

POWER MECH™



Growth Unlimited

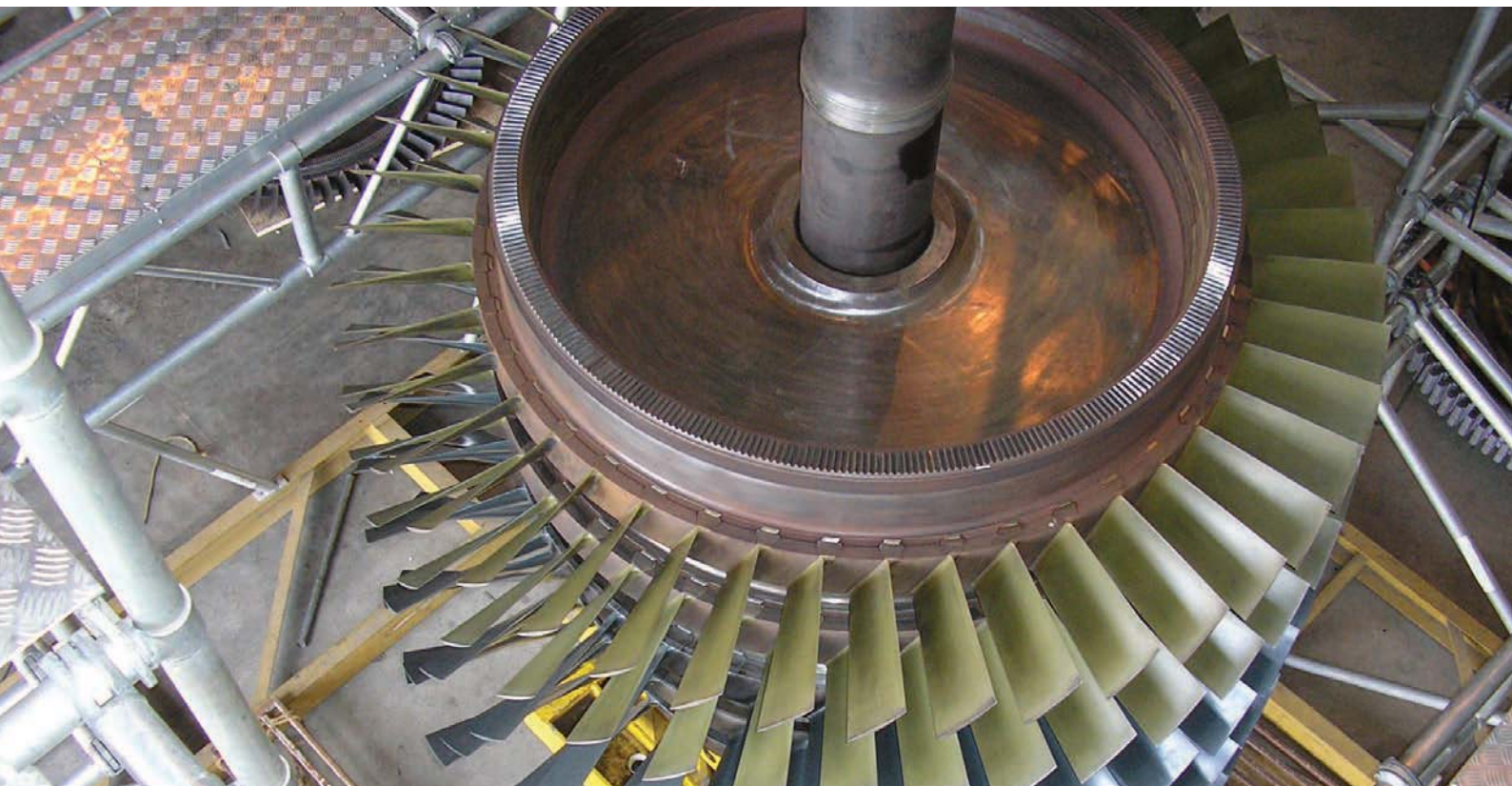
## POWER MECH PROJECTS LIMITED

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# CORPORATE INFORMATION

## Board of Directors



**Mr S Kishore Babu**  
Chairman & Managing Director



**Mr M Rajendran**  
COO & Director



**Mrs S Lakshmi**  
Director



**Mr Rakesh Sony**  
Director



**Mr Thaigrajan Sankarlingam**  
Independent Director



**Mr GDV Prasada Rao**  
Independent Director



**Mr Amitabha Guha**  
Independent Director



**Mr Mukul Lal Sah**  
Independent Director

## Management Committee

**Mr G Srinivasulu**

*Executive Director*

**Mr S Amarnath**

*Vice President*

**Mr K Ajay Kumar**

*Vice President*

**Mr S Rohit**

*Vice President (Global Operations)*

**Mr BVG Reddy**

*Associate Vice President*

**Mr G Naveen Babu**

*Associate Vice President*

**Mr K Sekhar Babu**

*Associate Vice President*

**Mr VK Choudhary**

*Associate Vice President*

**Mr G Babu**

*General Manager*

**Mr T Ramesh**

*General Manager*

**Mr DS Rao**

*General Manager*

**Mr M Vijay Kumar**

*General Manager*

**Mr K Suresh**

*Dy. General Manager*

**COMPANY SECRETARY**

Mr Mohit Gurjar

**REGISTERED OFFICE & CORPORATE OFFICE**

Plot No.77, Jubilee Enclave, Madhapur  
Hyderabad - 500 081, Telangana

**STATUTORY AUDITORS**

M/s Brahmayya & Co  
Chartered Accountants  
33-25-33B, Govindarajulu Naidu Street  
Suryaraopet  
Vijayawada - 500 002, Andhra Pradesh

**INTERNAL AUDITORS**

M/s Ramesh & Co  
Chartered Accountants  
Plot No.78, 6-3-661/B/1, Sangeeth Nagar  
Somajjiguda, Hyderabad - 500 082, Telangana

**BANKERS**

State Bank of Hyderabad  
Standard Chartered Bank  
State Bank of India  
Axis Bank  
Citi Bank  
ICICI Bank

**CORPORATE CONSULTANTS**

M/s P. S. Rao & Associates  
Company Secretaries  
6-3-347-22/2, Flat-10,  
4th Floor, Iswarya Nilayam,  
Dwarakapuri Colony, Punjagutta,  
Hyderabad - 500 082, Telangana



# MOVING FORWARD

Power Mech Projects Limited was founded by Mr. Sajja Kishore Babu and registered in the year 1999 that should eventually become one of the leading companies in power sector. Today it is one of the pioneering companies undertaking works in all the regions of India and also abroad as a comprehensive and highly dependable service provider. The company provides service in Erection, Testing and commissioning, Overhauling, Maintenance, Renovation, Modernisation and Annual Maintenance of Power plants and Civil and Architecture.

The Company is engaged in more than 100 Erection Works projects (completed and ongoing projects) across India and in three international jurisdictions, including 2 ultra-mega power projects (UMPPs) and 16 super-critical power projects with unit capacities ranging from 150 MW up to 800 MW.

*6 x 660 MW Sasan, Madhya Pradesh*



2 x 600 MW Kalisindh TPP, Rajasthan



## SERVICE PORTFOLIO

### Boiler, Turbine & Generators

- Steam generators & Auxiliaries
- Steam Turbine Generators and TG Auxiliaries
- Critical Piping, LP & HP piping
- ESP, Ducts
- Hydro Turbine, Penstock & Pressure shaft
- HRSG
- CFBC
- WHRB

### Structure Fabrication & Erection

- Power House structures
- BOP Structures
- Structures for Industry & Infrastructure Sectors

### Operation & Maintenance

- Overhauling and maintenance of Boiler and turbine and auxiliaries
- Renovation and modernization of power plant
- Repair, modification and rehabilitation of boiler
- HP and LP piping works

### Balance of plant

- Coal handling plant
- Cooling water system
- Fuel oil handling system
- DM water system
- Ash handling system

### Civil and Architecture

- Mass excavation and area grading
- Land Development
- Bored cast and driven cast piling

- Steam Turbine foundation
- Gas turbine foundation
- Foundation for all auxiliaries like Mills, Fans, TDBFP, BFP, CWP and other equipments
- BTG foundation
- Enabling works

### Annual Maintenance of power plants

- Mechanical
- Electrical
- Control and Instrumentation

### Process Plants, Petroleum, Steel & Cement Sectors

- Industrial Drives & Auxiliaries
- Civil & Architectural
- Structural Fabrication & Erection
- LP & Cooling Water Piping
- Oil Handling System
- Tankages
- Material Handling
- DM Plant Systems

# CMD'S MESSAGE

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Dear Shareholders,

I present you the Annual Report of another significant year in the history of your Company. Despite continued challenges in the Power Sector, your company has been able to achieve both in terms of top line and bottom line. The Company continued to strengthen and consolidate its position in businesses that it is present in.

Development being the biggest agenda in focus for the new government, Power Industry is expected to play a larger role in this development agenda. As the fortunes of Power Mech are significantly linked to the power sector, any further improvement in the sector will only benefit your Company.

The company continued its healthy growth trajectory with revenues and profits growing at 27% and 36% from ₹933 Crores in FY 13 to ₹1187 Crores in FY 14 and ₹50 Crores in FY 13 to ₹68 Crores in FY 14 respectively. The Company's revenues have grown at an impressive CAGR of 30.04% since FY 10. The order book position continued to remain strong at ₹2775 CR as on 31<sup>st</sup> March 2014, with an order inflow of ₹1402 CR during the financial year 2013-14. Out of total order book, O&M constitute ~16% of our order book (as against 5.4% in FY13) reflective of the increasing share of more stable and value added business. The Company's basic Earnings per share grew 35.50% from ₹46.61 in FY 13 to ₹63.15 in FY 14. The Company continues to provide strong returns to its shareholders with return on equity (ROE) and pre-tax return

on capital employed (ROCE) of 25% and 30.46% in FY 14 respectively. Your Company also continues to demonstrate its solid strength of operations with cash flow from operations growing at 21% from ₹22 Crores in FY 13 to ₹26 Crores in FY 14.

The performances of your company in all the three important segments were encouraging. The O&M business grew 66% during the year while Civil and Mechanical grew 55% and 20% respectively. Our continuous focus on the O&M business helped us to remain the largest non O&E player in the Power Plant maintenance business in India with almost 20,000 MW being serviced by us annually.

We remain focused on elevating the Corporate Governance standards of your company. We are extremely honored to invite Mr. T. Sankarlingam, Ex-CMD of NTPC and Mr. Amitabha Guha, Non-executive Chairman of South Indian Bank Ltd and Ex MD of State Bank of Hyderabad to join the Board of your Company as Independent Directors. This will help create a sounding Board and the company will benefit from the wisdom of their experiences. To further improve HR systems, Company has implemented the HR module of SAP during the year.

I would attribute the achievement of your company to multiple factors including

- The company's ability to sustain in the market in spite of challenging conditions

- The company's adaptability to changing scenario and
- Updating skill and modernizing resources.

Acknowledgement: The change in the general environment and improvement in general economic indicators gives hope for the future and I envisage better growth of your company.

It is time to acknowledge all those who supported and contributed to the growth of the company. I thank all the Shareholders, Investors, Banks and Financial Institutions for their continuous support and encouragements throughout the financial year. I extend my gratitude to the state and Union Governments and other statutory bodies for their cooperation.

I sincerely express my gratitude to all my colleagues in the Board for their untiring contribution and leadership and all my employees. I am also thankful to the Directors and employees of the subsidiary companies for their contribution in the growth and cooperation. I thank one and all!

With best wishes,

**S Kishore Babu**  
Chairman

# DEDICATION



## Vision

To be a dominant player among infrastructure companies in power sector and delight the customers through products, services with continuous improvement.

## Mission

Maintain higher standards in workmanship, meet customer requirements to the brim, achieve timely completion of projects by adopting innovative methods, enhance organizational skills through better planning, upgrade the skills and competence of Human resources and tireless pursuit for excellence all the time.