	36.74
Tender & Survey Expenses	97.70	243.15
Hire charges of Vehicles	64.12	125.85
Director's sitting fees	4.95	3.55
Corporate Social Responsibility	255.16	95.00
Provision of Doubtful Debts	-	23.30
Loss on disposal of Fixed assets (Net)	-	16.09
Miscellaneous Expenses written off	-	55.02
Miscellaneous and General Expenses	693.44	469.48
Total	**75,064.68**	**69,897.64**

NOTE 30 OTHER EXPENSES *(contd.)*

A Value of Imported and Indigenous Stores & Spares

(₹ In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Imported-(₹ In lacs)	-	-
(in %)	0%	0%
Indigenous-(₹ In lacs)	2,967.44	2,744.88
(in %)	100%	100%

B * Being all material repair jobs are done in-house, this includes expenses of repair & maintenane to plant & machinery and it is difficult to segregate the repair expenses from consumption of store & spares.

C ** Includes sales/works contract tax (net) of ₹6973.96 lacs (Previous year ₹4281.08 lacs)

D *** Auditor Remuneration includes:

Audit Fees	30.24	25.01
Tax matters	0.67	0.67
Certification Fees and Other services	14.31	3.26
For Reimbursment of Expenses	1.18	1.48

NOTE 31 EARNINGS PER EQUITY SHARES

Weighted Average number of Equity Shares outstanding	497.68	398.08
Profit after tax as per Statement of Profit and Loss	24,273.90	10,036.04
Nominal value per share (in ₹)	10.00	10.00
Basic & Diluted Earning per share (in ₹)	**48.77**	**25.21**

NOTE 32 VALUE OF IMPORTS ON CIF BASIS

Raw materials	-	-
Components and spare parts	-	-
Capital goods	390.71	490.02
Total	**390.71**	**490.02**

NOTE 32A RAW MATERIAL CONSUMPTION

A Raw material consumed includes (₹ in lacs):

Bitumen	17,324.19	15,208.12
Cement	5,353.10	5,101.98
Steel	10,981.24	8,153.04
Stone,Grit and Sand	31,140.74	14,190.27
High speed diesel and Fuel oil	14,565.50	13,285.21
Tower Parts	168.57	746.13
Boulder	6,501.11	4,843.91
Others	1,912.18	1,644.73

B Value of Imported and Indigenous raw material consumed

Imported-(₹ In lacs)	-	-
(in %)	0%	0%
Indigenous-(₹ In lacs)	87,946.63	63,173.39
(in %)	100%	100%

NOTE 33 EXPENDITURE IN FOREIGN CURRENCY

	Nil	Nil

NOTE 34 CONTINGENT LIABILITIES & COMMITMENTS

(₹ In Lacs)

Contingent liabilities and commitments (to the extent not provided for)	For the year ended March 31, 2016	For the year ended March 31, 2015
A) Contingent Liabilities		
a) Claims against the Company not acknowledged as debts		
Disputed demand of Income Tax (includes, net of advance tax & TDS under verification, adjusted from demand of ₹33.51 crore arised in assessment of search proceedings up to AY 2012-13) for which company has preferred appeal. (refer note 43-A)	1,125.93	1,125.93
Disputed demand of Sales Tax/ VAT for which company preferred appeal	3,115.15	2,088.86
Disputed demand of Service Tax for which company preferred appeal	503.39	481.17
Disputed demand of Entry Tax for which company preferred appeal	757.85	1,031.62
Others (including motor accident, labour & civil matters)	1,033.04	994.24
(Interest and penalties if any, on above cases will be decided at the time of settlement)		
b) Guarantees		
(i) Bank Guarantees - Executed in favour of National Highways Authority of India and others	1,02,469.12	90,754.99
(ii) Corporate guarantee -		
- The outstanding liability at reporting date against the corporate guarantee of ₹20500.00 Lacs issued in favour of bank , jointly & severally along-with a joint venture partner and further indemnified by another joint venture partner to the extent of its shareholding for credit facilities extended to an associate (the entire share capital of which is held by Company and the said two joint venture partners)	11,504.44	11,594.40
- The outstanding liability at reporting date against the corporate guarantee of ₹5361.00 Lacs in favour of India Infrastructure Finance Compnay Limited for securing their debt to a subsidiary PNC Raibareli Highways Private Limited for discharging the differential between the secured obligation and termination payment.	5,361.00	3,650.37
- The company has issued a corporate guarantee in favour of Posco Engineering & Construction Limited for onwards issuance of corporate guarantee to Dedicated Freight Corporation of India Limited against bid security in the name of POSCO-PNC Joint Venture.*	-	1,800.00
c) Other		
- Letter of Credit outstanding	1,596.53	249.79
- Being difference between normat tax and MAT for FY 2015-16 #	2,779.63	-
(In case normal tax liability is crystalised, MAT credit entitlement reversal wil take place)		
(B) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Net of advance of ₹ NIL (previous year ₹26.49 Lacs)	384.34	8,661.03
(b) Capital Commitment for equity (Net of Investment)		
PNC Raebareli Highways Private Limited**	-	6,505.00

Refer note no. 43B

* Joint Venture with POSCO Construction India Limited having share of 45%. The corporate guarantee has returned on 30.05.2015.

** The amount has invested during the year.

NOTE 35

The status of various project claims in arbitrations is as under :

a. The company had initiated arbitral proceedings against the Uttar Pradesh Public Works Department (UP PWD) for compensation for ₹851.31 lacs (including interest) towards extra cost incurred on procurement of different material, distant source in relation to the project "rehabilitation Road (Gomat) under Uttar Pradesh State Road Project. The arbitral Tribunal has pronounced its unanimous award dt. March 07, 2014 for ₹702.31 lacs (including interest) in favour of the Company. The respondent UP PWD has preferred objection against the aforesaid award before the Distt. Judge Mathura and the case is still pending with Ld. Distt. Judge Mathura. Treatment of the same will be done on final settlement.

b Further, the Company has filed four arbitration claims including claims for delay damages and interest which are pending at arbitration stage. The same will be accounted for on final settlement.

NOTE 36

During the financial year 2012-13, the company has invoked two bank guarantees amounting to ₹3682.22 Lac, due to part execution & under performance under contract by a contractor. Out of the two guatantee, one of ₹1841.11 Lac, received against mobilization advance, has been adjusted with mobilization advance given. The second, which was performance guarantee, has been accounted as liability for likely expenditure to be incurred as the balance work is carried out through other agencies. During the Financial year 2013-14 the contractor has approach the mediation centre of Hon'ble Highcourt Delhi for mediation. The mediation centre directed the company for participation in mediation and the same was refuted by the company on April 05, 2014 and required for out of court mediation and has also raised a counter claim of ₹18601.09 Lacs on April 09, 2014 on the party. Since the matter is under dispute and the treatment of same will be done on final settlement.

NOTE 37 Disclosure pursuant to Accounting Standard-7 "Construction Contracts"

(₹ In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Total Contract revenue	1,99,206.44	1,53,010.01
Particulars about contracts in progress at the end of the period:		
Aggregate amount of cost incurred up to period end	1,79,645.92	1,37,938.92
Aggregate amount of profit / (Loss) Recognised	19,560.52	15,071.09
Advance Received	26,469.52	21,979.05
Retention Amount	8,305.76	7,527.90
Gross Amount due from customers for contract work	-	7,248.36
Gross amount due to customers for contract work	-	-

NOTE 38 Related Party Disclosures

The names of related parties where control exist and/or with whom transactions have taken place during the year and description of relationship as identified and certified by the management are:

A. List of Related Parties and Relationships

Subsidiaries (The Ownership Directly or Indirectly through subsidiaries)

1 MP Highways Private Limited
2 PNC Kanpur Highways Limited
3 PNC Delhi Industrialinfra Private Limited.
4 PNC Power Private Limited.

NOTE 38 Related Party Disclosures *(contd.)*

5 Hospet Bellary Highways Private Limited.
6 PNC Infra Holdings Limited
7 Ferrovia Transrail Solutions Private Limited
8 PNC Kanpur Ayodhya Tollways Private Limited
9 PNC Raebareli Highways Private Limited
10 PNC Bareilly Nainital Highways Private Limited.

Joint Ventures

1 PNC BEL Joint Venture
2 PNC TRG Joint Venture
3 PNC-SPSCPL JV (Koilwar to Bhojpur)
4 PNC-SPSCPL JV (Bhojpur to Baxur)

Associates

1 Pradeep Kumar Jain HUF
2 Naveen Kumar Jain HUF
3 Yogesh Kumar Jain HUF
4 Ghaziabad Aligarh Expressway Private Limited
5 Smt. Premwati Devi Smriti Nyas

Key Managerial Personal (KMP)

1	Pradeep Kumar Jain	(Chairman and Managing Director)
2	Naveen Kumar Jain	(Whole Time Director)
3	Chakresh Kumar Jain	(Managing Director)
4	Yogesh Kumar Jain	(Managing Director)
5	Anil Kumar Rao	(Whole Time Director)
6	D K Agarwal	(Chief Financial Officer)
7	B K Dash	(Company Secretary)

Relatives of KMP

1	Abhinandan Jain	(Son of Pradeep Kumar Jain)
2	Meena Jain	(W/o Pradeep Kumar Jain)
3	Renu Jain	(W/o Naveen Kumar Jain)
4	Madhvi Jain	(W/o Chakresh Kumar Jain)
5	Ashita Jain	(W/o Yogesh Kumar Jain)
6	Ashish Jain	(Brother In Law of promotor directors)
7	Ishu Jain	(Daughter in Law of Pradeep Kumar Jain)

Entities controlled/ influenced by KMP and their relatives with whom Transections have taken place during the period

1 PNC Mining Private Limited
2 MA Buildtech Private Limited
3 Taj Infra Builders Private Limited
4 Ideal Buildtech Private Limited
5 Subhash International Private Limited
6 Jaora Nayagaon Toll Road Company Private Limited (upto 01.01.2016)
7 Siddhi Readymix Concrete Private Limited
8 Exotica Buildtech Private Limited
9 NCJ Educational Society

NOTE 38 Related Party Disclosures *(contd.)*

B. Transactions with Related Parties

(₹ In Lacs)

S. No.	Particulars	Subsidiaries Co.	Joint Venture	Associates	KMP & Relatives	Entities controlled/ influenced by KMP and their relatives
	Transactions during the year					
1	Receipt on account of EPC and Other Contract					
	MP Highways Private Limited	-	-	-	-	-
		(440.74)	-	-	-	-
	Ideal Buildtech Private Limited	-	-	-	-	965.50
		-	-	-	-	(1,523.84)
	Ghaziabad Aligarh Expressway Private Limited	-	-	3,281.20	-	-
		-	-	(20,573.15)	-	-
	PNC BEL Joint Venture	-	-	-	-	-
		-	-	-	-	-
	PNC TRG Joint Venture	-	-	4,186.87	-	-
		-	(2,538.77)	-	-	-
	PNC Kanpur Highways Limited	1,195.28	-	-	-	-
		(16,573.45)	-	-	-	-
	PNC Bareilly Nainital Highways Private Limited	10,588.44	-	-	-	-
		(27,054.45)	-	-	-	-
	PNC Raebareli Highways Private Limited	1,145.44	-	-	-	-
		(39,637.65)	-	-	-	-
	PNC Kanpur Ayodhya Tollways Pvt Ltd	3,916.08	-	-	-	-
		(1,953.96)	-	-	-	-
	Others	74.14	-	-	-	
		(104.70)	-	-	-	-
	Total	16,919.38	-	3,281.20	-	965.50
		(85,764.95)	(2,538.77)	(20,573.15)	-	(1,523.84)
2	Payment of Rent/Services					
	Subhash International Private Limited	-	-	-	-	69.53
		-	-	-	-	(65.66)
	Exotica Buildtech Private Limited	-	-	-	-	8.40
		-	-	-	-	(8.12)
	NCJ Educational Society	-	-	-	-	-
		-	-	-	-	(95.00)
	Smt. Premwati Devi Smriti Nyas	-	-	140.00	-	-
		-	-	-	-	-
	Others	-	-	19.30	45.38	16.91
		-	-	(17.40)	(78.18)	(14.81)
	Total	-	-	159.30	45.38	94.84
		-	-	(17.40)	(78.18)	183.59
3	Salary & Perquisites					
	Pradeep Kumar Jain	-	-	-	144.00	-
		-	-	-	(144.00)	-
	Naveen Kumar Jain	-	-	-	126.00	-
		-	-	-	(126.00)	-

NOTE 38 Related Party Disclosures *(contd.)*

(₹ In Lacs)

S. No.	Particulars	Subsidiaries Co.	Joint Venture	Associates	KMP & Relatives	Entities controlled/ influenced by KMP and their relatives
	Chakresh Kumar Jain	-	-	-	126.00	-
		-	-	-	(126.00)	-
	Yogesh Kumar Jain	-	-	-	126.00	-
		-	-	-	(126.00)	-
	Others	-	-	-	204.32	-
		-	-	-	(153.93)	-
	Total	-	-	-	726.32	-
		-	-	-	(675.93)	-
4	Sale/ Purchase of Investment/ Loan and Shares Application Money in Equity Share Capital					
	PNC Infra Holdings Limited	6,554.70	-	-	-	-
		(8,200.00)	-	-	-	-
	Ghaziabad Aligarh Expressway Private Limited	4,816.00	-	-	-	-
		-	-	-	-	-
	Jaora Nayagaon Toll Road Company Private Limited	397.66	-	-	-	-
		-	-	-	-	-
	PNC Delhi Industrialinfra Private Limited	1,750.00	-	-	-	-
		(2,150.00)	-	-	-	-
	PNC Kanpur Ayodhya Tollways Private Limited	-	-	-	-	-
		-	-	-	-	-
	PNC Bareilly Nainital Highways Private Limited	2,450.00	-	-	-	-
		(3,000.00)	-	-	-	-
	MP Highways Pvt. Ltd.	100.00	-	-	-	-
		-	-	-	-	-
	PNC Raebareli Highways Pvt. Ltd.	600.00				
		-				
	PNC Kanpur Highways Limited	2,000.00	-	-	-	-
		(2,000.00)	-	-	-	-
	Others	-	-	-	-	-
		-	-	-	-	-
	Total	18,668.36	-	-	-	-
		(15,350.00)	-	-	-	-
5	Interest Income					
	PNC Delhi Industrialinfra Private Limited	517.46	-	-	-	-
		(221.94)	-	-	-	-
	Total	517.46	-	-	-	-
		(221.94)	-	-	-	-
	Amount Outstanding at Reporting Date					
1	Amount Recoverable					
	Ghaziabad Aligarh Expressway Private Limited	-	-	12,083.66	-	-
		-	-	(13,926.86)	-	-

NOTE 38 Related Party Disclosures *(contd.)*

(₹ In Lacs)

S. No.	Particulars	Subsidiaries Co.	Joint Venture	Associates	KMP & Relatives	Entities controlled/ influenced by KMP and their relatives
	Jaora Nayagaon Toll Road Company Private Limited	-	-	-	-	-
		-	-	-	-	(472.99)
	PNC Delhi Industrialinfra Private Limited	6,265.46	-	-	-	-
		(3,913.12)	-	-	-	-
	PNC Bareilly Nainital Highways Private Limited	1,809.69	-	-	-	-
		(2,846.74)	-	-	-	-
	PNC Raebareli Highways Private Limited	9,658.39	-	-	-	-
		(8,832.39)	-	-	-	-
	Hospet Bellary Highways Private Limited	-	-	-	-	-
		-	-	-	-	-
	PNC Infra Holdings Limited	11.97	-	-	-	-
		(2.27)	-	-	-	-
	PNC Kanpur Ayodhya Tollways Private Limited	378.72	-	-	-	-
		(404.84)	-	-	-	-
	MP Highways Private Limited	187.56	-	-	-	-
		(393.88)	-	-	-	
	Ferrovia Transrail Solutions Private Limited	-	-	-	-	-
		(5.95)	-	-	-	-
	PNC Kanpur Highways Limited	235.30	-	-	-	-
		(3,388.69)	-	-	-	-
	Others	-	-	-	-	-
		-	-	-	-	(0.10)
		18,547.09	-	12,083.66	-	-
		(19,787.88)	-	(13,926.86)	-	(473.09)
2	**Amount Payable**					
	PNC Kanpur Highways Limited	-	-	-	-	-
		-	-	-	-	-
	Siddhi Readymix Concrete Private Limited	-	-	-	-	-
		-	-	-	-	(9.08)
	Ideal Buildtech Private Limited	-	-	-	-	-
		-	-	-	-	(66.98)
	MP Highways Private Limited	-	-	-	-	-
		-	-	-	-	-
	PNC Kanpur Ayodhya Tollways Private Limited	-	-	-	-	-
		-	-	-	-	-
	PNC Bareilly Nainital Highways Private Limited	-	-	-	-	-
		-	-	-	-	-
	Others	-	-	-	-	-
		-	-	-	(4.76)	(0.07)
		-	-	-	-	-
		-	-	-	(4.76)	(76.13)

Figures in brackets represents previous year figures.

NOTE 39

As per Accounting Standard (AS-15) 'Employee Benefits', the disclosure of employee benefits as defined in the Accounting Standard is given below:

i) The contribution to providend fund is charged to accounts on accrual basis. The contribution made by the company during the year is ₹92.97 Lacs (previous year ₹71.08 lacs)

ii) In respect of short term employee benefits, the company has at present only the scheme of cumulative benefit of leave encashment payable at the time of retirement/ cessation and the same have been provided for on accrual basis as per actuarial valuation.

iii) Liability for retiring gratuity as on March 31, 2016 is ₹318.69 Lacs (Previous year ₹425.11 Lacs). The Liability for Gratuity is actuarially determined and provided for in the books.

iv) Details of the company's post-retirement gratuity plans and leave encashment for its employees including whole-time directors are given below, which is certified by the actuary and relied upon by the auditors

(₹ In Lacs)

I) Net Assets/(Liability) recognised in the balance Sheet	Gratuity		Leave Encashment	
	Funded	Unfunded	Unfunded	Unfunded
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Present value of Obligation	535.20	425.11	122.50	102.21
Fair value of Plan Assets	216.50	-	-	-
Liability / (Assets)	318.70	425.11	122.50	102.21
Un-recognised Past Service Cost	-	-	-	-
Liability / (Assets) recognized in the Balance Sheet	**318.70**	**425.11**	**122.50**	**102.21**
Component of Employer's Expense	-	-	-	-
Current Service Cost	71.94	57.01	23.01	11.21
Interest Cost	34.01	30.10	8.18	7.68
Expected Return on Plan Assets	(2.84)	-	-	-
Past Service Cost	-	-	-	-
Net Actuarial Gain / (Loss) recognized in the year	(9.53)	(38.27)	(10.89)	(12.71)
Expenses Recognised in the Profit And Loss Account	**93.58**	**48.84**	**20.30**	**6.18**
Movement in the Net Liability recognized in the Balance sheet	-	-	-	-
Opening Net Liability	425.11	376.27	102.21	96.03
Expenses Recognised in the Profit and Loss Account	93.58	48.84	20.30	6.18
Contribution to Gratuity Fund	(200.00)	-	-	-
Closing Net Liability	**318.69**	**425.11**	**122.51**	**102.21**
Long term Liability	190.86	339.88	91.13	80.27
Short Term Liablity	127.83	85.24	31.38	21.94

(₹ In Lacs)

II) Change in Defined Benefit Obligation	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Opening Defined Benefit Obligation	425.11	376.27	102.21	96.03
Current Service Cost	71.94	57.01	23.01	11.21
Interest Cost	34.01	30.10	8.18	7.68
Past Service Cost	-	-	-	-
Actuarial Losses / (Gain)	(9.53)	(38.27)	(10.89)	(12.71)
Benefits Paid	-	-	-	-
Closing Defined Benefit Obligation	318.69	425.11	122.51	102.21

NOTE 39 *(contd.)*

(₹ In Lacs)

III) Financial Assumptions at the valuation date:	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Discount Rate (p.a)	8.00%	8.00%	8.00%	8.00%
Expected Rate of Return on assets (p.a)	8.25%	NA	NA	NA
Salary Escalation Rate (p.a)	9.00%	9.00%	9.00%	9.00%
Attrition Rate	25.00%	20.00%	25.00%	20.00%

a) Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

b) Salary Escalation Rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

c) Attrition Rate:

The rate in current year is re-aligned with the actual.

Followings are the details regrding Gratuity & Leave encashment as required under para 120N of the Accounting Standard-15, 'Employee benefits'

(₹ In Lacs)

S. No.	Particulars	March 31, 2016		March 31, 2015		March 31, 2014	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	The present value of the defined benefit obligation	535.20	122.50	425.11	102.21	376.27	96.03
2	The fair value of the plan assets and the surplus or deficit in the plan	-	-	-	-	-	-

The experience adjustments arising on:

A	The plan liabilities expressed either as (1) an amount or (2) a percentage of the plan liabilities at the balance sheet date	535.20	122.50	425.11	102.21	376.27	96.03
B	The plan assets expressed either as (1) an amount or (2) a percentage of the plan assets at the balance sheet date.	-	-	-	-	-	-

NOTE 40 Foreign currency exposure (Unhedged)

As per Accounting Standard-11 company does not use forward exchange contracts, interest rate swaps, currency swaps, and currency options to hedge its exposure in foreign currency and interest rates.

Its foreign currency exposure is as follows:-

Particulars	As at March 31, 2016	As at March 31, 2015
Current Liability (In Euros)	11,59,494.00	4,98,195.00
Current Liability (In ₹ Lacs)	8,70,72,781.79	3,36,33,144.45

NOTE 41 Leases:

Disclosure as required under AS - 19 "Accounting for Leases" as prescribed under Companies (Accounting Standards) Rules, 2006 for the Company is given below:

(a) The Company has entered into cancellable/non-cancellable leasing agreement for office, residential and warehouse premises renewable by mutual consent on mutually agreeable terms.

(b) Future minimum lease payments under non-cancellable operating lease are as under:

(₹ In Lacs)

Particulars	Future Minimum Lease Rentals			Period of Lease
	Less Than 1 Year	Between 1 to 5 Years	More than 5 Years	
Office Premises	69.53	290.16	-	10 Years

Other than disclosed above, the company has various operating lease for premises, the lease are renewable on periodic basis and cancelable in nature, amounting to ₹368.44 Lacs (PY ₹300.75 Lacs).

The lease rentals have been included under the head "Rent" under Note No.30

NOTE 42

During the year, the company has sold its investments 24423700 equity shares of Joara Nayagoan Toll Road Co. Pvt. Ltd for a sum of ₹3419.32 Lacs.

NOTE 43

A. The Company was subject to search U/s 132 of the Income tax Act,1961 in the month of August 2011. The assessment for returns filed in response of search proceedings has been completed by the Department wherein certain additions were made and partial allowance of claims U/s 80IA which were claimed in the return filed .The Company has filed appeal against such order.

Based on the legal Opinion, the management is of the view, since the matter is subjudice and at initial level the differential tax benefit on claims of sec 80IA for the period from FY 2005-06 to FY 2011-12 and subsequent years/ period as per returns and provisions in books have not been accounted for in the books of accounts being uncertain and will be accounted for when it attains finality or reasonable admissibility ground/events/development.

B. During the year income tax assessment of FY 2012-13 was made by assessing officer allowing the benefit of section 80 IA (4) (i) and tax liability arise as per MAT provision, accordingly, company has reversed ₹1523.62 Lacs. Further, the MAT liability of ₹2371.25 lacs for the said year is eligible for MAT credit, and has been recognized accordingly. The adjustment for FY 2013-14 and 2014-15 and earlier years will be made upon completion of assessments for the relevant years.

Also based on legal opinion, the management is of the view that the benefit of section 80 IA (4) (i) will be available to company and therefore provision of tax has been made under MAT for the financial year ended 31st March, 2016, after availing deductions u/s 80 IA(4)(i) of the Income Tax Act, 1961, and said MAT liability is also available for MAT credit entitlement.

NOTE 44 Segment Reporting

The Company's operations predominantly consist of Infrastructure development and construction/project activities also the Company's operations are only in India Hence there are no reportable segments under Accounting Standard-17 issued by the Central Government.

NOTE 45 Managerial Remuneration

Profit & Loss Account includes remuneration of Chairman & Managing Director, Managing Director(s) and whole time director(s) as under:

(₹ In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Salary*	654.32	632.76
Sitting Fees	4.95	3.55

* includes incentive of ₹80.00 Lacs (₹60 Lacs) to one of the director.

(i) The above figure does not include Provision towards Gratuity Fund as separate figures are clubbed in overall expense and not segregable.

(ii) Computation of net profit accordance with section 197 of the Company's Act, 2013 has not been enumerated, as no commission is payable and remuneration has been paid as per provisions of schedule V of the Companies Act, 2013

NOTE 46

In the opinion of the Management, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated and also provision for all known liabilities have been adequately made in the accounts.

NOTE 47

In financial year ending March 31, 2016, the company has changed the accounting policy with respect to revenue recognition. As against accounting for revenue on the basis of stage of completion linked to certified completion, it is now based on physical completion of work as acknowledged by the client. The impact of change in accounting policy, while not ascertainable, is expected to be negligible.

NOTE 48

Pursuant of notification of The Companies Act 2013 (The New Act), during the previous year ending March 31 2015, company has charged the depreciation based on useful life stated in schedule II to the Companies Act 2013, and is on pro-rata basis for addition and deletions. In case of Plant & Machinery based on technical estimate (excluding Cranes & Earthmoving Equipments), the useful life is more than as prescribed in Schedule II, due to this change, the depreciation for the previous year is more by ₹64.45 Lacs as compared to depreciation as per The Companies Act 1956 and the carrying value of ₹164.66 Lacs assets whose life have already expired as per schedule II, have been adjusted from opening the General Reserve.

NOTE 49

Current year and previous year financials have been prepared as per the applicable provisions of The Companies Act 2013 read with circulars 08/2014 and section 133 of The Companies Act 2013 read with rule 7 of Companies (Accounts) Rules 2014 issued by MCA considering of existing Accounting Standards notified under Companies Act-1956 till the time Accounting Standards are stated by the Central Government in Consultation & Recommendation of National Financial Reporting Authority.

NOTE 50

During the Year the Initial Public Offer of the Company was opened from May 08, 2015 to May 12, 2015, for the total size of 1,29,21,708 (One Crore Twenty Nine lacs twenty One Thousands seven Hundred eight) Equity Shares of face value of ₹10 each, comprising of a fresh issue to the public of 1,15,00,000 Equity Shares of ₹10 each and an Offer for Sale of 14,21,708 Equity Shares by NYLIM Jacob Ballas India (FVCI) III LLC . The Company allotted 1,15,00,000 Equity Shares of ₹10 each on 20th May, 2015. Thus, the Paid-up Share Capital of the Company is increased from ₹39,80,78,330 to ₹51,30,78,330.

Subsequent to the above, BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) had admitted 5,13,07,833 Equity Shares of ₹10 each of the Company for Listing and Trading in electronic form at BSE and NSE with effect from 26th May, 2015.

NOTE 51

The Board of Directors have recommended a dividend of 25% i.e. ₹.2.50 per equity shares of ₹10/- each, for the financial year ended 31st March, 2016, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

NOTE 52

The details of utilization of IPO proceeds is as under:

(₹ In Lacs)

S. No.	Particulars	Objects of the Issue as per Prospectus	Total utilization up to March 31, 2016	Amount pending utilization
1	Funding working capital requirement	15,000.00	15,000.00	-
2	Investment in our subsidiary, PNC Raebareli Highways Private Limited for part-financing the Raebareli-Jaunpur Project	6,500.00	6,500.00	-
3	Investment in capital equipment	8,506.00	6,947.00	1,559.00
4	Repayment / prepayment of certain indebtedness	3,514.00	3,514.00	-
5	General corporate purposes	8,110.00	8,110.00	-
6	Issue related expenses (only those apportioned to our company)	1,840.00	1,751.00	89.00
	Total	**43,470.00**	**41,822.00**	**1,648.00**

NOTE 53

Previous year figures have been re-classified or re-grouped whereever considered necessary.

As per our report of even date attached.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No. 95960

Purushottam Agrawal & Co.
Chartered Accountants
Firm Registration No. 000731C

Sanjay Agarwal
Partner
Membership No. 72696

On behalf of the Board of Directors

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Chakresh Kumar Jain
Managing Director
DIN: 00086768

Place: Agra
Date: May 27, 2016

Binaya Kumar Dash
Company Secretary

D K Agarwal
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To
The Members of
PNC INFRATECH LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of PNC INFRATECH LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates, jointly controlled entities and its Joint Venture, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Management is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates, Jointly controlled entities and Joint Venture in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates, jointly controlled entities and Joint venture as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying, we draw attention to note no.47 of the financial statement stating that change in revenue recognition on the basis of stage of completion linked to certified

completion to physical completion of work as acknowledged by the client. The impact of change in accounting policy, while not ascertainable, is expected to be negligible.

Other Matters

We did not audit the financial statements 10 subsidiaries, whose financial statements reflect total assets of ₹2,62,666.20 Lacs as at 31st March, 2016, total revenues of ₹43,809.02 Lacs and net cash flows amounting to ₹(1040.90) Lacs for the year ended on that date, as considered in the consolidated financial statements. The financial statements of 8 subsidiaries have been audited by other auditors and two subsidiaries have been audited by one of the Joint auditor, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries company,

We also did not audit the result of one associate whose loss after tax is ₹(3734.63) lacs for the Year ended 31.03.2016 and two joint ventures for which the operations have yet to commence as considered in Consolidated Financial Statements The financial statements of the associates have been audited by other auditors, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the Associates Company .

Our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly controlled entities, associates and Joint Ventures, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

The Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act is not applicable for Consolidated Financial Statements in pursuance of notification dated 29th March, 2016 issued by Ministry of Corporate Affairs, so the matters specified in paragraphs 3 and 4 of the Order has not been annexed.

1. As required by Section143(3) of the Act, we report, to the extent applicable, that:

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

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (d) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

   (e) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company & its Group Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure - A".

2. 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as per note no 34 to the consolidated financial statement

   ii. As explained to us, there is notany material foreseeable losses, on long term contracts, therefore the Company has not made any provision, required under the applicable law or accounting standards;

   iii. As informed to us there has been no amount required to be transfer to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Reg. No. 000756N

(Neeraj Bansal)
Partner
Membership No. 95960

For **Purushottam Agrawal & Co.**
Chartered Accountants
Firm Reg. No. : 000731C

(Sanjay Agarwal)
Partner
Membership No. 72696

Place: Agra
Date: May 27, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PNC INFRATECH LIMITED

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

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") In conjunction with our audit of the consolidated financial statements of the PNC Infratech Limited ('Company') as of and for the year ended March 31, 2016,

We have audited the internal financial controls over financial reporting of PNC Infratech Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates, jointly controlled entities and its Joint Venture, 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, its subsidiary companies, its associate companies , jointly controlled and Joint venture 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

We believe that the audit evidence , we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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

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

In our opinion based on summarised observation on Internal Financial Control Report, the Group has, in majority of aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at March 31, 2016, based on "the internal control over financial reporting system & procedures", 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".

Other Matters

Our aforesaid reports under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 10 subsidiaries, internal financial controls over financial reporting of 8 subsidiaries have been audited by other auditors and 2 subsidiaries have been audited by one of the Joint Auditor, whose reports have been furnished to us by the Management, the consolidated Internal financial controls over financial reporting is based on the corresponding reports of the auditors / management of such companies and

We also did not audit the result one associate. Internal financial controls over financial reporting have been audited by other auditors whose reports have been furnished to us by the Management, the consolidated internal financial controls over financial reporting is based on the corresponding reports of the auditors of such companies incorporated in India and two unincorporated joint ventures for which the operations have yet to commence.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Reg. No. 000756N

(Neeraj Bansal)
Partner
Membership No. 95960

For **Purushottam Agrawal & Co.**
Chartered Accountants
Firm Reg. No. : 000731C

(Sanjay Agarwal)
Partner
Membership No. 72696

Place: Agra
Date: May 27, 2016

CONSOLIDATED BALANCE SHEET as at March 31, 2016

(₹ in Lacs)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	5,130.78	3,980.78
(b) Reserves and surplus	3	1,25,843.64	83,127.34
2 Share Application money pending Allotment		-	-
3 Minority Interest		5.10	5.13
4 Non-current liabilities			
(a) Long-term borrowings	4	1,57,354.06	1,30,656.07
(b) Deferred tax liabilities (Net)	5	-	97.28
(c) Other long term liabilities	6	15,838.21	25,447.67
(d) Long-term provisions	7	283.36	421.43
5 Current liabilities			
(a) Short-term borrowings	8	2,991.72	32,834.52
(b) Trade payables	9	20,462.26	11,113.53
(c) Other current liabilities	10	27,439.27	19,281.61
(d) Short-term provisions	11	3,699.39	2,777.16
TOTAL		3,59,047.79	3,09,742.52
ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12	21,699.81	21,683.71
(ii) Intangible assets	13	2,07,101.40	46,646.50
(iii) Capital work-in-progress	14	186.82	566.34
(iv) Intangible asset under development	15	-	1,47,655.88
(b) Non-current investments	16	5,538.42	9,287.91
(c) Deferred tax assets		317.09	-
(d) Long-term loans and advances	17	24,712.70	11,729.94
(e) Other non-current assets	18	613.44	889.86
2 Current assets			
(a) Current Investment	19	1,019.21	87.74
(b) Inventories	20	23,637.75	22,252.63
(c) Trade receivables	21	41,206.88	26,441.76
(d) Cash and bank balances	22	10,658.16	4,109.62
(e) Short-term loans and advances	23	20,844.20	18,221.86
(f) Other current assets	24	1,511.91	168.77
TOTAL		3,59,047.79	3,09,742.52
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS	1 to 55		

As per our report of even date attached.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No. 95960

Purushottam Agrawal & Co.
Chartered Accountants
Firm Registration No. 000731C

Sanjay Agarwal
Partner
Membership No. 72696

On behalf of the Board of Directors

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Chakresh Kumar Jain
Managing Director
DIN: 00086768

Place: Agra
Date: May 27, 2016

Binaya Kumar Dash
Company Secretary

D K Agarwal
Chief Financial Officer

STATEMENT OF CONSOLIDATED PROFIT AND LOSS for the period ended March 31, 2016

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue from operations	25	2,39,459.63	1,86,088.62
Other income	26	1,664.63	1,214.46
Total Revenue		**2,41,124.26**	**1,87,303.08**
Expenses:			
Cost of materials consumed	27	88,047.73	67,747.25
(Increase)/decrease in inventories of work-in-progress	28	3,450.66	(6,008.15)
Employee benefits expense	29	9,531.31	8,137.14
Finance costs	30	12,874.93	9,251.39
Depreciation and amortization expenses	31	10,907.96	6,034.33
Other expenses	32	97,695.39	88,225.03
Total expenses		**2,22,507.98**	**1,73,386.99**
Profit before exceptional and extraordinary items and tax		**18,616.28**	**13,916.09**
Exceptional items		-	-
Profit before extraordinary items and tax		**18,616.28**	**13,916.09**
Extraordinary Items		-	-
Profit before tax (A)		**18,616.28**	**13,916.09**
Tax expense:			
Current Tax		4,260.27	4,996.65
Mat Credit Entitlement		(4,244.46)	
Taxes of earlier years including MAT Credit Entitlement*		(3,894.87)	-
Deferred Tax Charge/(Credit)	5	(422.29)	(208.91)
Total Tax (B)		**(4,301.35)**	**4,787.74**
Profit after tax		**22,917.63**	**9,128.35**
-Add/(Less): Share in profit/(loss) of Associates		(1,307.12)	-
-Add/(Less): Minority Interest		(0.11)	0.06
Profit/(Loss) for the period (A - B)		**21,610.40**	**9,128.41**
Earnings per equity share of ₹10 each			
Basic (in ₹)		**43.42**	**22.93**
Diluted (in ₹)		**43.42**	**22.93**
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS	1 to 55		

As per our report of even date attached.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No. 95960

Place: Agra
Date: May 27, 2016

Purushottam Agrawal & Co.
Chartered Accountants
Firm Registration No. 000731C

Sanjay Agarwal
Partner
Membership No. 72696

Binaya Kumar Dash
Company Secretary

On behalf of the Board of Directors

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Chakresh Kumar Jain
Managing Director
DIN: 00086768

D K Agarwal
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2016

(₹ in Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and exceptional items	18,616.29	13,916.09
Adjustments for:		
Depreciation and amortization expenses	10,907.96	6,034.34
Finance cost	12,874.93	9,251.39
Interest Income	(411.38)	(702.15)
Loss/(Profit) on Sale of Investments(Net)	(1,108.31)	-
Loss/(Profit) on Sale of Fixed Assets(Net)	(30.56)	16.53
Miscellaneous Expenses written off	11.69	62.80
Other Non- Cash items	1.46	23.30
Operating Profit Before Working Capital Changes	40,862.08	28,602.30
Adjustments for changes in Working Capital :		
(Increase)/Decrease in Inventories	(1,385.12)	(11,769.18)
(Increase)/Decrease in Trade Receivables	(14,765.12)	(7,271.38)
(Increase)/Decrease in Other Receivables	(16,683.52)	(4,904.45)
Increase/(Decrease) in Trade Payables	9,348.73	2,364.71
Increase/(Decrease) in Other Payables	(30,510.46)	22,651.30
Cash Generated From Operations	(13,133.41)	29,673.30
Taxes Paid (net of refunds)	(15.81)	(4,996.65)
Cash Generated before Prior Period Item	(13,149.22)	24,676.65
Tax for Earlier Years	3,894.87	-
Net Cash Generated after Prior Period Item	(9,254.35)	24,676.65
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,71,378.97)	(98,740.25)
(including Capital work in progress)		
Sale of Fixed Assets	1,48,065.98	118.92
Sale of Investments	3,617.22	1,135.13
Purchase of Investment	(998.02)	-
Interest Income	411.38	702.15
Net Cash Used in Investing Activities	(20,282.41)	(96,784.05)
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	1,150.00	-
Proceeds from Security Premium	40,569.82	-
Receipt of Subsidy/Addition/(Adjustment) in Capital Reserve	(17,847.00)	8,098.00
Proceeds from Long Term Borrowings	33,891.78	61,309.48
Repayment of Long Term Borrowings	(7,193.79)	(3,122.40)
Proceeds from Working Capital Borrowings from Banks (Net)	-	8,552.55
Finance cost paid	(12,874.93)	(9,251.39)
Dividend Paid (including tax thereon)	(1,610.58)	(926.33)
Net Cash Used in Financing Activities	36,085.30	64,659.91
Net Increase/(Decrease) in Cash & Cash Equivalents	6,548.54	(7,447.49)
Opening Cash and Cash Equivalents	4,109.62	11,557.11
Closing Cash and cash equivalents	10,658.16	4,109.62

CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31, 2016

Notes:

(₹ in Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Notes:		
1 Closing Cash and cash equivalents Comprise :		
Cash & Cash Equivalents		
Cash in hand	299.20	256.25
Cheques in hand	-	-
Bank Balances with Scheduled Bank:		
In Current Account	4,782.49	1,340.77
In Term Deposits (Less than 3 months)	1,566.60	935.12
Fixed Deposits (More than 3 months and less than 12 Month)	89.91	-
Other Bank Balances:		
(with maturity less than 3 months maturity)		
Earmarked Term deposits as Margin money for bank guarantee	585.98	380.10
Earnest money deposits	353.62	113.24
FDR In Hand (Earmarked)	1,559.00	-
Current Account (Earmarked)	89.06	-
(with maturity more than 3 months but upto 12 months)		
Earmarked Term deposits as Margin money for bank guarantee	1,301.53	1,051.94
Earnest money deposits	30.77	32.20
Total	10,658.16	4,109.62

2 Figures in bracket indicate cash outflow.

3 The above cash flow statement has been prepared under the indirect method set out in AS-3 notified under the Companies Act, 2013

4 Previous year figures have been regrouped and reclassified wherever necessary to conform to the current year's classification.

5 This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date attached.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No. 95960

Purushottam Agrawal & Co.
Chartered Accountants
Firm Registration No. 000731C

Sanjay Agarwal
Partner
Membership No. 72696

On behalf of the Board of Directors

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Chakresh Kumar Jain
Managing Director
DIN: 00086768

Place: Agra
Date: May 27, 2016

Binaya Kumar Dash
Company Secretary

D K Agarwal
Chief Financial Officer

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the period ended March 31, 2016

COMPANY OVERVIEW

PNC Infratech Limited was incorporated on 9th August 1999 as PNC Construction Company Private Limited. The Company was converted into a limited company in 2001 and was renamed PNC Infratech limited in 2007. The company has raised the Equity Share Capital by issue and allotment of Equity Shares through Initial Public Offer (IPO) during the current Financial Year in May, 2015 and listed with National Stock Exchange and Bombay Stock Exchange.

The Company is engaged in India's infrastructure development through the construction of highways including BOT (built, operate and transfer projects), airport runways, bridges, flyovers and power transmission projects, development of dedicated freight corridors(Railway), operation & maintenance of industrial area including sewerage plant among others.

In case of BOT, the company bid as a sponsor either alone or in the joint venture with other venture and once the project is awarded then it is executed by incorporating a company (special purpose vehicle) as subsidiary or associate.

The Company's registered office is located in New Delhi, corporate office in Agra and operations are on PAN India basis which are currently spread across Haryana, Karnataka, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttarakhand, Assam and West Bengal and Bihar among others.

The Company is ISO 9001:2008-certified, awarded 'SS' (Super Special) class from the Military Engineering Services as well as appreciation from NHAI and the Military Engineer Services, Ministry of Defense.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of preparation of Consolidated financial statements:

These Consolidated financial statements of PNC INFRATECH LIMITED ("The Company") and its subsidiary and associate company (collectively known as "The Group") have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government in exercise of the power conferred under sub-section (1) (a) of section 642 and the relevant provisions of the Companies Act, 1956 read with the Rule 7 of Companies (Accounts) Rules, 2014 in respect of section 133 of the Companies Act, 2013 (The Act). The Financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company unless otherwise stated.

During the previous year ended 31st March, 2015, the Schedule III notified under the Companies Act, 2013 has become applicable to the Company for the preparation and presentation of its financial statements, accordingly previous years' figures have been re-grouped/ re-classified wherever applicable. Appropriate re-classifications/ adjustments have been made in the consolidated Financial Statements wherever required, by re-classification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the presentation and recognition as per the audited financial statements of the Company.

These Financial Statements are prepared in accordance with generally accepted accounting principles in India under the historical cost convention on going concern basis.

Further, these Consolidated Financial Statements are prepared to comply with all material aspects with Accounting Standards Companies (Accounting Standards) Rules, 2006, read with Rule 7 of Companies (Accounts) Rules, 2014. The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis to the extent measurable and where there is certainty of ultimate collection.

1.2. Use of estimates:

The preparation of consolidated financial statements is in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures of contingent liabilities at the date of financial statements and results of operations during the reporting period. Although these estimates are based upon management's basic knowledge of current events and actions, actual results could differ from these estimates. Differences between actual results and estimates are recognized in the year in which the results are shown /materialized.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

1.3. Principles of Consolidation

The Consolidated Financial Statements relate to PNC Infratech Limited ("the Company") and its subsidiary and Associate companies. The Consolidated Financial Statements have been prepared on the following basis:

a) The consolidated financial statements of the Company and its subsidiary and associate companies have been prepared in accordance with Accounting Standard (AS-21) 'Consolidated Financial Statements'.

b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements except as mentioned in point (c) below.

c) In case of a subsidiary, Contract revenue is recognized under percentage of completion method. The Stage of Completion is determined on the basis of total completion i.e. aggregate of certified and uncertified work of physical proportion of the contract work.

d) The financial statement of the Company, its subsidiary and associate companies is consolidated on a line by line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating all inter-company transactions, balances and the unrealized profit or losses on transactions except as stated in point (e) below.

e) The Build, Operate and Transfer (BOT) contracts are governed by concession agreements with government authorities (grantor).Under these agreements, the operator does not own the road, but gets "toll collection rights" against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, profit from such contracts is considered as realised.

   Accordingly, BOT contracts awarded to group companies (operator), where work is subcontracted to fellow group companies or "the company", the intra group transactions on BOT contracts and the profits arising thereon are taken as realised and hence not eliminated.

f) The difference between the cost of investment in the subsidiaries and the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as goodwill or capital reserve as the case may be.

g) Minority Interest in share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Company.

h) Minority's interest in the net assets of the consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and the equity of the Company's shareholders.

i) Minority's interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to minorities on which investment in a subsidiary is made and the minorities' share of movements in the equity since the date the parent subsidiary relationship comes into existence.

j) If the losses applicable to the minority in a consolidated subsidiary exceed the minority interest in the equity of the subsidiary. The excess, and any further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the majority interest until the minority's share of losses previously absorbed by the majority has been recovered.

k) Investment in associate companies have been accounted for, by using equity method whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post-acquisition change in the Company's share of net assets of the associate, in accordance with the Accounting Standard (AS-23) 'Accounting for Investment in Associates in Consolidated Financial Statements'.

l) Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard (AS-27) 'Financial Reporting of Interests in Joint Ventures'. However Joint Ventures where interest exceeds 50%

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

have been consolidated in accordance with Para 6 of Accounting Standard (AS-27) 'Financial Reporting of Interests in Joint Ventures' i.e. consolidated as subsidiary.

m) Investments other than in subsidiaries, associates and joint ventures have been accounted as per Accounting Standard (AS-13) 'Accounting for investments'.

n) Figures pertaining to the subsidiaries, associates and joint ventures have been re-classified wherever necessary to bring them in line with the parent company's financial statements.

o) The list of subsidiaries, associates and joint ventures which are included in the consolidation and the Company's holdings therein are as under:

Name of Subsidiary	Category	Country of Incorporation	Shareholding as at March 31, 2016
Hospet Bellary Highways Pvt.Ltd.	Subsidiary	INDIA	65.00%
MP Highways Private Limited	Subsidiary	INDIA	100.00%
PNC Delhi Industrialinfra Private Limited	Subsidiary	INDIA	100.00%
PNC Kanpur Ayodhya Tollways Private Limited	Subsidiary	INDIA	100.00%
PNC Kanpur Highways Limited	Subsidiary	INDIA	100.00%
Ferrovia Transrail Solutions Private Limited	Subsidiary	INDIA	51.00%
PNC Bareilly Nainital Highways Private Limited	Subsidiary	INDIA	100.00%
PNC Infra Holdings Limited	Subsidiary	INDIA	100.00%
PNC Power Private Limited	Subsidiary	INDIA	72.60%
PNC Raebareli Highways Private Limited	Subsidiary	INDIA	100.00%
Ghaziabad Aligarh Expressway Pvt Ltd	Associate	INDIA	35.00%

1.4. Fixed assets and capital work in progress:

Tangible Assets

Tangible fixed assets are stated at cost less depreciation and impairment losses, if any. Cost includes cost of acquisitions or construction including incidental expenses thereto and other attributable cost of bringing the assets to its working condition for the intended use and is net of recoverable duty /tax credits.

Intangible Assets

Intangible assets are stated at cost of acquisition net of accumulated amortization and impairment losses if any. These assets include all duties, on-refundable taxes, levies and cost incurred (which are directly attributable) for bringing assets into working conditions for its intended use.

Intangible Assets under development

Expenditure related to and incurred during development of BOT Projects and other Assets are included under "Intangible assets under development". The same will be transfer to the respective assets on its completion.

Capital Work in progress

Capital work in progress comprises of expenditure, direct or indirect incurred on assets which are yet to be brought into working condition for its intended use.

1.5. Depreciation & amortization:

Depreciation of Fixed Assets is provided on straight line method (other than specified Plant & Machinery which are depreciated on written down value basis) based on useful life stated in schedule II to the Companies Act 2013, and is on pro-rata basis for addition and deletions. In case of Plant & Machinery (excluding Cranes & Earth Moving Equipments), as per technical estimate, the useful life is more than as stated in Schedule II.

Intangible assets are amortized on straight line method over the expected duration of benefits not exceeding 10 years. The period of amortization is decided in accordance with the Accounting Standard (AS -26) "Intangible Assets".

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

Intangible Asset i.e. Right to Collect Toll, is amortized based on the actual collection in proportion to the projected toll revenue over the concession period as specified by Schedule II of the Act. Projection is reviewed at periodic intervals for consistency and appropriateness. Amortisation is revised in case there is a material change in the projected toll Revenue. Amortisation of these Intangible Assets commence from the date of actual toll collection.

1.6. Cash & cash equivalents:

Cash & cash equivalents comprise of cash at bank and cash-in-hand. The Company considers all highly liquid investments which are subject to an insignificant risk of change in value with an original maturity of three months or less from date of purchase to be cash equivalent.

1.7. Government Grants

Grants and subsidies from the government are recognized when there is reasonable assurance that

(i) the Company will comply with the conditions attached to them, and

(ii) such benefits have been earned by the enterprise and it is reasonably certain that the ultimate collection will be made. Where the government grants are of the nature of promoters' contribution, i.e., they are given with reference to the total investment in undertaking or by way of contribution towards its total capital outlay and no repayment is ordinarily expected in respect thereof, the grants are reduced from cost of Capital Assets.

Government grants in the form of Annuity related to revenue are recognized on annual accrual basis in the profit and loss statement over the concession period.

1.8. Revenue Recognition:

Construction Contract: Contract revenue is recognized under percentage of completion method. The Stage of Completion is determined on the basis of physical completion of work as acknowledged by the client.

Revenue related claims are accounted for in the year in which arbitration award is awarded/settled or accepted by customer or there is a tangible evidence of acceptance received.

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

Other sales are accounted for on dispatch of material and exclude applicable sales tax/VAT and are net of discount.

Revenue from Joint Venture contracts is accounted for net of joint venture share, under turnover, in these financial statements. Agency charges, if any, are accounted for on receipt basis as other operating income.

The income from Toll contracts on BOT/OMT basis are recognized on actual collection of toll revenue.

1.9. Other Income:

Interest income is generally recognized on a time proportion basis by considering the outstanding amount and applicable rate.

In the absence of ascertainment with reasonable certainty the quantum of accruals in respect of claims recoverable, the same is accounted for on receipt basis. Income from investments is accounted for on accrual basis when the right to receive income is established.

Income from dividend is recognized when the right to received is established.

1.10. Inventories:

The stock of raw material, stores, spares and embedded goods, and fuel is valued at lower of cost or net realizable value. Cost is computed on first in first out basis.

Work-in- progress is valued at the item rate contracts in case of completion of activity by project department, in case where the Work in progress is not on item rate contract stage then item rate contract are reduced by estimated margin or estimated cost of completion and/or estimated cost necessary to make the items rates equivalent to Stage of Work-in- progress.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

1.11. Investments:

Non-current investments are carried at cost. Provision is made when, in the opinion of the management, diminution in the value of investment is other than temporary in nature. The reduction in carrying amount is reversed when there is a rise in value of investments or if the reason for the reduction no longer exists.

Current investments which are intended to be held for not more than one year from the date of acquisition are valued at lower of cost and fair market value.

1.12. Accounting For Leases:

Finance Lease is recognized as an asset and liability to the lessor at fair value at the inception of the lease.

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit & Loss on a straight-line basis over the period of lease; or any other appropriate basis.

1.13. Employee Benefits:

Expenses and liabilities in respect of employee benefits are recorded in accordance with Accounting Standards (AS-15) "Employee Benefits"

Post employment benefit plans

Provident Fund: The contribution to provident fund is in the nature of defined contribution plan. The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952.The contribution paid or payable is recognized as an expense in the period in which services are rendered.

Gratuity (Funded): Gratuity is in the nature of defined benefit plan. The cost is determined using the projected unit credit method with actuarial valuation being carried at cash at each Balance Sheet date by an independent actuary. The retirement benefits obligation recognized in the Balance Sheet represent the present value of defined benefit obligation as adjusted for recognized past service cost. Actuarial gains and losses are recognized in full in the Statement of Profit & Loss for the period in which they occur. The company has taken Group Gratuity Policy of LIC of India.

Other long term employee benefits (unfunded)

The cost of long term employee benefits is determined using project unit credit method and is present value of related obligation, determined by actuarial valuation done on Balance Sheet date by an independent actuary. The unrecognized past service cost and actuarial gain & losses are recognized immediately in the Statement of Profit & Loss in which they occur.

Short term employee benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the period in which the employee render the service.

1.14. Transactions in foreign currencies:

All transactions in respect of foreign currency are recorded at exchange rate prevailing on the date of the transactions.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period, using closing rate.

Exchange differences on restatement/settlements of monetary items are recognized in the Statement of Profit & Loss.

1.15. Borrowing costs:

Borrowing costs that are attributed to the acquisition or construction of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES *(contd.)*

1.16. Segment Reporting:

The Company's operations pre-dominantly consist of infrastructure development & construction, hence it operates in two business segments. Thus, the reporting requirement has been complied as per Accounting Standard (AS-17) Segment Reporting.

1.17. Earnings per share:

The Company reports basic and diluted earnings per share in accordance with Accounting Standard (AS-20).

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity share holder by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit for the year, adjusted for the effects of dilutive potential equity share, attributable to the equity share holders by the weighted average number of the equity shares and dilutive potential equity share outstanding during the year except where the results are anti dilutive.

1.18. Taxation:

The tax expense comprises of current tax & deferred tax charged or credited to the Statement of Profit and Loss for the year.

Current tax is determined as an amount of tax payable in respect of taxable income for the year in accordance with the Income Tax Act, 1961.

The deferred tax for timing difference between the book and tax profit for the year is accounted using the tax rate and laws that have been enacted or substantively enacted as on the Balance Sheet date in accordance with Accounting Standard(AS-22) 'Accounting for taxes on income'.

1.19. Impairment of assets:

The carrying amount of assets, other than inventories is reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists the recoverable amount of assets is estimated. The recoverable amount is greater of asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present value. An impairment loss is recognised whenever the carrying amount of assets or its cash generating unit exceeds its recoverable amount.

1.20. Miscellaneous Expenditures

Preliminary Expenses and pre private equity expenses are being written off in five year from commencement of operation/ the year of expenses respectively.

Pre IPO expenses to be adjusted from the security premium reserve of proposed issue.

1.21. Claims & Counter Claims

Claims and counter claims including under arbitrations are accounted for on their final settlement/ Award. Contract related claims are recognized when there is a reasonable certainty.

1.22. Provisions, Contingent liabilities and contingent assets:

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that outflow of reasons embodying economic benefits will be required to settle the obligation.

When it is not probable and amount cannot be estimated reliably than it is disclosed as contingent liabilities unless the probability of outflow of reasons embodying economic benefits is remote. Possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events are also disclosed as contingent liabilities unless the probability of outflow of resource embodying economic benefit is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

NOTE 2 Share Capital

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Authorised		
Equity Shares of ₹10/- each		
55,000,000 (Previous Year 55,000,000)	5,500.00	5,500.00
	5,500.00	5,500.00
Issued ,Subscribed & Fully Paid up		
Equity Shares of ₹10/- each		
51,307,833 (Previous Year 39,807,833)	5,130.78	3,980.78
Total	5,130.78	3,980.78

A Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	Nos.	Nos.
Opening	3,98,07,833	3,98,07,833
Add: Issued during the period	1,15,00,000	-
Less: Deductions	-	-
Closing	5,13,07,833	3,98,07,833

B Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Shareholder's Name	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015	As at March 31, 2015
	Nos.	%	Nos.	%
Madhavi Jain	35,99,700	7.02	35,99,700	9.04
Naveen kumar Jain	35,51,625	6.92	35,51,625	8.92
HDFC Mutual Fund	33,56,232	6.54	-	-
NYLIM Jacob Ballas India (FVCI) Fund III, LLC	33,43,436	6.52	56,86,833	14.29
Yogesh Kumar Jain	32,91,225	6.41	32,91,225	8.27
Alberta Merchants Private Limited	31,62,500	6.16	31,62,500	7.94
Pradeep Kumar Jain	30,02,325	5.85	30,02,325	7.54
Renu Jain*	-	-	23,34,300	5.86
PNC Project Private Limited*	-	-	21,33,000	5.36

*The % shares reduced below 5% during the year.

C Rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In case any dividend is proposed by the Board of Directors the same is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of Interim Dividend. There are no restrictions attached to Equity Shares except the restrictions in pursuant to listing of equity shares dated 26.05.2015.

D No Bonus Shares/Shares have been issued for consideration other than cash and no Shares have been bought back during the period of five years immediately preceding the current financial year.

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the period ended March 31, 2016

NOTE 3 Reserves and Surplus

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Securities premium reserves		
Opening Balance	18,448.90	18,448.90
(+) Addition During the period	42,320.82	-
(-) Utilization During the period	1,751.00	-
Closing Balance	**59,018.72**	**18,448.90**
General Reserve		
Opening Balance	128.96	293.62
(+) Current period Transfer from Statement of Profit & Loss	-	-
(-) Adjustment during the period	6.33	164.66*
Closing Balance	**122.63**	**128.96**
Capital Reserve		
Opening Balance	17,847.00	9,749.00
(+) Current period Transfer from Profit & Loss A/c	4,107.00	8,098.00
(-) Adjusted against Intangible Assets**	(21,954.00)	-
Closing Balance	**-**	**17,847.00**
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	46,702.47	38,500.39
(+) Net Profit for the current period	21,610.40	9,128.42
Amount available for appropriation	68,312.87	47,628.81
(-) Proposed Dividends on Equity Shares	1,282.70	769.64
(-) Corporate Dividend Tax	327.88	156.69
Closing Balance	**66,702.29**	**46,702.48**
Total	**1,25,843.64**	**83,127.34**

** The Capital Grant received from client is adjusted against Concession Rights (Refer to Note no. 13)

* Refer to Note No. 48

NOTE 4 Long Term Borrowings

Secured		
Term loans -from banks	1,57,350.55	1,23,458.77
Term loans -from NBFCs	3.51	7,197.30
Total	**1,57,354.06**	**1,30,656.07**

The requisite particulars in respect of secured borrowings are as under:

(₹ In Lacs)

Particulars	Total EMI	Current Maturity	Non-Current Maturity
Term Loan From Banks	**1,62,051.08**	**4,700.53**	**1,57,350.55**
	(1,29,162.80)	(5,704.03)	(1,23,458.77)
Term Loan From NBFCs	**47.94**	**44.43**	**3.51**
	(7,245.34)	(48.04)	(7,197.30)
Total	**1,62,099.02**	**4,744.96**	**1,57,354.06**
	(1,36,408.14)	(5,752.07)	(1,30,656.07)

NOTE 5 Deferred tax Asset/(Liability)

(₹ In Lacs)

Particulars	As at March 31, 2016	Charge/(Credit) during the year	As at March 31, 2015	Charge/(Credit) during the year	As at March 31, 2014
Deferred Tax Assets on account of :					
Gratuity & Leave encashment	151.25	(27.99)	179.24	26.00	153.24
Pre IPO & PE Expenses	20.72	20.72	-	-	-
Difference between Book and tax depreciation	69.72	69.72	-	-	-
Bonus	-	-	-	-	-
Provision for Doubtful Debts	-	(12.04)	12.04	8.10	3.93
Total Deferred tax Assets	241.69	50.41	191.28	34.10	157.17
Deferred Tax Liabilities on account of :					
Difference between Book and tax depreciation	(75.40)	(345.26)	269.86	(167.53)	437.34
Pre IPO & PE Expenses	-	(18.70)	18.70	(6.65)	25.35
Total Deferred tax liabilities	(75.40)	(363.96)	288.56	(174.18)	462.69
Total Deferred Tax (Net)	**317.09**	414.37	**(97.28)**	208.28	**(305.52)**
Reversal of DTL	-	-	-	-	-
Total Deferred Tax (Net of Reversal)	**317.09**	414.37	**(97.28)**	208.28	**(305.52)**

NOTE 6 Other Long Term Liabilities

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Payables		
Retention from contractors/suppliers	5,563.05	5,489.17
Capital Creditors	742.79	275.60
Others		
Advances from customers	8,891.39	18,746.34
Security received from contractor/suppliers	52.40	58.78
Interest payable	588.58	877.78
Total	**15,838.21**	**25,447.67**

NOTE 7 Long Term Provisions

Provision for employee benefits*		
Gratuity	192.23	341.17
Leave Encashment (unfunded)	91.13	80.26
Total	**283.36**	**421.43**

* Refer to Note No. 40

NOTE 8 Short Term Borrowings

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured		
Working Capital Loans - repayable on demand	-	30,026.47
Unsecured		
Loan repayable on demand from Related party	456.24	-
Others Repayable on demand	2,535.48	2,808.05
Total	**2,991.72**	**32,834.52**

The requisite particulars in respect of secured borrowings are as under:

Particulars	Particulars of security/guarantee
Loan repayable on demand from banks-	
Working Capital Loans	Cash credit facilities and working capital demand loans from consortium of banks are secured by: (i) Hypothecation against first charge of Stocks via raw material, stocks in process, finished goods, stores and spares and book debts of the company. (ii) Further secured by hypothecation of plant & machinery (excepting to hypothecated to Banks and NBFCs) (iii) Equitable mortgage of 6 properties (Land & Building) as per joint deed of Hypothecation belonging to the Directors and group company. (iv) Corporate Guarantee of Taj Infrabuilders Private Limited. (v) Personal guarantee of promoters.

NOTE 9 Trade Payables

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Dues of MSME parties*	-	-
Dues of other than MSME parties**	20,462.26	11,113.53
Total	**20,462.26**	**11,113.53**

* There are no dues payable to parties to the extent of information received by Company under the Micro, small & medium Enterprises Development Act, 2006.

**Including retention money ₹1,194.09 Lacs (Previous Year ₹749.09 Lacs)

NOTE 10 Other Current Liabilities

(₹ In Lacs)

Particulars		As at March 31, 2016	As at March 31, 2015
Current maturities of long-term debt			
From Banks		4,700.53	5,704.03
From NBFCs		44.43	48.04
Total Current maturity of long term debt	(A)	**4,744.96**	**5,752.07**
Advance received from contract customer and others		17,706.60	3,345.52
Share Application Money		-	-
Other payables			
Due to employees		1,098.68	1,046.10
Statutory dues		929.09	2,235.18
Bank Overdraft (Book Overdraft)		18.67	-
Creditors - Capital Goods		-	4,062.60
Others*		2,941.27	2,840.14
Total Others	(B)	**22,694.31**	**13,529.54**
Total	(A + B)	**27,439.27**	**19,281.61**

* For details refer to Note No. 36

NOTE 11 Short Term Provisions

Provision for employee benefits*			
Gratuity		127.84	85.25
Leave Encashment (unfunded)		31.51	23.24
Others			
Provisions for Income Tax		1,929.46	1,742.37
Provisions for Proposed Dividend		1,282.70	769.62
Provisions for Corporate Dividend tax		327.88	156.68
Total		**3,699.39**	**2,777.16**

* For details refer to Note No. 40

NOTE 12 Tangible Assets

(₹ In Lacs)

Particulars	Gross Carrying Value				Depreciation					Net Carrying Value	
	As at April 1, 2015	Additions during the year	Disposals / Adjustments	As at March 31, 2016	Upto April 1, 2015	For the year	Charged on account of expiry of useful life	Other Adjustment during the year	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Freehold Land	145.29	-	-	145.29	-	-	-	-	-	145.29	145.29
Buildings	661.88	35.45	-	697.33	43.87	21.41	-	-	65.27	632.06	618.02
Plant and Equipment	32,304.79	4,582.73	373.68	36,513.84	13,606.92	3,787.85	-	348.63	17,046.13	19,467.71	18,697.87
Furniture and Fixtures	248.30	44.12	-	292.42	132.21	25.56	-	-	157.77	134.65	116.10
Vehicles	1,180.33	319.43	4.21	1,495.56	447.87	139.88	-	4.00	583.75	911.80	732.47
Office equipment	242.61	94.67	-	337.28	134.06	93.83	-	-	227.89	109.39	108.55
Computers	630.66	70.88	-	701.54	444.65	204.38	-	-	649.03	52.51	186.01
Temporary Building	3,550.00	274.47	-	3,824.47	2,470.61	1,107.46	-	-	3,578.07	246.40	1,079.40
Total	**38,963.86**	**5,421.75**	**377.89**	**44,007.72**	**17,280.19**	**5,380.37**	**-**	**352.63**	**22,307.91**	**21,699.81**	**21,683.71**
Figures as at March 31,2015	29,493.83	9,763.47	293.44	38,963.86	13,564.38	3,774.05	164.66	168.11	17,280.19	21,683.71	15,929.49

NOTE 13 Intangible Assets

(₹ In Lacs)

Particulars	Gross Carrying Value				Amortization					Net Carrying Value	
	As at April 1, 2015	Additions during the year	Disposals / Adjustments	As at March 31, 2016	Upto April 1, 2015	For the year	Charged on account of expiry of useful life	Other Adjustment during the year	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
Software's (Acquired)	28.18	222.67		250.85	12.37	43.07	-	-	55.44	195.41	15.82
Concession Rights	50,302.43	1,80,718.82	14,959.00*	2,16,062.24	3,683.33	5,484.52	-	-	9,167.85	2,06,894.40	46,619.09
Goodwill on Consolidation	11.59	-	-	11.59	-	-	-	-	-	11.59	11.59
Total	**50,342.20**	**1,80,941.49**	**14,959.00**	**2,16,324.68**	**3,695.70**	**5,527.59**	**-**	**-**	**9,223.29**	**2,07,101.40**	**46,646.50**
Figures as at March 31,2015	50,391.37	15.75	64.92	50,342.20	1,435.42	2,260.28	-	-	3,695.70	46,646.50	48,955.95

*The Capital Grant received from client is adjusted against the Concession Rights.

NOTE 14 Capital Work - in - Progress

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Capital Work in Progress		
Opening Cost	566.34	157.93
Addition during the year	578.96	-
Capitalized/Adjustments during the year	(958.48)	(157.93)
Capital Goods in Transit	-	566.34
Total	**186.82**	**566.34**

NOTE 15 Intangible assets under Development

Opening Cost	1,47,655.88	59,103.26
Addition during the year	90.36	88,552.62
Capitalized/Adjustments during the year	(1,47,746.24)	-
	-	**1,47,655.88**

NOTE 16 Non-Current Investments

Trade, Unquoted (At Cost)		
Equity Shares fully paid-up:		
(i) Investment in Associates		
67,900,000 equity shares (Previous Year 67,900,000) of Ghaziabad Aligarh Expressway Private Limited of ₹10/- each (Face value ₹10/- each)	6,790.00	6,790.00
Less- Share of Loss in Associate	(1,307.12)	-
	5,482.88	6,790.00
(ii) Investment in Others		
Nil equity shares (Previous Year 24,423,700) of Jaora Nayagaon toll road company Private Limited. of ₹10/- each (Face value ₹10/- each)*	-	2,442.37
555,370 equity shares (Previous Year 555,370) of Indian Highways Management Company limited of ₹10/- each (Face value ₹10/- each)	55.54	55.54
Total	**5,538.42**	**9,287.91**

* For details refer to Note No. 42

Out of the Investments of the Company following investments are pledged with the Financial Institutions /Banks for security against the financial assistance extended to the companies under the same management and others:

Name of the Company	Relationship	As at March 31, 2016	As at March 31, 2015
Ghaziabad Aligarh Expressway Private Limited	Associates	1,49,55,240	1,49,55,240
Jaora Nayagaon Toll Road Co. Pvt. Ltd.	Others	-	1,68,32,550

NOTE 17 Long Term Loans and Advances

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured, Considered good unless otherwise stated)		
Retentions & Security Deposits		
with government departments & Other clients	6,589.56	4,561.84
with related parties	824.23	824.23
with others	131.84	63.79
Advance tax & tax deducted at source (Net)*	3,466.71	950.40
Tax & Duty deposited under protest	1,269.58	197.26
Mat Credit Entitlement #	6,615.72	
Mobilization advance to sub-contractors	624.52	1,259.43
Advances Recoverable in cash or In Kind or for Value to be received		
Balance with Government authorities	5,183.40	3,867.64
Others	7.14	5.35
Total	**24,712.70**	**11,729.94**

*The refund receivable for certain years, are held up by tax authorities for verification of TDS certificates internally or with other issuing departments.

Refer to Note No. 43B

NOTE 18 Other Non Current Assets

Other Bank balances-(having maturity of more than 12 months)*		
-Term deposits as margin money for bank guarantees	540.43	468.12
-Earnest money deposits (in the form of term deposits, NSC etc)	12.50	24.79
Miscellaneous Expenditure:		
Preliminary expenses	60.33	143.10
Pre- Operative Expenses	0.18	28.26
Pre IPO/Pre Private Equity Expenses	-	225.59
Total	**613.44**	**889.86**

*For details refer Note No.22

NOTE 19 Current Investment

Investments In Mutual Funds		
Axis Mutual Fund- 57,917.384 Units (Previous year- Nil Units)	962.00	-
BP Liquid Fund Investment - 1,220.253 Units (Previous year- 5,474.389 Units)	21.19	87.74
HDFC Liquid Fund Investment- 1,211.113 Units (Previous year- Nil Units)	36.02	-
	1,019.21	**87.74**

NOTE 20 Inventories

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Raw Materials (construction material)	18,212.18	12,766.77
Raw Material in transit	263.40	11.80
Work-in-progress	3,797.70	7,248.36
Stores and spares	1,364.47	2,225.54
Stores and spares in transit	-	0.16
Total	**23,637.75**	**22,252.63**

NOTE 20.1 Bifurcation of Raw Material and WIP under broad heads:

Raw material		
Bitumen	410.09	191.53
Cement	641.29	464.10
Steel	1,252.70	919.49
Stone, Grit and Sand	14,385.23	10,064.03
High speed diesel and Fuel oil	177.26	138.41
Others	1,345.61	989.21
	18,212.18	**12,766.77**
Work-in-progress		
Road	3,749.42	6,942.94
Airport Runways	48.28	305.42
	3,797.70	**7,248.36**

NOTE 21 Trade Receivables

(Unsecured, considered good unless otherwise stated)		
Trade receivables outstanding for a period more than six months from the date they are due for payment	7,694.79	6,083.32
Other Receivables	33,512.09	20,358.44
Total	**41,206.88**	**26,441.76**

NOTE 22 Cash and Bank Balances

Cash & Cash Equivalents		
Cash in hand	299.20	256.25
Cheques in hand	-	-
Bank Balances with Scheduled Bank:		
In Current Account	4,782.49	1,340.77
In Term Deposits (Less than 3 months)*	1,566.60	935.12
Fixed Deposits (More than 3 months and less than 12 Month)	89.91	
Other Bank Balances:	-	
(with maturity less than 3 months maturity)		
Earmarked Term deposits as Margin money for bank guarentee	585.98	380.10
Earnest money deposits (in the form of term deposits, NSC etc)	353.62	113.24
FDR In Hand (Earmarked)	1,559.00	-
Current Account (Earmarked)	89.06	-
(with maturity more than 3 months but upto 12 months)		
Earmarked Term deposits as Margin money for bank guarentee	1,301.53	1,051.94
Earnest money deposits (in the form of term deposits, NSC etc)	30.77	32.20
Total	**10,658.16**	**4,109.62**

* includes a sum of ₹340 Lacs earmarked for import of machinery under Foreign Letter of Credit (FLC) out of IPO proceeds.

NOTE 22 Cash and Bank Balances *(contd.)*

Details of Term Deposits kept as security

(₹ In Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
Under lien in favour of Banks as margin deposits for letter of credit and Bank Guarantees	2,427.94	1,900.16
-Fixed deposits as Margin money on bank guarantee		
-Earnest money (in form of fixed deposits, NSCs, and demand draft) deposits in favour of customers.	383.11	170.22
Total Deposits	**2,811.05**	**2,070.38**
Deposit having more than 12 months maturity from reporting date		
Term Deposit	540.43	468.12
Earnest money deposits (in the form of term deposits, NSC etc)	12.50	24.79
Total Non-Current Deposits*	**552.93**	**492.91**

* These deposits are treated as noncurrent due to the reason that they are not expected to get matured within 12 months from the reporting date.

NOTE 23 Short Term Loans and Advances

Unsecured and considered good- unless otherwise stated		
Retentions & Security Deposits		
with government and other clients	1,503.12	121.05
with others	100.56	100.62
Loans and advances to related parties	7,024.96	-
Others	-	2,981.10
Balance with Government Authorities	7,567.70	4,666.76
Advances to suppliers/Contractors		
Unsecured, considered good	3,159.79	6,289.34
(+) Doubtful	30.12	35.42
(-) Provision for Doubtful advances	(30.12)	(35.42)
	3,159.79	6,289.34
Mobilization advance to sub-contractors	722.81	1,361.48
Other advances	765.26	2,701.51
Total	**20,844.20**	**18,221.86**

NOTE 24 Other Current Assets

Interest accrued but not due on Margin money & Earnest money deposits	126.21	148.78
Miscellaneous Expenses		
Preliminary expenses	-	12.97
Pre operative expenses	-	7.02
Income accrued but not billed	1,385.70	-
Total	**1,511.91**	**168.77**

NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

for the period ended March 31, 2016

NOTE 25 REVENUE FROM OPERATIONS

(₹ In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Contract Turnover	1,98,681.31	1,56,908.94
Toll collection & maintenance Revenue	35,931.66	23,941.15
Other operating revenues		
Sale of material and others	1,931.70	2,720.06
Sale of scrap material	277.94	368.47
Other	487.02	-
Annuity Revenue	2,150.00	2,150.00
Total	**2,39,459.63**	**1,86,088.62**

Bifurcation of Contract Turnover are as under:

Contract		
Road	1,86,542.53	1,39,195.98
Airport Runways	8,935.21	10,063.84
Power Projects	421.70	1,833.98
Others	2,781.87	5,815.14
	1,98,681.31	**1,56,908.94**

NOTE 26 OTHER INCOME

Interest Income:		
From Bank	359.68	157.01
From Others	51.70	545.13
Gain on disposal of Fixed Assets (Net)	30.56	-
Profit on sale of Investments (Net)*	972.32	-
Profit on sale of Mutual funds	135.99	103.62
Other non-operating income (net of expenses)	114.38	408.70
Total	**1,664.63**	**1,214.46**

* For details refer to Note No. 42

NOTE 27 COST OF MATERIAL CONSUMED

Opening Stock		
Raw Material	12,766.77	7,214.92
Add: Purchases/Acretion of Raw Material	93,756.53	73,299.10
	1,06,523.30	80,514.02
Less: Closing Stock		
Raw Material	18,475.57	12,766.77
Raw material consumed	**88,047.73**	**67,747.25**

NOTE 28 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS

Opening stock of Work-in-progress	7,248.36	1,240.21
Closing stock of Work-in-progress	3,797.70	7,248.36
(Increase)/decrease in work-in-progress	**3,450.66**	**(6,008.15)**

NOTE 29 EMPLOYEE BENEFIT EXPENSE

(a) Salaries and Wages	9,053.73	7,632.88
(b) Contributions to - Provident fund & other funds	253.89	265.54
(c) Staff welfare expenses	223.69	238.72
Total	**9,531.31**	**8,137.14**

NOTE 30 FINANCE COSTS

(₹ In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Interest expense	12,359.56	8,958.15
Other borrowing costs		
Loan processing charges	60.76	51.44
Guarantee charges	454.61	241.80
Total	**12,874.93**	**9,251.39**

NOTE 31 DEPRECIATION AND AMORTIZATION EXPENSE:

Depreciation on Tangible Assets	5,380.37	3,774.08
Amortization on Intangible Assets	5,527.59	2,260.25
Total	**10,907.96**	**6,034.33**

NOTE 32 OTHER EXPENSES

Consumption of Stores & Spares*	2,892.47	2,753.69
Power & Fuel	592.12	609.27
Contract Paid	56,479.36	56,786.92
Hire charges of Machineries	515.38	504.15
Other Manufacturing & Construction expenses	5,524.32	2,670.30
Rent	475.38	426.56
Insurance	370.79	335.85
Repairs to Buildings	34.06	22.60
Travelling and Conveyance	355.01	332.50
Legal & Professional Expenses	434.76	635.47
Rates and Taxes**	9,942.79	5,307.39
Subscription & Membership fees	-	-
Auditor's Remuneration		
Audit Fees	38.23	33.39
Tax matters	0.67	0.67
Certification Fees	14.31	2.25
Other services	-	7.33
For Reimbursement of Expenses	1.18	1.48
Advertisement Expenses	21.96	19.66
Tender & Survey Expenses	97.70	243.17
Hire charges of Vehicles	110.58	156.51
Director's sitting fees	4.95	3.55
Provision of Doubtful Debts	-	23.30
Loss on disposal of Fixed assets (Net)	-	16.53
Toll Plaza Expenses	111.55	5.07
Concession fees	18,211.73	16,485.72
Miscellaneous Expenses written off	11.69	62.80
Corporate Social Responsibility Exps.	255.16	95.00
Miscellaneous and General Expenses	1,199.24	683.90
Total	**97,695.39**	**88,225.03**

*Being all material repair jobs are done in-house, the expenses of repair to plant and machinery are not significant, and also because numerous repair jobs are done and it is difficult to segregate the repair expenses from consumption of store & spares.

** Includes sales/works contract tax (net) of ₹6,973.96 lacs (Previous year ₹4,281.08 lacs)

NOTE 33 EARNINGS PER EQUITY SHARES

(₹ In Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Weighted Average number of Equity Shares outstanding	497.68	398.08
Profit after tax as per Statement of Profit and Loss	21,610.40	9,128.41
Nominal value per share (in ₹)	10.00	10.00
Basic & Diluted Earning per share (in ₹)	**43.42**	**22.93**

NOTE 34 CONTINGENT LIABILITIES & COMMITMENTS

(₹ In Lacs)

Contingent liabilities and commitments (to the extent not provided for)	As at March 31, 2016	As at March 31, 2015
A) Contingent Liabilities		
a) Claims against the Company not acknowledged as debts		
Disputed demand of Income Tax (includes, net of advance tax & TDS under verification, adjusted from demand of ₹33.51 crore arised in assessment of search proceedings up to AY 2012-13) for which company has preferred appeal. (refer note 42)	1,125.93	1,125.93
Disputed demand of Sales Tax/ VAT for which company preferred appeal	3,115.15	2,088.86
Disputed demand of Service Tax for which company preferred appeal	503.39	481.17
Disputed demand of Entry Tax for which company preferred appeal	757.85	1,031.62
Others (including motor accident, labour & civil matters)	1,033.04	994.24
(Interest and penalties if any, on above cases will be decided at the time of settlement)		
b) Guarantees		
(i) Bank Guarantees - Executed in favour of National Highways Authority of India	1,02,469.12	90,754.99
(ii) Corporate guarantee -		
- The outstanding liability at reporting date against the corporate guarantee of ₹20500.00 Lacs issued in favour of bank , jointly & severally along-with a joint venture partner and further indemnified by another joint venture partner to the extent of its shareholding for credit facilities extended to an associate (the entire share capital of which is held by Company and the said two joint venture partners)	11,504.44	11,594.40
- The outstanding liability at reporting date against the corporate guarantee of ₹5361.00 Lacs in favour of India Infrastructure Finance Compnay Limited for securing their debt to a subsidiary PNC Raibareli Highways Private Limited for discharging the differential between the secured obligation and termination payment.	5,361.00	3,650.37
- The company has issued a corporate guarantee in favour of Posco Engineering & Construction Limited for onwards issuance of corporate guarantee to Dedicated Freight Corporation of India Limited against bid security in the name of POSCO-PNC Joint Venture.*	-	1,800.00
c) Other money for which the company is contingently liable		
Letter of Credit outstanding	1,596.53	249.79
- Being difference between normal tax and MAT for FY 2015-16 #	2,779.63	-

(₹ In Lacs)

Contingent liabilities and commitments (to the extent not provided for)	As at March 31, 2016	As at March 31, 2015
(In case normal tax liability is crystallized, MAT credit entitlement reversal will take place)		
(B) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for Net of advance of ₹ NIL (previous year ₹26.49 Lacs)	384.34	8,661.03
(b) Capital Commitment for equity (Net of Investment)		
PNC Raebareli Highways Private Limited**	-	6,505.00

* Joint Venture with POSCO Construction India Limited having share of 45%. The corporate guarantee has returned on 30.05.2015.
** The amount has been invested during the year.
# Refer to Note no. 43B

NOTE 35

The status of various project claims in arbitrations is as under :

a. The company had initiated arbitral proceedings against the Uttar Pradesh Public Works Department (UP PWD) for compensation for ₹851.31 lacs (including interest) towards extra cost incurred on procurement of different material, distant source in relation to the project "rehabilitation Road (Gomat) under Uttar Pradesh State Road Project. The arbitral Tribunal has pronounced its unanimous award dt. March 07, 2014 for ₹702.31 lacs (including interest) in favour of the Company. The respondent UP PWD has preferred objection against the aforesaid award before the Distt. Judge Mathura and the case is still pending with Ld. Distt. Judge Mathura. Treatment of the same will be done on final settlement.

b Further, the Company has filed for arbitration claims including claims for delay damages and interest which are pending at arbitration stage. The same will be accounted for on final settlement.

NOTE 36

During the financial year 2012-13, the Company had invoked two bank guarantees amounting to ₹3682.22 Lacs, due to part execution & under performance under contract by a contractor. Out of the two guarantees, one of ₹1841.11 Lacs, received against mobilization advance, had been adjusted with mobilization advance given. The second, which was performance guarantee, had been accounted as liability for likely expenditure to be incurred as the balance work is carried out through other agencies. During the Financial year 2013-14, the contractor had approached the mediation centre of Hon'ble High Court Delhi for mediation.

During the Financial year 2014-15, the mediation centre directed the Company for participation in mediation and the same was refuted by the Company on April 05, 2014 and simultaneously Company also raised a counter claim of ₹18601.09 Lacs on April 09, 2014 against the party.

A mediator was appointed with mutual consent of both the parties. However, the proceeding before appointed mediator did not succeed and was therefore terminated by the Company. Then, the Company prepared to initiate process of settlement of disputes through process of Arbitration. Now the matter is pending before the Arbitral Tribunal. Since the matter is under dispute, the accounting of the same will be done on final settlement.

NOTE 37 Disclosure pursuant to Accounting Standard-7 "Construction Contracts"

(₹ In Lacs)

Particulars	2015-16	2014-15
Total Contract revenue	1,98,681.31	1,56,908.94
Particulars about contracts in progress at the end of the period:		
Aggregate amount of cost incurred during the year	1,79,115.46	1,41,837.58
Aggregate amount of profit / (Loss) Recognised	19,565.85	15,071.36
Advance Received	26,722.41	23,801.48
Retention Amount	9,068.12	8,445.96

NOTE 38 Related Party Disclosures

The names of related parties where control exist and/or with whom transactions have taken place during the year and description of relationship as identified and certified by the management are:

A. List of Related Parties and Relationships

Associates

1 Pradeep Kumar Jain HUF
2 Naveen Kumar Jain HUF
3 Yogesh Kumar Jain HUF
4 Ghaziabad Aligarh Expressway Private Limited
5 Smt. Premwati Devi Smriti Nyas

Directors and Key Managerial Personal (KMP)

1 Pradeep Kumar Jain (Chairman and Managing Director)
2 Naveen Kumar Jain (Whole Time Director)
3 Chakresh Kumar Jain (Managing Director)
4 Yogesh Kumar Jain (Managing Director)
5 Anil Kumar Rao (Whole Time Director)
6 D K Agarwal (Chief Financial Officer)
7 B K Dash (Company Secretary)

Relatives of Directors and KMP

1 Abhinandan Jain (Son of P.K Jain)
2 Meena Jain (W/o P.K Jain)
3 Renu Jain (W/o N.K Jain)
4 Madhavi Jain (W/o C.K Jain)
5 Ashita Jain (W/o Y.K Jain)
6 Ashish Jain (Brother in law of promoter directors)
7 Ishu Jain (Daughter in Law of Pradeep Kumar Jain)

Entities controlled/ influenced by Directors, KMP and their relatives with whom Transactions have taken place during the period

1 MA Buildtech Private Limited
2 Ideal Buildtech Private Limited
3 Subhash International Private Limited
4 Jaora Nayagaon Toll Road Company Private Limited (Up to 01.01.2016)
5 Siddhi Readymix Concrete Private Limited

NOTE 38 Related Party Disclosures *(contd.)*

6 Exotica Buildtech Private Limited
7 NCJ Educational Society
8 PNC Mining Private Limited
9 Taj Infra Builders Private Limited

B. Transactions with Related Parties

(₹ In Lacs)

S. No.	Particulars	2015-16	2014-15
	KMP & Relatives		
1	Transactions during the period		
a	Payment of Rent/Services		
	Meena Jain, Renu Jain, Madhavi Jain, Ashita Jain, P.K Jain,N.K.Jain,C.K.Jain, Y.K. Jain,P.K.Jain HUF,C.K Jain HUF	64.68	95.58
b	Mobilization Advance/Security Deposits		
c	Salary & Perquisites		
	Pradeep Kumar Jain	144.00	144.00
	Naveen Kumar Jain	126.00	126.00
	Chakresh Kumar Jain	126.00	126.00
	Yogesh Kumar Jain	126.00	126.00
	Others	204.32	153.93
	Entities controlled/ influenced by KMP and their relatives		
1	Transactions during the year		
a	Receipt on account of EPC and Other Contract		
	Ideal Buildtech Private Limited	965.50	1,523.84
	Ghaziabad Aligarh Expressway Private Limited	3,281.20	20,573.15
	Others	0.00	0.00
b	Payment of Rent/Services		
	Subhash International Private Limited	69.53	65.66
	Exotica Buildtech Private Limited	8.40	8.12
	NCJ Educational Society	-	95.00
	Smt. Premwati Devi Smriti Nyas	140.00	-
c	Interest on Loan Taken	-	-
2	Amount Outstanding at Reporting Date		
a	Amount Recoverable		
	Jaora Nayagaon Toll Road Company Private Limited	-	472.99
	Ghaziabad Aligarh Expressway Pvt Ltd	12,083.66	13,926.86
b	Amount Payable		
	Siddhi Readymix Concrete Private Limited	-	9.08
	Ideal Buildtech Private Limited	-	66.98

NOTE 39 Foreign currency exposure

As per Accounting Standard-11 company does not uses forward exchange contracts, interest rate swaps, currency swaps, and currency options to hedge its exposure in foreign currency and interest rates.

Its unhedged foreign currency exposure is as follows:-

Particulars	As at March 31, 2016	As at March 31, 2015
Current Liability (In Euros)	11,59,494.00	4,98,195.00
Current Liability (In INR)	8,70,72,781.79	3,36,33,144.45

NOTE 40

As per Accounting Standard (AS-15) 'Employee Benefits', the disclosure of employee benefits as defined in the Accounting Standard is given below:

i) The contribution to provident fund is charged to accounts on accrual basis. The contribution made by the company during the year is ₹92.97 Lacs (previous year ₹71.08 lacs)

ii) In respect of short term employee benefits, the company has at present only the scheme of cumulative benefit of leave encashment payable at the time of retirement/ cessation and the same have been provided for on accrual basis as per actuarial valuation.

iii) Liability for retiring gratuity as on March 31, 2016 is ₹318.69 Lacs (Previous year ₹425.11 Lacs). The Liability for Gratuity is actuarially determined and provided for in the books.

iv) Details of the company's post-retirement gratuity plans and leave encashment for its employees including whole-time directors are given below, which is certified by the actuary and relied upon by the auditors.

(₹ In Lacs)

I) Net Assets/(Liability) recognised in the balance Sheet	Gratuity (funded)	Gratuity (Unfunded)	Leave Encashment (Unfunded)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Present value of Obligation	535.20	425.11	122.50	102.21
Fair value of Plan Assets	216.50	-	-	-
Liability / (Assets)	318.70	425.11	122.50	102.21
Un-recognised Past Service Cost	-	-	-	-
Liability / (Assets) recognized in the Balance Sheet	**318.70**	**425.11**	**122.50**	**102.21**
Component of Employer's Expense	-	-	-	-
Current Service Cost	71.94	57.01	23.01	11.21
Interest Cost	34.01	30.10	8.18	7.68
Expected Return on Plan Assets	(2.84)	-	-	-
Past Service Cost	-	-	-	-
Net Actuarial Gain / (Loss) recognized in the year	(9.53)	(38.27)	(10.89)	(12.71)
Expenses Recognised in the Profit And Loss Account	**93.58**	**48.84**	**20.30**	**6.18**
Movement in the Net Liability recognized in the Balance sheet	-	-	-	-
Opening Net Liability	425.11	376.27	102.21	96.03
Expenses Recognised in the Profit and Loss Account	93.58	48.84	20.30	6.18
Payment made to employee on Retirement	(200.00)	-	-	-
Closing Net Liability	**318.69**	**425.11**	**122.51**	**102.21**
Long term Liability	190.86	339.88	91.13	80.27
Short Term Liability	127.83	85.24	31.38	21.94

NOTE 40 *(contd.)*

(₹ In Lacs)

II) Change in Defined Benefit Obligation	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Opening Defined Benefit Obligation	425.11	376.27	102.21	96.03
Current Service Cost	71.94	57.01	23.01	11.21
Interest Cost	34.01	30.10	8.18	7.68
Past Service Cost	-	-	-	-
Actuarial Losses / (Gain)	(9.53)	(38.27)	(10.89)	(12.71)
Benefits Paid	-	-	-	-
Closing Defined Benefit Obligation	318.69	425.11	122.51	102.21

(₹ In Lacs)

III) Financial Assumptions at the valuation date:	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Discount Rate (p.a)	8.00%	8.00%	8.00%	8.00%
Expected Rate of Return on assets (p.a)	8.25%	NA	NA	NA
Salary Escalation Rate (p.a)	9.00%	9.00%	9.00%	9.00%
Attrition Rate	25.00%	20.00%	25.00%	20.00%

a) Discount Rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

b) Salary Escalation Rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

c) Attrition Rate:

The rate in current year is re-aligned with the actual.

Followings are the details regarding Gratuity & Leave encashment as required under para 120N of the Accounting Standard-15, 'Employee benefits'

(₹ In Lacs)

S. No.	Particulars	March 31, 2016		March 31, 2015		March 31, 2014	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	The present value of the defined benefit obligation	535.20	122.50	425.11	102.21	376.27	96.03
2	The fair value of the plan assets and the surplus or deficit in the plan	-	-	-	-	-	-

The experience adjustments arising on:

A	The plan liabilities expressed either as (1) an amount or (2) a percentage of the plan liabilities at the balance sheet date	535.20	122.50	425.11	102.21	376.27	96.03
B	The plan assets expressed either as (1) an amount or (2) a percentage of the plan assets at the balance sheet date.	-	-	-	-	-	-

NOTE 41 Leases:

Disclosure as required under AS - 19 "Accounting for Leases" as prescribed under Companies (Accounting Standards) Rules, 2006 for the Company is given below:

(a) The Company has entered into cancellable/non-cancellable leasing agreement for office, residential and warehouse premises renewable by mutual consent on mutually agreeable terms

(b) Future minimum lease payments under non-cancellable operating lease are as under:

(₹ In Lacs)

Particulars	Future Minimum Lease Rentals			Period of Lease
	Less Than 1 Year	Between 1 to 5 Years	More than 5 Years	
Office Premises	69.53	290.16	-	10 Years

Other than disclosed above, the company has various operating lease for premises, the lease are renewable on periodic basis and cancelable in nature, amounting to ₹368.44 Lacs (P.Y. ₹300.75 Lacs).

The lease rentals have been included under the head "Rent" under Note No.32

NOTE 42

During the year, the company has sold its investments 24423700 equity shares of Joara Nayagoan Toll Road Co. Pvt. Ltd for a sum of ₹3419.32 Lacs.

NOTE 43 A

The Company was subject to search U/s 132 of the Income tax Act, 1961 in the month of August 2011. The assessment for returns filed in response of search proceedings has been completed by the Department wherein certain additions were made and partial allowance of claims U/s 80IA which were claimed in the return filed .The Company has filed appeal against such order.

Based on the legal Opinion, the management is of the view, since the matter is subjudice and at initial level the differential tax benefit on claims of sec 80IA for the period from FY 2005-06 to FY 2011-12 and subsequent years/ periods as per returns and provisions in books have not been accounted for in the books of accounts being uncertain and will be accounted for when it attains finality or reasonable admissibility ground/events/development.

NOTE 43 B

During the year, Income tax assessment of F.Y. 2012-13 was made by assessing officer allowing the benefit of Sec. 80IA (4) (i) and tax liability arises as per MAT provisions. Accordingly, the company has reversed ₹1,523.62 lacs. Further, the MAT liability of ₹2,371.25 lacs for the said year is eligible for MAT credit, and has been recognized accordingly. The adjustment for F.Y. 2013-14 and 2014-15 and earlier years will be made upon completion of assessment for respective years.

Also based on legal opinion, the management is of the view that benefit of Sec. 80IA (4) (i) will be available to company and therefore provision of tax has been made under MAT for the Financial year ended March 31, 2016, after availing deduction u/s 80 IA (4) (i) of the Income tax Act, 1961, and said MAT liability is also available for MAt credit entitlement.

NOTE 44 Segment Reporting

a) As per Requirement of AS-17 "Segment Reporting", Management has identified two Segment as reportable segment i.e. EPC Contract & BOT (Toll and Annuity)

b) The Company has disclosed business segment as the Primary segment. Segments have been identified taking into account the nature of work/ services, risk & return and organization structure.

c) The Company operations predominantly related to EPC contract, Toll collection/ Annuity.

NOTE 44 Segment Reporting *(contd.)*

d) The company mainly operates with in India, so there is no requirement of disclosing the secondary segment i.e. geographical segment.

e) The expenses and Income which are not directly allocated between the segments are shown as unallocated expenses or Income.

f) Details of business segment information is given below:

(₹ In Lacs)

S No.	Particulars	For the year ended March 31, 2016 (Audited)	For the year ended March 31, 2015 (Audited)
1	**Segment Revenue**		
	A. Contract	2,01,377.97	1,59,997.47
	B. Toll/ Annuity	38,081.66	26,091.15
	Total	**2,39,459.63**	**1,86,088.62**
2	**Segment Result**		
	A. Contract	19,393.04	16,214.73
	B. Toll/ Annuity	10,433.54	5,738.28
	C. Unallocated Income	1,664.63	1,214.47
	D. Unallocated Expenses	(12,874.93)	(9,251.39)
	Total Profit before tax	**18,616.28**	**13,916.09**
3	**Capital Employed (Segment Assets-Segment Liabilities)**		
	A. Contract	95,403.76	38,799.01
	B. Toll/ Annuity	35,516.49	48,314.00
	C. Unallocated	-	-
	Total	**1,30,920.25**	**87,113.01**

NOTE 45 Managerial Remuneration

Profit & Loss Account includes remuneration of Chairman & Managing Director, Managing Director(s) and whole time director(s) as under:

Salary*	654.32	632.76
Sitting Fees	4.95	3.55

* includes incentive of ₹80.00 Lacs (P.Y. ₹60 Lacs) to one of the directors.

Note:

(i) The above figure does not include Provision towards Gratuity Fund as separate figures are clubbed in overall expense and not segregable

(ii) Computation of net profit accordance with section 197 of the Company's Act, 2013 has not been enumerated, as no commission is payable and remuneration has been paid as per provisions of schedule V of the Companies Act, 2013

NOTE 46

In the opinion of the Management, all assets other than fixed assets and non current investments, have a realizable value in the ordinary course of business which is not different from the amount at which it is stated and also provision for all known liabilities have been adequately made in the accounts.

NOTE 47

In financial year ending March 31, 2016, the company has changed the accounting policy with respect to revenue recognition. As against accounting for revenue on the basis of stage of completion linked to certified completion, it is now based on physical completion of work as acknowledged by the client. The impact of change in accounting policy, while not ascertainable, is expected to be negligible.

NOTE 48

Pursuant of notification of The Companies Act 2013 (The New Act), during the year ending March 31, 2015, company has charged the depreciation based on useful life stated in schedule II of the Companies Act 2013, and is on pro-rata basis for addition and deletions. In case of Plant & Machinery based on technical estimate (excluding Cranes & Earthmoving Equipments), the useful life is more than as prescribed in Schedule II. Due to this change, the depreciation for the current year is more by ₹64.45 Lacs as compared to depreciation as per the Companies Act 1956 and the carrying value of ₹164.66 Lacs assets whose life have already expired as per schedule II, have been adjusted from opening general reserve.

NOTE 49

Current year and previous year financials have been prepared as per the applicable provisions of The Companies Act 2013 read with circulars 08/2014 and section 133 of The Companies Act 2013 read with rule 7 of Companies (Accounts) Rules 2014 issued by MCA considering of existing Accounting Standards notified under Companies Act-1956 till the time Accounting Standards are stated by the Central Government in Consultation & Recommendation of National Financial Reporting Authority.

NOTE 50

Pursuance of section 135 of the Companies Act' 2013, the Company is covered for spending Corporate Social Responsibility (CSR) at the rate of 2% of the average profit of preceding three years i.e. ₹247.06 Lacs against this the Company has spent ₹255.16 Lacs during the year ended 31.03.2016.

NOTE 51

During the Year the Initial Public Offer of the Company was opened from May 08, 2015 to May 12, 2015, for the total size of 1,29,21,708 (One Crore Twenty Nine lacs twenty One Thousands seven Hundred eight) Equity Shares of face value of ₹10 each, comprising of a fresh issue to the public of 1,15,00,000 Equity Shares of ₹10 each and an Offer for Sale of 14,21,708 Equity Shares by NYLIM Jacob Ballas India (FVCI) Fund III LLC . The Company allotted 1,15,00,000 Equity Shares of ₹10 each on 20th May, 2015. Thus, the Paid-up Share Capital of the Company is increased from ₹39,80,78,330 to ₹51,30,78,330.

Subsequent to the above, BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) had admitted 5,13,07,833 Equity Shares of ₹10 each of the Company for Listing and Trading in electronic form at BSE and NSE with effect from 26th May, 2015.

NOTE 52

The board of directors have recommended a dividend of 25% i.e ₹2.50 per equity share of ₹10 each for the year ended March 31, 2016, subject to the approval of shareholders at the forthcoming Annual General Meeting.

NOTE 53 The details of IPO proceeds is as under:

(₹ In Lacs)

Sr. No.	Particulars	Objects of the issue as per prospectus	Total utilization up to March 31, 2016	Amount pending for utilization
1	Fund working capital requirement	15,000.00	15,000.00	-
2	Investment in our subsidiary, PNC Raebareli Highways Pvt. Ltd. for part-financing the Raebareli-Jaunpur Project	6,500.00	6,500.00	-
3	Investment in Capital Equipments	8,506.00	6,947.00	1,559.00
4	Repayment/Prepayment of certain indebtedness	3,514.00	3,514.00	-
5	General Corporate purposes	8,110.00	8,110.00	-
6	Issue related expenses (only those apportioned to our company)	1,840.00	1,751.00	89.00
	Total	**43,470.00**	**41,822.00**	**1,648.00**

NOTE 54

Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the company's financial statements

NOTE 55

Previous year figures have been re-classified or re-grouped wherever considered necessary.

As per our report of even date attached.

For **S.S.Kothari Mehta & Co.**
Chartered Accountants
Firm Registration No. 000756N

Neeraj Bansal
Partner
Membership No. 95960

Purushottam Agrawal & Co.
Chartered Accountants
Firm Registration No. 000731C

Sanjay Agarwal
Partner
Membership No. 72696

On behalf of the Board of Directors

Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653

Chakresh Kumar Jain
Managing Director
DIN: 00086768

Place: Agra
Date: May 27, 2016

Binaya Kumar Dash
Company Secretary

D K Agarwal
Chief Financial Officer

Form AOC-1

Statement containing salient features of the financial statements of Subsidiaries u/s 129(3)

Part "A" : Subsidiaries

(₹ In Lacs)

Names of Companies	PNC Power Pvt. Ltd.	Hospet Bellary Highways Pvt. Ltd.	PNC Bareilly Nainital Highways Pvt. Ltd.	Ferrovia Transrail Solutions Pvt. Ltd.	PNC Raebareli Highways Pvt. Ltd.	PNC Infra Holdings Ltd.	MP Highways Private Ltd.	PNC Kanpur Highways Ltd.	PNC Delhi Industrialinfra Pvt. Ltd.	PNC kanpur Ayodhya Tollways Pvt. Ltd.
Sl. No.	1	2	3	4	5	6	7	8	9	10
Reporting Year	**March 31, 2016**	**March 31, 2016**	**March 31, 2016**	**March 31, 2016**	**March 31, 2016**	**March 31, 2016**	**March 31, 2016**	**March 31, 2016**	**March 31, 2016**	March 31, 2016
Reporting Currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
Exchange Rate on last day of Reporting year (In INR)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Share Capital	**3.65**	**1**	**7,460.00**	**1**	**13,960.00**	**8590.58**	**7,830.00**	**6,750.00**	**3,500.00**	**5**
Reserves & Surplus	**12.31**	**-1,299.37**	**-1,077.01**	**0**	**-575.07**	**34328.92**	**-2848.76**	**222.59**	**149.31**	**-10.14**
Total Assets	16.37	0.86	54,171.12	2921.79	79,744.90	42932.52	27,256.58	33,396.14	21,466.03	816.3
Total Liabilities	16.37	0.86	54,171.12	2921.79	79,744.90	42932.52	27,256.58	33,396.14	21,466.03	816.3
Investments	0	-	-	0	-	42863.25	962	36.02	-	21.19
Turnover	0	-	1658.54	2799.71	1,160.42	0	4,763.14	5744.67	3,747.61	23,934.93
Profit/(Loss) before Tax	-0.24	-0.31	-1086.43	5.33	-573.84	-6.11	-224.21	213.54	40.66	3.88
Provision for Taxation	0	-	(9.42)	5.20	1.23	0	(2.52)	(9.05)	(42.31)	(11.98)
Profit/(Loss) after Tax	-0.24	-0.31	-1077.01	0.13	-575.07	-6.11	-221.7	222.59	82.97	15.86
Proposed Dividend	0	-	-	0	-	0	-	-	-	-
% of Shareholding (Effective)	72.60%	65%	100%	51%	100%	100%	100%	100%	100%	100%

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CORPORATE INFORMATION

Corporate Identification No : L45201DL1999PLC195937

Board of Directors

Chairman and Managing Director
Pradeep Kumar Jain

Managing Director(s)
Chakresh Kumar Jain
Yogesh Kumar Jain

Whole Time Director(s)
Naveen Kumar Jain
Anil Kumar Rao

Independent Director(s)
C R Sharma
Subhash Chander Kalia
Ashok Kumar Gupta
Dharam Veer Sharma
Rakesh Kumar Gupta
Deepika Mittal

Nominee Director
Sunil Chawla

Chief Financial Officer
Devendra Kumar Agarwal

Bankers

Bank of Baroda
Canara Bank
Central Bank of India
Punjab National Bank
Union Bank of India
ICICI Bank
Axis Bank Limited
Oriental Bank of Commerce

Auditors

M/s. Purushottam Agrawal & Co.
Chartered Accountants
401, 4th Floor, 118/8 Maruti Plaza
Sanjay Place, Agra-282002 (UP), India
M/s. S.S. Kothari Mehta & Co.
Chartered Accountants
146-149 Tribhuvan Complex
Ishwar Nagar, Mathura Road,
New Delhi- 110065 (India)

Registrar and Transfer Agent

Link Intime India Pvt. Ltd
44, Community Centre,
2nd Floor, Near PVR Naraina, Phase-I
Naraina Industrial Area,
New Delhi - 110028.

Registered office

NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar,
Sector-V (Saket),
New Delhi-110017, India
Website: www.pncinfratech.com

Corporate/Head office

PNC House, 3/22-D, Civil Lines, NH-2, Agra-Delhi
Bypass Road,
Agra-282005 (U.P.)

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