



# POWER MECH PROJECTS LIMITED

## A CLEAR STRATEGY FOCUSED GROWTH



19<sup>th</sup> Annual Report  
2017-18

3x660 MW, Barh STPP, Boiler, Critical Piping and Auxiliaries



**EXPLORE ONLINE:**

<https://www.powermechprojects.com>

# Read Inside

## 01

### BUSINESS REVIEW

The Journey so Far	08
Message from the CMD	12
Strategic Objectives	15
Focus on Core Business	16
FY 17-18 at a Glance	18
Key performance Indicators	22
Board of Directors	26
Strategic Business Units	28
Subsidiaries & Joint Ventures	54
Health, Safety & Environment	56
CSR	57

## 02

### STATUTORY REPORTS

Notice	59
Directors' Report	67
Annexure to Directors' Report	73
Management Discussion and Analysis Report	89
Report on Corporate Governance	102
Auditor's Certification on Corporate Governance	115

## 03

### FINANCIAL STATEMENTS

#### Standalone Financials

Independent Auditors' Report	117
Balance Sheet	122
Statement of Profit & Loss	123
Cash Flow Statement	124
Statement of Changes in Equity	126
Significant Accounting Policies	127

#### Consolidated Financials

Independent Auditors' Report	158
Balance Sheet	162
Statement of Profit & Loss	163
Cash Flow Statement	164
Statement of Changes in Equity	165
Significant Accounting Policies	166

## 04

### OTHERS

Form for ECS Mandate	200
Proxy Form & Attendance Slip	201
Route Map to AGM	202

# Company Information

## Board of Directors

Shri S Kishore Babu	Chairman & Managing Director
Smt S Lakshmi	Non-Executive Director
Shri M Rajiv Kumar	Non-Executive Director
Shri G D V Prasada Rao	Independent Director
Shri T Sankarlingam	Independent Director
Shri Sutanu Behuria	Independent Director
Shri Vivek Paranjpe	Independent Director

Shri J Satish	Chief Financial Officer
Shri Rohit Tibrewal	Company Secretary

## Audit Committee

Shri Sutanu Behuria	Chairman
Shri T Sankarlingam	Member
Shri G D V Prasada Rao	Member

## Nomination and Remuneration Committee

Shri T Sankarlingam	Chairman
Smt S Lakshmi	Member
Shri G D V Prasada Rao	Member

## Stakeholder's Relationship Committee

Shri M Rajiv Kumar	Chairman
Smt S Lakshmi	Member
Shri G D V Prasada Rao	Member

## Corporate Social Responsibility Committee

Shri S Kishore Babu	Chairman
Smt S Lakshmi	Member
Shri G D V Prasada Rao	Member

## Investment Committee

Shri S Kishore Babu	Chairman
Shri M Rajiv Kumar	Member
Shri G D V Prasada Rao	Member

## Registered & Corporate Office

Plot No: 77, Jubilee Enclave Road  
Opp: Hitex, Madhapur, Hyderabad - 500 081

## Statutory Auditors

M/s. Brahmayya & Co.  
Chartered Accountants  
D. No: 33-25-33/B, Govindarajulunaidu Street  
Suryaraopet, Vijayawada - 520 002

## Secretarial Auditors

M/s. P.S. Rao & Associates  
Company Secretaries  
Flat No. 10, 4<sup>th</sup> Floor, # 6-3-347/22/2  
Ishwarya Nilayam, Opp: Sai Baba Temple,  
Dwarakapuri Colony, Panjagutta,  
Hyderabad-500 082

## Internal Auditors

M/s. Ramesh & Co  
Chartered Accountants  
Plot No: 78, 6-3-661/B/1, Sangeethnagar  
Somajiguda, Hyderabad - 500 082

## Bankers

State Bank of India  
Oriental Bank of Commerce  
Axis Bank  
IDFC Bank Ltd  
HDFC Bank Ltd  
RBL Bank Ltd  
ICICI Bank  
Standard Chartered Bank  
Bank of Bahrain and Kuwait

## Registrar & Share Transfer Agent

Karvy Computershare Pvt Ltd  
Karvy Selenium Tower B, 6<sup>th</sup> Floor  
Plot 31-32, Gachibowli  
Financial District, Nanakramguda  
Hyderabad - 500 032

## REGIONAL OFFICES INDIA

### Eastern Region

Unit No. 3-6A, 6<sup>th</sup> Floor  
P S Magnum, VIP Road  
Opp Haldiram, Kaikhali  
Kolkata, West Bengal - 700052  
Tel: +91 8420768819  
E-mail: kolkatta@powermech.net

### Western Region

402, Swastik Pride  
Opp ICICI Bank Chembur (E)  
Mumbai, Maharashtra - 400074  
Tel: +91 99678869372  
+91 22 25282266  
E-mail: mumbai@powermech.net

### Central Region

Old Nanda Colony,  
Kamptee Talaka  
Koradi Post, Nagpur Dist.  
Maharashtra - 441111  
Tel: +91 7103663000  
Fax: +91 7103663030  
E-mail: nagpur@powermech.net

### Northern Region

H-113, Sector-63, 2<sup>nd</sup> Floor  
Gautam Budh Nagar  
Noida, Uttar Pradesh - 201301  
Tel: +91 120 4809900  
E-mail: delhi@powermech.net

## SUBSIDIARY COMPANIES AND JOINT VENTURES

### Hydro Magus Pvt. Ltd.

H-113, Sector-63, 3<sup>rd</sup> Floor  
Gautam Budh Nagar  
Noida  
Uttar Pradesh - 201301  
Tel: +91-120-4622555  
E-mail: info@hydromagus.com

### Power Mech Industri Private Limited

Plot # A-8, Sector 80  
Noida  
Uttar Pradesh - 201301  
Tel: +91 8800993328, +91 9533583241  
E-mail: info@pmidustri.com

### Power Mech BSCPL Consortium Private Limited

Plot No: 77, Jubilee Enclave Road  
Opp: Hitex, Madhapur  
Hyderabad-500 081

### Mas Power Mech Arabia

Suit No.19, Second Floor  
Dabbab Commercial Center  
Al-Sulaimaniah  
PO Box 66403, Riyadh 11576, KSA  
Tel: +966 11 4610359,  
+966 11 4650076  
E-mail: info@mpa.com.sa

### GTA Powermech Nigeria Ltd

Abel-Abu Point, Ebute-Igbogbo Road  
Ikorodu, Lagos-104101  
Nigeria  
Tel: +234 0815 6161217  
+234 09071003872  
E-mail: financenigeria@powermech.net

### Power Mech Projects Limited LLC

Office No: 103, 1<sup>st</sup> Floor  
Al Abri Centre, Al Hail North  
Oman  
Tel: +96824420528  
E-mail: bala@powermech.net

## INTERNATIONAL OFFICES

### UAE

#### Dubai - Regional Headquarters

# 2006, Citadel Tower  
Business Bay  
Dubai, P.O Box: 215452, UAE  
Tel: +9714 4565948  
+9715 04431833  
Fax: +9714 4565938  
E-mail: dubai@powermech.net

### Abu Dhabi

4<sup>th</sup> Floor, Sheraton Building  
Zayed 1<sup>st</sup> Street, Al Khalidiya  
P.O Box: 29915, Abu Dhabi, U.A.E  
Tel: +97126675555  
Fax: +97126675123  
E-mail: projects@powermech.net

### Kuwait

M/s Nouri Industrial Est. Co,  
P.B No:2829, Safat-13029, Area-2  
Building No:86  
Ardiya Industrial Area, Kuwait  
Tel: +965 24333355  
Fax: +965 24344085  
E-mail: kuwait@powermech.net



2x500 MW, Nyveli TPP,  
Boiler, ESP, Critical Piping and  
Auxiliaries







## VISION

Maintain high standards in workmanship, meet customer requirements to the brim, achieve timely completion of projects by adopting innovative methods and planning, enhance organizational skills through periodic training and retention of human resources and tireless pursuit for excellence all the time.

## MISSION

To be an outstanding company and dominant player among the peers and delight the customers through products and services with continuous improvement.

# The Journey So Far

Power Mech Projects Limited has about two decades long history behind its illustrious journey. Being one among the leading infrastructure-construction companies, based in Hyderabad, India with a global presence it is highly credited in providing spectrum of services in power and infrastructure sectors. It was established in the year 1999 by an enthusiastic engineering entrepreneur, Mr. S. Kishore Babu with a chosen motto of providing service with high standards in quality, safety and timeline, the three virtues which are still holding the Company in high esteem. As the Company today stands remarkably taller amongst contemporary players in the field with large work force and huge fleet of cranes and machines, it is capable of handling and executing over 4,00,000 MT annually while operating up to 55 sites simultaneously.

The Company during the nineteen years of existence has undertaken projects of all types, sizes and under extreme environments in India and abroad. It has the privilege of having successfully undertaken prestigious power projects including Ultra Mega Power Projects, Super Critical Thermal Power Projects, Sub Critical Power Projects, Heat Recovery Steam Generators, Waste Heat Recovery Steam Generators, Circulating Fluidized Bed Combustion Steam Generators, Gas Turbine Generators, Hydro Electric Projects, Operation & Maintenance of running plants and entire civil works for power plants. The company has diversified its area of operation to Railways, Transmission & Distribution (Electrical), Steel and Process Industry, Refinery, Hydro projects, Manufacturing, Laying of Cross Country Piping etc. A strong foothold has been established in the International Operations covering a dozen Nations in Asia and Africa.

1999

- **Incorporation of the company**
- Foray in power sector business

2002-04

- First ETC of 1 X 63 Tph and 2 X 165 Tph AFBC Boilers, 20.85 MW & 55 MW, Raigarh, BHEL
- First AMC of 655 MW Combined Cycle Dual Fuel Power Plant, Paguthan, GPEC

2007-09

- Private Equity into Power Mech
- First major international work in Libya, 2X157 MW Erection of 2 Gas Turbines, BHEL
- First ETC of 1X500 MW Boiler & Auxiliaries including ESP, Mejia, BHEL
- Erection of Structural, Steam Generator & Auxiliaries of 3 Boilers for India's two UMPP 800 MW unit (Gujarat, Tata Power), Doosan & 6X660 MW unit, Sasan, R Infra



2x660 MW, Solapur STPP, Boiler, ESP and Critical Piping



## 2010-12

- Major orders in Super Critical Projects 660 MW, Erection, Structural Fabrication works, Sepco, Adani, BGR, CLP
- First major Civil Work 2X520 MW, (Vizag, HNPCL), BHEL
- Entry in Industrial Sector Mechanical & Piping work in Refineries (Dahej, ONGC & Paradeep, IOCL)
- First major Erection of Gas Turbine & Civil Work, 4X100 MW, Yemen, Marib, BHEL
- Entry in Hydro Power, O&M and mini EPC

## 2014-16

- Listing on BSE & NSE with overwhelming response subscribed by 38 times
- Major O&M of 4X600 MW at Jharsuguda, Vedanta
- Started manufacturing unit operation at Noida
- Entry in Steel Sector, Erection & Fabrication work 3.0 MTPA & 2.7 MTPA, Nagarnar (NMDC) & Angul (JSPL)
- First FGD Work 500 MW, Vindhyachal, GE

## 2017 onwards

- Completed major international projects at Shuqaiq, KSA (4X660 MW, SEC) & Bheramara, 360 MW (L&T, Bangladesh)
- Entry into Oman, Saudi Arabia, Bahrain and Nigeria
- First O&M project in Public Sector, 2X600 MW, Singareni Collieries
- Strategic foray into Railway, RVNL composite package (37 Km, AP) & Rural Electrification, 33/11 KV Hoshangabad, MPMKVCL
- Entry for cross country laying of pipe lines, IOCL
- Prestigious project Infrastructure Development, Med Tech Zone, A.P
- Secured Irrigation Canal work project, Govt of Telangana
- Major project Sarva Shiksha Abhiyan Scheme: Strengthening of School Infra, A.P

# Accomplished Track Record

## Track record of 19 Years

- Established a track record of successfully executing ETC-BTG and BOP contracts for large power projects
- Engaged on ETC-BTG projects for the first two ultra-mega power projects (UMPPs) (Mundra & Sasan) as well as for 19 super-critical power projects in India
- These include up to 800 MW unit capacity super-critical projects
- Carried out the overhauling of a super-critical 660 MW turbine and providing AMC services for an ultra-mega power project (UMPP)
- In addition to our operations in India, we have also executed various international power projects in the Middle East, North Africa, South Asia and South America

