



**Premier
Explosives
Limited**

ISO 9001 REGISTERED



DNV Certification B.V., The Netherlands



May 23rd, 2018

To,
The Bombay Stock Exchange Limited
Corporate Relationship Department
Floor – 25, P.J.Towers, Dalal Street,
MUMBAI – 400 001
Scrip Code: 526247

To,
National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400051
Trading Symbol: 'PREMEXPLN EQ'

Dear Sir/Madam,

Sub: Audited Financial Results for the Fourth Quarter and Year ended 31st March, 2018.

We would like to inform you that, the Board of Directors at their Meeting held today i.e. 23rd May, 2018 have approved –

1. The Audited Financial Results (Standalone and Consolidated) for the Fourth Quarter and Year ended 31st of March, 2018 and
2. The Board has recommended a dividend of Rs.2.50 per Share for the year ended 31st of March, 2018 subject to the approval of the Shareholders at the next Annual General Meeting of the Company
3. The Board also approved the reappointment of Dr. Amarnath Gupta as Chairman and Managing Director with effect from 14th February, 2019 for tenure of three years subject to the approval of the shareholders at the next Annual General Meeting of the Company.

In terms of Regulation, 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the following-

1. Statements of the Audited Financial Results for the fourth quarter and year ended 31st March, 2018 (Standalone and consolidated)
2. Auditor's Report on the Financial Results (Standalone and Consolidated)

Further, with reference to the Audited Financial results being submitted for the Fourth Quarter and Year ended 31st March, 2018 -

'We hereby confirm that the Statutory Auditors of the Company i.e. M/s. Majeti & Co., Chartered Accountants have issued the Audit Report on Standalone and Consolidated Financial Statements of the Company for the Quarter and Year ended March 31, 2018 with unmodified opinion.'

Regd. Office : "Premier House", # 11, Ishaq Colony, Near AOC Centre, Secunderabad - 500 015. (T.S) INDIA
Phones : 040-66146801 to 05 Fax : +91 (40) 2784343/- email :

CIN : L24110TG1980PLC002633





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The Meeting of the Board of Directors commenced at 12.00 P.M and concluded at 3.30 P.M

Thanking You,

Yours Faithfully,

For Premier Explosives Limited

K. Vijayashree
Company Secretary
Encl: a/a



Premier Explosives Limited
CIN:L24 110TG 1980 PLC 002633

'Premier House', 11 Ishaq Colony, Near AOC Centre, Secunderabad - 500 015

Statement of standalone unaudited / audited financial results for the Quarter and Year ended March 31, 2018

(Rs. in lakhs, except as stated)

	Particulars	Quarter ended			Year ended	
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		Refer Note 6	(Unaudited)	Refer Note 6	(Audited)	(Audited)
1	Revenue					
	Revenue from operations	8328.35	6749.16	7243.77	26590.85	23029.76
	Add: Excise duty	-	-	639.58	539.36	2,284.25
		8328.35	6749.16	7883.35	27130.21	25314.01
	Other Income	73.45	58.31	26.11	220.49	66.82
	Total income	8401.80	6807.47	7909.46	27350.70	25380.83
2	Expenses					
	a) Cost of raw materials consumed	4810.87	4376.04	3800.36	15344.77	12626.96
	b) Purchase of stock -in- trade	160.77	146.13	83.24	315.79	108.84
	c) Changes in inventories of finished goods, work-in- progress and scrap	287.55	(315.38)	(255.85)	140.27	(556.02)
	d) Excise duty	-	-	639.58	539.36	2284.25
	e) Employee benefits expense	1362.94	1365.55	1392.69	5336.60	4950.81
	f) Finance costs	156.95	109.20	150.29	514.84	427.36
	g) Research and development expenses	17.77	21.21	29.93	85.96	109.46
	h) Depreciation and amortisation expense	90.69	91.10	88.53	363.35	334.83
	i) Other expenses	1105.59	770.85	791.10	3365.82	2892.03
	Total expenses	7993.13	6564.70	6719.87	26006.76	23178.52
3	Profit before tax (1-2)	408.67	242.77	1189.59	1343.94	2202.31
4	Tax expense					
	Current tax	209.01	94.77	485.38	538.30	788.00
	Deferred tax	(45.83)	(12.06)	(106.04)	(67.77)	(76.36)
	Total tax expense	163.18	82.71	379.34	470.53	711.64
5	Profit for the period from continuing operations (3-4)	245.49	160.06	810.25	873.41	1490.67
6	(a) Profit from discontinued operations (Wind mill)	-	-	(2.84)	-	19.76
	(b) Profit on disposal of discontinued operations	-	-	58.15	-	58.15
	(c) Tax expenses on discontinued operations	-	-	(22.44)	-	(22.44)
	Profit from discontinued operations (after tax)	-	-	32.87	-	55.47
7	Profit for the period (5+6)	245.49	160.06	843.12	873.41	1546.14
8	Other comprehensive Income					
	a) (i) Items that will not be reclassified to profit or loss (Actuarial gain on post-employment defined benefit obligation)	(36.44)	(28.21)	(25.47)	(121.06)	(102.40)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	13.01	9.77	8.82	42.30	35.44
	b) (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
	Total other comprehensive income for the period (8 a + 8b) (Comprising profit / (loss) and other comprehensive income for the period)	(23.43)	(18.44)	(16.65)	(78.76)	(66.96)
9	Total comprehensive income for the period (7+8)	222.06	141.62	826.47	794.65	1479.18
10	Paid-up equity share capital (Face value of Rs. 10/- per share)	1063.71	1063.71	885.86	1063.71	885.86
11	Other equity excluding revaluation reserve as per balance sheet of previous year (includes money received on account of share warrants - Rs 148.80 lakhs, 31.03.2017 : Nil)				18761.91	11488.34
12	Earnings per share of Rs. 10 each (not annualised) (in Rupees)					
	For continuing operations					
	Basic	2.37	1.54	9.15	8.42	16.83
	Diluted	2.37	1.54	9.15	8.42	16.83
	For discontinued operations					
	Basic	-	-	0.37	-	0.63
	Diluted	-	-	0.37	-	0.63
	For continuing and discontinued operations					
	Basic	2.37	1.54	9.52	8.42	17.46
	Diluted	2.37	1.54	9.52	8.42	17.46



Standalone Statement of Assets and Liabilities (Audited)

(Rs. in lakhs)

Particulars	As at 31.03.2018	As at 31.03.2017
ASSETS		
Non-current assets		
Property, plant and equipment	9,986.73	9,898.05
Capital work-in-progress	1,579.17	368.96
Investment Property	8.02	8.02
Intangible assets	2.81	4.44
Financial assets		
(i) Investments	531.00	526.00
(ii) Trade receivables	34.78	32.98
(iii) Other financial assets	66.93	62.15
Other non-current assets	628.49	535.09
Total Non-current assets	12,837.93	11,435.69
Current assets		
Inventories	3,567.35	3,350.70
Financial assets		
(i) Trade receivables	9,717.56	5,580.06
(ii) Cash and cash equivalents	230.46	110.08
(iii) Bank balances other than (ii) above	3,649.00	415.32
Other current assets	615.40	883.09
Total Current assets	17,779.77	10,339.25
TOTAL ASSETS	30,617.70	21,774.94
EQUITY AND LIABILITIES		
Equity:		
Equity share capital	1,063.71	885.86
Other equity	18,761.91	11,488.34
Total Equity	19,825.62	12,374.20
Liabilities:		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	780.46	646.40
(ii) Other financial liabilities	38.30	48.35
Provisions	269.38	312.78
Deferred tax Liability (net)	1,354.17	1,421.93
Total Non-current liabilities	2,442.31	2,429.46
Current liabilities		
Financial liabilities		
(i) Borrowings	3,506.24	3,163.76
(ii) Trade payables	2,263.93	1,477.01
(iii) Other financial liabilities	1,343.41	1,206.82
Other current liabilities	737.23	577.03
Provisions	189.84	71.34
Current tax liabilities (net)	309.12	475.32
Total current liabilities	8,349.77	6,971.28
TOTAL LIABILITIES	10,792.08	9,400.74
TOTAL EQUITY AND LIABILITIES	30,617.70	21,774.94

Notes to the financial results :

- This Statement has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 23, 2018.
- The Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- The Company is engaged in the business of "High Energy Materials" and has only one reportable segment in accordance with Ind AS 108 "Operating Segment".
- Post the applicability of Goods and service Tax (GST) with effect from July 01, 2017, revenue from operations is disclosed net of GST. Revenue from operations till 30th June 2017 is inclusive of Excise Duty. For comparison, Revenue from operations have been disclosed on Gross as well as Net basis.
- The Board of Directors has recommended a dividend of Rs. 2.50 per Equity Share of Rs. 10/- each for the year 2017-18 subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.



Notes to the financial results :

- 6 The Figures for the quarter ended March 31, 2018 and March 31, 2017 are the balancing figures between audited figures in respect of full financial year and the published year to date unaudited figures up to the third quarter of the current and previous financial years i.e., 2017-18 and 2016-17 respectively.
- 7 Figures for the previous year / periods have been regrouped, wherever necessary, to conform to the current year / periods classification.
- 8 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

(Rs. in lakhs)

Particulars	For the quarter ended March 31, 2017	For the year ended March 31, 2017
Net profit as per previous GAAP (Indian GAAP)	829.46	1,475.09
<i>Ind AS adjustments: Add / (Less):</i>		
Actuarial gain on post-employment defined benefit obligation, recognised in other comprehensive income	25.47	102.40
Borrowings recognised using effective rate of interest	(0.86)	9.97
Provision for expected credit losses on trade receivables	(12.74)	(12.74)
Deferred tax on Ind AS adjustments	1.79	(28.58)
Net profit as per Ind AS	843.12	1,546.14
Other comprehensive income, net of income tax	(16.65)	(66.96)
Total comprehensive income for the period	826.47	1,479.18

- 9 Reconciliation of Equity as reported under previous GAAP and Ind AS is as follows:

(Rs. in lakhs)

Particulars	As at 31.03.2017	As at 01.04.2016
Equity as reported under previous GAAP	13,724.37	6,545.13
Adjustments on Ind AS Adoption		
Fair valuation as deemed cost for Property, Plant and Equipment	-	5,570.59
Provision for expected credit losses on trade receivables	(143.65)	(130.91)
Fair value adjustment	(133.56)	-
Borrowings recognised using effective rate of interest	9.97	-
Deferred tax on Ind AS adjustments	(1,082.93)	(1,089.80)
Equity as reported under Ind AS	12,374.20	10,895.01

Secunderabad
May 23, 2018



For Premier Explosives Limited

[Signature]

Dr. A. N. Gupta
Chairman and Managing Director



**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD OF DIRECTORS OF
PREMIER EXPLOSIVES LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **PREMIER EXPLOSIVES LIMITED** ("the Company"), for the year ended March 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended March 31, 2018.
5. The Statement includes the results for the Quarter ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



6. The previously issued comparative financial information of the Company for the quarter and year ended 31st March 2017 included in this Statement has been prepared after adjusting the previously issued financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued comparative financial information were audited by the predecessor auditor whose report for the year ended 31st March 2017 dated May 27, 2017 expressed an unmodified opinion on those comparative financial information. Adjustments made to the previously issued said comparative financial information to comply with Ind AS have been audited by us.

Our report is not modified in respect of these matter.

For MAJETI & CO
Chartered Accountants
Firm's Registration No. 015975S



M. Kiran Kumar

Kiran Kumar Majeti
Partner
Membership No.220354

Hyderabad,
May 23, 2018.

Premier Explosives Limited
CIN:L24 110TG 1980 PLC 002633

'Premier House', 11 Ishaq Colony, Near AOC Centre, Secunderabad - 500 015

Statement of consolidated audited financial results for the Year ended 31st March, 2018

(Rs. in lakhs, except as stated)

	Particulars	Year ended	
		31.03.2018	31.03.2017
		(Audited)	(Audited)
1	Revenue		
	Revenue from operations	27458.90	23778.44
	Add: Excise duty	572.01	2,397.54
		28030.91	26175.98
	Other Income	222.52	69.50
	Total income	28253.43	26245.48
2	Expenses		
	a) Cost of raw materials consumed	15833.88	12979.92
	b) Purchase of stock -in- trade	315.79	108.84
	c) Changes in inventories of finished goods, work-in- progress and scrap	136.55	(574.55)
	d) Excise duty	572.01	2397.54
	e) Employee benefits expense	5478.97	5054.06
	f) Finance costs	521.00	433.34
	g) Research and development expenses	85.96	109.46
	h) Depreciation and amortisation expense	393.29	357.36
	i) Other expenses	3647.25	3140.10
	Total expenses	26984.70	24006.07
3	Profit before tax (1-2)	1268.73	2239.41
4	Profit after tax and before share of (loss) from Joint Venture	(4.61)	(4.47)
5	Profit before exceptional item and tax from continuing operations (3+4)	1264.12	2234.94
6	Tax expense		
	Current tax	538.42	790.50
	Deferred tax	(75.55)	(76.52)
	Total tax expense	462.87	713.98
7	Profit for the period from continuing operations (5-6)	801.25	1520.96
8	(a) Profit from discontinued operations before tax	-	19.76
	(b) Profit on disposal of discontinued operations	-	58.15
	Tax expenses on discontinued operations	-	(22.44)
	Profit from discontinued operations (after tax)	-	55.47
9	Profit for the period (7+8)	801.25	1576.43
10	Other comprehensive Income		
	a) (i) Items that will not be reclassified to profit or loss (Actuarial gain on post-employment defined benefit obligation)	(121.33)	(97.22)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	42.35	34.45
	b) (i) Items that will be reclassified to profit or loss	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-
	Total other comprehensive income for the period (10 a + 10b)	(78.98)	(62.77)
11	Total comprehensive income for the period (9+10)	722.27	1513.66
12	Total Comprehensive income for the period attributable to: (Comprising profit / (loss) and other comprehensive income for the period		
	Shareholders of the company	735.98	1508.95
	Non Controlling Interest	(13.71)	4.71
13	Paid-up equity share capital (Face value of Rs. 10/- per share)	1063.71	885.86
	Other equity excluding revaluation reserves (includes money received on account of share warrants - Rs 148.80 lakhs, 31.03.2017 : Nil)	18831.41	11616.55
14	Earnings per share of Rs. 10 each (not annualised) (in Rupees)		
	For continuing operations		
	Basic	7.72	17.17
	Diluted	7.72	17.17
	For discontinued operations		
	Basic	-	0.63
	Diluted	-	0.63
	For continuing and discontinued operations		
	Basic	7.72	17.80
	Diluted	7.72	17.80



Consolidated Statement of Assets and Liabilities (Audited)

(Rs. in lahs)

Particulars	As at 31.03.2018	As at 31.03.2017
ASSETS		
Non-current assets		
Property, plant and equipment	10,478.26	10,418.10
Capital work-in-progress	1,579.17	368.96
Investment Property	8.02	8.02
Intangible assets	2.82	4.44
Investments accounted through equity method	0.39	-
Financial assets		
(i) Investments	-	-
(ii) Trade receivables	34.78	32.98
(iii) Other financial assets	66.93	62.15
Other non-current assets	650.60	554.23
Total Non-current assets	12,820.97	11,448.88
Current assets		
Inventories	3,746.48	3,500.85
Financial assets		
(i) Trade receivables	9,783.89	5,606.34
(ii) Cash and cash equivalents	238.55	111.90
(iii) Bank balances other than (ii) above	3,649.00	416.62
Other current assets	651.81	904.88
Total Current assets	18,069.73	10,540.59
TOTAL ASSETS	30,890.70	21,989.47
EQUITY AND LIABILITIES		
Equity:		
Equity share capital	1,063.71	885.86
Other equity	18,831.41	11,616.55
Equity attributable to equity share holders of parent	19,895.12	12,502.41
Non controlling interest	150.03	163.74
Total Equity	20,045.15	12,666.15
LIABILITIES		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	780.46	646.40
(ii) Other financial liabilities	38.80	48.85
Other non current liabilities	5.86	6.78
Provisions	277.97	321.84
Deferred tax Liability (net)	1,373.48	1,449.03
Total Non-current liabilities	2,476.57	2,472.90
Current liabilities		
Financial liabilities		
(i) Borrowings	3,590.53	3,164.86
(ii) Trade payables	2,151.25	1,304.45
(iii) Other financial liabilities	1,379.00	1,240.12
Other current liabilities	746.66	588.10
Provisions	192.36	71.87
Current tax liabilities (net)	309.18	481.02
Total current liabilities	8,368.98	6,850.42
TOTAL EQUITY AND LIABILITIES	30,890.70	21,989.47

Notes to the financial results

- The above Consolidated Audited Financial results for the year ended 31st March, 2018, as reviewed by the Audit Committee, have been considered and approved by the Board of Directors at its meeting held on 23rd May 2018.
- The Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- The Company is engaged in the business of "High Energy Materials" and has only one reportable segment in accordance with Ind AS 108 "Operating Segment".



Notes to the financial results

- 4 Post the applicability of Goods and service Tax (GST) with effect from July 01,2017, revenue from operations is disclosed net of GST. Revenue from operations till 30 th June 2017 is inclusive of Excise Duty. For comparison , Revenue from operations have been disclosed on Gross as well as Net basis.
- 5 The Board of Directors of the parent company has recommended a dividend of Rs. 2.50 per Equity Share of Rs. 10/- each for the financial year 2017-18 subject to the approval of shareholders at the ensuing Annual General Meeting of the parent company.
- 6 The figures for the previous year have been reclassified / regrouped wherever necessary to conform to current year's classification.
- 7 The reconciliation of net profit or loss reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given below:

(Rs. In lakhs)	
Description	For the year ended 31st March, 2017
Net profit as per previous GAAP (Indian GAAP)	1,509.38
<i>Ind AS adjustments: Add / (Less):</i>	
Borrowings recognised using effective rate of interest	9.97
Actuarial (gain)/ loss on post -employment benefits obligation, net of income tax	97.22
Provision for Expected credit Losses	(12.74)
Deferred government grant recognised during the year	0.91
Deferred tax on Ind AS adjustments	(28.31)
Net profit as per Ind AS	1,576.43
Other comprehensive income, net of income tax	(62.77)
Total comprehensive income for the period	1,513.66

- 8 Reconciliation of Equity as reported under previous GAAP and Ind AS is as follows:

(Rs. in lakhs)		
Particulars	As at 31.03.2017	As at 01.04.2016
Equity as reported under previous GAAP	14,053.18	6,542.69
Adjustments on Ind AS Adoption		
Fair valuation as deemed cost for Property, Plant and Equipment	-	5,604.97
Fair value adjustment	(133.73)	-
Borrowings recognised using effective rate of interest	9.97	-
Provision for Expected credit Losses	(143.66)	(130.91)
Deferred government grant recognised in Opening Retained Earnings	(6.78)	-
Deferred tax on Ind AS adjustments	(1,117.01)	(1,089.79)
Others	4.18	0.36
Equity as reported under Ind AS	12,666.15	10,927.32

Secunderabad
May 23, 2018



For Premier Explosives Limited


Dr. A.N. Gupta
Chairman and Managing Director



**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
PREMIER EXPLOSIVES LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of **PREMIER EXPLOSIVES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the loss of its joint ventures for the year ended March 31, 2018 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been compiled from the related consolidated financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such consolidated financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Parent's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parent's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

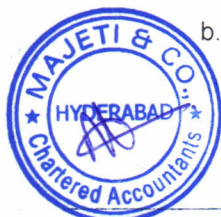
We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 5 below, is sufficient and appropriate to provide a basis for our audit opinion.

4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate financial statements and the other financial information of subsidiaries, joint ventures referred to in paragraph 5 below, the Statement:

a. includes the results of the following entities

- 1)Premier Wire Products Limited (Subsidiary).
- 2)PEL NEXT Defence Systems Private Limited (Subsidiary)
- 3)BF Premier Energy Systems Private Limited (Joint venture)

- b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and



- c. gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit, Total comprehensive income and other financial information of the Group for the year ended March 31, 2018.
5. We did not audit the financial statements of two subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs. 926.91 as at 31st March 2018, total revenues of Rs.1070.73 Lakhs, total net loss before tax of Rs.76.46 Lakhs for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss of Rs.4.61 Lakhs and total comprehensive income/ loss of Rs. Nil for the year ended 31st March 2018, as considered in the consolidated financial results, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture is based solely on the reports of the other auditors.
Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.
6. The comparative financial information of the Group for the year ended 31st March 2017 which includes its share of loss in its joint venture included in this Statement, have been prepared after adjusting the previously issued consolidated financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2006 to comply with Ind AS. The previously issued consolidated financial information were audited by the predecessor auditor whose report for the year ended 31st March 2017 dated May 27, 2017 expressed an unmodified opinion on those consolidated financial information. Adjustments made to the previously issued consolidated financial information to comply with Ind AS have been audited by us.

Our report is not qualified in respect of these matter.

For MAJETI & CO
Chartered Accountants
Firm's Registration No. 015975S



M. Kiran Kumar

Kiran Kumar Majeti
Partner
Membership No.220354

Hyderabad
May 23, 2018