



Annual Report

2015-16

MARG LIMITED

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Corporate Information

Chairman & Managing Director

Mr. G R K Reddy

Directors

Mrs. V P Rajini Reddy

Mr. Karanjit Singh Jasuja

Mr. Bahushrut Lugani

Company Secretary

Mr. Rabindra Kumar Samal

Auditors

M/s. K Ramkumar & Co.,

Chartered Accountants,

A-1, 7th Floor, Tower III, Sakthi Towers,

766, Anna Salai, Chennai – 600 002

Registered Office & Corporate Office

'MARG Axis', 4/318, Rajiv Gandhi Salai, Kottivakkam,

Chennai – 600 041

Website

www.marggroup.com

Stock Exchange

Where the Company's shares are listed:

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers, Dalal Street,

Mumbai 400 001

Registrar & Share Transfer Agent

M/s. Cameo Corporate Services Limited

Subramanian Building, No.1 Club House Road,

Chennai – 600 002



Directors' Report

To
The Members of
MARG Limited

Your Directors are presenting the 21st Annual Report together with the Financial Statements for the financial year ended 31st March 2016.

1. FINANCIAL RESULTS:

(₹ in Crores)

Particulars	Year Ended 31 st March, 2016	Year Ended 31 st March, 2015
Income from operations	131.61	168.18
Non-operating Income	2.80	3.13
Total Income	134.40	171.31
Profit before Depreciation, Finance Cost and Tax Expense (EBDIT)	6.40	(16.36)
Depreciation	24.60	22.08
Interest & Finance charges	3.47	136.35
Profit/(Loss) before tax	(21.67)	(174.79)
Tax Expense	(4.69)	(2.34)
Profit/(Loss) after tax	(16.98)	(172.45)
Balance in Profit & Loss Account	(130.37)	42.08
Amount available for appropriation	(147.36)	(130.37)
Dividend	Nil	Nil
Dividend Tax	Nil	Nil
Amount transferred to General Reserve	Nil	Nil
Balance in Profit and Loss Account	(147.36)	(130.37)

During the Financial Year 2015-16, total revenue of the Company stands at ₹ 134.40 Crores as against ₹ 171.31 Crores in the previous year. The EBDIT is ₹ 6.40 Crores, compared to previous year of (₹ 16.36 Crores). The Company incurred a loss before tax of ₹ 21.67 Crores and a net loss of ₹ 16.98 Crores during the financial year ended March 31, 2016 as compared to loss before tax of (₹ 174.79 Crores) and a net loss of ₹ 172.45 Crores in the previous year. This is primarily due to lack of fund availability for projects, depressed markets, increase in cost of raw materials and labour.



2. DIVIDEND

Due to losses incurred by the Company, your Directors have not recommended any dividend for the financial year ended March 31, 2016.

3. BUSINESS HIGHLIGHTS 2015-16

- A. MARG Revenue Stands at ₹ 134.40 Crores in Financial Year 2015-16, including EPC Current order book at around ₹ 2,586.18 Crores.
- B. Karaikal Port Private Limited (KPPL), a subsidiary of your Company has successfully handled 5.96 MMT of cargo in Financial Year 2015-16 and reported a top line of ₹ 260.65 Crores and EBITDA ₹ 112.34 Crores.

4. DIRECTORS

The composition of the Board of Directors is in compliance with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Section 149 of the Companies Act, 2013.

The Company has received necessary declarations from the Independent Directors stating that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 17 SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

In accordance with provisions of the Companies Act, 2013, Mrs. V P Rajini Reddy retires by rotation and being eligible, seeks re-appointment at the ensuing Annual General Meeting.

5. MEETINGS

During the year under review, the Board of Directors met 5 times.

In accordance with the provisions of the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on February 12, 2016.

6. ANNUAL EVALUATION BY THE BOARD

The Board has made a formal evaluation of its own performance and that of its committees and individual directors as required under section 134(3) (p) of the Companies Act, 2013.

7. AUDIT RELATED MATTERS

A. AUDITORS

M/s. K Ramkumar & Co., (Firm Registration Number 02830S), Chartered Accountants, retiring auditors of the Company, expressed their unwillingness for being reappointed as Statutory Auditors of the Company at the ensuing Annual General Meeting.

In view of the above, it is proposed to appoint M/s. A R Krishnan & Associates., Chartered Accountants, Chennai (Firm Registration No.009805S) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting of the Company till the 26th Annual General Meeting, subject to ratification by the Members at every Annual General Meeting at such remuneration plus service tax as applicable and reimbursement of out-of pocket expenses in connection with the audit as the Board of Directors may fix in this behalf.

In this regard, the Company has received Consent Letter from M/s. A R Krishnan & Associates to the effect that their re-appointment if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013.

B. SECRETARIAL AUDITOR

The Board had appointed M/s Satyaki Praharaj & Associates, Company Secretaries in Whole-time Practice(Membership No. FCS6458) as Secretarial Auditor to carry out the Secretarial Audit under the provisions of section 204 of the Companies Act, 2013 and the Rules made thereunder. The report of the Secretarial Auditor is enclosed to this report as Annexure A.

C. COST AUDIT

During the financial year 2015-16, Your Company has maintained cost accounting records in accordance with the provisions of Companies (Cost Records and audit) Rules, 2014. The Company shall file the Compliance Report as certified by the Cost & Management Accountant Mr. G Sunderasan for the financial year 2015-16 with Central Government as prescribed under Companies (Cost Records and audit) Rules, 2014, in due course.

8. SUBSIDIARY COMPANIES

STATUS

Your Company has total of 59 subsidiaries* as on 31st March 2016, out of which 5 Non wholly-owned Companies and 53 Wholly-owned companies, including 25 Step-down Subsidiaries. There has been no material change in the nature of the business of the Company and its subsidiaries. Details of major subsidiaries of the Company and their business operations during the year under review are covered in the Management Discussion and Analysis Report.



SUBSIDIARY COMPANIES' MONITORING FRAMEWORK

All subsidiary companies are Board managed with their respective Boards having the rights and obligations to manage such companies in the best interest of their stakeholders.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

Financial Position and Performance of Subsidiaries and Associates

In terms of Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014, the financial position and performance of subsidiaries are given as an Annexure to the Consolidated Financial Statements.

9. POLICY AND OTHER MATTERS

A. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility Committee under the section 135 of the Companies Act 2013, which is making exclusive progress in the field of Corporate Social Responsibility and Societal interventions. The Committee is predominantly involved in the areas of Women empowerment, education, health and hygiene, community based programs, including art, music, sports and other socio economic and culture activities.

This Committee has been entrusted with the responsibility of formulating and recommending to the Board a CSR policy, from time to time, broadly indicating the activities to be undertaken by the company apart from the activities (already under processing) that are mandatory in the implementation of the frame work of CSR policy and recommend the money to be spent on each of the activities as prescribed under Act and the Rules made there under.

B. CODE OF CONDUCT

As prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a declaration signed by the Chairman and Managing Director affirming compliance with the Code of Conduct by the Directors and senior management personnel of the Company for the financial year 2015-16 forms part of the Corporate Governance Report.

C. DECLARATIONS BY INDEPENDENT DIRECTORS

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

D. EXTRACT OF ANNUAL RETURN

In terms of Section 134 of the Companies Act, 2013 read with Rules 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2015-16 is provided in Annexure B to this report.

E. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Particulars of Loans, Guarantees and Investments in terms of Section 134 of the Companies Act, 2013, the particulars of loans, guarantees and investments given by the Company under Section 186 of the Companies Act, 2013 is detailed in Notes to Accounts of the Financial Statements.

F. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and all such contracts/arrangements/ transactions have been approved by the audit Committee.

10. 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. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.



11. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Companies Act, 2013, dividends/fractions entitlements lying unclaimed for a period of 7 years from the date of their transfer to unpaid/unclaimed account have to be transferred to the Investor Education and Protection Fund (IEPF) constituted and administrated by the Central Government. No claim would be lie against the IEPF or the Company after transfer. The details of unclaimed dividend are posted on the website of the Company.

Dividend declared during the financial year 2008-09 will be transferred to IEPF. Members can claim the unpaid dividend from the Company before transfer to the Investor Education and Protection Fund. Members who have so far not encashed the dividend warrant(s) are requested to make their claim to the Secretarial Department at the Registered and Corporate Office of the Company or send an email to investor@marggroup.com.

12. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015. The Corporate Governance Report approved by the Board of Directors of the Company, forms part of this report and a certificate from the auditors of the Company is set out in the Annexure to this Report.

13. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, forms part of this annual report is provided in a separate section as stipulated under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

14. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS

Your Company has taken adequate measures to conserve energy and the Company believes that productivity from all its workforces can be achieved with interface of latest technology.

Your Company is not an industrial undertaking in terms of Section 134(3)(m) of the Companies Act, 2013 read along with Companies Rule 8(3) of the Companies (Accounts) Rules, 2014 and hence, particulars regarding conservation of energy, technology absorption and adaptation are not applicable and hence the same are not provided.

The information on Foreign Exchange Earnings and Outgo is contained in the note 40 to the Notes on Account. A separate statement is also attached as Annexure I to this Report.

15. PARTICULARS OF EMPLOYEES U/S 197

During the year, there was no employee in receipt of remuneration as prescribed in the Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The prescribed particulars of Employees as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure C and form part of this Report.

However, in accordance with the provisions contained in the proviso to Section 136(1) of the Companies Act, 2013, the Annual Report and accounts excluding the aforesaid information are being sent to the shareholders of the Company. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company for the same.

16. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2016, Your Directors hereby confirmed that;

- i. In the preparation of the Annual Accounts for the financial year ended 31st March 2016, the applicable accounting standards has been followed and there were no material departures;
- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss account of the Company for the year.
- iii. The directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The directors have prepared annual accounts for the financial year ended 31st March 2016 on a "going concern basis".
- v. The directors have devised proper systems, internal financial controls to be followed by your Company and that such internal financial controls are adequate and have been operating effectively.
- vi. The systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.



17. EXPLANATION OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER BY THE STATUTORY AUDITORS:

The Directors submit their explanation to the Observations made by the Auditors in their report for the FY15-16. The relevant Paras. of the report and reply are as under:

REFER PARAGRAPH (BASIS OF QUALIFIED OPINION) OF THE AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS:

(i) In respect to Note No. 28 to the audited financial statements of the year ended 31st March, 2016 regarding the providing interest for loans assigned to Asset Reconstruction Company (ARCs), the management is of the opinion that it is not viable to follow the pattern of providing the interest towards loans which are NPA status and later respective Banks assigned it to ARCs.

(ii) In respect to Note No. 34 to the audited financial statements of the year ended 31st March, 2016 regarding the EPC work in progress, the Company hereby clarify that the work is going on, which is not yet completed. Now Company is evaluating the work status and it will be billed shortly. Further regarding the management fees, the company was receiving earlier the said fees, now due to some dispute, but the Company is confident to receive the amount.

(iii) In respect to Note No. 35 to the audited financial statements of the year ended 31st March, 2016 regarding the investment in Karaikal Port Private Limited, the management hereby clarifies that the Equity Shares and Compulsorily Convertible Preference Shares (CCPS) held by the Company in Karaikal Port Private Limited (KPPL) which was pledged with the Indian Bank lead Consortium as security for the Loan availed by KPPL, has been invoked by the st Indian Bank On 21 March 2015. The Company had made a writ of mandamus petition before the Hon'ble High Court of Madras inter alia to maintain the status of the shares prior to invocation by the bank. The Hon'ble High Court has passed an Interim Order on th 25 March 2015 restraining Indian Bank to further transfer or encumber the Equity Shares and CCPS. Further the Hon'ble High Court has ordered maintenance of Status Quo of the management of the Company as on that date. In view of the above, the investment in KPPL is considered for consolidation. In connection with the above invocation and litigation, the Company and its management have taken various legal opinions and continue to treat "Karaikal Port Private Limited" as its subsidiary, until further orders.

(iv) In respect to Note No. 36 the regarding un-reconciled amount relating to the equipment loan availed by the company. The reconciliation of the loan account is under process. Pending such reconciliation the management considers it appropriate to classify the same under "other advances" in the Balance Sheet. Note 36 of the consolidated financial statements is self explanatory.

(v) In respect to Note No. 48 the regarding investment in "Future Parking Private Limited"(FPPL). The management hereby clarifies that "Future Parking Private Limited" is a joint venture entity, MARG Limited continued to hold 51% shareholding in FPPL. Hence the same is treated as subsidiary and considered in consolidation.

(vi) In respect to balance confirmation Bank/ARCs as on 31 March, 2016, the management hereby clarifies that the regarding balances confirmation from Banks/ARCs. The Balance Confirmation of the loan account from Balance/ARCs is under process and it will be completed shortly.

REFER EMPHASIS OF MATTER OF THE AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS:

- a) In respect of preparing financial statements on 'Going Concern' basis reference is drawn to Note No. 30 which is self explanatory;
- b) In respect of Property of the Subsidiary Companies provided security for various loans, reference is drawn to Note No. 31 which is self explanatory;
- c) In respect of deductions made/amount withheld by some customers reference is drawn to Note No. 41 which is self explanatory;

REPLY TO THE QUALIFICATION MADE IN ANNEXURE TO THE STANDALONE AUDIT REPORT:

Point 7 & 8 of Annexure to Standalone Auditors' report: The delay in the payment of Provident fund, Employee's State Insurance, Income Tax, Wealth Tax, Custom Duty, Cess, Sales Tax, Service Tax and other material statutory dues were due to lower cash inflows from the existing projects and the company is arranging to make the payments shortly. Due to slow down in the Infrastructure and Real estate sector and the resultant impact on the performance of your Company there were defaults in repayments of principle and interest dues to the Banks and Financial Institutions. However, the management opines that with improved business scenario, your Company will be able to meet its obligation.

**REFER PARAGRAPH (BASIS OF QUALIFIED OPINION) OF THE AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS:**

(i) In respect to Note No. 28 to the audited financial statements of the year ended 31st March, 2016 regarding the providing interest for loans assigned to Asset Reconstruction Company (ARCs), the management is of the opinion that it is not viable to follow the pattern of providing the interest towards loans which are NPA status and later respective Banks assigned it to ARCs.

(ii) In respect to Note No. 34 to the audited financial statements of the year ended 31st March, 2016 regarding the EPC work in progress, the Company hereby clarify that the work is going on, which is not yet completed. Now Company is evaluating the work status and it will be billed shortly. Further regarding the management fees, the company was receiving earlier the said fees, now due to some dispute, but the Company is confident to receive the amount.

(iii) In respect to Note No. 34 to the audited financial statements of the year ended 31st March, 2016 regarding the investment in Karaikal Port Private Limited, the management hereby clarifies that the Equity Shares and Compulsorily Convertible Preference Shares (CCPS) held by the Company in Karaikal Port Private Limited (KPPL) which was pledged with the Indian Bank lead Consortium as security for the Loan availed by KPPL, has been invoked by the st Indian Bank On 21 March 2015. The Company had made a writ of mandamus petition before the Hon'ble High Court of Madras interalia to maintain the status of the shares prior to invocation by the bank. The Hon'ble High Court has passed an Interim Order on th 25 March 2015 restraining Indian Bank to further transfer or encumber the Equity Shares and CCPS. Further the Hon'ble High Court has ordered maintenance of Status Quo of the management of the Company as on that date. In view of the above, the investment in KPPL is considered for consolidation.

In connection with the above invocation and litigation, the Company and its management have taken various legal opinions and continue to treat "Karaikal Port Private Limited" as its subsidiary, until further orders.

(iv) In respect to Note No. 36 the regarding un-reconciled amount relating to the equipment loan availed by the company. The reconciliation of the loan account is under process. Pending such reconciliation the management considers it appropriate to classify the same under "other advances" in the Balance Sheet. Note 36 of the consolidated financial statements is self explanatory.

(v) In respect to Note No. 48 the regarding investment in "Future Parking Private Limited"(FPPL). The management hereby clarifies that "Future Parking Private Limited" is a joint venture entity, MARG Limited continued to hold 51% shareholding in FPPL. Hence the same is treated as subsidiary and considered in consolidation.

(vi) In respect to balance confirmation Bank/ARCs as on 31st March, 2016, the management hereby clarifies that the regarding balances confirmation from Banks/ARCs. The Balance Confirmation of the loan account from Balance/ARCs is under process and it will be completed shortly.

(vii) In respect of M/s. Mukta Infrastructure Private Limited, the respective company is of opinion that price of land shall appreciate in future and hence no provision for impairment loss is made.

(viii) In respect of M/s. Arohi Infrastructure Private Limited, the debenture holder has not exercised the Put option during the FY 2014-15, hence the respective company has not provided any premium on redemption during the FY 2015-16.

(ix) In respect of M/s. Riverside Infrastructure (India) Private Limited, the management is taking efforts for resuming the Mall Project and is in discussion with strategic partners for this purpose. Further, considering the latest valuation of the property of the Company, the management considers it appropriate to capitalize the interest of ₹ 59.12 Crores (PY ₹ 39.58 Crores) and overheads of ₹ 0.44Crores (PY ₹ 0.67 Crores) during the year ended 31st March, 2016. Note No.39 of the Consolidated Financial Statements is self explanatory.

(x) In respect to balance confirmation Bank/ARCs as on 31st March, 2016 for three subsidiaries, the management hereby clarifies that the regarding balances confirmation from Banks/ARCs. The Balance Confirmation of the loan account from Balance/ARCs is under process and it will be completed shortly.

REFER EMPHASIS OF MATTER OF THE AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS:

a) In respect of preparing financial statements on 'Going Concern' basis reference is drawn to Note No. 32 which is self explanatory;

b) In respect of Property of the Subsidiary Companies provided security for various loans, reference is drawn to Note No. 33 which is self explanatory;

c) In respect of Property of the Subsidiary Companies provided security for various loans, reference is drawn to Note No. 34 which is self explanatory;



d) In respect of the Investments in and Advances receivable due from some of its Subsidiaries Companies, reference is drawn to Note No. 35 which is self explanatory;

e) In respect of deductions made/amount withheld by some customers reference is drawn to Note No. 41 which is self explanatory;

f) In respect of Companies which were converted and obtained license under Section 8 of the Companies Act, 2013 during the previous years, reference is drawn to Note No. 42 which self explanatory.

REPLY TO THE QUALIFICATION MADE IN ANNEXURE TO THE CONSOLIDATED AUDIT REPORT:

(a) In respect of Point 1 (f) of the Audit Report on Other Legal and Regulatory requirements regarding the Directors disqualifications, the management hereby states that the company will appoint new directors in place directors who are disqualified in some of group companies shortly.

REPLY TO THE OBSERVATIONS OF THE SECRETARIAL AUDITOR REPORT

a) The Company will file the Annual Financial Statements for the previous financial year with the Registrar of Companies shortly.

b) Currently, Infrastructure/Real Estate Market is facing hurdles due to various reasons which also have an impact on our company. Complying to the payments and maintenance of records under Labour laws is the top most priority of our Company. Based on the stabilization of the Cash flow, the payments will be streamlined.

18. FIXED DEPOSITS

During the year under review, your Company has not invited or accepted fixed deposits from the public.

19. EMPLOYEE RELATIONS

The Directors place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company at all levels to meet the company's objectives. The employee relations at all projects and other locations continue to be cordial.

20. BUILDING A STRONG CUSTOMER CONNECT

Customer intimacy is one of your Company's strategic priorities to reach its ambition of being the leading reference in Infrastructure and Real Estate.

21. VIGIL MECHANISM

The Company has established a vigil mechanism to promote ethical behavior in all its business activities and has in place a mechanism for employees to report any genuine grievances, illegal, unethical behaviour, suspected fraud or violation of laws, rules and regulation or conduct to the Chief Vigilance Officer and the Audit Committee of the Board of Directors. The Policy also provides for adequate protection to the whistle blower against victimization or discriminatory practices.

ACKNOWLEDGEMENT

The Directors wish to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors, Employees and members during the year under review.

For and on behalf of the Board of Directors

G R K Reddy
Chairman & Managing Director
(DIN: 00903778)

Place: Chennai
Date: 31st May, 2016

**ANNEXURE TO THE DIRECTORS' REPORT****Annexure I**

Activity in:-Foreign Currency Transactions

Expenditure:-

(₹ in Crores)

	Particulars	2015-16	2014-15
a	Value of Imports Calculated on CIF Basis		
	i Components, Embedded goods and spare-parts		-
	ii. Capital goods		-
b	Expenditure in Foreign Currencies		
	i Travelling Expenses		-
	ii. Technical /Professional & Conference Expenses		-
	iii. Hire Charges		-
	Total	0.00	0.00

Income:-

(₹ in Crores)

	Particulars	2015-16	2014-15
a	Income in foreign currencies		
	Dividend from Subsidiary	-	-
	Total	-	-

For and on behalf of the Board of Directors**G R K Reddy**
Chairman & Managing Director

Place: Chennai

Date: 31st May, 2016

Annexure A

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To
The Members of MARG LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Marg Limited (CIN: L45201TN1994PLC029561), (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its Company Secretary, 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 and to the extent applicable 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; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other labour and local laws applicable to the Company as per the representations made by the Management, Viz.

- a. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- b. The Employees' Provident Funds And Miscellaneous Provisions Act, 1952
- c. Payment of Gratuity Act, 1972
- d. Employees' State Insurance Act, 1948
- e. The Payment Of Bonus Act, 1965
- f. The Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996
- g. The Contract Labour (Regulation & Abolition) Act, 1970
- h. The Contract Labour Regulation Rules
- i. The inter-state migrant workmen (Regulation of Employment and conditions of service) Act, 1979
- j. Dock Workers (Safety Health and Welfare) Act 1986
- k. Dock Workers (Safety, Health and Welfare) Rules, 1990
- l. The Child Labour (Prohibition & Regulation) Act, 1986
- m. The Tamil Nadu Shops And Establishments Act, 1947

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General meetings are yet to be specified under the Act by the Institute.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and Madras Stock Exchange.

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

- a) *The Company is yet to file the Annual Financial Statements of the Company with the Registrar of Companies for the Financial Year 2013-14.*
- b) *The Company is not making payment of Statutory Dues in respect of labour laws. Records maintained by the company and its monitoring process in respect of compliances and the compliances of labour laws and other applicable laws are not satisfactory and do not commensurate with the size of the Company.*

We further report that, based on the information provided by the Company, Its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/Company Secretary/Managing Director taken on record by the Board of Directors of the Company, in our opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws like Competition laws, Environment laws etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance with Independent Directors and Woman Director. The Board is constituted of Executive and Non Executive Directors and all the Key Managerial Persons (KMP) as required by the Act to be appointed, have been appointed except that, the Chief Financial Officer has resigned during the year w.e.f. closing hours of 14th November 2015, and the Company is yet to appoint the replacement. There was no change in the Board of Directors during the period under review.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while there is a system in existence to capture and record the views of dissenting members, in the minutes.

Emphasis of Matter

Without qualifying our opinion, we draw attention and further report the following:

a. The Equity Shares and Compulsorily Convertible Preference Shares (CCPS) held by the Company in Karaikal Port Private Limited (KPPL) at the beginning of the period, which was pledged with the Indian Bank lead Consortium as security for the Loan availed by KPPL, has been revoked by the Indian Bank. On 21st March 2015. The Company had made a writ of mandamus petition before the Hon'ble High Court of Madras interalia to maintain the status of the shares prior to invocation by the bank. The Hon'ble High Court has passed an Interim Order on 25th March 2015 restraining Indian Bank to further transfer or encumber the Equity Shares and CCPS. Further the Hon'ble High Court has ordered maintenance of Status Quo of the management of the Company as on that date. The Company and its management have taken a legal opinion and treat Karaikal Port Private Limited as its subsidiary. As on the date of this report the matter is subjudice in respect of legitimate owner of the above said shares and in view of the above legal interpretation taken by the Board and the Management, we are unable to comment.

b. The Company is yet to establish Board Evaluation System as required under Section 134 sub-section 3(p) read with Sub-rule (4) of Rule 8 of the Companies (Accounts) Rules, 2014 and the Company has not carried out Board Evaluation for the current year.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report

For S Praharaj & Associates

Practicing Company Secretaries

SATYAKI PRAHARAJ

Mem No. FCS 6458, CP No.: 10755

Place : Chennai

Date : 30th May 16



Annexure B

Form No. MGT-9
Extract of Annual Return as on the financial year ended on March 31, 2015

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

I Registration and other Details	
CIN	L45201TN1994PLC029561
Registration Date	December 16, 1994
Name of the Company	MARG Limited (Formerly MARG Constructions Limited)
Category of the Company	Company limited by shares
Sub-Category of the Company	Indian Non-Government Company
Address of the Registered office and contact details	'MARG AXIS', 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai – 600 041
Tel:	044 32211944
Email:	investor@marggroup.com
Whether listed company	Yes. Listed on Bombay Stock Exchange Limited
Name, Address and Contact Details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited Subramanian Building, No.1, Club House Road, Chennai – 600 002 Tel: +91 44 28460390 Fax: +91 44 28460129 Email: investor@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company	As per Attachment A
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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES	As per Attachment B
IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)	

i) Category-wise Shareholding	As per Attachment C
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ii) Shareholding of Promoters	As per Attachment D
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iii) Change in Promoters' Shareholding	As per Attachment E
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iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment F
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v) Shareholding of Directors and Key Managerial Personnel	As per Attachment G
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V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment H
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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager	As per Attachment I
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B. Remuneration to other directors	As per Attachment J
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C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment K
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VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES	As per Attachment L
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ATTACHMENT A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under:

Name and Description of Main Products/ Services	NIC Code of Product/Service	% of Total Turnover of the Company
Construction and Real Estate Development	4100	89%

ATTACHMENT B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name of the Company	Address of the Company	CIN No	Holding/Subsidiary/ Associate	%of Shares Held	Applicable under Companies Act 2013
1	Amir Constructions Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45202TN2007PTC063580	Subsidiary	100	2(87)(ii)
2	Anumanthai Beachside Resorts Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U55103TN2007PTC065604	Subsidiary	100	2(87)(ii)
3	Anuttam Academic Institutions*	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U80301TN2007NPL063165	Subsidiary	100	2(87)(ii)
4	Arohi Infrastructure Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45201TN2006PTC060531	Subsidiary	100	2(87)(ii)
5	Atul Institutions of Learning*	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U80301TN2007NPL063581	Subsidiary	100	2(87)(ii)
6	Avatar Constructions Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45209TN2007PTC062748	Subsidiary	100	2(87)(ii)
7	Bharani Infrastructure Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45208TN2007PTC063167	Subsidiary	100	2(87)(ii)
8	Darpan Educational Institutions*	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U80301TN2007NPL063920	Subsidiary	100	2(87)(ii)
9	Dasha Infradevelopers Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45208TN2007PTC062456	Subsidiary	100	2(87)(ii)
10	Future Parking Private Limited	Third floor, G-Block, Ali Towers, No.55, Greams Road, Thousand Lights, Chennai – 600006	U45206TN2009PTC072304	Subsidiary	51	2(87)(ii)
11	Hilary Constructions Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45202TN2007PTC063600	Subsidiary	100	2(87)(ii)
12	Karaikal Power Company Private Limited	81/A, Maideen Palli Street, Karaikal, Puducherry - 609602	U31109PY2008PTC002174	Subsidiary	100	2(87)(ii)
13	Karaikal Port Private Limited	Keezha Vanjore Village, T R Pattinam, Karaikal, Puducherry - 609602	U45203PY2006PTC001945	Subsidiary	67.58	2(87)(ii)
14	Kirtidhara Academic Institutions*	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U80301TN2007NPL063758	Subsidiary	100	2(87)(ii)
15	MARG Aviations Private Limited	No.43, 1st Floor, Kodihalli Extn., H. A. L. II Stage, Karnataka - 560 008.	U45203KA2009PTC050654	Subsidiary	100	2(87)(ii)
16	MARG Industrial Clusters Limited	392&393 Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45208TN2010PLC075177	Subsidiary	100	2(87)(ii)

17	MARG Infrastructure Developers Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45207TN2010PLC075138	Subsidiary	100	2(87)(ii)
18	MARG International Dredging PTE Ltd#	10, Jalan Besar, Unit # 10-12, Sim Lim Tower, Singapore - 208787	N A	Subsidiary	100	2(87)(ii)
19	MARG Trading PTE Ltd#	10, Jalan Besar, Unit # 10-12, Sim Lim Tower, Singapore - 208787	N A	Subsidiary	100	2(87)(ii)
20	MARG Logistics Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U60220TN2008PTC067167	Subsidiary	100	2(87)(ii)
21	MARG Marine Infrastructure Limited	Devs Ark, No. 284/1136, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600 096	U45205TN2010PLC075139	Subsidiary	100	2(87)(ii)
22	MARG ProperTies Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45400TN2009PLC073986	Subsidiary	100	2(87)(ii)
23	MARG Sri Krishnadevaraya Airport Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45400TN2010PTC076888	Subsidiary	100	2(87)(ii)
24	MARG Swarnabhoomi Port Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45203TN2008PTC067413	Subsidiary	100	2(87)(ii)
25	Mukta Academic Institutions Private Limited*	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U80301TN2007PTC063532	Subsidiary	100	2(87)(ii)
26	Navrang Infrastructure Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45208TN2007PTC064213	Subsidiary	100	2(87)(ii)
27	New Chennai Township Private Limited	Seekanakuppam Village, Cheyyur, Kancheepuram-603 305	U45202TN2006PTC059295	Subsidiary	100	2(87)(ii)
28	Parivar Apartments Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45400TN2007PTC064175	Subsidiary	100	2(87)(ii)
29	Riverside Infrastructure (India) Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45203TN2006PTC058909	Subsidiary	73.93	2(87)(ii)
30	Shubham Vihar Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U70101TN2007PTC064190	Subsidiary	100	2(87)(ii)
31	Signa Infrastructure India Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45209TN2006PLC060804	Subsidiary	74	2(87)(ii)
32	Swatantra Infrastructure Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45204TN2007PTC063032	Subsidiary	100	2(87)(ii)
33	Yuva Constructions Private Limited	Panneru Kalva Road, Tiruchanur Bye Pass Road, Thuvikvakam Post, Renigunta Mandal, Tirupati, Andhra Pradesh - 517 520	U45200AP2007PTC054206	Subsidiary	100	2(87)(ii)
34	Wisdom Constructions Private Limited	Ground Floor, No.35/1, Muthukrishnan Street, Kondithope, Chennai – 600079	U45203TN2007PTC062476	Subsidiary	100	2(87)(ii)

Step Down Subsidiaries as on 31.03.2016

Sl. No	Name of the Company	Address of the Company	CIN No	Holding/Subsidiary/ Associate	%of Shares Held	Applicable under Companies Act 2013
1	Advance Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002326	Subsidiary	100	2(87)(ii)
2	Agni Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002327	Subsidiary	100	2(87)(ii)
3	Akhil Infrastructure Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45202TN2007PTC063578	Subsidiary	100	2(87)(ii)
4	Ambar Nivas Private Limited	Old No 12 New No 8, Mangan St, Villinayur Main Road ouigrat Commune, Reddiyapalayam, Puducherry - 605010	U70102PY2008PTC002202	Subsidiary	100	2(87)(ii)
5	Aprati Constructions Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45201TN2006PTC060530	Subsidiary	100	2(87)(ii)
6	Archana Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002325	Subsidiary	100	2(87)(ii)
7	Aroopa Infradevelopers Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600041	U45201TN2006PTC060532	Subsidiary	100	2(87)(ii)
8	Ashram Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002329	Subsidiary	100	2(87)(ii)
9	Comex Infrastructure Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002332	Subsidiary	100	2(87)(ii)
10	Darshan Homes Private Limited	1st Floor, Sai Subhodaya Apartments, No.57/2B, ECR Road, Thiruvanniyur, Chennai - 600041.	U45400TN2009PTC073545	Subsidiary	100	2(87)(ii)
11	Guiding Infradevelopers Private Limited	414, Bharathi Street, Puducherry-605 001	U45200PY2009PTC002294	Subsidiary	100	2(87)(ii)
12	Kanchanajunga Infradevelopers Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600041	U45200TN2007PTC063717	Subsidiary	100	2(87)(ii)
13	Magnumopus Infrastructure Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600041	U45203TN2007PTC062101	Subsidiary	100	2(87)(ii)
14	MARG Business Park Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600041	U45201TN2004PTC054426	Subsidiary	100	2(87)(ii)
15	MARG Hotels and Service Apartments Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600041	U55101TN2011PTC080559	Subsidiary	100	2(87)(ii)
16	Navita Estates Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600041	U70101TN2007PTC063887	Subsidiary	100	2(87)(ii)

17	O M R Developers Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600041	U45201TN2006PTC059308	Subsidiary	100	2(87)(ii)
18	Parivar Apartments Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai- 600041	U45400TN2007PTC064175	Subsidiary	100	2(87)(ii)
19	Rainbow Habitat Private Limited	Panneru Kalva Road, Tiruchanur Bye Pass Road, Thuukivakam Post, Renigunta Mandal, Tirupati, Andhra Pradesh - 517520	U45400TN2007PTC064175	Subsidiary	100	2(87)(ii)
20	Sarang Infradevelopers Private Limited	"Marg Axis", 4/318, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600041	U45208TN2007PTC062086	Subsidiary	100	2(87)(ii)
21	Shikha Infrastructure Private Limited	414, Bharathi Street, Puducherry - 605 001	U45200PY2009PTC002334	Subsidiary	100	2(87)(ii)
22	Sulekh Constructions Private Limited	1st Floor, Sai Subhodaya Apartments, No.57/2B, ECR Road, Thiruvanniyur, Chennai - 600041	U45200TN2009PTC072222	Subsidiary	100	2(87)(ii)
23	Talin Infradevelopers Private Limited	1st Floor, Sai Subhodaya Apartments, No.57/2B, ECR Road, Thiruvanniyur, Chennai - 600041	U45200TN2009PTC072224	Subsidiary	100	2(87)(ii)
24	Uttarak Infradevelopers Private Limited	1st Floor, Sai Subhodaya Apartments, No.57/2B, ECR Road, Thiruvanniyur, Chennai - 600041	U45200TN2009PTC072221	Subsidiary	100	2(87)(ii)
25	Vyan Infraprojects Private Limited	1st Floor, Sai Subhodaya Apartments, No.57/2B, ECR Road, Thiruvanniyur, Chennai - 600041	U45200TN2009PTC072225	Subsidiary	100	2(87)(ii)

Associate as on 31.03.2016

1	Rajakamangalam Thurai Fishing Harbour Private Limited	26/40, St.Arockia Annai Building, Rajakamangalam Thurai, (Via) Eathamozhy, Rajakamangalam Thurai- 629501	U45203TN2008PTC067480	Associate	39	2(6)
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* Section 25 Subsidiary Companies

Foreign Subsidiaries

** Sub-judice for legitimated Owner is pending in Court of Law.



ATTACHMENT C

SHAREHOLDING PATTERN (Equity Share Capital Break up as a % of Total Equity)

Category-wise Shareholding

Category of Shareholders	No. of shares held by the Shareholders at the beginning of the year (01-04-2015)			No. of shares held at the end of the year (31-03-2016)				% Change during the year
	Demat	Physical	Total No of Shares	Demat	Physical	Total No of Shares	% of Total Shares	
A. Promoters								
(1) Indian								
a) Individuals/ HUF	34,42,057	-	34,42,057	33,92,057	-	33,92,057	8.90	-0.13
b) Central Government	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-
d) Bodies Corporate	42,62,650	-	42,62,650	38,42,650	-	38,42,650	10.08	-1.10
e) Financial Institutions/ Banks	-	-	-	-	-	-	-	-
f) Any Others(Specify)	-	-	-	-	-	-	-	-
Sub Total(A)(1)	7,704,707	-	7,704,707	7,234,707	-	72,34,707	18.98	-1.23
(2) Foreign								
a) Individuals (Non-Residents Individuals/	-	-	-	-	-	-	-	-
b) Foreign Individuals)	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-
d) Institutions	-	-	-	-	-	-	-	-
e) Qualified Foreign Investor	-	-	-	-	-	-	-	-
f) Any Others(Specify)	-	-	-	-	-	-	-	-
Sub Total(A)(2)	77,04,707	-	77,04,707	72,34,707	-	72,34,707	18.98	-1.23
Total Shareholding of Promoter								
B. Public shareholding								
1. Institutions								
a) Mutual Funds/ UTI	-	-	-	-	-	-	-	-
b) Financial Institutions / Banks	55,72,732	-	55,72,732	20,87,242	-	20,87,242	5.48	-9.14
c) Central Government	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	25,000	-	25,000	0.00	-	0.00	0.00	-0.07
i) Qualified Foreign Investor	-	-	-	25,000	-	25,000	0.07	0.07
j) Any Other (Foreign Portfolio Investor)	-	-	-	-	-	-	-	-
Sub total (B) (1)	55,97,732	-	55,97,732	21,12,242	-	21,12,242	5.54	-9.14



ATTACHMENT C (..cont)

Category of Shareholders	No. of shares held by the Shareholders at the beginning of the year as on 01.04.2015				No. of shares held at the end of the year as on 31.03.2016				% Change during the year
	Demat	Physical	Total No of Shares	% of Total Shares	Demat	Physical	Total No of Shares	% of Total Shares	
(2) Non-institutions									
Bodies Corporate	5,214,904		5,214,904	13.68	5,900,502		5,900,502	15.48	1.80
Individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	8,141,214	291,205	8,432,419	22.12	8,329,996	288,805	8,041,191	21.85	-0.27
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	79,22,016	-	79,22,016	20.78	10,747,312	-	10,747,312	28.19	7.41
Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
Any Other (specify)	-	-	-	-	-	-	-	-	-
Clearing Members	51,045		51,045	0.13	17,031		17,031	0.04	-0.09
Foreign Corporate Bodies	15,24,099		15,24,099	4.00	15,24,099		15,24,099	4.00	-
Foreign Nationals	1,000		1,000	-	1,000		1,000	-	-
Hindu Undivided Families	10,21,517		10,21,517	2.68	1,442,024		1,442,024	3.78	1.10
Non Resident Indians	4,25,487		4,25,487	1.12	5,86,013		5,86,013	1.41	0.29
Trusts		2,24,000		0.59		2,24,000		0.59	
Sub-Total (B)(2)	3,76,03,721	5,15,205	38,118,926	100.00	3,76,06,121	5,15,205	38,118,926	100.00	



ATTACHMENT D

II. Shareholding of Promoters

Sl No	Particulars Shareholders Name	No. of shares held by the Shareholders at the beginning of the year as on 01.04.2015			No. of shares held at the end of the year 31.03.2016			% Change in shareholding during the year
		No of Shares	% of Total Shares of the Company	% of Shares Pledged encumbered to total shares	No of Shares	% of Total Shares of the Company	% of Shares Pledged encumbered to total shares by the promoter	
1	G R K Reddy	12,53,057	3.29	90.54	12,03,057	3.15	90.15	-0.14
2	Madhusudan Reddy Gorrepati	15,00,000	3.94	100.00	15,00,000	3.94	100.00	-
3	G R K Reddy & Sons HUF	689,000	1.81	100.00	6,89,000	1.81	100.00	-
4	Global Infoserv Limited	7,18,000	1.88	99.88	6,18,000	1.62	99.86	- 0.26
5	Marg Capital Markets Limited	7,93,000	2.08	36.82	6,93,000	1.82	27.71	- 0.26
6	Exemplarr Worldwide Limited (Formerly R R Infotech Ltd)	2,02,000	0.53	100.00	1,57,000	0.41	100.00	-0.11
7	Akshya Infrastructure Private Limited	25,49,650	6.69	100.00	23,74,650	6.23	100.00	-0.46
	TOTAL	7,704,707	20.21	91.95	7,234,707	18.98	91.43	-1.09



ATTACHMENT E

iii. Change in Promoters' Shareholding

Sl No	Particulars	No. of shares held at the beginning of the year		No. of shares held at the end of the year	
		Total No of Shares	% of Total Shares of the Company	Total No of Shares	% of Total Shares of the Company
1	Akshya Infrastructure Pvt Ltd				
	a) At the beginning of the year	25,49,650	6.69		
	b) Changes during the Year	Invocation of shares by IFCI Venture Capital Funds Limited			
	Date Reason				
	21.08.2015 Invocation	100,000	-0.26		
	18.11.2015 Invocation	75,000	-0.20	-	-
c) At the end of the year			2,374,650	6.23	
2	Exemplarr Worldwide Limited				
	a) At the beginning of the year	202,000			
	b) Changes during the Year	Invocation of shares by IFCI Venture Capital Funds Limited			
	Date Reason				
	18.11.2015 Invocation	25,000	-0.06		
	23.12.2015 Invocation	20,000	-0.05		
c) At the end of the year			157,000	0.41	
3	MARG Capital Markets Limited				
	a) At the beginning of the year	793,000	2.08		
	b) Changes during the Year	Invocation of shares by IFCI Venture Capital Funds Limited			
	Date Reason				
	11.09.2015 Invocation	100,000	-0.26		
	c) At the end of the year			693,000	1.82
4	Global Infoserv Limited				
	a) At the beginning of the year	718,000			
	b) Changes during the Year	Invocation of shares by IFCI Venture Capital Funds Limited			
	Date Reason				
	16.10.2015 Invocation	100,000	-0.26		
	c) At the end of the year			618,000	1.62
5	G R K Reddy				
	a) At the beginning of the year	1,253,057	3.29		
	b) Changes during the Year	Invocation of shares by IFCI Venture Capital Funds Limited			
	Date Reason				
	29.07.2015 Invocation	50,000	-0.13		
	c) At the end of the year			1,203,057	3.16



ATTACHMENT F

IV. Shareholding Pattern of Top Ten Shareholders (Other than Director, Promoters and Holders of GDRs and ADRs)

SI No	Top 10 Shareholders	No. of shares held by the Shareholders at the beginning of the year 1.4.2015		Cumulative Shareholding during the year 31.3.2016		
		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company	
1	ICICI Bank Limited	DP ID IN301348 CL ID 20002990		977,510	2.56	
	a) At the beginning of the year	44,63,000	11.71			
	b) Changes during the Year					
	Date	Reason				
	24.04.2015	Sale	254,911			-0.67
	01.05.2015	Sale	399,222			-1.05
	08.05.2015	Sale	15,000			-0.04
	15.05.2015	Sale	800,000			-2.10
	22.05.2015	Sale	474,577			-1.24
	12.06.2015	Sale	325,423			-0.85
	17.07.2015	Sale	249,440			-0.65
	24.07.2015	Sale	100,000			-0.26
	31.07.2015	Sale	22,057			-0.06
	07.08.2015	Sale	84,153			-0.22
	14.08.2015	Sale	13,000			-0.03
	21.08.2015	Sale	72,334			-0.19
	15.01.2016	Sale	12,912			-0.03
	22.01.2016	Sale	56,701			-0.15
	29.01.2016	Sale	175,000			-0.46
	05.02.2016	Sale	121,000			-0.32
12.02.2016	Sale	88,760	-0.23			
19.02.2016	Sale	131,000	-0.34			
26.02.2016	Sale	90,000	-0.24			
c) At the end of the Year						
2	Broadcom PCC	DP ID IN301348 CL ID 20009072		11,18,414	2.93	
	a) At the beginning of the Year	11,18,414	2.93			
	b) Changes during the Year	No change in during year				
	c) At the end of the Year					
3	Syndicate Bank	DP ID IN300095 CL ID 11273323		11,09,732	2.91	
	a) At the beginning of the Year	11,09,732	2.91			
	b) Changes during the Year	No change in during year				
	c) At the end of the Year					
4(a)	Globe Capital Market Limited	DP ID IN300966 CL ID 10000088		377,004	0.99	
	a) At the beginning of the Year	377,004	0.99			
	b) Changes during the Year					



ATTACHMENT F (..cont)

SI No	Top 10 Shareholders	No. of shares held by the Shareholders 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
	Date Reason				
	01.05.2015 Purchase	40,000	0.10	417,004	
	15.05.2015 Sale	-10,000	-0.03	407,004	
	30.06.2015 Sale	-26,086	-0.07	380,918	
	03.07.2015 Sale	-4,288	-0.01	376,630	
	10.07.2015 Sale	-10,000	-0.03	366,630	
	17.07.2015 Sale	-75,833	-0.20	290,797	
	24.07.2015 Sale	-61,731	-0.16	229,066	
	27.11.2015 Purchase	450	0.00	229,516	
	11.12.2015 Purchase	12,451	0.03	241,967	
	12.02.2015 Purchase	11,048	0.03	253,015	
	19.02.2015 Purchase	1,235	0.00	254,250	
	c) At the end of the Year			254,250	0.66
4(b)	Globe Capital Market Limited	DP ID IN30096 CL ID 10486202			
	a) At the beginning of the Year	1,100	0.00		
	b) Changes during the Year				
	c) At the end of the Year			1,100	0.00
4(c)	Globe Capital Market Limited	DP ID IN300966 CL ID 10060240			
	a) At the beginning of the Year	41,062	0.11		
	b) Changes during the Year				
	Date Reason				
	03.04.2015 Sale	-4420	-0.01	36,642	
	10.04.2015 Purchase	7000	0.02	43,462	
	25.04.2015 Purchase	200	0.00	43,662	
	01.05.2015 Sale	-400	0.00	43,262	
	08.05.2015 Purchase	2300	0.00	45,562	
	22.05.2015 Purchase	1800	0.00	47,362	
	29.05.2015 Sale	-2000	0.00	45,362	
	26.06.2015 Sale	-9179	-0.02	36,183	
	10.07.2015 Sale	-236	0.00	35,947	
	17.07.2015 Sale	-1136	0.00	34,811	
	24.07.2015 Sale	-1250	0.00	33,561	
	07.08.2015 Purchase	960	0.00	34,521	
	21.08.2015 Purchase	400	0.00	34,921	
	28.08.2015 Purchase	500	0.00	35,421	
	04.09.2015 Sale	-2000	0.00	33,421	



ATTACHMENT F (..cont)

SI No	Top 10 Shareholders	No. of shares held by the Shareholders 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
	11.09.2015 Purchase	2000	0.00	35,421	
	25.09.2015 Sale	-2500	0.00	32,921	
	09.10.2015 Purchase	7505	0.02	40,426	
	16.10.2015 Sale	-100	0.00	40,326	
	23.10.2015 Purchase	600	0.00	40,926	
	30.10.2015 Purchase	1000	0.00	41,926	
	13.11.2015 Sale	-23,405	-0.06	18,521	
	27.11.2015 Purchase	600	0.00	19,121	
	04.12.2015 Purchase	400	0.00	19,521	
	11.12.2015 Purchase	1295	0.00	20,816	
	18.12.2015 Sale	-3895	-0.01	16,921	
	25.12.2015 Purchase	550	0.00	17,471	
	31.12.2015 Sale	-1,200	0.00	16,271	
	22.01.2016 Purchase	3,850	0.01	20,121	
	05.02.2016 Purchase	100	0.00	20,221	
	26.02.2016 Purchase	79	0.00	20,300	
	11.03.2016 Sale	-2350	0.00	17,950	
	31.03.2016 Sale	-7700	-0.02	10,250	
	c)At the end of the Year			10,250	0.02
4(d)	Globe Capital Market Limited	DP ID IN300966 CL ID 10080312			
	a) At the beginning of the Year	1,000	0.00		
	b) Changes during the Year	-	-		
	c) At the end of the Year			1,000	0.00
5	Leverage Capital Private Limited*	IN302105 10453306			
	a) At the beginning of the Year	70,284	0.18		
	b) Changes during the Year				
	Date Reason				
	05.06.2015 Sale	70,000	-0.18	284	
	31.03.2015 Purchase			27,500	
	c) At the end of the Year			27,784	0.07
6	Kanchan Bihani	IN300360 22052154			
	a) At the beginning of the Year	4,54,295	1.19		
	b) Changes during the Year				
	Date Reason				
	10.04.2015 Purchase	68,628	0.18	522,923	
	17.04.2015 Purchase	32,157	0.08	555,080	



ATTACHMENT F (..cont)

SI No	Top 10 Shareholders		No. of shares held by the Shareholders 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
	25.04.2015	Purchase	102,420	0.27	657,500	
	01.05.2015	Purchase	22,500	0.06	680,000	
	08.05.2015	Purchase	45,628	0.12	725,628	
	15.05.2015	Purchase	19,208	0.05	744,836	
	22.05.2015	Purchase	49,325	0.13	794,161	
	29.05.2015	Purchase	44,515	0.12	838,676	
	05.06.2015	Purchase	29,128	0.08	867,804	
	12.06.2015	Purchase	18,006	0.05	885,810	
	19.06.2015	Purchase	25,742	0.07	911,552	
	26.06.2015	Sale	-9,700	-0.03	901,852	
	30.06.2015	Purchase	34,971	0.09	936,823	
	03.07.2015	Sale	-41,639	-0.11	895,184	
	10.07.2015	Sale	-34,855	-0.09	860,329	
	17.07.2015	Sale	-256,475	-0.67	603,854	
	24.07.2015	Sale	-63,558	-0.17	540,296	
	31.07.2015	Purchase	6,812	0.02	547,108	
	07.08.2015	Purchase	1,450	0.00	548,558	
	14.08.2015	Purchase	44,665	0.12	593,223	
	21.08.2015	Purchase	4,910	0.01	598,133	
	29.08.2015	Purchase	49,711	0.13	647,844	
	04.09.2015	Purchase	48,188	0.13	696,032	
	11.09.2015	Purchase	32,511	0.08	728,543	
	18.09.2015	Purchase	56,932	0.15	785,475	
	25.09.2015	Purchase	16,382	0.04	801,857	
	30.09.2015	Purchase	107,843	0.28	909,700	
	09.10.2015	Purchase	50,417	0.13	960,117	
	16.10.2015	Purchase	3,094	0.01	963,211	
	23.10.2015	Purchase	41,468	0.11	1,004,679	
	30.10.2015	Sale	-4,705	-0.01	999,974	
	06.11.2015	Purchase	8,665	0.02	1,008,639	
	13.11.2015	Purchase	4,200	0.01	1,012,839	
	20.11.2015	Sale	-18,602	-0.49	994,237	
	27.11.2015	Sale	-32342	-0.08	961,895	
	04.12.2015	Purchase	16,604	0.04	978,499	0.11
	11.12.2015	Sale	-119,886	-0.31	858,613	
	25.12.2015	Sale	-10,650	-0.03	847,963	



ATTACHMENT F (..cont)

SI No	Top 10 Shareholders	No. of shares held by the Shareholders 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
	31.12.2015 Sale	-12,739	-0.03	835,224	
	08.01.2016 Sale	-9,008	0.05	826,216	
	15.01.2016 Purchase	16,329	0.04	842,545	
	22.01.2016 Purchase	72,440	0.19	914,985	
	29.01.2016 Sale	-4,041	-0.01	910,944	
	05.02.2016 Sale	-31,181	-0.08	879,763	
	12.02.2016 Sale	-39,086	-0.10	840,677	
	19.02.2016 Purchase	1,078	0.00	841,755	
	26.02.2016 Sale	6,616	0.01	835,139	
	11.03.2016 Purchase	38,810	0.10	873,949	
	31.03.2016 Purchase	200	0.00	874,149	
	c) At the end of the Year			874,149	2.29
7	The Indian-man Fund (Mauritius) Ltd	DP ID IN300167 CL ID 10013799			
	a) At the beginning of the Year	4,05,906	1.06		
	b) Changes during the Year	No change in during year			
	c) At the end of the Year			4,05,906	1.06
8	Famous Developers Private Limited*	13025900 01373922			
	a) At the beginning of the Year	410,000	1.08		
	b) Changes during the Year				
	Date Reason				
	24.07.2015 Sale	-73,000	-0.19	337,000	
	c) At the end of the Year			337,000	0.88
9	Universal Cine Trades Pvt Ltd	IN30036020088851			
	a) At the beginning of the Year	7,00,000	1.84		
	b) Changes during the Year				
	c) At the end of the Year			7,00,000	1.84
10	SKS Fincap Private Limited*				
	a) At the beginning of the Year	400,000	1.05		
	b) Changes during the Year				
	c) At the end of the Year			400,000	1.05
11	Harsha Hitesh Javeri	DP ID N300360 CL ID 20087795			
	a) At the beginning of the Year	3,78,000	0.99		
	b) Changes during the Year				
	Date Reason				
	10.04.2015 Purchase	22,000	0.06		
	31.03.2016 Purchase	52,000	0.14		
	At the end of the Year			4,52,000	1.19



ATTACHMENT F (..cont)

SI No	Top 10 Shareholders	No. of shares held by the Shareholders 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(a)	Hitesh Ramji Javeri ##	IN30036020087818			
	a) At the beginning of the Year	250,000	0.66		
	b) Changes during the Year				
	Date Reason				
	11.09.2015 Purchase	50,000	0.13	300,000	
	18.09.2015 Purchase	12,600	0.03	312,600	
	25.09.2015 Purchase	22,400	0.06	335,000	
	06.11.2015 Purchase	83,735	0.22	418,735	
	13.11.2015 Purchase	17,620	0.05	436,355	
	11.12.2015 Purchase	13,094	0.03	449,449	
18.12.2015 Purchase	5,551	0.01	455,000		
26.02.2016 Purchase	45,000	0.12	500,000	1.31	
c) At the end of the Year			500,000	1.31	
12	Vikram Kumar Bagmar ##	DP ID IN301696 CL ID 12428152			
	a) At the beginning of the Year	193,976	0.51		
	b) Changes during the Year				
	Date Reason				
	08.05.2015 Purchase	100,000	0.26	293,976	
	22.05.2015 Purchase	399,878	1.05	693,854	
05.06.2015 Purchase	122	0.00	693,976		
At the end of the Year			693,976	1.82	
13	Milan Vihar Private Limited**	DPID 13017400 CL ID 00157766			
	a) At the beginning of the Year				
	b) Changes during the Year				
Date Reason					
15.05.2015 Purchase			800,000	2.10	
c) At the end of the Year			800,000	2.10	
14	Anushman Developers Pvt Ltd **				
	a) At the beginning of the Year				
	b) Changes during the Year				
	Date Reason				
	12.06.2015 Purchase			325,000	
	17.07.2015 Purchase			165,000	
21.08.2015 Purchase			30,000		
c) At the end of the Year			520,000	1.36	

* List of Top Shareholders as on 01st April, 2015 and Ceased to be in the list of Top 10 Shareholders as on 31st March, 2016.

Not in the list of Top 10 Shareholders as on 01st April, 2015. The same has been reflected above since the shareholders were one of the Top 10 Shareholders as on 31 March, 2016.

** The Top Shareholders has not hold any shares as on 01st April, 2015 and they are in Top Shareholders 10 Shareholders as on 31st March, 2016.



ATTACHMENT G

V. Shareholding of Directors and Key Managerial Personnel

SI No	Name of the Directors and KMP	No. of shares held at the beginning of the year		No. of shares held at the end of the year	
		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1	Mr. G R K Reddy Chairman & Managing Director At the beginning of the Year	12,53,057	3.29	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.) Invocation of shares by IFCI Venture Capital Funds Limited At the end of the Year			12,03,057	3.15
2	V P Rajini Reddy Non Executive, Non Independent Director At the beginning of the Year	-	-	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.) At the end of the Year			-	-
3	Karanjit Singh Jasuja Non Executive Independent Director At the beginning of the Year	5,000	0.01	-	-
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.) At the end of the Year			5,000	0.01



ATTACHMENT G (...cont)

V. Shareholding of Directors and Key Managerial Personnel

SI No	For Name of the Directors and KMP	No. of shares held at the Shareholders beginning of the year		No. of shares held at the end of the year	
		No of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
4	N Ramamoorthy* Chief Financial Officer At the beginning of the Year Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	-	-	-	-
		No Change During the Year			
	At the end of the Year				0.00
5	Rabindra Kumar Samal Company Secretary & Compliance Officer At the beginning of the Year Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/Decrease (eg. Allotment/ transfer/ bonus/ sweat equity etc.)	68	0.00		
		No Change During the Year			
	At the end of the Year			68	0.00

* CFO has resigned w.e.f 14.11.2015

**ATTACHMENT H****V. INDEBTEDNESS:**

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

(Rs In Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	11,25,25,00,422	37,24,63,034	-	11,62,49,63,456
(ii) Interest due but not paid	51,52,61,423	1,49,69,737	-	53,02,31,160
(iii) Interest accrued but not due	68,75,714	1,07,40,172	-	1,76,15,886
Total (i+ii+iii)				
Change in indebtedness during the financial year				
Addition	1,27,24,65,988	29,55,73,947.9	-	1,56,80,39,936
Reduction	10,93,84,629	24,80,21,760	-	35,74,06,389
Net Change				
Indebtedness at the end of the financial year				
(i) Principal Amount	12,41,55,81,781	42,00,15,222	-	12,83,55,97,003
(ii) Interest due but not paid	2,16,82,20,752	5,37,26,601	-	2,22,19,47,353
(iii) Interest accrued but not due	2,47,174	-	-	2,47,174
Total (i+ii+iii)	14,58,40,49,707	47,37,41,823	-	15,05,77,91,530

ATTACHMENT I**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(Rs In Lakhs)

Sl No	Particulars of Remuneration	Name of MD/WTD/Manager Mr. G R K Reddy Chairman & Managing Director
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0.00
2	Stock Option	-
3	Sweat Equity	-
4	Commission as % of profit others, Please specify	0.00
5	others, Please specify (perquisites)	0.00
	Total (A)	0.00

* CMD declined to take any Salary until the Company again Start Making Profits.



ATTACHMENT J

B) Remuneration to Directors

(Rs In Lakhs)

SI No	Particulars of Remuneration	Name of the Directors		Total Amount
		Mr. Karanjit Singh Jasuja	Mr. Bahushrut Lugani	
1	Independent Directors - Fee for Attending Board /Committee Meetings Commission Others Please Specify	3.40	3.20	6.60
	Total (1)	3.40	3.20	6.60
2	Other Non-Executive Directors - Fee for Attending Board /Committee 8 Commission Others Please Specify	Mrs V P Rajini Reddy 3.40		- 3.40
	Total (2)	3.40		3.40
	Total B (1) +(2)	6.80	3.20	10.00

ATTACHMENT K

C) Remuneration to Key managerial personnel:

(Rs In Lakhs)

SI No	Particulars of Remuneration	Name of the KMP		Total Amount
		Mr. N Ramamoorthy	Mr. Rabindra Kumar Samal	
1	Gross salary	CFO	CS	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	35.00	15.75	50.75
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit -others, specify	-	-	-
5	others, Please specify (perquisites)	-	-	-
	Total	35.00	15.75	50.75

* CFO has resigned w.e.f 14.11.2015



ATTACHMENT L

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

(Rs In Lakhs)

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 of Offence					
B. DIRECTORS Penalty Punishment Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT Penalty Punishment Compounding	-	-	-	-	-



DISCLOSURES PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule (5) (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

SI No	Requirements	Details
1	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	Nil
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Key Managerial Personnel N Ramamoorthy * CFO Nil Rabindra Kumar Samal CS Nil
3	The percentage increase in the median remuneration of employees in the financial year;	Nil
4	The number of permanent employees on the rolls of company as on 31.03.2016	133
5	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;	Nil
6	The key parameters for any variable component of remuneration availed by the directors;	The Directors are not getting any variable component during the year.
7	Affirmation that the remuneration is as per the remuneration policy of the Company.	Remuneration paid during the year ended 31st March, 2016 is as per the Remuneration Policy of the Company.

*CFO has resigned w.e.f 14.11.2015

Management Discussion and Analysis Report

MARG Limited (the Company) is a listed entity and an ultimate holding company of MARG Group which operates in diversified business operations under different verticals. The Company operates predominantly in Ports, Residential Projects and has presence in other business like Resources, Urban infrastructures etc. The Development Business is focused primarily on the development of affordable residential projects and certain strategically located commercial projects. The Company also offers commercial spaces.

The global economy strived to gain momentum as high income countries continued to struggle and emerging economies were less dynamic than in the past. Despite that, India stands out confidently as an economically stable nation with multiple opportunities.

Economic Environment

In the backdrop of global dynamics, the task of economic management is challenging for India too. Dwindling commodity prices, including crude oil prices, substantial shrinking in world trade, exchange rate volatility etc. are directly impacting the world economy as well through a domino effect. The emerging markets slowed down further to about 4.7% in 2016 with China recording a decline in growth rate to about 6.7% in 2016. Other major constituent economies like Brazil, Russia and South Africa also recorded deceleration in growth rates. India on the other hand, remains largely positive, registering a GDP growth rate of 7.2% in 2014-15 and 7.6% in 2015-16. With such a high growth number, India has been declared a bright spot in the global economic development by both, the World Bank and the IMF.

However, the pace of growth is less likely to witness significant excitement in the short term due to time lag between business confidence and reforms to translate into higher levels of capital investment and private expenditure. Next two financial years are very crucial for us and India needs to perform diligently as reversal in crude oil and global commodity prices, heightened geopolitical risks, low agricultural output due to subnormal

monsoons and protracted stagnation in the Euro Zone represent some of the key downside risks going forward.

The year 2015 has been a year when the Modi-led government unleashed a slew of initiatives that were directed at changing the landscape and ushering in a much-awaited revival of the infrastructure sector. Various initiatives have been taken to get the stressed roads sector to emerge again as a formidable sub-sector in infrastructure. These include greater emphasis on EPC projects and introduction of the hybrid annuity model for pursuing PPP projects. Also, there have been measures such as an easier exit policy, funding top-up to financially stressed developers and concession period elongation option for delayed Projects.

CONSTRUCTION INDUSTRY OVERVIEW

The construction industry is a major contributor towards India's GDP, both directly and indirectly. It employs more than 33 million people, and any improvements in the construction sector affect a number of associated industries such as cement, steel, chemicals, technology, skill-enhancement etc. and several unorganized industries. Overall the industry remains highly fragmented, though the share of the 'organized' players is growing rapidly – accounting for about 50% of the industry today.

Today, despite overall positive signs, activity in the construction sector appears to be relatively slow. The prolonged real estate market slowdown has resulted in a lot of unsold commercial & housing inventory across India. Simultaneously, the construction sector is reeling under a severe shortage of skilled workforce, and in many areas of the country, shortage of construction sand, raw materials etc. are acting as growth deterrents. The arrival of new construction technology, enhanced skill sets, introduction of Goods & Services Tax (GST) etc. will ease complexities in the construction sector and bring with it a major spurt in activity and growth.



Business Verticals Overview, Business Segment Review and Outlook

EPC VERTICAL

The EPC division of the Company has an order book of ₹ 2586.18 Crores. Further local and international bids are being planned leveraging the experience gained through execution of Marine, Infrastructure and Industrial EPC. To achieve 'Customer Delight' through innovative, cost effective and value added consulting, Design & Detailed Engineering Services contract and EPC services the Company is developing finding means for achieving the same.

Some prestigious projects has been completed like Multi level Car parking at Chennai and the same has been inaugurated by Honorable Chief Minister of Tamil Nadu on September 15, 2015. Dredging at Ariyankuppam river and sea mouth at Pondicherry and Construction of fish landing center at Nagore, Indoor stadium at Karaikal also successfully completed, the company has been awarded with the project for Construction of Multi-storied Flats under SFS at Vrindavan Yojana, Lucknow, Uttar Pradesh by UP Housing Developments Board and the same has been handed over to the respective authority.

Some of the other projects like Construction of 2 * 250 MW Power plant CW & SW Package at Bhavnagar, Construction of FRENA Laboratories at Kolkata, Construction of integrated campus at HAL Bangalore and Construction of Dredging and fish Harbor Mahi, Construction of Head Quarters Building for BPR&D and NCRB at Mahipalpur was awarded by NBCC, Construction of Technical and Administrative Accommodation at strategic Communication Node Palam was awarded by Military Engineers Services, Pravasi Bharatiya Kendra at Plot No.15A, 15B & 15 D Chanakyapuri, New Delhi was awarded by NBCC, Construction of Multi-storeyed Residential Building (G+11) "Srishti Apartment" Phase-I at Jankipuram, Sector-J (Extension), Lucknow, Uttar Pradesh, Construction on of Multi-storey 'Smriti Apartment' at Janakipuram Extension Scheme, Sector-J, Lucknow, Uttar Pradesh, Construction of Multi-storied Flats at Vrindavan Yojana-4, Lucknow, Uttar Pradesh by UP Housing Development Board The HSCC work of Construction of Test Research laboratory (Animal Facility Building) including internal services like plumbing, electrical, fire fighting, fire detection/fire alarm, HVAC etc. at Sector-8, Dwarka, New Delhi final stage and all the related work is going on in full swing.

MARG is in the process of pipelining additional EPC contracts - bidding for mega contracts in the specialized areas like marine, industrial projects, urban infrastructure and solar & alternate energy sector. Further the EPC divisions of MARG will increase the turnover in the forthcoming years.

MARG EPC has been appreciated for safety practices, a notable achievement as the present accident frequency across all project sites is very less compared to other companies projects.

PORT

Karaikal Port – a deep draft, all weather port is owned and operated by Karaikal Port Private Limited - a subsidiary of MARG Limited. The Port is now in the eight successful years of operations. The Port has handled 5.96 MMT of cargo in Financial Year 2016 as against 4.89 MMT in Financial Year 2015. Revenue for the Financial Year 2016 is ₹ 260.65 crores against ₹ 226.86 crores last year. EBIDTA for the Financial Year 2016 is ₹ 112.34 crores against ₹ 81.03 crores for Financial Year 2015. During the Financial Year 2015-16, a total of 868 rakes have been handled against 889 rakes in last year.

BUSINESS DEVELOPMENT UPDATES

- Company has renewed agreement with Ultratech Cements Limited for handling for coal, pet coke and lime stone cargo.
- Company had signed Cargo handling agreements with M/s. Ramco Cements and has started coastal movement of clinker from Karaikal to Haldia.
- Company brought back M/s Adani Enterprises as our customer for handling cargo.
- Company has signed Cargo handling agreements with M/s SPIC for Urea, M/s AMR Energy for Coal, M/s JSW Steel Limited for Coal/Pet Coke, M/s Dalmia Cements for Coal/Pet coke.
- Company have received first vessel of UREA for M/s SPIC – MV Sea wind size of 6300mt.
- Company has started dispatching UREA with Neem coating done at port as per the guidelines.
- Company has restarted Erode belt coal supplies through our customers which are discontinued in the year 2010.
- Company brought back TNPL volumes by the way of contracting with the approved coal suppliers of TNPL.
- Company has started coastal clinker export in bulk vessels with large parcel size of 22,500MT.



Some of the major customers like AMR Logistics, Aproova Logistics, Bulk Trans Logistics, Chettinad Cement, Dalmia Cement, Madras Cements, Ramco Cements, IL&FS, Ultratech Cements, Devendran Coal International, Gupta Coal and The India Cements for handling their coal imports. Karaikal Port added new cargos to the portfolio like Timber logs to bring additional cargo to the port.

SEZ

MARG is developing two special economic zones in the field of Engineering Services and Multi Services spread over 612 acres as part of 'MARG Swarnabhoomi – The Land of New Thinking'. This Project is developed by New Chennai Township Private Limited, a wholly owned subsidiary. MARG Swarnabhoomi is located on the scenic East Coast Road, midway between Chennai and Puducherry.

Engineering Services SEZ is promoted at MARG Swarnabhoomi with the objective of attracting clients in various segments like Auto Components, Fasteners, Valves, Pumps, Power components, Electronic components, Electronic meters, Renewable Energy, etc. M/s Grundfos Pumps, M/s P.H. Hydraulics and Pneumatics, M/s Eswari Electricals, M/s Kwik patch Ltd and M/s Twin Disc (Far East) Pte Ltd are operating in Engineering services SEZ. M/s Tecpro Energy Systems has registered lease deed and is in advanced stages of setting up their premises in MARG Swarnabhoomi. Total exports from the engineering SEZ in Financial Year 2016 is ₹ 68.12 crores against ₹ 100.10 crores in the previous year.

The Multi Services SEZ is promoted in MARG Swarnabhoomi to attract clients in various segments like IT/ITES, Knowledge Hub, BPO, KPO, Animation, Medical Tourism, R&D, Publishing etc. The Company has added few clients in the respective year M/s Groom India Salon & Spa Private Ltd and Enterprise Touch etc.

REAL ESTATE DEVELOPMENT

MARG's residential development arm - MARG ProperTies is moving forward as lot of infrastructure growth is happening in Tamilnadu and the company has a strong presence in Chennai where there is a huge demand for residential space. To cater to the housing demand and leverage the economic growth drivers, the company has a strong project pipeline and land bank near the suburban micro-markets. The company's project portfolio is primarily skewed towards mid and low income segment which forms the bulk of the residential demand.

The years 2014-15 can be termed as epic milestones for the

real estate industry in India. There have been some landmark decisions that aim to change the face of the realty industry and create a conducive and more just form of housing options catering to each and every section of the society.

As the South & West Chennai is getting developed rapidly, MARG ProperTies projects which are located in these areas are benefitted more.

The capital of Tamil Nadu is largely an end-user driven market, making it less prone to speculation. North Chennai is predominantly industrial, while central Chennai is the most developed part of the city with established commercial and residential markets. South and west Chennai, previously predominantly residential areas, are fast turning into commercial zones, hosting a large number of IT and financial services companies.

Outer Ring Road has emerged as the best upcoming investment market with large townships. Outer Ring Road Phase II and Metro Rail Phase II will become operational late this year. The Guindy-Alandur cluster is expected to emerge stronger in the medium term with infrastructure push.

Nodes such as Perungudi, Sholinganallur, Siruseri, along with GST Road, have created enormous employment opportunities in south Chennai. "The focus of the state government in providing excellent road connectivity along these nodes has helped in the development of this region," says Kanchana Krishnan, Director - Chennai, Knight Frank India.

MARG ProperTies is consistently unique in its marketing and customer service approach.

The Chennai real estate market started reviving after the December floods that affected the industry for a short period. While there were negative sentiments following the floods making it as one of the worst performing years for the residential sector in the history of the city Factors such as slowing economic growth, increase in raw material prices and weak rupee among others have contributed towards building a negative sentiment among home buyers. MARG properties also witnessed a slowdown in the projects and sales drop highly because of above mentioned economic downturn.

New launches have dropped by 62 per cent in 2015, over the previous year, indicating that developers have been cautious about investing in new projects and have kept a check on piling inventory, said the latest Chennai residential real estate market



commentary by real estate consultant firm JLL India.

India is the only large economy that has maintained a steady growth rate. In addition, the fiscal situation has been stable and there has been a broad-based decline in inflation, allowing the RBI to maintain an accommodative monetary policy stance. But, the investment-growth cycle is yet to kick-in, given the weak global outlook and low capacity utilization levels across industries. Persisting corporate sector stress and risk aversion in the Indian banking system has meant that the rate cuts by the RBI have not translated into the much needed reduction in interest rates for both businesses and consumers, which can spur both demand and confidence. Given the capital intensive nature of the business, the real estate industry in India has also been affected by this situation.

Real estate is a critical sector for India's economy due to its large potential for employment generation, capital attraction and revenue generation for the Government. It is one of the fastest growing sectors contributing about 6-8% to India's GDP and also a key business segment of your Company. After witnessing fluctuating business cycles in the last decade, the real estate sector witnessed a slowdown due to moderate end user demand, rising inventory and high finance costs. Despite the subdued performance in recent years, India's demographics and urbanization trends present an optimistic future for the residential market. Under 'Housing for All by 2022' significant business opportunities are going to open up for construction and real estate industry. The government is exploring possibility of granting an infrastructure status to affordable housing to attract higher investment.

MARG ProperTies believes that it is well positioned to benefit from the opportunities that will emerge as the economic situation improves further. So, the outlook for 2016-17 is cautiously optimistic.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

Outlook

Your Company has implemented risk management policies and guidelines that set out the tolerance for risk and your Company's general risk management philosophy. Accordingly, your Company has established a framework and process to monitor the exposures to implement appropriate measures in a timely and effective manner. Government of India is attempting to improve the country's infrastructure as a top policy priority and some of the positive changes which took place in near future.

Opportunities

- As India awaits policy reforms to pick up speed, your Company firmly believes that the demand for Real Estate in a country like India should remain strong in the medium to long term.
- Growing requirements of space from sectors such as education and healthcare to provide opportunities in the real estate sector with IT parks, retail, hospitality, special economic zones, financial services and other new age sectors taking center stage will continue providing tremendous room for growth in commercial office space.
- Urbanization and growing household income are some of the major factors that influence demand for residential real estate and growth in the retail sector.
- In the coming year interest rates are expected to witness a downward trend which can positively impact affordability and consumer sentiment. Also availability of funds at a lower cost will help timely project completion in the sector.

Threats

- Depressed demand, together with increased construction costs - both material and labour which has been putting pressure on the cost of projects and profit margins.
- Any adverse move by the banking sector towards the lending policy on the real estate loans may increase the cost of borrowing.

RISK MANAGEMENT IDENTIFICATION & MITIGATION

As a diversified enterprise, your Company continues to focus on a system-based approach to business risk management. Accordingly, management of risk has always been an integral part of the Company's 'Strategy' and straddles its planning, execution and reporting processes and systems. Your Company acknowledges risk as the presence of potential or actual threats or opportunities that influence the objectives of a project during construction, commissioning, or at time of use. Intensity of the Risk is associated with the exposure to the probability of occurrences of events adversely or favorably affecting project objectives on account of uncertainty. Following are some of the construction related risks and exposures:



Financial risks

This risk is the totality of all risks that relate to financial developments external to the project that are not in the control of the project developer. This results from consequences that may have adverse economic effects.

Legal risks

It is the risk of non-compliance with legal or regulatory requirements. Much of the law is general and will apply to all organizations e.g. employment law, health and safety, environmental legislation, etc.

Development risk

Development depends on several factors which include receipt of required approvals, weather conditions, labour availability, material shortages etc and any of these factor may have an adverse impact on execution.

Economic risk

Any adverse change in any macroeconomic variables like GDP growth, interest rates, inflation, changes in tax, trade, fiscal and monetary policies etc. may adversely impact the Company's business, profitability and financial condition.

Force majeure risks

These risks are regarding the events that are outside the control of any party and cannot be reasonably prevented by the concerned party. The defining of force majeure events, these include natural force majeure events, direct or indirect political force majeure events.

Internal Controls

MARG has instituted a robust system of internal control to ensure optimum use and protection of assets, facilitate accurate and timely reporting of financial statements and preparation of management reports and compliance with statutory laws, regulations and Company's policies including identification, review and management of risks.

The company's internal controls are exercised by independent external/internal auditors and internal audit reports are reviewed by the management. The internal control is designed to ensure effective and efficient functioning of various business verticals. All the financial and internal audit reports are reviewed by the Audit Committee of the Board.

RISK MITIGATION

The uncertainty of a risk event as well as the probability of occurrence or potential impact should decrease by selecting the appropriate risk mitigation strategy. Four mitigation strategy categories broadly used by your Company are:

RISK AVOIDANCE

Risk avoidance may include a review of the overall project objectives leading to a reappraisal of the project as a whole. Risk avoidance is often perceived as the ultimate mitigation strategy in that it implies that the project may be aborted. It means making a decision not to enter in to new way of working because of inherent risk this would introduce.

RISK REDUCTION

This method adopts an approach whereby potential exposure to risks and their impact is alleviated. Risk reduction occurs where the level of risk is unacceptable and alternative action is available. Typical action followed to reduce risk could be:

1. Alternative procurement route- by utilizing an alternative contract strategy risks will be allocated between project participants in a different way.
2. Changes in design to accommodate the findings of the risk identification process etc.

RISK RETENTION

Once all the avenues for response and mitigation have been explored a number of risks will remain. This does not imply that these risks can be ignored; indeed, it is these risks, which will in most instances, undergo detailed quantitative analysis in order to assess and calculate the overall contingency levels required. However, it does not imply that these retained risks can simply be ignored. Instead, they should be subject to effective monitoring and control

Financial Performance

During the year, The financial highlights are:

- The income from operations was ₹ 131.61 Crores in FY 2015-16
- The EBDIT was ₹ 6.40 Crores in FY 2015-16
- The Company incurred a Net Loss of ₹ 16.98 Crores in FY 2015-16



EMPLOYEE WELLNESS

The Company believes that the employees are the valuable asset of the Company. MARG aims at creating inclusive working environment that attracts and retains the best employees which enhances their capability, flexibility and motivation. In view of this, Company has evolved different measures to identify and Rewards high achievers and significant contributors of MARG. The Company continues to enjoy healthy industrial relations during the year.

HUMAN RESOURCE DEVELOPMENT

Our employees are considered the most valuable asset and the Company endeavor to provide its employees a professional, congenial, safe working environment coupled with opportunities for personal growth and development. MARG has put in comprehensive system in place for identifying and addressing the competency requirement and fulfilling the same through various training programs at all the levels in the organization.

Through various Organizational Development (OD) interventions we are enhancing the competency of our employees to work in challenging environment & empower them at work place with cultivation of culture of dedication, ethics & values. Your Company has been successful in cultivating culture of dedication, work ethics & values in the organization. Employees have been provided training on behavioral aspects, such as personality development, leadership development through self-awareness etc. to help to achieve higher level of performance.

CAUTIONARY STATEMENT

The financial and operational information contained in the Management Report is based on the consolidated operations of the Company unless stated otherwise. Further, statements in the Management Report describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy and comprehensiveness though the same are based on sources believed to be reliable. Utmost care has been taken to ensure that the opinions expressed by the management herein contain its perceptions on the material impacts on the Company's operations but it is not exhaustive

For and on Behalf of the Board of Directors

G R K Reddy
Chairman & Managing Director

Place: Chennai
Date: 31st May, 2016

Report on Corporate Governance

1. Statement on Company's Philosophy on Code of Governance

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's wealth generating capacity. This is ensured by conducting business with a firm commitment to values, while at the same time, meeting stakeholders' expectations.

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. MARG Limited ("MARG" or "the Company") is committed to the adoption of best governance practices and to its adherence in the business of the Company. The Company's corporate governance practices are driven by timely disclosures, transparent accounting policies, internal control on operations and high levels of integrity in decision making with an objective to enhance the value to the stakeholders. The Company is in compliance with the mandatory requirements stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 agreement entered into with the stock exchanges with regard to corporate governance.

2. Board of Directors Code of Governance

The Board of Directors ensure optimisation of shareholders' expectations, effective execution of Company's plans and efficient performance by the management. It has the responsibility to participate directly or through its committees, in developing and approving the objectives and goals and the strategy for their achievement. It is entrusted with the supervision of the management of the business and affairs of the Company.

The board presently consists of FOUR directors comprising of Managing Director, who is also the Chairman of the board and THREE Non-Executive Directors out of which TWO are independent Directors.

The Composition of the Board of Directors and the number of directorships and committee positions held by them during the financial year 2015-16 are as follows:

Sl. No	Name(s) of Director(s)	Executive / Non-Executive/ Independent	Director Identification Number	Number of Directorship in other Public Companies ¹		Number of Committee positions in other Public Companies ²	
				Member	Chairman	Member	Chairman
1	Mr. G R K Reddy	PD/ ED	00903778	6	1	2	2
2	Mrs. V P Rajini Reddy	PD/ NED	00904123	3	-	2	-
3	Mr. Karanjit Singh Jasuja	ID/ NED	01563933	3	-	3	1
4	Mr. Bahushrut Lugani	ID/ NED	00052387	3	-	4	3

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

1. The directorship does not include directorship in Private Limited Company which are not subsidiary of Public Limited Company, Section 8 Companies and Companies Incorporated outside India.

2. In accordance with Listing Obligations and Disclosure Requirements) Regulations 2015, membership/chairmanship of only Audit Committee and Shareholders/ Investor Grievance Committee has been considered.

B. Directors' Profile

Brief Resume of all the Directors are given below:

Mr. G R K Reddy, Chairman & Managing Director (DIN: 00903778) (Executive, Non-Independent) aged 56 years, is a Post-Graduate in Commerce and alumni of Kellogg School of Management. He started his career in 1985 as a Merchant Banker and gained rich experience in advising and structuring various financial instruments. Later in 1994, he moved to the Constructions & Infrastructure industry, and promoted 'MARG'. He made MARG among India's fastest growing infrastructure organisations and a premier group operating in South India providing Marine Infrastructure, Industrial Clusters, Real Estate, Power, Civil, Residential and Commercial Projects. GRK is actively involved with Confederation of Indian Industry (CII) and is a member on a number of prestigious committees like Steering Committee, City Connect Program – CII task force on Building Inclusive Cities; CII Tamil Nadu, CEO Forum, Indian Institute of Technology, Chennai, Rural Technology & Business Incubator (RTBI), Academic Council of the Anna University, Chennai. He is currently the President of Indo-Australian Chamber of Commerce.

Mrs. V P Rajini Reddy, Director (DIN: 00904123) (Non-Executive, Non-Independent) aged 49 years, AMP (Advanced Management Program) from Harvard Business School and she holds an Engineering Degree (Civil). Mrs. V P Rajini Reddy has an impressive 20 years of experience under her belt in high-caliber management. She started her entrepreneurial journey in 1996, in 1999 she founded Exemplarr (Erstwhile RR Infotech Limited) an ITES (Information Technology Enabled Services) company with a vision of generating rural employment. she is having hands on experience in building and scaling the team, travelling extensively to US, UK, Germany, Australia, New Zealand, and Singapore for client acquisition and client management. Initially the Company was offering services to health care in the US and later diversified into various other domains like e-publishing, e-learning, legal services and Architectural & Engineering services. She is one of the founding members of Empowering Women in IT – popularly referred as eWIT. She was invited to become one of the panel members for the CII-Publishing BPO Forum and has been a regular speaker in their annual conference. She was a steering committee member of the conclave on 'Women@75', at CII (Confederation of Indian Industry). She has been a keynote speaker on various conferences and forums and has been widely quoted in the media regarding IT, outsourcing, talent management, rural employment and women empowerment.

Mr. Karanjit Singh Jasuja, Director (DIN: 01563933) (Non-Executive, Independent) aged 55 years is a Fellow Member of Institute of Chartered Accountants of India and Institute of Company Secretaries of India. He is a practicing Chartered Accountant and has been authoring articles and delivering lectures on various professional topics. He acts as an Advisor to various corporate and is an expert in taxation and finance.

Mr. Bahushrut Lugani, Director (DIN: 00052387) (Non-Executive, Independent) aged 60 years is a Chartered Accountant, Financial and Management Consultant. He brings with him a rich experience of 35 years experience in the field of Accounts, Finance, Management Consultancy, Income Tax, Setting up of new projects etc. He has been the Managing Partner of M/s. B. Lugani and Associates since August 1980. He serves as an Independent & Non-Executive Director of Amtek Auto Ltd Non Executive & Independent Director at Metalyst Forgings Limited (formerly Ahmednagar Forgings Limited). Mr. Lugani also serves as a Director at Vishal Mechanical Works Private Limited, Dayalsons Textiles & Fabrics Private Limited and Autus Pharmaceuticals and Chemicals Private Limited.

C. Attendance of Directors at Board Meetings and at Last Annual General Meeting (AGM)

During the financial year 2015-16, FIVE meetings of Board of Directors were held on 30th May 2015, 12th August 2015, 3rd September 2015, 14th November 2015, and 13th February 2016 and Annual General Meeting was held on 30th December 2015.

Sl. No	Name(s) of Director (s)	Board Meetings attended	Attendance at Previous AGM
1	Mr. G R K Reddy	5	Yes
2	Mrs. V P Rajini Reddy	5	Yes
3	Mr. Karanjit Singh Jasuja	5	Yes
4	Mr. Bahushrut Lugani	4	Yes

Code of Business Conduct

The Board of Directors have laid down the Code of Conduct for all the Board Members and Senior Management Personnel of the Company, which is also uploaded on the website of the company, (www.marggroup.com). All Board Members and senior Management personnel have affirmed compliance to the Code of Conduct. A declaration signed by the Managing Director affirming the compliance with the Code of Conduct by the Board of Members and Senior Management Personnel of the Company is attached and forms part of this Report.



4. Committee of Directors

The Board has constituted several committees, both mandatory and non-mandatory in accordance with Companies Act 2013. Mandatory Committees are Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Sexual Harassment Committee. The non-mandatory Committees have been constituted to deal with specific matters and have been delegated with powers for different functional areas.

The Board has constituted the following NINE Committees namely:-

- I. Audit Committee,
- II. Nomination and Remuneration Committee,
- III. Stakeholders Relationship Committee,
- IV. Compensation Committee,
- V. Capital Issues and Allotment Committee,
- VI. Banking and Legal Matters Committee,
- VII. Business Review Committee,
- VIII. Corporate Social Responsibility Committee and
- IX. Sexual Harassment Committee

The Board is authorised to constitute additional functional Committees from time to time depending on the business needs.

I. Audit Committee

The terms of reference of the Committee are governed by a Charter, covering all applicable matters specified under Part C of Schedule II of Regulation 18 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 dealing with Corporate Governance and Section 177 of the Companies Act, 2013.

The Audit Committee comprises of THREE Non-Executive Directors out of which TWO are Independent Directors. All the Committee members have sound knowledge in finance and accounts. Mr. Karanjit Singh Jasuja and Mr. Bahushrut Lugani possess expert knowledge in finance and accounts. Mr. Karanjit Singh Jasuja, Director is the Chairman of the Committee.

The Audit Committee reviews the financial accounting policies, adequacy of internal control systems audit and interacts with statutory auditors and internal auditors. Senior Executives and functional heads are invitees to the committee meetings.

Besides, the Committee reviews audit plans, quarterly and annual financial results, management discussion and analysis of financial condition and result of operations, related party transactions, observations of the internal/external auditors on internal control follow-up reports of the management.

Composition of the Audit Committee and Attendance of each member in the Committee Meetings are given below:

During the financial year 2015-16, FOUR meetings of Audit Committee were held on 30th May 2015, 12th August 2015, 14th November 2015 and 13th February 2016.

The Members of the Committee are:

Sl. No	Name	Category/ Status	Meetings Attended
1	Mr. Karanjit Singh Jasuja	NED/ID/Chairman	4
2	Mrs. V P Rajini Reddy	NED/PD/ Member	4
3	Mr. Bahushrut Lugani	NED/ID/ Member	4

The Chief Financial Officer, Internal Auditor and the Statutory Auditors are invitees to the relevant meetings of the Audit Committee in respect of businesses related to them. The Company Secretary acts as Secretary to the Audit Committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations;
2. Statement of Significant Related Party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
4. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of a material nature and reporting the matter to the Board.
5. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
7. Discussions with internal auditors on any significant findings and follow up thereon.
8. Internal audit reports relating to internal control weaknesses.
9. To review the functioning of the whistle blower mechanism.



Meeting of Independent Directors

A Separate Meeting of Independent Directors was held on 12th February 2016 without attendance of non-independent directors and members of the management. All the Independent Directors attended the meeting and:

i) Reviewed the performance of non-independent directors and the Board as a whole:

ii) Reviewed the performance of Chairman of the Company, taking into account the views of executive directors and non-executive directors:

iii) Assessed the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors of the Company are experts in their respective fields. They bring with them specialized skills, vast repertoire of knowledge and a wide diversity of experience and perspectives. In view of their significant expertise, the Independent Directors may recommend the mechanism for evaluating the performance of the Board as a whole and as well as individual directors.

In lieu of such recommendation, the criteria for Performance Evaluation laid down below may be considered. However, the below mentioned criteria is only suggestive and the Board / Directors may consider such other criteria as they may deem necessary for effective evaluation of performance.

II. Nomination and Remuneration Committee

The Company, to comply with the requirements of Section 178 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has constituted a Nomination & Remuneration Committee.

The Committee determines and recommends to the Board of Directors, the remuneration payable to the Board of Directors. The resolution for the appointment and remuneration payable to the Board of Directors are approved by the shareholders of the Company.

The terms of reference of the Committee are as stipulated under Schedule II Part (D) of the Regulation 19 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which inter alia includes the following:

- Formulation of criteria for determining qualifications, positive attributes and independence of a director and to recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and Other employees.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.

Composition of the Remuneration Committee and Attendance of each member in the Committee Meetings are given below.

During the financial year 2015-16, ONE meeting was held on 30th May 2015.

Sl. No	Name(s) of Director(s)	Category/ Status	Meetings Attended
1	Mr. Karanjit Singh Jasuja	NED/ID/Chairman	1
2	Mrs. V P Rajini Reddy	NED/PD/ Member	1
3	Mr. Bahushrut Lugani	NED/ID/ Member	1

Remuneration to Directors

Due to Loss incurred by the company in the current financial year 2015-16, the Committee has discussed and suggested that the remuneration and commission should not be paid to Managing Director and Non - Executive Directors.

Further Non-Executive Directors were only paid a sitting fee of Rs. 20,000/- for each Board or Committee Meeting attended by them.

Shareholding of Directors

Details of Shares held by the Directors in the Company as on 31st March 2016 are as follows:

Name	Number of Shares
Mr. G R K Reddy	1,203,057
Mrs. V P Rajini Reddy	Nil
Mr. Karanjit Singh Jasuja	5000
Mr. Bahushrut Lugani	Nil



III. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee consists of THREE Non-Executive Directors out of which TWO are Independent Directors. The Committee has delegated the authority for share transfers to the Managing Director. The Committee oversees performance of Registrars and Share Transfer Agents of the Company and recommends remedial measures to improve quality of investor's services and reviews all matters connected with transfer/transmission of securities of the Company and approves issue of duplicate certificates. The Committee also looks into redressal of shareholder's/ investor's complaints related to transfer of shares, non-receipt of annual reports, non-receipt of declared dividend etc.

The composition of the Stakeholders Relationship Committee and attendance of each member in the Committee Meetings are given below:

During the year FOUR meetings were held on 30th May 2015, 12th August 2015, 14th November 2015 and 13th February 2016.

Sl. No	Name(s) of Director(s)	Category/ Status	Meetings Attended
1	Mrs. V P Rajini Reddy	NED/PD/Chairperson	4
2	Mr. Karanjit Singh Jasuja	NED/ID/Member	4
3	Mr. Bahushrut Lugani	NED/ID/Member	4

Compliance Officer

Mr. Rabindra Kumar Samal, Company Secretary acts as Compliance officer. Further, the Company Secretary has been authorized to deal with all correspondence and complaints of the investors. He apprises the Committee about the status of Complaints/Grievances.

Functions of the Company Secretary

The Company Secretary being a Key Management Personnel of the Company ensures that Board procedures are followed and reviewed regularly. He provides all the relevant information, details and documents to the Directors and senior management for effective deliberation and decision-making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in conducting affairs of the Company, to ensure compliance with applicable statutory requirements and secretarial standards, to provide guidance to the Directors and to facilitate convening of meeting. He interfaces between the management and regulatory authorities for governance related matters.

Investors' Grievance Redressal

During the year, 1 investor complaints were received and resolved during the year. None was pending unresolved as on 31st March 2016.

IV. Business Review Committee

This Committee presently consists of THREE Non-Executive Directors out of which TWO are Independent Directors. The Committee reviews the progress of various projects inter-alia operations, finances and execution.

The members of the Business Review Committee are

- (i) Mr. Karanjit Singh Jasuja - Chairman
- (ii) Mrs. V P Rajini Reddy - Member
- (iii) Mr. Bahushrut Lugani - Member

V. Capital Issues and Allotment committee

The Capital Issues and Allotment Committee was constituted for issue of capital and allotment of Shares/ convertible instruments and allotment of Equity Shares upon conversion of such instruments. The Committee consisted of ONE Executive and THREE Non- Executive Directors out of which TWO are Independent Directors.

The members of the Capital Issues and Allotment Committee are

- (i) Mr. G R K Reddy - Chairman
- (ii) Mrs. V P Rajini Reddy - Member
- (iii) Mr. Karanjit Singh Jasuja - Member
- (iv) Mr. Bahushrut Lugani - Member

VI. Banking and Legal Matters Committee

The Banking and Legal Matters Committee consists of ONE Executive and THREE Non-Executive Directors out of which TWO are Independent Directors. The Committee has been constituted with a view to expedite various banking, legal and other statutory or non-statutory issues which otherwise requires the approval of Board.

The members of the Banking and Legal Matters Committee are

- (i) Mr. G R K Reddy - Chairman
- (ii) Mrs. V P Rajini Reddy - Member
- (iii) Mr. Karanjit Singh Jasuja - Member
- (iv) Mr. Bahushrut Lugani - Member



VII. Compensation Committee

The Board has constituted Compensation Committee for the purpose of Employee Stock Option Plans of the Company. The Committee presently consists of TWO Non-Executive Directors out of which ONE is Independent Director (ID).

The members of the Compensation Committee are

- (i) Mrs. V P Rajini Reddy - Chairperson
- (ii) Mr. Karanjit Singh Jasuja - Member
- (iii) Mr. Bahushrut Lugani - Member

VIII. Corporate Social Responsibility (CSR) Committee:

The Company has constituted Corporate Social Responsibility (CSR) committee under Section 135 of Companies Act, 2013 to review the CSR Policy and its effective implementation from time to time.

IX. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company is committed in providing and promoting a safe and healthy work environment for all its employees. It has zero tolerance towards sexual harassment at the workplace and has adopted a policy for 'Prevention and Redressal of Sexual

Harassment at the Workplace' in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace, along with a structured reporting and redressal mechanism. The Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action. The policy has been circulated among the employees of the Company and the same is exhibited in the notice Board of all the business locations / divisions of the Company.

During the year under review, the Company has not received any complaint of sexual harassment.

5. Subsidiary Companies and its Management:

There are FIFTY NINE subsidiary Companies of MARG Limited as on 31st March 2016. All the Subsidiaries are Board Managed Companies and the Company monitors the performance of the subsidiaries with reference to their functions, finance and management. Out of the above 59 Companies 5 are Non-wholly owned and balance 54 are wholly owned subsidiaries including 25 Step-Down Subsidiaries.

The details of MARG shareholding in subsidiary companies (non-wholly owned) are given below:

Name of the Subsidiary	Instrument	Face/Paid up Value in ₹	Paid - up Capital		MARG Ltd Shareholding	
			No.of. Shares	₹ in Crores	No.of. Shares	% of holding
Karaikal Port Private Limited*	Equity Shares	10.00	5,507,921,120	550.79	47,379,530	8.60%
Riverside Infrastructure (India) Private Limited	Equity Shares	10.00	163,000,000	163.00	120,500,000	73.93%
Future Parking Private Limited	Equity Shares	10.00	4,900,000	4.90	24,99,000	51.00%
Signa Infrastructure India Limited	Equity Shares	10.00	50,000	0.05	37,000	74.00%
MARG Swarnabhoomi Port Private Limited	Equity Shares	10.00	12,500	0.01	11,250	90.00%



*Investments comprise of holdings in Karaikal Port Private Limited a subsidiary of Marg Limited. The said investments are in a nature of subscription to Preference and equity Share Capital of Karaikal Port Private Limited. Indian Bank the lead banker to Karaikal Port Private Limited has invoked around 36% of the said shares (comprising entirely of Preference and a portion of Equity shares) held by MARG Limited in Karaikal Port Private Limited and the said shares stand in the name of Indian Bank. The said invocation has been challenged and is sub-judice now before the Hon'ble High Court of Chennai.

* Subsequently the Preference Shares was converted in to Equity Shares as per the agreement entered with investors.

6. General Body Meeting

Date, time and location for the Annual General Meetings of the Company held in last three years:

Financial Year	Date	Time	No.of Special Resolution passed
2014-15	30.12.2015	3.00 PM	-
2013-14	30.09.2014	3.00 PM	2
2012-13	27.09.2013	3.00 PM	-

2012-13 and 2013-14 meetings were held at Auditorium of Exemplar Worldwide Limited, 141, Rajiv Gandhi Salai, Kottivakkam, Chennai - 600 041. 2014-15 meeting was held at Hotel Turyaa, 141, Rajiv Gandhi Salai, Kottivakkam, Chennai – 600 041.

7. Postal Ballot

No resolution was passed through Postal Ballot during the Financial Year 2015-16. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a resolution through Postal Ballot.

8. Disclosures

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

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

- II. Company has complied with all the requirements under of the Listing Obligations and Disclosure Requirements) Regulations 2015 entered with Stock Exchanges as well as regulation and guidelines of SEBI. There has been no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any Regulatory Authorities, on any matters related to capital markets during the last three years.
- III. Company has established Whistle Blower Policy and no personnel is denied the access to the Audit Committee.
- IV. The Company complies with the mandatory requirements and non- mandatory requirements of Corporate Governance under Listing Obligations and Disclosure Requirements) Regulations 2015. The Disclosure relating to the compliance has been provided separately in this report. The Company has obtained a certificate from its auditors regarding compliance of conditions of Corporate Governance and the certificate forms part of this report.

9. Code of Conduct for Prevention of Insider Trading

In view of the enactment of SEBI (Prohibition of Insider Trading) Regulations 2015, the Board of Directors of the Company has adopted a new Code of Conduct for Prevention of Insider Trading at its meeting held on May 31, 2015. This code is applicable to all Promoters, Directors, Key Managerial Personnel and Designated Persons. The new Code is available on the website of the Company at <http://www.marggroup.com>.

10. Management Discussion and Analysis Report

A detailed Report on Management Discussion and Analysis Report forms part of the Director's Report.

11. Means of Communication

- I. The Un-audited Financial Results on quarterly basis along with Limited Review Report of the Auditors of the Company are approved by the Board of Directors at its meeting for every quarter, as per the Listing requirement (LODR) and the same are furnished to all the Stock Exchanges where the Company's shares are listed within Thirty minutes of Close of the Meeting. The Un-audited Financial Results along with the Limited Review Report of the Auditors are placed before the Audit Committee. The same along with recommendation of the Audit Committee are forwarded to the Board of Directors for their consideration.



- II. The Financial results as per the requirement of Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are published within 48 hours in two newspapers, one in English daily - News Today, and one in Regional (Tamil) Language daily – Malaisudar. Additionally, it is also published in magazines and financial newspapers having national circulation.
- III. The quarterly results, shareholding pattern and other mandatory information are available at the website of Company, i.e. www.marggroup.com. The Company's website provides all necessary information and contains news releases.
- IV. In accordance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has maintained a functional website at www.marggroup.com and contains information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, Compliance Certificate obtained from R&TA, Investor Complaints, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, all necessary information and contains news releases and the presentations made to Institutional Investors or to/by analysts are also put on the website of the Company. The contents of the said website are updated from time to time.
- V. The shareholders can also write to this email id investor@marggroup.com about their issues for correspondence.

12. CEO / CFO Certification

Pursuant to Regulation 17(8) of the Listing Regulations, certificate duly signed by Mr. G R K Reddy, Chairman & Managing Director of the Company were placed at the meeting of the Board of Directors of the Company and is appended as an Annexure to this Report.

13. Report on Corporate Governance

As required under Regulation 27(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this section forms part of Annual Report relating to Corporate Governance containing detailed compliance report on Corporate Governance for both mandatory and non-mandatory requirements as provided in Annexure- I C to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company also submits a quarterly Compliance Report to the Stock Exchanges within 15 days from the close of every quarter as per the format provided by SEBI.

your company has complied with corporate governance norms as stipulated under the listing regulations. A Certificate from practising company secretary confirming the compliance of corporate governance requirements by the company is attached to this report.

14. Non-Mandatory Committees:

As far as adoption of non-mandatory requirements, No separate Chairman's office is maintained since Chairman is Executive. The Company has set up the Remuneration Committee of the Board of Directors, the details of which have been provided under the section "Committee of the Directors", The Company has also formulated a comprehensive whistle blower policy for employees to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. During the year under review, the management has given its reply in the Director's Report for the observations made by the Auditors in their report. The Company has not adopted any other non-mandatory requirement.

15. General Shareholder Information:

I. Information about 21st Annual General Meeting

Date and Time : 30th December 2016 at 3:00 PM
 Venue : MARG AXIS,
 No.4/318, Rajiv Gandhi Salai,
 Kottivakkam, Chennai – 600 041.

II. Financial Year

The financial year of the Company commences from 1st April every year and ends with 31st March in the succeeding year. The financial year 2015-16 started on 1st April 2015 and ended on 31st March 2016. The current financial year 2016-17 started on 1st April 2016 and would end on 31st March 2017.

Financial Calendar (Tentative)

First Quarter 30th June 2016 : on or before 14th August 2016

Second Quarter 30th September 2016 : on or before 14th November 2016

Third Quarter 31st December 2016 : on or before 14th February 2017

Fourth Quarter 31st March 2017 : on or before 30th May 2017



Revalidation of Dividend Warrants

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

Unclaimed Dividend

The Company has sent intimation to shareholders, who have not yet preferred a claim of their Unclaimed Dividend and are therefore, requested to contact the registrar and share transfer agents immediately.

Section 124 of the Companies Act, 2013 mandates companies to transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned below, if unclaimed within a period of seven years, will be transferred to the IEPF.

Financial Year	Date of Declaration of Dividend	Last date for transfer to IEPF
2008-2009	29-Sep-09	29-Oct-16
2009-2010	30-Sep-10	30-Oct-17
2010-2011	29-Sep-11	30-Oct-18

Dividend declared during the financial year 2008-09 is due on 29.10.2016 for transferring to IEPF. Hence the Company has sent a communication to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividend. Shareholders are cautioned that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

E-Voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time the Company is pleased to provide members the facility to exercise their right to vote at the 21st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services India Limited (CDSL).

Pursuant to the amendments made in Regulation 44 of the Listing Obligations and Disclosure Requirements) Regulations 2015 by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

III. Date of Book Closure

The Register of Members and Share Transfer Books shall be closed for a period of 7 days starting from 24th December 2016 to 30th December 2016 (Inclusive of Both Days) for the purpose of Annual General Meeting (AGM) to be held on 30th December 2016.

IV. Listing on Stock Exchanges

The Equity Shares of the Company are currently listed on Bombay Stock Exchange Limited only.

V. Stock Code/Symbol

- i) Bombay Stock Exchange Limited
Stock Code: 530543 (For Equity Shares of the Company)
- ii) DEMAT ISIN in NSDL and CDSL for equity shares
is INE941E01019

VI. Market Price Data

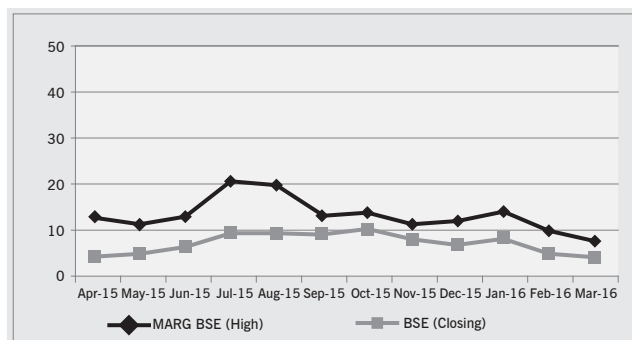
Following are the monthly High / Low Price & Trading Volume of Equity Shares of Company at Bombay Stock Exchange Limited:

Year	Month	High (₹)	Low (₹)	Monthly Volume
2015	April	14.89	8.10	1,741,526
2015	May	13.44	8.70	2,659,021
2015	June	14.80	9.75	1,844,344
2015	July	20.87	12.20	4,722,336
2015	August	20.05	12.00	2,325,227
2015	September	15.00	12.02	1,114,586
2015	October	15.60	12.60	717,494
2015	November	14.00	10.94	693,899
2015	December	14.20	10.10	1,031,396
2016	January	15.74	11.26	1,806,002
2016	February	12.50	8.52	1,374,223
2016	March	10.69	8.05	775,176



VII. Performance vis a vis BSE SENSEX

A comparative line chart showing performance of share price (Closing High) of the Company with BSE Sensex (Closing High) during the financial year 2015-16:



Note: The chart has share prices and moments in indices month-wise from 1st Working Day of April 2015 till Year ending March 2016.

VIII. Registrar and Share Transfer Agent

M/s. Cameo Corporate Services Limited acts as Registrars and Share Transfer Agent. The Company has also entered into agreements with both the depositories NSDL and CDSL. Following is the address of the Registrar and Share Transfer Agents:

M/s. CAMEO CORPORATE SERVICES LIMITED
Subramanian Building
No. 1, Club House Road
Chennai – 600 002
Ph: +91 44 2846 0390
Fax: +91 44 2846 0129
Email: investor@cameoindia.com

IX. Share Transfer System

As on 31st March 2016, shares representing 98.65% of total paid-up capital of the Company are in electronic form. As regards transfer of shares in physical form, the transfer documents can be lodged with M/s. Cameo Corporate Services Limited at the above address. The physical transfers are normally processed within 7-10 days from the date of receipt of documents, complete in all respects.

X. Share holding as on 31st March 2016

Categories of Shareholding as on 31st March 2016

Sl. No	Category	No. of Shares Held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters	7,234,707	18.98%
2	Persons acting in Concert	-	-
	Sub Total (A)	7,234,707	18.98%
B	Non Promoters Holding		
1	Mutual funds/ FIs/Banks	2,087,242	5.48%
2	Foreign Portfolio Investors	25,000	0.07%
3	Bodies Corporate	5,900,502	15.48%
4	Indian Public (Individuals/HUF)	21,105,345	55.36%
5	NRI/ Foreign Nationals/Foreign Corporate Bodies	1,525,099	4.00%
6	Trusts	224,000	0.59%
7	Others-(Clearing Members)	17,031	0.04%
	Sub Total (B)		
	Grand Total (A+B)	38,118,926	100.00%

Distribution of Shareholding as on 31st March 2016

No of Shares held between	No of Share holders	% of Total No of Share holders	Total Shares held in the category	% of Share holding
1 - 1000	8,885	50.16%	4,591,520	1.20%
1001 - 5000	4,894	27.63%	14,429,620	3.79%
5001 - 10000	1,624	9.17%	13,641,400	3.58%
10001 - 20000	895	5.05%	13,958,790	3.66%
20001 - 30000	365	2.06%	9,427,790	2.47%
30001 - 40000	204	1.15%	7,370,780	1.93%
40001 - 50000	190	1.07%	9,048,350	2.37%
50001 - 100000	306	1.73%	23,416,530	6.14%
> 100000	349	1.97%	285,304,480	74.85%
Total	17,707	100.00%	38,118,926	100.00%



XI. Dematerialization of Equity Shares and Liquidity

DEMAT ISIN in NSDL and CDSL for equity shares is INE941E01019.

The Authorised Capital of ₹ 500,000,000 (Rupees Fifty Crores only) comprising of 50,000,000 (Five Crores) equity shares of ₹ 10 each. The paid up Capital of the Company as on 31st March 2016 is ₹ 381,189,260 (Rupees Thirty Eight Crores Eleven lacs Eighty Nine Thousand Two Hundred and Sixty only) consists of 38,118,926 (Rupees Three Crores Eighty One Lacs Eighteen Thousand Nine Hundred and Twenty Six only) Equity shares of ₹ 10 each. Out of the above shares, 515,805 Equity Shares representing 1.35% are held in physical form and balance 37,603,721 Equity Shares representing 98.65% are held in dematerialised form.

Reconciliation of Share Capital Audit

As per the requirement under SEBI (Depositories and Participants) Regulations, 1996 the Reconciliation is being done by a Practicing Company Secretary on quarterly basis for reconciling total admitted capital with NSDL and CDSL and total issued and listed capital. The Company has obtained a Reconciliation of Share Capital Audit Report for all the four quarters during the year ended 31st March 2016 and same has been forwarded to Stock Exchanges. The audit confirms that the total Issued/Paid Up Capital is in agreement with the total number of shares held in physical form and the total number of dematerialized shares held with NSDL and CDSL.

XII. Location of projects

The Company is engaged in business of Constructions and Infrastructure Development. Accordingly the activities are carried on at the concerned location where the projects are being undertaken.

XIII. Address for Correspondence

The Registered Office of the Company is situated in the following address. All correspondences should be addressed to:

The Company Secretary
MARG Limited
'MARG Axis' No.4/318, Rajiv Gandhi Salai
Kottivakkam, Chennai – 600 041
Ph: +91 44 3221 1944
Email: investor@marggroup.com

For shareholder's grievance, the communication should be addressed to the Registrar and Transfer Agents at the following address:

M/s CAMEO CORPORATE SERVICES LIMITED
Subramanian Building, No. 1, Club House Road,
Chennai – 600 002.
Ph: +91 44 2846 0390. Fax: +91 44 2846 0129
Email: investor@cameoindia.com

Non-Mandatory Requirements

(1) The Board

No separate Chairman's office is maintained since Chairman is Executive.

(2) Nomination and Remuneration Committee

The Company has constituted a Nomination and Remuneration Committee full details are furnished under in this Report.

(3) Shareholder's Rights

The half-yearly declaration of financial performance together with the summary of significant events is not individually disseminated to the shareholders. However, the information on financial and business performance is updated in the 'Investor Relations' section of the Company's website, www.marggroup.com, on a quarterly basis.

(4) Audit qualifications

Whenever the auditor makes any observation/emphasizes any matter, the Board of Directors provides explanation to the same in the Board's Report.

(5) Reporting of Internal Auditor

The Internal Audit Report for every Quarter has been placed before the Board for ensuring adequate internal control systems.

(6) Training of Board Members

The Company's Board of Directors consists of professionals with expertise in their respective field and industry. They endeavour to keep themselves updated with changes in global economy & legislation. They attend various workshops and seminars to keep themselves abreast with the changing business environment. The company briefs its directors the risk profile of the business parameters of the company so as to make them effectively discharge their responsibilities as directors.

(7) Mechanism for evaluating non-executive Board Members

The Company has adopted a policy for evaluation of Non-Executive Board Members primarily based on the attendance and few other factors including contribution at the Board Meeting and at Audit Committee Meeting of the Board.



(8) Whistle Blower Policy

The Company's Whistle Blower Policy is in line with the provisions of the Sub-Section 9 and 10 of Section 177 of the Companies Act, 2013 and under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy establishes a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The said mechanism also provides for adequate safeguards against victimisation of persons whose such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We confirm that during the financial year 2015-2016, no employee of the Company was denied access to the Audit Committee.

For and on behalf of the Board of Directors

G R K Reddy
Chairman & Managing Director

Place: Chennai
Date: 31st May, 2016

DECLARATION ON CODE OF CONDUCT:

DECLARATION UNDER Code of Conduct pursuant to Clause D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

I, G R K Reddy, Chairman and Managing Director of MARG Limited, to the best of my knowledge and belief hereby declare that all the members of the Board of Directors and the Senior Management Personnel of MARG Limited have affirmed Compliance with Code of Conduct for the year ended 31st March 2016.

For and on behalf of the Board of Directors

G R K Reddy
Chairman & Managing Director

Place: Chennai
Date: 31st May, 2016

CEO and CFO Certification

The Board of Directors, MARG Limited

I, G R K Reddy, Chairman & Managing Director and of the Company responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2016 and that to the best of our knowledge and belief :
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the year ended 2015-16 are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee that:
 - (i) There were no significant changes in internal controls during the year 2015-16;
 - (ii) There has not been any significant change in accounting policies during the year 2015-16; and
 - (iii) There were no instances of fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.

Place: Chennai
Date: 31st May, 2016

G R K Reddy
Chairman & Managing Director

Certificate on Corporate Governance

To
The Members of
MARG Limited

1. We have examined the compliance of conditions of Corporate Governance by MARG Limited, Chennai (the Company) for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock exchanges (for the eight month period ended 30th November, 2015) and Regulations 17 to 27 of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (for the fourth month period 1st December, 2015 to 31st March, 2016).
2. 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 the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We state that no investor grievances are pending for a period exceeding one month against the Company as on 31st March, 2016 as per the records maintained by the Shareholders/Investors Grievances Committee of the Company.
5. 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.

Place : Chennai
Date : 31st May 2016

Bharat Chandra Das
Company Secretary in Practice
ACS No: 25843
CP No: 9834

Independent Auditors' Report

To
The Members of MARG LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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 preparation of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's' Responsibility

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

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

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

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

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

Basis of Qualified Opinion

1) Attention is invited to note 28; the company has not provided for interest for the year ended 31st March, 2016 on certain loans that are assigned to Asset Reconstruction Companies (ARCs), which in our opinion, the Company has not followed accrual system of accounting and Disclosure of accounting policy is not in accordance with AS 1-Disclosure of accounting policies to this extent. Consequently, the Finance cost, Net loss for the year ended 31st March, 2016 are understated by ₹ 154.98 Crores and loan liability is understated and accumulated reserves are overstated by ₹ 154.98 Crores as on 31st March, 2016.

2) Attention is invited to note 34; The Company has not provided for ₹ 53.92 Crores relating to work in progress for EPC work done which remain unbilled as on 31st March, 2016 and Management fee of ₹ 4.8 Crores not acknowledged by one of its subsidiaries. Consequently, the loss for the year ended 31st March, 2016 are understated by ₹ 58.72 Crores Accumulated Reserves and Current assets as on 31st March, 2016 are overstated by the same amount.

3) Attention is invited to note 35 regarding investment in shares of a subsidiary of ₹ 202.39 Crores as on 31st March, 2016 given as security for loan raised by the Subsidiary company, which were invoked by the Bank; Pending final outcome of the case and continuation of stay granted by the Hon'ble High Court the Company continues to carry the investment cost without any provision and consider the said company its subsidiary. However considering the significant uncertainty in this matter we are unable to comment, a) whether the company will be able to recover the Investment having carrying cost of ₹ 202.39 Crores and b) whether the company continues to be the Holding Company of the said company.

4) Attention is invited to note 36; Regarding confirmation/reconciliation of some of the equipment loans availed by the company, which was not obtained/carried out for the balances as on 31st March, 2016. The differences arising out of the reconciliation, if any, together with the unreconciled amount of ₹ 6.52 Cr relating to the same loan accounts as on 31st March, 2015 continues to be unascertained for the year ended 31st March, 2016. Such differences, if any, will impact the losses for the year ended 31st March 2016, accumulated revenue reserves and balances of such loan accounts as on 31st March 2016. This matter was also qualified in our report for the year ended 31st March 2015.

5) The company has considered M/s Future Parking Private Limited as its subsidiary and accordingly made disclosures in the financial statements for the year ended 31st March, 2016. Due to change in control and management of M/s Future Parking Private Limited the said company ceased to be a subsidiary of the company; further as per the audited financial statements of M/s Future Parking Private Limited, it has not recognised the company as its Holding Company as on 31st March, 2016. Hence, in our opinion the disclosures made in Note 46 of the financial statements are not in accordance with Accounting Standard 18-“Related Party Disclosures” and Schedule III of the Act.

6) The company didn't obtain/ receive balance confirmation from Banks/ARCs, most of the customers/creditors and other parties for the balances as on 31st March, 2016. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except or the effects of the matter described in the Basis for Qualified Opinion paragraph above*, the afore said standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following notes to financial statements:

1) Note 30, regarding preparing financial statements on 'Going concern' basis. The accompanying financial statements have been prepared on a going concern basis, after giving due considerations to all matters more fully explained in the said note.

2) Note 31, regarding investments in and advances and receivables due from its subsidiaries aggregating to ₹ 1023.14 (PY ₹ 954.10 Crores) as on 31st March, 2016. No provision for diminution/recoverability is considered necessary for reasons stated therein.

3) Note 33, regarding deductions made/amount withheld by some customers aggregating to ₹ 11.82 Crores (PY ₹ 8.10

Crores) which are being carried as trade receivables. The company is also carrying work-in-progress/inventory of ₹ 25.46 Crores (PY ₹ 27.85 Crores) and assets withheld at site of ₹ 1.75 Crores (PY ₹ 1.99 Crores) relating to these customers. These balances are subject matter of Arbitration and ultimate outcome of the above matters cannot presently be determined. However the Company is of the view that such amounts are recoverable and hence no provision is required there against.

Report on Other Legal and Regulatory Requirements

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

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

a) We have sought and obtained all the information and explanations, except for the matters described in the Basis of qualified opinion paragraph, which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, except for the matters described in the Basis of qualified opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

d) In our opinion, *except for the effect of the matters described in Basis of qualified opinion paragraph above*, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) The Going Concern matter described in the paragraph (a), under the Emphasis of matter paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

h) With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls as on 31st March, 2016, refer to our separate report in Annexure B.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 (e) and (f) , Note 33 and Note 35 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For K RAMKUMAR & CO.,
Chartered Accountants
Firm's Reg No:02830S

R M V BALAJI
Partner
Membership No: 027476

Place : Chennai
Date : 31st May, 2016

ANNEXURE-A TO AUDITORS' REPORT REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF MARG LIMITED:

- 1) a) *The fixed assets register of the company needs to be updated as on the date of our audit report.*
 b) The fixed assets were physically verified during the year by the management, as per the programme of physical verification of fixed assets over a period of three years which is, in our opinion, reasonable having regard to the size of the company and the nature of its assets. According to the information and explanation given to us, no serious discrepancies have been noticed on such verification.
 c) According to the information and explanations given to us and on the basis of our examination of records of the company, the title deeds of the immovable properties are held in the name of the company.
- 2) As explained to us, physical verification of inventory has been conducted by the management, at the end of the year. In our opinion, the frequency of physical verification is reasonable. The material discrepancies noticed on verification have been properly dealt with the books of account.
- 3) a) The Company has granted unsecured loans to parties covered in the register maintained under section 189 of the Companies Act, 2013. According to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the interests of the company.
 b) According to the information and explanations given to us, the principal amount of the loan along with interest in respect of loan granted to the Subsidiary Companies, except three subsidiaries, is repayable on call. The Subsidiaries have made repayments during the year as and when calls were made by the Company. In respect of three subsidiaries, the loan given by the company is sub-ordinated to the secured loans from Banks and Financial Institutions availed by such subsidiaries and accordingly the obligation to repay does not arise during the pendency of said secured loans.
 c) There is no overdue amount in respect of such loans granted to such companies.
- 4) According to the information and explanations given to us, the company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- 5) In our opinion and according to the information and explanations given to us, the company has not accepted deposits during the year and doesn't have any unclaimed deposits. Therefore, provisions of clause 3 (v) of the Order are not applicable to the company.

- 6) On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government under section 148 (1) of the Companies Act, 2013 have been maintained. We have not carried out a detailed examination of such accounts and records, as we are required to conduct only a general review of the cost records.
- 7) a) *According to the information and explanations given to us and as per the records produced by the company, the company is not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income Tax, Value added Tax, Service Tax, and other material statutory dues applicable to it.*
 b) *According to the information and explanations given to us and as per the records produced by the company, undisputed amounts payable in respect of Tax deducted at source, Service Tax, Value added Tax and Works Contract Tax, Provident fund and Professional Tax to the extent of ₹ 2.25 Crores (PY ₹ 7.43 crores), ₹ 5.33 Crores (PY ₹ 1.70 Crores), ₹ Nil (PY ₹ 2.12 Crores), ₹ 0.63 Crores (PY ₹ 0.26 Crores) and ₹ 0.13 Crores (PY ₹ 0.11 Crores) respectively, were in arrears as at 31st March 2016, for a period of more than six months from the date they became payable.*
 c) According to the records of the Company and the information and explanation given to us, the dues of Income Tax/Tax deducted at source, which are in dispute, are as follows:-

Income Tax: (Amount in ₹)

Asst. Year	Demand Raised by Dept.	Details of Demand			Forum Where Dispute is Pending
		Till 31-Mar-15	During 2015-16	Amount Paid under Protest Total	
2001 - 02	1,15,65,317	Nil	Nil	Nil	ITAT-Chennai
2002 - 03	89,26,848	96,59,367	Nil	96,59,367	ITAT-Chennai
2008 - 09	52,76,990	52,76,990	Nil	52,76,990	CIT (Appeals)-8
2009 - 10	38,96,457	38,96,457	Nil	38,96,457	ITAT-Chennai*
2010 - 11	2,13,34,868	Nil	228,06,996	228,06,996	ITAT-Chennai*
2011 - 12	10,80,37,110	Nil	65,00,000	65,00,000	ITAT-Chennai*
2011 - 13	31,56,45,360	Nil	60,00,000	60,00,000	ITAT-Chennai*
Total	474,682,950	18,832,814	353,06,996	541,39,810	

**as informed to us the company is in the process of filing appeal with High Court of Madras*

Tax Deducted at source: (Amount in ₹)

Asst. Year	Department Demand	Amount paid under protest	Forum where Dispute is pending
1996-97	21,503	4,931	ITO-TDS
1997-98	2,368,619	2,317,682	ITO-TDS
1998-99	1,628,830	842,934	ITO-TDS
1999-00	1,857,640	581,282	ITO-TDS
2000-01	442,820	65,440	ITO-TDS

8) According to the information and explanations given to us and as per the records produced by the company, the outstanding defaults as on 31st March, 2016 in respect of loans taken from Banks/FIs are as follows:

Income Tax: (Amount in ₹)

Bank Name	Period of default	
	Less than 90 days	More than 90 days
ICICI	-	46.34
IFCI Venture Capital Funds Ltd	0.38	9.42
Standard Chartered Bank	2.84	-
State Bank of Hyderabad	-	0.19
HDFC	-	1.10
Loans transferred to ARC*	-	1,169.37

*includes Cash Credit facilities, FITL, WCTL and other Term loans transferred to Asset Reconstruction Companies (ARCs) Refer note 29 to financial statements.

- 9) The company has not raised money by way of public offer during the year under review. In our opinion and according to information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- 10) According to the information and explanations given to us and to the best of our knowledge and belief, no material fraud on or by the company has been noticed or reported during the course of audit.
- 11) The company has not paid or provided for managerial remuneration. Hence clause 3 (xi) of the Order is not applicable to the company.
- 12) The company is not a Nidhi Company. Hence, clause 3 (xii) of the order is not applicable.
- 13) All transactions with related parties are in compliance with section 177 and section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.

14) The company hasn't made preferential allotment or private placement of shares or fully/partly convertible debentures during the year under review. Hence clause 3 (xiv) of the Order is not applicable to the company.

15) The company has not entered into non-cash transactions with the directors or persons connected with them during the year under review.

16) The company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934. Hence clause 3(xvi) is not applicable to the company.

For K RAMKUMAR & CO.,
Chartered Accountants
Firm's Reg No:02830S

R M V BALAJI
Partner

Membership No: 027476

Place : Chennai

Date : 31st May, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MARG 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 MARG Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, deemed to be prescribed under Section 143(10) of the Act, 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 is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2016:

There were delays in a) recording of transactions relating to sale of fixed assets and b) recording of expenses transactions met

out of staff Imprest Advances. The Internal Financial Controls were not operating effectively to this extent.

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, *except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria*, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 standalone financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone financial statements of the Company.

For K Ramkumar & Co

Chartered Accountants
Firm Registration no: 02830S

R M V Balaji

Partner
Membership no: 027476

Place : Chennai

Date : 31st-May-16



BALANCE SHEET

Particulars	Note	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	2	38.12	38.12
Reserves & Surplus	3	197.69	214.70
NON-CURRENT LIABILITIES			
Long-Term Borrowings	4	58.52	106.65
Deferred Tax Liability (Net)	5	2.05	6.73
Other Long-Term Liabilities	6	173.49	160.01
Long-Term Provisions	7	0.30	0.85
CURRENT LIABILITIES			
Short-Term Borrowings	8	244.48	272.44
Trade Payables	9	281.62	276.39
Other Current Liabilities	10	1,436.77	1,332.33
Short-Term Provisions	11	11.64	12.82
		<u>2,444.68</u>	<u>2,421.04</u>
ASSETS			
NON-CURRENT ASSETS			
Goodwill (on consolidation)			
Fixed Assets:	12		
Tangible Assets		89.50	123.05
Intangible Assets		0.25	0.50
Capital Work In Progress		12.42	12.80
Non-Current Investments	13	568.77	568.67
Long-Term Loans and Advances	14	353.40	313.78
CURRENT ASSETS			
Current Investments	15	0.10	0.12
Inventories	16	136.18	143.33
Trade Receivables	17	358.83	368.81
Cash & Cash Equivalents	18	60.50	62.95
Short-Term Loans & Advances	19	864.73	827.03
Other Current Assets		-	-
		<u>2,444.68</u>	<u>2,421.04</u>

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R M V BALAJI

Partner

Membership No. 27476

Place : Chennai

Date : 31-May-16

For and on behalf of Board of Directors

G R K REDDY

Chairman & Managing Director

V P RAJINI REDDY

Director

KARANJIT SINGH JASUJA

Director

RABINDRA KUMAR SAMAL

Company Secretary



PROFIT & LOSS ACCOUNT

Particulars	Note	Year Ended 31-Mar-16 (₹ In Crores)	Year Ended 31-Mar-15 (₹ In Crores)
INCOME			
Income from Operations	20	131.61	168.18
Other Income	21	2.80	3.13
		134.40	171.31
EXPENDITURE			
Cost of Projects / Operating Expenses	22	105.21	168.16
Personnel Expenses	23	6.68	6.71
Depreciation and Amortisation	12	24.60	22.08
Finance Cost	24	3.47	136.35
Other Expenses	25	16.11	12.46
		156.07	345.76
PROFIT (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		(21.67)	(174.45)
Exceptional Items		-	(0.34)
PROFIT (LOSS) BEFORE TAX		(21.67)	(174.79)
TAX EXPENSE			
Current Tax		-	-
Taxes - Prior Period		-	0.03
Deferred Tax	26	(4.69)	(2.37)
Fringe Benefit Tax		-	-
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (A)		(16.98)	(172.45)
Profit from Discontinuing Operations		-	-
Tax Expense of Discontinuing Operations		-	-
PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUING OPERATIONS (B)		-	-
PROFIT (LOSS) FOR THE PERIOD (A+B)		(16.98)	(172.45)
EARNINGS PER SHARE			
Basic (Face Value ₹ 10/-)		(4.46)	(45.24)
Diluted (Face Value ₹ 10/-)		(4.46)	(45.24)

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As per our Report of even date attached

For K RAMKUMAR & CO.,**Regn No: 02830S**

Chartered Accountants

R M V BALAJI**Partner**

Membership No. 27476

Place : Chennai

Date : 31-May-16

For and on behalf of Board of Directors

G R K REDDY*Chairman & Managing Director***V P RAJINI REDDY***Director***KARANJIT SINGH JASUJA***Director***RABINDRA KUMAR SAMAL***Company Secretary*



CASH FLOW STATEMENT

S No	Particulars	Year Ended 31-Mar-16 (₹ in Crores)	Year Ended 31-Mar-15 (₹ in Crores)
A	CASH FLOWS FROM OPERATING ACTIVITIES:		
	Net Profit (Loss) before Taxation and Extraordinary Items	(21.67)	(174.79)
	Adjustment for:		
	Depreciation	24.60	22.66
	Net Unrealised (Gain) Loss on Exchange Rate Difference	(0.03)	0.26
	Net Unrealised Loss (Profit) on Decline in Investments	0.02	(0.04)
	Dividend Income	-	(0.01)
	Profit on Sale of Investment	-	-
	Profit on Sale of Assets	(0.69)	(0.12)
	Loss on Sale of Fixed Assets	4.96	1.11
	Compensation for Employee Stock Options	-	(0.21)
	Prior Period Items (Net)	-	-
	Finance Cost (Net)	3.47	136.35
	Operating Profit (Loss) before Working Capital Changes	10.66	(14.78)
	Decrease (Increase) in Inventories	7.17	19.86
	Decrease (Increase) in Trade Receivables	9.98	65.57
	Decrease (Increase) in Short-term Loans & Advances	(37.75)	42.26
	Decrease (Increase) in Long-term Loans & Advances	(40.41)	(41.62)
	Increase (Decrease) in Trade Payables	5.24	15.79
	Increase (Decrease) in Other Current Liabilities	(20.54)	(3.54)
	Increase (Decrease) in Short-Term Provisions	0.20	-
	Increase (Decrease) in Other Long-Term Liabilities	13.48	2.09
	Increase (Decrease) in Long-Term Provisions	(0.55)	0.02
	Cash Generated from Operations	(52.52)	85.67
	Income Tax	(1.37)	(5.24)
	Cash Flow before Extraordinary Items	(53.90)	80.43
	Adjustment for Extraordinary Items	-	-
	NET CASH FROM OPERATING ACTIVITIES (A)	(53.90)	80.43
B	CASH FLOWS FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	(0.60)	4.14
	Investments made in Subsidiaries	(0.01)	-
	Share Application Money Advanced to Subsidiaries	-	-
	Refund of Share Application Money from Subsidiaries	-	1.00
	Dividend Received	-	0.01
	Sale of Investments in Subsidiaries	-	-
	Sale of Fixed Assets (Net)	6.86	2.67
	NET CASH FROM INVESTING ACTIVITIES (B)	6.25	7.81
C	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Proceeds from Issuance of Share Capital	-	-
	Proceeds from Share Premium	-	-
	Proceeds from Share Application Money	-	-
	Proceeds from Long Term Borrowings (Net)	26.66	(18.50)
	Proceed from Short Term Borrowings (Net)	(27.97)	1.09
	Finance Cost Paid (Net)	46.55	(23.90)
	Dividend & Dividend Tax Paid	(0.04)	(0.06)
	NET CASH USED IN FINANCING ACTIVITIES (C)	45.20	(41.37)
	Net Increase in Cash and Cash Equivalents (A+B+C)	(2.45)	46.88
	Cash and Cash Equivalents at beginning of Year	62.95	16.07
	Cash and Cash Equivalents at end of Year	60.50	62.95



Notes:

- 1 Cash Flow Statement is prepared under the Indirect Method in accordance with Accounting Standard - 3.
- 2 Depreciation includes amount transferred to 'Cost of Projects'.
- 3 Cash and cash equivalents not available for immediate use as on the Balance Sheet date are shown in Note 45 of Notes to the Financial Statements.
- 4 For non cash transactions refer Note 44 of Notes to the Financial Statements.

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R M V BALAJI

Partner

Membership No: 27476

Place : Chennai

Date : 31-May-16

For and on behalf of Board of Directors

G R K REDDY

Chairman & Managing Director

V P RAJINI REDDY

Director

KARANJIT SINGH JASUJA

Director

RABINDRA KUMAR SAMAL

Company Secretary



NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

1.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a. The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the Accounting Standards as specified by Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014.
- b. The Company is a non small and medium sized company (Non-SMC) as defined in the General Instructions relating to Accounting Standards notified and accordingly the Company has complied with the Accounting Standards as applicable to Non-SMC.
- c. Use of Estimates: The preparation of financial statements requires the Management of the Company to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statement & reported income and expenses during the reporting period. Examples of such estimates includes provisions for doubtful debts, employee retirement benefit plans, provisions for income taxes, useful life of fixed assets, accounting for work executed etc.

1.2 REVENUE RECOGNITION

- a. In respect of property development and / or Construction contracts, the Company follows percentage completion method as per Accounting Standard 7 issued by the Institute of Chartered Accountants of India. The percentage of completion is stated on the basis of physical measurement of work actually completed/ actual cost incurred as compared to total estimated cost, at the balance sheet date, taking into account the contractual price and revision thereto. Losses on contracts are fully accounted for as and when incurred. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Expenditure incurred in respect of additional costs / delays are accounted in the year in which they are incurred. Claims made in respect thereof are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client. Project Development Income is the fee charged to the customers on transfer of property in consideration of various services rendered by the Company for promoting the respective projects.
- b. Dividend income is recognized when the right to receive the payment is established.
- c. In respect of other incomes, accrual system of accounting is followed.

1.3 FIXED ASSETS, DEPRECIATION & IMPAIRMENT

- a. The Fixed Assets are stated at cost of acquisition including interest paid on specific borrowings up to the date of acquisition / installation of the assets and improvement thereon less depreciation.
- b. In respect of construction of assets forming part of expansion project, directly attributable costs including financing costs relating to specific borrowings are also capitalised.
- c. Depreciation is provided on fixed assets, on straight-line method, on pro-rata basis on the basis of the useful lives prescribed under schedule II to the Companies Act, 2013, subject to the adjustments arising out of transitional provisions of schedule II to the Companies act, 2013.
- d. Cost of assets not put to use before the year end are shown under capital work in progress.
- e. Intangible assets comprising SAP software and other computer software are stated at cost of acquisition less accumulated amortisation. The SAP software cost is amortised over a period of five years on a pro-rata basis.



- f. The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset or recoverable amount of the cash generating divisions which the assets belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and recognized in the profit and loss account.

1.4 OPERATING LEASES

The Company is obligated under non-cancelable leases for office and residential space that are renewable on a periodic basis at the option of both the lessor and lessee. Lease expenses are charged to the profit and loss account on a straight line basis over the lease term.

The Company leases office facilities and residential space/facilities under cancelable operating lease agreements. Assets subject to operating leases are included under fixed assets or current assets as appropriate. Lease income is recognized in the profit and loss account on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the profit and loss account.

1.5 VALUATION OF CLOSING STOCK

- a. Raw Material: Materials, Stores and Spares and Loose tools are valued at Weighted Average Cost. Cost comprises all costs of purchase
- b. Work-in-progress: Work-in-progress is valued at cost or the contract rates whichever is lower.
- c. Completed projects: Completed Projects are valued at cost or net realizable value, whichever is less.

1.6 INVESTMENTS

Investments are classified as long-term and current investments. Long-term investments are shown at cost or written down value (in case of other than temporary diminution) and current Investments are shown at cost or market value whichever is lower.

1.7 EMPLOYEE BENEFITS

a. Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the bonus, exgratia are recognized in the period in which the employee renders service.

b. Post Employment Benefits

i) Provident Fund

The Company's contribution to Provident Fund is deposited with the Regional Provident Fund Commissioner and is charged to Profit and Loss account every year.

ii) Gratuity

The Company is having Defined Benefit plan for the Gratuity and the provision is made based on actuarial valuation in accordance with the AS-15 of The Institute of Chartered Accountants of India.

iii) Leave Encashment

Provision for leave encashment in respect of unavailed leave standing to the credit of employees is made on actuarial basis in accordance with AS-15 of The Institute of Chartered Accountants of India.

1.8 TAX ON INCOME

- a. The accounting treatment for income tax in respect of Company's income is based on the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Tax on income for the current period is determined on the basis of Taxable Income computed in accordance with the provisions of the Income Tax Act 1961.



- b. Deferred Tax on timing differences between the accounting income and taxable income for the year is quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has carry forward unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each Balance Sheet date unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

1.9 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted on the exchange rate prevailing at the date of the transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Profit and Loss Account.

1.10 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of the asset/project. All the other borrowing costs are treated as period cost and charged to Profit and Loss account in the year in which they are incurred.

1.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when:

- The Company has a present obligation as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed.

1.12 EMPLOYEE STOCK OPTIONS COMPENSATION COST

In respect of the stock options granted by the Company, the intrinsic value of the options (excess of market price over the exercise price) of the shares is treated as employee compensation cost and is amortised over the vesting period, in accordance with Guidelines issued by SEBI in this regard.

1.13 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.



Particulars	As At 31-Mar-16 Nos	As At 31-Mar-15 Nos	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 2 : SHARE CAPITAL				
2.1 Authorised, Issued, Subscribed and Paid up Capital:				
Authorised Capital				
Equity Shares of ₹ 10/- each	50,000,000	50,000,000	50.00	50.00
Issued, Subscribed and Paid up Capital				
Equity Shares of ₹ 10/- each	381,18,926	381,18,926	38.12	38.12
2.2 Reconciliation of number of Equity Shares Outstanding:				
Shares Outstanding at the beginning of the year	381,18,926	381,18,926		
Add: Shares Allotted during the year	-	-		
Shares Outstanding at the end of the year	381,18,926	381,18,926		

2.3 Shareholders holding more than 5% Equity Shares:

Sl No.	Name of the Shareholders	As At 31-Mar-16		As At 31-Mar-15	
		Nos	%	Nos	%
1	Akshya Infrastructure Private Limited	23,74,650	6.23%	25,49,650	6.69%
2	ICICI Bank Limited	9,77,510	2.56%	44,63,000	11.71%

Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
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NOTE 3 : RESERVES & SURPLUS

3.1 Securities Premium Account:

Opening Balance	319.90	319.90
Add: Addition during the year	-	-
	319.90	319.90

3.2 General Reserve:

Opening Balance	25.16	25.16
Less: Transferred to Minority Interest		
Add: Transferred from the Profit and Loss Account	-	-
	25.16	25.16

3.3 Profit & Loss Account:

Balance at the beginning of the Year	(130.37)	42.08
Add: Profit (Loss) for the Year	(16.98)	(172.45)
Balance at the end of the Year	(147.36)	(130.37)
	197.69	214.70



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 4 : LONG-TERM BORROWINGS		
4.1 Secured Loans:		
Term Loans:		
From Banks & Financial Institutions:		
Secured by way of charge on rentals, mortgage / hypothecation of movable & immovable properties*	58.52	66.68
From Others:		
Secured by way of charge on movable & immovable properties*	-	39.97
	58.52	106.65

* Loans Guaranteed by Directors.

4.2 Repayment Terms (including current maturities) of Secured Loans:*

Term Loans from Banks & Financial Institutions:

- a) Loan of ₹ 62.75 Crores and ₹ 7.04 Crores payable in 84 monthly instalments ending Mar-22 and Jun-25 respectively.

4.3 Repayment Terms (including current maturities) of unsecured Loans:

- a) Loan of ₹ 0.99 crores payable in 1 monthly instalments ending Mar-18

*excludes loans recalled

4.4 Defaults on repayment of Long-term Loans and Interest thereof:

Long term loans of ₹ 2.11 Crores (PY 0.68 Crores) and ₹ 937.35 Crores (PY 849.99 Crores) were overdue for a period of less than 90 days and more than 90 days respectively. Interest of ₹ 11.77 Crores (PY 37.07 Crores) and ₹ 214.92 (PY 153.98 Crores) were overdue for a period of less than 90 days and more than 90 days respectively.

Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 5 : DEFERRED TAX LIABILITY (ASSET) [NET]		
Deferred Tax Liability	9.10	6.73
Less : Deferred Tax Asset	7.05	-
Net Deferred Tax Liability (Asset)	2.05	6.73

NOTE 6 : OTHER LONG-TERM LIABILITIES

Others

Mobilisation Deposits	166.48	153.00
Lease Deposits	7.01	7.01
	173.49	160.01



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 7 : LONG-TERM PROVISIONS		
Provision for Employee Benefits		
Gratuity	0.34	0.58
Leave Encashment	(0.04)	0.27
	0.30	0.85
NOTE 8 : SHORT-TERM BORROWINGS		
8.1 Secured Loans:		
Loans Repayable on Demand:		
From Banks & Financial Institutions:		
Secured by way of charge/ hypothecation of inventories, advances, receivables and other current assets of specified projects, fixed deposit receipts and immovable properties*	200.43	230.44
	200.43	230.44
* Loans Guaranteed by Directors.		
8.2 Unsecured Short-term Loans:		
From Others:		
Loans From Other Companies	37.77	35.86
Loans From Directors	6.28	6.14
	44.05	42.00
	244.48	272.44
8.3 Defaults on repayment of Short-term Loans and Interest thereof:		
Short term loans of Rs Nil (PY ₹ 16.33 Crores) and ₹ 241.14 Crores (PY ₹ 247.65 Crores) were overdue for a period of less than 90 days and more than 90 days respectively. Interest aggregating to ₹ 3.06 Crores (PY ₹ 9.15 Crores) and ₹ 44.81 Crores (PY ₹ 22.08 Crores) were overdue for a period of less than 90 days and more than 90 days respectively.		
NOTE 9 : TRADE PAYABLES		
Trade Payables	281.62	276.39
	281.62	276.39
NOTE 10 : OTHER CURRENT LIABILITIES		
Current Maturities of Long-term Debts	979.26	904.46
Interest Accrued but Not Due on Borrowings	-	0.02
Interest Accrued and Due on Borrowings	272.24	222.19
Other Payables:		
Advances from Customers	42.16	56.51
Expenses Payable	119.45	107.86
Statutory Dues	10.06	18.48
Unclaimed Dividend	0.12	0.16
Due to Directors	7.20	6.84
Mobilisation Deposits	4.17	13.48
Creditors for Capital Goods	2.11	1.93
Others	-	0.40
	1,436.77	1,332.33



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 11 : SHORT-TERM PROVISIONS		
Provision for employee benefits		
Bonus	0.15	0.07
Gratuity	0.06	0.04
Leave Encashment	0.21	0.12
Others:		
Income Tax	11.22	12.59
	11.64	12.82



NOTE 12 : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 31-Mar-15	Additions	Deletions	As At 31-Mar-16	Up to 31-Mar-15	For the year	Deletions	As At 31-Mar-16	As At 31-Mar-16	As At 31-Mar-15
TANGIBLE ASSETS										
LEASED ASSETS										
Digital Zone - I										
Land	5.23	-	-	5.23	-	-	-	-	5.23	5.23
Building	22.63	-	-	22.63	3.81	0.37	-	4.18	18.45	18.83
Plant & Machinery	5.54	0.04	-	5.58	2.80	0.59	-	3.39	2.19	2.74
Electrical Equipment & Fittings	10.99	-	-	10.99	9.94	0.99	-	10.93	0.06	1.05
Furniture & Fixtures	9.34	1.46	-	10.80	8.51	0.83	-	9.34	1.46	0.83
Thiruvanniyur										
Land & Building	0.45	-	-	0.45	-	-	-	-	0.45	0.45
OTHER ASSETS										
Land	1.13	-	-	1.13	-	-	-	-	1.13	1.13
Building	9.31	-	0.04	9.28	2.36	0.12	0.04	2.44	6.84	6.96
Computers	7.02	0.01	0.10	6.93	6.15	0.67	0.10	6.72	0.21	0.87
Office Equipment	4.66	0.01	-	4.67	3.30	1.21	-	4.51	0.16	1.36
Furniture & Fittings	13.58	-	1.11	12.47	5.32	4.40	0.45	9.27	3.20	8.26
Motor Vehicles	4.76	-	0.16	4.61	2.53	0.80	0.08	3.25	1.36	2.23
Plant & Machinery	98.68	0.42	18.37	80.72	27.47	13.99	7.99	33.47	47.24	71.21
Electrical Equipment & Fittings	2.86	0.01	-	2.86	0.95	0.38	-	1.33	1.53	1.91
Total Tangible Assets	196.18	1.95	19.78	178.38	73.14	24.35	8.66	88.83	89.50	123.05
Previous Year	200.82	0.41	5.05	196.18	52.27	22.16	1.27	73.14	123.05	148.55
INTANGIBLE ASSETS										
Computer Software*	3.84	-	-	3.84	3.34	0.25	-	3.59	0.25	0.50
Total Intangible Assets	3.84	-	-	3.84	3.34	0.25	-	3.59	0.25	0.50
Previous Year	3.84	-	-	3.84	2.84	0.50	-	3.34	0.50	1.00
CAPITAL WORK IN PROGRESS										
Total Capital Work in Progress	12.80	-	0.38	12.42	-	-	-	-	12.42	12.80
Previous Year	12.80	-	0.38	12.42	-	-	-	-	12.42	12.80

*Note: - Other than internally Generated



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 13 : NON-CURRENT INVESTMENTS		
13.1 Investments in Equity Shares (Non-Quoted, Non-Trade, Stated at Cost) (As per Annexure - A)		
In Equity Shares:		
In Subsidiaries	566.93	528.93
In Associates*	-	-
In Preference Shares:		
In Subsidiaries	-	37.90
	566.93	566.83
13.2 Investments in Properties (Non-Quoted, Stated at Cost)		
Building	0.84	0.84
	0.84	0.84
Total of Unquoted Investments	567.77	567.67
13.3 Investments in Debentures (Quoted)		
Srei Equipment Finance Pvt Ltd		
Unsecured Subordinated Non-convertible Perpetual Debentures	1.00	1.00
[10 units (Previous year 10 units) of Face Value of ₹ 1,000,000/- each (Previous year ₹ 1,000,000/- each)] [Not traded Stated at Cost]		
Less : Provision for Decline in Investments	-	-
	1.00	1.00
Total of Quoted Investments	1.00	1.00
Grand Total of Quoted and Unquoted Investments	568.77	568.67
<i>*Includes ₹ 39,000/- as at 31-Mar-2016 and 31-Mar-2015.</i>		
NOTE 14 : LONG-TERM LOANS AND ADVANCES		
Unsecured and Considered Good		
Capital Advances	1.50	2.28
Security Deposits	2.69	3.25
Advances to Subsidiaries	349.21	308.25
	353.40	313.78
NOTE 15 : CURRENT INVESTMENTS		
Investments in Mutual Funds (Quoted)		
UTI Infrastructure Advantage Fund Series	0.09	0.09
[25,462.687 units (Previous year 25,462.687 units) of Face Value of ₹ 33.50 each (Previous year ₹ 33.50 each)] [NAV as on 31-Mar-16 ₹ 37.38 each (Previous year ₹ 44.06 each)]		
Less : Provision for Decline in Investments	(0.01)	(0.03)
	0.10	0.12



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 16 : INVENTORIES		
Inventories		
Stock of Materials, Stores, Spares and Loose Tools at Site	14.42	19.39
Projects in Progress	121.76	123.94
	136.18	143.33
NOTE 17 : TRADE RECEIVABLES		
Unsecured and Considered Good		
Outstanding for more than 6 months	309.08	337.33
Others	49.75	31.48
	358.83	368.81
NOTE 18 : CASH & CASH EQUIVALENTS		
Cash Balance	0.07	0.07
Balances with Scheduled Banks		
In Current Accounts	1.42	3.23
In Current Accounts for Unclaimed Dividend	0.12	0.16
In Margin Money Accounts	9.52	9.46
In Deposit Accounts		
Deposit maturing after 12 months		
Others	49.36	50.03
	60.50	62.95
NOTE 19 : SHORT-TERM LOANS & ADVANCES		
Unsecured and Considered Good		
Advances to Subsidiaries	219.64	187.27
Others		
Advances to Suppliers	426.49	426.51
Advances to Staff	1.75	2.04
Other Advances Recoverable	25.34	26.04
Prepaid Expenses	1.17	1.66
Share Application Money	133.99	134.08
Prepaid Taxes	50.81	46.11
Security Deposits	4.97	2.78
Dividend Receivable	0.57	0.54
	864.73	827.03
NOTE 20 : INCOME FROM OPERATIONS		
Income from Projects / Operations	116.85	154.83
Income from Leasing	14.75	13.35
	131.61	168.18
NOTE 21 : OTHER INCOME		
Dividend Received	-	0.01
Prior Period Income	0.13	0.21
Profit on Sale of Assets	0.69	0.12
Miscellaneous Income	1.98	2.79
	2.80	3.13



Particulars	Year Ended 31-Mar-16 (₹ In Crores)	Year Ended 31-Mar-15 (₹ In Crores)
NOTE 22 : COST OF PROJECTS/OPERATING EXPENSES		
COST OF PROJECTS / OPERATING EXPENSES		
Opening Stock		
Stock of Materials, Stores, Spares and Loose Tools at Site	19.39	21.40
Projects in Progress	123.95	141.80
	143.34	163.20
Expenditure During the year		
Expenditure on Projects / Operating Expenses	95.24	147.55
Closing Stock		
Stock of Materials, Stores, Spares and Loose Tools at Site	14.42	19.39
Projects in Progress	121.76	123.95
	136.18	143.34
Cost of Projects / Operating Expenses	102.40	167.41
Repairs & Maintenance-Leased Properties	2.80	0.75
	105.21	168.16
NOTE 23 : PERSONNEL EXPENSES		
Salaries & Allowances	5.74	5.74
Contribution to Funds	0.32	0.28
Recruitment & Training Expenses	-	0.02
Staff Welfare Expenses	0.42	0.49
Retirement Benefits	0.19	0.39
Employee Compensation Expense	-	(0.21)
	6.68	6.71
NOTE 24 : FINANCE COST		
Interest Expenses	69.28	189.51
Less : Interest Recovered	68.09	58.22
Net Interest	1.19	131.29
Bank & Finance Charges	2.28	5.06
	3.47	136.35
NOTE 25 : OTHER EXPENSES		
Rent	0.26	1.80
Rates & Taxes	0.09	0.10
Communication Cost	0.19	0.44
Electricity Charges	0.38	0.63
Traveling and Conveyance	0.68	0.88
IT Services	0.04	0.36
Repairs & Maintenance	0.17	0.36
Payment to Non-executive Directors		
- Sitting Fees for Board Meetings	0.02	0.03
- Sitting Fees for Committee Meetings	0.08	0.12



Particulars	Year Ended 31-Mar-16 (₹ In Crores)	Year Ended 31-Mar-15 (₹ In Crores)
Secretarial Expenses	0.15	0.17
Advertisement & Business Promotion	0.08	0.10
Printing & Stationery	0.06	0.10
Postage and Courier Charges	0.01	0.02
Payment to Auditors		
- Statutory Audit Fee	0.15	0.16
- Other Services	-	-
Insurance Premium	0.79	0.77
Legal & Professional Charges	1.33	2.26
General Expenses	0.07	0.69
Exchange Rate Difference (Net)	1.01	0.26
Office Maintenance	1.40	1.77
Vehicle Maintenance	0.16	0.22
Loss on Sale of Assets	4.98	1.08
Prior Period Expenses	0.34	-
Bad Debts	3.70	0.03
	16.11	12.46

NOTE 26 : DEFERRED TAX EXPENSE (INCOME)

Deferred Tax Liability net off (Deferred Tax Asset) for the year	(4.69)	(2.37)
	(4.69)	(2.37)

NOTE 27 : CONTINGENT LIABILITIES

- a. Estimated amount of liability on capital contracts: ₹ 3.3 Crores (Previous year ₹ 3.6 Crores)
- b. Corporate Guarantees given to Banks in respect of loans taken by other Companies: ₹ 3,247.67 Crores (Previous year ₹ 3,247.67 Crores)
- c. Corporate Guarantees given to Banks in respect of performance bank guarantees issued by them: ₹ 75.61 Crores (Previous year ₹ 104.45 Crores)
- d. The company has imported capital goods at concessional rate of customs duty under the Export Promotion Credit Guarantee (EPCG) scheme against submission of bank guarantees. In terms of the scheme, the company is obliged to export goods/services of certain FOB value as specified in the said scheme. As at the year end, the company has the following unfulfilled export obligations under the scheme:

(₹ In Crores)				
As at 31-Mar-16		As at 31-Mar-15		Due date of Obligation
Duty saved	Export obligation	Duty saved	Export obligation	
0.14	1.13	0.14	1.13	3-Apr-17
0.12	0.94	0.12	0.94	3-Apr-17
1.73	13.83	1.73	13.83	20-May-18
0.31	2.47	0.31	2.47	20-May-18

- e. Claims not acknowledged as debts by the Company: ₹ 154.47 Crores (Previous year ₹ 105.05 Crores)
- f. Income Tax Demand



Tax on Income					(₹)
Assessment Year	Tax Demand	Amount Paid under Protest			Forum Where Dispute is Pending
		Till 31-Mar-15	During 2015-16	Till 31-Mar-16	
2001 - 02	115,65,317		-	-	ITAT-Chennai
2002 - 03	89,26,848	96,59,367	-	9,659,367	ITAT-Chennai
2008 - 09	52,76,990	52,76,990	-	5,276,990	CIT (A) (8)
2009 - 10	38,96,457	38,96,457	-	3,896,457	ITAT-Chennai*
2010 - 11	213,34,868	-	228,06,996	228,06,996	ITAT-Chennai*
2011 - 12	108,037,110	-	65,00,000	65,00,000	ITAT-Chennai*
2012 - 13	315,645,360	-	60,00,000	60,00,000	ITAT-Chennai

* the company is in the process of filing appeal with High Court of Madras

Tax Deducted at Source					(₹)
Assessment Year	Tax Demand	Amount Paid under Protest			Forum Where Dispute is Pending
		Till 31-Mar-15	During 2015-16	Till 31-Mar-16	
1996 - 97	21,503	4,931	-	4,931	ITO - TDS - 1 (4)
1997 - 98	23,68,619	23,17,682	-	23,17,682	ITO - TDS - 1 (4)
1998 - 99	16,28,830	8,42,934	-	8,42,934	ITO - TDS - 1 (4)
1999 - 00	18,57,640	5,81,282	-	5,81,282	ITO - TDS - 1 (4)
2000 - 01	4,42,820	65,440	-	65,440	ITO - TDS - 1 (4)

**NOTE 28 : BORROWINGS FROM BANKS AND OTHERS**

The company did not provide for interest of ₹ 154.98 Crores, for the year ended 31st March, 2016, on certain loans transferred to ARC. The management states that it is negotiating with the ARC for revised terms and conditions and is seeking for concessions in terms of waiver/reduced rate of interest. Hence, the management is of the opinion that considering such concessions it is appropriate not to charge interest of ₹ 154.98 Crores for the year ended 31st March, 2016

NOTE 29 : BORROWINGS FROM BANKS AND OTHERS:

a) The Cash credit, WCTL, FITL and other facilities provided by the consortium comprising of Indian Bank, Allahabad Bank, Oriental Bank of Commerce and Indian Overseas Bank are transferred to Edelweiss Asset Reconstruction Company Limited (ARC) on various dates. The outstanding balance in respect of these loans amounting to ₹ 634.08 Crs as on 31st March, 2016 in respect of these loans are included in 'Current Maturities of long term of borrowings' in Note 10. The company didn't provide for Interest on these loans during the year as explained in Note 28. Indian Bank has filed case with Debts Recovery Tribunal, Chennai which is pending.

b) The South Indian Bank had taken possession of property of the Company situated at Thiruvannamiyur, having carrying cost of ₹ 0.45 Crores and issued a tender-cum-auction sale notice in respect the short term loan of ₹ 15 Crores. The loan was assigned to Edelweiss ARC. Since the revised terms of restructure with the ARC is yet to be finalised, the Company continues to provide interest at the rates originally charged by the Bank. Currently, the case is pending with Debts Recovery Tribunal, Chennai.

c) State Bank of Mauritius Limited had assigned to the loan to Pegasus Assets Reconstruction Private Limited ('the ARC'). Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding amount of ₹ 20.81 Crores is included in Current Maturities of long term of borrowings in Note 10 and the Company continues to provide interest at the rates originally charged by the Bank. Subsequently, the ARC has issued notice under SARFAESI Act. Currently, the case is pending with Debts Recovery Tribunal, Chennai.

d) The Term loan sanctioned by Punjab National Bank was assigned to Edelweiss Asset Reconstruction Private Limited (ARC). The outstanding amount of ₹ 41.13 Crores are included in Current Maturities of long term of borrowings in Note 10. The company didn't provide for Interest on this loan during the year as explained in Note 28.

e) SICOM Limited had issued notice SARFAESI Act and winding up notice under section 434 of Companies Act, 1956 in respect of the term loan and interest amounting to ₹ 62.46 Crores.

f) State Bank of Hyderabad has issued possession notice under SARFAESI Act for cash credit facility of ₹ 9.80 crores outstanding as on 31st March 2016.

g) IFCI Venture Capital Funds Ltd has recalled the term loan and issued possession notice under SARFAESI Act to the company in respect of outstanding dues of ₹ 21.39 Crores as on 31st March, 2016. Currently, the case is pending with Debts Recovery Tribunal, Chennai.

h) ICICI Bank has filed case with Debts Recovery Tribunal, Chennai in respect of outstanding dues of ₹ 58.40 Crores as on 31st March, 2016, which is pending and issued notice to invoke pledge of shares in one of the subsidiary companies.

i) The equipment loan of ₹ 1.44 Crores(including interest) as on 31st March, 2016 was recalled by L&T Finance Ltd during the year.

j) The equipment loan of ₹ 85.50 (including interest) as on 31st March, 2016 was recalled by SREI Equipment Finance Ltd.

NOTE 30 : PREPARATION OF FINANCIAL STATEMENTS ON 'GOING CONCERN' BASIS:

The Holding Company has recorded a Net Loss of ₹16.98 Crores for the year ended 31st March, 2016, ₹ 172.45 Crores for the year ended 31st March, 2015, ₹ 263.82 Crores for the year ended 31st March, 2014 and ₹ 36.04 Crores for the year ended 31st March, 2013. The Company has defaulted in the payments due to Banks, Financial Institutions and others towards principal and interest, statutory dues and payment to vendors. Further there were lower cash inflows from existing projects and some creditors have filed winding up petitions against the company. Management is confident that the Company will be able to generate profit and cash in future years and meet its financial obligation as they arise. The financial statements have been prepared on a going concern basis based on cumulative input of the following business potential and mitigating factors:



- a) The EPC division of the Company has an order book of ₹ 2586.18 Crores. Further local and international bids are being planned leveraging the experience gained through execution of Marine, Infrastructure and Industrial EPC.
- b) Many of the EPC loans and corporate loans have been restructured and/or assigned to ARCs. The company intends to approach the ARCs for concessions in Interest and restructuring of loans. The management is confident that it will help the company to focus on projects in hand and generate cash flows.
- c) The Company is also in the process of generating cash through equity disinvestment in operating SPVs and realisation of advances given to subsidiaries which intends to commence new residential and plotted development projects.
- d) The Company is also in the process of generating cash through equity disinvestment in operating SPVs and realisation of advances given to subsidiaries which have commenced new residential and plotted development projects.

NOTE 31 : INVESTMENT AND ADVANCE/RECEIVABLES DUE FROM SUBSIDIARY COMPANIES

- 1) The company has invested in equity amounting to ₹ 169.18 Crores (PY ₹ 169.18 Crores) in New Chennai Township Private Limited, a wholly owned subsidiary as on 31st March, 2016. The Company has advanced an amount of ₹ 309.27 Crores (PY ₹ 272.81 Crores) as subordinated loan to the subsidiary and ₹ 59.26 Crores (₹ 58.26 Crores) is carried forward as receivables as on 31st March, 2016. The said subsidiary has incurred losses which have resulted in negative net-worth as on 31st March, 2016. The subsidiary company has obtained valuation report for the assets of the company, from an approved valuer, which supports the carrying value of such investment and loan outstanding as on 31st March, 2015. The subsidiary company is exploring possibilities to revive the projects and generate cash flows. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2016.
- 2) The company has invested in equity amounting to ₹ 136.72 Crores (PY ₹ 136.72 Crores) in Riverside infrastructure (India) Private Limited, subsidiary of the company as on 31st March, 2016. The Company has advanced an amount of ₹ 39.81 Crores (PY ₹ 35.42 Crores) as subordinated loan to the subsidiary and ₹ 59.74 Crores (PY ₹ 59.74 Crores) is carried forward as receivables as on 31st March, 2016. The Mall project of the subsidiary continues to be suspended and the company defaulted in payments of dues to Banks/Financial Institutions towards principal and interest. The subsidiary company continues to discuss with strategic partners and is confident of generating cash flows. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2016.
- 3) The company has invested in equity amounting to ₹ 54.05 Crores (PY ₹ 54.05 Crores) in Marg Properties Limited, wholly owned subsidiary of the company as on 31st March, 2016. The Company has advanced an amount of ₹ 37.82 Crores (PY ₹ 31.33 Crores) as loan to the subsidiary and ₹ 17.13 Crores (PY ₹ 13.74 Crores) is carried forward as receivables as on 31st March, 2016. The subsidiary Company has negative net-worth as on 31st March, 2016. The loans of the company have been assigned to ARCs and the Management is confident that the Company will be able to generate cash from ongoing projects in future years and meet its financial obligation as they arise. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st Mar, 2016.
- 4) The Company has invested in equity amounting to ₹ 0.15 Crores (PY ₹ 0.14 Crores) and an amount of ₹ 135.37 Crores (PY ₹ 118.31 Crores) is advanced as loan to its subsidiaries/fellow subsidiaries and ₹ 4.62 Crores (PY ₹ 4.38 Crores) is carried forward as receivables as on 31st March 2016, which have provided land owned by them as security for the loans availed from lenders. As the borrowing company defaulted in repayment of such loans, the land owned by these subsidiaries may be attached/sold which may adversely affect the recoverability of the investment/advance. However no such sale has been made by the banks and accordingly, the financial statements of such subsidiaries have been prepared on 'Going concern' basis and management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from these subsidiaries as at 31st March, 2016.

NOTE 32

- a) The company's land of 0.864 acres having a carrying cost of ₹ 78,26,027/- as on 31st March, 2016 was provided as security for loans taken by the company. The company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to attachment / sale by the lenders. The Company has received possession notice under SARFAESI Act/Notice of Sale under Security Interest Enforcement Rules, 2002 in respect the said land.

**NOTE 33**

- a) The company executed a construction contract at Agra for DG MAP, a project of the Government of India which is terminated during last financial year. The company has receivables of ₹ 0.46 crores and work in progress of ₹ 13.99 Crores as on 31st March, 2016 relating to this project. Inventory of materials amounting to ₹ 2.01 Crores and plant and machinery amounting to ₹ 1.99 Crores as on 31st March, 2016 are withheld at site by the client. The management is confident that it will be able to recover the entire dues out of the arbitration process initiated by the company and that the above amount is considered good and recoverable and hence no provision is made as on 31st March 2016.
- b) The company executed a construction contract at Dwaraka for M/s HSCC (India) Limited, a project of the Government of India, in respect of which the company has receivables of ₹ 0.60 Crores and work in progress of ₹ 0.69 Crores as on 31st March, 2016. The company has filed arbitration claim and based on the same a sum of ₹ 0.40 Crores is written off in books, being the amount not included in claim made. The management is of the opinion that the rest of the amount is considered good and recoverable and hence no provision is made as on 31st March 2016.
- c) The company has filed arbitration claim for some other projects, in respect of which there is balance of ₹ 10.76 Crores of receivables, ₹ 8.77 Crores of inventory/Work in progress as on 31st March, 2016. The management is of the opinion that no provision is required considering that the claim made is higher than the balance lying in books as on 31st March, 2016.

NOTE 34

The Work in progress inventory as on 31st March, 2016 includes ₹ 53.92 Crores in respect of EPC work done by the company to one of its subsidiary companies which is unbilled as on 31st March, 2016 and Advances recoverable include management fee of ₹ 4.8 Crores charged on the said subsidiary company which is not acknowledged by the subsidiary. The management is confident that these amounts are recoverable in the future and hence considers it appropriate to carry forward the amount of ₹ 53.92 Crores as work in progress and ₹ 4.8 Crores as receivables as on 31st March, 2016.

NOTE 35

The company had pledged shares held in Karaikal Port Private Limited (KPPL), subsidiary of the company for the loan availed by KPPL. The lending Bank invoked the pledge of 16,44,90,000 equity shares and 37,90,000 compulsorily convertible preference shares during the previous year, having total carrying cost of ₹ 202.39 crores as on 31st March, 2016. The Company filed a writ petition in the Hon'ble High Court of Madras challenging the invocation. The Hon'ble High Court passed interim order dated 25th March, 2015, restraining the Bank from further transferring/encumbering of the shares and also status quo prevailing of the management of the Subsidiary, until further orders. The company signed a 'Non-binding term sheet' with a prospective investor whereby the investor will subscribe to hold 51% of the fully diluted share capital of KPPL, which the company has submitted before the Hon'ble High Court. The Hon'ble High Court has extended the stay by an Interim order dated 26th April, 2016 and the same is in force as on date. In view of the Interim order of the Hon'ble High Court and Articles of Association/Shareholders Agreement of KPPL, the management considers it appropriate to carry forward the amount of ₹ 202.39 Crores as Investments and no provision is required to be made as on 31st March, 2016. Consequently, KPPL is continued to be classified as a subsidiary of the company in the accounts for the year ended 31st March, 2016 and the accounts of the said subsidiary company have been included in the Consolidated Financial Statements for the year ended 31st March, 2016

NOTE 36

The company could not obtain Balance Confirmation or statement of account from the lenders of certain equipment loans. Hence the reconciliation could not be carried out for the year ended 31st March 2015 & 31st March, 2016. The company has provided for interest at contractual rates.

NOTE 37: EXCEPTIONAL ITEMS

In accordance with the requirements of Schedule II to the Companies Act, 2013, the Company has re-assessed the useful lives of the depreciable assets. The depreciation for the year ended 31st March, 2015 is higher by ₹ 11.06 Crores due to change in useful lives. The Exceptional Item of ₹ 0.34 Crores in the Statement of Profit or Loss for the year ended 31st March 2015 represents the amount charged off in respect of assets whose remaining useful life is nil as at 01st April, 2014.



NOTE 38 : DEFERRED TAX LIABILITY

Particulars	(₹ In Crores)	
	As At 31-Mar-16	As At 31-Mar-15
Outstanding Deferred Tax Liability (Net) as at the beginning of the year (A)	6.73	9.10
Add : Provision for Current Year Liabilities (Assets)		
Timing difference on account of Depreciation	(4.68)	(2.37)
Reversal of Timing difference on account of Employee Benefits	-	-
Timing difference on account of Employee Benefits	-	-
Reversal of Timing difference on account of Business Loss	-	-
Reversal of Timing difference on account of Unabsorbed Depreciation	-	-
Timing difference on account of Business Loss	-	-
Timing difference on account of Unabsorbed Depreciation	-	-
Sub-total (B)	(4.68)	(2.37)
Outstanding Deferred Tax Liability (Asset) [Net] as at the end of the year (A+B)	2.05	6.73

NOTE 39 : INFORMATIONS UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act have not been given.

NOTE 40 :

In the opinion of the Management, Current Assets, Loans & Advances have a value on realization equal to the amount at which they are stated in the Balance Sheet and provision for all known liabilities has been made.

NOTE 41 : SEGMENT REPORTING

As per Accounting Standard (AS) 17 on "Segment Reporting", segment information has been provided under the Notes to Consolidated Financial Statements.

NOTE 42 : REMUNERATION TO DIRECTORS

As the company has incurred losses for the Financial Year 2015-16 no remuneration is paid to the Managing Director. (Previous Year Nil)

NOTE 43 : EMPLOYEE BENEFITS

A. GRATUITY

- i) The Company does not maintain any fund to pay for Gratuity
- ii) Amount recognised in the Profit and Loss A/c is as under:

Particulars	(₹ In Crores)	
	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Current Service Cost	0.04	0.09
Interest Cost	0.05	0.04
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/Loss Recognised in the Year	0.07	0.12
Transitional Liability Recognised in the Year	-	-
Past Service Cost - Non-Vested Benefits	-	-
Past Service Cost - Vested Benefits	-	-
Expenses Recognised in Profit and Loss Account	0.16	0.25



iii) Movement in the liability recognized in the Balance Sheet during the year

(₹ In Crores)

Particulars	As At 31-Mar-16	As At 31-Mar-15
Opening Net Liability	0.62	0.62
Expense as above	0.16	0.25
Contribution Paid	(0.38)	(0.25)
Closing Net Liability	0.40	0.62

iv) Net Assets /Liability in Balance Sheet as at the year end

(₹ In Crores)

Particulars	As At 31-Mar-16	As At 31-Mar-15
Present Value of the Obligation	0.40	0.62
Fair Value of Plan Assets	-	-
Difference	0.40	0.62
Unrecognised Transitional Liability	-	-
Unrecognised Past Service Cost - Non-vested Benefits	-	-
Liability Recognized in the Balance Sheet	0.40	0.62

v) For determination of gratuity liability of the Company the following actuarial assumption were used:

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
PRINCIPAL ACTUARIAL ASSUMPTIONS		
[Expressed as weighted averages]		
Discount Rate	7.80%	7.80%
Salary Escalation Rate	2.00%	2.00%
Attrition Rate	5.00%	5.00%

B. LEAVE ENCASHMENT

i) The Company does not maintain any fund to pay for leave encashment

ii) Amount recognised in the Profit and Loss A/c is as under:

(₹ In Crores)

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Current Service Cost	0.05	0.09
Interest Cost	0.03	0.03
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) Loss Recognised in the Year	(0.05)	0.07
Transitional Liability Recognised in the Year	-	-
Past Service Cost - Non-vested Benefits	-	-
Past Service Cost - Vested Benefits	-	-
Expenses Recognised in Profit and Loss Account	0.03	0.19



iii) Movement in the liability recognised in Balance Sheet during the year:

Particulars	(₹ In Crores)	
	As At 31-Mar-16	As At 31-Mar-15
Opening Net Liability	0.38	0.40
Expense as above	0.03	0.19
Contribution Paid	(0.23)	(0.21)
Closing Net Liability	0.18	0.38

iv) Net Assets/Liability in Balance Sheet as at the year end:

Particulars	(₹ In Crores)	
	As At 31-Mar-16	As At 31-Mar-15
Present Value of the Obligation	0.17	0.38
Fair Value of Plan Assets	-	-
Difference	0.17	0.38
Unrecognised Transitional Liability	-	-
Unrecognised Past Service Cost - Non-vested Benefits	-	-
Liability Recognised in the Balance Sheet	0.17	0.38

v) For determination of leave encashment liability of the Company the following actuarial assumptions were used:

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
PRINCIPAL ACTUARIAL ASSUMPTIONS		
[Expressed as weighted averages]		
Discount Rate	7.80%	7.80%
Salary Escalation Rate	2.00%	2.00%
Attrition Rate	5.00%	5.00%

NOTE 44 : NON-CASH TRANSACTIONS

Bank Guarantees invoked/devolved during the year amounting to ₹ 2.20 Crores have been included in liability to banks as on 31st March 2016 and treated as Non cash transactions.

NOTE 45 : CASH & CASH EQUIVALENTS

Cash & Cash Equivalents include the following which are not available for ready use by the Company as at the Balance Sheet date:

Particulars	(₹ In Crores)	
	As At 31-Mar-16	As At 31-Mar-15
Margin money	9.52	9.46
Fixed Deposit with Bank	49.36	50.03
Unclaimed Dividend with bank	0.12	0.16
	59.01	59.65



NOTE 46 : RELATED PARTY DISCLOSURES

A. List of subsidiaries, where control existed during the Period - Annexure A

B. Associates:

Rajakamanglam Thurai Fishing Harbour Private Limited

C. Key Management Personnel (KMP)

G R K Reddy-Chairman & Managing Director (CMD)

D. Relative of Key Management Personnel

V P Rajini Reddy-wife of the CMD

E. Entities over which KMP and/or their relatives exercise control:

1. Akshya Infrastructure Private Limited
2. Avinash Constructions Private Limited
3. Exemplarr Worldwide Limited
4. Jeevan Habitat Private Limited
5. Marg Capital Markets Limited
6. Marg Foundation
7. Noble Habitat Private Limited
8. Swarnabhoomi Academic Institutions

F. Entities over which KMP and/or their relatives exercise significant influence:

1. Global Infoserv Limited
2. Marg Digital Infrastructure Private Limited
3. Marg Projects and Infrastructure Limited
4. Marg Realities Limited



G. Transactions with the related parties during the year in the ordinary course of the business: (₹ In Crores)

Particulars	Subsidiaries		Step Down Subsidiaries		Associates		KMP and Relatives		Entities over which KMP and Relatives have control / significant influence	
	Year Ended 31-Mar-16	Year Ended 31-Mar-15	Year Ended 31-Mar-16	Year Ended 31-Mar-15	Year Ended 31-Mar-16	Year Ended 31-Mar-15	Year Ended 31-Mar-16	Year Ended 31-Mar-15	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Services rendered	12.60	19.01	-	-	-	-	-	-	-	-
Lease rental income	-	-	-	-	-	-	-	-	-	-
Dividend received	-	0.01	-	-	-	-	-	-	-	-
Interest received	54.96	48.04	8.17	6.96	-	-	-	-	-	-
Interest Paid	-	-	-	-	-	-	1.31	1.11	3.42	0.99
Contracts and Services received	0.19	0.26	-	-	-	-	-	-	-	0.24
Allocation of Common Expenses	1.13	3.23	-	-	-	-	-	-	-	-
Contract Advances Received (Net)	-	-	-	-	-	-	-	-	-	-
Remuneration, Commission & Sitting Fee	-	-	-	-	-	-	0.22	0.04	-	-
Due on account of Share Invoked	-	-	-	-	-	-	0.37	0.64	0.45	1.73
Purchase / (Sale) of Fixed Assets	-	-	-	-	-	-	-	-	-	-
Sale of Land	-	0.89	-	-	-	-	-	-	-	-
Share Application money given / (refunded)	-	(1.00)	-	-	-	-	-	-	-	-
Investments made in Equity	0.11	0.02	-	-	-	-	-	-	-	-
Investments made in CCPS	-	-	-	-	-	-	-	-	-	-
Purchase of CCPS Shares	-	-	-	-	-	-	-	-	-	-
Sale of Equity Shares	-	-	-	-	-	-	-	-	-	-
Equity Investment Sold	-	-	-	-	-	-	-	-	-	-
Loans & Advances Made / (Repaid) [Net]	9.72	2.98	2.35	(0.08)	-	-	-	-	-	-
Loans Received / (Repaid) (Net)	-	-	-	-	-	-	0.13	(0.38)	-	-
Guarantees and Collaterals issued	-	-	-	-	-	-	-	-	-	-
Guarantees and Collaterals received	-	-	-	-	-	-	-	-	-	-
Advance to Supplier	-	-	-	-	-	-	-	-	0.05	0.14



Particulars	(₹ In Crores)									
	Subsidiaries		Step Down Subsidiaries		Associates		KMP and Relatives		Entities over which KMP and Relatives have control / significant influence	
	Year Ended 31-Mar-16	Year Ended 31-Mar-15	Year Ended 31-Mar-16	Year Ended 31-Mar-15	Year Ended 31-Mar-16	Year Ended 31-Mar-15	Year Ended 31-Mar-16	Year Ended 31-Mar-15	Year Ended 31-Mar-16	Year Ended 31-Mar-15
	Balances									
Investments in Equity	566.93	528.93	-	-	-*	-*	-	-	-	-
Investments in CCPS	-	37.90	-	-	-	-	-	-	-	-
Share Application Money	133.99	134.08	-	-	-	-	-	-	-	-
Dividend Receivable	0.54	0.54	-	-	-	-	-	-	-	-
Trade Receivables	170.00	171.63	4.38	4.38	-	-	-	-	0.04	0.11
Trade Payables	42.98	37.31	-	-	-	-	-	-	0.48	0.20
Loans & Advances Receivable	497.66	434.46	71.19	60.66	1.10	1.10	-	-	1.68	1.38
Loans Payable	-	-	-	-	-	-	9.48	8.04	27.07	24.67
Remuneration, Commission & Sitting Fee Payable	-	-	-	-	-	-	2.04	0.20	-	-
Due on account of Share Invoked	-	-	-	-	-	-	6.85	6.48	4.75	4.75
Contract Advances Received (Net)	166.87	165.51	-	-	-	-	-	-	-	-
Guarantees Issued	3,167.67	3,167.67	-	-	-	-	-	-	80.00	80.00
Guarantees and Collaterals received	276.51	272.16	145.72	145.72	-	-	-	-	959.02	959.02
Advance from Customer	-	-	0.10	0.10	-	-	-	-	0.83	0.89
Advance to Suppliers	-	-	-	-	-	-	-	-	-	-

* includes ₹ 39,000/- in associate

** includes Service rendered of ₹ 2.94 Crores for the year ended 31st March 2016 in respect of Future Parking Pvt Ltd.

*** includes Investments of ₹ 2.50 Crores and Guarantee Collaterals Issued of ₹ 22.00 Crores as on 31st March 2016 in respect of Future Parking Pvt Ltd.



NOTE 47

Disclose pursuant to section 186 of the Companies 2013

(₹ in Crores)

S No	Nature of the transaction (loans given/investment made/ guarantee given/security provided)	Purpose for which the loan/guarantee/security is proposed to be utilised by the recipient	As At 31-Mar-16	As At 31-Mar-15
Loan & Advances				
1	Amir Constructions Private Limited	Project Funding/Working Capital	4.23	3.71
2	Anumanthai Beachside Resorts Private Limited	Project Funding/Working Capital	0.01	0.01
3	Anuttam Constructions Private Limited	Project Funding/Working Capital	0.27	0.23
4	Arohi Infrastructure Private Limited	Project Funding/Working Capital	14.85	12.96
5	Atul Infrastructure Private Limited	Project Funding/Working Capital	4.78	4.19
6	Avatar Constructions Private Limited	Project Funding/Working Capital	2.67	2.34
7	Bharani Infrastructure Private Limited	Project Funding/Working Capital	0.52	0.45
8	Darpan Houses Private Limited	Project Funding/Working Capital	2.53	2.22
9	Dasha Infradevelopers Private Limited	Project Funding/Working Capital	9.94	8.72
10	Hilary Constructions Private Limited	Project Funding/Working Capital	0.12	0.10
11	Karaikal Port Private Limited	Project Funding/Working Capital	7.39	2.40
12	Karaikal Power Company Private Limited	Project Funding/Working Capital	3.91	3.43
13	Kirtidhara Infrastructure Private Limited	Project Funding/Working Capital	0.03	0.01
14	Marg Aviations Private Limited	Project Funding/Working Capital	0.00	0.00
15	Marg Industrial Clusters Limited	Project Funding/Working Capital	0.02	0.01
16	Marg Infrastructure Developers Limited	Project Funding/Working Capital	0.02	0.01
17	Marg Marine Infrastructure Limited	Project Funding/Working Capital	0.02	0.02
18	Marg International Dredging PTE Ltd	Project Funding/Working Capital	20.12	19.03
19	Marg Sri Krishnadevaraya Airport Private Limited	Project Funding/Working Capital	1.83	1.58
20	Marg Logistics Private Limited	Project Funding/Working Capital	5.40	5.29
21	Marg Properties Limited	Project Funding/Working Capital	37.82	31.33
22	Marg Swarnabhoomi Port Private Limited	Project Funding/Working Capital	0.00	0.00
23	Marg Trading PTE Ltd	Project Funding/Working Capital	0.07	0.07
24	Mukta Infrastructure Private Limited	Project Funding/Working Capital	16.77	14.73
25	Navrang Infrastructure Private Limited	Project Funding/Working Capital	2.60	2.28
26	New Chennai Township Private Limited	Project Funding/Working Capital	309.27	272.81
27	Parivar Apartments Private Limited	Project Funding/Working Capital	1.24	1.08
28	Riverside Infrastructure (India) Private Limited	Project Funding/Working Capital	39.81	35.42
29	Shubham Vihar Private Limited	Project Funding/Working Capital	3.13	2.83
30	Signa Infrastructure India Limited	Project Funding/Working Capital	-	0.01
31	Swatantra Infrastructure Private Limited	Project Funding/Working Capital	8.17	7.17
32	Yuva Constructions Private Limited	Project Funding/Working Capital	0.00	0.00
33	Wisdom Constructions Private Limited	Project Funding/Working Capital	0.13	-
Total			497.66	434.46

WC = Working Capital



(₹ in Crores)

S No	Nature of the transaction (loans given/investment made/ guarantee given/security provided)	Purpose for which the loan/guarantee/security is proposed to be utilised by the recipient	As At 31-Mar-16	As At 31-Mar-15
Step down Subsidiaries				
1	Aprati Constructions Private Limited	Project Funding/Working Capital	3.33	2.92
2	Aroopa Infradevelopers Private Limited	Project Funding/Working Capital	5.46	4.79
3	Magnumopus Infrastructure Private Limited	Project Funding/Working Capital	19.23	16.87
4	Marg Business Park Private Limited	Project Funding/Working Capital	3.33	2.92
5	O M R Developers Private Limited	Project Funding/Working Capital	7.52	6.06
6	Sarang Infradevelopers Private Limited	Project Funding/Working Capital	30.32	27.10
7	Comex Infrastructure Private Limited	Project Funding/Working Capital	0.21	0.11
8	Kanchanajunga Infradevelopers Private Limited	Project Funding/Working Capital	-	0.00
9	Navita Estates Private Limited	Project Funding/Working Capital	-	0.00
10	Ambar Nivas Private Limited	Project Funding/Working Capital	-	0.00
11	Rainbow Habitat Private Limited	Project Funding/Working Capital	-	0.00
12	Darshan Homes Private Limited	Project Funding/Working Capital	1.79	0.00
Total			71.00	61.00
Name of the Associate Company				
1	Rajakamanglam Thurai Fishing Harbour Private Limited	Project Funding/Working Capital	1.10	1.10
Total			1.10	1.10
Entities Over Which KMP and / or their relatives exercise control				
1	Marg Foundation	Project Funding/Working Capital	1.38	1.38
Total			1.38	1.38
Share Application Money				
1	Marg Logistics Private Limited	Captial Contribution	30.81	31.81
2	Marg Properties Limited	Captial Contribution	54.00	54.00
3	New Chennai Township Private Limited	Captial Contribution	49.18	49.18
Total			133.99	133.99
Investments				
1	Amir Constructions Private Limited	Captial Contribution	0.01	0.01
2	Anumanthai Beachside Resorts Private Limited	Captial Contribution	0.01	0.01
3	Anuttam Constructions Private Limited	Captial Contribution	0.01	0.01
4	Arohi Infrastructure Private Limited	Captial Contribution	0.10	0.01
5	Atul Infrastructure Private Limited	Captial Contribution	0.01	0.01
6	Avatar Constructions Private Limited	Captial Contribution	0.01	0.01
7	Bharani Infrastructure Private Limited	Captial Contribution	0.01	0.01
8	Darpan Houses Private Limited	Captial Contribution	0.01	0.01
9	Dasha Infradevelopers Private Limited	Captial Contribution	0.01	0.01
10	Future Parking Private Limited	Captial Contribution	2.50	2.50
11	Hilary Constructions Private Limited	Captial Contribution	0.01	0.01
12	Karaikal Port Private Limited	Captial Contribution	249.79	211.89

WC = Working Capital



(₹ in Crores)				
S No	Nature of the transaction (loans given/investment made/ guarantee given/security provided)	Purpose for which the loan/guarantee/security is proposed to be utilised by the recipient	As At 31-Mar-16	As At 31-Mar-15
13	Karaikal Power Company Private Limited	Capital Contribution	0.01	0.01
14	Kirtidhara Infrastructure Private Limited	Capital Contribution	0.01	0.01
15	Marg Aviations Private Limited	Capital Contribution	0.01	0.01
16	Marg Industrial Clusters Limited	Capital Contribution	0.05	0.05
17	Marg Infrastructure Developers Limited	Capital Contribution	0.05	0.05
18	Marg Marine Infrastructure Limited	Capital Contribution	0.05	0.05
19	Marg International Dredging PTE Ltd	Capital Contribution	57.33	57.33
20	Marg Sri Krishnadevaraya Airport Private Limited	Capital Contribution	0.01	0.01
21	Marg Logistics Private Limited	Capital Contribution	0.01	0.01
22	Marg Properties Limited	Capital Contribution	0.05	0.05
23	Marg Swarnabhoomi Port Private Limited	Capital Contribution	0.01	0.01
24	Marg Trading PTE Ltd	Capital Contribution	0.03	0.03
25	Mukta Infrastructure Private Limited	Capital Contribution	0.01	0.01
26	Navrang Infrastructure Private Limited	Capital Contribution	0.01	0.01
27	New Chennai Township Private Limited	Capital Contribution	120.00	120.00
28	Parivar Apartments Private Limited	Capital Contribution	0.01	0.01
29	Riverside Infrastructure (India) Private Limited	Capital Contribution	136.73	136.73
30	Shubham Vihar Private Limited	Capital Contribution	0.01	0.01
31	Signa Infrastructure India Limited	Capital Contribution	0.04	0.04
32	Swatantra Infrastructure Private Limited	Capital Contribution	0.01	0.01
33	Yuva Constructions Private Limited	Capital Contribution	0.01	0.01
Total			566.92	528.93
Name of the Associate Company				
1	Rajakamanglam Thurai Fishing Harbour Private Limited	Capital Contribution	0.00	0.00
Total			0.00	0.00
Investment CCPS				
1	Karaikal Port Private Limited	Capital Contribution	-	37.90
Total			-	37.90
Guarantees & Collaterals Issued				
1	Arohi Infrastructure Private Limited	Corporate Guarantee	50.00	50.00
2	Future Parking Private Limited	Corporate Guarantee	22.00	22.00
3	Karaikal Port Private Limited	Corporate Guarantee	1,982.54	1,982.54
4	Marg International Dredging PTE Ltd	Corporate Guarantee	180.84	180.84
5	Marg Logistics Private Limited	Corporate Guarantee	13.00	13.00
6	Marg Properties Limited	Corporate Guarantee	159.50	159.50
7	New Chennai Township Private Limited	Corporate Guarantee	536.78	536.78
8	Riverside Infrastructure (India) Private Limited	Corporate Guarantee	223.01	223.01
Total			3,167.67	3,167.67
Entities Over Which KMP and / or their relatives exercise significant influence				
1	Marg Realities Limited		80.00	80.00
Total			80.00	80.00



NOTE 48 : OPERATING LEASES

a) Cancelable Lease:

Total rental charges under cancelable operating lease was ₹ 0.26 Crores year ended 31-Mar-16 (Previous year ₹ 2.02 Crores).

NOTE 49 : AUDITORS' REMUNERATION

Following are the details of Auditors' remuneration:

Particulars	(₹ In Crores)	
	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Statutory Audit Fee	0.15	0.13
Tax Audit Fee	-	-
Certification	-	0.03
Reimbursement of Expenses	-	-
Total	0.15	0.16

NOTE 50 : EARNINGS PER SHARE (EPS)

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
a. Profit After Tax (₹ In Crores)		
For Basic EPS	(16.98)	(172.45)
For Diluted EPS	(16.98)	(172.45)
b. Weighted average number of equity shares (Nos in Lacs)		
For Basic EPS	381.19	381.19
Adjustment for Diluted EPS		
Add: Weighted average number of potential shares on account of Employee Stock Options	-	-
Add: Weighted average number of potential shares on account of Preferential allotment of shares/Warrants	-	-
For Diluted EPS	381.19	381.19
c. Earning Per Share (₹)		
Basic	(4.46)	(45.24)
Diluted	(4.46)	(45.24)
d. Nominal Value Per Share (₹)	10.00	10.00

NOTE 51 : INFORMATIONS PURSUANT TO SECTION 129(3) OF COMPANIES ACT

Information of (a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investments (except in case of investment in subsidiaries) (f) turnover (g) profit (loss) before taxation (h) provision for taxation (i) profit (loss) after taxation and (j) proposed dividend for each subsidiary is furnished in Annexure B to the accounts.

NOTE 52 : INFORMATIONS PURSUANT TO CLAUSE 32 OF LISTING AGREEMENT

Disclosure as required by Clause 32 of listing agreement with stock exchanges for loans and advances given by the company are given in Annexure A.

NOTE 53 : INFORMATIONS PURSUANT TO PART II OF SCHEDULE III OF COMPANIES ACT

The activities of the company are not capable of being expressed in any generic unit and hence, it is not possible to give the quantitative details required under Paragraphs 3, 4C and 4D of Part II of Schedule III of the Companies Act 2013.

**NOTE 54 : FOREIGN CURRENCY EXPOSURES**

The Company does not use any derivative instruments to hedge its foreign currency exposures.

The details of foreign currency balances which are not hedged as at the balance sheet date are as under:

Particulars	As At 31-Mar-2016		As At 31-Mar-2015	
	USD in Crores	INR in Crores	USD in Crores	INR in Crores
Creditors for Services	(0.62)	(41.16)	(0.56)	(33.88)
Advance to Creditors for Spares import	0.04	2.89	0.04	2.62
Loan given to Subsidiary	0.31	20.19	0.31	18.34
Dividend Receivable	0.01	0.57	0.01	0.52
Total	(0.26)	(17.51)	(0.20)	(12.40)
	GBP in Crores	INR in Crores	GBP in Crores	INR in Crores
Creditors for Services	-	-	-	-

Conversion rate applied:

1 USD = ₹ 67.1753 (Previous year ₹ 62.5900)

NOTE 55 : PRESENTATION OF PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified / rearranged wherever necessary to bring them in conformity with the current year figures.

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R M V BALAJI

Partner

Membership No. 27476

Place : Chennai

Date : 31-May-16

For and on behalf of Board of Directors

G R K REDDY

Chairman & Managing Director

V P RAJINI REDDY

Director

KARANJIT SINGH JASUJA

Director

RABINDRA KUMAR SAMAL

Annexure A

Details of Investments and Disclosure as required by clause 32 of Listing Agreement with Stock Exchanges

Name of the Company	Investments in Equity					Loans & Advances Given	
	Face Value (₹)	As At 31-Mar-16 No of Shares (Lacs)	As At 31-Mar-15 No of Shares (Lacs)	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)	Amount Outstanding As at 31-Mar-16 (₹ in Crores)	Maximum Amount Outstanding during the year (₹ in Crores)
Name of the Subsidiary Company							
Amir Constructions Private Limited	10	0.10	0.10	0.01	0.01	4.23	4.23
Anumanthai Beachside Resorts Private Limited	10	0.10	0.10	0.01	0.01	0.01	0.01
Anuttam Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.27	0.27
Arohi Infrastructure Private Limited	10	0.10	0.10	0.10	0.01	14.85	14.85
Atul Infrastructure Private Limited	10	0.10	0.10	0.01	0.01	4.78	4.78
Avatar Constructions Private Limited	10	0.10	0.10	0.01	0.01	2.67	2.67
Bharani Infrastructure Private Limited	10	0.10	0.10	0.01	0.01	0.52	0.52
Darpan Houses Private Limited	10	0.10	0.10	0.01	0.01	2.53	2.53
Dasha Infradevelopers Private Limited	10	0.10	0.10	0.01	0.01	9.94	9.94
Future Parking Private Limited	10	24.99	24.99	2.50	2.50	-	-
Hilary Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.12	0.12
Karaikal Port Private Limited	10	2,497.94	2,497.94	249.79	249.79	7.39	7.39
Karaikal Power Company Private Limited	10	0.10	0.10	0.01	0.01	3.91	3.91
Kirtidhara Infrastructure Private Limited	10	0.10	0.10	0.01	0.01	0.03	0.03
Marg Aviations Private Limited	10	0.10	0.10	0.01	0.01	0.00	0.00
Marg Industrial Clusters Limited	10	0.50	0.50	0.05	0.05	0.02	0.02
Marg Infrastructure Developers Limited	10	0.50	0.50	0.05	0.05	0.02	0.02
Marg Marine Infrastructure Limited	10	0.50	0.50	0.05	0.05	0.02	0.02
Marg International Dredging PTE Ltd	SIG \$ 1	173.52	173.52	57.33	57.33	20.12	20.13
Marg Sri Krishnadevaraya Airport Private Limited	10	0.10	0.10	0.01	0.01	1.83	1.83
Marg Logistics Private Limited	10	0.10	0.10	0.01	0.01	5.40	6.15
Marg Properties Limited	10	0.50	0.50	0.05	0.05	37.82	38.22
Marg Swarnabhoomi Port Private Limited	10	0.11	0.11	0.01	0.01	0.00	0.00
Marg Trading PTE Ltd	SIG \$ 1	0.06	0.06	0.03	0.03	0.07	0.07
Mukta Infrastructure Private Limited	10	0.10	0.10	0.01	0.01	16.77	16.77
Navrang Infrastructure Private Limited	10	0.10	0.10	0.01	0.01	2.60	2.60
New Chennai Township Private Limited	10	1,200.00	1,200.00	120.00	120.00	309.27	309.27
Parivar Apartments Private Limited	10	0.10	0.10	0.01	0.01	1.24	1.24
Riverside Infrastructure (India) Private Limited	10	1,367.25	1,367.25	136.73	136.73	39.81	39.81
Shubham Vihar Private Limited	10	0.10	0.10	0.01	0.01	3.13	3.13
Signa Infrastructure India Limited	10	0.37	0.37	0.04	0.04	-	0.01
Swatantra Infrastructure Private Limited	10	0.10	0.10	0.01	0.01	8.17	8.17
Yuva Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.00	0.00
Wisdom Constructions Private Limited	10	0.10	0.10	0.01	0.01	0.13	0.13
Total				566.93	566.84	497.66	498.84

Annexure A

Details of Investments and Disclosure as required by clause 32 of Listing Agreement with Stock Exchanges

Name of the Company	Investments in Equity			Loans & Advances Given		
	Face Value (₹)	As At 31-Mar-16 No of Shares (Lacs)	As At 31-Mar-15 No of Shares (Lacs)	As At 31-Mar-16 (₹ in Crores)	As At 31-Mar-15 (₹ in Crores)	Maximum Amount Outstanding during the year (₹ in Crores)
Fellow Subsidiaries / Step down Subsidiaries of Marg Properties Ltd						
Aprati Constructions Private Limited	-	-	-	3.33	-	3.33
Aroopa Infradevelopers Private Limited	-	-	-	5.46	-	5.46
Magnamopus Infrastructure Private Limited	-	-	-	19.23	-	19.23
Marg Business Park Private Limited	-	-	-	3.33	-	3.33
O M R Developers Private Limited	-	-	-	7.52	-	7.52
Sarang Infradevelopers Private Limited	-	-	-	30.32	-	30.32
MARG Hotels and Service Apartments Private Limited	-	-	-	-	-	-
Total				69.19		61.19
Fellow Subsidiaries / Step down Subsidiaries of Marg Logistics Pvt Ltd						
Advance Infradevelopers Private Limited	-	-	-	-	-	-
Agni Infradevelopers Private Limited	-	-	-	-	-	-
Akhil Infrastructure Private Limited	-	-	-	-	-	-
Ambar Nivas Private Limited	-	-	-	-	-	0.00
Archana Infradevelopers Private Limited	-	-	-	-	-	-
Ashram Infradevelopers Private Limited	-	-	-	-	-	-
Comex Infrastructure Private Limited	-	-	-	0.21	-	0.21
Darshan Homes Private Limited	-	-	-	1.79	-	1.79
Guiding Infradevelopers Private Limited	-	-	-	-	-	-
Kanchanajunga Infradevelopers Private Limited	-	-	-	-	-	0.00
Navita Estates Private Limited	-	-	-	-	-	0.00
Rainbow Habitat Private Limited	-	-	-	-	-	0.00
Saptajit Projects Private Limited	-	-	-	-	-	-
Shikha Infrastructure Private Limited	-	-	-	-	-	-
Sulekh Constructions Private Limited	-	-	-	-	-	-
Talin Infradevelopers Private Limited	-	-	-	-	-	-
Uttarak Infradevelopers Private Limited	-	-	-	-	-	-
Vyan Infraprojects Private Limited	-	-	-	-	-	-
Total				2.00		2.01

Annexure A

Details of Investments and Disclosure as required by clause 32 of Listing Agreement with Stock Exchanges

Name of the Company	Investments in Equity				Loans & Advances Given		
	Face Value (₹)	As At 31-Mar-16 No of Shares (Lacs)	As At 31-Mar-15 No of Shares (Lacs)	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ in Crores)	Amount Outstanding As at 31-Mar-16 (₹ in Crores)	Maximum Amount Outstanding during the year (₹ in Crores)
Name of the Associate Company							
Rajakamangalam Thurai Fishing Harbour Private Limited*	10	0.04	0.04	0.00	0.00	1.10	1.10
Total				0.00	0.00	1.10	1.10
Name of the Other Companies							
Marg Foundation	-	-	-	-	-	1.38	1.38
Marg Digital Infrastructure Private Limited	-	-	-	-	-	-	20.81
Marg Realities Limited	-	-	-	-	-	0.30	-
Total				-	-	1.68	22.19

*Investments includes ₹ 39,000/- as at 31-Mar-16 & 31-Mar-15

Annexure B

Statement pursuant to exemption received under section 129(3) if the companies Act 2013 relating to subsidiary companies

(₹ in lacs)

Sl	Name of the Subsidiary Company	Capital	Reserves	Share / Warrant Application Money Pending For Allotment	Total Assets	Total Liabilities	Investments	Turnover *	Profit (Loss) before Taxation	Provision for Taxation	Profit (Loss) After Taxation	Proposed/ Interim Dividend
	Name of the Subsidiary Company											
1	Amir Constructions Private Limited	1.00	141.96	-	584.91	441.95	-	-	(52.19)	-	(52.19)	-
2	Anumanthai Beachside Resorts Private Limited	1.00	(2.37)	-	0.15	1.52	-	-	(0.30)	-	(0.30)	-
3	Anuttam Constructions Private Limited	1.00	276.08	-	1,222.27	945.19	-	-	(4.07)	-	(4.07)	-
4	Arohi Infrastructure Private Limited	10.00	(2,524.08)	-	5,280.14	7,794.22	5,000.00	-	(678.91)	-	(678.91)	-
5	Atul Infrastructure Private Limited	1.00	52.53	-	535.36	481.83	-	-	(59.21)	-	(59.21)	-
6	Avatar Constructions Private Limited	1.00	167.84	-	777.18	608.35	-	-	(33.28)	-	(33.28)	-
7	Bharani Infrastructure Private Limited	1.00	(3.56)	-	702.08	704.63	-	2.00	(4.84)	-	(4.84)	-
8	Darpan Houses Private Limited	1.00	119.94	-	387.39	266.45	-	-	(31.38)	-	(31.38)	-
9	Dasha InfraDevelopers Private Limited	1.00	17.89	-	1,023.80	1,004.91	-	-	(122.27)	-	(122.27)	-
10	Future Parking Private Limited	2,590.00	(183.24)	-	4,096.13	1,689.37	-	5.80	(211.61)	-	(211.61)	-
11	Hilary Constructions Private Limited	1.00	145.91	-	3,039.94	2,893.03	-	-	(1.77)	-	(1.77)	-
12	Karaikal Port Private Limited**	55,079.21	(25,962.99)	-	2,30,345.08	2,01,228.87	-	26,269.00	(17,210.74)	-	(17,210.74)	-
13	Karaikal Power Company Private Limited	1.00	(90.75)	-	310.94	400.69	-	-	(47.88)	-	(47.88)	-
14	Kirtidhara Infrastructure Private Limited	1.00	354.51	-	813.21	457.71	-	-	(2.74)	-	(2.74)	-
15	Marg Aviations Private Limited	1.00	(0.43)	-	2.77	2.20	-	-	(0.33)	-	(0.33)	-
16	Marg Industrial Clusters Limited	5.00	(0.70)	-	6.65	2.36	-	-	(0.36)	-	(0.36)	-
17	Marg Infrastructure Developers Limited	5.00	(0.70)	-	6.65	2.35	-	-	(0.36)	-	(0.36)	-
18	Marg Marine Infrastructure Limited	5.00	0.03	-	7.65	2.62	-	-	(0.37)	-	(0.37)	-
19	Marg International Dredging PTE Ltd**	5,733.00	(6,502.99)	-	18,738.47	19,508.47	-	-	(2,269.48)	362.42	(2,631.89)	-
20	Marg Sri Krishnadevaraya Airport Private Limited	1.00	(56.89)	-	2,254.65	2,310.54	-	-	(30.70)	-	(30.70)	-
21	Marg Logistics Private Limited	1.00	579.77	-	7,773.47	7,192.70	18.00	4,089.21	(4.47)	(1.88)	(2.58)	-
22	Marg Properties Limited	5.00	(6,842.96)	-	25,171.76	32,009.72	7.00	219.13	(2,713.51)	(15.32)	(2,698.19)	-
23	Marg Swarnabhoomi Port Private Limited	1.25	(107.10)	-	6.97	112.82	-	-	(0.20)	-	(0.20)	-
24	Marg Trading PTE Ltd**	2.56	(36.23)	-	4,822.96	4,856.63	-	-	(5.74)	-	(5.74)	-
25	Mukta Infrastructure Private Limited	1.00	(601.88)	-	1,168.47	1,769.35	-	-	(203.99)	-	(203.99)	-
26	Navrang Infrastructure Private Limited	1.00	(64.82)	-	203.39	267.21	-	-	(32.94)	-	(32.94)	-
27	New Chennai Township Private Limited	12,000.00	(42,773.63)	-	96,560.63	1,27,334.26	-	216.55	(13,013.25)	-	(13,013.25)	-
28	Parivar Apartments Private Limited	1.00	(31.74)	-	96.85	127.59	-	-	(15.75)	-	(15.75)	-
29	Riverside Infrastructure (India) Private Limited	16,300.00	1,486.46	-	69,362.86	51,576.40	-	-	(7.71)	4.96	(12.66)	-
30	Shubham Vihar Private Limited	1.00	573.84	-	1,165.40	590.56	-	-	(30.01)	-	(30.01)	-
31	Sigma Infrastructure India Limited	5.00	33.11	-	49.31	11.21	-	-	(0.26)	(0.01)	(0.25)	-
32	Swatantra Infrastructure Private Limited	1.00	735.18	-	1,568.74	832.56	-	-	(100.61)	-	(100.61)	-
33	Yuva Constructions Private Limited	1.00	22.45	-	25.83	2.38	-	-	(0.42)	-	(0.42)	-
34	Wisdom Constructions Private Limited	1.00	7.82	-	1,544.25	1,535.43	-	-	(0.86)	-	(0.86)	-

Annexure B

Statement pursuant to exemption received under Section 129(3) of the Companies Act, 2013 relating to subsidiary companies

(₹ in lacs)

Sl	Name of the Subsidiary Company	Capital	Reserves	Share / Warrant Application Money Pending For Allotment	Total Assets	Total Liabilities	Investments	Turnover *	Profit (Loss) before Taxation	Provision for Taxation	Profit (Loss) After Taxation	Proposed/ Interim Dividend
	Fellow Subsidiaries / Step down Subsidiaries											
1	Aprati Constructions Private Limited	1.00	(100.23)	-	386.61	485.84	-	-	(43.77)	-	(43.77)	-
2	Advance Infradevelopers Private Limited	1.00	(38.58)	-	255.15	292.73	-	-	(0.23)	-	(0.23)	-
3	Agni Infradevelopers Private Limited	1.00	(50.20)	-	339.04	388.24	-	-	(0.25)	-	(0.25)	-
4	Akhil Infrastructure Private Limited	1.00	(157.98)	-	1,112.69	1,269.67	-	-	(0.25)	-	(0.25)	-
5	Ambar Nivas Private Limited	1.00	(78.18)	-	539.83	617.01	-	-	(0.24)	-	(0.24)	-
6	Archana Infradevelopers Private Limited	1.00	(49.03)	-	369.29	417.32	-	-	(0.21)	-	(0.21)	-
7	Aroopa Infradevelopers Private Limited	1.00	(108.52)	-	447.17	554.69	-	-	(67.62)	-	(67.62)	-
8	Ashram Infradevelopers Private Limited	1.00	(2.07)	-	4.75	5.82	-	-	(0.22)	-	(0.22)	-
9	Comex Infrastructure Private Limited	1.00	5.55	-	51.59	45.04	-	-	(0.23)	-	(0.23)	-
10	Darshan Homes Private Limited	1.00	(56.36)	-	456.39	511.75	-	-	(18.15)	-	(18.15)	-
11	Guiding Infradevelopers Private Limited	1.00	3.35	-	4.82	0.47	-	-	(0.22)	-	(0.22)	-
12	Kanchanajunga Infradevelopers Private Limited	1.00	(50.27)	-	349.93	399.20	-	-	(0.28)	-	(0.28)	-
13	Magnamopus Infrastructure Private Limited	1.00	(489.38)	-	1,572.61	2,060.99	-	-	(252.29)	-	(252.29)	-
14	Marg Business Park Private Limited	1.00	503.25	-	(20.96)	(525.21)	-	-	130.48	46.19	84.28	-
15	MARG Hotels and Service Apartments Private Limited	1.00	(1.06)	-	0.88	0.94	-	-	(0.26)	-	(0.26)	-
16	Navita Estates Private Limited	1.00	(261.18)	-	1,723.88	1,984.06	-	-	(0.31)	-	(0.31)	-
17	O M R Developers Private Limited	1.00	(242.51)	-	1,099.04	1,340.54	-	-	(130.93)	-	(130.93)	-
18	Rainbow Habitat Private Limited	1.00	(135.77)	-	940.11	1,074.88	-	-	(0.29)	-	(0.29)	-
19	Saptajit Projects Private Limited	1.00	(4.07)	-	16.37	19.44	-	-	(0.27)	-	(0.27)	-
20	Sarang Infradevelopers Private Limited	1.00	(704.21)	-	4,031.41	4,734.62	0.14	14.52	(357.50)	(0.53)	(356.97)	-
21	Shikha Infrastructure Private Limited	1.00	(2.12)	-	4.72	5.83	-	-	(0.30)	-	(0.30)	-
22	Sulekh Constructions Private Limited	1.00	6.70	-	8.16	0.46	-	-	(0.31)	-	(0.31)	-
23	Talin Infradevelopers Private Limited	1.00	(6.21)	-	5.16	10.37	-	-	(0.30)	-	(0.30)	-
24	Uttarak Infradevelopers Private Limited	1.00	(12.42)	-	5.68	17.10	-	-	(0.25)	-	(0.25)	-
25	Vyan Infraprojects Private Limited	1.00	(16.27)	-	7.46	22.73	-	-	(0.22)	-	(0.22)	-

* Turnover includes Other Income

** Unaudited & Certified by Management

Independent Auditors' Report

To
The Members of MARG LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **MARG LIMITED** ("hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its Subsidiaries together referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis of Qualified Opinion

1) *The Audit report of Marg Limited, Holding company, has been qualified by us as follows;*

a) *Attention is invited to note 30; the company has not provided for interest for the year ended 31st March, 2016 on certain loans that are assigned to Asset Reconstruction Companies (ARCs), which in our opinion the Company has not followed accrual system of accounting and Disclosure of accounting policy is not in accordance with AS 1-Disclosure of accounting policies to this extent. Consequently, the Finance cost, Net loss for the year ended 31st March, 2016 are understated by ₹ 154.98 Crores and loan liability is understated and accumulated reserves are overstated by ₹ 154.98 Crores as on 31st March, 2016.*

b) *Attention is invited to note 37; The Company has not provided for ₹ 53.92 Crores relating to work in progress for EPC work done which remain unbilled as on 31st March, 2016 and*

Management fee of ₹ 4.8 Crores not acknowledged by one of its subsidiaries. Consequently, the loss for the year ended 31st March, 2016 are understated by ₹ 58.72 Crores Accumulated Reserves and Current assets as on 31st March, 2016 are overstated by the same amount.

c) Attention is invited to note 38 regarding case filed by the company against invocation of shares held in M/s Karaikal Port Private Limited, a subsidiary company, amounting to ₹ 202.39 Crores as on 31st March, 2016; Pending final outcome of the case and continuation of stay granted by the Hon'ble High Court the Company continues to carry the investment cost without any provision and consider the said company as its subsidiary. However considering the significant uncertainty in this matter we are unable to comment, a) whether the company will be able to recover the Investment having carrying cost of ₹ 202.39 Crores and b) whether the company continues to be the Holding Company of the said company. The Consolidated financial statements include Fixed assets of ₹ 1898.51 Crores, Long term advances of ₹ 11.69 Crores, other assets of ₹ 91.66 Crores, Long term liabilities of ₹ 1572.15 Crores, Current liabilities of ₹ 416.62 Crores, Minority interest of ₹ 155.60 Crores as on 31st March, 2016, Turnover of ₹ 262.69 Crores, Net Loss of ₹ 158.41 Crores for the year ended 31st March, 2016 in respect of this company.

d) Attention is invited to note 39; Regarding confirmation/reconciliation of some of the equipment loans availed by the company, which was not obtained/carried out for the balances as on 31st March, 2016. The differences arising out of the reconciliation, if any, together with the unreconciled amount of ₹ 6.52 Cr relating to the same loan accounts as on 31st March, 2015 continues to be unascertained for the year ended 31st March, 2016. Such differences, if any, will impact the losses for the year ended 31st March 2016, accumulated revenue reserves and balances of such loan accounts as on 31st March 2016.

e) The company has considered M/s Future Parking Private Limited as its subsidiary and accordingly made disclosures in the financial statements for the year ended 31st March, 2016. Due to change in control and management of M/s Future Parking Private Limited the said company ceased to be a subsidiary of the company; further as per the audited financial statements of M/s Future Parking Private Limited, it has not recognised the company as its Holding Company as on 31st March, 2016. Hence, in our opinion the consolidated financial statements are not in accordance with Accounting Standard 21- 'Consolidated Financial Statements'. The Consolidated financial statements include fixed assets of ₹ 39.21 Crores, other assets of ₹ 1.30 Crores, long term liabilities of ₹ 16.21 Crores, Current liabilities of ₹ 67.55 Crores, Minority interest of ₹ 21.75 Crores as on 31st March, 2016, Turnover of ₹ 0.06 Crores, Net profit & loss of ₹ 1.58 Crores for the year ended 31st March, 2016 in respect of this company.

f) The company didn't obtain/ receive balance confirmation from Banks/ARCs, most of the customers/creditors and other parties for the balances as on 31st March, 2016. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.

2) The Audit report of Mukta Infrastructure Private Limited, subsidiary company, has been qualified by us as the company has not provided for impairment loss of ₹ 7.70 Crores (PY ₹ 7.70 Crores) on land held as on 31st March, 2016, which is not in accordance with Accounting Standard (AS 28) "Impairment of assets". Consequently the assets are overstated by ₹ 7.70 Crores (PY ₹ 7.70 Crores) and loss for the year and the accumulated losses are understated by ₹ 7.70 Crores (PY ₹ 7.70 Crores) as on 31st March, 2016. This matter was also qualified in our report for the year ended 31st March, 2015.

3) The Audit report of Arohi Infrastructure Private Limited, subsidiary company, has been qualified by us as the Company has not provided for premium payable on redemption of debentures accumulated till the year ended 31st March, 2015 amounting to ₹ 8.97 Crores, which is not in accordance with Accounting Standard 16 "Borrowing Costs". This resulted in understatement of liabilities and accumulated losses as on 31st March, 2016 by ₹ 8.97 Crores. This matter was also qualified in our report for the year ended 31st March, 2015.

4) The Audit report of Riverside Infrastructure (India) Private Limited, Subsidiary Company, has been qualified by us; Attention is invited to Note 40, regarding suspension of project of the company. The company has capitalised interest on loans amounting to ₹ 59.12 Crores (PY ₹ 39.58 Crores) and other expenses of ₹ 0.44 Crores (PY ₹ 0.67 Crores) during the year ended 31st March, 2016, which is not in accordance with Accounting Standard (AS-16) "Borrowing Costs" and Accounting Standard (AS-10) "Accounting for Fixed Assets" respectively. Accordingly, the assets of the company are overstated by ₹ 144.97 Crores (PY ₹ 85.41 Crores) as on 31st March, 2016 and loss for the year ended 31st March, 2016 and the accumulated losses are understated by ₹ 59.55 Crores (PY ₹ 40.25 Crores). This matter was also qualified in our report for the year ended 31st March, 2015.

5) Reference is drawn to our remarks in para (b) under other matters below with respect of non-audit of certain subsidiary companies and associate company. As mentioned below, these financial statements are unaudited and 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 companies is based solely on such unaudited financial statements. Considering the materiality involved of these financial statements, we are unable to ascertain whether if these financial statements would have been audited, the impact of these financial statements would have materially impacted the consolidated financial statements.

6) The audit report of subsidiary companies Marg Properties Limited, Riverside Infrastructure (India) Private Limited, Sarang Infradevelopers Private Limited, Magnumopus Infradevelopers Private Limited is qualified by us. These companies didn't obtain/ receive balance confirmation from Banks/ARCs, most of the customers/creditors and other parties for the balances as on 31st March, 2016. Hence, we could not obtain external confirmations as required in SA-505, Standards on Auditing and are unable to comment on adjustments or disclosures, if any, that may arise.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the Basis for Qualified Opinion paragraph above*, the aforesaid consolidated financial statements give the information required by the Act in the manner required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March, 2016, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following notes to consolidated financial statements:

a) Note 32 regarding preparing financial statements on 'Going concern' basis. The accompanying financial statements have been prepared on a going concern basis, after giving due considerations to all matters more fully explained in the said note.

b) Note 33 regarding property of the subsidiary companies audited by us, mentioned in the said note, provided as security for various loans taken by other companies. The financial statements of those subsidiaries have been prepared on a going concern basis after giving due considerations to matters more fully explained in aforesaid note.

c) Note 34 regarding property of the subsidiary companies audited by other auditors, mentioned in the said note, provided as security for various loans taken by other companies. The financial statements of those subsidiaries have been prepared on a going concern basis after giving due considerations to matters more fully explained in aforesaid note.

d) Note 35 regarding investments in and advances and receivables due from some of its subsidiaries aggregating to ₹ 1069 Crores (PY ₹ 999.54 Crores) as on 31st March, 2016. No provision for diminution/recoverability is considered necessary for reasons stated therein.

e) Note 41, regarding deductions made/amount withheld by some customers of Holding company, aggregating to ₹ 11.82 Crores which are being carried as trade receivables. The company is also carrying work-in-progress/inventory of ₹ 25.46 Crores and assets withheld at site of ₹ 1.75 Crores relating to these customers. These balances are subject matter of Arbitration and ultimate outcome of the above matters cannot presently be determined although the Company is of the view that such amounts are recoverable and hence no provision is required there against.

f) Note 42, regarding, the Companies mentioned there in, which were converted and obtained license under Section 25 of the Companies Act, 1956 during the year. However the security provided by the Company for loan taken by the Holding Company/Fellow Subsidiary Company continues to be in force.

Other Matters

a) We did not audit the financial statements / financial information of 27 subsidiaries, whose financial statements reflect total assets(net) of ₹ (508.89) Crores as at 31st March, 2016, total revenues of ₹ 3.77 Crores and net cash flows amounting to ₹ 0.14 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and(11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

b) We did not audit the financial statements / financial information of 3 subsidiaries, whose financial statements reflect total assets (Net) of ₹ 489.53 Crores as at 31st March, 2016, total revenues of ₹ 262.69 Crores and net cash flows amounting to ₹ 30.32 Crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of ₹ 2,340/- for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements /financial information are material to the Group.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations, except for the matters described in the Basis of qualified opinion paragraph, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, except for the matters described in the Basis of qualified opinion paragraph, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it

appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, *except for the effect of the matters described in the Basis for Qualified Opinion paragraph above*, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) The matters described in paragraph (1) (c) of Basis of Qualified Opinion paragraph and the Going Concern matter described in the paragraph (a), (b) and (c) under the Emphasis

of Matter Paragraph, in our opinion, may have an adverse effect on the functioning of the Group.

f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies and associate companies incorporated in India, *except for six directors of 22 of the Group's subsidiary companies and one associate company incorporated in India who are disqualified from being appointed as a director in terms of Section 164(2) of the Act*, none of the other directors of the Group's subsidiary 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. The list of subsidiary companies, incorporated in India where the disqualification arose and the respective directors are stated below:

S.No	Name of the Company	Name of the Director
1.	Akhil Infrastructure Private Limited	Mathi Thiyagu (DIN 06976851)
2.	Ambar Nivas Private Limited	Mathi Thiyagu (DIN 06976851)
3.	Amir Constructions Private Limited	Mathi Thiyagu (DIN 06976851)
4.	Anumanthai Beachside Resorts Private Limited	Ramesh Chetty Ramaswamy (DIN 06814138)
5.	Anuttam Academic Institutions	Mathi Thiyagu (DIN 06976851)
6.	Aprati Constructions Private Limited	K Ravi (DIN 06919214) Praveen Kumar (DIN 06933486)
7.	Atul Institutions Of Learning	Mathi Thiyagu (DIN 06976851)
8.	Bharani Infrastructure Private Limited	Mathi Thiyagu (DIN 06976851)
9.	Darpan Educational Institutions	Arabsha (DIN 06919224)
10.	Dasha Infradevelopers Private Limited	K Ravi (DIN 06919214) Praveen Kumar (DIN 06933486)
11.	Hilary Constructions Private Limited	K Ravi (DIN 06919214) Praveen Kumar (DIN 06933486)
12.	Kanchanajunga Infradevelopers Private Limited	Arabsha (DIN 06919224)
13.	Kirtidhara Academic Institutions	Arabsha (DIN 06919224)
14.	Magnumopus Infrastructure Private Limited	Arabsha (DIN 06919224)
15.	Marg Hotels And Service Apartments Private Limited	K Ravi (DIN 06919214) Praveen Kumar (DIN 06933486)
16.	Marg Properties Limited	Arabsha (DIN 06919224)
17.	Marg Swarnabhoomi Port Private Limited	Mathi Thiyagu (DIN 06976851) Srikanth Jambunathan (DIN 06919674)
18.	Navita Estates Private Limited	Arabsha (DIN 06919224)

19.	Saptajit Projects Private Limited	Arabsha (DIN 06919224)
20.	Sarang Infradevelopers Private Limited	Arabsha (DIN 06919224)
21.	Swatantra Infrastructure Private Limited	Mathi Thiyagu (DIN 06976851)
22.	Yuva Constructions Private Limited	Mathi Thiyagu (DIN 06976851)
23.	Rajakamangalam Thurai Fishing Harbour Private Limited (Associate Company)	Jesu Adimai Peter Thomson Easwarachandran Viswanathan Joel Kirubakara Pandian Siluvai Paul Mathias Soosaianthony Georgefernando Albin Georgefernando

g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

h) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, in the Holding Company along with the group (or Group), refer to our report in Annexure A, which is based on the auditor's reports of the Holding Company, subsidiary companies and associate companies incorporated in India.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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 and its associates— Refer Note 29 (f) and 29(g), Note 38 and Note 41 to the consolidated financial statements.

ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary companies and associate companies incorporated in India.

For K RAMKUMAR & CO.,

Chartered Accountants

Firm's Reg No:02830S

R M V BALAJI

Partner

Membership No: 027476

Place : Chennai

Date : 31st May, 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MARG LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, We have audited the internal financial controls over financial reporting of Marg Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company, its subsidiary companies, and its associate 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by 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; 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit of the Holding Company, the following material weaknesses have been identified as at March 31, 2016:

1) There were delays in a) recording of transactions relating to sale of fixed assets and b) recording of expenses transactions met out of staff Imprest Advances. The Internal Financial Controls were not operating effectively to this extent.

2) As mentioned in para 5 of the Basis of qualified opinion in the main report, with respect to subsidiary companies and associate company incorporated in India that are unaudited as on the date of this report, we are unable to obtain sufficient appropriate evidence to provide a basis for our opinion whether the internal financial controls over financial reporting were adequate and operating effectively as on 31st March, 2016.

In our opinion, *except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria* the Holding Company and its subsidiary companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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 27 subsidiary companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For K Ramkumar & Co

Chartered Accountants
Firm Registration no: 02830S

R M V Balaji

Partner
Membership no: 027476

Place : Chennai

Date : 31st-May-16



CONSOLIDATED BALANCE SHEET

Particulars	Note	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
EQUITY AND LIABILITIES			
SHAREHOLDERS FUNDS			
Share Capital	3	38.12	38.12
Reserves & Surplus	4	(1,011.73)	(791.55)
MINORITY INTEREST		155.22	402.99
NON-CURRENT LIABILITIES			
Long-Term Borrowings	5	1,790.77	1,852.63
Deferred Tax Liability (Net)	6	11.76	16.63
Other Long-Term Liabilities	7	24.73	22.16
Long-Term Provisions	8	2.16	2.42
CURRENT LIABILITIES			
Short-Term Borrowings	9	267.66	285.64
Trade Payables	10	344.53	354.56
Other Current Liabilities	11	3,398.79	2,927.02
Short-Term Provisions	12	14.05	17.33
		5,036.06	5,127.95
ASSETS			
NON-CURRENT ASSETS			
Goodwill (on consolidation)		16.54	16.54
Fixed Assets:	13		
Tangible Assets		1,607.83	1,689.33
Intangible Assets		0.52	1.16
Capital Work In Progress		1,508.43	1,538.32
Non-Current Investments	14	1.84	1.84
Long-Term Loans and Advances	15	25.89	49.17
CURRENT ASSETS			
Current Investments	16	0.10	0.12
Inventories	17	764.23	757.92
Trade Receivables	18	290.03	329.54
Cash & Cash Equivalents	19	113.00	86.35
Short-Term Loans & Advances	20	706.83	657.43
Other Current Assets	21	0.82	0.23
		5,036.06	5,127.95

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R M V BALAJI

Partner

Membership No. 27476

Place : Chennai

Date : 31-May-16

For and on behalf of Board of Directors

G R K REDDY

Chairman & Managing Director

V P RAJINI REDDY

Director

KARANJIT SINGH JASUJA

Director

RABINDRA KUMAR SAMAL

Company Secretary



CONSOLIDATED PROFIT & LOSS ACCOUNT

Particulars	Note	Year Ended 31-Mar-16 (₹ In Crores)	Year Ended 31-Mar-15 (₹ In Crores)
INCOME			
Income from Operations	23	380.54	392.03
Other Income	23	5.34	5.53
		385.88	397.56
EXPENDITURE			
Cost of Projects / Operating Expenses	24	210.48	281.53
Personnel Expenses	25	23.69	21.08
Depreciation and Amortisation	13	91.86	89.25
Finance Cost	26	411.21	442.36
Other Expenses	27	41.50	38.58
		778.74	872.80
PROFIT (LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX		(392.86)	(475.24)
Exceptional Items		(0.33)	(0.67)
PROFIT (LOSS) BEFORE TAX		(393.19)	(475.91)
TAX EXPENSE			
Current Tax		0.52	3.02
Taxes - Prior Period		3.62	0.51
Deferred Tax	28	(4.87)	0.32
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS (A)		(392.46)	(479.76)
Profit (Loss) from Discontinuing Operations		-	-
Tax Expense of Discontinuing Operations		-	-
PROFIT (LOSS) FOR THE PERIOD FROM DISCONTINUING OPERATIONS (B)		-	-
PROFIT (LOSS) FOR THE PERIOD (A+B)		(392.46)	(479.76)
EARNINGS PER SHARE			
Basic (Face Value ₹ 10/-)		(102.95)	(125.86)
Diluted (Face Value ₹ 10/-)		(102.95)	(125.86)

SEE ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R M V BALAJI

Partner

Membership No. 27476

Place : Chennai

Date : 31-May-16

For and on behalf of Board of Directors

G R K REDDY

Chairman & Managing Director

V P RAJINI REDDY

Director

KARANJIT SINGH JASUJA

Director

RABINDRA KUMAR SAMAL

Company Secretary



CONSOLIDATED CASH FLOW STATEMENT

S No	Particulars	Year Ended 31-Mar-16 (₹ in Crores)	Year Ended 31-Mar-15 (₹ in Crores)
A	CASH FLOWS FROM OPERATING ACTIVITIES:		
	Net Profit (Loss) before Taxation and Extraordinary Items	(393.19)	(475.91)
	Adjustment for:		
	Depreciation	91.84	89.64
	Net Unrealised (Gain) Loss on Exchange Rate Fluctuations	(0.16)	(0.13)
	Exchange (Gain) Loss on Translation of Foreign Subsidiaries	0.63	5.30
	Net Unrealised Loss (Profit) Decline in Investments	-	-
	Net Unrealised Loss (Profit) on Transaction in earlier years	-	-
	Dividend Income	-	-
	Profit on Sale of Assets	(0.69)	(0.18)
	Profit on Sale of Investment	-	-
	Loss on Sale of Assets	(4.29)	(0.95)
	Fixed Assets Written off	-	-
	Charges for Employee Stock Option	-	(0.21)
	Finance Cost (Net)	411.21	442.36
	Operating Profit before Working Capital Changes	105.35	59.92
	Decrease (Increase) in Inventories	(6.31)	17.14
	Decrease (Increase) in Trade Receivables	39.50	49.26
	Decrease (Increase) in Other Non-current Assets	-	-
	Decrease (Increase) in Short-term Loans & Advances	(20.53)	75.39
	Decrease (Increase) in Long-term Loans & Advances	0.69	0.31
	Decrease (Increase) in Other Current Assets	-	-
	Increase (Decrease) in Trade Payables	(10.04)	83.42
	Increase (Decrease) in Other Current Liabilities	3.22	(74.30)
	Increase (Decrease) in Short-term Provisions	0.35	(0.09)
	Increase (Decrease) in Other Long-term Liabilities	2.57	2.32
	Increase (Decrease) in Long-term Provisions	(0.32)	(0.07)
	Cash Generated from Operations	114.49	213.32
	Fringe Benefit tax	-	-
	Income Tax	(29.37)	(5.52)
	Cash Flow before Extraordinary items	85.13	207.78
	Adjustment for Extraordinary Items	-	-
	NET CASH FROM OPERATING ACTIVITIES (A)	85.13	207.78
B	CASH FLOWS FROM INVESTING ACTIVITIES:		
	Purchase of Fixed Assets	52.02	(151.94)
	Sale of Investments in Subsidiaries and Others	0.02	(0.04)
	Proceeds from Sale of Fixed Assets (Net)	16.66	5.89
	NET CASH FROM INVESTING ACTIVITIES (B)	68.69	(146.08)



CONSOLIDATED CASH FLOW STATEMENT

S No	Particulars	Year Ended 31-Mar-16 (₹ in Crores)	Year Ended 31-Mar-15 (₹ in Crores)
C	CASH FLOWS FROM FINANCING ACTIVITIES:		
	Proceeds from Issue of Share Capital	-	-
	Proceeds from Share Premium	3.34	3.12
	Proceeds from Issue of Share to Minorities	17.48	(3.44)
	Proceeds from Warrant / Shares Application Money	-	-
	Proceeds from Long Term Borrowings (Net)	(37.37)	5.95
	Proceeds from Short Term Borrowings (Net)	8.33	(20.92)
	Finance Cost Paid (Net)	(118.91)	(20.15)
	Dividend & Dividend Tax Paid	(0.05)	(0.04)
	NET CASH USED IN FINANCING ACTIVITIES (C)	(127.17)	(35.49)
	Net Increase in Cash and Cash Equivalents (A+B+C)	26.65	26.24
	Cash and Cash Equivalents at beginning of Year	86.35	60.12
	Cash and Cash Equivalents at end of Year	113.00	86.35

Notes:

- 1 Cash Flow Statement is prepared under the Indirect Method in accordance with Accounting Standard - 3.
- 2 Depreciation includes amount transferred to 'Cost of Projects'.
- 3 Cash and cash equivalents not available for immediate use as on the Balance Sheet date are shown in Note 47 of Notes to the Financial Statements.
- 4 For non cash transactions refer Note 46 of Notes to the Financial Statements.

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R M V BALAJI

Partner

Membership No: 27476

Place : Chennai

Date : 31-May-16

For and on behalf of Board of Directors

G R K REDDY

Chairman & Managing Director

V P RAJINI REDDY

Director

KARANJIT SINGH JASUJA

Director

RABINDRA KUMAR SAMAL

Company Secretary

**NOTE 1 : PRINCIPLES OF CONSOLIDATION**

In respect of property development and / or Construction contracts, the Company follows percentage completion method as per Accounting Standard 7 issued by the Institute of Chartered Accountants of India. The percentage of completion is stated on the basis of physical measurement of work actually completed/ actual cost incurred as compared to total estimated cost, at the balance sheet date, taking into account the contractual price and revision thereto. Losses on contracts are fully accounted for as and when incurred. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Expenditure incurred in respect of additional costs / delays are accounted in the year in which they are incurred. Claims made in respect thereof are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client. Project Development Income is the fee charged to the customers on transfer of property in consideration of various services rendered by the Company for promoting the respective projects.

- a. The Financial Statements of the Company and its Subsidiary Companies have been consolidated on a line by line basis by adding together the book value of like items of assets, liabilities, income & expenses as per the respective financial statements duly certified by the Auditors of the respective Companies after fully eliminating intra group balances and also transactions resulting in unrealised profits or losses in accordance with Accounting Standard 21 “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India.
- b. Minority Interests’ share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from the liabilities and equity of the Company’s shareholders.
- c. The difference between the cost of investment in subsidiaries and the proportionate share in the equity of the investee Company as at the date of acquisition is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.
- d. The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statement of Profit and Loss account being the profit or loss on disposal of investment in subsidiary.
- e. Investments in Associates are accounted under the Equity Method. The excess of cost of investment over the proportionate share in equity of the Associate as on the date of acquisition of stake is identified as Goodwill and is disclosed in the Consolidated Financial Statements. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of associate. However, share of losses is accounted for only to the extent of the cost of investment. Subsequent profits if such associates are not accounted for unless the accumulated losses(not accounted for by the group) are recouped.
- f. “The Consolidated Financial Statements” have been prepared using the uniform accounting policies for the like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company’s individual financial statements.
- g. In case of foreign subsidiaries, being Integral foreign operations, Income and Expenditure items are consolidated by using monthly average rates. The Monetary items are translated using the rate prevailing at the balance sheet date. Non monetary items are translated at the rates prevailing on the date of transaction. The resultant exchange gain or loss is recognised in the Consolidated Statement of Profit & Loss.
- h. The details of the Subsidiary Companies considered in the consolidated financial statements are listed in the Annexure.

NOTE 2 : SIGNIFICANT GROUP ACCOUNTING POLICIES**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- a. The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the Accounting Standards as specified by Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules 2014.



- b. Use of Estimates: The preparation of financial statements requires the Management of the Company to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statement & reported income and expenses during the reporting period. Examples of such estimates includes provisions for doubtful debts, employee retirement benefit plans, provisions for income taxes, useful life of fixed assets, accounting for work executed etc.

2.2 REVENUE RECOGNITION

- a. In respect of property development and / or Construction contracts, the Company follows percentage completion method as per Accounting Standard 7 issued by the Institute of Chartered Accountants of India. The percentage of completion is stated on the basis of physical measurement of work actually completed/ actual cost incurred as compared to total estimated cost, at the balance sheet date, taking into account the contractual price and revision thereto. Losses on contracts are fully accounted for as and when incurred. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Expenditure incurred in respect of additional costs / delays are accounted in the year in which they are incurred. Claims made in respect thereof are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client. Project Development Income is the fee charged to the customers on transfer of property in consideration of various services rendered by the Company for promoting the respective projects.
- b. Revenue from Port operation services is recognized as and when the services are rendered.
- c. In cases of long term leases of land where land lease/sub-lease transactions are non-cancellable in nature, the income is recognized at the inception of lease / sub-lease agreement or when the Memorandum of Understanding takes effect. The entire income being the non-refundable upfront premium is recognized. In respect of these lands, the corresponding cost of the land is expensed off in the Statement of Profit & Loss.
- d. Dividend income is recognized when the right to receive the payment is established.
- e. In respect of other incomes, accrual system of accounting is followed.

2.3 FIXED ASSETS, DEPRECIATION & IMPAIRMENT

- a. The Fixed Assets are stated at cost of acquisition including interest paid on specific borrowings up to the date of acquisition / installation of the assets and improvement thereon less depreciation.
- b. In respect of construction of assets forming part of expansion project, directly attributable costs including financing costs relating to specific borrowings are also capitalised.
- c. Depreciation is provided on fixed assets, on straight-line method, on pro-rata basis on the basis of the useful lives prescribed under schedule II to the Companies Act, 2013, subject to the adjustments arising out of transitional provisions of schedule II to the Companies act, 2013.
- d. Cost of port assets, viz., Buildings, Marine structures and Dredged Channel is amortized over the initial period of the Concession Agreement of 30 years commencing from "Commercial date of Operations" (COD), 01-Jun-09.
- e. All assets individually costing ₹ 5,000/- or below are fully depreciated in the year it is put to use.
- f. Intangible assets comprising SAP software and other computer software are stated at cost of acquisition less accumulated amortisation. The SAP software cost is amortised over a period of five years on a pro-rata basis.
- g. The Company assesses at each balance sheet date whether there is any indication that a non-land asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the assets. If such recoverable amount of the asset or recoverable amount of the cash generating divisions which the assets belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and recognized in the Statement of Profit & Loss.



2.4 LEASES

Operating Leases:

The Company is obligated under cancelable and non-cancelable leases for office and residential space that are renewable on a periodic basis at the option of both the lessor and lessee. Lease expenses are charged to the Statement of Profit & Loss on a straight line basis over the lease term.

The Company leases office facilities and residential space/facilities under cancelable operating lease agreements. Assets subject to operating leases are included under fixed assets or current assets as appropriate. Lease income is recognized in the Statement of Profit & Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit & Loss.

Finance Leases:

Assets acquired on Finance Lease, which transfers risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of Fair value of leased property or the Present value of the related lease payments.

Lease rental payable is apportioned between principal and finance charge using the internal rate of return method. The finance charge is allocated over the lease term so as to produce a constant periodic rate of interest on remaining balance of liability.

2.5 VALUATION OF CLOSING STOCK

- a. Raw Material: Raw Material, Stores and Spares are valued at Weighted Average Cost. Cost comprises all costs of purchase
- b. Project Land: The land not yet transferred to any project cost is valued at lower of cost/ estimated cost, and net realisable value.
- c. Work-in-progress: Work-in-progress is valued at cost or the contract rates whichever is lower.
- d. Completed projects: Completed Projects are valued at cost or net realizable value, whichever is less.

2.6 INVESTMENTS

Investments are classified as long-term and current investments. Long-term investments are shown at cost or written down value (in case of other than temporary diminution) and current Investments are shown at cost or market value whichever is lower.

2.7 EMPLOYEE BENEFITS

a. Short Term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the bonus, exgratia are recognized in the period in which the employee renders service.

b. Post employment benefits

i) Provident Fund

The Company's contribution to Provident Fund is deposited with the Regional Provident Fund Commissioner and is charged to Profit and Loss account every year.

ii) Gratuity

The Company is having Defined Benefit plan for the Gratuity and the provision is made based on actuarial valuation in accordance with the AS-15 of The Institute of Chartered Accountants of India.

iii) Leave Encashment

Provision for leave encashment in respect of unavailed leave standing to the credit of employees is made on actuarial basis in accordance with AS-15 of The Institute of Chartered Accountants of India.



2.8 TAX ON INCOME

- a. The accounting treatment for income tax in respect of Company's income is based on the Accounting Standard 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India. Tax on income for the current period is determined on the basis of Taxable Income computed in accordance with the provisions of the Income Tax Act 1961.
- b. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. In respect of Companies availing tax deduction under Section 80 of the Income Tax Act, 1961, deferred tax has been recognized in respect of timing difference, which originates during the tax holiday period but reverse after the tax holiday period. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has carry forward unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each Balance Sheet date unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realised.

2.9 FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted on the exchange rate prevailing at the date of the transaction. Foreign currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit & Loss.

2.10 BORROWING COSTS

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are considered as part of the cost of the asset / project. All the other borrowing costs are treated as period cost and charged to Statement of Profit & Loss in the year in which they are incurred.

2.11 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when:

- i) The Company has a present obligation as a result of a past event;
- ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii) A reliable estimate can be made of the amount of the obligation.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed.

2.12 EMPLOYEE STOCK COMPENSATION COST

In respect of the stock options granted by the Company, the intrinsic value of the options (excess of market price over the exercise price) of the shares is treated as employee compensation cost and is amortised over the vesting period, in accordance with Guidelines issued by SEBI in this regard.

2.13 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the period, are adjusted for the effects of all dilutive potential equity shares.



Particulars	As At 31-Mar-16 Nos	As At 31-Mar-15 Nos	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
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NOTE 3 : SHARE CAPITAL

3.1 Authorised, Issued, Subscribed and Paid up Capital:

Authorised Capital

Equity Shares of ₹ 10/- each	50,000,000	50,000,000	50.00	50.00
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Issued, Subscribed and Paid up Capital

Equity Shares of ₹ 10/- each	381,18,926	381,18,926	38.12	38.12
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3.2 Reconciliation of number of Equity Shares Outstanding:

Shares Outstanding at the beginning of the year	381,18,926	381,18,926		
Add: Shares Allotted during the year	-	-		
On Qualified Institutional Placement	-	-		
On Conversion of Warrants	-	-		
On Exercise of Employees Stock Options	-	-		
Shares Outstanding at the end of the year	381,18,926	381,18,926		

3.3 Shareholders holding more than 5% Equity Shares:

Sl No.	Name of the Shareholders	As At 31-Mar-16		As At 31-Mar-15	
		Nos	%	Nos	%
1	G R K Reddy	-	-	-	
2	Akshya Infrastructure Private Limited	23,74,650	6.23%	25,49,650	6.69%
3	Global Infoserv Limited	-	-	-	
4	MARG Capital Markets Limited	-	-	-	
5	G R K Reddy & Sons (HUF)	-	-	-	
6	ICICI Bank Limited	9,77,510	2.56%	44,63,000	11.71%
7	Citigroup Global Markets Mauritius Private Limited	-	-	-	

Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
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NOTE 4 : RESERVES & SURPLUS

4.1 Securities Premium Account:

Opening Balance	349.97	350.30
Add: Addition during the year	134.86	-
Less: Securities issue expenses written-off	-	0.32
Less: Transferred to Minority Interest	83.44	8.55
	401.39	341.43



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
4.2 General Reserve:	28.70	28.69
Opening Balance	-	-
Add: Transferred from the Profit and Loss Account*	0.01	0.01
Less: Transferred to Minority Interest	28.69	28.68
<i>*Includes ₹ 20,000/- as at 31-Mar-14 and 31-Mar-13.</i>		
4.3 Profit & Loss Account:		
Balance at the beginning of the year	(1,161.67)	(729.31)
Add: Profit (Loss) for the Year	(488.73)	(480.15)
Less: Proposed Dividend on Equity Shares	-	-
Less: Proposed Dividend on Preference Shares	-	-
Less: Dividend Tax*	-	0.00
Less: Transferred to General Reserve**	0.00	0.00
Less: Transfer to Cost of Control (on Consolidation)	-	-
Less: Transferred to Minority Interest	(208.59)	47.80
Less: Unrealised Profit on Transaction in earlier years	-	-
Less: Share of Profit (Loss) in Associates***	-	-
Balance at the end of the year	(1,441.81)	(1,161.67)
	(1,011.73)	(791.55)
<i>*Includes ₹ 16,995/- and ₹ 76,752/- as at 31-Mar-16 and 31-Mar-15.</i>		
<i>**Includes ₹ 20,000/- as at 31-Mar-16 and 31-Mar-15 respectively.</i>		
<i>***Includes ₹ 2,340/- and ₹ 3,705/- as at 31-Mar-16 and 31-Mar-15 respectively.</i>		
NOTE 5 : LONG-TERM BORROWINGS		
5.1 Secured Loans:		
8.5% (Previous year 8%) Optionally Convertible Debentures*		
Secured by way of charge on movable & immovable properties and also charge on hypothecation of inventories, advances, receivables and other current assets* *[5,000,000 units (Previous year 5,000,000 units) of Face Value of ₹ 100/- each (Previous year ₹ 100)] * classified as Current maturities of long term borrowings as on 31-Mar-2016 (Refer Note - 11)	-	-
Term Loans:		
From Banks & Financial Institutions:		
Secured by way of charge on rentals, mortgage / hypothecation of movable & immovable properties*	1,790.77	1,777.67
From Others:		
Secured by way of charge on movable & immovable properties*	-	54.56
	1,790.77	1,832.23
<i>* Loans Guaranteed by Directors.</i>		
5.2 Unsecured Loans:		
From Banks & Financial Institution		
Loans From Bank	-	20.40
	-	20.40
	1,790.77	1,852.63



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
5.3 Repayment Terms (including current maturities) of Secured Loans*:		
Term Loans from Banks & Financial Institutions:		
The repayment or partial repayment of the OCD facility arises on exercise of Call Option by the company or put option by the Subscriber (Tata Capital Financial Services Ltd) by giving 30 days advance notice in writing as under:		
1) Loan of ₹ 62.75 Crores and ₹ 7.04 Crores payable in 84 monthly instalments ending Mar-22 and Jun-25 respectively.		
2) Loan of ₹ 44.99 Crores is repayable in 24 monthly instalments ending Oct-17		
3) Loan of ₹ 0.90 Crores is repayable in 18 monthly installments ending 15-May-2016		
4) Loan of ₹ 10.41 Crores is repayable in 31 monthly installments ending 31-Dec-2016		
5) The Quarterly repayment of term loans in phase 1, phase 2A, OSV and warehouse have been restructured/clubbed and the revised repayment commences from June 2014 in 44 instalments		
6) Quarterly repayment of phase 2A extension loans commence from December 2015 in 38 instalments		
<i>*excludes loan recalled</i>		
5.4 Repayment Terms (including current maturities) of Unsecured Loan*:		
Term Loans from Others:		
1) Loan of ₹ 0.99 crores payable in 1 monthly instalments ending Mar-18		
NOTE 6 : DEFERRED TAX LIABILITY (ASSET) [NET]		
Deferred Tax Liability	19.15	16.80
Less : Deferred Tax Asset	7.39	0.17
Net Deferred Tax Liability (Asset)	11.76	16.63
NOTE 7 : OTHER LONG-TERM LIABILITIES		
Others		
Mobilisation Deposit	-	3.76
Lease Deposits	24.73	18.40
	24.73	22.16
NOTE 8 : LONG-TERM PROVISIONS		
Provision for employee benefits		
Gratuity	1.60	1.67
Leave Encashment	0.40	0.64
Others	-	-
Proposed Dividend	0.14	0.10
Tax on Proposed Dividend	0.02	0.01
	2.16	2.42
NOTE 9 : SHORT-TERM BORROWINGS		
9.1 Secured Short-term Loans:		
Loans Repayable on Demand:		
From Banks & Financial Institutions:		
Secured by way of charge / hypothecation of inventories, advances, receivables and other current assets of specified projects, fixed deposit receipts and immovable properties		
	224.74	258.68
	224.74	258.68



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
9.2 Unsecured Short-term Loans:		
From Others:		
Loans From Other Companies	36.64	20.82
Loans From Directors	6.28	6.14
	42.92	26.96
	267.66	285.64
NOTE 10 : TRADE PAYABLES		
Trade Payables	344.53	354.56
	344.53	354.56
NOTE 11 : OTHER CURRENT LIABILITIES		
Current Maturities of Long-term Debts	1,968.64	1,904.99
Interest Accrued but Not Due on Borrowings	2.00	21.85
Interest Accrued and Due on Borrowings	1,027.21	618.14
Other Payables	-	-
Advances from Customers	193.65	205.00
Expenses Payable	159.91	135.95
LC Payable	-	-
Statutory Dues	23.12	39.02
Unclaimed Dividend	0.12	0.16
Due to Directors	7.20	6.85
Mobilisation Deposit	4.17	(2.80)
Creditors for Capital Goods	11.86	(3.26)
Share Application Money Pending for Allotment	-	-
Others	0.93	1.12
	3,398.79	2,927.02
NOTE 12 : SHORT-TERM PROVISIONS		
Provision for Employee Benefits:		
Bonus	0.38	0.17
Gratuity	0.12	0.06
Leave Encashment	0.20	0.13
Others:		
Income Tax	13.34	16.95
Fringe Benefit Tax	-	-
Proposed Dividend	0.01	0.02
Tax on Proposed Dividend*	-	-
	14.05	17.33

*Includes ₹ 33,990/- and ₹ 33,990 as at 31-Mar-16 and 31-Mar-15.



NOTE 13 : FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As At 31-Mar-15	Additions	Deductions/ Transfers	As At 31-Mar-16	As At 31-Mar-15	For the year	Deletions	As At 31-Mar-16	As At 31-Mar-16	As At 31-Mar-15
TANGIBLE ASSETS										
LEASED ASSETS										
Digital Zone - I										
Land	5.23	-	-	5.23	-	-	-	-	5.23	5.23
Building	22.63	-	-	22.63	3.82	1.07	-	4.89	17.75	18.81
Plant & Machinery	5.54	0.04	-	5.58	2.80	0.60	-	3.40	2.19	2.74
Electrical Equipment & Fittings	10.99	-	-	10.99	9.94	0.99	-	10.93	0.06	1.05
Furniture & Fixtures	9.34	1.46	-	10.80	8.51	0.83	-	9.34	1.46	0.83
Thiruvanniyur										
Land & Building	0.45	-	-	0.45	-	-	-	-	0.45	0.45
Swarnabhoomi - SEZ										
Land	6.85	-	-	6.84	-	-	-	-	6.85	6.85
Building	148.93	-	-	148.93	7.72	2.60	-	10.33	138.60	141.21
PORT ASSETS										
Buildings	284.26	-	-	284.26	33.06	10.89	-	43.95	240.31	251.20
Dredged Channels	382.15	-	-	382.15	54.07	14.59	-	68.66	313.49	328.08
Marine Structures	513.95	0.86	-	514.81	69.33	19.29	-	88.62	426.19	444.62
Plant and Machinery	90.07	0.26	-	90.32	20.63	5.18	-	25.81	64.51	69.44
OTHER ASSETS										
Land	160.60	-	-	160.60	-	-	-	-	160.60	160.60
Building	8.59	-	0.59	8.00	2.25	0.11	0.04	2.32	5.68	6.34
Computers	9.65	0.07	0.10	9.62	8.39	0.80	0.10	9.09	0.53	1.26
Office Equipment	6.50	0.20	-	6.70	4.39	1.81	-	6.20	0.50	2.11
Furniture & Fittings	19.09	0.04	1.11	18.02	7.34	5.17	0.45	12.06	5.96	11.76
Motor Vehicles	11.67	0.30	0.17	11.80	6.64	1.74	0.09	8.30	3.50	5.03
Plant & Machinery	103.58	16.90	18.37	102.11	29.52	14.75	7.99	36.27	65.84	74.06
Electrical Equipment & Fittings	5.59	1.49	-	7.09	1.73	0.81	-	2.54	4.55	3.87
Dredger	203.24	-	-	203.24	49.45	10.23	-	59.68	143.56	153.79
Live Stock*	-	-	-	-	-	-	-	-	-	-
Total Tangible Assets	2,008.91	21.62	20.34	2,010.18	319.59	91.46	8.67	402.39	1,607.83	1,689.33
Previous Year	2,012.85	2.08	6.02	2,008.90	231.89	89.35	1.65	319.60	1,689.30	1,780.94
INTANGIBLE ASSETS										
Computer Software**	5.24	0.07	-	5.31	4.20	0.58	-	4.79	0.52	1.04
Port License	0.76	-	-	0.76	0.62	0.13	-	0.75	0.01	0.14
Total Intangible Assets	6.00	0.07	-	6.07	4.82	0.71	-	5.54	0.53	1.18
Previous Year	5.97	0.02	-	6.00	3.63	1.20	-	4.82	1.18	2.34
CAPITAL WORK IN PROGRESS										
Total Capital work in Progress	1,538.32	59.55	89.45	1,508.42	-	-	-	-	1,508.43	1,538.32
Previous Year	1,396.50	183.37	41.55	1,538.32	-	-	-	-	1,538.32	1,396.50

* Other than internally Generated



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 14 : NON-CURRENT INVESTMENTS		
14.1 Investments in Equity Shares (Non-Quoted, Non-Trade, Stated at Cost)		
	Face value (₹)	No of Shares 31-Mar-16 31-Mar-15
Investments in Associate (Non-Quoted)		
Rajakamangalam Thurai Fishing Harbour Pvt Ltd*	10	3,900
Add/Less: Profit/(Loss) in Associates**	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
14.2 Investments in Properties (Non-Quoted, Stated at Cost)		
Building	0.84	0.84
	<u>0.84</u>	<u>0.84</u>
Total of Unquoted Investments	<u>0.84</u>	<u>0.84</u>
14.3 Investments in Debentures (Quoted)		
Srei Equipment Finance Pvt Ltd Unsecured Subordinated Non-convertible Perpetual Debentures	1.00	1.00
[10 units (Previous year 10 units) of Face Value of ₹ 1,000,000/- each (Previous year ₹ 1,000,000/- each)] [Market Price: not traded and stated at cost]		
Less : Provision for Decline in Investments	-	-
	<u>1.00</u>	<u>1.00</u>
	<u>1.00</u>	<u>1.00</u>
Total of Quoted Investments	<u>1.00</u>	<u>1.00</u>
	<u>1.84</u>	<u>1.84</u>
Grand Total of Quoted and Unquoted Investments	<u>1.84</u>	<u>1.84</u>
<i>*Includes ₹ 39,000/- as at 31-Mar-16 and 31-Mar-15.</i>		
<i>**Includes ₹ (33,230)/- and ₹ (29,525)/- as at 31-Mar-16 and 31-Mar-15 respectively.</i>		
<i>***Includes ₹ 13,500/- as at 31-Mar-16 and 31-Mar-15.</i>		
NOTE 15 : LONG-TERM LOANS AND ADVANCES		
15.1 Secured and Considered Good		
Capital Advance	-	0.68
	<u>-</u>	<u>0.68</u>
15.2 Unsecured and Considered Good		
Capital Advance	11.89	26.70
Security Deposits	8.08	8.77
Advances to Subsidiaries	-	-
Advances to Suppliers	-	-
Prepaid Taxes	5.92	13.02
Other Loans and Advances	-	-
	<u>25.89</u>	<u>48.49</u>
	<u>25.89</u>	<u>49.17</u>
NOTE 16 : CURRENT INVESTMENTS		
Investments in Mutual Funds (Quoted)		
UTI Infrastructure Advantage Fund Series	0.09	0.09
[25,462.687 units (Previous year 25,462.687 units) of Face Value of ₹ 33.50 each (Previous year ₹ 33.50 each)]		
[NAV as on 31-Mar-16 ₹ 37.38 each (Previous year ₹ 44.06 each)]	-	-
Less : Provision for Decline in Investments	(0.01)	(0.03)
	<u>0.10</u>	<u>0.12</u>



Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
NOTE 17 : INVENTORIES		
Inventories		
Stock of Materials, Stores, Spares and Loose Tools at Site	17.93	22.01
Projects in Progress	746.30	735.91
	<u>764.23</u>	<u>757.92</u>
NOTE 18 : TRADE RECEIVABLES		
Unsecured and Considered Good		
Outstanding for more than 6 months	238.19	275.34
Others	51.84	54.20
Doubtful		
Outstanding for more than 6 months	4.91	0.42
	294.94	329.96
Less: Provision for Bad Debts	4.91	0.42
	<u>290.03</u>	<u>329.54</u>
NOTE 19 : CASH & CASH EQUIVALENTS		
Cash Balance	0.81	0.90
Balances with Scheduled Banks		
In Current Accounts	23.88	16.56
In Current Accounts for Unclaimed Dividend	0.12	0.16
In Margin Money Accounts	26.71	11.21
In Deposit Accounts	-	-
Deposit maturing after 12 months	61.48	9.86
Others	0.00	47.65
	<u>113.00</u>	<u>86.35</u>
NOTE 20 : SHORT-TERM LOANS & ADVANCES		
Unsecured and Considered Good		
Advances to Subsidiaries	0.00	(1.54)
Others		
Advances to Suppliers	557.19	535.31
Advances to Staff	2.12	2.69
Other Advances Recoverable	48.11	32.36
Prepaid Expenses	4.88	4.10
Share Application Money	-	-
Prepaid Taxes	86.49	78.50
Security Deposits	8.15	6.11
Dividend Receivable	-	0.02
	<u>706.95</u>	<u>657.55</u>
Less: Provision for Bad Debts	0.12	0.12
	<u>706.83</u>	<u>657.43</u>
NOTE 21 : OTHER CURRENT ASSETS		
Interest Accrued on Deposits	0.82	0.23
Other Current Assets	-	-
	<u>0.82</u>	<u>0.23</u>



Particulars	Year Ended 31-Mar-16 (₹ In Crores)	Year Ended 31-Mar-15 (₹ In Crores)
NOTE 22 : INCOME FROM OPERATIONS		
Income from Projects / Operations	364.50	377.44
Income from Leasing	16.04	14.59
	380.54	392.03
NOTE 24 : OTHER INCOME		
Prior Period Income	0.13	0.21
Agricultural Income	0.15	0.27
Profit on Sale of Assets	0.69	0.18
Interest on Income Tax Refund	-	-
Exchange Rate Difference*	1.32	0.66
Miscellaneous Income	3.06	4.22
	5.34	5.53
NOTE 24 : COST OF PROJECTS/OPERATING EXPENSES		
COST OF PROJECTS / OPERATING EXPENSES		
Opening Stock		
Stock of Materials, Stores, Spares and Loose Tools at Site	22.56	24.57
Projects in Progress	743.76	750.50
Stock of Completed Projects	-	-
Stock in Trade	-	-
	766.32	775.07
Expenditure During the year		
Expenditure on Projects / Operating Expenses	205.56	263.63
Closing Stock		
Stock of Materials, Stores, Spares and Loose Tools at Site	17.93	22.01
Projects in Progress	746.28	735.91
Stock of Completed Projects	-	-
Stock in Trade	-	-
	764.21	757.92
Cost of Projects / Operating Expenses	207.68	280.78
Repairs & Maintenance-Leased Properties	2.80	0.75
	210.48	281.53
NOTE 25 : PERSONNEL EXPENSES		
Salaries & Allowances	19.40	16.55
Remuneration to Managing Director	-	-
Rent Staff	-	-
Contribution to Funds	1.15	0.99
Recruitment & Training Expenses	(0.27)	0.24
Staff Welfare Expenses	2.64	2.62
Retirement Benefits	0.77	0.89
Employee Compensation Expense	-	(0.21)
	23.69	21.08



Particulars	Year Ended 31-Mar-16 (₹ In Crores)	Year Ended 31-Mar-15 (₹ In Crores)
NOTE 26 : FINANCE COST		
Interest Expenses	414.89	439.83
Less : Interest Recovered	8.18	4.27
Net Interest	406.71	435.56
Bank & Finance Charges	4.50	6.80
	411.21	442.36
NOTE 27 : OTHER EXPENSES		
Rent	1.65	3.11
Rates & Taxes	0.34	0.20
Communication Cost	0.66	0.87
Electricity Charges	2.71	2.60
Traveling and Conveyance	2.94	3.44
IT Services	0.20	0.54
Repairs & Maintenance	1.95	1.52
Payment to Non-executive Directors	-	-
- Sitting Fees for Board Meeting	0.07	0.08
- Sitting Fees for Committee Meeting	0.09	0.12
- Commission	-	-
Secretarial Expenses	0.23	0.25
Advertisement & Business Promotion	0.88	1.29
Printing & Stationery	0.20	0.22
Postage and Courier Charges	0.03	0.03
Payment to Auditors	-	-
- Statutory Audit Fee	0.63	0.59
- Other Services	-	0.04
Insurance Premium	4.49	2.30
Legal & Professional Charges	4.24	2.86
General Expenses	0.42	0.93
Exchange Rate Fluctuation	1.78	5.58
Office Maintenance	5.82	7.70
Donation	0.03	0.11
Vehicle Maintenance	0.72	0.61
Loss on Sale of Assets	4.98	1.13
Prior Period Expenses	0.34	2.30
Bad Debts	6.13	0.16
Preliminary Expenses Written Off*	-	-
	41.50	38.58



NOTE 28 : DEFERRED TAX EXPENSE (INCOME)

Deferred Tax Liability net off Deferred Tax Asset for the year	(4.87)	0.32
Less : Deferred Tax Asset	-	-
	<u>(4.87)</u>	<u>0.32</u>

NOTE 29 : CONTINGENT LIABILITIES

- a. Estimated amount of liability on capital contracts : ₹ 1023.17 Crores (Previous year ₹ 1,024.46 Crores)
- b. Other contingent liabilities : ₹ 0.20 Crores (Previous year ₹ 0.20 Crores)
- c. Corporate Guarantees given to Banks in respect of loans taken by other Companies : ₹ 3,738.43 Crores (Previous year ₹ 3,738.43 Crores)
- d. Corporate Guarantees given to Banks in respect of performance bank guarantees issued by them : ₹ 90.04 Crores (Previous year ₹ 59.47 Crores)

- e. The company has imported capital goods at concessional rate of customs duty under the Export Promotion Credit Guarantee (EPCG) scheme against submission of bank guarantees. In terms of the scheme, the company is obliged to export goods/services of certain FOB value as specified in the said scheme. As at the year end, the company has the following unfulfilled export obligations under the scheme:

(₹ In Crores)

As At		As At		Due Date of Obligation
31-Mar-16		31-Mar-15		
Duty Saved	Export Obligation	Duty Saved	Export Obligation	
0.12	0.94	0.12	0.94	
0.14	1.13	0.14	1.13	03-Jan-15
1.73	13.83	1.73	13.83	20-May-18
0.31	2.47	0.31	2.47	20-May-18
0.32	0.32	0.32	2.55	25-Aug-17
0.80	0.80	0.80	6.37	25-Aug-17
0.07	0.07	0.07	0.57	30-Jun-18
0.04	0.04	0.04	0.30	09-Feb-18
0.06	0.06	0.06	0.52	09-Feb-18
0.10	0.10	0.10	0.80	20-Jul-19
0.14	0.14	0.14	1.10	30-Nov-19
0.09	0.09	0.09	0.70	16-Jun-20
0.09	0.09	0.09	0.76	25-Jan-20
0.04	0.04	0.04	0.30	27-Feb-20
7.71	7.71	7.71	61.71	04-Apr-17
0.61	0.61	0.61	4.88	03-Dec-19
1.32	3.97	1.32	10.56	27-Dec-20
0.20	0.60	-	-	01-Sep-21

- f. Claims not acknowledged as debts by the Company: ₹ 198.13 Crores (Previous year ₹ 73.79 Crores)
- g. Income Tax Demand



Income Tax

(₹)

Assessment Year	Tax Demand	Amount Paid under Protest			Forum Where Dispute is Pending
		Till 31-Mar-15	During 2015-16	Till 31-Mar-16	
2001 - 02	11,565,317	-	-	-	ITAT-Chennai
2002 - 03	8,926,848	9,659,367	-	9,659,367	ITAT-Chennai
2008 - 09	5,276,990	5,276,990	-	5,276,990	CIT(Appeal)-8
2009 - 10	3,896,457	3,896,457	-	3,896,457	ITAT-Chennai*
2010 - 11	21,334,868	-	228,06,996	228,06,996	ITAT-Chennai*
2011 - 12	108,037,110	-	65,00,000	65,00,000	ITAT-Chennai*
2012 - 13	315,645,360	-	60,00,000	60,00,000	ITAT-Chennai

* the company is in the process of filing appeal with High Court of Madras

Income Tax Deducted at Source

(₹)

Assessment Year	Tax Demand	Amount Paid under Protest			Forum Where Dispute is Pending
		Till 31-Mar-15	During 2015-16	Till 31-Mar-16	
1996 - 97	21,503	4,931	-	4,931	ITO - TDS - 1 (4)
1997 - 98	2,368,619	2,317,682	-	2,317,682	ITO - TDS - 1 (4)
1998 - 99	1,628,830	842,934	-	842,934	ITO - TDS - 1 (4)
1999 - 00	1,857,640	581,282	-	581,282	ITO - TDS - 1 (4)
2000 - 01	442,820	65,440	-	65,440	ITO - TDS - 1 (4)

Subsidiary Companies

Tax on Income

(₹)

Assessment Year	Tax Demand	Amount Paid under Protest			Forum Where Dispute is Pending
		Till 31-Mar-15	During 2015-16	Till 31-Mar-16	
2009 - 10	14,344,064	3,200,000	-	3,200,000	CIT(Appeal)
2010 - 11	23,023,324	1,968,589	-	1,968,589	CIT(Appeal)
2011 - 12	10,243,965	-	-	-	CIT(Appeal)
2012 - 13	19,810,611	-	-	-	CIT(Appeal)
2013 - 14	3,594,440	-	-	-	

NOTE 30 :

The Holding company did not provide for interest of ₹ 154.98 Crores, for the year ended 31st March, 2016, on certain loans transferred to ARC. The management states that it is negotiating with the ARC for revised terms and conditions and is seeking for concessions in terms of waiver/reduced rate of interest. Hence, the management is of the opinion that considering such concessions it is appropriate not to charge interest of ₹ 154.98 Crores for the year ended 31st March, 2016.

NOTE 31 : BORROWINGS FROM BANKS AND OTHERS:

1) MARG Limited

- a) The Cash credit, WCTL, FITL and other facilities provided by the consortium comprising of Indian Bank, Allahabad Bank, Oriental Bank of Commerce and Indian Overseas Bank are transferred to Edelweiss Asset Reconstruction Company Limited (ARC) on various dates. The outstanding balance in respect of these loans amounting to ₹ 634.08 Crores as on 31st March, 2016 in respect of long term borrowings are included in 'Current Maturities of long term of borrowings' in Note 10. The company didn't provide for Interest on these loans during the year as explained in Note 30. Indian Bank has filed case with Debts Recovery Tribunal, Chennai, which is pending.



- b) The South Indian Bank had taken possession of property of the Company situated at Thiruvannamiyur, having carrying cost of ₹ 0.45 Crores and issued a tender-cum-auction sale notice in respect the short term loan of ₹ 15 Crores. The loan was assigned to Edelweiss ARC. Since the revised terms of restructure with the ARC is yet to be finalised, the Company continues to provide interest at the rates originally charged by the Bank. Currently, the case is pending with Debts Recovery Tribunal, Chennai.
- c) State Bank of Mauritius Limited had assigned to the loan to Pegasus Assets Reconstruction Private Limited ('the ARC'). Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding amount of ₹ 20.81 Crores is included in Current Maturities of long term of borrowings in Note 10 and the Company continues to provide interest at the rates originally charged by the Bank. Subsequently, the ARC has issued notice under SARFAESI Act. Currently, the case is pending with Debts Recovery Tribunal, Chennai.
- d) The Term loan sanctioned by Punjab National Bank was assigned to Edelweiss Asset Reconstruction Private Limited (ARC). The outstanding amount of ₹ 41.13 Crores are included in Current Maturities of long term of borrowings in Note 10. The company didn't provide for Interest on this loan during the year as explained in Note 28.
- e) SICOM Limited had issued notice SARFAESI Act and winding up notice under section 434 of Companies Act, 1956 in respect of the term loan and interest amounting to ₹ 62.46 Crores outstanding as on 31st March, 2016.
- f) State Bank of Hyderabad has issued possession notice under SARFAESI Act for cash credit facility of ₹ 9.80 crores (including interest) outstanding as on 31st March 2016.
- g) IFCI Venture Capital Funds Ltd has recalled the term loan and issued possession notice under SARFAESI Act to the company in respect of outstanding dues of ₹ 21.39 Crores(including interest) as on 31st March, 2016. Currently, the case is pending with Debts Recovery Tribunal, Chennai.
- h) ICICI Bank has filed case with Debts Recovery Tribunal, Chennai in respect of outstanding dues of ₹ 58.40 Crores as on 31st March, 2016, which is pending and issued notice to invoke pledge of shares in one of the subsidiary companies.
- i) The equipment loan of ₹ 1.44 Crores(including interest) as on 31st March, 2016 was recalled by L&T Finance Ltd during the year.
- j) The equipment loan of ₹ 85.50 (including interest) as on 31st March, 2016 was recalled by SREI Equipment Finance Ltd.

II) MARG ProperTies Limited

- a) Bank of India and Punjab National Bank have transferred the entire outstanding amount along with interest to Edelweiss Asset Reconstruction Company ('the ARC'). Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding amount of ₹ 55.66 Crores, in respect of these loans is included in Current Maturities of long term of borrowings in Note 11 and the Company continues to provide interest at the rates originally charged by the Bank.
- b) Indian Overseas Bank issued notice under SARFAESI Act and Notice of Sale under Security Interest Enforcement Rules, 2002; the outstanding amount of ₹ 15 Crores is included in Current maturities of long term borrowings in Note 11. Currently, the case is pending with Debts Recovery Tribunal, Chennai.

III) New Chennai Township Private Limited

- a) Central Bank of India assigned entire loan to 'Phoenix ARC Private Limited' during the year. Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding balance of ₹ 191.97 Crs/- as on 31st March 2016 in respect of these loans are included in 'Current Maturities of long term of borrowings' in Note 11 and the Company continues to provide interest at the rates originally charged by the Bank.
- b) The recalled loans from Karnataka Bank and Indian Overseas bank were assigned to Edelweiss ARC Private Limited during the year. Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding balance of ₹ 149.14 Crores is included in Current Maturities of Long term Borrowings in Note 11 and the Company continues to provide interest at the rates originally charged by the Banks.
- c) Corporation Bank has issued SARFAESI notice in respect of the term loan and FITL. The outstanding amount of ₹ 27.65 crores is included in 'Current Maturities of long term of borrowings' in Note 11.
- d) During the year 14-15, the restructured Infrastructure Term Loan and loan of ₹ 157.56 Crores availed by the company from consortium of banks lead by Indian Bank quarterly repayment commenced from Dec-14 was not paid and considered as default payment and same entire outstanding has been included in Current Maturities of Long term borrowing in Note 11.

**IV) Riverside Infrastructure (India) Private Limited**

During the year, State Bank of Patiala and Syndicate Bank have assigned the loan availed by the Company to Edelweiss Asset Reconstruction Company Limited ('the ARC'). Since the revised terms of restructure with the ARC is yet to be finalised, the outstanding amount of ₹ 115.76 Crores as on 31st March, 2016 is included in Current Maturities of long term of borrowings in Note 11 and the Company continues to provide interest at the rates originally charged by the Banks.

V) Karaikal Port Private Limited

- a) The Quarterly repayment of term loans in phase 1, phase 2A, OSV and warehouse have been restructured and the revised repayment commences from Jun-14 in 44 instalments.
- b) Quarterly repayment of phase 2A extension loans commence from Dec-2015 in 38 instalments.

VI) Sarang Infradevelopers Pvt Ltd

- a) Corporation Bank has taken action under SARFAESI Act and issued notice of sale under Security Interest (Enforcement) Rules, 2002 in respect of the short term facility of ₹ 1.42 Crores outstanding as on 31st March, 2016 and the case is pending with Debts Recovery Tribunal, Chennai.

VII) Magnamopus Infrastructure Pvt Ltd

- a) Corporation Bank has taken action under SARFAESI Act and issued notice of sale under Security Interest (Enforcement) Rules, 2002 in respect of the short term facility of ₹ 80,21,403/- outstanding as on 31st March, 2016 and the case is pending with Debts Recovery Tribunal, Chennai.

NOTE 32 : PREPARATION OF FINANCIAL STATEMENTS ON 'GOING CONCERN' BASIS:**I) MARG Limited**

The Holding Company has recorded a Net Loss of ₹ 16.98 Crores for the year ended 31st March, 2016, ₹ 172.45 Crores for the year ended 31st March, 2015, ₹ 263.82 Crores for the year ended 31st March, 2014 and ₹ 36.04 Crores for the year ended 31st March, 2013. The Company has defaulted in the payments due to Banks, Financial Institutions and others towards principal and interest, statutory dues and payment to vendors. Further there were lower cash inflows from existing projects and some creditors/lenders have filed winding up petitions against the company. Management is confident that the Company will be able to generate profit and cash in future years and meet its financial obligation as they arise. The financial statements have been prepared on a going concern basis based on cumulative input of the following business potential and mitigating factors:

- a) The EPC division of the Company has an order book of ₹ 2586.18 Crores. Further local and international bids are being planned leveraging the experience gained through execution of Marine, Infrastructure and Industrial EPC.
- b) Many of the EPC loans and corporate loans have been restructured and/or assigned to ARCs. The company intends to approach the ARCs for concessions in Interest and restructuring of loans. The management is confident that it will help the company to focus on projects in hand and generate cash flows.
- c) The Company is also in the process of generating cash through equity disinvestment in operating SPVs and realisation of advances given to subsidiaries which intends to commence new residential and plotted development projects.

II) New Chennai Township Private Limited

The company has incurred net loss of Rs 130,13,25,450/- in the financial year ended 31st March 2016 and Rs 134,41,59,742/- in 31st March 2015, which has resulted in negative net-worth as on 31st March 2016. The company has defaulted in payments of dues to Banks/Financial Institutions towards principal and interest, statutory dues and payment to vendors. Further there were lower cash flows from existing projects. Considering the following mitigating factors, the management considers it appropriate to prepare the financial statement of the company on 'Going Concern' basis.

- a) Recently, the company has signed long term contract with an automobile components manufacturing and trading company in LES sector in SEZ.
- b) The company is trying to bring anchor IT clients for its building which soon happen. The Company is negotiating with Consortium Lenders for obtaining No Objection Certificate (NOC) for registration of flats sold and the management is of the opinion that the NOC will be obtained in the near future.
- c) The company is in advance stage of signing up lease agreement in its multi services SEZ to set up a skill based training institute.
- d) The company has large land bank and is exploring possibilities of its optimised exploitation.

**III) Riverside Infrastructure (India) Private Limited**

The Mall project of the Company continues to be suspended and the Riverside Mall property of the company had been taken into possession by the banks, as the company has defaulted into payments of dues to the bank/financial institutions towards principal and interest. The company is redesigning the project and also having discussion with strategic partners. The management of the company is hopeful that it will get the approval in a short time which will make the project self-sustaining in terms of cash flows. Some of the loans have been assigned to Asset Reconstruction Companies. Considering these factors, the management considers it appropriate to prepare the financial statement of the company on 'Going Concern' basis.

IV) MARG ProperTies Limited

The Company has recorded a Net Loss of ₹ 24.99 Crores and ₹ 37.18 Crores for the year ended 31st March, 2016 and the company has negative net-worth as on 31st March, 2016. The Company has defaulted in payment of dues to Banks towards principal and interest and other statutory dues. Further there were lower cash flows from ongoing projects due to persisting economic depression in real estate sector which resulted in slowdown of works at various projects.

Some of the Banks have assigned their debts to ARC companies. Management is confident that the projects have good surplus and company will be able to generate the profits from its project operations and cash in future years and meet its financial obligation as they arise. Hence, the financial statements have been prepared on a going concern basis.

V) MARG Swarnabhoomi Port Private Limited

Due to inordinate delay and uncertainty in implementation of the dry port project, the company has called off the project. The net worth of the Company is fully eroded. The management is of the opinion that the company will be able to realise its assets and discharge its liabilities in the normal course of business and hence the financial statements are prepared on going concern basis.

VI) MARG Aviations Private Limited

The Airport project of the company was terminated. The management is of the opinion that the company will be able to realise its assets and discharge its liabilities in the normal course of business and hence the financial statements are prepared on going concern basis.

NOTE 33 : PROPERTY PROVIDED AS SECURITY FOR LOANS (Audited by K Ramkumar & Co)**1) Kanchanjunga Infradevelopers Pvt Ltd**

- a) The Company's land of 14.142 acres having a carrying cost of ₹ 3.16 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Fellow subsidiary company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is exposed to the risks of attachment / sale by the lenders.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders, would adversely affect the business of the company. Pending such sale, and the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

2) MARG Business Park Pvt Ltd

- a) The company's land of 12.76 acres having a carrying cost of ₹ 4.61 Crores (including development cost/project work in progress) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Ultimate Holding company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders, would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis

3) OMR Developers Pvt Ltd

- a) The company's land of 1.86 acres having a carrying cost of ₹ 7.56 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the ultimate Holding company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is exposed to the risks of attachment / sale by the lenders. The Company has received notice under SARFAESI Act.



- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders, would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

4) Sarang Infradevelopers Pvt Ltd

- a) The company's land of 43.03 acres having a carrying cost of ₹ 39.34 Crores (including development cost/project work in progress) as on 31st March, 2016 was provided as security for the loan taken by the company and Ultimate Holding company. The company and Ultimate Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Lender initiated action under SARFAESI Act and the matter is before the Debts Recovery Tribunal, Chennai.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending the final outcome of the case, the management considers it appropriate to prepare the financial statement on going concern basis.

5) Arohi Infrastructure Pvt Ltd

- a) The company's land of 0.91 acres having a carrying cost of ₹ 2.47 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from by the Holding Company/fellow subsidiary company. The holding company and fellow subsidiary company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act and Notice of sale under Security Interest Enforcement Rules, 2002.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders, would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

6) Magnumopus Infrastructure Pvt Ltd

- a) The company's land of 28.17 acres having a carrying cost of ₹ 14.96 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Company and Ultimate Holding Company. The Company and Holding Company have defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. In respect of loan availed by the company, the case is pending with Debts Recovery Tribunal (DRT), Chennai. The Company has received possession notice under SARFAESI Act from the lending Bank of the Ultimate Holding Company.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders, would adversely affect the business of the company. Pending the final outcome of the case, the management considers it appropriate to prepare the financial statement on going concern basis.

NOTE 34 : PROPERTY PROVIDED AS SECURITY FOR LOANS (Audited by Other Auditors)

1) Amir Constructions Pvt Ltd:-

- a) The company's land of 9.39 acres having a carrying cost of ₹ 5.85 Crores (including development cost) as on 31st March, 2016 was provided as security for loan taken by the Holding Company/Fellow Subsidiary. The said companies have defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act and notice of sale under Security Interest Enforcement Rules, 2002.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders, would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

2) Anuttam Constructions Pvt Ltd:-

- a) The company's land of 31 acres having a carrying cost of ₹ 11.84 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.



3) Bharani Infrastructure Pvt Ltd:-

- a) The company's land of 9.75 acres having a carrying cost of ₹ 2.20 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

4) Darpan Houses Pvt Ltd:-

- a) The Company's land of 7.00 acres having a carrying cost of ₹ 3.87 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Holding Company and Fellow Subsidiary Company. The borrowing Company has defaulted in repayment of such loans; consequently the aforesaid property of the Company is subject to sale by the lenders. Out of the 7.00 acres provided as security, notice under SARFAESI Act has been issued for 4.00 acres.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

5) Hilary Constructions Pvt Ltd:-

- a) The company's land of 9.68 acres having a carrying cost of ₹ 5.10 Crores (including development cost) as on 31st March, 2016, was provided as security for the loan taken from Lenders by the Fellow subsidiary company. The Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

6) Kirtidhara Infrastructure Pvt Ltd:-

- a) The Company's land of 15.63 acres having a carrying cost of ₹ 7.61 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the Company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

7) Mukta Infrastructure Pvt Ltd:-

- a) The company's land of 14.96 acres having a carrying cost of ₹ 7.75 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The company has received notices under SARFAESI Act, including possession notice for 6.95 acres.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

8) Navita Estates Pvt Ltd:-

- a) The company's land of 32.462 acres having a carrying cost of ₹ 9.01 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the ultimate Holding company and Fellow subsidiary Company. The said companies have defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.



9) Navrang Infrastructure Pvt Ltd:-

- a) The company's land of 3.93 acres having a carrying cost of ₹ 1.75 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

10) Akhil Infrastructure Pvt Ltd:-

- a) The company's land of 37.59 acres having a carrying cost of ₹ 11.12 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Fellow subsidiary company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

11) Ambar Nivas Pvt Ltd:-

- a) The company's land of 13.10 acres having a carrying cost of ₹ 5.40 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Fellow subsidiary company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

12) Aprati Constructions Pvt Ltd:-

- a) The company's land of 0.34 acres having a carrying cost of ₹ 3.87 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Ultimate Holding company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is exposed to the risks of attachment / sale by the lenders. Out of the 0.91 acres provided as security, notice under SARFAESI Act has been issued for 0.083 acres.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

13) Aroopa Infradevelopers Pvt Ltd:-

- a) The company's land of 0.955 acres having a carrying cost of ₹ 4.01 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Ultimate Holding company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received SARFAESI notice.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

14) Rainbow Habitat Pvt Ltd:-

- a) The company's land of 31.89 acres having a carrying cost of ₹ 9.40 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the fellow subsidiary company. The said company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.



15) Shubham Vihar Pvt Ltd:-

- a) The company's land of 10.34 acres having a carrying cost of ₹ 8.16 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received notice under SARFAESI Act.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

16) Atul Infrastructure Pvt Ltd:-

- a) The company's land of 14.78 acres having a carrying cost of ₹ 5.35 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken from Lenders by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. Notice under SARFAESI Act has been issued for 14.78 acres and out of which possession is taken by the Lenders for 12.34 acres.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

17) Darshan Homes Private Ltd:-

- a) The company's land of 5.04 acres having a carrying cost of ₹ 2.46 Crores (including development cost) as on 31st March, 2016, was provided as security for the loan taken by the Ultimate Holding Company. The said Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The company has received sale-cum auction notice from the lender.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and any sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

18) Avatar Constructions Pvt Ltd:-

- a) The company's land of 31.24 acres having a carrying cost of ₹ 12.26 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The company has received notices under SARFAESI Act, including possession notice for 5.70 acres.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

19) Dasha Infradevelopers Pvt Ltd:-

- a) The company's land of 14.06 acres having a carrying cost of ₹ 9.60 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. The Company has received SARFAESI notice.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

20) Swatantra Infrastructure Pvt Ltd:-

- a) The company's land of 30.520 acres having a carrying cost of ₹ 14.00 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders. Out of the 30.52 acres provided as security, notice under SARFAESI Act has been issued for 29.52 acres.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending such sale, the management is of the opinion that it is appropriate to prepare the financial statement on going concern basis.

**21) Wisdom Constuctions Pvt Ltd:-**

- a) The company's land of 45.01 acres having a carrying cost of ₹ 6.08 Crores (including development cost) as on 31st March, 2016 was provided as security for the loan taken by the Holding Company. The Holding Company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to sale by the lenders.
- b) The property of the company, provided as security as aforesaid, constitutes the project land and sale by the Lenders would adversely affect the business of the company. Pending the final outcome of the case, the management considers it appropriate to prepare the financial statement on going concern basis.

NOTE 35 : INVESTMENTS AND ADVANCE / RECEIVABLES DUE FROM SUBSIDIARY COMPANIES

a) The company has invested in equity amounting to ₹ 169.18 Crores (PY ₹ 169.18 Crores) in New Chennai Township Private Limited, a wholly owned subsidiary as on 31st March, 2016. The Company has advanced an amount of ₹ 309.27 Crores (PY ₹ 272.81 Crores) as subordinated loan to the subsidiary and ₹ 59.26 Crores (₹ 58.26 Crores) is carried forward as receivables as on 31st March, 2016. The said subsidiary has incurred losses which have resulted in negative net-worth as on 31st March, 2016. The subsidiary company has obtained valuation report for the assets of the company, from an approved valuer, which supports the carrying value of such investment and loan outstanding as on 31st March, 2016. The subsidiary company is exploring possibilities to revive the projects and generate cash flows. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2016.

b) The company has invested in equity amounting to ₹ 136.72 Crores (PY ₹ 136.72 Crores) in Riverside infrastructure (India) Private Limited, subsidiary of the company as on 31st March, 2016. The Company has advanced an amount of ₹ 39.81 Crores (PY ₹ 35.42 Crores) as subordinated loan to the subsidiary and ₹ 59.74 Crores (PY ₹ 59.74 Crores) is carried forward as receivables as on 31st March, 2016. The Mall project of the subsidiary continues to be suspended and the company defaulted in payments of dues to Banks/Financial Institutions towards principal and interest. The subsidiary company continues to discuss with strategic partners and is confident of generating cash flows. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2016.

c) The company has invested in equity amounting to ₹ 54.05 Crores (PY ₹ 54.05 Crores) in MARG Properties Limited, wholly owned subsidiary of the company as on 31st March, 2016. The Company has advanced an amount of ₹ 37.82 Crores (PY ₹ 31.33 Crores) as loan to the subsidiary and ₹ 17.13 Crores (PY ₹ 13.74 Crores) is carried forward as receivables as on 31st March, 2016. The subsidiary Company has negative net-worth as on 31st March, 2016. The loans of the company have been assigned to ARCs and the Management is confident that the Company will be able to generate cash from ongoing projects in future years and meet its financial obligation as they arise. Accordingly, the financial statements of the subsidiary company have been prepared on 'Going concern' basis and the management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from the said subsidiary company as at 31st March, 2016.

d) Marg Limited, Marg Properties Limited and Marg Logistics Private Limited have invested in equity amounting to ₹ 0.26 Crores (PY ₹ 0.26 Crores) and an amount of ₹ 181.11 Crores (PY ₹ 163.63 Crores) is advanced as loan to its subsidiaries/fellow subsidiaries and ₹ 4.38 Crores (PY ₹ 4.38 Crores) is carried forward as receivables as on 31st March 2016, which have provided land owned by them as security for the loans availed by other companies. As the borrowing company defaulted in repayment of such loans, the land owned by these subsidiaries may be attached/sold which may adversely affect the recoverability of the investment/advance. However as on date no such sale has been made by the banks and accordingly, the financial statements of such subsidiaries have been prepared on 'Going concern' basis and management is of the opinion that no provision is considered necessary at this stage in respect of investments, loans and receivables outstanding from these subsidiaries as at 31st March, 2016.

**NOTE 36 :**

The Holding company's land of 0.864 acres having a carrying cost of ₹ 78,26,027/- as on 31st March, 2016 was provided as security for loans taken by the company. The company has defaulted in repayment of such loans; consequently the aforesaid property of the company is subject to attachment / sale by the lenders. The Company has received possession notice under SARFAESI Act/Notice of Sale under Security Interest Enforcement Rules, 2002 in respect the said land.

NOTE 37 :

The Work in progress inventory of Holding company as on 31st March, 2016 includes ₹ 53.92 Crores in respect of EPC work done by the company to one of its subsidiary companies which is unbilled as on 31st March, 2016 and Advances recoverable include management fee of ₹ 4.8 Crores charged on the said subsidiary company which is not acknowledged by the subsidiary. The management is confident that these amounts are recoverable in the future and hence considers it appropriate to carry forward the amount of ₹ 53.92 Crores as work in progress and ₹ 4.8 Crores as receivables as on 31st March, 2016.

NOTE 38 :

"The company had pledged shares held in Karaikal Port Private Limited (KPPL), subsidiary of the company for the loan availed by KPPL. The lending Bank invoked the pledge of 16,44,90,000 equity shares and 37,90,000 compulsorily convertible preference shares during the previous year, having total carrying cost of ₹ 202.39 crores as on 31st March, 2016. The Company filed a writ petition in the Hon'ble High Court of Madras challenging the invocation. The Hon'ble High Court passed interim order dated 25th March, 2015, restraining the Bank from further transferring/encumbering of the shares and also status quo prevailing of the management of the Subsidiary, until further orders. The company signed a 'Non-binding term sheet' with a prospective investor whereby the investor will subscribe to hold 51% of the fully diluted share capital of KPPL, which the company has submitted before the Hon'ble High Court. The Hon'ble High Court has extended the stay by an Interim order dated 26th April, 2016 and the same is in force as on date. In view of the Interim order of the Hon'ble High Court and Articles of Association/Shareholders Agreement of KPPL, the management considers it appropriate to carry forward the amount of ₹ 202.39 Crores as Investments and no provision is required to be made as on 31st March, 2016.

Consequently, KPPL is continued to be classified as a subsidiary of the company in the financial statements for the year ended 31st March, 2016 and the accounts of the said subsidiary company have been included in the Consolidated Financial Statements for the year ended 31st March, 2016.

NOTE 39 :

The company could not obtain Balance Confirmation or statement of account from the lenders of certain equipment loans. Hence the reconciliation could not be carried out for the year ended 31st March 2015 & 31st March, 2016. The company has provided for interest at contractual rates.

NOTE 40 : INTEREST ON BORROWINGS

The management is taking efforts for resuming the Mall project of Riverside Infrastructure (India) Private Limited, a subsidiary company and is in discussion with strategic partners for this purpose. Further, considering the latest valuation of the property of the company, the management considers it appropriate to capitalise the interest of ₹ 59.12 Crores (PY ₹ 39.58 Crores) and overheads of ₹ 0.44 Crores (PY ₹ 0.67 Crores) during the year ended 31st March, 2016.

NOTE 41 :

a) The company executed a construction contract at Agra for DG MAP, a project of the Government of India which is terminated during last financial year. The company has receivables of ₹ 0.46 crores and work in progress of ₹ 13.99 Crores as on 31st March, 2016 relating to this project. Inventory of materials amounting to ₹ 2.01 Crores and plant and machinery amounting to ₹ 1.99 Crores as on 31st March, 2016 are withheld at site by the client. The management is confident that it will be able to recover the entire dues out of the arbitration process initiated by the company and that the above amount is considered good and recoverable and hence no provision is made as on 31st March 2016.



- b) The company executed a construction contract at Dwaraka for M/s HSCC (India) Limited, a project of the Government of India, in respect of which the company has receivables of ₹ 0.60 Crores and work in progress of ₹ 0.69 Crores as on 31st March, 2016. The company has filed arbitration claim and based on the same a sum of ₹ 0.40 Crores is written off in books, being the amount not included in claim made. The management is of the opinion that the rest of the amount is considered good and recoverable and hence no provision is made as on 31st March 2016.
- c) The company has filed arbitration claim for some other projects, in respect of which there is balance of ₹ 10.76 Crores of receivables, ₹ 8.77 Crores of inventory/Work in progress as on 31st March, 2016. The management is of the opinion that no provision is required considering that the claim made is higher than the balance lying in books as on 31st March, 2016.

NOTE 42 : SUBSIDIARY COMPANIES LICENSED UNDER SECTION 25 OF THE COMPANIES ACT, 1956

The following subsidiary companies converted and obtained license under Section 25 of the Companies Act, 1956, during the year:

- a) Anuttam Academic Institutions- with effect from 26th July, 2013
b) Atul Institutions of Learning-with effect from 26th July, 2013
c) Darpan Educational Institutions-with effect from 31st July,2013
d) Kirtidhara Academic Institutions-with effect from 30th July, 2013

The property of these subsidiary companies provided as security for loans taken by the Holding Company/Fellow subsidiaries continues to be in force.

NOTE 43 :

- a) In accordance with the requirements of Schedule II to the Companies Act, 2013, the Holding Company and Subsidiary Companies have re-assessed the useful lives of the depreciable assets. The depreciation for the year ended 31st March,2015 is higher by ₹ 12.71 Crores due to change in useful lives. The Exceptional Item of ₹ 0.67 Crores/- for the year ended 31st March, 2015, in the Statement of Profit or Loss represents the amount charged off in respect of assets whose remaining useful life is nil as at 01st April, 2014. Further, an amount of ₹ 0.39 Crores (net of tax) representing the carrying value of assets with revised useful life as nil, has been charged to the opening reserves as on April 1, 2014 by one of the subsidiary companies.

NOTE 44 : DEFERRED TAX LIABILITY

Particulars	As At 31-Mar-16 (₹ In Crores)	As At 31-Mar-15 (₹ In Crores)
Outstanding Deferred Tax Liability (Asset) [Net] as at the beginning of the year (A)	16.64	16.32
Add: Provision for Current Year Liabilities (Assets)		
Timing difference on account of Depreciation	(4.86)	0.32
Sub-total (B)	(4.86)	0.32
Outstanding Deferred Tax Liability (Asset) [Net] as at the end of the year (A+B)	11.77	16.64

NOTE 45 : EMPLOYEE BENEFITS

A. GRATUITY

- i)The Company does not maintain any fund to pay for Gratuity
ii) Amount recognized in the Profit and Loss A/c is as under:

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Current Service Cost	0.40	1.06
Interest Cost	0.13	0.11
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/Loss Recognised in the Year	0.20	(0.46)
Past Service Cost - Vested Benefits	-	(0.09)
Expenses Recognised in the Statement of Profit and Loss Account	0.73	0.62



iii) Movement in the liability recognized in the Balance Sheet during the year

Particulars	(₹ In Crores)	
	As at 31-Mar-16	As at 31-Mar-15
Opening Net Liability	1.74	1.55
Expense as above	0.73	0.61
Contribution Paid	(0.44)	(0.38)
Closing Net Liability	2.03	1.79

iv) Net Assets /Liability in Balance Sheet as at the year end

Particulars	(₹ In Crores)	
	As at 31-Mar-16	As at 31-Mar-15
Present Value of the Obligation	2.03	1.79
Fair Value of Plan Assets	-	1.79
Difference	2.03	
Liability Recognised in the Balance Sheet	2.03	1.79

v) For determination of gratuity liability of the Company the following actuarial assumptions were used:

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
PRINCIPAL ACTUARIAL ASSUMPTIONS		
[Expressed as Weighted Averages]		
Discount Rate	7.80%	7.80%
Salary Escalation Rate	8.00%	8.00%
Attrition Rate	15.00%	15.00%

B. LEAVE ENCASHMENT

i) The Company does not maintain any fund to pay for leave encashment

ii) Amount recognized in the Profit and Loss A/c is as under:

Particulars	(₹ In Crores)	
	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Current service cost	0.13	0.14
Interest Cost	0.04	0.04
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/loss Recognised in the Year	(0.10)	0.09
Transitional Liability Recognised in the Year	-	-
Past Service Cost - Non-vested Benefits	-	-
Past Service Cost - Vested Benefits	-	-
Expenses Recognized in the Statement of Profit and Loss Account	0.07	0.27



iii) Movement in the liability recognized in Balance Sheet is as under:

Particulars	(₹ In Crores)	
	As at 31-Mar-16	As at 31-Mar-15
Opening Net Liability	0.50	1.49
Expense as above	0.07	0.27
Contribution Paid	(0.22)	(0.36)
Closing Net Liability	0.35	1.40

iv) Net Assets /Liability in Balance Sheet as at the year end:

Particulars	(₹ In Crores)	
	As At 31-Mar-16	As At 31-Mar-15
Present value of the Obligation	0.35	1.40
Fair value of Plan Assets	-	-
Difference	0.35	1.40
Unrecognised Transitional Liability	-	-
Unrecognised Past Service Cost - Non vested Benefits	-	-
Liability Recognized in the Balance Sheet	0.35	1.40

v) For determination of leave encashment liability of the Company the following actuarial assumptions were used:

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
PRINCIPAL ACTUARIAL ASSUMPTIONS		
[Expressed as weighted averages]		
Discount Rate	7.80%	8.50%
Salary escalation rate	2.00%	8.00%
Attrition rate	5.00%	15.00%

NOTE 46 : NON-CASH TRANSACTIONS

Bank Guarantees invoked/devolved during the year amounting to ₹ 2.20 Crores have been included in liability to banks as on 31st March 2016 and treated as Non cash transactions.

NOTE 47 : CASH & CASH EQUIVALENTS

Cash & Cash Equivalents include the following which are not available for ready use by the Company as at the Balance Sheet date:

Particulars	(₹ In Crores)	
	As At 31-Mar-16	As At 31-Mar-15
Margin money	26.71	11.21
Fixed Deposit with Bank	61.49	57.52
Unclaimed Dividend with bank	0.12	0.16
	88.32	68.89



NOTE 48 : RELATED PARTY DISCLOSURES

A. Associates:

Rajakamanglam Thurai Fishing Harbour Private Limited

B. Key Management Personnel (KMP)

G R K Reddy - Chairman & Managing Director (CMD)

C. Relative of Key Management Personnel

1. V P Rajini Reddy-Director and wife of the CMD

D. Entities over which KMP and / or their relatives exercise control:

1. Akshya Infrastructure Private Limited
2. Avinash Constructions Private Limited
3. Exemplarr Worldwide Limited
4. Jeevan Habitat Private Limited
5. Marg Capital Markets Limited
5. Marg Foundation
7. Noble Habitat Private Limited
8. Swarnabhoomi Academic Institutions

E. Entities over which KMP and / or their relatives exercise significant influence:

1. Global Infoserv Limited
2. Marg Digital Infrastructure Private Limited
3. Marg Projects and Infrastructure Limited
4. Marg Realities Limited



F. Particulars of transactions with the related parties during the period in the ordinary course of the business:

Particulars	(₹ In Crores)					
	Associates		KMP and Relatives		Entities over which KMP and Relatives have control / significant influence	
	Transactions					
	Year Ended		Year Ended		Year Ended	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Services rendered / Sale of Flat	-	-	-	-	0.40	1.41
Lease rental income	-	-	-	-	-	-
Dividend received	-	-	-	-	-	-
Interest received	-	-	-	-	1.31	-
Interest Paid	-	-	1.31	1.11	3.43	1.00
Contracts and Services received	-	-	-	-	0.00	0.60
Allocation of common expense	-	-	-	-	-	-
Contract Advances received(Net)	-	-	-	-	-	-
Remuneration, Commission & Sitting Fee	-	-	0.22	0.04	-	-
Due on account of Share Invoked	-	-	0.37	0.64	0.45	1.73
Purchase / (Sale) of Fixed Assets	-	-	-	-	-	-
Sale of Land	-	-	-	-	-	-
Share Application money given	-	-	-	-	-	-
Investments made in Equity	-	-	-	-	-	-
Investments made in CCPS	-	-	-	-	-	-
Purchase of CCPS Shares	-	-	-	-	-	-
Sale of Equity Share	-	-	-	-	-	-
Equity Investment Sold	-	-	-	-	-	-
Loans & Advances made / (Repaid) [Net]	-	-	-	-	0.15	-
Loans Received / (Repaid) (Net)	-	-	0.13	(0.38)	-	-
Guarantees and Collaterals issued	-	-	-	-	-	-
Guarantees and Collaterals received	-	-	-	-	-	-
Advance to Suppliers	-	-	-	-	0.05	0.14



Particulars	(₹ In Crores)					
	Associates		KMP and Relatives		Entities over which KMP and Relatives have control / significant influence	
	Balances					
	As At		As At		As At	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Investments in Equity	-*	-*	-	-	-	-
Investments in CCPS	-	-	-	-	-	-
Share application money	-	-	-	-	-	-
Dividend Receivable	-	-	-	-	-	-
Trade Receivables	-	-	-	-	7.62	8.67
Trade Payables	-	-	-	-	12.48	12.25
Loans & Advances Receivable	1.10	1.10	-	-	13.43	1.63
Loans Payable	-	-	9.48	8.04	27.15	24.74
Remuneration ,Commission & Sitting Fee payable	-	-	2.04	0.20	-	-
Due on account of Share Invoked	-	-	6.85	6.48	4.75	4.75
Contract Advances received(net)	-	-	-	-	-	-
Guarantees issued	-	-	-	-	80.00	80.00
Guarantees and Collaterals received	-	-	-	-	959.02	959.02
Advance from Customer	-	-	1.16	1.16	-	-
Advance to Suppliers	-	-	-	-	0.83	0.89

*includes rs 39000/- in associate

NOTE 49 : SEGMENT REPORTING

As per Accounting Standard on Segment Reporting (AS 17), "Segment Reporting", the Company has reported segment information on the basis of Consolidated accounts including businesses conducted through its Subsidiaries.

a. The company has identified four reportable segments as follows:

- 1) **EPC segment:** EPC division provides integrated turnkey solutions. It provides integrated design, engineering, material procurement, field services and construction & project management services for infrastructure sector and real estate projects.
- 2) **Urban Infrastructure Development:** Urban Infrastructure Development segment includes "MARG Swarnabhoomi" the SEZ developed by New Chennai Township Private Limited, a wholly owned subsidiary of MARG Limited, MARG ProperTies, and other residential projects of the Holding Company MARG Limited.
- 3) **Port and Logistics:** Port and Logistics division includes the MARG Karaikal Port and MARG Logistics. MARG Karaikal Port is a Private Port engaged in the development and operation of the port in Karaikal. MARG Logistics, a fully owned subsidiary of MARG Ltd, presently offers total integrated logistics services to the EXIM Customers of Karaikal Port.
- 4) **Leasing:** Leasing segment includes MARG Junction Mall which is under construction, proposing to lease the commercial spaces for business, leisure and entertainment, Hotel etc and the Leasing of Digital Zones by the Holding Company.

b. Segments have been identified and reported taking into account nature of services, the differing risks and returns and the internal business reporting segments. The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with the following additional policies for Segment Reporting:



- 1) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses relating to enterprise as a whole and not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- 2) Segment assets and segment liabilities represent assets and liabilities in respective segments. Investments, Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

PRIMARY SEGMENT INFORMATION:

Particulars	(₹ In Crores)											
	EPC		INFRASTRUCTURE		PORT & LOGISTICS		LEASING		UNALLOCABLE		TOTAL	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1 Segment Revenue												
External Turnover	95.08	131.94	6.51	16.07	262.85	229.18	16.04	14.59	0.06	-	380.54	391.78
Inter Segment Turnover	17.05	19.64	-	-	-	-	0.02	0.02	-	-	17.07	19.66
Total Turnover	112.13	151.58	6.51	16.07	262.85	229.18	16.06	14.61	0.06	-	397.61	411.44
2 Segment Result before Interest & Taxes												
Segment Result before Interest & Taxes	10.51	(11.65)	(11.36)	(28.34)	56.67	36.29	13.24	13.83	-	-	69.06	10.12
Less: Inter Segment Result											2.62	4.19
											66.44	5.94
Less: Unallocable Expenses											48.09	38.81
Less: Interest and Finance Charges											419.39	446.63
Add: Interest Income											8.18	4.27
Less: Prior period / Exceptional Items											0.33	0.67
Profit Before Tax											(393.19)	(475.90)
Current Tax											4.14	3.53
Deferred Tax											(4.87)	0.32
Profit after Tax											(392.46)	(479.75)
3 Other Information												
Segment Assets	933.04	967.56	843.68	858.46	2,018.11	2,177.31	802.14	754.66	420.68	354.26	5,017.65	5,112.24
Segment Liabilities	1,618.76	1,598.19	1,103.08	1,010.17	2,201.61	2,051.36	596.89	542.70	317.09	276.80	5,837.43	5,479.22
Capital Expenditure/(sale)-Net	(19.30)	(3.23)	0.00	(0.03)	1.11	93.94	61.06	39.62	15.68	4.73	58.55	135.02
Depreciation for the year	24.17	30.43	1.72	0.54	51.65	51.91	13.12	6.38	1.20	-	91.86	89.25
Non Cash Expenses (Income)	3.70	(0.18)	-	-	2.45	0.13	-	-	-	-	6.15	(0.05)
(other than depreciation)												

SECONDARY SEGMENT INFORMATION:

The group is primarily operating in India which is considered as a single geographical segment and hence the secondary segment information is not given.

NOTE 50 : OPERATING LEASES

OPERATING LEASES

- a) Cancelable Lease

Total rental charges under cancelable operating lease was ₹ 1.65 Crores year ended 31-Mar-16 (Previous ₹ 3.37 Crores).

NOTE 51 : AUDITORS' REMUNERATION

Following are the details of Auditors' remuneration:

Particulars	(₹ In Crores)	
	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Statutory Audit Fee	0.53	0.53
Tax Audit Fee	-	-
Certification	0.09	0.08
Reimbursement of Expenses	0.00	0.03
Other Services	-	-
Total	0.63	0.63



NOTE 52 : FOREIGN CURRENCY TRANSACTIONS

(₹ In Crores)

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
a) Value of Imports calculated on CIF Basis:		
i) Components, embedded goods and spare-parts	-	-
ii) Material	-	-
iii) Capital goods	-	-
b) Expenditure in foreign currencies:		
i) Traveling expenses	-	-
ii) Professional/Consultancy Fees & Others	3.21	3.15
iii) Hire Charges	-	-

NOTE 53 : EARNINGS PER SHARE (EPS)

(₹ In Crores)

Particulars	Year Ended 31-Mar-16	Year Ended 31-Mar-15
a. Profit After Tax (₹ In Crores)		
For Basic EPS	(392.46)	(479.76)
For Diluted EPS	(392.46)	(479.76)
b. Weighted average number of equity shares (Nos in Lacs)		
For Basic EPS	381.19	381.19
Adjustment for Diluted EPS		
Add: Weighted average number of potential shares on account of Employee Stock Options	0.00	0.00
Add: Weighted average number of potential shares on account of Preferential allotment of shares/Warrants	-	-
For Diluted EPS	381.19	381.19
c. Earning Per Share (₹)		
Basic	(102.95)	(125.86)
Diluted	(102.95)	(125.86)
d. Nominal Value Per Share (₹)	10.00	10.00

NOTE 54 : FOREIGN CURRENCY EXPOSURES

The Company does not use any derivative instruments to hedge its foreign currency exposures.

The details of foreign currency balances which are not hedged as at the balance sheet date are as under:

Particulars	As At 31-Mar-16		As At 31-Mar-15	
	USD in Crores	INR in Crores	USD in Crores	INR in Crores
Creditors for Services	(0.62)	(41.16)	(0.66)	(33.88)
Advance to Creditors for Spares import	-	-	-	-
Creditors for Import of Capital Goods	0.04	2.89	0.05	2.60
Loan given to Subsidiary	0.31	20.19	0.32	18.34
Dividend Receivable	0.01	0.57	0.01	0.52
Total	(0.26)	(17.50)	(0.28)	(12.41)
	GBP in Crores	INR in Crores	GBP in Crores	INR in Crores
Creditors for Services	-	-	-	-

Conversion rate applied:

1 USD = ₹ 66.175 (Previous year ₹ 62.34)

**NOTE 55 :**

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under this Act have not been given.

NOTE 56 :

The details of Capital Reserve and Goodwill on consolidation are as under:

Particulars	₹ In Crores)	
	As At 31-Mar-16	As At 31-Mar-15
Goodwill	16.54	16.54
Capital Reserve*	(0.00)	(0.00)
Goodwill (Net of capital reserve) on consolidation	16.54	16.54

* include ₹ (2,330)/- as on 31-Mar-16 and 31-Mar-15

NOTE 57 : EXCEPTIONAL ITEMS

In accordance with the requirements of Schedule II to the Companies Act, 2013, the Holding Company and Subsidiary Companies have re-assessed the useful lives of the depreciable assets. The depreciation for the year ended 31st March, 2015 is higher by ₹ 12.71 Crores due to change in useful lives. The Exceptional Item of ₹ 0.67 Crores/- for the year ended 31st March, 2016, in the Statement of Profit or Loss represents the amount charged off in respect of assets whose remaining useful life is nil as at 01st April, 2014. Further, an amount of ₹ 0.39 Crores (net of tax) representing the carrying value of assets with revised useful life as nil, has been charged to the opening reserves as on April 1, 2014 by one of the subsidiary companies

NOTE 58 : PRESENTATION OF PREVIOUS YEAR'S FIGURES

Previous year's figures have been regrouped / reclassified / rearranged wherever necessary to bring them in conformity with the current year's figures.

As per our Report of even date attached

For K RAMKUMAR & CO.,

Regn No: 02830S

Chartered Accountants

R M V BALAJI

Partner

Membership No. 27476

Place : Chennai

Date : 31-May-2016

For and on behalf of Board of Directors

G R K REDDY

Chairman & Managing Director

V P RAJINI REDDY

Director

KARANJIT SINGH JASUJA

Director

RABINDRA KUMAR SAMAL

Company Secretary



MARG Limited

Regd. Off: 'Marg Axis', 4/318, Rajiv Gandhi Salai (OMR), Kottivakkam, Chennai - 600 041, India.

Phone: +91 44 2454 1111 (9 lines) | Fax : +91 44 2454 1123 | www.marggroup.com