

PECL/BSE-NSE/CORRIGENDUM TO AR/2019

19th September, 2019

To;

The Secretary – Listing Department

The BSE Limited

1st Floor, New trading ring,

Rotunda Building,

P.J Tower, Dalal Street,

FORT, MUMBAI 400001

Scrip Code: 530381

The Secretary – Listing Department

National Stock Exchange Limited

Exchange Plaza, C -1 Block G,

Bandra Kurla Complex,

Bandra East,

Mumbai 400051

Dear Sirs,

Sub: Corrigendum to 43rd Annual Report for Financial Year 2018-2019

We wish to inform you that the Company has dispatched its 43rd Annual Report – 2018-19 for the year ended 31st March, 2019 to the Shareholders of the Company on 04-09-2019. However, it is observed that, the sentence, "Corporate Guarantee of Holding Company – KSS Petron Pvt. Ltd." has, inadvertently, not been mentioned under Schedule 16 - Long Term Borrowings Point (a) on Page No. 76 of the Annual Report for FY 2018-2019.

Further, the E-voting period commences from 9.00 a.m. IST on 24th September, 2019 instead of 23rd September, 2019.

Enclosed, please find the copy of the Corrigendum dated 19-09-2019(Annexure-1) with respect to the Annual Report for the FY 2018-19. We are simultaneously publishing the same in the Newspapers and also being uploaded on the website of the Company www.petronengineering.com

This corrigendum should be read in conjunction with the said 43rd Annual Report.

You are requested to take note of the above and arrange to bring it to the notice of all concerned.

Thanking you,
Yours faithfully,

For Petron Engineering Construction Limited



Authorized Signatory

Encl: Annexure 1 – Corrigendum to Annual Report for the Financial Year 2018-2019.

Corrigendum to the 43rd Annual Report for the Financial Year 2018-2019

The Shareholders of the Company are requested to :

1. Refer Page. No. 76 of the 43rd Annual Report

Under Schedule 16 - Long Term Borrowings in Point No. (a) of the Annual Report for FY 2018-2019., the sentence "Corporate Guarantee of Holding Company – KSS Petron Pvt. Ltd." has not been mentioned.

Explanation:

Please note the Long Term Borrowings and in particular to the Rupee Term Loans from banks (Refer Note (a) for Rs. 325 Lacs. The loan has been availed by the Company from Karur Vysya Bank (KVB). The loan is secured by the Corporate Guarantee of the Holding Company – KSS Petron Pvt. Ltd.

The Holding Company, KSS Petron Pvt. Ltd. has offered 'Corporate Guarantee' to KVB in addition to the collateral security which has to appear in the note (a) of the Schedule 16 on Long Term borrowings of the financials as depicted on page No. 76 of the Annual Report.

2. Refer Page. No. 3 of the 43rd Annual Report

E-Voting Period: The e-voting period commences from 9.00 a.m. IST on 24th September, 2019 instead of 23rd September, 2019.

This corrigendum should be read in conjunction with the 43rd Annual Report.

Place : Mumbai

Dated: 19th September, 2019



PECL/43rd_AnnualReport/2019

5TH September 2019

To:
The Secretary - The Listing Department
BSE Limited ,
P J Towers 25th Floor,
Dalal Street,
Mumbai 400 001.

To:
The Secretary- Listing Department
National Stock Exchange Limited
Exchange Plaza C-1 Block G
Bandra Kurla Complex, Bandra East,
Mumbai 400 051.

Dear Sirs,

**Sub: Submission of Notice and Annual Report 43rd Annual General Meeting for the
FY 2018- 2019 to be held on Friday, 27th September, 2019 - Regulation 30 & 34 of the
SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015**

In pursuance with the Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, please find enclosed herewith the Notice and Annual Report of the 43rd ANNUAL GENERAL MEETING for the FY 2018-2019 to be held on Friday, 27th September, 2019 at 2.00 p.m. at the Registered Office of the Company at Swastik Chambers, 6th Floor, Sion Trombay Road, Chembur, Mumbai 400 071.

You are requested to kindly take the same on your records.

Yours faithfully,
For Petron Engineering Construction Limited



Authorised Signatory

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43rd
ANNUAL
REPORT FY 2018-19



PETRON ENGINEERING CONSTRUCTION LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Manoj Kumar Gaur - Managing Director
(Resigned w.e.f. 14.02.2018)

Ajay Hans - Director
(Resigned w.e.f. 19.02.2018)

Ravi Keswani - Director
(Resigned w.e.f. 14.02.2018)

Sanjay Jain - Director
(Resigned w.e.f. 19.02.2018)

Nandita Vijay Gupta - Director
(Resigned w.e.f. 25.09.2017)

INSOLVENCY PROFESSIONAL

Rajeev Mannadiar
Interim Resolution Professional
From 23rd March, 2018 upto 9th August, 2018

Udayraj Patwardhan
Resolution Professional
From 9th August, 2018 till date

CHIEF FINANCIAL OFFICER

Himanshu Mohapatra
(Resigned w.e.f. 02.06.2018)

SENIOR MANAGEMENT

S. K. Datta - President (Projects)
S. P. Mridha - Vice President (Projects)
S. R. Rele - Head (Accounts & Finance)
Satyendra Srivastava - General Manager (HR)
P. V. Vijay - General Manager (Projects)

The Company is undergoing Corporate Insolvency Resolution Process (CIRP) under the provisions of the Insolvency and Bankruptcy Code, 2016 as per Order dated 23.03.2018 issued by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench. Pursuant to the Order, the powers of the Board of Directors have been suspended and such powers are vested with the Resolution Professional Mr. Udayraj Patwardhan, Regn. No. IBBI/PA-001/IP-P00024/2016-17/10057 appointed by the Hon'ble NCLT, Mumbai Bench vide its Order dated 06.08.2018. The Committee of Creditors (CoC) at its meeting held on 14.02.2019 have resolved that the Company may be liquidated as a Going Concern. The Resolution Professional has filed necessary application in this regard with the Hon'ble NCLT, Mumbai Bench.

STATUTORY AUDITORS

M/s. Lodha & CO.
Chartered Accountants
C-1, Upasana, 1 Hailey Road,
New Delhi 110 001

REGISTERED OFFICE

6th Floor, Swastik Chambers
Sion-Trombay Road, Chembur
Mumbai 400071
CIN : L45202MH1976PLC019135
Tel: +91 22 4085 6200
Fax: +91 22 4085 6250 / 6797 3509
Website: www.petronengineering.com

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai 400 083
Tel : +91-022-4918 6000
Fax : +91-022-4918 6060
Email : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

BANKERS

State Bank of India
ICICI Bank
Indian Overseas Bank
Axis Bank
IDBI Bank
Kotak Mahindra Bank
Yes Bank

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NOTICE

NOTICE is hereby given that the 43rd ANNUAL GENERAL MEETING of the members of Petron Engineering Construction Limited will be held on Friday, 27th September, 2019 at 2.00 p.m. at the Registered Office of the Company at Swastik Chambers, 6th Floor, Sion Trombay Road, Chembur, Mumbai 400071 to transact the following Business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2019 together with the Reports of the Board of Directors' and Auditors' thereon.

For Petron Engineering Construction Limited

Date : August 13, 2019

Place : Mumbai

Resolution Professional

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- 2) As per Section 105 of the Companies Act, 2013 and relevant rules made there under, a person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (ten percent) of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 3) Corporate members intending to send their authorised representative to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- 4) Members/Proxies/Authorised Representatives are requested to bring the Attendance Slip duly filled in for attending the Annual General Meeting.
- 5) Queries on accounts and operations of the Company, if any, may please be sent to the Company at least seven days in advance of the meeting so that the information may be made readily available at the Meeting.
- 6) The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, 21st September, 2019 to Friday, 27th September, 2019 (both days inclusive) for the purpose of Annual General Meeting of the Company.
- 7) Members are requested to immediately intimate any change in their addresses registered with the Company to the Company's Registrars & Transfer Agents, **M/s. Link Intime India Private Limited**, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, in respect of their holding in physical form and to their Depository Participants (DPs) in respect of their holding in electronic form.
- 8) Individual Shareholders can avail of the facility of nomination. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of the shares shall vest in the event of the death of the share holder(s). A minor can be a nominee provided the name of the guardian is given in the Nomination Form. The facility of nomination is not available to non-individual shareholders such as Bodies Corporate, Kartas of Hindu Undivided Families, Partnership Firms, Societies, Trusts and holders of Power of Attorney. For further details, please contact the Company's corporate office.
- 9) Members wishing to claim dividends that remain unclaimed are requested to correspond with the Registrar and Share Transfer Agents, as mentioned above or Management, at the registered office of the Company. Members are requested to note that, dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Act, be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.

Members who have not encashed the dividend warrants so far, for the Financial Year ended March 31, 2012 are requested to make their claim.

Details of unpaid/unclaimed dividend are available on the website of the Company.

- 10) All documents referred to in the accompanying Notice are open for inspection by the Members at the Regd. Office of the Company on all working days except Saturdays, during business hours, upto the date of Annual General Meeting.

- 11) The Annual Report alongwith Notice of Annual General Meeting of the Company, circulated to the Members of the Company, will also be made available on the Company's website i.e. www.petroneengineering.com.
- 12) Electronic copy of the Annual Report for March 31, 2019 is being sent to all the Members whose e-mail addresses are registered with the Company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode. Rule 18(3)(i) of the Companies (Management and Administration) Rules, 2014 requires a Company to provide advance opportunity to the Members atleast once in a financial year, to register his email address and any changes therein. In compliance with the same, we request the Members who do not have their email id registered with the Company to get the same registered with the Company. Members are also requested to intimate to the Registrar and Share Transfer Agent, the changes, if any, in the email address.

13) VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and amendment thereto, the Members are informed that the Company is pleased to offer e-Voting facility as an alternative mode to voting at the Meeting. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-Voting.

The facility for voting through polling paper shall be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again. For the aforesaid purpose, the Company has appointed M/s. RJM & Associates, Practicing Company Secretaries as Scrutinizer for scrutinizing e-Voting process in a fair and transparent manner.

The instructions for members for remote e-voting are as under:

- (i) The e-voting period begins on Monday, 23rd September, 2019 from 9:00 a.m. and ends on Thursday, 26th September, 2019 at 5:00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form as on the cut-off date Saturday, 21st September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.

- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take printout of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

IMPORTANT NOTES

- 14) Any person, who acquires shares of the Company and becomes member of the Company after the dispatch of the Annual General Meeting Notice and holding shares as of the cut-off date i.e. Saturday, 21st September, 2019, may obtain their sequence number (applicable only incase of non registration of PAN with Depository Participant/Company/Registrar and Transfer Agent) by sending a request at rnt.helpdesk@linkintime.co.in.
- 15) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "e-voting" or "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility / ballot form. The facility for Voting at meeting venue shall be decided by the company i.e. "e-voting" or "Polling Paper".
- 16) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- 17) M/s. RJM & Associates, Company Secretaries have been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- 18) The result declared along with the Scrutinizer's Report shall be placed on the Company's website - www.petronengineering.com, and the website of CDSL within forty-eight hours of passing the resolutions at the AGM of the Company and communicated to BSE Ltd. and National Stock Exchange of India Limited.

For Petron Engineering Construction Limited

Date : August 13, 2019

Place : Mumbai

Resolution Professional

ROUTE MAP - AGM VENUE

Registered Office of the Company at
Swastik Chambers, 6th Floor, Sion Trombay Road, Chembur, Mumbai 400071



BOARD'S REPORT

To
The Members,
Petron Engineering Construction Limited,

1. INITIATION OF CORPORATE INSOLVENCY RESOLUTION PROCESS (CIRP)

The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench, on 23rd March, 2018, admitted the application made by M/s. Kohinoor Crane Service and M/s. Industrial Gas Distributors, the Operational Creditors under Section 9 of the Insolvency and Bankruptcy Code, 2016 ("Code") and pronounced the commencement of the Corporate Insolvency Resolution Process ('CIRP') of PETRON ENGINEERING CONSTRUCTION LIMITED and appointment of Mr. Rajeev Mannadiar as the Interim Resolution Professional ('IRP') vide its order dated 23rd March, 2018 in CP No. 1374/IBC/NCLT/MB/MAH/2017 & CP No. 1526/IBC/NCLT/ MB/MAH/2017.

On admission, the provisions of Moratorium as prescribed under Section 14 of the Code became operative with effect from the date of the Order. Section 14 of the Code prohibits institution of any suits before a Court of Law, transferring/ encumbering any of the assets of the Debtor etc. However, the supply of essential goods or services to the "Corporate Debtor" shall not be terminated during Moratorium period. The Moratorium period will be effective till the completion of the Insolvency Resolution Process or until the approval of the Resolution Plan prescribed under section 31 of the Code.

At the first meeting of Committee of Creditors ('CoC') of Petron, the members resolved to appoint Mr. Udayraj Patwardhan as the Resolution Professional ('RP'). Subsequently, he was appointed as the RP pursuant to the Order of the Hon'ble NCLT, Mumbai dated 6th August, 2018.

As per Section 17 read with Section 23 of the Code, from the date of appointment of the Interim Resolution Professional/ Resolution Professional-

- The management of the affairs of the company shall vest in the Interim Resolution Professional / Resolution Professional.
- The powers of the Board of Directors of the Company shall stand suspended and be exercised by the Interim Resolution Professional / Resolution Professional.
- The officers and managers of the Company shall report to the Resolution Professional and provide access to such documents and records of the Company as may be required by the Interim Resolution Professional / Resolution Professional.
- The financial institutions maintaining accounts of the Corporate Debtor shall act on the instructions of the Interim Resolution Professional in relation to such accounts and furnish all information relating to the Corporate Debtor available with them to the Interim Resolution Professional / Resolution Professional.

The Committee of Creditors (CoC) at its meeting held on 14th February, 2019 have resolved that the Company may be liquidated under liquidation as a "Going Concern". In this regard the Resolution Professional has filed necessary application with the Hon'ble NCLT, Mumbai Bench. The matter is pending before the Hon'ble NCLT, Mumbai Bench.

1. FINANCIAL HIGHLIGHTS

For the year ended March 31, 2019

Particulars	(Rupees in Lacs)	
	2018-19	2017-18
Income from Operations	13,363	23,586
Other Income	148	726
Total Income	13,511	24,312
Profit/(Loss) before Interest, Depreciation and Taxes	517	(21,283)
Finance Cost	1308	2,304
Profit/(Loss) before Depreciation and Taxes	(791)	(23,587)
Depreciation	724	777
Profit/(Loss) before Tax	(1515)	(24,364)
Tax Expenses (Including Taxes of Earlier Years)	73	(7,050)
Profit / (Loss) for the year	(1588)	(17,314)

2. DIVIDEND

Your Company has been incurring losses due to which the Company expresses its inability to recommend any dividend for the F Y 2018-19.

However, the register of members and share transfer books shall remain closed from Saturday, 21st September, 2019 to Friday, 27th September, 2019 (both days inclusive).

3. OVERVIEW OF COMPANY'S PERFORMANCE

During the financial year, the Company earned revenue from operations of Rs. 13,363 Lacs as against Rs. 23,586 Lacs in the previous year. Other income stood at Rs. 148 Lacs as against Rs. 726 Lacs in the previous year. The loss before tax stood at Rs. 1515 Lacs as compared to Rs. 24,364 Lacs in the previous year. The Company has suffered a net loss of Rs. 1588 Lacs during the financial year 2018-19 primarily due to lower execution of projects and due to external constraints.

4. PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

5. CHANGE IN NATURE OF BUSINESS

During the financial year 2018-19, Company has not changed its nature of business and has been continuing with the same line of business.

6. SHARE CAPITAL

The Paid-up Share Capital as on March 31, 2019 was Rs. 753.84 Lacs. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

7. RESERVES

In view of the losses, Company has not transferred any amount to the reserves.

8. HOLDING COMPANY/ SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

There are no Subsidiary & Associate Companies within the meaning of Companies Act, 2013. The Company has not entered into any Joint Ventures during the year under review.

As at the end of financial year March 31, 2019, the Company has below mentioned Holding companies:

Holding Company	KSS Petron Pvt. Ltd.
Ultimate Holding Company	KazStroyService Global BV

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL Directors:

During the year under review, there were no Directors on the Board of the Company as on 31st March, 2019.

Key Managerial Personnel :

During the year under review, there were no Key Managerial Personnel in the Company w.e.f. June 2, 2019.

10. MEETINGS

Five meetings duly conducted by the Resolution Professional. The meetings were held on May 30, 2018, August 14, 2018, November 13, 2018, December 01, 2018 and February 14, 2019 during the year under review.

11. BOARD COMMITTEES

All the Directors of the Company resigned from the Board in the month of February, 2018. Post resignation of all the Directors, the Corporate Insolvency Resolution Process commenced vide Order dated 23rd March, 2018 received from the Hon'ble NCLT, Mumbai Bench and thereafter no meeting of the Board Committees were held.

12. BOARD EVALUATION

As there were no Directors on the Board of the Company and in view of the CIRP, no evaluation of the Board were carried out during the FY 2018-19.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Company hereby state that :

- a) In preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- b) such accounting policies as mentioned in Notes to Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2019 and of the profit/loss of the company for the year ended on that date;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Annual Financial Statements have been prepared on a "going concern" basis;
- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

14. CORPORATE GOVERNANCE

Detailed report on Corporate Governance as stipulated under Clause E of Schedule V of the SEBI (LODR) Regulations, 2015 is provided under separate Section and forms part of this Report.

The requisite certificate from Practicing Company Secretaries, confirming the compliance of the conditions stipulated under SEBI (LODR) Regulations, 2015 is attached to the Report on Corporate Governance.

The details of remuneration paid to Key Managerial Personnel as per criterias mentioned herein below are given under **Annexure I** ('Particulars of Employees') :

- i. all elements of remuneration payable such as salary, perquisites, employer's contribution to P.F., pension scheme, bonus, stock options, etc.;
- ii. details of fixed component and performance linked incentives.

The detailed policy of the Company on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters is annexed as '**Annexure II**'.

15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As stipulated under SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 the Report on Management Discussion and Analysis is annexed to the Annual Report.

16. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, disclosures pertaining to remuneration and other details are provided in MGT-9 annexed to this report.

The Information required as per Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure-I forming part of the Report. In terms of the first proviso to Section 136 of the Act, the Report and Accounts are being sent to the Shareholders. Any Shareholder interested in obtaining the same may write to the Resolution Professional at the Registered Office of the Company. None of the employees listed in the said Annexure is related to any Director of the Company.

There are no employees drawing remuneration exceeding Rupees One Crore and Two Lakhs per annum if employed throughout the financial year or rupees Eight Lakhs and Fifty Thousand per month if employed for part of the financial year or draws remuneration in excess of Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company

17. NOMINATION AND REMUNERATION POLICY

In terms of section 178(3) of the Companies Act, 2013 and Part D of Schedule II Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has framed Nomination and Remuneration Policy. The said policy of the Company on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters is annexed as '**Annexure II**'.

18. AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

M/s. Lodha & Co., Chartered Accountants, (Registration No. 301051E), New Delhi were appointed as Independent (Statutory) Auditors of the Company at the 39th Annual General Meeting for a period of five years. They have been appointed as Independent Auditors from the conclusion of the 39th Annual General Meeting till the conclusion of the 44th Annual General Meeting.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. The appointment of M/s. Lodha & Co., as the Statutory Auditor of the Company shall continue for the Financial Year 2019-20.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and Rules thereunder, the Secretarial Audit for the financial year 2018-19 was conducted by M/s. RJM & Associates, Company Secretaries and the Secretarial Audit Report for the Financial Year ended March 31, 2019 is annexed herewith marked as “Annexure III” to this Report.

19. AUDITORS' REPORT

The Auditors, M/s. Lodha & Co., Chartered Accountants, New Delhi, in their Report, have drawn attention to Note No. 33, 34(b), 34(d), 35, 36, 37, 39, 40, 41, 42, 43, 44, 46(a) and 48 on the following matter:

Auditors' Qualification No. 1

Quote:

- a) In respect of certain suspended / delayed contracts, as of 31st March 2019, trade receivable of Rs. 246 lakhs (net of mobilization advance and provisions of Rs. 11 lakhs) (trade receivable of Rs. 246 lakhs as of 31st December 2018 and Rs. 331 lakhs as of 31st March 2018 respectively, net of mobilization advance and provisions of Rs. 11 lakhs and Rs. 3 lakhs respectively as at 31st December 2018 and 31st March 2018) are doubtful of recovery and pending for confirmation/ negotiation. We are unable to comment about the status of amount receivables / payables on the reported profit for the quarter and loss for the year ended 31st March, 2019 and its corresponding impact on assets / liabilities as at that date.

Unquote

The Company's response with regard to above qualifications is as under:

Quote:

The Company is making various efforts to recover the outstanding Trade receivable and is hopeful of recovery. The reconciliation of accounts and negotiations are in progress.

Unquote

Auditors' Qualification No. 2

Quote:

- b) Various claims submitted by the financial creditors {including claims filed by ArcelorMittal India Private Limited (AMIPL) as stated in note no. 6(b)}, operational creditors, other creditors and employees of the Company to the Resolution Professional (RP) pursuant to the Insolvency and Bankruptcy Code, 2016 are currently under reconciliation. Pending reconciliation by the Company, we are unable to comment on the consequential impact, if any, on the reported profit for the quarter and loss for the year ended 31st March 2019 and its corresponding impact over state of affairs as on that date.

Unquote

The Company's response with regard to above qualification is as under:

Quote:

The Company is in the process of reconciling the accounts with the parties concerned. Accounting effect, if any, to the same would be made after completing the final reconciliation with the said creditors. The claims accepted by Resolution Professional may not directly have an effect on the balances reflected in the books of accounts.

Unquote

Auditors' Qualification No. 3

Quote:

- c) Balances of certain trade receivable (including from related parties), unbilled revenue, trade payables (including MSME and interest payable thereon), secured loans (including Banks and NBFC), bank guarantees and unsecured loans (including from related parties), bank balances, current liabilities, other liabilities (including statutory dues and returns thereof) and loan & advances (read with para (b) above) are subject to confirmation/reconciliation, where we are unable to comment on the same and its corresponding impact over reported profit for the quarter and loss for the year ended 31st March 2019 and related components of financial statements as on date.

Unquote

The Company's response with regard to above qualification is as under:

Quote:

Because of the CIRP many of the creditors have referred their claims as on the Insolvency commencement date, i.e. 23rd March, 2018 which can be construed as balance confirmations. Wherever there is a difference between the books and the creditors claim, reconciliation work is under way. As far as the receivable is concerned the balances reflects mostly the certified invoices by the client concerned.

Unquote**Auditors' Qualification No. 4****Quote:**

- d) No provision against overdue Trade Receivables outstanding for more than six months amounting to Rs. 9,606 lakhs (net of mobilisation advances of Rs. 301 lakhs and excluding of unbilled revenue of Rs. 1,486 lakhs and excluding performance guarantee encashed by certain parties) (Rs. 8,995 lakhs as of 31st December 2018) (net of mobilisation advances of Rs. 232 lakhs and excluding of unbilled revenue of Rs. 1,864 lakhs and excluding performance guarantee encashed by certain parties) have been made, which are doubtful for recovery considering non confirmation of outstanding balances, short closure of running projects, encashment of performance bank guarantee and demand raised for counter claim /liquidated damages by the parties (customers).

Unquote

The Company's response with regard to above qualification is as under:

Quote:

We are following up with all the parties for recovery/realisation of overdue amount and hopeful of recovery of balances.

Unquote**Auditors' Qualification No. 5****Quote:**

- e) Liability /provision against performance guarantee encashed by certain parties during the quarter amounting to Rs. Nil (Rs. 3,635 lakhs till nine months period ended 31st December 2018) has not been provided for in the books, where the management is confident about settlement in its favour.

Unquote

The Company's response with regard to above qualification is as under:

Quote:

We are in process of initiating arbitration procedure / process in the matter of Bank guarantees (BG) encashed and hopeful of positive outcome in favour of the Company.

Unquote**Auditors' Qualification No. 6****Quote:**

- f) Certain expenses {including finance costs (refer note no. 10 of financial results)}/ liabilities/employee benefit expenses have been accounted for as approved by the management based on vouchers and for which contracts, supporting records and agreements could not be made available to the auditors for verification as the same are under process of compilation/updation. As per the management, expenses were incurred for business purposes only. Further, in respect of certain contract sites, the Company is in process of compiling / updating the records with respect to employees/labour, where we are unable to comment on the same and its corresponding impact over reported profit for the quarter and loss for the year ended 31st March 2019 and related components of financial statements as on date.

Unquote

The Company's response with regard to above qualification is as under:

Quote:

In view of the liquidity constraints, many of the staffs at sites Offices and Head Offices have left their services of the company. This has resulted in delay in compiling information. However, the Company is in the process of taking steps for completing the reconciliation and compiling the records.

Unquote**Auditors' Qualification No. 7****Quote:**

- g) Regarding non provision against carry over Deferred tax assets as on 31st March 2019 of Rs. 5,991 lacs for the reasons stated in the said note that sufficient future taxable income will be available against which the aforesaid deferred tax asset (net) can be realized and our inability to comment thereon.

Unquote**The Company's response with regard to above qualification is as under:****Quote:**

The CoC has recommended liquidation as a going concern. In case of any applicant being successful, the Company will change hands accordingly. Thus, it is expected that the Company would be in a position to avail set-off of tax losses against expected taxable profit in the future years as per the provisions of Income Tax Act 1961.

Unquote**Auditors' Qualification No.8****Quote:**

- h) Regarding delays in payment of certain statutory dues and non- submission /delay in filing of certain statutory returns (including PF, ESIC, TDS, GST etc.), statutory dues written off and pending reconciliation between books and returns filed, where we are unable to comment on the impact of the same on profit for the quarter and loss for the year ended 31st March 2019 and state of affairs.

Unquote**The Company's response with regard to above qualification is as under:****Quote:**

There may be slight delay due to cash flow problem.

Unquote**Auditors' Qualification No. 9****Quote:**

- i) Regarding all the directors (including Woman Director) and Company Secretary resigned by 31st March 2018. Further CFO also resigned during the year. Consequently, all committees of Directors (including Nomination and Remuneration Committee, Audit Committee etc.) were not present during the year in compliance to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Regarding non-availability of secretarial forms (including application for extension of Annual General Meeting) and compliances thereof and our inability to comment on related party transactions, compliances related to appointment /resignation of Directors, compliances w.r.t. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), Corporate Governance , submission of annual return with the appropriate authorities and other related regulations and our inability to comment thereon.

Unquote**The Company's response with regard to above qualification is as under:****Quote:**

As all the directors have resigned and new directors can be appointed only by the shareholders at an AGM/EGM. At present there is no Company Secretary hence required documents could not be prepared and submitted. As all the directors have resigned, hence the Company couldn't file the e-forms with the Registrar of Companies w.r.t. resignation of Directors, Company Secretary, Chief Executive Officer and CFO. However, we are in process of updating required registers /forms which shall be submitted in due course. Subsequently the RP has informed the Holding Company M/s KSS Petron Private Limited for compliance of provisions of Section 168(3) of the Companies Act, 2013.

Unquote**Auditors' Qualification No. 10****Quote:**

- j) Regarding pending adjustment of impact of physical verification of property, plant and equipment (PPE) in the financial books and reconciliation of the same with the books& records with respect to certain sites, where we are unable to comment on the same. In view of the management impact of final adjustment shall not be material over result for the quarter and year ended 31st March 2019.

Unquote

The Company's response with regard to above qualification is as under:

Quote:

The PMD team at respective sites have carried out the verification process. No discrepancy has been found by the said team. Physical verification w.r.t. closed sites is in process.

Unquote**Auditors' Qualification No. 11****Quote:**

- k) Certain pending/ delayed projects estimated costs to completion are based upon management estimates and where the management is confident that there will not be any material impact on completion of work in future.

Unquote

The Company's response with regard to above qualification is as under:

Quote:

Most of the project are on the verge of completion and adequate margins are available to absorb any contingency. In view of this, management do not expect any material variation in final completion of project compared to estimated cost of completion.

Unquote**Auditors' Qualification No. 12****Quote:**

- l) Regarding the matter stated in para (a) to (k) above and otherwise internal controls needs to be further strengthened to be commensurate with the size of the company and nature of its business.

Unquote

The Company's response with regard to above qualification is as under:

Quote:

The Company has an internal control system in existence and is in the process of further strengthening the same.

Unquote**Auditors' Qualification No. 13****Quote:**

- m) Regarding preparation of the financial statements on 'going concern' basis notwithstanding the fact that the Company is having negative net worth, continuous losses, lower level of operations effecting cash flows and going concern, short closure in certain projects, current liabilities are in excess of current assets and default in repayment of loan installments and payment of due interest, both on term loans and working capital. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. As company is under corporate insolvency resolution process (CIR process) (as stated in Note no. 1 of the accompanying statement of audited financial results). The Committee of Creditors (CoC) at its meeting have resolved that the Company may be liquidated under liquidation as a "Going Concern". In this regard the Resolution Professional has filed necessary application with the NCLT Court, Mumbai and final decision is pending before the NCLT. The management and the RP have continued its practice to prepare financial statements on going concern basis.

Unquote

The Company's response with regard to above qualification is as under:

Quote:

Net worth is not a singular measure of deciding as a 'going concern'. The Company has a good brand name in the industry and during its last 40 years has already established its position as a reliable EPC contractor. Considering the same, it is expected that it will, in due course of time, be in a position to receive a viable Resolution Plan for the approval of CoC and NCLT. Currently the Company is executing few contracts which are able to run on its own by using the cash inflows from these projects. In view of the above, the Company has prepared its accounts on a going concern basis. The CoC has recommended liquidation as going concern. In case the NCLT approving the same, appropriate treatment will be given in the books of account.

Unquote

20. RISKS & CHALLENGES

Construction Companies are facing challenges due to adverse market conditions, increased inflation, sporadic labour wage increase, fluctuating supply of feed-stocks, cost overruns due to the delay in Government approvals, land acquisition etc. Clients and consultants are also adopting the 'Wait and Watch' situation and have become averse to take risky decisions due to the dynamic environment.

The Company manages / monitors the principal risks and uncertainties that can impact its ability to achieve its objectives. The Company's management systems organizational structures, code of conduct governs the business of the Company and takes view of risks and put efforts to achieve risk mitigation through Internal Control Systems.

Further, the Company was under CIRP and the CoC at its meeting held on 14th February, 2019 resolved to liquidate the Company as a "Going Concern" and hence the Company has to face various risks and challenges with regard to availing of working capital facilities (NFB) and also bagging new projects.

21. INTERNAL FINANCIAL CONTROL

As per explanation to Section 134 of the Companies Act, 2013, the Internal Financial Controls (IFC) are reviewed by your management and key areas are subject to statutory audits. The review of the IFC, inter alia, consists of the optimum utilization and safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and adherence to applicable accounting standards, and the timely preparation of reliable financial disclosures; compliance with applicable laws, regulations and management policies; and an effective management information system.

22. INTERNAL CONTROL SYSTEMS AND ADEQUACY

The Company has appropriate internal control system for business processes with regards to its operations, financial reporting and compliance with applicable laws and regulations. There are defined and documented procedures, policies and authority guidelines for each function in the Company.

23. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Details of loan, investments and guarantees given are provided in the notes accompanying the financial statements.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF COMPANIES ACT, 2013

During the year under review there were related party transactions, however the Company has adopted a Policy to approve the Related Party Transactions and dealings with the Related Parties.

None of the transactions with Related Parties fall under the scope of 188(1) of the Act. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC – 2, appended as "Annexure – IV".

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

During the period from the end of the Financial Year till date of the report following material changes took place:

- Mr. Himanshu Mohapatra has resigned from the post of Chief Financial Officer w.e.f June 02, 2018;
- Initiation of Corporate Insolvency Resolution Process of the Company vide Order of the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench dated 23rd March, 2018 ;

26. EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in Form MGT-9 is appended as "Annexure – V" to the Director's report.

27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**(A) Conservation of Energy**

- i) Steps taken for energy conservation, inter alia, include the following:
 - Office Air conditioning comfort temperature optimization
 - Electricity Consumption reduction by daily monitoring and control
 - Operational control of HVAC system (air conditioning) in winding premises
 - Compressed air pressure reduction in non-use time
 - Closing of unwanted opening from air conditioned premises reducing cooling loss

- Access control on air conditioning. Installation of remote control switch in office optimizing operating temperature
- Put in system to switch off the HVAC, AC, Lights, Fans when not required
- ii) Steps taken by the Company for utilizing alternate sources of energy:
 - Open the blinds/curtains in offices to use natural lights
- iii) Capital investment on energy conservation equipments: NIL

(B) Technology Absorption: Not Applicable

Expenditure incurred on Research and Development: NIL

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with regard to foreign exchange earnings and outgo are given below:

Total Foreign Exchange used and earned:

- | | | |
|------|---------------------------------|-------|
| i) | Value of Imports on CIF basis | : Nil |
| ii) | Expenditure in Foreign Currency | : Nil |
| iii) | Foreign Exchange earned | : Nil |

28. MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PERSONS EMPLOYED

Though the Company is passing through a challenging period due to financial constraints including cash-flow problems, your Company's relation with its staff / workers has remained cordial during the year.

The Company is having 172 employees as on 31st March, 2019.

29. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Company has formulated CSR Policy. The same may be accessed on the Company's website. The contents of the policy along with the annexure specified in Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed herewith as 'Annexure VI'.

30. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, to provide a formal Vigil Mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism. The Whistle Blower Policy may be accessed on the Company's website www.petronengineering.com.

31. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

The Company has zero tolerance for Sexual Harassment at workplace and has adopted a policy on Prevention, Prohibition and Redressal of Sexual Harassment at work place, in line with the provisions of Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and or matters connected or incidental thereto with the objective of providing a safe working environment, where women employees can feel secure. The Company has constituted a Committee which has got the powers to enquire into the complaints of sexual harassment and recommend appropriate action.

The Company has not received any complaint of sexual harassment during the Financial Year 2018-19.

32. GENERAL INFORMATION

Your Company is continuing to execute the contracts related to fabrication, installation of Plant, Machinery and Equipments for cement, refinery, petrochemicals, power, fertilizer plants etc. It is also continuing to execute Turnkey / Composite Construction Projects.

Over a period of time, your Company has developed the capabilities of executing vertical construction contracts across all sectors, which will be preferred mode of execution of future contracts and multiple project execution simultaneously.

33. TRANSFER OF UNPAID DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of the provisions of Section 124 of the Companies Act, 2013, dividends remaining unpaid/ unclaimed for a period of seven years have to be statutorily transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, the Company regularly sends reminder to the relevant investors.

Unclaimed Dividend in respect of the financial year 2011-12 will be due for transfer to IEPF on September 7, 2019 in terms of Section 124 of the Companies Act, 2013. Members who have not encashed their Dividends for the Financial Year ended 31st March, 2012 or any subsequent year(s) are requested to lodge their claims with the Company immediately.

34. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The Company has received order vide C.P. No. 1374/IBC/NCLT/MB/MAH/2017 dated March 23, 2018 with respect to commencement of Corporate Insolvency Resolution Process and CA Rajeev Mannadiar having Registration No. IBBI/IPA-001/IP-P00212/2018-19/10412 was appointed as Interim Resolution Professional to conduct the Corporate Insolvency Resolution Process.

At the first meeting of Committee of Creditors ('CoC') of the Company, the members of the CoC resolved to appoint Mr. Udayraj Patwardhan as the Resolution Professional ('RP'). Subsequently, he was appointed as the RP pursuant to the Order of the Hon'ble NCLT, Mumbai dated 6th August, 2018 in M.A. No. 500 of 2018.

An order for extension of the Corporate Insolvency Resolution Process of the Company for a further period of 90 days was passed on 3rd October, 2018, in MA 1030/2018 in C.P.(IB)-1732/9/(MB)/2017.

Further, at the meeting held on 14th February, 2019, the CoC has resolved to liquidate the Company as a "Going Concern" and accordingly the Resolution Professional has filed necessary application with the Hon'ble NCLT, Mumbai Bench. The said application is pending for hearing.

35. ACKNOWLEDGEMENTS

Your Company would like to express its sincere appreciation for the assistance and co-operation received from the bankers, clients, dealers, vendors, Committee of Creditors and members for their support and confidence placed in the Company. The Company also wishes to place on record its deep sense of appreciation for committed services by the company's executives, staff and workers at all levels for their unstinted efforts as well as their collective contribution to the Company's performance.

The Company would also like to offer its sincere thanks to the shareholders, bankers, customers, dealers, suppliers and all other business associates for their unstinted support during this Corporate Insolvency Resolution Process period and continued confidence in the Company.

For Petron Engineering Construction Limited

Resolution Professional

Date : August 13, 2019

Place: Mumbai

Annexure – I

Particulars of Employees

1] DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (I) The percentage increase in remuneration of each Director, Chief Financial Officer (CFO) and Company Secretary (CS) during the financial year 2018-19, ratio of the remuneration of each Director to the Median Remuneration of the Employees (MRE) of the Company for the financial year 2018-19 are as under :

Name of Director / KMP and Designation	Salary (fixed component)	Commissions/ Incentives (variable component)	Perquisites and other benefits	Retirement benefits	% Increase in Remuneration in 2018-19	Ratio of Remuneration of each Director to MRE for FY 2018-19
Mr. Himanshu Mohapatra, CFO	514780	-	35547	-	-	1.47%

- (ii) The Median Remuneration of Employees (MRE) of the Company during the financial year 2018-19 was Rs. 3.83 Lakhs and for previous year 2017-18, it was Rs. 3.54 Lakh.
- (iii) The percentage increase in the median remuneration of employees in the financial year is 7.9%.
- (iv) There were 172 permanent employees on the rolls of Company as on March 31, 2019.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year i.e. 2018-19 was NIL and average percentile increase in the managerial remuneration was NIL.
- (vi) The Company affirms that the remuneration is as per the Nomination and Remuneration policy of the Company.
- (vii) The Company has not issued any stock options either to the Executive Directors or Employees.
- (viii) Sitting fees payable to Executive Directors :** The Company does not pay any sitting fees to the Executive Directors.
- (ix) Sitting fees payable to Non-Executive Directors :**
The Board of Directors, at the meeting held on 31st July, 2008 have approved the Sitting fees of Rs. 15,000/- for attending the Board meeting and Rs. 10,000/- for attending the Committee meetings to the Non-Executive Directors. However, as there were no Directors on the Board during the year under review, no sitting fees have been paid.
- (x) No Commission to the Non-Executive Directors has been provided for the Financial Year 2018-19.

Apart from the above, the Company did not have any pecuniary relationship or transactions with any of the Non-Executive Directors.

For Petron Engineering Construction Limited

Resolution Professional

Date : August 13, 2019

Place: Mumbai

Annexure II

NOMINATION AND REMUNERATION POLICY**Pursuant to Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015**

The Board of Directors of Petron Engineering Construction Limited ("the Company") had reviewed the existing "Nomination and Remuneration Policy" at the Meeting held on May 12, 2017. The following is the Nomination and Remuneration Policy adopted by the Committee.

1. objective

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (LODR) Regulations, 2015. The Key Objectives of the Committee would be:

- a. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b. To formulate the criteria for evaluation of Independent Director and the Board
- c. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- d. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- e. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- f. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- g. To devise a policy on Board diversity
- h. To Implement and monitor policies and processes regarding principles of corporate governance

2. Definitions

- a. **"Act"** means the Companies Act, 2013 and rules framed thereunder, as amended from time to time.
- b. **"Board"** means Board of Directors of the Company.
- c. **"Central Government"** means Registrar of Companies, Regional Director or any other authority under the Ministry of Corporate Affairs.
- d. **"Director(s)"** mean Directors of the Company.
- e. **"Key Managerial Personnel"** means
 - (i) Chief Executive Officer or the Managing Director or the Manager;
 - (ii) Whole-time director;
 - (iii) Chief Financial Officer;
 - (iv) Company Secretary; and
 - (v) any other officer/employee as may be prescribed under the Act or by the Board.
- f. **"Senior Management"** means personnel of the company who are members of its core management team excluding the Board of Directors but including Functional Heads.

3. Scope and Duties

- a. **The Scope of work of Nomination and remuneration Committee will include:**
 - (i) The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
 - (ii) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
 - (iii) To oversee and monitor the Familiarization Program for Independent Directors.

b. The Nomination and Remuneration Committee shall, while formulating the policy as above shall ensure that—

- (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

c. Duties of Nomination and Remuneration Committee

- (i) The duties of the Committee in relation to nomination matters include:
 - Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
 - Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
 - Identifying and recommending Directors who are to be put forward for retirement by rotation.
 - Determining the appropriate size, diversity and composition of the Board;
 - Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
 - Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
 - Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
 - Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
 - Delegating any of its powers to one or more of its members or the Secretary of the Committee;
 - Recommend any necessary changes to the Board; and
 - Considering any other matters, as may be requested by the Board.
- (ii) The duties of the Committee in relation to remuneration matters include:
 - to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
 - to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
 - to delegate any of its powers to one or more of its members or the Secretary of the Committee.
 - to consider any other matters as may be requested by the Board.

4. Policy for appointment and removal of Director, KMP and Senior Management**a. Appointment criteria and qualifications**

- (i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- (ii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- (iii) The Company shall not appoint or continue the employment of any person as Managing Director or Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

b. Term / Tenure**(i) Managing Director/Whole-time Director:**

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

(ii) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

c. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel on yearly basis or at such other interval as may be decided by the Committee from time to time.

The Performance Evaluation of an Independent Director should be done by the Board of Directors (excluding the directors being evaluated)

On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of an independent director.

d. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

e. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

5. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director shall be as per the provisions of the Act.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- The ESOP Policy will be decided by the Committee based on the applicable Acts / Guidelines within the overall Policy decided by the Shareholders at the General Meeting.

6. Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel**(i) Fixed pay**

The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

(ii) Minimum Remuneration

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

(iii) Provisions for excess remuneration

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

7. Remuneration to Non- Executive / Independent Director

Under the SEBI (Listing Obligation Disclosure Requirement) Regulation 2015, requires every company to publish its criteria of making payments to NEDs in its annual report. Alternatively, this may be put up on the company's website and reference may be drawn thereto in its annual report. Section 197 of the Companies Act, 2013 and Regulation 17(6)(a) of SEBI (Listing Obligation Disclosure Requirement) Regulation 2015 require the prior approval of the shareholders of a company for making payment to its NEDs.

In keeping with the above, any fee/remuneration payable to the NEDs of the Company shall abide by the following:

(i) Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof provided that the amount of such fees shall not exceed ` One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

(ii) Reimbursement of actual expenses incurred

Actual expenses incurred by the Independent Directors for attending the Board and Committee Meetings, including out of pocket expenses are to be reimbursed.

(iii) Commission

The Company shall pay commission subject to the provisions of Section 197 of the Companies Act, 2013, subject to approval by the Board of Directors from time to time.

(iv) Stock options

The Stock Option entitlement will be subject to Act, Rules and Guidelines then prevailing.

8. Constitution

- (i) The Committee shall consist of a minimum 3 non-executive directors and one-half of them should be independent Directors
- (ii) Membership of the Committee shall be disclosed in the Annual Report
- (iii) Term of the Committee shall be continued unless terminated by the Board of Directors

9. Chairperson

- (i) Chairperson of the Committee shall be an Independent Director
- (ii) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee
- (iii) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson
- (iv) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries

10. Frequency of Meetings

The meeting of the Committee shall be held at such regular intervals as may be required.

11. Committee Members' Interests

- (i) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- (ii) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

12. Secretary

The Company Secretary of the Company shall act as Secretary of the Committee.

13. Voting

- (i) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- (ii) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

14. Minutes of Committee Meeting

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee. The same will be signed by the Chairman within a period of thirty days.

For and on behalf of the Company

Resolution Professional

Date : August 13, 2019

Place: Mumbai

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2019

[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,
Petron Engineering Construction Limited

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

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions except for the certain compliance as mentioned in Annexure A listed hereunder and also that the Company has 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, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - d) Regarding the Companies Act, 2013 and dealing with client;
 - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and

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

- a) Secretarial Standards issued by the Institute of Company Secretaries of India, and
- b) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

Provisions of the following Act, Regulations and Guidelines were not applicable to the Company under the financial year under report:-

- a) 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;
- b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- c) The Securities and Exchange Board of India (Issue and Listing of debt securities) Regulations, 2008.
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned to the extent applicable, except as provided below in **Annexure A**.

We further report that

The Hon'ble National Company Law Tribunal, Mumbai Bench passed an Order on 23rd March, 2018 by admitting the petition filed by the Operational Creditors against the Company and accordingly, the Corporate Insolvency Resolution Process (CIRP) commenced with effect from the Order date in terms of the provisions of the Insolvency & Bankruptcy Code, 2016.

As per the provisions of Section 17 (b), the powers of the Board of Directors, shall stand suspended during the CIRP and such powers are exercised by the Interim Resolution Professional or the Resolution Professional and hence, no meetings of Board and other committees were held during the period under review.

The Corporate Insolvency Resolution Process of the Company ended on 17th February, 2019 and as no resolution plan was approved by the Members of the Committee of Creditors, the Resolution Professional has filed application for liquidation of the Company as a going concern. The same is pending before the NCLT, Mumbai Bench.

We further report that as on the date of the Report, the Company's Board cease to exist due to resignation of all the Directors and there are no Key Managerial Persons (KMP's) in the Company.

For RJM & Associates,
Practicing Company Secretary
Jovita Reema Mathias
Proprietor
Membership No. F9049, CP No. 19646

Place: Mumbai

Date: August 13, 2019

ANNEXURE A

SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015

Note: The Company was under Corporate Insolvency Resolution Process during the period under review. During the said period the powers of the Board stand suspended and such powers vest with Interim Resolution Process or Resolution Professional. During the said period, no Board Meetings or other committee meetings were held.

Regulation	Provision	Remark
Regulation 6 (1)	A listed entity to appoint a qualified company secretary as the compliance Officer.	The Company has not appointed any qualified company secretary as a Compliance office.
Regulation 7(3)	The listed entity to submit a Compliance Certificate to the exchange, duly signed by the compliance officer within one month for The Half Year Ended March 31, 2018	Since there was no Compliance Officer, Compliance Certificate under Regulation 7 (3) has been submitted by the Authorized Signatory on 4 th May, 2018 (delay of three days). The Stock Exchange(s) has taken the same on record.
Regulation 13(4)	The statement of investor complaints to be placed, on quarterly basis, before the board of directors of the listed entity.	Since no meetings of Board of Directors were held during the period under review, the Statement of Investor could not be placed before the Board.
Regulation 16(1)(c)	The listed entity shall formulate a policy for determining 'material' subsidiary.	The Company has not formulated a Policy for determining 'Material' subsidiary as required under Regulation 16.
Regulation 17 (1) (a) & (b) Regulation 17 (2), (3), (4), (5), (6), (7), (8), (9), (10) & (11)	Board of Directors	The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 23 rd March, 2018 pronounced the Commencement of Corporate Insolvency Resolution Process. As per Section 17 (b) of the IBC, 2016 the powers of the board of directors of the Corporate Debtor stands suspended from the Insolvency Commencement Date (ICD) viz. 23 rd March, 2018 Further, all the Board of Directors of the Company have resigned from the company and due to CIRP process, the Company could not appoint any directors on its Board. Hence, the Compliances under Regulation 17 with respect to Board of Directors not complied. However, the Resolution Professional conducted meetings on May 30, 2018, August 14, 2018, November 13, 2018, December 01, 2018 and February 14, 2019 for approval of financial results and other agendas.
Regulation 18 (1) (a), (b), (c) (d), (e) & (f)	Audit Committee	The Company being under Corporate Insolvency Resolution Process, the Compliances with respect to Regulation 18 (1) (a), (b), (c) (d), (e) & (f) of the LODR were not complied.
Regulation 19 (1), (2), (3) & (4)	Nomination and Remuneration Committee	Due to the Corporate Insolvency Resolution Process, the compliances with respect to nomination and remuneration committee under Regulation 19 (1), (2), (3) & (4) and the compliances regarding Stakeholders Relationship Committee Regulation 20 (1), (2), (3) & (4) were not complied.
Regulation 20 (1), (2), (3) & (4)	Stakeholder Relationship Committee	
Regulation 21 (1), (2) (3) (4) & (5)	Risk Management Committee	Since there were no Board of Directors, a risk-management committee was not constituted by the Board and relevant compliances under Regulation 21 (1), (2) (3) (4) & (5) were not complied.

Regulation	Provision	Remark
Regulation 23(3)(d)	The Audit Committee to review details of Related Party Transactions (RPT) on a Quarterly basis.	The Company being under Corporate Insolvency Resolution Process, no meetings of audit committee held during period under review and hence, related party transactions could not be reviewed.
Regulation 25 (1) (2), (3), (4), (5), (6), (7), (8), (9) & (10)	Obligation with respect to Independent Directors	Since there were no directors on the Board of the Company, the compliances with respect Regulation Regulation 25 (1) (2), (3), (4), (5), (6), (7), (8), (9) & (10) were not complied.
Regulation 26 (1) (2), (3), (4), (5) & (6),	Obligation in respect to employees and Senior Management	There were no Board of Director or KMP's during the period under review and hence, the compliance under Regulation 26 (1) (2), (3), (4), (5) & (6) could not be fulfilled.
Regulation 30(5)	The Board of Directors of the listed entity to authorize one or more KMPs for purpose of determining material event or information for the purpose of making disclosure to stock exchange and contact detail of such person shall also be disclosed on stock exchange and website of the company	Due to the Corporate Insolvency Resolution Process, the compliances under Regulation 30 (5) could not be complied.
Regulation 31 (1)	Shareholding pattern report within 21 days from the end of the quarter.	The Company has made its best efforts to comply with the regulations, except, the Shareholding pattern for the quarter ended September 2018 was submitted on 23 rd October, by delay of one day.
Regulation 33 (3)(d)	Financial results along with Auditors report to be submitted to the stock exchange within 60 days of the end of the financial year	The Company had submitted Financial results along with Auditors report to stock exchange by delay of two days and the exchanges have levied a penalty of Rs. 15,000/- which was duly paid by the company.
Regulation 34	Listed Entity is required to submit to the Stock Exchange, Annual Report within 21 working days which is approved and adopted in AGM.	The Company vide its letter dated 28 th September, 2018 informed the respective Stock Exchanges regarding extension of 42 nd Annual General Meeting pursuant to Section 96 (1) of the Companies Act, 2013. Accordingly, the 42 nd Annual General Meeting of the Company was held on 31 st December, 2018 and Annual Report of the Company was submitted to BSE & NSE on 14 th January, 2019, which is within 21 working days from date of Approval at the AGM.
Regulation 40(2)	The Board of Directors and/or the delegated authority shall attend to the formalities pertaining to transfer of securities at least once in a fortnight.	As per Section 17 (1) (b) of the IBC, 2016 the Powers of the board of Directors of the Company / Corporate Debtor stands suspended on commencement of Corporate Insolvency Resolution Process and further, all the Board of directors and KMPs of the corporate Debtors have resigned from the Company. Hence, the compliance related delegation of authority to attend to the formalities pertaining of transfer of securities could not be complied.
Regulation 46 (2)	The listed entity is required to disseminate certain information on its website.	The Company was into CIRP Process and since there were no directors on the Board, the relevant information under Regulation 46 (2) (b), (c), (d), (i) & (j) is not provided.

COMPANIES ACT, 2013 READ WITH RULES MADE THEREUNDER

Section/Rule	Provision	Remark
Section 92 and 134	Annual Return and Financial Statements	Since there are no directors or KMP's in the Company during the period under review, the Company could not file Financial Statements for the year ended 2017-2018 and Annual Return under Section 92 and Section 134 of the Companies, Act, 2013 with the Registrar of Companies (RoC).
Section 96	Annual General Meeting	The Company had submitted an application dated 28 th September, 2018 seeking approval of Registrar of Companies for extension of 42 nd Annual General Meeting pursuant to Section 96 (1) of the Companies Act, 2013. However, the Company could not file relevant form GNL-1 as there were no directors on the Board of the Company and hence, no approval was received from RoC. The Company held its 42 nd Annual General Meeting on 31 st December, 2018.
Section 118 r/w Rule 25(1 (e))	Minutes of the Board meeting shall be kept at registered office and shall be in the custody of CS.	The Company being under Corporate Insolvency Resolution Process from 23 rd March, 2018, the powers of board stands suspended and such powers vests with Interim Resolution Professional or Resolution Professional appointed by the Adjudicating Authority. No Board or other committee meetings were held during the year and since there is no Company Secretary in the Company the compliance with respect to Rule 25 (1) (e) is not complied for the period under review.
Section 149	Company to have Board of Directors	Since all the directors resigned from the Board and due to the commencement of Corporate Insolvency Resolution Process, the constitution Board and other relevant compliances under Section 149 were not complied.
Section 168 r/w rule 15	Filing of form DIR-12 for intimation of resignation of directors and KMP's	Mr. Himanshu Mohapatra, CEO, resigned from the Company w.e.f. 01.06.2018 and filed DIR-11 with RoC, However, the Company has not filed DIR-12 as there were no directors on the Board to file the required forms.
Section 173	Meeting of Board of Directors	
Section 135, 177 and 178	Corporate Social Responsibility Committee, Audit Committee and Nomination and remuneration Committee	Since there were no directors of the Board of the Company and due to the Corporate Insolvency Resolution Process, no meetings of Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and Risk Management Committee were held during the period under review.
Section 203	Appointment of Key Managerial Personnel	There are no KMP's in the Company during the period under review.

Form No. AOC-2**Annexure - IV****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: -
There were no related party transaction during the FY 2018-19.
2. Details of material contracts or arrangement or transactions at arm's length basis
Not Applicable as there were no related party transactions during the year under review.

For and on behalf of the Company

Resolution Professional

Date : August 13, 2019

Place: Mumbai

Annexure -V

ANNEXURE TO THE RP REPORT

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
for the Financial Year ended MARCH 31, 2019[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L45202MH1976PLC019135
Registration Date	19/07/1976
Name of the Company	Petron Engineering Construction Ltd
Category / Sub-Category of the Company	Public Company / Limited by Shares
Address of the Registered office and contact details	6 th Floor, Swastik Chambers, Sion Trombay Road, Chembur, Mumbai 400071 Tel No: 022-40856200 Fax No: 022-40856250 E-Mail: corporate@petronengineering.com Website: www.petronengineering.com
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd. C – 101, 247 Park, LBS Marg, Vikhroli West, Mumbai – 400 083 Tel No: 022-49186000 Fax No: 022- 49186060 E-Mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
	N.A.		

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the company	CIN/GLN	Holding/ subsidiary / associate	% of Shares Held	Applicable section
1	KSS PETRON PVT. LTD.	U45400MH2007PTC234297	Holding	52.34%	2(87)(II)
2	KAZSTROY SERVICE GLOBAL B.V.	-	Ultimate Holding	20.13%	2(87)(II)

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

i) Category-wise Share Holding

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	3945393	0	3945393	52.3373	3945393	0	3945393	52.3373	0.0000
	Sub Total (A)(1)	3945393	0	3945393	52.3373	3945393	0	3945393	52.3373	0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Bodies Corporate	1517810	0	1517810	20.1344	1517810	0	1517810	20.1344	0.0000
	Sub Total (A)(2)	1517810	0	1517810	20.1344	1517810	0	1517810	20.1344	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	5463203	0	5463203	72.4717	5463203	0	5463203	72.4717	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Financial Institutions / Banks	100	150	250	0.0033	100	150	250	0.0033	0.0000
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	UTI	0	200	200	0.0027	0	200	200	0.0027	0.0000
	Sub Total (B)(1)	100	350	450	0.0060	100	350	450	0.0060	0.0000
[2]	Central Government/ State Government(s)/ President of India									
	Central Government / State Government(s)	26094	0	26094	0.3461	0	0	0	0.0000	-0.3461
	Sub Total (B)(2)	26094	0	26094	0.3461	0	0	0	0.0000	-0.3461
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1160027	61557	1221584	16.2048	1316196	57552	1373748	18.2233	2.0185
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	460398	0	460398	6.1074	358487	0	358487	4.7555	-1.3519
(b)	NBFCs registered with RBI	0	0	0	0.0000	490	0	490	0.0065	0.0065
(c)	Employee Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)									

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2018				Shareholding at the end of the year - 2019				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(e)	Any Other (Specify) IEPF	0	0	0	0.0000	26094	0	26094	0.3461	0.3461
	Hindu Undivided Family	112103	0	112103	1.4871	84489	0	84489	1.1208	-0.3663
	Non Resident Indians (Non Repat)	16148	450	16598	0.2202	16720	450	17170	0.2278	0.0076
	Non Resident Indians (Repat)	23933	0	23933	0.3175	19210	0	19210	0.2548	-0.0627
	Clearing Member	33147	0	33147	0.4397	30577	0	30577	0.4056	-0.0341
	Bodies Corporate	180890	0	180890	2.3996	164482	0	164482	2.1819	-0.2177
	Sub Total (B)(3)	1986646	62007	2048653	27.1762	2016745	58002	2074747	27.5224	0.3462
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	2012840	62357	2075197	27.5283	2016845	58352	2075197	27.5283	0.0000
	Total (A)+(B)	7476043	62357	7538400	100.0000	7480048	58352	7538400	100.0000	0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	7476043	62357	7538400	100.0000	7480048	58352	7538400	100.0000	

(ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year-2018			Share holding at the end of the year-2019			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	KSS PETRON PVT. LTD.	3945393	52.34	NIL	3945393	52.34	NIL	0.00
2	KAZSTROYSERVICE GLOBAL B.V.	1517810	20.13	NIL	1517810	20.13	NIL	0.00
	Total	5463203	72.47	NIL	5463203	72.47	NIL	0.00

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

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	KSS PETRON PRIVATE LIMITED	3945393	52.3373			3945393	52.3373
	AT THE END OF THE YEAR					3945393	52.3373
3	KAZSTROYSERVICE GLOBAL B.V.	1517810	20.1344			1507680	20.1344
	AT THE END OF THE YEAR					1517810	20.1344

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

Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
MITESH N MEHTA	371999	4.9347			371999	4.9347
Transfer			13 Apr 2018	(15999)	356000	4.7225
Transfer			21 Sep 2018	4200	360200	4.7782
Transfer			22 Feb 2019	(12200)	348000	4.6164
Transfer			01 Mar 2019	(24000)	324000	4.2980
Transfer			08 Mar 2019	(20000)	304000	4.0327
Transfer			15 Mar 2019	(32000)	272000	3.6082
AT THE END OF THE YEAR					272000	3.6082
JAMISH INVESTMENT PVT. LTD.	0	0.0000			0	0.0000
Transfer			19 Oct 2018	30000	30000	0.3980
AT THE END OF THE YEAR					30000	0.3980
INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	26094	0.3461			26094	0.3461
AT THE END OF THE YEAR					26094	0.3461
SANTOSH GOENKA	2800	0.0371			2800	0.0371
Transfer			13 Jul 2018	1582	4382	0.0581
Transfer			20 Jul 2018	6000	10382	0.1377
Transfer			08 Feb 2019	500	10882	0.1444
Transfer			22 Feb 2019	6749	17631	0.2339
AT THE END OF THE YEAR					17631	0.2339
NITIN TANDON	21000	0.2786			21000	0.2786
Transfer			21 Dec 2018	(5525)	15475	0.2053
AT THE END OF THE YEAR					15475	0.2053
BACHH RAJ NAHAR	0	0.0000			0	0.0000
Transfer			25 Jan 2019	9068	9068	0.1203
Transfer			01 Feb 2019	7000	16068	0.2131
Transfer			15 Mar 2019	(2031)	14037	0.1862
AT THE END OF THE YEAR					14037	0.1862
M UNNIKISHNAN	950	0.0126			950	0.0126
Transfer			06 Apr 2018	650	1600	0.0212
Transfer			13 Apr 2018	375	1975	0.0262
Transfer			20 Apr 2018	125	2100	0.0279
Transfer			18 May 2018	375	2475	0.0328
Transfer			25 May 2018	325	2800	0.0371
Transfer			08 Jun 2018	300	3100	0.0411
Transfer			30 Jun 2018	400	3500	0.0464
Transfer			06 Jul 2018	550	4050	0.0537
Transfer			13 Jul 2018	1500	5550	0.0736
Transfer			27 Jul 2018	796	6346	0.0842
Transfer			17 Aug 2018	154	6500	0.0862
Transfer			14 Sep 2018	500	7000	0.0929
Transfer			12 Oct 2018	200	7200	0.0955
Transfer			19 Oct 2018	250	7450	0.0988
Transfer			22 Feb 2019	900	8350	0.1108
Transfer			01 Mar 2019	2150	10500	0.1393
Transfer			08 Mar 2019	1000	11500	0.1526
Transfer			22 Mar 2019	500	12000	0.1592
Transfer			29 Mar 2019	2000	14000	0.1857
AT THE END OF THE YEAR					14000	0.1857

Name & Type of Transaction	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
VIKASH KUMAR BAID	13020	0.1727			13020	0.1727
Transfer			06 Jul 2018	(13020)	0	0.0000
Transfer			12 Oct 2018	13020	13020	0.1727
AT THE END OF THE YEAR					13020	0.1727
DEEPAK ANANT KHARKAR	1650	0.0219			1650	0.0219
Transfer			21 Dec 2018	1000	2650	0.0352
Transfer			28 Dec 2018	157	2807	0.0372
Transfer			04 Jan 2019	1714	4521	0.0600
Transfer			11 Jan 2019	629	5150	0.0683
Transfer			01 Feb 2019	500	5650	0.0749
Transfer			22 Feb 2019	3081	8731	0.1158
Transfer			01 Mar 2019	1188	9919	0.1316
Transfer			15 Mar 2019	1000	10919	0.1448
Transfer			29 Mar 2019	1880	12799	0.1698
AT THE END OF THE YEAR					12799	0.1698
APARNA SAREES PRIVATE LIMITED	11964	0.1587			11964	0.1587
Transfer			06 Jul 2018	(11964)	0	0.0000
Transfer			19 Oct 2018	11964	11964	0.1587
AT THE END OF THE YEAR					11964	0.1587
GAJGAMINI INVESTMENTS AND FINANCE PVT LTD	20968	0.2781			20968	0.2781
Transfer			06 Jul 2018	(1487)	19481	0.2584
Transfer			13 Jul 2018	(19481)	0	0.0000
AT THE END OF THE YEAR					0	0.0000
VIMESH NAVINCHANDRA ZAVERI	20000	0.2653			20000	0.2653
Transfer			13 Jul 2018	(20000)	0	0.0000
AT THE END OF THE YEAR					0	0.0000
H G MURARKA	19950	0.2646			19950	0.2646
Transfer			22 Jun 2018	(4613)	15337	0.2035
Transfer			30 Jun 2018	(12169)	3168	0.0420
Transfer			06 Jul 2018	(3168)	0	0.0000
AT THE END OF THE YEAR					0	0.0000
BRN COMMODITIES AND TRADING CO PRIVATE LIMITED	17871	0.2371			17871	0.2371
Transfer			06 Jul 2018	(17871)	0	0.0000
AT THE END OF THE YEAR					0	0.0000
DHAVAL PRADUMAN PATEL	15100	0.2003			15100	0.2003
Transfer			06 Apr 2018	(7000)	8100	0.1074
Transfer			08 Jun 2018	(8100)	0	0.0000
AT THE END OF THE YEAR					0	0.0000
SUNIL KUMAR KANDOI	13279	0.1762			13279	0.1762
Transfer			06 Apr 2018	118	13397	0.1777
Transfer			13 Apr 2018	(1644)	11753	0.1559
Transfer			20 Apr 2018	(2657)	9096	0.1207
Transfer			27 Apr 2018	(2812)	6284	0.0834
Transfer			04 May 2018	(600)	5684	0.0754
Transfer			11 May 2018	(3187)	2497	0.0331
Transfer			18 May 2018	(497)	2000	0.0265
Transfer			25 May 2018	(2000)	0	0.0000
AT THE END OF THE YEAR					0	0.0000

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year	NIL	NIL	NIL	NIL

(V) INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,062.49	2,498.97		14,561.47
ii) Interest due but not paid				-
iii) Interest accrued and due	243.42	702.91		946.34
iv) Interest accrued but not due				-
Total (i+ii+iii+iv)	12,305.92	3,201.89	-	15,507.80
Change in Indebtedness during the financial year				
Addition	1,799.19	16,969.19		18,768.37
Reduction	(11,410.92)			(11,410.92)
Interest accrued and due		294.73		294.73
Interest accrued but not due	-			-
Net Change	(9,611.73)	17,263.92	-	7,652.19
Indebtedness at the end of the financial year				
i) Principal Amount	2,694.18	19,468.16		22,162.34
ii) Interest due but not paid				-
iii) Interest accrued and due	-	997.64		997.64
iv) Interest accrued but not due				-
Total (i+ii+iii+iv)	2,694.18	20,465.80	-	23,159.99

I. REMUNERATION OF DIRECTORS AND KEY MANAGERIALPERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1	Gross Salary	NIL	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	NIL	-
	(b) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	-
	(c) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	-
2	Stock Option	NIL	-
3	Sweat Equity	NIL	-
4	Commission	NIL	-
	- as % of profit	NIL	-
	- others, specify.....	NIL	-
5	Others, please specify (Incentive)	NIL	-
	Total (A)	NIL	-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
1	Independent Directors	NIL	-	NIL
	- Fee for attending board committee meetings	NIL	-	NIL
	- Commission	NIL	-	NIL
	- Others, please specify	NIL	-	NIL
	Total (1)	NIL	-	NIL
2	Other Non-Executive Directors	NIL	-	NIL
	- Fee for attending board committee meetings	NIL	-	NIL
	- Commission	NIL	-	NIL
	- Others, please specify	NIL	-	NIL
	Total (2)	NIL	-	NIL
	Total (8)=(1+2)	NIL	-	NIL
	Total Managerial Remuneration	NIL	-	NIL

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel
		CFO
1	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	514781 (for 2 months only)
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	35547
2	Stock Option	NIL
3	Sweat Equity	NIL
4	Commission	
	- as % of profit	NIL
	- others, specify.....	NIL
5	Others, please specify (Incentive)	NIL
	Total	550328

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / C O U R T]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			NONE		
Punishment					
Compounding					

Annexure VI

Petron Engineering construction Limited

Annual Report on the CSR activities

1.	A brief outline of the Company's CSR Policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes				The CSR Policy of the Company inter alia includes CSR activities to be undertaken by the Company in line with Schedule VII of the Companies Act, 2013. CSR Policy of the Company is available on the website of the Company at www.petronengineering.com			
2.	The composition of the CSR Committee				The Company does not have a CSR Committee.			
3.	Average Net Profit of the Company for last three financial years				(-) 6791.54 Lacs			
4.	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)				(-) 135.83 Lacs			
5.	Details of CSR spent during the financial year:							
	a.	Total amount to be spent for the financial year			NIL			
	b.	Amount unspent, if any			(-) 135.83 Lacs			
	c.	Manner in which the amount spent during the financial year is detailed below			-			
	Sr. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1.Local area/ others 2.specify the state and District where projects or programmes were undertaken	Amount outlay (budget): Project or Programme wise	Amount spent on the project/ programme Sub-heads: 1.Direct expenditure on projects or programmes 2.Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
	NIL							

6. In case, the Company has failed to spend the two percent of the average net profit of the last 3 financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:

The Company has formulated its CSR policy in accordance with the directions specified in the Companies Act, 2013 read with Rules thereto. The Company is passing through a very bad financial crisis since more than last five years. The Company is having huge amount of outstanding receivables which has not been written off in the Books of Accounts. Due to huge amount of outstanding receivables, the cash flow of the Company is stressed and Company is incurring huge losses from the past three financial years and hence the Company has not conducted any CSR activities.

For and on Behalf of the Board of Directors

Resolution Professional

Date : August 13, 2019

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY STRUCTURE & DEVELOPMENTS

Indian economy showed early signs of growth post various initiatives and reform measures undertaken by the Central Government. The Company believes that public and private investment spending to drive the capex growth will be critical to India's growth outlook. The Government has taken measures to boost spending by increasing the capex allocation towards infrastructure projects by reforms in the budget. The Government is also taking various initiatives to unlock stuck investments in the core and infrastructure projects, revive investments from the private sector by reforming policy, improving the ease of doing business and accelerating the project related activities. Post the regime change in India's federal Government, there have been firm signals of development agenda and pushing of reforms required to revitalize the economy.

The Government has taken measures to revive the economy by modifying FDI policies for various industries, pushing hard for infrastructure spending and towards creating smart cities. Reforms to create flexibility in labour markets, safety net for the unorganized sector and passing of GST to create a common market will go a long way to take the growth momentum to a different level. The power sector in India continue to be victimized by structural issues like fuel shortages, poor financial health of State run power distribution companies and numerous regulatory issues. The demands for power in India continue to grow with increasing industrialization and faster urbanization.

We have been seeing a significant impact of "Make in India" initiative by the Government of India. This should boost the manufacturing activity and fast industrialization. This will also create demand for construction activities particularly in Cement and Power Sectors.

The Govt. of India has come out with a Comprehensive Reform Program for the Power Sector called "Ujwal Discom Assurance Yojna" (UDAY), envisaging financial and operational turn-around of Electrical Distribution Companies.

This scheme is beneficial because it provides for affordable power to all, financial turn-around to Power Distribution Companies and increases the Renewal Energy penetration.

With the concept of "Make in India" and scheme of UDAY, the demand for power is expected to rise year on year basis. We are expecting more Power Plants as well as Renewable Energy Projects coming up in the near future.

Further, Thermal Power Plants which are stalled for non-availability of coal- linkage are also expected to get the coal linkage from the Government of India under the Coal Allocation Policy and therefore your Company will have immense opportunity in the Power Sector.

The construction of Roads has been accelerated and this has paved huge demand for Cement and Steel and therefore your Company is expecting good amount of jobs in construction of cement plants in the near future.

Over a period of time, your Company has developed the capabilities of executing vertical construction contracts covering below mentioned comprehensive scope across all sectors, which will be preferred mode of execution of future contracts and multiple project execution simultaneously.

Composite Construction Solutions are as follows:

- Civil & Structural Works
- Mechanical & Engineering Work
- Equipment Erection Works
- Shutdown Work
- Piping Works
- Offsite Fabrication Works
- Electrical & Instrumentation Works
- Refractory & Insulation Works

2. OPERATIONS DIVISION WISE ENGINEERING & CONSTRUCTION

During the year (2018-2019) following contract was successfully completed:

- Above Ground Piping Works for SEZ PCG CO-SHIFT TRAIN-2 for J3 Project of Reliance Industries Limited, Jamnagar.
- Civil and Structural work for JSW Cement Ltd. 2x1.2 MTPA Clinker and Slag Grinding Unit of JSW Cements Limited at Salboni, Paschim Medinipur, West Bengal.
- Civil work of Plant Building & Silos i.e. Stacker & Reclaimer, Crusher, VRM-II and Miscellaneous Work at Karnataka (Kodla) Cement Project For M/s. Shree Cements Limited, Rajasthan.
- Civil and Structural work for 1.2 MTPA Cement Grinding plant at Jajpur, Odisha For M/s. JSW Cements Limited.

The work on the following projects substantially progressed during the year (2018-2019):

- Civil work of Plant Building & Silos Miscellaneous Work for Odisha Grinding Project at Village: Chandrabali, Shyampur Distt, Cuttack, Odisha for M/s. Shree Cements Limited, Rajasthan.

- Carrying out Civil & Structural, "Fabrication & erection of SS Piping (inside plant area) and Erection of Equipments" Electrical and instrumentation works on Cost Plus basis. Pertaining to LNG Re-gasification Project of M/s IOLPL at Ennore Port, Chennai for M/s. KSS Petron Pvt. Ltd., Gurgaon.
- Civil and Mechanical works for Line II project at Kolaghat Grinding Unit, West Bengal For M/s. The Ramco Cements Limited, Tamilnadu.

The Work on the following recently awarded projects have commenced:

- Carrying out Civil & Structural, "Fabrication & erection of SS Piping (inside plant area) and Erection of Equipments" Electrical and instrumentation works on Cost Plus basis. Pertaining to LNG Re-gasification Project of M/s IOLPL at Ennore Port, Chennai for M/s. KSS Petron Pvt. Ltd., Gurgaon (Amendment Order)
- Civil and Mechanical works for Line II project at Kolaghat Grinding Unit, West Bengal For M/s. Ramco Cements Limited, Tamilnadu (Amendment Order)

ELECTRICAL & INSTRUMENTATION

During the year (2018-2019) following contract has been completed:

- Construction of Electrical & Instrumentation Work (SEZ-AGR) for J3 Project of Reliance Industries Limited, Jamnagar

Presently, the following Orders of the Division are under execution:

- Supply and erection Contract for Inland transportation, Insurance, Installation, testing, commissioning and conducting Guarantee tests under Electrical equipment supply & erection Package for Vindhyaachal Super Thermal Power Project, Stage V (1 x 500MW) for National Thermal Power Corporation Limited
- Supply and erection Contract for Inland transportation, Insurance, Installation, testing & commissioning of "Electrical equipment supply & erection Package" for Kudgi STPP, stage I (3x800 MW) for National Thermal Power Corporation Limited

ROCKWOOL INSULATION & REFRACTORY

During the year, the division has successfully completed the following contracts:

- No Orders during F.Y. 2018-19

Presently, the following orders of the Division are under execution:

- No Orders during F.Y. 2018-19

PETROFAB DIVISION

- No work carried out by Petrofab during F.Y. 2018-19

3. ACHIEVEMENTS

Your Company has successfully completed safe man-hours at Bharat Petroleum Corporation Ltd. (BPCL), Kochi, Kerala; JSW Cement, Salboni, West Bengal; The Ramco Cements Ltd., Jayanthipuram; Ultratech Ltd., **UTCL Nagpur site, Technip (JBF) Mangalore, Shree Cement (Aurangabad), Reliance (Jamnagar).**

Your Company **has also received Best Safety Performance-2016 Trophy from** National Thermal Power Corporation Limited, Kudgi, Karnataka; Certificate of Excellence (first prize) from Bharat Petroleum Corporation Ltd. (BPCL), Kochi, Kerala; Certificate of Excellence and other awards from The Ramco Cements Ltd., Jayanthipuram.

Your Company has also received "Certificate of Merit" from Nation Safety Council of India-Maharashtra chapter for achieving "ZERO Accident Frequency Rate" in the contest year-2015 for our UTCL Project, Nagpur.

4. OUTLOOK

The year 2018-19 has been challenging year. However, PECL booked orders aggregating to Rs. 25.83 Crores.

With the expansion of various refineries and fertilizer plant, we have started getting new enquiries from our clients and expect to get new purchase orders for Carrying out Electro mechanical construction work.

The Major Orders received during 2018-2019 are as follows:

Sr No	Client	Description	Order Value (Rs. In Cr)
1	M/s The Ramco Cements Limited	Civil and Mechanical works for Line II project at Kolaghat Grinding Unit, West Bengal	12.16
2	M/s Indian Oil LNG Pvt. Ltd	Civil & Structural, "Fabrication & erection of SS Piping (inside plant area) and Erection of Equipments" Electrical and instrumentation works	13.67
Total Amount			25.83

FY 2018-19, will bring prospects for sectors like Refinery, Petrochemical, Power, Cement and Fertilizer etc.

Infrastructure sector is a key driver for the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. The Government of India is taking every possible initiative to boost the infrastructure sector. Therefore, your Company is foreseeing tremendous opportunity in the Cement sector.

The Indian power sector is undergoing a significant change that has redefined the Industry outlook. Sustained economic growth and "Make in India" initiative will continue to drive power demand in India. The Government of India's focus to attain 'Power For All' has accelerated capacity addition in the country. Therefore, the Power Sector is expected to throw ample opportunities to your Company which would be the key growth driver.

In the coming years, with the growth in Agriculture, Fertilizer Industry is also expected to grow. Your Company is expected to undertake construction jobs in the Fertilizer Industry.

5. OPPORTUNITIES

Government Initiatives

The Government of India has launched a major National Program "Make In India", which is been designed to facilitate investment, foster innovation, enhance skill development, build in best in class manufacturing in the country as well as protect intellectual property. The primary objective of this initiative is to attract investments from across the globe and strengthen India's manufacturing sector.

The "Make in India" program is very important for the economic growth of India as it aims at utilizing the existing Indian talent base, creating additional employment opportunities and empowering secondary and tertiary sector. "Make in India" program will be focusing on 25 sectors. These include: construction of roads highways, ports, railways, thermal power and, renewable energy.

This would give a boost to the Construction Industry as there would be major Cement Projects coming up giving an opportunity to your Company in Power & Cement sector.

Your Company though operating in midst of challenging market situation, is uniquely placed to survive & take its business forward. This is mainly due to the range of services it offers and to the variety of industries it caters to as under:

Cement

India has a lot of potential for development in the Infrastructure and Construction sector and the cement sector is expected to largely benefit from it. Cement Industry in India provides direct / indirect employment to a million people making it a vital part of Indian Economy. The industry is currently in a turnaround phase, trying to achieve global standards in production, safety, and energy-efficiency. On the back of growing demands, due to increased construction and infrastructural activities, the cement sector in India will lead to huge investments.

Major Companies are implementing expansion by awarding Turnkey/Composite construction contracts and therefore, your Company is taking necessary steps to participate in such contracts. Your Company is focused to achieve considerable volume in this sector. With Cement Company's trend of adding Grinding Units at various different locations, Petron is constantly focusing on the same.

Oil & Gas, Refineries, Petrochemicals

With the various expansion of Existing refineries and work on new refineries and petrochemical plants it is expected that your Company will look out for business opportunities in various refineries and petrochemical plants in the near future.

Already your company has received some new enquiries which are expected to be firmed up with in next couple of months.

Power

Power or Electricity is one of the most critical components of Infrastructure affecting economic growth and well-being of nations. The Indian power sector is one of the most diversified in the world. The demand for electricity in the country has been growing at a rapid rate. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required.

The Indian power sector is undergoing a significant change that is redefining the industry outlook. The concept of "Make in India" and the Government's focus to attain 'Power For All' has accelerated capacity addition in the country.

There is a large opportunity in Power Sector as there is a huge shortage of power due to increasing population and increased industrial consumption. However, due to supply constraints of coal and gas, major projects in the area of Thermal Power are not taking off. Your Company is looking forward to opportunities to get new orders in this sector.

Fertilizer

Agriculture plays a vital role in India's economy. Due to which the requirement of Fertilizer is very huge for the growth of Agriculture Sector as the consumption of food grains has increased due to the increased population.

Normal monsoons will lead to enhanced requirement of Fertilizer and therefore the growth in Fertilizer Sector is expected. Your Company is well placed to execute projects in Fertilizer sector in the coming years.

Steel

The Steel Industry reflects the overall economic growth of an economy in the long term as demand for steel is derived from other sectors like automobiles, consumer durables and infrastructure.

The Indian Steel Industry is very modern with state-of-the-art steel mills. It has always strived for continuous modernization and up-gradation of older plants and higher energy efficiency levels. India is expected to become the world's second largest producer of crude steel.

6. THREATS

As the Government of India is poised to bring in reforms, it will bring threats along with opportunities. Stiff competition from Companies in the field of hydro-carbon, Steel, cement and power sectors is expected as the economy is opening up for foreign direct investments.

7. FUTURE PROSPECTS

The recent passage of the Insolvency and Bankruptcy Code, 2016 ('IBC') has been a major change in the environment of the Company.

The Hon'ble National Company Law Tribunal ('NCLT'), Mumbai Bench, on 23rd March, 2018 admitted the application made by M/s. Kohinoor Crane Service and M/s. Industrial Gas Distributors, the Operational Creditors under Section 9 of the Insolvency and Bankruptcy Code, 2016 and pronounced the commencement of the Corporate Insolvency Resolution Process ('CIRP') of PETRON ENGINEERING CONSTRUCTION LIMITED and appointment of Mr. Rajeev Mannadiar as the Interim Resolution Professional ('IRP') vide its order dated 23rd March, 2018 in CP No. 1374/IBC/NCLT/MB/MAH/2017 & CP No. 1526/IBC/NCLT/MB/MAH/2017.

At the first meeting of Committee of Creditors ('CoC') of Petron, the members resolved to appoint Mr. Udayraj Patwardhan as the Resolution Professional ('RP'). Consequently, Mr. Udayraj Patwardhan was appointed as the RP pursuant to the Order of the Hon'ble NCLT, Mumbai vide order dated 6th August, 2018.

The Resolution Professional has invited Expression of Interest ('EoI') from prospective bidders for submission of Resolution Plans for revival of the Company. The Company has a good brand name in the industry and in the last 40 years it has established itself as a reliable EPC contractor.

REPORT ON CORPORATE GOVERNANCE

In terms of Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter also referred to as “SEBI (LODR) Regulations, 2015”), this Report alongwith the chapter on Management Discussion and Analysis reports on Petron Engineering Construction Limited’s (hereinafter also referred to as “the Company”) is a compliance report on Corporate Governance provisions applicable to specified listed companies in India.

Corporate Governance is a set of principles, processes and systems to be followed by the directors, management, and all employees of the Company for enhancement of shareholders’ value, keeping in view interests of other stakeholders. The integrity, transparency and compliance with laws in all dealings with government, customers, suppliers, employees and other stakeholders are the objectives of Good Corporate Governance.

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

In rapidly changing business and technological environment, the Company regularly reviews its strategic directions, operational efficiency and effectiveness, reliable reporting and compliances so as to meet various stakeholders’ expectations and long term sustainability. The Company’s philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adoption of corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders in a balanced and accountable manner.

2. BOARD OF DIRECTORS AND COMMITTEE MEETINGS (AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDERS’ RELATIONSHIP COMMITTEE)

The Company being under CIRP and there being no Directors on the Board, no Board or Committee Meetings were held during the year under review. However, the Resolution Professional has conducted meetings for the four quarters to take on record the Audited / Unaudited Financial Results of the Company during the Financial Year 2018-19.

3. GENERAL BODY MEETINGS

a) Details on Annual General Meeting held in last 3 years:

Sr. No. of Meeting	Year	Location / Venue	Date	Time
40 th	2015-16	The Bombay Presidency Golf Club Ltd., Dr. Choithram Gidwani Road, Chembur, Mumbai – 400 074	September 23, 2016	4:00 p.m.
41 st	2016-17	The Bombay Presidency Golf Club Ltd., Dr. Choithram Gidwani Road, Chembur, Mumbai – 400 074	September 28, 2017	3.30 p.m.
42 nd	2017-18	Swastik Chambers, 6 th Floor, Sion Trombay Road, Chembur, Mumbai 400071	December, 31, 2018	2.00 p.m.

b) Following were the Special Resolutions passed in the previous 3 Annual General Meetings:

2015-16 – Three

2016-17 – Nil

2017-18- Nil

September 25, 2015

1. Special resolution passed by the members under Section 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, to approve the draft regulations in conformity with the Companies Act, 2013 contained in Articles of Association submitted to the meeting in substitution and to the entire exclusion of the regulations contained in the existing Article of Association of the Company.
2. Special resolution passed by the members under Sections 196, 197 and 203 of the Companies Act, 2013 and Schedule V of the said Act, to approve re-appointment of Mr. Ajay Hans as Managing Director for the Company for the further period of 3 years on the same terms and conditions, including remuneration.
3. Special resolution passed by members under Sections 42 and 62 of the Companies Act, 2013 and other applicable provisions and pursuant to the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, to create, offer, issue and allot in one or more tranches, in the course of offering(s) in one or more domestic market, for a value of upto 75 Crores (Rupees Seventy-five Crores only), such number of Equity Shares, Fully Convertible Debentures (“FCDs”) and/or Non-convertible debentures (“NCDs”) with warrants, or any other financial instruments convertible into or linked to Equity Shares and/or any other instruments and/or combination of instruments with or without detachable warrants with a right exercisable by the warrant holders to convert or subscribe to the Equity Shares or otherwise, in

registered or bearer from including without limitation, the Securities as defined under the Securities Contract Regulation Act, 1956 and the rules made thereunder as amended from time to time etc., through public issue(s), Rights Issue(s), private placement(s), and/or qualified institutional placement.

September 23, 2016

1. Special resolution passed by the members under Sections 196, 197 and 203 of the Companies Act, 2013 and Schedule V of the said Act, to approve the amendment in payment of remuneration to Mr. Ajay Hans, Managing Director of the Company.
 2. Special resolution passed by the members under Section 94 of the Companies Act, 2013, to maintain Register of Members, Index of Members, Register of renewed and duplicate share certificates, copies of Annual Return, together with the copies of certificates and documents, required to be annexed thereto and other related books or any one or more of them at the office of the Company's Registrar and Transfer Agent viz. Link Intime India Pvt. Ltd. instead of the Registered Office of the Company.
 3. Special resolution passed by the members under Section 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, to approve amendment to the Articles of Association of the Company by insertion of Article 10A for granting of Employee Stock Option.
- c) Whether any special resolution passed last year through postal ballot – details of voting pattern:**
No special resolution was passed through postal ballot during the Financial Year 2018-19 by the Company.
- d) Person who conducted the postal ballot exercise:**
Not applicable since the Company did not propose to pass any resolution through Postal Ballot during the year under review.
- e) Whether any special resolution is proposed to be conducted through postal ballot:**
No special resolution is proposed to be conducted through postal ballot as on the date of this report.
- f) Procedure for postal ballot:**
Not applicable since the Company did not propose to pass any resolution through Postal Ballot during the year under review.

4. MEANS OF COMMUNICATION

- a) Financial Results, newspapers wherein results normally published and website where displayed:**
The Quarterly Un-Audited (Provisional) Results and the Annual Audited Financial results of the Company are submitted with the Stock Exchanges where the Company is listed, immediately after they are approved by the Board and are also published in one vernacular newspaper viz. "Navshakti" and one English newspaper viz. "The Free Press Journal". The financial results are also uploaded on the Company's website www.petroneengineering.com. The financial results are published in accordance with the guidelines of the Stock Exchanges.
- b) Whether it also displays official news releases and presentations made to institutional investors/analysts:**
Yes. The stock exchanges where the Company is listed and the website of the Company display official news releases and Presentations made to investors/ analysts on the day they are made/ released.

5. GENERAL SHAREHOLDER INFORMATION

- a) Annual General Meeting – date, time and venue:**
- | | |
|---------------------|---|
| Day and Date | : 27 th September, 2019 |
| Time | : 2:00 p.m. |
| Venue | : Registered Office of the Company
: Swastik Chambers, 6 th Floor, Sion Trombay Road, Chembur, Mumbai 400 071 |
- b) Financial Year** : 2018-19
- c) Dividend payment date** : NA
- d) Book Closure date** : Saturday, 21st September, 2019 to Friday, 27th September, 2019
(both days inclusive)
- e) Listing on Stock Exchanges** : Equity Shares of the Company are listed on:
- BSE Limited (BSE),**
25th Floor, P J Towers, Dalal Street, Mumbai – 400 001 and
- National Stock Exchange of India Limited (NSE),**
Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (East), Mumbai – 400 051
- The Company has already paid the annual listing fees for the Financial Year 2018-19 to the Stock Exchanges (BSE and NSE) within the prescribed time.

- f) **Stock Code** : BSE – 530381 & NSE - PETRONENGG
- g) **ISIN** : INE742A01019
- h) **Registrar and Transfer Agents** : **M/s. Link Intime India Private Limited**
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai – 400083
Tel: 022-49186000 | Fax No.: 022-49186060
E-Mail: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in
- i) **Share Transfer System** : Share Transfer requests received in physical form are registered within an average period of 15 days. The Board had delegated powers of approving transfer of shares/ debentures to the Managing Director and Company Secretary.
- The Board / Stakeholders Relationship Committee approved the requests for issue of duplicate Share Certificates etc. and with the assistance of the Company Secretary and Compliance Officer, redressed the complaints of the shareholders expeditiously.
- Consequent to the resignation of Managing Director and Company Secretary, the Resolution Professional (RP) appointed by the National Company Law Tribunal (NCLT) carries out the aforementioned functions.
- During the year no complaints was received from the shareholders of the Company.
- As on date of this report, none of the requests involving transfer of shares are under process.
- Requests for dematerialization received from the shareholders are effected within an average period of 15 days.
- j) **Distribution of Shareholding** : As per **Annexure-B**
- k) **Dematerialization of Shares and Liquidity** : 74,80,048 Equity Shares which constitute 99.22% of the paid-up Capital of the Company as on March 31, 2019 have been dematerialized.
- l) **Outstanding GDR/ADR/ Warrants or any convertible Instruments Conversion Date and impact on Equity** : Not Applicable since the Company has not issued any Global Depository Receipts or American Depository Receipts and there were no outstanding convertible warrants as on March 31, 2019.
- m) **Commodity price risk or Foreign Exchange risk and hedging activities** : Since the Company is not engaged in the field of manufacturing goods, disclosures on commodity price risk, foreign exchange risk and commodity hedging activity are not applicable to the Company.
- p) **Divisions & their Location** : **Rockwool Insulation Division**
Plot No. A-307, T.T.C. Industrial Area, Mahape,
Thane – Belapur Road, Thane
- Petrofab Division:**
Plot No. 224, Padra – Jambusar Road, Dabhasa, Baroda, 391 440, Gujarat
- q) **Address for Correspondence** **Registered office:**
Petron Engineering Construction Limited
Swastik Chambers, 6th Floor, Sion Trombay Road,
Chembur, Mumbai 400 071
- Tel** : 022 40856200 | Fax : 67973509/40856250
- E-Mail** : corporate@petronengineering.com
- Website** : www.petronengineering.com
- Shareholders correspondence should be sent to the above address. Shareholders holding any shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

Annexure-A

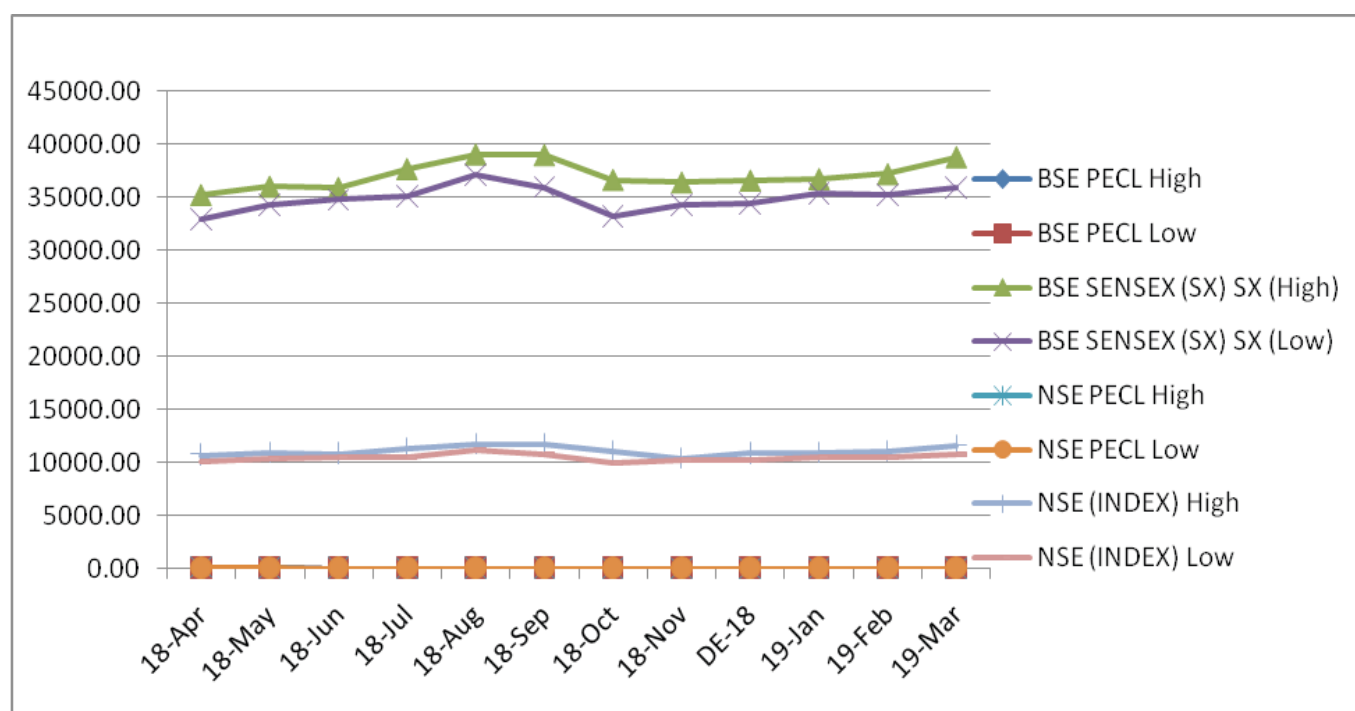
Stock Exchange Market Price data for the year 2018-2019

SENSEX / NIFTY

MONTH	BSE		BSE SENSEX		NSE		NSE (INDEX)	
	PECL		(SX)		PECL		High	Low
	High	Low	SX (High)	SX (Low)	High	Low		
APR-18	121.40	76.00	35213.30	32972.56	121.00	73.65	10759.00	10111.30
MAY-18	77.50	65.45	35993.53	34302.89	80.50	64.40	10929.20	10417.80
JUNE-18	66.00	31.15	35877.41	34784.68	70.35	30.35	10893.25	10550.90
JULY-18	42.70	23.00	37644.59	35106.57	41.85	22.45	11366.00	10604.65
AUG-18	51.80	36.50	38989.65	37128.99	52.75	37.05	11760.20	11234.95
SEPT-18	53.75	41.80	38934.35	35985.63	53.50	35.50	11751.80	10850.30
OCT-18	47.20	30.90	36616.64	33291.58	48.90	25.55	11035.65	10004.55
NOV-18	51.15	34.30	36389.22	34303.38	49.65	39.00	10441.90	10341.90
DEC-18	42.90	35.25	36554.99	34426.29	42.15	34.85	10905.15	10333.85
JAN-19	39.65	34.55	36701.03	35375.51	40.10	30.70	10987.45	10583.65
FEB-19	34.55	19.60	37172.18	35287.16	34.65	18.95	11118.10	10585.65
MARCH-19	22.10	17.55	38748.54	35926.94	21.80	17.10	11630.35	10817.00

Annexure - A

Stock Exchange Market Price data for the year 2018-2019



Note : BSE - The Stock Exchange - Mumbai
 NSE - The National Stock Exchange of India
 SX - BSE Sensex
 INR - Indian Rupees

Annexure-B

Distribution of Shareholding as on March 31, 2019

Number of Shares		Shareholders		Shareholding	
		Number	% to total	Number	% to total
(1)	(2)	(3)	(4)	(5)	(6)
Upto	500	5646	89.79	634311	8.42
501	1000	332	5.28	262630	3.48
1001	2000	169	2.69	250843	3.33
2001	3000	61	0.97	154647	2.05
3001	4000	24	0.38	86150	1.14
4001	5000	23	0.37	104262	1.38
5001	10000	19	0.30	132459	1.76
10001	above	14	0.22	5913098	78.44
Total		6288	100.00	75,38,400	100.00

Categories of Shareholders as on March 31, 2019

Category of Shareholders	No. of Shares Held	% of Shareholding
Promoters' Shareholding	5463203	72.472
Banks	250	0.003
Bodies Corporate	164482	2.182
NRIs / OCBs	36380	0.482
Unit Trust of India	200	0.003
Hindu Undivided Family	84489	1.121
Public	1732235	22.979
Clearing Members	30577	0.406
NBFCs registered with RBI	490	0.006
Investor Education Protection Fund	26094	0.346
Total	75,38,400	100.00

1. OTHER DISCLOSURES

a) Disclosures on materially significant Related Party Transactions:

The Company has formulated a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The policy has been disclosed on the website of the Company at www.petroneengineering.com. Web link for the same is <http://www.petroneengineering.com/policies/related-party-transaction-policy>.

During the Financial Year 2018-19, there were no material transactions with related party that may have potential conflict with the interests of the Company at large.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years:

The Company has generally complied with provisions of the SEBI (LODR) Regulations, 2015, however instances of non-compliance have been provided in the Report of the Secretarial Auditors which form part of the Board's Report of the Company as well as under the Certificate on Corporate Governance.

The Stock Exchanges has imposed penalties on the Company for the following non-compliances during the last three years:

1. Regulation 33 LODR Regulation – Non-compliance for the quarter ended June 30, 2015
2. 41 Listing Agreement – Non-compliance for the quarter ended March 31, 2015
3. 49 II A of Listing Agreement – Non-appointment of woman director on the Board of the Company.
4. Regulation 34 of LODR - Non- Compliance of Annual report submit to the stock exchange within 21 days from the last date of the AGM in the year 2018-19
5. Regulation 31 of LODR – Non Compliance of quarter ended September 30, 2018.
6. Regulation 6 (1) of LODR – Non-compliance in appointment of the Compliance officer of the Company in the Financial year 2018-19

7. Regulation 27 of LODR - Noncompliance in filing the Corporate Governance Report from the quarter ended June, 2018 however The Company had emailed Corporate Governance Report for the Quarter ended June, 2018 on 13th July, 2018 to BSE

c) Risk Management Framework:

The company has a mechanism to inform the management about the Risk Assessment and Minimization procedure to ensure that the risk is controlled by the Executives.

d) Details of establishment of Whistle-Blower Policy / Vigil Mechanism and affirmation that no personnel has been denied access to the Audit Committee:

The Company promotes ethical behaviour in all its business activities and in line with the best international governance practices. The Company has established this policy to provide opportunity to employees to access in good faith, to the Whistle Blowing Investigation Committee (WBIC) in case they observe unethical and improper practices or any other wrongful conduct in the Company. This policy protects such employees from any adverse action being taken against them.

The above mechanism has been appropriately communicated within the Company across all levels and has been displayed on the Company's intranet as well as on the Company's website www.petronengineering.com. Web link for the same is <http://www.petronengineering.com/policies/whistle-blower-policy>.

e) Web link where policy for determining 'material' subsidiaries is disclosed:

The Company does not have any subsidiaries and also no Policy for determining 'Material' subsidiaries has been formulated.

f) Disclosure of commodity price risks and commodity hedging activities:

Since the Company is not engaged in the field of manufacturing goods, disclosures on commodity price risk, foreign exchange risk and commodity hedging activity are not applicable to the Company.

g) Disclosure on compliance with Corporate Governance

The Company has generally complied with the Corporate Governance provisions of the SEBI (LODR) Regulations, 2015, however instances of non-compliance have been provided in the Report of the Secretarial Auditors which form part of the Board's Report of the Company.

h) CEO/CFO Certification

In terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015, the Resolution Professional has certified, with regards to the financial statements and other matters specified in the said regulation, for the financial year 2018-19. The said Certificate forms part of the Annual Report.

6. DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN LISTING REGULATIONS AND COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has generally complied with provisions of the SEBI (LODR) Regulations, 2015, however instances of non-compliance have been provided in the Report of the Secretarial Auditors which form part of the Board's Report of the Company as well as under the Certificate on Corporate Governance.

7. COMPLIANCE WITH NON-MANDATORY / DISCRETIONARY REQUIREMENTS

1. The Board:

The Company being under CIRP, no designated Chairman from the Board Members was appointed.

2. Shareholders' Rights:

Financial Results for the half year / quarter ended September 30, 2018 were published in the "Free Press Journal" and "Navshakti" newspapers and were also displayed on the Company's website and disseminated to the Stock Exchanges (i.e. BSE & NSE) wherein its equity shares are listed, hence the same are not sent to the shareholders separately.

3. Modified opinions in Audit Report:

For the financial year 2018-19, the Auditors have expressed modified opinions on the financial statements of the Company. The said modifications and Company's response with regard to the same is provided in the Board's Report.

4. Separate posts of Chairman and CEO:

No separate persons have been appointed by the Company to the post of Chairman and Chief Executive Officer.

5. Reporting of Internal Auditors:

The Internal Auditors of the Company reported directly to the Resolution Professional.

8. CERTIFICATE FROM THE PRACTICING COMPANY SECRETARY

Certificate from the Practicing Company Secretary confirming compliance with the conditions of Corporate Governance as stipulated under SEBI (LODR) Regulation, 2015 is annexed to the Directors' Report forming part of the Annual Report. This Certificate is also being forwarded to the Stock Exchange along with the Annual Report of the Company.

9. GREEN INITIATIVE IN THE CORPORATE GOVERNANCE

As part of the green initiative process, the Company has taken initiative of sending documents like Notice calling Annual General Meeting, IRP's Report, Corporate Governance Report, Audited Financial Statements, Auditors' Report, etc. by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the above documents in paper mode.

10. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:

In compliance with Regulation 39(4) read with Schedule VI of the SEBI LODR Regulations 2015, the Company has opened a demat suspense account in the name of Petron Engineering Construction Limited dividend account to which unclaimed shares have been transferred.

Voting rights on these shares have been frozen till the rightful owner of such shares claims the shares. The details of unclaimed shares as on March 31, 2019 are as follows:

Particulars	No. of shareholders	No. of Equity Shares
Aggregate number of Unclaimed shares lying in the suspense account as on April 01, 2018	346	48,824
Details of shareholders who approached the Company for transfer of unclaimed shares from the suspense account during the financial year 2018-19	-	-
No. of shares claimed during the financial year 2018-19 and which were transferred from suspense account	-	-
Unclaimed shares as on March 31, 2019	346	48,824

For and on Behalf of the Board of Directors

Resolution Professional

Date : August 13, 2019

Place: Mumbai

CEO / CFO Certification, issued pursuant to the provision of Regulation 17(8) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015

**The Board of Directors
Petron Engineering Construction Limited,**

Dear Sirs,

We, the undersigned, are responsible for the finance function, certify that:

- (a) We have reviewed financial statements including standalone balance sheet, statement of profit and loss, cash flow statement for the year ended March 31, 2019 along with notes and annexure and attachment thereto, of the Petron Engineering Construction Limited and that to the best of our knowledge and belief:
 - (i) Financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) Financial statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee in this respect and aspects which could have impact on internal control, and we have taken necessary steps to strengthen the financial reporting and internal control system.
- (d) We have indicated to the auditors and the Audit committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year;
 - (iii) instances of significant fraud of which we have become aware of and which involve management or employees having a significant role in the company's internal control system over financial reporting.

For Petron Engineering Construction Limited

Resolution Professional

Date : August 13, 2019

Place: Mumbai

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
of Petron Engineering Construction Limited,

We have examined the compliance of conditions of Corporate Governance by Petron Engineering Construction Limited ('the Company') for the financial year ended on 31st March, 2019 as stipulated under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our examination and according to the explanation given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated under LODR Regulations with Stock Exchanges except in the instances as mentioned in **Annexure A**.

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

For RJM & Associates,
Practicing Company Secretary

Jovita Reema Mathias
Proprietor
Membership No. F9049, CP No. 19646

Place: Mumbai
Date : August 13, 2019

ANNEXURE A

SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Note: The Company was under Corporate Insolvency Resolution Process during the period under review. During the said period the powers of the Board stand suspended and such powers vest with Interim Resolution Process or Resolution Professional. During the said period, no Board Meetings or other committee meetings were held.

Regulation	Provision	Remark
Regulation 16(1)(c)	The listed entity shall formulate a policy for determining 'material' subsidiary.	The Company has not formulated a Policy for determining 'Material' subsidiary as required under Regulation 16.
Regulation 17 (1) (a) & (b) Regulation 17 (2), (3), (4), (5), (6), (7), (8), (9), (10) & (11)	Board of Directors	The Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 23 rd March, 2018 pronounced the Commencement of Corporate Insolvency Resolution Process. As per Section 17 (b) of the IBC, 2016 the powers of the board of directors of the Corporate Debtor stands suspended from the Insolvency Commencement Date (ICD) viz. 23 rd March, 2018 Further, all the Board of Directors of the Company have resigned from the company and due to CIRP process, the Company could not appoint any directors on its Board. Hence, the Compliances under Regulation 17 with respect to Board of Directors not complied. However, the Resolution Professional conducted meetings on May 30, 2018, August 14, 2018, November 13, 2018, December 01, 2018 and February 14, 2019 for approval of financial results and other agendas.
Regulation 18 (1) (a), (b), (c) (d), (e) & (f)	Audit Committee	The Company being under Corporate Insolvency Resolution Process, the Compliances with respect to Regulation 18 (1) (a), (b), (c) (d), (e) & (f) of the LODR were not complied.
Regulation 19 (1), (2), (3) & (4)	Nomination and Remuneration Committee	Due to the Corporate Insolvency Resolution Process, the compliances with respect to nomination and remuneration committee under Regulation 19 (1), (2), (3) & (4) and the compliances regarding Stakeholders Relationship Committee Regulation 20 (1), (2), (3) & (4) were not complied.
Regulation 20 (1), (2), (3) & (4)	Stakeholder Relationship Committee	
Regulation 21 (1), (2) (3) (4) & (5)	Risk Management Committee	Since there were no Board of Directors, a risk-management committee was not constituted by the Board and relevant compliances under Regulation 21 (1), (2) (3) (4) & (5) were not complied.
Regulation 23(3)(d)	The Audit Committee to review details of Related Party Transactions (RPT) on a Quarterly basis.	The Company being under Corporate Insolvency Resolution Process, no meetings of audit committee held during period under review and hence, related party transactions could not be reviewed.
Regulation 25 (1) (2), (3), (4), (5), (6), (7), (8), (9) & (10)	Obligation with respect to Independent Directors	Since there were no directors on the Board of the Company, the compliances with respect Regulation 25 (1) (2), (3), (4), (5), (6), (7), (8), (9) & (10) were not complied.
Regulation 26 (1) (2), (3), (4), (5) & (6),	Obligation in respect to employees and Senior Management	There were no Board of Director or KMP's during the period under review and hence, the compliance under Regulation 26 (1) (2), (3), (4), (5) & (6) could not be fulfilled.
Regulation 40(2)	The Board of Directors and/or the delegated authority shall attend to the formalities pertaining to transfer of securities at least once in a fortnight.	As per Section 17 (1) (b) of the IBC, 2016 the Powers of the Board of Directors of the Company/Corporate Debtor stands suspended on commencement of Corporate Insolvency Resolution Process and further, all the board of directors and KMPs of the corporate Debtors have resigned from the Company. Hence, the compliance related delegation of authority to attend to the formalities pertaining of transfer of securities could not be complied.
Regulation 46 (2)	The listed entity is required to disseminate certain information on its website.	The Company was into CIRP Process and since there were no directors on the Board, the relevant information under Regulation 46 (2) (b), (c), (d), (i) & (j) is not provided.

INDEPENDENT AUDITOR'S REPORT

To the Members of Petron Engineering Construction Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Petron Engineering Construction Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the Financial Statements including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects / possible effects of our observations stated in "Basis for Qualified Opinion" paragraph below, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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, 2019, and its loss (including Other Comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Attention is drawn to:

- i) Note No. 35 of the accompanying financial statements in respect of certain suspended / delayed contracts, as of 31st March 2019, trade receivable of Rs. 246 lakhs (net of mobilization advance and provisions of Rs. 11 lakhs) (trade receivable as of 31st March 2018 of Rs. 331 lakhs, net of mobilization advance and provisions of Rs. 3 lakhs) are doubtful of recovery and pending for confirmation/negotiation. We are unable to comment about the status of amount receivables / payables on the reported loss for the year ended 31st March 2019 and its corresponding impact on assets / liabilities as at that date. This matter was also qualified in our audit report on the financial statements for the year ended 31st March 2018.
- ii) Note No. 33 of the accompanying financial statements regarding various claims submitted by the financial creditors {including claims filed by Arcelor Mittal India Private Limited (AMIPL) as stated in Note No. 34b)}, operational creditors, other creditors and employees of the Company to the Resolution Professional pursuant to the Insolvency and Bankruptcy Code, 2016 are currently under reconciliation. Pending reconciliation by the company, we are unable to comment on the consequential impact, if any, on the financial statements as at that date. This matter was also qualified in our audit report on the financial statements for the year ended 31st March 2018.
- iii) Note No. 37 of the accompanying financial statements regarding balances of certain trade receivable (including from related parties), unbilled revenue, trade payables (including MSME and interest payable thereon), secured loans (including Banks and NBFC), bank guarantees and unsecured loans (including from related parties), bank balances, current liabilities, other liabilities (including statutory dues and returns thereof) and loan & advances are subject to confirmation/reconciliation, where we are unable to comment on the same and its corresponding impact on the financial statements as at that date. This matter was also qualified in our audit report on the financial statements for the year ended 31st March 2018.
- iv) Note No. 43 of the accompanying financial statements regarding certain expenses {including finance costs (refer Note No. 44 of financial statements)}/ liabilities/employee benefit expenses have been accounted for as approved by the management based on vouchers and for which contracts, supporting records and agreements could not be made available to the auditors for verification as the same are under process of compilation/update. As per the management, expenses were incurred for business purposes only. Further, in respect of certain contract sites, the Company is in process of compiling / updating the records with respect to employees/labour, where we are unable to comment on the same and its corresponding impact on financial statements as at that date. This matter was also qualified in our audit report on the financial statements for the year ended 31st March 2018.
- v) Note No. 40 of the accompanying financial statements regarding non provision against carry over Deferred tax assets as on 31st March 2019 of Rs. 5,991.31 lakhs for the reasons stated in the said note that sufficient future taxable income will be available against which the aforesaid deferred tax asset (net) can be realized and our inability to comment thereon. This matter was also qualified in our audit report on the financial statements for the year ended 31st March 2018.
- vi) Note No. 46(a) of the accompanying financial statements regarding delays in payment of certain statutory dues and non-submission /delay in filing of certain statutory returns (including PF, ESIC, TDS, GST etc.), statutory dues written off and pending reconciliation between books and returns filed, where we are unable to comment on the impact on financial statements as at that date. This matter was also qualified in our audit report on the financial statements for the year ended 31st March 2018.
- vii) Note No. 48 of the accompanying financial statements regarding all the directors (including Woman Director) and Company secretary resigned by 31st March 2018. Further CFO also resigned during the year. Consequently, all committees of Directors (including Nomination and Remuneration Committee, Audit Committee etc.) were not present during the year

in compliance to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Regarding non-availability of secretarial forms (including application for extension of AGM) and compliances thereof and our inability to comment on related party transactions, compliances related to appointment /resignation of Directors, compliances with respect to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), Corporate Governance , submission of annual return with the appropriate authorities and other related regulations and our inability to comment thereon. This matter was also qualified in our audit report on the financial statements for the year ended 31st March 2018.

- viii) Note No. 41 of the accompanying financial statements, regarding pending adjustment of impact of physical verification of property, plant and equipment (PPE) in the financial books and reconciliation of the same with the books & records, where we are unable to comment on the same. In view of the management impact of final adjustment shall not be material over result for the year. This matter was also qualified in our audit report on the financial statements for the year ended 31st March 2018.
- ix) Note No. 39 of the accompanying financial statements, regarding liability /provision against performance guarantee encashed by the certain parties during the year amounting to Rs. 3,634.80 lakhs have not been provided for in the books, where the management is confident about settlement in its favour.
- x) Note No. 36 of the accompanying financial statements, regarding certain pending/ delayed projects estimated costs to completion are based upon management estimates and where the management is confident that there will not be any material impact on completion of work in future.
- xi) Note No. 3 & 8 of the accompanying financial statements, regarding no provision against overdue Debtors outstanding for more than six months amounting to Rs. 9,606 lakhs (net of mobilisation advances of Rs. 301 lakhs and excluding of unbilled revenue of Rs. 1,486 lakhs and excluding performance guarantee encashed by the certain parties) have been made, which are doubtful for recovery considering non confirmation of outstanding balances, short closure of running projects, encashment of performance bank guarantee and demand raised for counter claim /liquidated damages by the parties (customers).
- xii) Note No. 42 of the accompanying financial statements, given the current operations of the Company and the Company being under CIR process, the future impairment, if any, in the realizability of the economic value of property, plant and equipment cannot be determined and our inability to comment thereon.
- xiii) Note No. 34 (d) of the accompanying financial statements, we have been informed by the Resolution Professional that certain information including the minutes of the meetings of the Committee of Creditors and the outcome of certain specific/ routine procedures carried out as part of the IBC process could not be shared with anyone, other than the Committee of Creditors and NCLT. Accordingly, we are unable to comment on the possible financial, presentation and disclosure impacts, if any, that may arise if we have been provided access to review that information.
- xiv) In view of our comments under para (i) to (xi) above and otherwise, the Company's internal control systems needs to be further strengthened to be made the same commensurate with the size of the company and nature of its business.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty related to Going Concern

As stated in Note No. 38 of the accompanying financial statements, regarding preparation of the financial statements on 'going concern' basis notwithstanding the fact that the Company is having negative net worth, continuous losses, lower level of operations effecting cash flows and going concern, short closure in certain projects, current liabilities are in excess of current assets and default in repayment of loan installments and payment of due interest, both on term loans and working capital. These conditions indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. As company is under corporate insolvency resolution process (CIR process) (as stated in Note No. 32 of the accompanying financial statements), the Committee of Creditors (CoC) at its meeting have resolved that the Company may be liquidated under liquidation as a "Going Concern". In this regard the Resolution Professional has filed necessary application with the NCLT Court, Mumbai and final decision is pending before the NCLT. The management and the RP have continued its practice to prepare financial statements on going concern basis.

Emphasis of Matters

Attention is drawn to:

- i) Pending necessary approvals of the secured creditors and shareholders for the payment of managerial remuneration to the erstwhile Managing Director (ceased w.e.f. February 14, 2018) as stated in Note No. 45 of accompanying financial statements.
- ii) Revenue for the year includes Rs. 1,677 lakhs, as stated in Note No. 58 of accompanying financial statements in respect of certain contracts work /invoices which have not been certified by the parties/customers. Management is confident that there would not be any material variation on final billing / acceptance of work by the customers and amount is fully realisable.
- iii) In case of short closure of certain projects during the year, the management is confident that there shall not be any liability on account of liquidated damages or performance failure.
- iv) Margin money (Fixed Deposit) deposit by AMIPL in the name of Petron Engineering Construction Limited against outstanding bank guarantees shown under other bank balances, where company is not entitled to receive due interest and accordingly the company has not recognized accrued/due interest income (note no. 10).

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's management is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Resolution Professional is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Resolution Professional is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in 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 which to the best of our knowledge and belief were necessary for the purposes of our audit except as stated in Note No. 43 & 34 (d).
 - b) Except for the effect / possible effect of the matter described in the 'Basis for Qualified Opinion' paragraph above, In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account (read with our comment in (b) above).
 - d) In our opinion, except for the effect / possible effect of the matters described in 'Basis for Qualified Opinion' paragraph above, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) The matters described in 'Basis for Qualified Opinion' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) As stated in Note No. 48, there are no directors in the Company as on 31st March 2019, and therefore our inability to comment thereon as required under the provisions of Section 143(3)(g) of the Companies Act, 2013 with respect

to disqualifications of directors as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

- g) With respect to the adequacy of the internal financial controls over financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial statements.
- h) 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 No. 49 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, 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 Company.
- i) The company has not paid / provided any managerial remuneration during the year accordingly provision of section 197 of the Act are not applicable on the company. (Refer Note No. 45 & 48 to the financial statements.)

For **LODHA & CO.**

Chartered Accountants

Firm Registration No.: 301051E

(Gaurav Lodha)

Partner

Membership No. 507462

Place : Mumbai

Dated : 28nd May, 2019

Annexure “A” referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date on the Financial Statements of PETRON ENGINEERING CONSTRUCTION LIMITED for the year ended 31st March 2019

1. (a) The Company has maintained proper records in respect of its fixed assets showing full particulars including quantitative details and situation of fixed assets except in respect of certain fixed assets (and also at project location) where these records are in the process of compilation / updation in respect of identification, quantitative details and location/ situation (read with note no. 41).
- (b) The Company has a regular programme of Physical Verification of its Fixed assets by which fixed asset are verified in a phased manner over a period of three years. Currently with respect to certain sites, physical verification is in process and reconciliation with the book records will be done on completion of physical verification, as stated in note No. 41. Physical verification process needs to be further strengthened to be commensurate with the size of the company and nature of its assets.
- (c) The title deeds of the immovable properties held in the name of the company has been pledged with the banks/ lenders, as explained for securing the borrowings and loan raised by the company, pending confirmation of the same from the bank / lenders, we are unable to comment under clause 3(i)(c) of the order.
2. The Company does not have any inventory and hence provisions of clause 3 (ii) of the order are not applicable.
3. According to the records and information and explanations made available to us, the Company has not granted any loans, secured or unsecured to companies, firms, LLP and other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. According to the information, explanations and representations provided by the management and based upon audit procedures performed, the Company has not granted any loans, investments, guarantees and security; accordingly, the provisions of Clause 3(iv) of the Order are not applicable.
5. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other tribunal in this regard.
6. According to the information and explanation given to us, during the year, no production activity was undertaken by the company related to manufacture of Machinery and Mechanical appliances and parts thereof and execution of projects having application of Mechanical Engineering, Fabrication, Construction and Refractory products, accordingly maintenance of cost records as prescribed in the rules made by the central government for the maintenance of cost records under section 148(1) of the act are not applicable.
7. (a) According to the records of the Company (read with note no. 46) and information and explanation made available the Company has delayed/ defaulted in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, Goods & Services Tax, Duty of Excise, Value Added Tax, cess and any other statutory dues (except duty of custom) with the appropriate authorities and undisputed statutory dues payable for a period of more than six months from the date they became payable as at 31st March, 2019 are Provident Fund Rs. 467.62 Lacs, Tax Deducted as Source Rs. 274.18 Lacs, Service Tax Rs. 681.36 Lacs, Goods and Services Tax Rs. 725.88 Lacs, Excise Duty Rs. 3.36 Lacs, VAT Rs. 62.75 Lacs. (This is to be read with the matters described in para (vi) under basis for Qualified Opinion paragraph)
- (b) According to the records and information & explanations given to us, there are no dues in respect of Duty of Custom, Goods and Services Tax that have not been deposited with the appropriate authorities to the extent applicable on account of any dispute and the dues in respect of Income Tax, Sales Tax, Service Tax, Duty of Excise, Value added Tax, or Cess that have not been deposited with the appropriate authorities on account of dispute and the forum where the dispute is pending are given below:

Name of Statute	Nature of Dues	Period	Amount (in Rs.)	Forum where dispute is pending
Finance Act, 1994	Service Tax	2005-09	4,68,22,758	CESTAT, Ahmedabad
		2007-08	2,51,566	Deputy Commissioner (Appeals) Central Excise, Panipat
		2008-09	1,84,672	Commissioner (Appeals) of Central Excise, Haldia
Finance Act, 1994	Service Tax	2006-07	24,75,194	CESTAT, New Delhi
Central Excise Act, 1944	Excise Duty	2001-02	2,52,640	CESTAT, Navi Mumbai
Central Excise Act, 1944	Excise Duty	2004-05	2,19,156	CESTAT, Vadodara

Name of Statute	Nature of Dues	Period	Amount (in Rs.)	Forum where dispute is pending
Central Sales Tax, 1956	Central Sales Tax	2006-07	8,07,261	Joint Commissioner Sales Tax, West Bengal
Bombay Sales Tax Act, 1959	Sales Tax	2004-05	1,69,822	Joint Commissioner of Sales Tax (Appeals)
West Bengal Value Added Tax Act, 2003	VAT	2009-10	1,74,83,088	Joint Commissioner of Sales Tax
Central Sales Tax (West Bengal) Rules, 1958	Central Sales Tax	2009-10	15,14,805	Joint Commissioner of Sales Tax
West Bengal Value Added Tax Act, 2003	VAT	2010-11	1,66,94,017	Joint Commissioner of Sales Tax
Gujarat Value Added Tax Act, 2003	VAT	2012-13	1,45,52,760	Appeal Tribunal Ahmedabad
Central Sales Tax, 1956	CST	2012-13	5,26,48,259	Appeal Tribunal Ahmedabad
U.P. Value Added Tax Act, 2008	VAT	2010-11, 2011-12 & 2012-13	1,97,20,989	Addl. Commissioner Gr-2 (Appeal)-I Bareilly
U.P. Value Added Tax Act, 2008	Entry Tax	2010-11, 2011-12 & 2012-13	1,40,11,416	Addl. Commissioner Gr-2 (Appeal)-I Bareilly
Building and Other Construction Workers' Welfare Cess Act, 1996	Labour Welfare Cess	2007-08	39,70,102	Bihar Building and Other Construction Workers' Welfare Board
Orissa Value Added Tax, 2004	VAT	2009-14	4,27,69,428	Comm. Of Sales Tax, cuttack, Orissa
Orissa Value Added Tax, 2004	VAT	2002-03	2,44,655	Sales Tax Authority, Angul, Orissa

[This is to be read with Note No. 46 & 49]

8. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the company has defaulted in repayment of dues (including interest) to banks and financial institutions at various days during the year [maximum delay (no. of days) noticed was 517 Days]. The lender wise detail of overdue payable as on March 31, 2019, read with Note No. 34, 44 and 37 of the financial statements, is as follows:

(Rs. in Lakhs)

S. No.	Name of Banks / FIs	Default Period	Principal / Interest	For the year ended 31 st March 2019
1	Karur Vysya Bank	Less than 469 days	Principal	325.00
2	Karur Vysya Bank	Less than 486 days	Interest	19.34
3	Mahindra & Mahindra Financial Services Ltd	Less than 331 days	Principal & Interest	8.62
4	Axis Bank	Less than 518 Days	Principal & Interest	2330.46

9. On the basis of information and explanation given to us, no moneys have been raised during the year by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clauses 3(ix) of the Order are not applicable.
10. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no material fraud by the Company and on the Company by its officers or employees, (this is to be read with note no. 37, 41 & 43) has been noticed or reported during the course of the audit.
11. On the basis of records and information and explanations made available and based on our examination of the records of the company, no managerial remuneration (covered by the provision of Section 197 of the Companies Act 2013) has been paid or provided during the year. Accordingly, paragraph 3(xi) of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. As per the information and explanations and records made available by the management of the Company and audit

procedure performed, for the related parties transactions entered during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where applicable. As explained and as per records / details the related parties transactions have been disclosed as per the applicable Accounting Standards. (this is to be read with note no. 48 and 56)

14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully / partly convertible debentures during the year in terms of provisions of Section 42 of the Act.
15. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, as the provision of section is not applicable to the company.

For **LODHA & CO.**

Chartered Accountants

Firm Registration No.: 301051E

(Gaurav Lodha)

Partner

Membership No. 507462

Place : Mumbai

Dated : 28nd May, 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls over financial reporting of Petron Engineering Construction Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes 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 has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at 31st March 2019:

- i) In respect of certain suspended / delayed contracts, as of 31st March 2019, trade receivable of Rs. 246 lakhs (net of mobilization advance and provisions of Rs. 11 lakhs) (trade receivable as of 31st March 2018 of Rs. 331 lakhs, net of mobilization advance and provisions of Rs. 3 lakhs) are doubtful of recovery and pending for confirmation/negotiation. We are unable to comment about the status of amount receivables / payables on the reported loss for the year ended 31st March 2019 and its corresponding impact on assets / liabilities as at that date. (Read with Note No. 35)
- ii) Regarding balances of certain trade receivable (including from related parties), unbilled revenue, trade payables (including MSME and interest payable thereon), secured loans (including Banks and NBFC), bank guarantees and unsecured loans (including from related parties), bank balances, current liabilities, other liabilities (including statutory dues and returns thereof) and loan & advances are subject to confirmation/ reconciliation. (Read with Note No. 37 & 49)
- iii) Regarding certain expenses {including finance costs (refer note no. 44 of financial statements)} / liabilities/employee

benefit expenses have been accounted for as approved by the management based on vouchers and for which contracts, supporting records and agreements could not be made available to the auditors for verification as the same are under process of compilation/update. As per the management, expenses were incurred for business purposes only. Further, in respect of certain contract sites, the Company is in process of compiling / updating the records with respect to employees/labour. (Read with Note No. 43)

- iv) Regarding delays in payment of certain statutory dues and non- submission /delay in filing of certain statutory returns (including PF, ESIC, TDS, GST etc.), statutory dues written off and pending reconciliation between books and returns filed. Presently due tax has been accounted for on best estimated basis as the reconciliation between the financial books and statutory returns filed are in process. {Read with Note No. 46 (a)}
- v) Regarding all the directors (including Woman Director) and Company secretary resigned by 31st March 2018. Further CFO also resigned during the year. Consequently, all committees of Directors (including Nomination and Remuneration Committee, Audit Committee etc.) were not present during the year in compliance to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Regarding non-availability of secretarial forms (including application for extension of AGM) and compliances thereof and our inability to comment on related party transactions, compliances related to appointment /resignation of Directors, compliances with respect to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), Corporate Governance, submission of annual return with the appropriate authorities and other related regulations. (Read with Note No. 48)
- vi) Regarding pending adjustment of impact of physical verification of property, plant and equipment (PPE) in the financial books and reconciliation of the same with the books & records, where we are unable to comment on the same. In view of then management impact of final adjustment shall not be material over result for the year. (Read with Note No. 41)
- vii) Regarding various claims submitted by the financial creditors {including claims filed by Arcelor Mittal India Private Limited (AMIPL) as stated in note no. 34b)}, operational creditors, other creditors and employees of the Company to the Resolution Professional (RP) pursuant to the Insolvency and Bankruptcy Code, 2016 are currently under consideration/verification/reconciliation. Pending completion of exercise of final verification / reconciliation and admission and recognition of such claims by RP. (Read with Note No. 33)
- viii) Regarding certain pending/ delayed projects estimated costs to completion are based upon management estimates and where the management is confident that there will not be any material impact on completion of work in future. (Read with Note No. 36)

The matters reported in point (i) and (vi) were also qualified in our report on the financial statements for the year ended 31st March 2018.

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 in (i) and (viii) under Qualified Opinion paragraph on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March, 2019 financial statements of the Company and these material weaknesses affect our opinion on financial statements of the Company for the year ended 31st March 2019 [our Audit Report dated 28th May, 2019, which expressed an qualified opinion on those financial statements of the Company].

Emphasis of Matters

Attention is drawn to: -

- Revenue for the year includes Rs. 1,677 lakhs in respect of certain contracts work /invoices which have not been certified by the parties/customers. Management is confident that there would not be any material variation on final billing / acceptance of work by the customers and amount is fully realizable. (Read with Note No. 60)

Our opinion is not modified in respect of matter stated above.

For **LODHA & CO.**

Chartered Accountants

Firm Registration No.: 301051E

(Gaurav Lodha)

Partner

Membership No. 507462

Place : Mumbai

Dated : 28nd May, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

(Rs. in Lacs)

Particulars	Note No.	As at	
		31 st March, 2019	31 st March, 2018
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	9,702.04	10,428.25
(b) Other Intangible Assets	2A	0.27	0.63
(c) Financial Assets			
i) Trade receivables	3	2,910.88	2,502.44
ii) Loans	4	37.36	65.33
iii) Other financial assets	5	3,742.64	5.02
(d) Deferred tax assets (Net)	6	5,991.31	5,991.31
(e) Other Non-Current Assets	7	2,197.52	3,161.31
		<u>24,582.02</u>	<u>22,154.29</u>
(2) Current Assets			
(a) Financial Assets			
i) Trade receivables	8	9,423.24	8,171.18
ii) Cash and cash equivalents	9	449.89	528.32
iii) Other bank balances other than (ii) above	10	3,661.25	1,167.19
iv) Loans	11	35.07	24.95
v) Other financial assets	12	1,509.69	3,634.56
(b) Other Current Assets	13	1,854.74	1,420.58
		<u>16,933.88</u>	<u>14,946.78</u>
Total Assets		<u>41,515.90</u>	<u>37,101.07</u>
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	753.84	753.84
(b) Other Equity	15	(864.37)	686.08
		<u>(110.53)</u>	<u>1,439.92</u>
(1) Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	16	-	2,010.93
ii) Other financial liabilities	17	85.48	60.61
(b) Provisions	18	42.04	92.09
		<u>127.52</u>	<u>2,163.63</u>
(2) Current Liabilities			
(a) Financial Liabilities			
i) Borrowings	19	21,798.62	12,219.76
ii) Trade payables			
- Due to micro and small enterprises	20	167.31	25.56
- Due to others	20	10,327.54	10,692.17
iii) Other financial liabilities	21	4,071.98	4,594.41
(b) Other Current Liabilities	22	5,046.45	5,879.60
(c) Provisions	23	87.01	86.02
		<u>41,498.91</u>	<u>33,497.52</u>
Total Equity and Liabilities		<u>41,515.90</u>	<u>37,101.07</u>
Company overview, Basis of preparation and Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

(Gaurav Lodha)
Partner
Membership No. 507462

Place: Mumbai
Date: 28th May 2019

For Petron Engineering Construction Limited

Udayraj Patwardhan
Resolution Professional
Reg.No.IBBI/IPA-001/IP-P00024/2016-17/10057

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

(Rs. in Lacs)

Particulars	Note No.	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Income			
Revenue from operations	24	13,363.05	23,392.31
Other income	25	148.03	919.94
Total revenue (I)		13,511.08	24,312.25
Expenses			
Cost of raw materials and components consumed	26	2,309.88	6,211.14
Purchase of trading goods		-	2,180.81
Employee benefits expense	27	3,577.28	6,679.52
Finance costs	28	1,307.91	2,303.65
Depreciation and amortization expense	29	723.99	776.81
Other expenses	30	7,107.37	30,523.90
Total Expenses (II)		15,026.43	48,675.83
Profit / (loss) before exceptional items and tax (I) – (II)		(1,515.35)	(24,363.58)
Exceptional items (Gain)/Loss		-	-
Profit / (Loss) before tax		(1,515.35)	(24,363.58)
Tax expenses			
Current tax	6	-	67.49
Deferred tax	6	-	(7,152.66)
Adjustment of tax relating to earlier periods		72.83	35.28
Total tax expense		72.83	(7,049.89)
Profit / (Loss) for the year		(1,588.18)	(17,313.69)
Other Comprehensive Income			
Items that will not be subsequently reclassified to profit or loss			
Remeasurements of defined benefit plan		37.73	(31.52)
Income Tax relating to Items that will not be Reclassified to Profit or Loss		-	10.42
Total Other Comprehensive Income		37.73	(21.10)
Total Comprehensive Income for the year		(1,550.45)	(17,334.79)
Earnings per equity share (Basic & Diluted)	31	(21.07)	(229.67)
[nominal value of share Rs. 10 (March 31, 2018: Rs. 10)]			
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

(Gaurav Lodha)
Partner
Membership No. 507462

Place: Mumbai
Date: 28th May 2019

For Petron Engineering Construction Limited

Udayraj Patwardhan
Resolution Professional
Reg.No.IBBI/IPA-001/IP-P00024/2016-17/10057

Cash Flow Statement for the year ended 31st March 2019

Particulars	(Rs. in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
A Cash flow from operating activities		
Net profit/ (loss) before tax	(1,515.35)	(24,363.58)
Adjustments for :		
Depreciation and amortization expenses	723.99	776.81
Finance cost (net of interest income)	1,228.52	2,138.04
Sundry Balances written back	(52.32)	(193.97)
Provision for doubtful debts	27.43	2,987.04
Bad debts/advances written off	328.20	15,104.63
Sales tax & service tax written off	236.48	19.47
Remeasurement on defined benefit plans charged to OCI	37.73	(31.52)
(Profit)/loss on sale of assets	(3.17)	(430.57)
Inventory written off	-	2.71
CWIP written off	-	15.99
Exchange Fluctuation (Gain)/Loss (unrealised) (net)	12.10	0.39
Operating profit before working capital changes	1,023.61	(3,974.56)
(Increase)/decrease in trade receivables, Loans & Other Financial Assets	(3,602.93)	7,997.45
(Increase)/decrease in Other Assets	485.14	846.55
Increase/(decrease) in trade payables and other financial liabilities	(764.47)	(2,910.95)
Increase/(decrease) in provisions & other liabilities	(882.36)	(4,619.60)
Cash generated from operations	(3,741.01)	(2,661.11)
Direct taxes (paid)	(264.68)	(137.89)
Net Cash from operating activities	(4,005.69)	(2,799.00)
B Cash flow from Investing Activities		
Purchase of fixed assets	(4.43)	(129.41)
Sale of fixed assets	10.20	529.60
Interest Received	72.04	174.04
Withdrawal of margin money deposits with banks	444.85	768.61
Investment in margin money deposits with banks	(2,937.24)	(350.85)
Net Cash used in investing activities	(2,414.58)	991.99
C Cash flow from financing activities		
Proceeds of borrowings	16,969.19	23.88
Repayment of borrowings	(1.58)	(327.18)
Repayment of ICD	-	(10.00)
Interest paid (net)	(1,235.44)	(1,785.15)
Increase /(decrease) in cash credit (net)	(9,390.33)	3,708.04
Net cash used in financing activities	6,341.84	1,609.59
Net increase / (decrease) in cash and cash equivalents	(78.43)	(197.43)
Cash and cash equivalents as at the beginning of the year	528.32	725.67
Effect of exchange differences on cash & cash equivalents held in foreign currency	-	0.08
Cash and cash equivalents as at the end of the year	449.89	528.32
Components of Cash and cash equivalent		
Cash on hand	6.76	24.96
Balances with banks:		
On current accounts	443.13	503.36
Cash and cash equivalents as per note no. 9	449.89	528.32

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

(Gaurav Lodha)
Partner
Membership No. 507462

Place: Mumbai
Date: 28th May 2019

For Petron Engineering Construction Limited

Udayraj Patwardhan
Resolution Professional
Reg.No.IBBI/IPA-001/IP-P00024/2016-17/10057

Statement of Changes in Equity (SOCE) for the year ended 31st March, 2019

I. Equity Share Capital		(Rs. in Lacs)				
As at 01 April 2017	Changes in Equity Share Capital during 17-18	Balance as at 31 st March 2018	Changes in Equity Share Capital during 18-19	Balance as at 31 st March 2019		
753.84	-	753.84	-	753.84		
II. Other Equity		(Rs. in Lacs)				
Particulars	Securities Premium	Capital Reserve	Retained Earnings Surplus in P/L Statement	General Reserve* Comprehensive Income Remeasurement of defined benefit / Obligation plans	Items Other	Total
As on March 31, 2017	951.09	1.59	13,121.35	3,904.84	42.00	18,020.87
Profit / (Loss) for the year	-	-	(17,313.69)	-	-	(17,313.69)
Other Comprehensive Income (Net of Taxes)	-	-	-	(21.10)	-	(21.10)
As on 31st March, 2018	951.09	1.59	(4,192.34)	3,904.84	20.90	686.08
Profit / (Loss) for the year	-	-	(1,588.18)	-	-	(1,588.18)
Other Comprehensive Income (Net of Taxes) Transfer to General reserve	-	-	-	37.73	-	37.73
As on 31st March, 2019	951.09	1.59	(5,780.52)	3,904.84	58.63	(864.37)

* Includes revaluation reserve of Rs. 556.75 Lacs, re-classified to retained earnings as per Ind AS on date of transition.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

For Petron Engineering Construction Limited

(Gaurav Lodha)
Partner
Membership No. 507462

Udayraj Patwardhan
Resolution Professional
Reg.No.IBBI/IPA-001/IP-P00024/2016-17/10057

Place: Mumbai
Date: 28th May 2019

1. Corporate information

Petron Engineering Construction Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is primarily engaged in the business of engineering, procurement and construction of plants for oil & gas refineries, power, cement, petrochemical, fertilizer and other industries. Its shares are listed on two stock exchanges in India. The Company has mechanical fabrication and manufacturing facilities in Maharashtra and Gujarat regions. The Company also provides electrical & instrumentation services and insulation & refractory application/ maintenance services to above industries.

Significant accounting policies

(a) Statement of compliance

The Company's financial statements have been prepared and presented in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules, as amended time to time and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees (INR) and all value are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

In view of the pendency of the CIRP and since there are no directors in the company, the financial statements for the year ended 31st March 2019 were authorized and approved for issue by the Resolution Professional (RP) and taken on record on 28th May 2019.

(b) Basis of accounting

The Company maintains accounts on accrual basis following the historical cost convention, except for certain financial instruments that are measured at fair value in accordance with Ind AS. The fair value of all items of property, plant and equipment as on date of transition is considered as the deemed cost.

(c) Revenue recognition

Revenue from contracts with customers for sale of goods, construction contracts and its related provision of services.

The company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- i. The Company's performance does not create an asset with an alternate use to the company and the company has an enforceable right to payments for performance completed to date.
- ii. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- iii. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the company performs.

For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Where the company satisfies a performance obligation by delivering the promised goods or services it creates a contract based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognized this gives rise to a contract liability. In case of multiple performance obligation revenue for each performance obligation revenue for each performance obligation is recognized when it is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duty.

The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Taxes collected on behalf of the government are excluded from revenue.

Revenue is recognized to the extent it is probable that the economic benefits associated with the contract will flow to the company and the revenue and costs, if applicable, can be measured reliably.

Variable consideration includes volume discounts, price concessions, liquidity damages, incentives etc. The company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The company adjust estimate of revenue at the earlier of when the most likely amount of consideration we expect to receive changes or when the consideration become fixed.

Sale of Goods

Performance obligation in case of Revenue from the sale of goods is satisfied at a point in time and is recognised when the performance obligation is satisfied and control as per IND AS 115 is transferred to the customer. The company collects GST on behalf of the Government and therefore these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Revenue is disclosed net of discounts, incentives and returns, as applicable

Revenue from Construction contracts

Performance obligation in case of revenue from long-term contracts is satisfied over the period of time. Since the company create an asset that the customer controls as the asset is created and the company has an enforceable right to payment for performance completed to date if it meets the agreed specifications. Revenue from long-term contracts, where the outcome can be estimated reliably and 10% of the project cost is incurred, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities". Retention money receivable from project customers does not contain any significant financing element; these are retained for satisfactory performance of contract.

Income from services

Revenue from services related activities including hire charges, maintenance services & management support services are recognised, pro rata over the period of contract as and when services are rendered, in accordance with the terms of agreements with the customers. The Company collects service tax/Goods and Services tax on behalf of the government and, therefore is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Interest

Interest income is accrued on a time basis by reference to the principal outstanding and the effective interest rate.

(d) Property, plant and equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. For qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

For transition to Ind AS, the company has elected to adopt as deemed cost, the fair value of PPE less accumulated depreciation and cumulative impairment on the transition date of April 1, 2016.

Own manufactured PPE is capitalised at cost including an appropriate share of overheads.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation is recognised using Straight Line Method (the 'SLM') less their residual values over their useful lives specified in Schedule II except for (a) the temporary buildings at site which are depreciated over the expected life of the project or 3 years whichever is earlier, (b) on certain plant and machinery where depreciation is provided considering life of 12 years as technically assessed and estimated by the management and (c) on certain buildings where depreciation is provided considering life of 50 years as technically assessed and estimated by the management. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Leasehold land is amortized on a straight line basis over the period of lease term.

Depreciation on assets costing Rs 5,000/- or less is chargeable at the rate of 100%.

(e) Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets comprise of computer software which are amortized over an estimated useful life of 3 to 5 years.

(f) Impairment of assets

As at the end of each accounting year, the company reviews the carrying amounts of its PPE, intangible assets and to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the net selling price and the value in use; and
- (ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(g) Employee Benefits

- (i) Short term employee benefits:

Employee benefits such as salaries, wages and short term compensated absences within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service.

- (ii) Defined Contribution Plans

The Company has defined contribution plans for post employments benefits in the form of provident fund for all employees and employees' state insurance (the 'ESI' scheme, as applicable, which are managed by the Life Insurance Corporation of India, Regional Provident Fund Office and the ESI Corporation respectively. These contributions are recognised as expenses of the period when employees have rendered services entitling them to contributions. The Company has no obligation, other than the contribution payable to the Provident Fund and Employees' State Insurance Corporation.

- (iii) Defined Benefit Plans

The Company has defined benefit plans for post-employment benefits in the form of gratuity for all employees which are managed by a separate trust. The liability for such benefits are accounted as an expense for the period to which it relates based on actuarial valuation carried out by the independent actuary using the projected unit credit method.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (wherever applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.

(iv) Other Long term benefits

Liability for leave encashment is recognised as an expense for the period to which it relates based on the actuarial valuation carried out by the independent actuary using the projected unit credit method.

(h) Leases

Lease arrangements where the risks and benefits incidental to ownership and control of the leased item substantially vest with the lessor, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of profit and Loss account on a straight line basis over the lease term.

(i) Financial instruments

Financial assets and/or financial liabilities are recognised when the company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities are initially measured at transaction values and where such values are different from the fair value, at fair value. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from as the case may be, the fair value of such assets or liabilities, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

(i) Financial assets:

- A. All recognised financial assets are subsequently measured in their entirety at amortised cost or at fair value depending on the classification of the financial assets as follows:
1. Investments in debt Instruments that are designated as fair value through profit or loss (FVTPL) - at fair value.
 2. Other investments in debt instruments – at amortised cost, subject to following conditions:
 - The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
 - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 3. Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (FVTOCI) (unless the same are designated as fair value through profit or loss)
 - The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
 - The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
 4. Investments in equity instruments are classified as at FVTPL, unless the related instruments are not held for trading and the company irrevocably elects on initial recognition to present subsequent changes in fair value in Other Comprehensive Income.
- B. For financial assets that are measured at FVTOCI, income by way of interest, dividend and exchange difference (on debt instrument) is recognised in profit or loss and changes in fair value (other than on account of such income) are recognised in Other Comprehensive Income and accumulated in other equity. On disposal of debt instruments measured at FVTOCI, the cumulative gain or loss previously accumulated in other equity is reclassified to profit or loss. In case of equity instruments measured at FVTOCI, such cumulative gain or loss is not reclassified to profit or loss on disposal of investments.
- C. A financial asset is primarily derecognised when:
1. the right to receive cash flows from the asset has expired, or
 2. the company has transferred its rights to receive cash flows from the asset or has assumed an

obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and (a) the company has transferred substantially all the risks and rewards of the asset, or b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount measured at the date of derecognition and the consideration received is recognised in profit or loss.

- D. Impairment of financial assets: The company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.
- (ii) Financial liabilities:
- A. Financial liabilities, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.
- B. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

(j) Inventories

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials, finished goods and traded goods are valued at the lower of cost and net realizable value. Cost is determined on first in first out basis. Work in progress is valued at the lower of cost and net realizable value. Cost is determined on a weighted average basis.

The net realizable value of work in progress is determined with reference to the estimated selling price less estimated cost of completion and estimated costs necessary to make the sale of related finished goods. Raw materials held for the production of finished goods are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.

(k) Cash & bank balances and Other Bank Balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents. Further fixed deposit, margin money and earmarked balances with banks have maturity more than 12 months have been included under "Other financial assets (Non-Current)"

(l) Borrowing Costs

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised/inventoried as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(m) Foreign currencies

- (i) The functional currency and presentation currency of the company is Indian Rupee.
- (ii) Transactions in currencies other than the company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in profit or loss in the period in which they arise except for:

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

(n) Accounting and reporting of information for Operating Segments

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the company to make decisions for performance assessment and resource allocation.

The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments.

(o) Taxes on income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income tax Act 1961, and based on the expected outcome of assessments/appeals.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profit will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

(p) Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- a) the company has a present obligation (legal or constructive) as a result of a past event;
- b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c) a reliable estimate can be made of the amount of the obligation.

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- b) a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

(q) Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

(r) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(s) Key sources of estimation

The preparation of financial statements in conformity with Ind AS requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment, Intangible assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

(t) Recent accounting pronouncements

1. Standards issued but not effective

Accounting Standards, interpretations and amendments to existing standards that are effective from 1st April, 2019

Ministry of Corporate Affairs ("MCA"), through companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new amendments and IND ASs which are effective from 1st April 2019

- A. With effect from 1st April 2019 Ind AS 116 Leases will replace existing leases standard, Ind AS 17 Leases. Lessee will follow Single Lease Accounting. There is no classification as operating or finance Lease for Lessee. Under Ind AS 116 Lessee will recognize assets and liabilities for all leases with the term of more than 12 months, unless the underlying assets of low value. Lessee would recognize depreciation expense on the right use of asset and interest expense on the lease liability, classify the lease payment into principle and interest component Management is currently reviewing the operating lease contracts in place to determine the impact of this standard.
- B. The Following standards or amendments made in below mentioned standards are not expected to have a material impact over financials statements :
 - i) Ind AS 12 - Income Taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments).
 - ii) Ind AS 28 - Long Investment in Associates and Joint Ventures, and
 - iii) Ind AS 112 - Disclosure of Interest in other entities.
 - iv) Ind AS 109 - Prepayments features with negative compensation.
 - v) Ind AS 19 - Plan Amendment, Curtailment or Settlement.
 - vi) Ind AS 23 - Borrowing Costs

Application of above standards is not expected to have any significant impact on the Parent Company's Financial Statements.

2 Property, Plant & Equipment*

Particulars	(Rs. in Lacs)						
	Freehold land	Leasehold land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Total
Gross carrying value (Cost/ Deemed cost)							
As at 1st April, 2017	1,444.00	591.39	4,944.53	4,631.52	117.53	59.50	11,788.47
Additions	-	-	11.05	2.26	1.88	30.86	46.05
Disposals	-	(4.40)	(107.35)	(272.20)	(3.31)	(10.06)	(397.32)
As at 31st March, 2018	1,444.00	586.99	4,848.23	4,361.58	116.10	80.30	11,437.20
Additions	-	-	-	-	4.43	-	4.43
Disposals	-	-	-	(77.59)	(0.83)	-	(78.42)
As at 31st March, 2019	1,444.00	586.99	4,848.23	4,283.99	119.70	80.30	11,363.21
Depreciation							
As at 1st April, 2017	-	7.70	6.22	473.97	28.02	18.08	533.99
Charge for the year	-	7.69	263.47	462.77	23.10	16.22	773.25
Disposals	-	(1.10)	(86.97)	(198.02)	(2.63)	(9.57)	(298.29)
Adjustments	-	-	-	-	-	-	-
As at 31st March, 2018	-	14.29	182.72	738.72	48.49	24.73	1,008.95
Charge for the year	-	7.65	237.51	451.27	20.63	6.55	723.61
Disposals	-	-	-	(70.60)	(0.79)	-	(71.39)
As at 31st March, 2019	-	21.94	420.23	1,119.39	68.33	31.28	1,661.17
Net Carrying Value							
As at 31 st March 2018	1,444.00	572.70	4,665.51	3,622.86	67.61	55.57	10,428.25
As at 31 st March 2019	1,444.00	565.05	4,428.00	3,164.60	51.37	49.02	9,702.04

*To be read with Note No.41 & 42

(iv) Buildings include:

- Temporary establishments at sites of gross block of Rs. 1,068.11 lacs and net block of Rs. 35.35 lacs (31 March 2018: Rs. 1,068.11 lacs and Rs. 114.96 lacs respectively), these are written off over the expected life of the project or three years whichever is earlier.
- Rs. 753, being the value of unquoted fully paid shares held in Swastik Chambers Owners' Co-operative Society Limited in connection with the ownership rights of the office.

(iv) Building includes those constructed on leasehold land:

Gross block Rs. 31.25 lacs (March 31, 2018: Rs. 31.25 lacs)

Depreciation charge for the year Rs. 0.91 lac (March 31, 2018: Rs. 2.81 lacs)

Accumulated depreciation till March 31, 2019 Rs. 22.77 lacs (March 2018: Rs. 21.86 lacs)

Net book value Rs. 8.48 lacs (March 31, 2018: Rs. 9.39 lacs)

2A Other Intangible Asset

(₹ in Lacs)

Particulars	Software	Total
Gross carrying value (Cost/Deemed cost)		
As at 1st April, 2017	30.16	30.16
Additions	0.41	0.41
Disposals	-	-
Other adjustments	-	-
As at 31st March, 2018	30.57	30.57
Additions	-	-
Disposals	-	-
Other adjustments	-	-
As at 31st March, 2019	30.57	30.57
Depreciation		
As at 1st April, 2017	26.38	26.38
Charge for the year	3.56	3.56
Disposals	-	-
Adjustments	-	-
As at 31st March, 2018	29.94	29.94
Charge for the year	0.36	0.36
Disposals	-	-
Adjustments	-	-
As at 31st March, 2019	30.30	30.30
Net Carrying Value		
As at 31st March 2018	0.63	0.63
As at 31st March 2019	0.27	0.27

3 Trade receivables (Non-Current)

(₹ in Lacs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Trade Receivables which have significant increase in Credit Risk - {Retention money (Read with note no 37, 39 & 58)}	2,910.88	2,502.44
	2,910.88	2,502.44

4 Loans (Non-Current)

(₹ in Lacs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
(Unsecured, considered good)		
Security Deposits (Read with note no. 37)	37.36	65.33
	37.36	65.33

5 Other Financial Assets (Non- Current)

(₹ in Lacs)

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Other Receivables from Customers (Against encashed BG) (Read with Note No. 39)	3,739.18	-
Margin Money Deposits	3.30	4.98
Interest accrued on fixed deposit	0.16	0.04
	3,742.64	5.02

6 DEFERRED TAX ASSETS/LIABILITIES (NET)

Particulars	(₹ in Lacs)	
	As at 31 st March, 2019	As at 31 st March, 2018
(a) DEFERRED TAX LIABILITY		
Difference between book & tax depreciation	1,355.67	1,890.21
ICDS Adjustment for revenue recongition	-	94.33
Total Deferred Tax Liability	1,355.67	1,984.54
(b) DEFERRED TAX ASSETS		
Provision for employees benefits	118.48	156.42
Provision for Contingencies	19.88	4.17
Brought forward loss/Provsion for doubtful debts & advances	7,241.38	7,815.26
Total Deferred Tax Assets	7,379.74	7,975.85
Deferred Tax Assets not Recognised (Read with note no. 40)	(32.76)	-
DEFERRED TAX ASSETS/(LIABILITIES) (NET) (Read with note no. 40)	5,991.31	5,991.31

7 Other Non - Current Assets

Particulars	(₹ in Lacs)	
	As at 31 st March, 2019	As at 31 st March, 2018
Advance tax (net of provision for taxation of Rs. 67.49 lacs (31 st March 2018 Rs. 207.27 Lacs)	1,104.47	912.47
Balances with Government Authorities* (Read with note no.46)	1,088.84	2,237.78
Other Prepaid expenses	4.21	11.06
	2,197.52	3,161.31
* Current year figure is net of provision of Rs. 27.43 lacs		

8 Trade receivables (Current)*

Particulars	(₹ in Lacs)	
	As at 31 st March, 2019	As at 31 st March, 2018
Trade Receivables considered good - Unsecured	1,803.70	3,492.63
Trade Receivables which have significant increase in Credit Risk (including Retention Money of Rs. 101.61 lacs & Rs. 279.05 lacs as on 31 st March 2019 and 31 st March 2018 respectively)	7,619.54	4,678.54
Trade receivables-Credit impaired	3,491.47	3,491.47
Less : Credit impaired	(3,491.47)	(3,491.47)
	9,423.24	8,171.18
*(Read with note no 37)		

9 Cash and cash equivalents

Particulars	(₹ in Lacs)	
	As at 31 st March, 2019	As at 31 st March, 2018
Balances with banks		
Current accounts (Read with note no. 37)	443.13	503.36
Cash on hand	6.76	24.96
	449.89	528.32

10 Other bank balances

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Margin money deposit *#	3,661.25	1,167.19
	3,661.25	1,167.19

* Includes Rs.2904 lakhs deposited by AMIPL in the name of Petron Engineering Construction Limited against outstanding bank guarantees, where company is not entitled to receive due interest on said deposits and accordingly the company has not recognized accrued/due interest income and related components thereon.

Pledge with banks to secures Company's non-fund based working capital facilities

11 Loans (Current)

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Security Deposits (Read with note no. 37)	35.07	24.95
	35.07	24.95

12 Other financial assets (Current)

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Contract Assets / Unbilled revenue {Read with note no. 24 (vi) & 37}	1,486.24	3,615.00
Interest accrued on fixed deposits	19.10	11.87
Other receivables (Read with note no. 37)	4.35	7.69
	1,509.69	3,634.56

13 Other Current Assets

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Balances with Government Authorities (Read with note no. 46)	1,522.55	760.58
Unpaid dividend accounts	1.25	2.23
Loans to employees	1.72	5.86
Prepaid expenses	50.25	121.61
Advances to suppliers (Read with note no 37)	207.79	367.78
Advances to staffs (Read with note no 37)	63.83	162.52
Advance with gratuity trust	7.35	-
	1,854.74	1,420.58

14 Equity Share Capital**I. Share capital**

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Authorised:		
1,00,00,000 (31 st March 2018: 1,00,00,000) equity shares of Rs. 10 each	1,000.00	1,000.00
	1,000.00	1,000.00
Issued, Subscribed and fully paid up:		
Equity Shares - 75,38,400 (31 st March 2018: 75,38,400) of Rs. 10 each	753.84	753.84
	753.84	753.84
(a) Reconciliation of the number of shares outstanding:		
Shares outstanding as at the beginning of the year	75,38,400	75,38,400
Changes during the year	-	-
Shares outstanding as at the end of the year	75,38,400	75,38,400

(b) Terms/rights attached to the equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

(c) No. of Shares held by holding/ultimate holding Company and/or their subsidiaries/associates

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/associates are as below:

Particulars	As at	
	31 st March, 2019	31 st March, 2018
KSS Petron Private Limited (Holding company)-	39,45,393	39,45,393
KazstroyService Global B.V (Ultimate holding company)	15,17,810	15,17,810

(d) Details of each shareholder holding more than 5% shares:

Name of the shareholder	No. of shares held	% Holding in the class	No. of shares held	% Holding in the class
Equity shares of Rs. 10 each fully paid				
KSS Petron Private Limited	39,45,393	52.34%	39,45,393	52.34%
KazstroyService Global B.V	15,17,810	20.13%	15,17,810	20.13%

15 Other Equity

(₹ in Lacs)

Particulars	Securities Premium	Capital Reserve	Retained Earnings		Items Other Comprehensive Income	Total
			Surplus in P/L Statement	General Reserve*		
As on 1 April 2017	951.09	1.59	13,121.35	3,904.84	42.00	18,020.87
Profit / (Loss) for the year			(17,313.69)			(17,313.69)
Other Comprehensive Income (Net of Taxes)					(21.10)	(21.10)
As on 31st March, 2018	951.09	1.59	(4,192.34)	3,904.84	20.90	686.08
Profit / (Loss) for the year			(1,588.18)			(1,588.18)
Other Comprehensive Income (Net of Taxes)					37.73	37.73
As on 31st March, 2019	951.09	1.59	(5,780.52)	3,904.84	58.63	(864.37)

* Includes revaluation reserve of Rs. 556.75 Lacs, re-classified to retained earnings as per Ind AS on date of transition.

16 Long term borrowings

(₹ in Lacs)

Particulars	As at 31 st March, 2019		As at 31 st March, 2018	
	Current	Non-current	Current	Non-current
Term loans (Secured)				
Rupee term loans from banks (Refer note a)	325.00	-	322.56	-
Inter-corporate deposit (unsecured from related party) [Refer note (c) and note 19(II)]	-	-	-	2,000.00
From non-banking financial companies {Refer note (b)}	17.56	-	8.21	10.93
	342.56	-	330.77	2,010.93
The above amount includes				
Amount disclosed under the head other current financial liabilities (Read with note no. 34 & 37)	(342.56)	-	(330.77)	-
				2,010.93

- a. Term loans from bank amounting to Rs. 325 lacs (31st March 2018: Rs. 325 lacs) (taken during the financial year 2012–13) carrying interest at Bank rate + 2%, which is currently 12.30% p.a. The loan is repayable in 16 quarterly installments after a moratorium period of 12 months (as per the repayment schedule). The loan is secured by collateral security on Land & Building at Rockwool and certain cranes. Also first pari passu charge on the fixed assets of the company excluding certain assets specifically charged to certain lenders, along with other working capital lenders and term lenders. The said loan has been classified as Non Performing Assets (NPA) and company has received loan recall notice as stated in Note No. 34 (a).
- b. Four Term loans from Non Banking Financial Company amounting to Rs. 17.56 lacs (31st March 2018: Rs. 19.14 lacs) (taken during the financial year 2017–18) carrying interest from 13.28% to 15.14% p. a. The loan is repayable in 35 monthly installments as per the repayment schedule. The loan is secured by vehicles purchased. The said loan has been classified as Non Performing Assets (NPA) and company has received loan recall notice as stated in Note No. 34 (a)
- c. Existing Inter-corporate deposit from related party of Nil (31st March 2018: Rs. 2,000 lacs) is unsecured and carries interest @ 13.50% and was repayable after September 2020, but after lender gone under CIRP process, the loan has been recalled. {Read with Note No. 19 (II) and 56}

17 Other financial liabilities (Non- Current)

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Retention Money (Read with Note 37)	85.48	60.61
	85.48	60.61

18 Provisions (Non- Current)

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Provision for employee benefits		
Leave Encashment	42.04	71.36
Gratuity	-	20.73
	42.04	92.09

19 Financial Liabilities - Borrowings

Particulars	(₹ in Lacs)	
	As at 31 st March, 2019	As at 31 st March, 2018
Cash credit from banks (secured) {Refer note I (a) (3) & I (b)}*	2,330.46	11,720.79
Inter-corporate deposits (unsecured) (Refer note II and for related party disclosure, Refer note 56)	2,498.97	498.97
Loan from Body Corporate (secured) {Refer Note I (a) & I (b)}*	16,969.19	-
The above amount includes		
Secured borrowings*	19,299.65	11,720.79
Unsecured borrowings	2,498.97	498.97
	21,798.62	12,219.76

*(Read with note no. 34 & 37)

I.(a) Loan from body corporate:

1. First Pari passu charge on entire current assets including stock of raw materials, stock-in-process, semi-finished & finished goods, consumables, stores, spares, book debts and all other movables both present and future.
2. Collateral securities as follows:
 - i. Pari passu charge by way of equitable mortgage on the following assets of the Company:
 - a) Office Blocks at Swastik Chambers, Chembur, Mumbai
 - b) Factory land and building at Dabhasa, Gujarat
 - ii. Pari passu charge on entire heavy plant & machinery, fixtures, Crane Model No. 11250 and certain crawler cranes
 - iii. Second Pari passu charge on plant & machinery - on assets exclusively charged to the Bank
 - iv. Corporate guarantee by the holding company – KSS Petron Private Limited
3. The Company has also offered the following security for project specific credit facilities from banks and body corporate by way of;
 - i) Exclusive charge on all current assets specific to the project contracts (including but not limited to raw material, finished goods, work in progress, receivables and the contract receipts from the obligators)
 - ii) Exclusive charge on all monies deposited/credited or caused to be deposited/credited into the project specific bank accounts
 - iii) Corporate guarantee by the holding company – KSS Petron Private Limited

I. (b) The cash credit from banks and loan from body corporate is repayable on demand and carries interest in the range of 13.15% to 15.00%.

II. Inter corporate deposits

Inter corporate deposits are unsecured and carries interest in the range of 11.00% to 14.50%. This include Rs. 2,499 lacs (31st March 2018: Rs. 499 lacs) from a related party. {read with Note No. 16 (c)}

20 Financial Liabilities - Trade payables

Particulars	(₹ in Lacs)	
	As at 31 st March, 2019	As at 31 st March, 2018
Payable to micro enterprise & small enterprise (Refer note no.37 & 57)@	167.31	25.56
Others (Read with note no. 37)	10,327.54	10,692.17
	10,494.85	10,717.73

₹@ including interest payable thereon as on 31st March 2019.

21 Financial Liabilities - Others#

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Current maturities of long term debt		
Secured		
Term loans - Banks	342.56	330.77
Other Liabilities		
Retention money	1,301.61	1,379.07
Employee payables	1,155.28	1,631.77
Capital payables	37.91	37.91
Unclaimed dividend*	1.25	2.23
Interest accrued and due on borrowings	1,018.81	912.05
Interest accrued but not due on borrowings	-	34.28
Vendor deposits	52.57	52.58
Provision for expenses	142.20	206.54
Others	19.79	7.21
	4,071.98	4,594.41

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund

#(Read with note no 37)

22 Other Current liabilities (Current)

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Contract Liabilities / Unearned revenue (Read with note no 37)	215.87	282.37
Government and other statutory dues (Read with note no 37 & 46)	4,217.43	3,272.95
Advance from customers (Read with note no 37)	613.15	2,324.28
	5,046.45	5,879.60

23 Provisions (Current)

(₹ in Lacs)

Particulars	As at	
	31 st March, 2019	31 st March, 2018
Provision for employee benefits		
Leave encashment	20.64	68.17
Gratuity	-	1.53
Income tax provision	2.65	2.81
Provision for foreseeable losses	63.72	13.51
	87.01	86.02

24 Revenue from operations

Particulars	(₹ in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Revenue from contracts with customers		
Revenue from construction contracts	13,351.32	21,177.65
Traded goods	-	2,178.27
	13,351.32	23,355.92
Other operating revenue		
Scrap sales	11.73	36.39
Total revenue from contracts with customers	13,363.05	23,392.31
Export incentives	-	-
Total revenue from operations	13,363.05	23,392.31

i) Disaggregated revenue information

Types of Goods or Services

M.S. Angles	-	2,178.27
Revenue from construction contracts	13,351.32	21,177.65
Others	11.73	36.39
Total revenue from contracts with customers	13,363.05	23,392.31
India	13,363.05	23,392.31
Outside India	-	-
Total revenue from contracts with customers	13,363.05	23,392.31

Timing of revenue recognition

Goods transferred at a point in time	-	2,178.27
Goods and services transferred over a period of time	13,363.05	21,214.04
Total revenue from contracts with customers	13,363.05	23,392.31

ii) Revenue from contracts with customers includes excise duty collected of Rs. Nil (31 March 2018: Rs. Nil). Revenue from contracts with customers net of applicable taxes is Rs. 13,363.05 lacs (31st March 2018: Rs. 23,392.31lacs).

iii) Reconciliation between ₹ revenue with customers and contracted price as per Ind AS 115

Particulars	(₹ in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Revenue as contracted price	11,779.74	4,888.61
Less: Adjustments		
Price adjustments such as discounts, rebates and sales promotion schemes	-	-
Excess Revenue - EPC	(215.87)	(282.37)
Provisions for executed sales return	-	-
Other adjustments	-	-
Add: Adjustments		
Unbilled Revenue - EPC	1,787.45	18,749.68
Revenue from contract with customers	13,351.32	23,355.92

	For the year ended 31-Mar-19	For the year ended 31-Mar-18
iv) Contract balances as at:		
Contract balances		
Trade Receivables	12,334.12	10,673.61
Contract Assets / Unbilled Revenue {read with Note No. 24 (vi)}	1,787.45	18,749.68
Contract Liabilities / Unearned Revenue	215.87	282.37
v) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. In 31 March 2019: Rs. 6.37 lacs (31 March 2018: Rs. 3549.54 lacs) was recognised as provision/bad debts for expected credit losses on trade receivables.		

vi) Contracts assets (unbilled revenue) are initially recognised for revenue earned from contract as receipt of consideration is conditional on successful completion of contract. Upon completion of contract and acceptance/certifications by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The decrease in contract assets in March 2019 is the result of the decrease in ongoing contracts and closure of old contracts during the year. In March 2019, Rs. 301.22 lacs (March 2018: Rs. 14281.17 lacs) was recognised as bad debts for expected credit losses on contract assets.

vii) Contract liabilities include excess billed revenue. The outstanding balances of these accounts decreased in 2018-19 due to the decrease in ongoing contracts and closure of old contracts.

viii) Contract balances:

Movement in contract balances during the year: (₹ in Lacs)

Particulars	Contract Assets	Contract Liabilities	Net Contract Balances
Opening Balance as at 1 st April 2018	3,615.00	282.37	3,332.63
Closing Balance as at 31 st March 2019	1,486.24	215.87	1,270.37
Net Increase	(2,128.76)	(66.50)	(2,062.26)

ix) Performance obligations:

Aggregate amount of the transaction price (net of tax) allocated to long-term construction contracts that are partially or fully unsatisfied as at 31 March 2019 Rs. 5,576.74 lacs, (31 March 2018 Rs. 13,901.39 lacs). The unsatisfied performance obligation is expected to be recognised within 24 months.

x) Impact of Ind AS 115:

Ind AS115 "Revenue from Contracts with Customers" is mandatory for reporting periods beginning on or after 1 April 2018 and has replaced existing Ind AS related thereto. The company has adopted the modified retrospective approach under the standard. Under this approach, no adjustments were required to be made to the retained earning as at 1 April 2018. Also the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results for the year 31 March 2019.

25 Other income

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Miscellaneous income	13.15	129.79
Other non-operating income		
Profit on sale of fixed assets	3.17	430.57
Sundry Balances/provisions no longer required written back	52.32	193.97
Interest income on bank deposits (Read with note no 10)	54.47	103.41
Interest others	24.92	62.20
	148.03	919.94

26 Cost of raw materials and components consumed

Particulars	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Inventory at the beginning of the year	-	2.71
Add: Purchases *	2,309.88	6,208.43
	2,309.88	6,211.14
Less: inventory at the end of the year	-	-
Cost of raw material and components consumed	2,309.88	6,211.14

* Purchases is accounted for as material consumed plus closing stock less opening stock as physically verified by the management.

27 Employee benefits expenses

Particulars	(₹ in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Salaries, wages and bonus	3,059.55	5,778.29
Contribution to provident and other funds	375.87	482.06
Staff welfare expenses	141.86	419.17
	3,577.28	6,679.52

28 Finance costs

Particulars	(₹ in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Interest		
on term loans (Read with note no 44)	2.27	72.17
on working capital facilities (Read with note no 44)	207.38	1,398.36
on inter corporate deposits	327.48	329.41
on others	770.78	503.71
	1,307.91	2,303.65

29 Depreciation and amortization expenses

Particulars	(₹ in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Depreciation of tangible assets (Refer note no. 2)	723.63	773.25
Amortization of intangible assets (Refer note no. 2a)	0.36	3.56
	723.99	776.81

30 Other expenses

Particulars	(₹ in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Sub-contracting expenses	5,152.29	8,860.30
Bank charges	127.82	525.17
Service tax	0.01	14.40
Sales tax	243.89	532.75
Site related expenses	51.53	52.93
Power and fuel	39.71	74.45
Freight and forwarding charges	164.98	250.71
Rent		
Equipment	155.42	310.22
Other (Rent)	20.89	182.39
Rates and taxes	10.43	135.87
Insurance	69.51	82.48
Repairs and maintenance		
Plant and machinery	14.46	48.04
Buildings	-	1.15
Others	19.71	41.27
Travelling and conveyance	135.16	313.66
Communication costs	13.90	41.55
Printing and stationery	14.39	40.43
Legal and professional fees	458.65	729.42
Directors' sitting fees	-	1.86
Payment to auditors (Refer details below)	21.14	26.03
Exchange fluctuation (net)	12.09	0.39
Bad debts/advances written off	328.20	15,104.63
Provision for doubtful debts written off	27.43	2,987.04
Water charges	0.45	4.04
Miscellaneous expenses	25.31	162.72
	7,107.37	30,523.90

Particulars	(₹ in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
As auditors :		
Audit fee	14.75	14.75
Limited review	5.31	5.26
In other capacity:		
Other services	-	5.90
Reimbursement of expenses	1.08	0.68
	21.14	26.59

31 Earnings per share (EPS) (₹ in Lacs)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	(₹ in Lacs)	
	For the year ended 31-Mar-19	For the year ended 31-Mar-18
Net Profit available for equity share holders	(1,588.18)	(17,313.69)
Weighted average number of equity shares for computation of basic & diluted earnings per share	75,38,400	75,38,400.00
Face Value of Equity Share	10.00	10.00
Earnings per share - Basic (in Rs.)	(21.07)	(229.67)
Earnings per share - Diluted (in Rs.)	(21.07)	(229.67)

32. 'The Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench, had admitted the petition filed by an operational Creditor for initiating Corporate Insolvency Resolution Process (CIRP) under the Insolvency and Bankruptcy Code, 2016 (IBC) vide its Order dated March 23, 2018. Pursuant to the said order of NCLT and in line with the provisions of IBC presently all the powers of the Board of Directors are exercised by the RP during the insolvency resolution proceedings period.

A Committee of Creditors (CoC) was formed on May 4, 2018 under Section 21 of the IBC. Pursuant to the order passed by the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on 6.08.2018, Mr. Udayraj Patwardhan is appointed as the Resolution Professional (RP), who took charge w.e.f. 9th August 2018 in place of Interim Resolution Professional. Consequent to the resignation of all the Directors of the Company prior to the Order of NCLT, at present there are no members in the Board of Directors. Hence, the above results have been considered and signed by the RP for filing with the Stock Exchanges.

As the CIRP is currently in progress and Resolution Professional is running the Company as a going concern as stipulated by law, Financial statements have been prepared on 'going concern' basis. However, the CIRP period ended on 17th February 2019.

Resolution plan was submitted by one of the resolution applicant which was not approved by CoC. The Company may face liquidation process under IBC 2016 and regulations thereunder, if, no resolution plan is approved by the Hon'ble NCLT. The CoC in the meeting held on 14th February 2019 have resolved that the company may be liquidated under liquidation as 'going concern'. Accordingly, application has been filed with Hon'ble NCLT is pending hearing."

33. As a part of CIRP, financial creditors, operational creditors, other creditors and employees ('Creditors') were called upon to submit their claims due as at the Insolvency Commencement Date to the RP latest by 17th February 2019 duly detailing their dues from the Company. Various claims submitted by the financial creditors {including claims filed by Arcelor Mittal India Private Limited (AMIPL), refer Note No. 34 (b)}, operational creditors, other creditors and employees of the Company to the Resolution Professional (RP) pursuant to the Insolvency and Bankruptcy Code, 2016. The Company is in the process of reconciling the accounts with the parties concerned. Accounting effect, if any, to the same would be made after completing the final reconciliation with the said creditors. The claims accepted by Resolution Professional may not directly have an effect on the balances reflected in the books of accounts. (read with note no. 49)

34(a). Due to continuous losses and liquidity constraints, the Company has not been able to make payments, including due instalments of borrowings, and outstanding interest obligations, both in respect of term loans and working capital facilities. Accordingly, there were delay/ default in repayment. There are certain overdue amounts as at 31st March 2019. All banks and NBFCs have classified the accounts as Non-Performing Assets (NPA) and some banks have given loan recall notice for the outstanding loan amount which were effective on 31st March 2019 (read with note no. 32). Details of unpaid / continuing default as on 31.03.2019 of due principal and interest amount of Banks/NBFCs:- (Read with note no.-44)

SN	Name of Banks / NBFCs	Default Period	Principal / Interest	For the year ended 31 st March 2019
1	Karur Vysya Bank	Less than 469 days	Principal	325.00
2	Karur Vysya Bank	Less than 486 days	Interest	19.34
3	Mahindra & Mahindra Financial Services Ltd	Less than 331 days	Principal & Interest	8.62
4	Axis Bank	Less than 518 days	Principal & Interest	2,330.46

- 34(b).** During the year ended 31st March 2019 all the financial lenders {except as stated in Note No. 34 (a)} for working capital facilities have assigned their fund based and non-fund based (unsettled) outstanding as accepted by the Resolution Professional as on 23rd March 2018 in favour of Arcelor Mittal India Private Limited ('AMIPL' or 'Assignee') vide Assignment Agreement dated 17th October 2018. No dues certificate from the above referred lenders is pending to be received from lenders. Further, Company is in process of reconciliation of claims filed by AMIPL with the books of accounts."
- 34(c).** In respect of loan repaid, pending receipt of No Objection / Dues certificate from respective lender, the company has not filed requisite form with Registrar of Companies for satisfaction of charges.
- 34(d).** Certain information including the minutes of the meetings of the Committee of Creditors and the outcome of certain specific/ routine procedures carried out as part of the IBC process could not be shared with anyone (including auditors), other than the Committee of Creditors and NCLT.
- 35.** In respect of certain suspended / delayed contracts, as of March 31, 2019, trade receivable of Rs. 246 lakhs (net of mobilization advance and provisions of Rs. 11 lakhs) (as of 31st March 2018, trade receivable of Rs. 331 lakhs, net of mobilization advance and provisions of Rs. 3 lakhs) are doubtful of recovery and pending for confirmation/ negotiation. The Company is making various efforts to recover the outstanding Trade receivable and is hopeful of recovery. The reconciliation of accounts and negotiations are in progress.
- 36.** During the current year as per the past practice, the Company has revised the estimated revenue, cost and project related provisions on account of increase in scope/ prolongation of the contracts' tenure as per the requirement of the clients owing to uncertainty surrounding completion of the projects which were due to reasons beyond the Company's control. This is being done in line with the general business practice followed in the industry, however additional steps have been initiated for fair estimation of revenue and project related provisions. Accordingly, adjustments on this account and/also on cost reassessment done during the year has been charged/carried out to the Statement of Profit / Loss.
- 37.** Certain balances of trade receivable (including from related parties), unbilled revenue, trade payables (including MSME and interest payable thereon), secured loans (including Banks and NBFC), bank guarantees, unsecured loans (including from related parties), bank balances, current liabilities, other liabilities (including statutory dues and returns thereof) and loan & advances are subject to confirmation/reconciliation (read with note no. 49). As majority of accounts/balances are subject to confirmation/reconciliation, management on fair estimate basis compiled the data and believe that on reconciliation / confirmation, there will not be any material impact on loss for the year and also on state of affairs as at 31st March 2019. Necessary steps have been initiated to further strengthen system of internal controls.
- 38.** The management has prepared financial statements on going concerned basis notwithstanding the fact that the Company is having negative net worth, continuous losses, lower level of operations effecting cash flows and going concern, short closure in certain projects, current liabilities are in excess of current assets, Company is under Corporate Insolvency Resolution Process and default in repayment of loan instalments and payment of due interest, both on term loans and working capital as net worth is not a singular measure of deciding as a 'going concern'. The Company has a good brand name in the industry and during its last 40 years has already established its position as a reliable EPC contractor. Considering the same, it is expected that it will, in due course of time, be in a position to receive a viable Resolution Plan for the approval of CoC and NCLT. Currently the Company is executing few contracts which are able to run on its own by using the cash inflows from these projects. In view of the above, the Company has prepared its accounts on a going concern basis. The COC has recommended liquidation as going concern. In case the NCLT approving the same, appropriate treatment will be given in the books of account.
- 39.** During the year few customers have en-cashed the Performance and Advance Bank Guarantee of Rs. 3,634.80 lacs. Subsequent to the Balance sheet date also, Performance bank guarantee of Rs. 2,228.64 lacs have been encashed. As per the terms of the agreement, the Customers have right to recover where delay and/or non-performance on the part of the Company. The company's management / RP are in the process of discussion with the customer to recover the Performance Bank Guarantee which in the opinion of the Company has been wrongly encashed by the customers. The Company's management/ RP is confident of recovery of the same from the customers and also in the process of initiating arbitration procedure / process. In view of the same, no provision/adjustment has been made in the financial statements.
- 40.** The CoC has recommended liquidation as a going concern. In case of any applicant being successful, the Company will change hands accordingly. Thus, it is expected that the Company would be in a position to realized Deferred Tax Assets (net) amounting to Rs. 5,991.31 lacs (as stated in note no. 6) against expected taxable profit in the future years. Further, in view of continuous losses, no Deferred tax assets (net) has been recognised in the current year.
- 41.** The Plant & Machinery Department team at respective sites have carried out the verification process of property, plant and equipment (PPE) at running sites, no discrepancy has been found by the said team. Further Physical verification with respect to other / closed sites is in process. Pending physical verification of PPE reconciliation with book records will be done on completion of physical verification. In view of the security arrangement, the management doesn't expect any material differences on final reconciliation with books/records.

42. Many of the projects / contracts have been closed/ short closed by the Company and visibility of future cash flows shall be available only upon completion of CIR process. Accordingly, the Company has not considered any significant impairment in the value of its assets during the period.
43. Certain expenses {including finance costs (read with note no. 44)}/ liabilities/employee benefit expenses have been accounted for as approved by the management based on vouchers and for which contracts, supporting records and agreements could not be made available to the auditors for verification as the same are under process of compilation/ updation. As per the management, expenses were incurred for business purposes only. As stated in Note no. 34a, In view of the liquidity constraints, many of the staffs at sites Offices and Head Offices have left their services of the company. This has resulted in delay in compiling information. However, the Company is in the process of taking steps for completing the reconciliation and compiling the records and confident that there would not be any material impact on final compilation of data / records. Necessary steps have been initiated to further strengthen system of internal controls.
44. Interest payable on secured loans have been provided for/ reversed as per the bank statements/outstanding claims filed by the financial lenders. Further, since the Company is in CIR process, no interest liability has been provided for the loans assigned by the financial lenders to AMIPL {as stated in note no. 34b} by the Company.
45. During the financial year 2017-18 Mr. Manoj Kumar Gaur was appointed as Managing Director for a period of 3 years w.e.f. November 1, 2017, subject to the approval of shareholders but resigned w.e.f. February 14, 2018. However, prior approval of secured creditors and shareholders has not been obtained before his appointment as per the provisions of Section II of Part II of Schedule V of the Companies Act, 2013, although intimation to the banks have been made regarding his appointment.
46. **Statutory Dues-**
- (a) Certain statutory dues (including PF, ESIC, TDS, GST etc.) could not be paid on due dates due to liquidity constraints and non- submission /delay in filing of certain statutory returns, excess provision (including interest) on statutory dues have been written off and pending for reconciliation between books and returns filed. The Company is in process of strengthening internal control systems in this respect.
- (b) During the previous year, search at the company's premises were carried out by the Service Tax Authority. Management believes that due liability of service tax has been fully provided for and does not expect any material demand on final assessment by the Authorities concerned. (read with note no. 49)
47. During the year, considering some elements of uncertainty, on a conservative basis, receivables, unbilled revenue, advances and unrecoverable security deposits amounting to Rs. 6.37 lacs, Rs. 301.22 lacs Rs. 27.43 lacs and Rs. 20.62 lacs respectively have been written off/ provided for and the same is reflecting under 'Other Expenses'. During the previous year, The Company has made claims on some of its clients over and above the contracted value amounting to Rs. 1,05,561 lacs towards extra costs incurred because of change in scope of work, extended stay by the project team at the site attributable to the clients, extra costs incurred because of change in law etc. Corresponding costs relating to the claims have been absorbed by the company during the year or previous years. These claims will be accounted for as income in the year in which it is settled by the clients."
48. All the directors (including Woman Director) of the Company have resigned by 31st March, 2018 and there are no members on the Board as on 31st March 2019. For the said reason there is no quorum for conducting meetings of Board of Directors, Nomination and Remuneration Committee, Audit Committee etc., in compliance to the provisions of the Companies Act, 2013 and Stock Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended). Further the Company Secretary of the Company has resigned with effect from 7th March 2018 and CFO also resigned w.e.f. 2nd June 2018. As all the director's have resigned and there is no company secretary hence the Company couldn't file the e-forms with the Registrar of Companies with respect to resignation of directors, company secretary, Chief Executive Officer, and Chief Financial Officer, submission of annual return and application for extension of Annual General Meeting, Corporate Governance and compliance of other related regulations. However, we are in process of updating required registers / forms which shall be submitted in due course. Further the RP has informed the Holding Company M/s KSS Petron Private Limited for compliance of provisions of Section 168(3) of the Companies Act, 2013.

49. Contingent Liability (As certified by Management)

(a) Claims against the Company not acknowledged as debts, comprises of;

(₹ in Lacs)

Particulars	31 st March 2019	31 st March 2018
i. Sales tax matters in appeal	2333.73	2603.22
. (Sales tax matters in appeal mainly comprises of demands made on account of non-submission of C& E forms, disallowances on assessments, additional tax levied, late filing of returns, non-submission of original documents etc).		
ii.. Excise duty matters in appeal	5.22	5.22
. (Excise matters in appeal mainly comprises of demands made on duty paid imported goods & difference in scheduled rates).		
iii.. Service tax matters in appeal	1385.82	605.73
. (Service tax matters in appeal mainly comprises of demands made on disallowance of input credit, disallowing the abatement scheme adopted by the Company and penalty for late payment etc but excluding interest).		
iv.. Income-tax matters	339.85	293.13
. (Income-tax matters comprises of demand of tax and interest on short deduction of tax deducted at source).		
v.. Labour matters and other litigations	39.70	39.70
. (Labour matters comprise of demand made for labour welfare cess).		
Total	4104.32	3,547.00

- b. The Company is contesting the above demands and does not expect any material liability in respect of above contingent items, the effect of which, if any, will be taken as and when these are settled.
- c. Bank guarantees & Inland/Foreign letters of credit issued by the banks on behalf of the Company of Rs. 5,344.95 lacs (Read with note no. 39).
- d. As stated in Note No. 44, since the Company is in CIR process, no interest liability has been provided for the loans assigned by the financial lenders to AMIPL {as stated in note no. 34b} by the Company.
- e. Some of the parties have filed legal case(s) against the Company with legal authorities / court for delay / non-payment of their dues (interest unascertainable and not material). The Company is in the process of negotiation and confident to settle due amount in due course of time and / or of improvement in cash flow position.

50. Capital and other commitments is Rs. Nil (31st March 2018 Rs. Nil)

51. 'The Company is primarily engaged in the business of "Engineering, Procurement & Construction" and operates in a single operating segment based on the nature of the products and services, the risks and returns etc. Further, the operation of the Company is limited within one geographical segment (India).

Revenue from Two major customers of the Company represent approximately Rs. 8,983.52 lacs, which is more than 10% of the Company's total revenue.

52. Gratuity and other postemployment benefit plans

Gratuity: The Company operates gratuity plan which is administered through a gratuity trust for its employees as per the provisions of the Payment of Gratuity Act, 1972 [Amended]. The gratuity plan envisages annual contribution by employer to the trust as per actuarial valuation. The payment of gratuity to the employees are payable as per the Payment of Gratuity Act, 1972 [Amended] at the time of separation from service or retirement, whichever is earlier, subject to completion of the minimum qualifying service of 5 years. The payment of gratuity to the eligible employees by the trust is guaranteed by the Company.

Changes in the present value of the Defined Gratuity Benefits Obligation representing reconciliation of opening and closing balance thereof:

	For year ended 31 st March 2019	For year ended 31 st March 2018
Present Value of Defined Benefit Obligation as at beginning	246.04	332.77
Interest Cost	18.45	24.96
Current Service Cost	14.20	25.83
Past Service Cost	-	-
Benefits Paid	(105.44)	(126.33)
Actuarial (Gain)/ loss on Defined Benefit Obligation	(10.94)	(11.19)
Present Value of Defined Benefit Obligation as at ended	162.31	246.04

Changes in the fair value of Plan Assets representing reconciliation of the opening and closing balance thereof.

	For year ended 31 st March 2019	For year ended 31 st March 2018
Fair Value of Plan Assets as at beginning	223.78	365.41
Interest Income on plan assets	16.78	27.41
Expected return on plan assets not included in the interest income	4.54	(18.39)
Contribution made by Employer	7.74	-
Benefits Paid	(105.44)	(126.33)
Actuarial gain/(loss) on plan assets	22.26	(24.32)
Fair Value of Plan Assets as at ended	169.66	223.78

Amounts to be recognised in the Balance Sheet

	For year ended 31 st March 2019	For year ended 31 st March 2018
Present Value of the Defined Benefit Obligation:	162.31	246.04
Fair Value of Plan Assets	(169.66)	(223.78)
Liability to be recognised in Balance Sheet	(7.35)	22.26

Amounts to be recognised in the statement of Profit & Loss

	For year ended 31 st March 2019	For year ended 31 st March 2018
Current Service Cost	14.20	25.83
Interest Cost on net opening liability/Assets	1.67	(2.45)
Past Service Cost	-	-
Expenses to be recognised in the statement of Profit & Loss A/c	15.87	23.38

Remeasurements

	For year ended 31 st March 2019	For year ended 31 st March 2018
Actuarial (Gains)/Losses in obligation for year ended- Due Changes in demographic assumption	-	-
Actuarial (Gains)/Losses in obligation for year ended- Due to Changes in financial assumption	-	-
Actuarial (Gains)/Losses in obligation for year ended-Due to changes in Experience Adjustment	(33.20)	13.13
Expected return on plan assets not included in the interest income	(4.54)	18.39
Remeasurement arising because of change in effect of asset ceiling	-	-
Net (Income)/Expenses for the recognised in OCI	(37.73)	31.52

Sensitivity to key Assumptions

Key assumptions for determination of the Present Value of Defined Benefit Obligation are Discount Rate (i.e. Interest Rate) and Salary Growth rate

DISCOUNT RATE IS VARIED BY 1% (OTHER ASSUMPTIONS REMAINING UNCHANGED)

Particulars	P.V. of DBO	P.V. of DBO if discount rate is decreased to 6.5%	Amount of Increase in P.V. of DBO due to 1% decrease in Discount Rate	P.V. of DBO if discount rate is increased to 8.5%	Amount of decrease in P.V. of DBO due to 1% increase in Discount Rate
For the year ended March 31, 2019	162.31	176.28	13.96	150.11	(12.20)
			8.60%		-7.52%
For the year ended March 31, 2018	246.04	270.63	24.59	224.87	(21.17)
			9.99%		-8.60%

IF SALARY GROWTH RATE IS VARIED BY 1% (OTHER ASSUMPTIONS REMAINING UNCHANGED)

Particulars	P.V. of DBO	P.V. of DBO if Salary Growth rate is increased to 8%	Amount of Increase in P.V. of DBO due to 1% increase in Salary Growth	P.V. of DBO if Salary Growth rate is decreased to 8%	Amount of decreased in P.V. of DBO due to 1% decreased in Salary Growth
For the year ended March 31, 2019	162.31	176.21	13.89	149.95	(12.36)
			8.56%		(0.08)
For the year ended March 31, 2018	246.04	270.51	24.47	224.6	(21.44)
			9.95%		-8.71%

Valuation Assumptions:

The principal actuarial assumptions used for estimating the Company's defined benefit obligations are set out below:

Particulars	As at 31 st March, 2019	As at 31 st March, 2018
Discount Rate	7.5% per annum	7.5% per annum
Expected Rate of increase in salary	7% per annum	7% per annum
Employee Turnover	1 % at all ages	1 % at all ages
Mortality Rates	Indian Assured Lives (2006-08) Ultimate Mortality Rates	Indian Assured Lives (2006-08) Ultimate Mortality Rates
Retirement Age	60 years	60 years

53. Fair values of financial assets and liabilities and hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and deposits, current trade receivables, current trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. For fixed interest rate borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate.

Fair Value hierarchy

The following table provides the fair value measurement hierarchy of Company's financial asset and financial liabilities, Company into Level 1 to Level 3 as described below:

Level 1- Quoted price (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2- Inputs other than quoted prices include within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3- Unobservable inputs for the asset or liability.

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the companies:-

Financial assets /Liabilities at fair value through amortised cost:

Particulars	Note No.	Level	As at 31 st March, 2019	As at 31 st March, 2018
Financial assets /Liabilities at fair value through amortised cost:				
Financial assets				
Trade receivables	3 & 8	3	2,910.88	2,502.44
Loans	4 & 11	3	37.36	65.33
Other financial assets	5 & 12	3	3,742.64	5.02
Financial Liabilities				
Borrowings	16 & 19	3	-	2,010.93
Other financial liabilities	17 & 21	3	85.48	60.61

54. Financial Risk Management

Financial risk factors

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan, trade receivables, other receivables, cash and deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

i. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks comprise three types of risk: currency risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at March 31, 2019 and March 31, 2018.

ii. Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

iii. Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

i. Market Risk

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates.

a. Foreign exchange risk and sensitivity

An Exposure can be defined as a Contracted Cash Flow (Trade Receivable, Trade Payable, Bank balance) denominated in a currency other than Indian Rupees. The Company may have foreign currency exposure on account of the following items:

Exposure against Working capital –

- Imports Trade Payables;
- Bank Balance

Foreign Currency exposures that are not hedged by derivative instruments or otherwise outstanding as on 31st March, 2019 and 31st March, 2018 is as under:

Exposure to be taken from the client.

Nature	As at 31 st March 2019		As at 31 st March 2018	
	Foreign Currency	Amount	Foreign Currency	Amount
Account Payable				
USD	2.77	192.11	2.77	179.91
Bank Balance				
KWD	-	-	0.02	4.77

The following table demonstrates the sensitivity in the USD, KWD and other currencies to the Indian Rupee with all other variables held constant. The impact on the Company's profit before tax and other comprehensive income due to Changes in the fair value of monetary assets and liabilities are given below:

Foreign exchange risk and sensitivity (Un-hedged)

Particulars	Change in currency exchange rate	Effect on profit/ (loss) before tax (Rs. In lacs), For the year ended	
		31 st March, 2019	31 st March, 2018
		USD	0.05
	-0.05	(9.61)	(9.00)
KWD	0.05	-	0.24
	-0.05	-	(0.24)

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

The Company transacts business primarily in Indian Rupee, USD and KWD. The Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk. Certain transactions of the Company act as natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adapts the policy of selective hedging based on risk perception of management. Foreign exchange hedging contracts are carried at fair value.

b. Interest rate risk and sensitivity

The Company will have Interest rate exposure on all interest bearing financial liabilities. These could be broadly categorized as under:

- a) Working Capital Borrowings
- b) Long Term Borrowing

ii. Credit Risk

The Company is exposed to credit risk from its operating activities (primarily trade and other receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade Receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. Outstanding Trade receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The Company has also taken advances from its customers, which mitigate the credit risk to an extent.

In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix

Financial instruments and cash deposits

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained.

iii. Liquidity risk

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

For the Year ended 31 March 2019

Particulars	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings (Including Current Maturity)	22,141.18	22,141.18	-	-	22,141.18
Other Financial liabilities	3,814.90	3,729.42	85.48	-	3,814.90
Trade payables	10,494.85	10,494.85	-	-	10,494.85
Total	36,450.93	36,365.45	85.48	-	36,450.93

For the Year ended 31 March 2018

Particulars	Carrying Amount	Less than 1 Year	1 to 3 Years	> 3 years	Total
Borrowings (Including Current Maturity)	14,561.47	12,550.53	2,010.93	-	14,561.46
Other Financial liabilities	4,324.24	4,263.63	60.61	-	4,324.24
Trade payables	10,717.73	10,717.73	-	-	10,717.73
Total	29,603.43	27,531.90	2,071.54	-	29,603.43

55. Capital risk management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short-term deposits.

The Company monitors capital using gearing ratio, which is net debt divided by total capital.

Particulars	As at	As at
	31 st March 2019	31 st March 2018
Debt	22,141.18	14,561.47
Less: cash and cash equivalents	4,111.15	1,695.51
Net debt	18,030.04	12,865.95
Total Capital	(110.53)	1,439.92
Total Capital and Net Debt	17,919.50	14,305.87
Gearing ratio	100.62%	89.93%

Notes-

- Debt is defined as long-term and short-term borrowings including current maturities.
- Equity includes all capital and reserves of the Company that are managed as capital

56. Related party disclosures (As certified by management)**Names of related parties and related party relationship****Related parties where control exists****Holding Company**

KSS Petron Private Limited (formerly known as KazStroyService Infrastructure India Pvt. Ltd.)

Ultimate holding Company

KazStroyService Global B.V

Related party with whom transactions have taken place during the year**Holding Company**

KSS Petron Private Limited (formerly known as KazStroyService Infrastructure India Pvt. Ltd.)

Other related party where common control exists

Petron Engineering Construction Limited – Employees Gratuity Fund

Key management personnel (KMP)

Mr. Ajay Hans, Managing Director (from 05.10.2012 till 28.09.2017)
 Mr. Manoj Gaur, Managing Director (from 01.11.2017 till 14.02.2018)
 Mr. Devendra Kumar, Chief Executive Officer (from 06.10.2017 till 01.11.2017)
 Mr. Manoj Gaur, Chief Executive Officer (from 15.02.2018 till date)
 Mr. Naresh Shah, Sr. VP (Legal) & Company Secretary (till 12th May 2017)
 Ms. Rashmi Patkar, Company Secretary (from 12.05.2017 till 07.03.2018)
 Mr. Himanshu Mohapatra, Chief Financial Officer (till 02.06.2018)
 Mr. Rajeev Mannadiar, Interim Resolution professional (From 23rd March 2018 upto 8th August, 2018)
 Mr. Udayraj Patwardhan, Resolution professional (From 9th August, 2018 till date)

Enterprises over which KMPs and their relatives exercise significant influence and with whom transaction have taken place during the year

Sumedha Management Solutions Pvt. Ltd.

Particulars	(Rs. in Lacs)	
	Year ended 31-Mar-19	31-Mar-18
a. Sales/purchases of services		
Sale of services		
Holding Company - KSS Petron Pvt. Ltd.	3,354.70	2,640.98
Purchase of Services		
Enterprises over which KMPs exercise significant influence - Sumedha Management Solutions Pvt. Ltd.	27.32	-
Project WIP #		
Holding Company - KSS Petron Pvt. Ltd.	87.54	208.12
b. Interest on Loans taken and repayment thereof		
Interest accrued (Net of Tax) during the year		
Holding company - KSS Petron Pvt. Ltd.	294.73	294.73
c. Expenses incurred by the Company on behalf of & expenses incurred by others on behalf of the Company		
Expenses incurred by the Company on behalf of others		
Holding company - KSS Petron Pvt. Ltd.	-	10.92
Expenses incurred by others on behalf of the Company		
Holding company - KSS Petron Pvt. Ltd.	-	0.38
d. Contribution towards Gratuity Fund		
Contribution made during the year		
Petron Engineering Construction Limited - Employees Gratuity Fund	-	-
e. Remuneration to key managerial personnel (Salary, bonus, contribution to PF and gratuity)		
Mr. Ajay Hans, Managing Director	-	51.42
Mr. Manoj Gaur, Managing Director	-	17.22
Mr. Manoj Gaur, Chief Executive Officer	-	4.17
Mr. Himanshu Mohapatra, Chief Financial Officer	9.97	43.70
Mr. Naresh Shah, Sr. VP (Legal) & Company Secretary	-	2.64
Ms. Rashmi Patkar, Company Secretary	-	6.45
Mr. Rajeew Mannadiar	10.62	-
Mr. Udayraj Patwardhan	10.36	-
Total	30.95	125.60
Outstanding balances		
Amount owed by related parties *		
Holding Company - KSS Petron Pvt. Ltd.	373.95	547.69
Amount owed to related parties *		
Holding Company - KSS Petron Pvt. Ltd.	1,602.67	1,602.67
Fellow subsidiaries -KazStroyService Management Services Pte. Ltd	187.17	175.28
Enterprises over which KMPs exercise significant influence - Sumedha Management Solutions Pvt. Ltd.		
Loan Taken		
Amount owed to the related parties		
Holding company - KSS Petron Pvt. Ltd.	2,499.09	2,499.09
Interest on Loan taken		
Holding company - KSS Petron Pvt. Ltd.	997.53	702.79
Towards gratuity fund		
Petron Engineering Construction Limited - Employees Gratuity Fund {Liability / (Assets)}	(7.35)	22.26

Particulars	(Rs. in Lacs)	
	Year ended	
	31-Mar-19	31-Mar-18
Towards Remuneration		
Mr. Ajay Hans, Managing Director (from 05.10.2012 till 28.09.2017)	8.84	8.84
Mr. Manoj Gaur, Managing Director (from 01.11.2017 till 14.02.2018)	4.00	5.80
Mr. Himanshu Mohapatra, Chief Financial Officer (till 02.06.2018)	10.63	9.88
Ms. Rashmi Patkar, Company Secretary (from 12.05.2017 till 07.03.2018)	2.11	1.55
Mr. Udayraj Patwardhan	0.45	-

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity as this is determined on an actuarial basis for the Company as a whole. However, these are included on payment basis.

57. Dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 to the extent identified and information available with the Company pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006, details as certified by the management are mentioned below:

Particulars	(Rs. in Lacs)	
	As at	
	31-Mar-19	31-Mar-18
Principal amount remaining unpaid to Micro & Small Enterprises	143.61	25.56
Interest due thereon	23.70	21.93
Interest paid by the Company in terms of Section 16 of MSME Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Interest accrued and remaining unpaid	23.70	21.93
Further Interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise.	23.70	21.93

To the extent information available with the Company in respect of MSME {as defined in The Micro, Small and Medium Enterprises Development Act, 2006 (the Act)}, the management has identified such enterprises which have provided goods and services to the company and qualify under the definition of MSME. Apart from the above, the Company believes that there are no other balances outstanding to micro and small enterprises as defined under the MSMED Act, 2006. This has been relied upon by the auditors. However, the company is in the process of identifying and compiling the additional information required to be disclosed under the act; accordingly, the amount of interest paid / payable in view of the management if any, will not be material.

58. Revenue for the year includes Rs. 1,677 lacs in respect of certain contracts work /invoices which have not been certified by the parties/ customers. Management is confident that there would not be any material variation on final billing / acceptance of work by the customers and amount is fully realisable.

59. Previous numbers have been regrouped/reclassified to meet current year classification.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Lodha & Co,
Chartered Accountants
Firm Registration No. 301051E

(Gaurav Lodha)
Partner
Membership No. 507462

Place: Mumbai
Date: 28th May 2019

For Petron Engineering Construction Limited

Udayraj Patwardhan
Resolution Professional
Reg.No.IBBI/IPA-001/IP-P00024/2016-17/10057

Form No. MGT-11 – Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L45202MH1976PLC019135
Name of the company : PETRON ENGINEERING CONSTRUCTION LIMITED
Registered office : Swastik Chambers, 6th Floor, Sion Trombay Road, Chembur, Mumbai – 400 071

Name of the member (s)
Registered address
E-mail Id
Folio No/ Client Id
DP ID

I/We, being the member (s) of _____ shares of the above named company, hereby ap

1. Name: _____ Address: _____
_____ E-mail Id: _____
Signature: _____, or failing him
2. Name: _____ Address: _____
_____ E-mail Id: _____
Signature: _____, or failing him
3. Name: _____ Address: _____
_____ E-mail Id: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43rd Annual General Meeting of the company, to be held on Friday, the 27th September, 2019 at 200 p.m. at the Regd. Office of the Company at Swastik Chambers, 6th Floor, Sion Trombay Road, Chembur, Mumbai 400 071 and at any adjournment thereof in respect of such resolutions as indicated below:

Item No.	Resolutions	For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2019.		

Affix
Revenue
Stamp

Signature of shareholder

Signature of Proxy holder(s)

Date : _____
Place : _____

*It is optional to indicate your preference. If you leave the 'for or against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Those members who have multiple folios with different joint holders may use copies of this Attendance slip / proxy form.



PETRON ENGINEERING CONSTRUCTION LIMITED

(CIN: L45202MH1976PLCO19135)

Swastik Chambers, 6th Floor, Sion-Trombay Road, Chembur, Mumbai - 400 071

Tel.: +91-22-4085 6200 Fax: +91-22-4085 6250 / 6797 3509

Email: corporate@petronengineering.com Website: www.petronengineering.com

ATTENDANCE SLIP

43rd ANNUAL GENERAL MEETING on Friday, 27th September, 2019 at 2.00 p.m.

Registered Folio No. / DP ID No. & Client ID No	
Name and Address of the Shareholder(s)/ Proxy	
Joint Holder 1	
Joint Holder 2	
No. of Shares held	

I/We certify that I/we am/are registered shareholder / proxy / representative for the registered shareholder of the Company. I/We hereby record my/our presence at the 43rd Annual General Meeting of the Company held on Friday, 27th September, 2019 at 2.00 p.m. at the Registered Office of the Company at Swastik Chambers, 6th Floor, Sion Trombay Road, Chembur, Mumbai 400 071.

Member's Folio / DP ID / Client ID

Member's/Proxy's Name
(IN BLOCK LETTERS)

Member's/ Proxy's Signature

Notes: Please fill in the folio /DP ID / Client ID No., name and sign the Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF MEETING HALL.

ELECTRONIC VOTING PARTICULARS

EVSN (Electronic Voting Sequence Number)	*Default PAN
190829010	Use your PAN

*Only Members who have not updated their PAN with the Company /Depository Participant shall use Default PAN in the PAN Field.

Note: Please read the instructions for E-Voting given along with Annual Report. The Voting period starts from Monday, 23rd September, 2019 (9.00 a.m.) to Thursday, 26th September, 2019 at (5.00 p.m.). The Voting Module shall be disabled by CDSL for voting thereafter.

E-COMMUNICATION REGISTRATION FORM

Dear Members,

This Ministry of Corporate Affairs and the Securities and Exchange Board of India have commenced Green Initiative by allowing paperless compliances by Companies. The Companies can send Annual Report and General Notices in electronic mode to members who have registered their email addresses for the purpose.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow members to contribute towards a Greener Environment. This is a golden opportunity for every member of Petron Engineering Construction Limited to contribute to the Corporate Social Responsibility initiative of the Company.

We therefore invite all our members to contribute to the cause by filling up the form given below the receive communication from the Company in electronic mode. You can also download the attached registration form from our website www.petronengineering.com

Let's be part of this "Green Initiative"!

Please note that as a Member of the Company you will be entitles to receive all such communication in physical form, upon request.

Best Re

Folio No./ DP ID and Client Id	:	
Name of the member (s)	:	_____
Registered Address	:	_____
E-mail Id (to be registered)	:	
DP ID	:	
<p>I/We shareholders(s) of Petron Engineering Construction Limited agree to receive communication from the Company in electronic mode.</p> <p>Please register my above e-mail address in your records for sending communication through e-mail.</p> <p>Date: _____ Signature: _____</p>		

43rd
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PETRON ENGINEERING CONSTRUCTION LIMITED

CIN: L45202MH1976PLCO19135

6th Floor, Swastik Chambers, Sion-Trombay Road, Chembur, Mumbai - 400 071

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