



GMR WARORA ENERGY LIMITED
(formerly known as Emco Energy Limited)

Annual Report

2015-16

GMR WARORA ENERGY LIMITED

(formerly Emco Energy Limited)

Regd Off: 701/704, 7th Floor, Naman Centre, A-Wing
BKC (Bandra Kurla Complex), Bandra, Mumbai – 400 051
(CIN: U40100MH2005PLC155140; T: 022- 42028000; website: www.gmrgroup.in)

Notice is hereby given that the Eleventh Annual General Meeting of the Company will be held on Tuesday, September 20, 2016, at 10:00 AM at the registered office of the Company at 701/704, 7th Floor, Naman Centre, A-Wing BKC (Bandra Kurla Complex), Bandra, Mumbai-400051 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements viz. Balance Sheet as at March 31, 2016 together with the Statement of Profit and Loss for the year ended on that date, and Board's report and Auditors report thereon.
2. To appoint a director in place of Mr. GBS Raju (DIN 00061686), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint M/s. Chaturvedi & Shah, Chartered Accountants (Registration No. 101720W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on such remuneration as may be determined by the Board of Directors.

SPECIAL BUSINESS:

4. APPOINTMENT OF MR. S.C KALIA AS INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. S. C Kalia (DIN: 00075644) who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office up to the conclusion of Fourteenth Annual General Meeting to be held in the year 2019."

5. APPOINTMENT OF MR. S.K GOEL AS INDEPENDENT DIRECTOR OF THE COMPANY

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. S.K.Goel (DIN: 00492659) who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company to hold office up to the conclusion of Fourteenth Annual General Meeting to be held in the year 2019."

6. APPROVAL OF REMUNERATION OF THE COST AUDITOR

To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Narasimha Murthy & Co., Cost Accountants having firm registration no.000042, appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records of the Company, for the financial year 2016-17, be paid a remuneration of Rs.50,000/- (Rupees Fifty Thousand only) plus out of pocket expenses to be reimbursed on actual basis and other applicable taxes.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
For GMR Warora Energy Limited
(formerly Emco Energy Limited)


Sanjay Kumar Babu
Company Secretary

Date: Aug 17, 2016
Place: New Delhi

NOTES

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. SUCH A PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. The Register of Directors' shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
5. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

ANNEXURE TO NOTICE

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

Item No. 4

Mr. S.C Kalia was co-opted as Additional Director of the Company by the Board w.e.f. August 17, 2016.

Pursuant to Section 149 of the Companies Act, 2013, read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, every listed public company shall have at least one-third of the total number of directors as independent directors and every other public company having paid up share capital of ten crore rupees or more; or turnover of one hundred crore rupees or more; or outstanding loans, debentures and deposits, exceeding fifty crore rupees, shall have at least two directors as independent directors. In case a Company is required to appoint a higher number of independent directors due to composition of its audit committee, such higher number of IDs shall be applicable to it.

Further as per Section 149(10), (11) & (13) of the Act, an independent director shall hold office for a term up to 5 (five) consecutive years and is eligible for reappointment for another term of up to 5 (five) consecutive years on passing of special resolution by the Company and disclosure in the Boards' Report. The Independent Director is not liable to retire by rotation.

Mr. Kalia is M.A. (Political Science), Gold Medalist and CAIIB and having rich experience over 38 years in Public Sector Banking Industry. Mr. Kalia has worked across India and overseas including London and Mauritius. He occupied the position of Executive Director of Union Bank of India and Vijaya Bank, General Manager- Wholesale Banking at Bank of Baroda besides being member of various Banks and Committees (including that of Domestic & Overseas subsidiaries of Bank of Baroda). Currently he is senior strategic advisor at Yes Bank, Member of empowered committee on External Commercial Borrowing constituted by Reserve Bank of India, Director on board of PNC Infratech Ltd. (Listed Company), BOI AXA Investment Managers Pvt. Ltd and Infin Asset Reconstruction Pvt. Ltd. Mr. Kalia has received various awards like Bankers Shiromani Award, Utkarsh Award and Distinguished Alumni Award by DAV College, Jalandhar.

Mr. S.C Kalia fulfills the conditions specified in the Companies Act, 2013 and the Rules framed thereunder, for his appointment as independent director of the Company and he is independent of the management. The Company has also received a declaration from him that he meets the criteria for independence as provided in Section 149(6) of the Act and he is eligible for appointment as independent director.

Keeping in view his vast expertise and knowledge, it is proposed to appoint Mr. S.C Kalia, as independent director of the Company to hold office up to the conclusion of Fourteenth Annual General Meeting to be held in the financial year 2019. Copy of the draft letter for appointment of Mr. S.C Kalia as an independent director setting out the terms and conditions is available for inspection by members at the Registered / Corporate Office of the Company.

None of the other Directors / Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution for approval of the shareholders.

Item No. 5

Mr. S. K Goel was co-opted as Additional Director of the Company by the Board w.e.f. August 17, 2016.

Pursuant to Section 149 of the Companies Act, 2013, read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, every listed public company shall

have at least one-third of the total number of directors as independent directors and every other public company having paid up share capital of ten crore rupees or more; or turnover of one hundred crore rupees or more; or outstanding loans, debentures and deposits, exceeding fifty crore rupees, shall have at least two directors as independent directors. In case a Company is required to appoint a higher number of independent directors due to composition of its audit committee, such higher number of IDs shall be applicable to it.

Further as per Section 149(10), (11) & (13) of the Act, an independent director shall hold office for a term up to 5 (five) consecutive years and is eligible for reappointment for another term of up to 5 (five) consecutive years on passing of special resolution by the Company and disclosure in the Boards' Report. The Independent Director is not liable to retire by rotation.

Mr. S.K. Goel is an outstanding scholar with first class post-graduation in commerce from Delhi School of Economics. He did his LLB from University of Rajasthan. He is Certified Associate member of Indian Institute of Bankers. He started his career from Bank of Baroda on 01.01.74 as an officer. He joined Andhra Bank in 1980 in Middle Management grade. His functional excellence ensured him rise in career at a fast pace and became General Manager in 1997. The impact of his leadership was engraved in all operational and administrative segments in Human Resource Development, Computer policy, Credit and International Banking. He became the Executive director of Allahabad Bank in 2004 after it he took charge of UCO Bank as Chairman & Managing Director in August 2007. Mr. Goel worked as Chief Vigilance officer in Bank of India from 1999 to 2002. As CVO of Bank of India he detected the scam of Ketan Parikh. His role was appreciated by Joint Parliamentary Committee. He was also Chairman and Managing Director of UCO BANK. Mr. S.K. Goel assumed charge as Chairman & Managing Director of India Infrastructure Finance Company Limited (IIFCL) in the year 2010.

Mr. S. K Goel fulfills the conditions specified in the Companies Act, 2013 and the Rules framed thereunder, for his appointment as independent director of the Company and he is independent of the management. The Company has also received a declaration from him that he meets the criteria for independence as provided in Section 149(6) of the Act and he is eligible for appointment as independent director.

Keeping in view his vast expertise and knowledge, it is proposed to appoint Mr. S. K Goel as independent director of the Company to hold office up to the conclusion of Fourteenth Annual General Meeting to be held in the financial year 2019. Copy of the draft letter for appointment of Mr. S. K Goel as an independent director setting out the terms and conditions is available for inspection by members at the Registered / Corporate Office of the Company.

None of the other Directors / Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution for approval of the shareholders.

Item No. 6

The Board, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s. Narasimha Murthy & Co., Cost Accountants having firm registration no.000042 to conduct the audit of the cost records of the Company for the financial years ended March 31, 2017 at remuneration as detailed in the resolution.

In accordance with the provisions of Section 148(3) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is being sought for ratification of the remuneration payable to Cost Auditors for the financial year ended March 31, 2017.

The Board recommends the Ordinary Resolutions set out at Item No. 6 of the Notice, for approval by the members.

None of the other Directors/ Key Managerial Personnel of the Company and their relatives is in any way, concerned or interested financially or otherwise, in these resolutions.

By Order of the Board
For GMR Warora Energy Limited
(formerly Emco Energy Limited)


Sanjay Kumar Babu
Company Secretary

Date: Aug 17, 2016
Place: New Delhi

GMR WARORA ENERGY LIMITED
(formerly Emco Energy Limited)
Regd Off: 701/704, 7th Floor, Naman Centre, A-Wing
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(CIN: U40100MH2005PLC155140; T: 022- 42028000; website: www.gmrgroup.in)

Attendance Slip

DP ID		FOLIO NO. / CLIENT ID		No. of shares	
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Name(s) and address of the member in full: _____

I/We hereby record my/our presence at the Tenth Annual General Meeting of the Company to be held **Tuesday, September 20, 2016, at 10:00 AM** at the **registered office of the Company at 701/704, 7th Floor, Naman Centre, A-Wing BKC (Bandra Kurla Complex), Bandra, Mumbai-400051.**

Member

Proxy

Signature of Member / Proxy

GMR WARORA ENERGY LIMITED
 (formerly Emco Energy Limited)
 Regd Off: 701/704, 7th Floor, Naman Centre, A-Wing
 BKC (Bandra Kurla Complex), Bandra, Mumbai – 400 051
 (CIN: U40100MH2005PLC155140; T: 022- 42028000; website: www.gmrgroup.in)

Proxy form
Form No. MGT-11

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

Name of the member(s): Registered address:		E-mail Id: Folio No/Client Id*: DP ID*:	
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I/We, being the member (s) of _____ shares of GMR Warora Energy Limited, hereby appoint:

1. _____ of _____ having e-mail id _____ or falling him
2. _____ of _____ having e-mail id _____ or falling him
3. _____ of _____ having e-mail id _____ or

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Seventh Annual General Meeting of the Company to be held on **Tuesday, September 20, 2016**, at **10:00 AM** at the registered office of the Company at 701/704, 7th Floor, Naman Centre, A-Wing BKC (Bandra Kurla Complex), Bandra, Mumbai-400051 and / or at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Ordinary Business
1.	To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2016, the Reports of the Board of Directors and Auditors thereon.
2.	To appoint a Director in place of Mr. GBS Raju (DIN-00061686) who retires by rotation and being eligible offers himself for reappointment.
3.	To appoint M/s. Chaturvedi & Shah, Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
Special Business	
4.	To appoint Mr. S.C Kalia as independent director of the company
5.	To appoint Mr. S.K Goel as independent director of the company
6.	To approve remuneration of the cost auditor for the FY 2016-17.

Signed this _____ day of _____ 2016

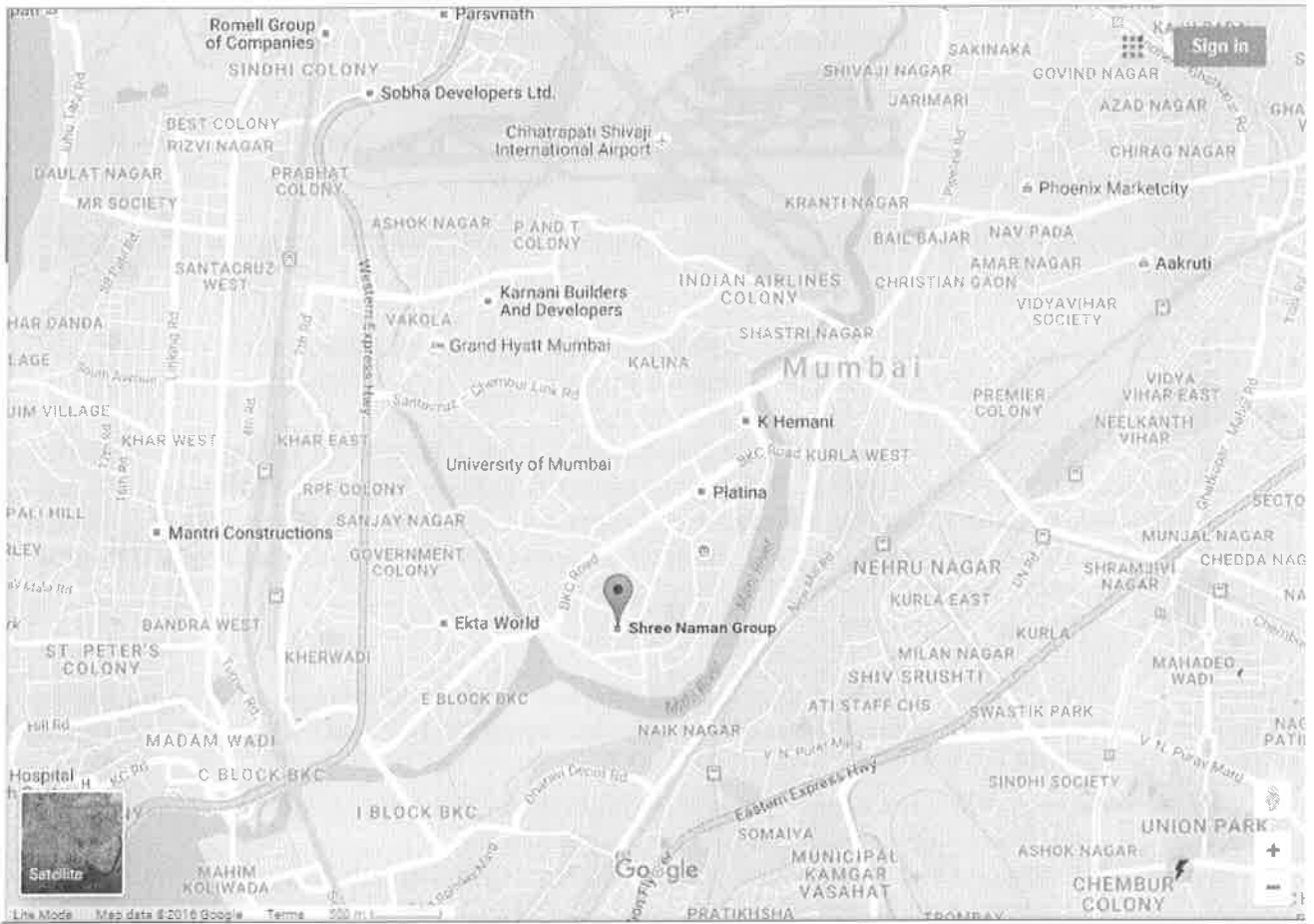
 Signature of Member

 Signature of Proxy holder(s)

Notes:

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. A proxy need not be a member of the Company.

**VENUE MAP OF ANNUAL GENERAL MEETING OF GMR WARORA ENERGY LIMITED
SCHEDULED TO BE HELD ON SEPTEMBER 20, 2016**



GMR WARORA ENERGY LIMITED
(Formerly Emco Energy Limited)

Registered Office: No.701/704, 7th Floor, Naman Centre, A Wing,
Bandra Kurla Complex, Bandra, Mumbai, Maharashtra - 400 051
(CIN: U40100MH2005PLC155140; T: 022-42028000; website: www.gmrgroup.in)

BOARD'S REPORT

To the Members,

The Directors have pleasure in presenting before you the Eleventh Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2016.

FINANCIAL / OPERATIONAL SUMMARY

The financial status of the Company as on March 31, 2016 is as under:

(Amount in Rs.)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Income (Other)	13,985,365,601	12,079,680,223
Expenditure	9,817,300,373	9,521,432,102
Profit/(Loss) Before Taxation	(2,094,673,302)	(3,405,373,103)
Provision for taxation	-	-
Deferred Tax	-	300,734,785
Profit/(Loss) After Taxation	(1,580,487,625)	(3,706,107,888)
Balance Carried to Balance Sheet	(1,580,487,625)	(3,706,107,888)

STATUS OF THE PROJECT

The Plant consists of 2 x 300 MW coal fired Units with all associated auxiliaries and Balance of Plant Systems. Both the 300 MW units (Unit #1, #2) have been constructed, commissioned and COD of both the units have already been declared and are operational. During the FY 14-15 both the FSA, ACQ quantities has been successfully amended to 1.3 Million Tonnes (each) on 10th June'14, and with this Company has a Coal Supply Agreement with SECL for a Total ACQ of 2.6 Million Tonnes per annum.

Major Highlights of the Year:

- Plant has achieved Gross PLF of 75.9% with 95% Availability for FY 2015-16.
- TNEB PPA commenced under MTOA from Oct'15 and for full quantum of 150 MW commenced under LTA from Dec'15.
- PPA compliance for M/s MSEDCL is 89.7%, M/s DNH is 95.8%, and for TNSLDC 94.7%.
- >95% Ash Utilization has been tied with nearby Cement Industries for Fly Ash & WCL for Bottom Ash.
- Plant is IMS certified by Bureau Veritas (BV) w.e.f June'14 for ISO 9001:2008, ISO 14001:2004, BS OHSAS 18001:2007, and also certified EnMS 50001:2011 w.e.f Aug'15.

- 100% compliances to all applicable Legal & Statutory requirement was Completed. New compliance Software Legatrix adopted and monitoring & updation is being done through Legatrix.
- Weir construction for water availability by MIDC is under way & expected to be made ready in FY 16-17.
- Obtained Building completion certificate from MIDC for B1 & B7 plot and saving Rs25 lac per month in reduction of Water charges.
- Plant received following awards: 1) Golden Peacock (Safety), (2) Good Green Governance (Environment), (3) Green Tech Award (Environment),(4) MEDA Award (Energy Management)

Way Forward:

- Plant is Perusing SA 8001 and IS 27001 and likely to get certified in Oct'16 and Dec'16 respectively.

CHANGE IN NAME OF COMPANY

During the year under review the Company changed its name from Emco Energy Limited to GMR Warora Energy Limited by altering the Name Clause of the Memorandum of Association at an extra-ordinary general meeting held on 05th November, 2015.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there is no change in the nature of business of the Company.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There are no material changes and commitments affecting financial position of the company between 31st March and the date of Board's Report.

SHARE CAPITAL

The Company's authorized capital stands at Rs.1100 crore divided into ninety crore equity shares and twenty crore preference shares of Rs.10/- each. During the year the Company's issued and paid up capital increased from Rs.435 crore to Rs.870 crore due to the conversion of 4,35,000 non-convertible debentures of GMR Energy Limited, the holding company, of the face value of Rs.10,000/- aggregating to Rs.435 crore into compulsorily convertible debentures and further compulsorily convertible debentures into 435,000,000 equity shares of Rs.10/- each aggregating to Rs.435 crore. The Company issued 75,000,000 redeemable preference shares of Rs.10/-each, for an aggregate value not exceeding Rs.75 crore to GMR Energy Limited. The current paid-up capital consists of Rs.870 crore equity shares and Rs.75 crore preference shares.

The Company continues to retain its status as direct subsidiary of GMR Energy Limited, and by virtue of section 2(87) of the Companies Act, 2013, it continues to be subsidiary of GMR Infrastructure Limited.

SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATE COMPANIES

Your Company does not have any Subsidiary, Joint Ventures or Associate Companies of its own and hence the statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures, as required to be provided in Form-AOC 1, is not applicable.

NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

Since your Company does not have Subsidiary, Joint Venture or Associate Company, this section is not applicable.

DIVIDEND

The Board did not recommend/declare any dividend during the year, since the company is into losses.

TRANSFER TO RESERVES

Due to the losses incurred there is no transfer of fund to any reserves.

BOARD MEETING

The Board of Directors met five times during the financial year. The intervening gap between two consecutive meetings was not more than the period prescribed under the Companies Act, 2013. The details are given in the Corporate Governance section of this Report.

FIXED DEPOSITS

During the year under review the Company has neither invited nor accepted any fixed deposits from the public.

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received necessary declaration from independent directors of the Company under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT 9 as a part of this Annual Report is attached as **Annexure-I**.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of Section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:

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

- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has given loans to fellow subsidiaries, as per details in clause 2.33 of the notes to Accounts of the Financial Statement for the year ended March 31, 2016. The Company has not given any guarantees and securities provided to any other parties. The Company has also not made any investments during the year under review.

AUDITORS & AUDITORS' REPORT

Statutory Auditors:

M/s. Chaturvedi & Shah (C&S), Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. Chaturvedi & Shah (C&S), Chartered Accountants, as statutory auditors of the Company from the conclusion of forthcoming Annual General Meeting till the conclusion of next Annual General Meeting.

The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified for reappointment.

The notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Secretarial Auditors:

The Board of Directors has appointed M/s S. Behera & Co, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith as Annexure-II to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Auditors:

The Board of Directors has appointed M/s Narasimha Murthy & Co. Cost Accountants, to conduct Cost Audit for the financial year 2015-16. The Cost Audit Report for the financial year ended March 31, 2016 does not contain any qualification, reservation or adverse remark.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of energy:

Following steps are taken on conservation of Energy which optimizes the Auxiliary consumption of Plant

- Conversion of HFO to LDO
- Reduction in Heat Rate from 2340 Kcal/Kwh to 2320 Kcal/Kwh by March 2016.
- Optimizing the consumption of Oil.
- Installation of Variable speed drives in CEP, Seal Air fan, Process water pumps, MGF blower etc.
- Replacement of conventional fittings with LED fitting in phased manner.

(B) Technology absorption:

1. Efforts, in brief, made towards technology absorption.

No such technology absorbed till now. Since the both Units commissioned in the Year 2013 the Company is focusing on stabilization of Units by running them on designed parameters

2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.- N.A

3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished: - Not Applicable

(a) Details of technology imported.- N.A

(b) Year of import. N.A

(c) Whether the technology been fully absorbed. N.A

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore. N.A

4. Expenditure incurred on Research and Development: NIL

(C) Foreign exchange earnings and Outgo

Foreign Exchange Earnings during the Financial Year 2015-2016 is Nil

Foreign Exchange Outflow during the Financial Year 2015-2016 is Rs.912,900,664/-

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

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

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, Ms. Meena Raghunathan was appointed as Additional Director on the Board of the Company. She was regularized at the Annual General Meeting held in the year 2015. Mr. Ashis Basu was appointed as the whole-time director by shareholders at their extra-ordinary general meeting held on 18th April, 2015. During the year under review Mr. GBS Raju was appointed as the Managing Director of the Company w.e.f 30th July 2015. Mr. Sunil Agrawal ceased to be the Director of the Company with effect from 15th October, 2015. Mr. Aniruddha Ganguly, Director resigned from Directorship of the Company with effect from 17th August, 2016 and Mr. V. SanthanaRaman, independent director has submitted his resignation to be effective from 1st September, 2016. Further Mr. K.P Rao and Mr. A.D Navaneethan independent directors whose term is expiring at the ensuing AGM of the Company have expressed their unwillingness to continue as Directors. The Board places on record, its appreciation for the contributions made by the outgoing Directors during their tenure as Directors of the Company.

Further Mr. S.C Kalia and Mr. S.K Goel have been appointed as Additional Directors in the category of Independent Director of the Company with effect from August 17, 2016 to hold office up to the conclusion of Fourteenth Annual General Meeting of the Company to be held in the year 2019.

The Board recommends appointment of aforesaid Director.

As per Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. GBS Raju is liable to retire by rotation and being eligible offered himself for reappointment.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Since during the year under review, all the transactions entered with related parties were in ordinary course of business and on arms' length basis and does not attract the provisions of Section 188 of the Companies Act, 2013 read with the Rules framed thereunder, the particulars required to be disclosed pursuant to Rule 8(2) of the Companies (Accounts) Rules, 2014, in prescribed Form AOC- 2, are, thus, not applicable to the Company. The details of transactions are provided in the financial statement (Please refer to Note 2.33 to the financial statement).

VIGIL MECHANISM

To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to voice concern in a responsible and effective manner about serious malpractice, impropriety, abuse or wrongdoing within the organization, the Company has a Whistle Blower Policy / Vigil Mechanism in place, applicable to the Company, its holding company, fellow subsidiaries and

other Group Companies. This mechanism has been communicated to all concerned. Whistle Blower Policy / Vigil Mechanism is administered appropriately by the Group Ombudsperson who will provide a quarterly update to BCM (IB & G) and the Group Head E&I will make a periodical report to the group Audit Committee and the Audit Committee of respective companies on implementation of the Whistle Blower Policy / Vigil Mechanism.

RISK MANAGEMENT

The Company has a detailed risk management framework duly approved by the Audit Committee and Board. The Company's risk management framework is in line with the current best practices and effectively addresses the emerging challenges in a dynamic business environment. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. As a matter of policy, risks are assessed and steps as appropriate are taken to mitigate the same.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

GMR Group ensures and maintains the liability insurance for its Directors and Officers of all its subsidiaries. The Group believes that it is appropriate to provide such cover to protect the directors from any innocent error arisen if any, as the Directors carry significant liability under criminal and civil law.

All the Directors of the Company are covered by Directors' & Officers Liability Policy entered into by GMR Infrastructure Limited, holding Company with the Insurance Company.

FORMAL ANNUAL EVALUATION:

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. On the basis of Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

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

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. During the year ended 31 March, 2016, the Company has not received any complaints pertaining to sexual harassment.

CORPORATE SOCIAL RESPONSIBILITY

A Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy of the Company is given as **Annexure-III**.

During the year, the Company has spent voluntary Rs.65.06 lakh on CSR activities. Even though the provisions of Companies Act, 2013 regarding mandatory expenditure on Corporate Social Responsibility are not attracted to the company as the Company is into losses. The Annual Report on CSR activities is annexed herewith as **Annexure-IV**.

DISCLOSURE IN TERMS OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Clause 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, the Company discloses information as under:

Details of Debenture Trustee:

Name of the Debenture Trustee	M/s Axis Trustee Services Limited
Address	Axis House, 2nd Floor, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhakar Marg, Worli, Mumbai-400025. Telephone No-022-24255237
Contact Person-	Ms. Swati Borkar Manager

The audited financial statements i.e balance sheet, profit and loss account and the cash flow statement, auditors' report and Directors report forms part of the Annual Report.

Details of the related party disclosures have been made in the notes to accounts of the audited financial statements.

INFORMATION AS PER RULE 5(1) OF CHAPTER XIII OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a. The ratio of the remuneration of each Director to the median remuneration of the employees and the performance of the Company for the year 2015-16 is as below:

Mr. GBS Raju, Managing Director-6.8; and Mr. Ashis Basu, WTD-9.1

The performance of the Company has been already mentioned in financial/operational summary section of the Board's Report.

- b. The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Director: 6.5%; CFO: 6.5%; CS: 3.5%

- c. The percentage increase in the median remuneration of employees in the financial year: Approx. 6.5%. The increments given on 1st July 2015 depended on performance ratings and as per Group Corporate Policy.
- d. The number of permanent employees on the rolls of the Company as of March 31, 2016 is 239.
- e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial Remuneration: Approx. 6.5%. The increments given on 1st July 2015 depended on performance ratings and as per Group Corporate Policy.
- f. It is affirmed that the remuneration is as per the remuneration policy of the Company.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is as under:

- i. Employed for the financial year with an average salary of Rs. 1.02 crore per annum and above.

Name	Designation	Remuneration received (Rs. in cr)	Nature of Employment Contractual or Permanent	Qualification and Experience (in years)	Date of joining	Age of Employee	Particulars of last employment	Equity Share held by the employee in the Company	Relative of any director or manager of the Company if any
Mr. Ashis Basu	Whole-time Director	1.26	Permanent	C.A; 28	17.12.2001	54	RPG-RR Power Engineering Limited	Nil	N.A

- ii. Details of top ten employees in terms of remuneration

Name	Designation	Remuneration received (Rs. in cr)	Nature of Employment Contractual or Permanent	Qualification and Experience (in years)	Date of joining	Age of Employee	Particulars of last employment	Equity Share held by the employee in the Company	Relative of any director or manager of the Company if any
Mr. GBS Raju	Managing Director	0.96	Permanent	B.Com; 24	05.02.1993	42	N.A	Nil	N.A
Mr. Ashis Basu	Whole-time Director	1.26	Permanent	C.A; 30	17.12.2001	54	RPG-RR Power Engineering Limited	Nil	N.A

Mr. Ramesh R Pai	COO	0.60	Permanent	BSc (Engg), MBA;33	24.07.2006	55	NTPC Limited, Larsen & Toubro Limited, Reliance Energy Limited	Nil	N.A
Mr. Ravindra Nath Verma	Principal Associate	0.47	Permanent	M.A, BSc, MSc;42	14.05.2012	65	Indian Railways, CIDCO	Nil	N.A
Mr. Saibal Kumar Mukhopadhyay	AVP	0.46	Permanent	B. Tech;25	19.06.2012	49	Coal India Ltd, Adhunik Power & Natural Resources Ltd, Adhunik Power & Natural Resources Ltd	Nil	N.A
Mr. Dhananjay Vasant Rao Deshpande	VP	0.59	Permanent	B.E, MBA;30	24.09.2012	53	M.S.E.B, Reliance Infrastructure Limited, Lanco Power Limited	Nil	N.A
Mr. Anil Kumar Jain	EVP	0.66	Permanent	B.E;15	17.09.2007	39	Veera Maruthi Engg. Company	Nil	N.A
Arunendu Saha	EVP	0.53	Permanent	B.E:34	27.02.2006	56	NTPC, HPLCL, C TBSES, REL	Nil	N.A
Shivarama M S	AVP	0.48	Permanent	B.EM. Tech Dip-Safety;20	02.11.2013	44	Kirloskar Consultants Limited ESSAR Steel Limited Hindustan Zinc Limited	Nil	N.A
Neelesh Nema	VP	0.44	Permanent	M.E;24	04.12.2000	45	Reliance Salgaocar Power Co Ltd	Nil	N.A

iii. Employees who are employed for a part of the year and drawing remuneration of Rs.8.5 Lakh or more per month.

Name	Designation	Remuneration received (Rs. in cr)	Nature of Employment Contractual or Permanent	Qualification and Experience (in years)	Date of joining	Age of Employee	Particulars of last employment	Equity Share held by the employee in the Company	Relative of any director or manager of the Company, if any.
Mr. GBS Raju	Managing Director	0.96	Permanent	B.Com; 24	05.02.1993	42	N.A	Nil	N.A

REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance is the key element in ensuring finest work environment leading to highest standards of management and maximization of everlasting long -

term values. Corporate Governance is an integral part of business strategy which adds to considerable internal and external values and contributes to the business growth. Your company believes in the philosophy on practicing Code of Corporate Governance that provides a structure by which the rights and responsibility of different constituents are carved out. The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, and maximizing long term corporate value.

2. BOARD OF DIRECTORS

a) *Composition:* The Board of the Company comprises of the following Directors:

S. No.	Name of the Director	Position	Category
1.	Mr. G. B. S. Raju	Managing Director	Executive
2.	Mr. Ashis Basu	Whole-time Director	Executive
3.	Mr. S.N. Barde	Director	Non-Executive
4.	Mr. Aniruddha Ganguly*	Director	Non-Executive
5.	Ms. Meena Raghunathan	Director	Non-Executive
6.	Mr. Sunil Agrawal*	Director	Non-Executive
7.	Mr. K. Parameswara Rao*	Director	Independent Director
8.	Mr. A. D. Navaneethan*	Director	Independent Director
9.	Mr. V. Santhana Raman*	Director	Independent Director
10.	Mr. S.C Kalia#	Director	Independent Director
11.	Mr. S.K Goel#	Director	Independent Director

*Mr. Sunil Agrawal ceased to be a director w.e.f 15th October, 2015.

Mr. Aniruddha Ganguly resigned w.e.f 17th August, 2016

Mr. V. Santhana Raman has submitted his resignation w.e.f 01st Sep, 2016

Mr. A. D Navaneethan and Mr. K.P Rao tenure as independent director is ending in the ensuing AGM on 20th September, 2016. They have expressed their desire not to continue.

#Mr. S.C Kalia & Mr. S. K Goel have been appointed as independent Directors w.e.f Aug 17, 2016

b) *Meetings of the Board:*

Five Meetings of the Board were held on the following dates during the year ended on March 31, 2016:

1. April 15, 2015
2. April 29, 2015
3. July 30, 2015
4. October 19, 2015
5. January 22, 2016

Separate Meeting of the Independent Directors:

The Independent Directors held a Meeting on January 22, 2016, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- I) Reviewed the performance of non-independent directors and the Board as a whole;
- II) Reviewed the performance of the Whole-time Director of the Company, taking into account the views of other Executive Directors and Non-Executive Directors;

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

3. AUDIT COMMITTEE CONSTITUTION

a) *Composition of the Committee.*

The current composition of the Audit Committee is as follows:

Name	Position	Category
Mr. A.D. Navaneethan	Chairman	Independent
Mr. K. Parameswara Rao	Member	Independent
Mr. V. Santhana Raman	Member	Independent
Mr. G.B.S. Raju	Member	Executive
Mr. S.N. Barde	Member	Non-Executive

The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013. The Company Secretary acts as Secretary to the Audit Committee. All recommendations made by the Audit Committee during the year were accepted by the Board.

c) *Meetings of the Audit Committee:*

Four Meetings of the Audit Committee were held on the following dates during the year ended on March 31, 2016:

1. April 29, 2015
2. July 30, 2015
3. October 19, 2015
4. January 22, 2016

The Committee reviewed the periodical financial statements and the observations of the Internal Auditors and Statutory Auditors. Whenever the committee reviewed the Internal Audit Report and the financial statements, on invitation, the Statutory Auditors and Internal Auditors attended the Committee Meetings and submitted their observations to the Committee.

4. NOMINATION AND REMUNERATION COMMITTEE

a) *Composition of the Committee.*

The current composition of the Nomination and Remuneration Committee is as follows:

Name	Category
Mr. A.D. Navaneethan	Independent
Mr. K. Parameswara Rao	Independent
Mr. Sunil Agrawal#	Non-Executive
Mr. Aniruddha Ganguly*	Non-Executive

* Mr. Aniruddha Ganguly appointed w.e.f 19 October 2015 has resigned w.e.f Aug 17, 2016;

Mr. Sunil Agrawal ceased to be a director w.e.f 15th October, 2015.

The composition of the Nomination and Remuneration Committee meets the requirements of Section 178 of the Companies Act, 2013.

c) *Meetings of the Nomination and Remuneration Committee:*

During the year ended, meetings of Nomination and Remuneration Committee were held on April 15, 2015, April 29, 2015, July 30 2015 and January 22, 2016.

The policy of the company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of directors and other matters provided under Section 178 of the Companies Act, 2013, adopted by the Board is given as **Annexure-V**.

There were no other pecuniary relationships or transactions of the Independent Directors vis-à-vis the Company.

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

a) *Composition of the Committee.*

The current composition of the Corporate Social Responsibility Committee is as follows:

Name	Category
Mr. K.P Rao	Independent director
Mr. S.N. Barde	Non-Executive director
Mr. Aniruddha Ganguly*	Non-Executive director
Ms. Meena Raghunathan	Non-Executive director

* Mr. Aniruddha Ganguly appointed w.e.f 19 October 2015 has resigned w.e.f Aug 17, 2016;

The composition of the Corporate Social Responsibility Committee meets the requirements of Section 135 of the Companies Act, 2013.

c) *Meetings of the Corporate Social Responsibility Committee:*

During the year ended, meeting of *Corporate Social Responsibility* Committee meeting was held on October 19, 2015.

6. GENERAL BODY MEETINGS

a) Details of location and time of holding the last three AGMs.

Year	Location	Date & Time
2012-2013	No.701/704, 7th Floor, Naman Centre, A Wing, Bandra Kurla Complex, Bandra, Mumbai, Maharashtra - 400 051	August 28, 2013 at 04.00 p.m.
2013-2014	-----do-----	September 05, 2014 at 11.30 a.m.
2014-2015	-----do-----	September 17, 2015 at 10.00 a.m

b) All special resolutions placed before the shareholders at the above meetings were approved.

a) During the financial year 2015-16 four Extra-Ordinary General Meetings were held on following dates;

1. April 18, 2015
2. May 04, 2015
3. November 05, 2015
4. March 21, 2016

7. MEANS OF COMMUNICATION

The Company communicates with its shareholders through its Annual Report and General Meetings. Information and latest updates and announcement regarding the Company and about the group can be accessed at Group's web site: www.gmrgroup.co.in.

8. GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting

Date : Tuesday, September 20, 2016
Time : 10:00 AM
Venue : No.701/704, 7th Floor, Naman Centre, A Wing, Bandra
Kurla Complex, Bandra, Mumbai,
Maharashtra - 400 051

(ii) Financial calendar

Year Ending : March 31, 2016

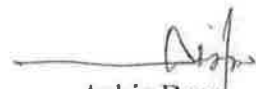
(iii) Site location : Warora taluk, Chandrapur District, Maharashtra

ACKNOWLEDGEMENT

Your Directors are thankful to the various Central and State Government Departments and Agencies for their continued help and cooperation. The Directors are grateful to the various stakeholders – customers, members, banks, dealers, vendors and other business partners for the excellent support received from them during the year. Your Directors wish to place on record their sincere appreciation to all employees for their commitment and continued contribution to the Company.

For and on behalf of the Board of Directors
For **GMR Warora Energy Limited**
(formerly Emco Energy Limited)


(Grandhi Buchisanyasi Raju)
DIN : 00061686
Managing Director


Ashis Basu
DIN: 01872233
Whole-time Director

Place: New Delhi
Date: 17th August, 2016

**Annexure-1
FORM NO. MGT 9**

EXTRACT OF ANNUAL RETURN as on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

I	CIN	U40100MH2005PLC155140
ii	Registration Date	4-Aug-05
iii	Name of the Company	GMR WARORA ENERGY LIMITED (formerly Emco Energy Limited)
iv	Category/Sub-category of the Company	Public Company limited by shares
V	Address of the Registered office & contact details	No.701/704, 7th Floor, Naman Centre, A Wing, Bandra Kurla Complex, Bandra, Mumbai - 400 051 Tel:022- 42028000
vi	Whether listed company	Debt Listed
Vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad-500032 Tel: +91 040 67161503, Email:varghese@karvy.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Generation of Electricity	40102	100%

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	GMR Energy Limited, No.701/704, 7th Floor, Naman Centre, A Wing, Bandra Kurla Complex, Bandra, Mumbai - 400 051	U85110KA1996PLC021262	Holding	100%	2(46)

SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt. or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	435,000,000	-	435,000,000	100%	870,000,000	-	870,000,000	100%	NIL
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	435,000,000	-	435,000,000	100%	870,000,000	-	870,000,000	100%	NIL
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	435,000,000	-	-	100%	870,000,000	-	100%	100%	NIL
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-

g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):									
(2) Non Institutions									
a) Bodies corporates	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(2):									
Total Public Shareholding (B)= (B)(1)+(B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	435,000,000	-	435,000,000	100%	870,000,000	-	100%	100%	NIL

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	GMR Energy Limited	435,000,000	100%	100%	870,000,000	100%	69%	-

Total	435,000,000	100%	100%	870,000,000	100%	69%	-
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(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		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	435,000,000	100%	435,000,000	100%
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	435,000,000{ Allotment of 435,000 equity shares of Rs.10/- each upon conversion of Debentures on 25 Mar 2016)	100%	870,000,000	100%
	At the end of the year	870,000,000	100%	870,000,000	100%

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

Sl. No		Shareholding at the end 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
	For Each of the Top 10 Shareholders				
	At the beginning of the year	/			
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors & KMP

Sl. No		Shareholding at the end 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
	For Each of the Directors & KMP				
	At the beginning of the year	/			

	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year				

V INDEBTEDNESS

Rs. in crore

Indebtedness of the Company including interest outstanding/accrued but not due for payment				Total Indebtedness
	Secured Loans excluding deposits	Unsecured Loans	Deposits	
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,339.14	553.00	78.70	3,970.84
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.36	0.05	-	0.41
Total (i+ii+iii)	3,339.49	553.05	78.70	3,971.24
Change in Indebtedness during the financial year				
Additions/Reductions				
i) Principal Amount	391.66	-435.00	-78.70	-122.04
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.04	-0.05	-	-0.01
Reduction				
Net Change	391.70	-435.05	-78.70	-122.05
Indebtedness at the end of the financial year				
i) Principal Amount	3,730.80	118.00	-	3,848.80
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	0.40	-	-	0.40
Total (i+ii+iii)	3,731.20	118.00	-	3,849.20

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A.

S.No	Particulars of Remuneration		
		Ashis Basu (WTD)-KMP	GBS Raju (MD)*
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	9,478,676	7,764,762
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	3,127,848	1,658,467
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-

2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others (Please specify)	-	-
5	Others, (Cont. to PF & other funds)	822,163	824,196
	Total (A)	13,428,687	10,247,425
	Ceiling as per the Act	17,514,472	

* appointed as MD w.e.f 30th July 2015

B. Remuneration to other directors:

Sl. No	Particulars of Remuneration				Total Amount
1	Independent Directors	A.D Navaneethan	K.P Rao	V. Santhana Raman	
	(a) Fee for attending board committee meetings	270,000	285,000	210,000	765,000
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	270,000	285,000	210,000	765,000
2	Other Non- Executive Directors	-	-	-	-
	(a) Fee for attending board committee meetings	-	-	-	-
	(b) Commission	-	-	-	-
	(c) Others, please specify.	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	270,000	285,000	210,000	765,000
	Overall Ceiling as per the Act.				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	849,799	2,516,311	3,366,110
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	270,199	677,369	4,313,678
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as % of profit	-	-	-	-
	others, specify	-	-	-	-

5	Others, please specify(PF and other fund)	-	102,083	260,437	362,520
	Total	-	1,222,081	3,454,116	4,676,197

VII **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

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

Annexure-II

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2016
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Managerial Personnel) Rules, 2014]

To,
The Members,
GMR Warora Energy Limited
(Previously known as Emco Energy Limited)
701/704, 7th Floor, Naman Centre A-Wing,
BKC (Bandra Kurla Complex), Bandra,
Mumbai -400051, Maharashtra, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GMR Warora Energy Limited (CIN: U40100MH2005PLC155140)** (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, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable)**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable)**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable)**
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **(Not applicable)**
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable)**
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable)** and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable)**.
- vi. OTHER LAWS SPECIFICALLY APPLICABLE TO THE COMPANY
 - Electricity Regulatory Commission Act, 1998

- Electricity (Supply) Act, 1948
 - The Electricity Act, 2003
- vii. OTHER LAWS APPLICABLE TO THE COMPANY

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

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

During the Audit period under review and as per representations and clarifications provided by the management, we confirm that the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc as mentioned hereinabove.

We further report

- That the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the Board Meetings, as represented by the management and recorded in minutes, were taken unanimously.

We further report that based on review of compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period, the Company had the following specific events:

- The Company has altered the Name Clause of the Memorandum of Association for change of name of the Company from Emco Energy Limited to GMR Warora Energy Limited at EGM held on 05th November, 2015
- Allotment of 435,000,000 equity shares of Rs. 10 each at par as fully paid-up to M/s. GMR Energy Limited due to Conversion of Compulsorily Convertible Debentures (CCDs) of face value of Rs.10,000/- (Rupees Ten Thousand only)
- The Authorised Capital of the Company be increased from Rs. 5,600,000,000/- (Rupees Five Hundred Sixty Crore Only) to Rs. 11,000,000,000/- (Rupees One Thousand One Hundred Crore Only) at EGM held on 04th May, 2015.
- Mr. G.B. S. Raju was appointed as Managing Director of the Company under the provision of section 196 & 197 and other applicable provision, if any, read with schedule V of the Companies Act, 2013.
- Mr. Ashish Basu was appointed as Whole Time Director of the Company under the provision of section 196 & 197 and other applicable provision, if any, read with schedule V of the Companies Act, 2013.
- Issued & Allotted 75,000,000 Redeemable Preference shares of Rs. 10 each at par on right issue basis.
- The Company has borrowed money pursuant to Section 179 of the Companies Act, 2013.

For S.Behera & Co.

Company Secretaries

Sd/-

Shesdev Behera

Company Secretary in practice

CP. No. 5980

M. No. F-8428

Date: 11.07.2016

Place: New Delhi

Note: **Annexure-‘A’** forming an integral part of this Report.

To,
The Members,
GMR Warora Energy Limited
(Previously known as Emco Energy Limited)
701/704, 7th Floor, Naman Centre A-Wing,
BKC (Bandra Kurla Complex), Bandra,
Mumbai -400051, Maharashtra, India

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express as opinion on such secretarial records based on our audit.
2. We have followed the audit practices and process as we considered appropriate to obtain reasonable assurance on the correctness and completeness of the secretarial records. Our verification was conducted on a test basis to ensure that all entries have been made as per statutory requirements; we believe that the processes and practices we followed for this purpose provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation with respect to compliance of laws, rules and regulations and of significant events during the year.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, and standards is the responsibility of the management. Our examination was limited to the verification of secretarial records on test-check basis to the extent applicable to the Company.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S.Behera & Co.
Company Secretaries

Sd/-
Shesdev Behera
Company Secretary in practice
CP. No. 5980
M. No. F-8428

Date: 11.07.2016
Place: New Delhi

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

GMR Warora Energy Limited (formerly EMCO Energy Limited) (the Company) forming part of GMR Group has adopted the CSR Policy of GMR Group. GMR Group (the Group) recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.

The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. Towards this vision, the Group including the Company, through GMR Varalakshmi Foundation (GMRVF), partners with the communities around the businesses to drive various initiatives in the areas of education, health, hygiene, sanitation, empowerment, livelihood and community development.

Projects / Activities / Programmes proposed to be undertaken under CSR Policy

As recommended by the CSR Committee of the Board and as per the approval of the Board of directors at their meeting held on July 30, 2015, the Company contributes or carries out its CSR activities or contribute funds to GMRVF for utilization broadly towards the following projects / activities / programmes (*preference shall be given to the areas in and around the project, Vemagiri*):

i) Education:

- Support for promotion of education of all kinds (school education, technical, higher, vocational and adult education), to all ages and in various forms, with a focus on vulnerable and under-privileged;
- Education for girl child and the underprivileged by providing appropriate infrastructure and groom them as future citizens and contributing members of society;

ii) Health, Hygiene and Sanitation:

- Ambulance services, mobile medical units, health awareness programmes and camps, medical check-ups, HIV/AIDS awareness initiatives, health care facilities and services, sanitation facilities;
- Eradicating hunger, poverty and malnutrition, promotion of preventive health care and sanitation, and making available safe drinking water;
- Reducing child mortality and improving maternal health;

iii) Empowerment & Livelihoods:

- Employment enhancing vocational skills training, marketing support and other initiatives for youth, women, elderly, rural population and the differently abled, and livelihood enhancement projects;
- promoting gender equality, empowering women, working for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Assist in skill development by providing direction and technical expertise for empowerment;

iv) Community Development:

- Encouraging youth and children to form clubs and participate in community development activities such as like cleanliness drives, plantation drives etc;
- v) **Environmental sustainability:**
- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- vi) **Heritage and Culture:**
- protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vii) measures for the benefit of armed forces veterans, war widows and their dependents;
- viii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- ix) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;
- x) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- xi) rural development projects;
- xii) such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by CSR Committee from time to time, which are not expressly prohibited.

The activities undertaken in pursuance of the normal course of business, activities undertaken outside India and activities that benefit exclusively the employees of the company or their family members shall not be treated as CSR activities of the Company. Further, the surplus arising out of the CSR activity shall not form part of business profits of the Company.

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

During the year Company constituted Corporate Social Responsibility Committee (CSR) pursuant to provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below:

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

GMR Warora Energy Limited (formerly EMCO Energy Limited) (the Company) forming part of GMR Group has adopted the CSR Policy of GMR Group. GMR Group (the Group) recognizes that its business activities have wide impact on the societies in which it operates and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and other organizations.

The Company is driven by Group's vision to make a difference, specifically to society by contributing to the economic development of the country and improving the quality of life of the local communities. Towards this vision, the Group including the Company, through GMR Varalakshmi Foundation (GMRVF), partners with the communities around the businesses to drive various initiatives in the areas of education, health, hygiene, sanitation, empowerment, livelihood and community development.

Projects / Activities / Programmes proposed to be undertaken under CSR Policy

As recommended by the CSR Committee of the Board and as per the approval of the Board of directors at their meeting held on July 30, 2015, the Company contributes or carries out its CSR activities or contribute funds to GMRVF for utilization broadly towards the following projects / activities / programmes (*preference shall be given to the areas in and around the project, Warora, Chandrapur, Maharashtra*):

i) Education:

- Support for promotion of education of all kinds (school education, technical, higher, vocational and adult education), to all ages and in various forms, with a focus on vulnerable and under-privileged;
- Education for girl child and the underprivileged by providing appropriate infrastructure and groom them as future citizens and contributing members of society;

ii) Health, Hygiene and Sanitation:

- Ambulance services, mobile medical units, health awareness programmes and camps, medical check-ups, HIV/AIDS awareness initiatives, health care facilities and services, sanitation facilities;
- Eradicating hunger, poverty and malnutrition, promotion of preventive health care and sanitation, and making available safe drinking water;
- Reducing child mortality and improving maternal health;

iii) Empowerment & Livelihoods:

- Employment enhancing vocational skills training, marketing support and other initiatives for youth, women, elderly, rural population and the differently abled, and livelihood enhancement projects;
 - promoting gender equality, empowering women, working for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
 - Assist in skill development by providing direction and technical expertise for empowerment;
- iv) Community Development:**
- Encouraging youth and children to form clubs and participate in community development activities such as like cleanliness drives, plantation drives etc;
- v) Environmental sustainability:**
- ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- vi) Heritage and Culture:**
- protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vii) measures for the benefit of armed forces veterans, war widows and their dependents;
- viii) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- ix) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief, and funds for the welfare of the Scheduled Castes, Scheduled Tribes, other backward classes, minorities and women;
- x) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- xi) rural development projects;
- xii) such other activities included in Schedule VII of the Companies Act, 2013 as may be identified by CSR Committee from time to time, which are not expressly prohibited.

2. The Composition of the CSR Committee.

The Corporate Social Responsibility Committee constituted on July 30, 2015 and as on date the committee having following members:

Mr. K.P Rao	-Member -Non-Executive Independent Director
Mr. S.N. Barde	-Member -Non-Executive Director

Mr. Aniruddha Ganguly - Member –Non-Executive Director
 Ms. Meena Raghunathan -Member –Non-Executive Director

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

The Company has incurred losses during the last three financial years.

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

Since the Company has not commenced its operation, expenditure is not applicable.

5. Details of CSR spent during the financial year 2015-16

(a) Total amount spent for the financial year (voluntarily) : Rs.65.06 lakh

(b) Amount unspent, if any : Nil

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

The Company is into losses however Company voluntary spent Rs.65.06 lakh in CSR activities as under:

CSR Activity/Project	Sector	Coverage	Proposed Budget (Lakhs)	Expenditure (Lakhs)
Supporting Anganwadies located in PAVs	Education	6 Anganwadies	0.900	0.900
Supporting Govt schools for quality & infrastructure improvement		8 schools in 8 villages	2.500	2.500
Supporting students through tuitions& Transportation		7 villages	2.550	2.550
Education awareness and program reviews		7 villages	0.890	0.89
kidsmart program and computer education		7 villages	2.450	2.450
Health clinics for underserved	Health & Sanitation	6 villages	10.490	10.480
Mobile Medicare Service for old aged		30 villages	15.000	19.68
Special medical camps		7 villages	1.300	1.300
Nutrition program for pregnant mother		6 villages	2.200	2.20
Sanitation & toilets construction		6 villages	3.750	0.750
Health awareness program		7 villages	0.300	0.300
Vocational Training for youth	Empowerment & Livelihood	30 villages	7.380	6.980
Community level trainings for women & farmers		6 villages	2.470	2.470
Income Generation Activities and Self Help		6 villages	1.230	2.870

Groups				
Youth Empowerment		6 villages	0.850	0.840
Community Libraries	Heritage & Culture	6 villages	3.045	3.060
Veterinary camps and support to farmers	Environ. Sustainability	6 villages	1.450	1.450
Community facilities	Comm. Dev.	6 villages	6.880	3.39

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's report:

The Company has voluntary spent Rs.65.06 lakh in CSR activities.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

The implementation and monitoring of the CSR Policy is in compliance with CSR objectives and Policy of the Company.

NOMINATION AND REMUNERATION POLICY

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

1.1. Appointment criteria and qualifications

(a) Subject to the applicable provisions of the Companies Act, 2013, other applicable laws, if any and GMR Group HR Policy, 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.

(b) The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.

(c) The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager 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.

1.2. Term / Tenure

1.2.1. Managing Director / Whole-time Director / Manager (Managerial Personnel)

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

1.2.2. Independent Director

(a) 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.

(b) 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.

(c) 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.

(d) The maximum number of public companies in which a person can be appointed as a director shall not exceed ten.

For reckoning the limit of public companies in which a person can be appointed as director, directorship in private companies that are either holding or subsidiary company of a public company shall be included.

1.3. Familiarization Programme for Independent Directors

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

1.4. Evaluation

Subject to Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Committee shall carry out the evaluation of Directors periodically.

1.5. Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable laws, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP, subject to the provisions and compliance of the applicable laws, rules and regulations.

1.6. Retirement

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

2. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSONNEL, KMP AND SENIOR MANAGEMENT PERSONNEL

2.1. General

(a) The remuneration / compensation / commission etc. to Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

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

(c) 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 Managerial Personnel.

(d) Where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

2.2. Remuneration to Managerial Personnel, KMP, Senior Management and Other Employees

2.2.1. Fixed Pay

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

2.2.2. Minimum Remuneration

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

2.2.3. Provisions for excess remuneration

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

2.2.4. The remuneration to Personnel of Senior Management shall be governed by the GMR Group HR Policy.

2.2.5. The remuneration to other employees shall be governed by the GMR Group HR Policy.

2.3. Remuneration to Non-Executive / Independent Director

2.3.1. Remuneration / Commission

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

2.3.2. Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The sitting fee paid to Independent Directors and Women Directors, shall not be less than the sitting fee payable to other directors.

2.3.3. Limit of Remuneration / Commission

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

2.3.4. Stock Options

An Independent Director shall not be entitled to any stock option of the Company.

