



**SRM ENERGY LIMITED**

**30<sup>th</sup> Annual Report  
2016-2017**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Vishal Rastogi  
Mr. Sameer Rajpal  
Mr. Pranav Kumar  
Mr. Vijay Kumar Sharma  
Mrs. Tanu Agarwal

Managing Director  
Non-Executive & Independent Director  
Non-Executive & Independent Director  
Non-Executive & Independent Director  
Non-Executive Woman Director

### CS & COMPLIANCE OFFICER

Ms. Ruchi Singh (Appointed w.e.f 09.02.2017)  
Ms. Kanika Arora (till 23.12.2016)

### CHIEF FINANCIAL OFFICER (CFO)

Mr. Achyut Ganapati Pai (Appointed w.e.f. 09.02.2017)  
Mr. Kailash Chandra Gupta (till 05.10.2016)

### BANKERS

Axis Bank Limited

### STATUTORY AUDITORS

M/s VATSS & Associates

### REGISTERED OFFICE

Unit No. 206, 2<sup>nd</sup> Floor, Suneja Tower-II,  
District Centre, Janakpuri, New Delhi-110058.

### REGISTRAR & SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited  
(with effect from 01<sup>st</sup> April, 2017)  
F-65, 1<sup>st</sup> Floor, Okhla Industrial Area Phase-1,  
New Delhi-110020.  
Tel. No. : 011-41406149/50/51  
Fax :011-41709881  
Email : [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)  
Website : [www.mcsregistrars.com](http://www.mcsregistrars.com)

### LISITNG OF SECURITIES

**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street,  
Mumbai- 400001

**CIN:** L17100DL1985PLC303047

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## NOTICE

NOTICE is hereby given that the 30<sup>th</sup> Annual General Meeting of the members of SRM Energy Limited will be held on Wednesday, September 27, 2017 at 11.30 a.m. at Executive Club, Dolly Farms & Resorts, 439, Village Shahurpur, P.O, Fatehpur Beri, New Delhi-110074, to transact the following businesses:

**ORDINARY BUSINESS:****Item No. 1: Adoption of Financial Statement:**

To receive, consider and adopt the audited financial statement (including Audited Consolidated Financial Statements) of the Company for the financial year ended 31<sup>st</sup> March, 2017 and the Reports of Director's and Auditor's thereon.

**Item No.2: Appointment of Directors:**

To appoint a Director in place of Mr. Vishal Rastogi (DIN- 02780975) who retires by rotation and being eligible, offers himself for reappointment.

**Item No.3: Appointment of Auditors:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, as amended from time to time, and pursuant to the recommendation of the Board of Directors and also pursuant to the resolution passed by the shareholders in the previous Annual General Meeting of the Company held on 29<sup>th</sup> September, 2016, the appointment of M/s VATSS & Associates, Chartered Accountants, New Delhi (Firm Registration No.- 017573N) as Statutory Auditors of the Company to hold office till the conclusion of the next AGM be and is hereby ratified at a remuneration of Rs.1,50,000/- (exclusive of taxes) payable to them for the financial year ending March 31, 2018, as recommended by the Board in consultation with the Auditors.”

**By Order of the Board of Directors**

Place: New Delhi

(Ruchi Singh)

Date: August 14, 2017

**Company Secretary****ACS no. 36761****NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT UNIT NO. 206, 2<sup>ND</sup> FLOOR, SUNEJA TOWER-II, JANAKPURI DISTRICT CENTRE, NEW DELHI-110058, NOT LESS THAN 48 HOURS BEFORE THIS ANNUAL GENERAL MEETING. A FORM OF PROXY IS GIVEN AT THE END OF THIS ANNUAL REPORT. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTIONS/AUTHORITY, AS APPLICABLE.
2. 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 carrying voting rights.
3. Provided that a member holding more than ten percent of the total paid up share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
4. In case of Joint holders attending the meeting, only such holder who is higher in the order of names will be entitled to vote.
5. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer Books of the Company will remain closed from Thursday 21<sup>st</sup> September, 2017 to Wednesday 27<sup>th</sup> September, 2017 (both days inclusive) for annual closing.
6. A member can inspect proxies lodged at any time during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, provided that he has given to the Company a notice, in writing of his intension to inspect not less than 3 days before the commencement of the said meeting.
7. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are Interested maintained under Section 189 of Companies Act, 2013 will be available for inspection by the members at the AGM.
8. Corporate Members intending to send their authorised representative to attend the meeting are requested to send to the Company/ RTA, in advance, a duly certified copy of the Board Resolution/ letter of authority together with the respective specimen signatures of those representatives authorised under said resolution/ letter to attend and vote on their behalf at the meeting.
9. Members/Proxy Holders are requested to produce at the entrance of AGM premises, attendance slips duly completed and signed, in accordance with the specimen signature registered with the Company for admission to the Meeting Hall.
10. The members are requested to
  - a. Bring their copy of Annual report at the Annual General Meeting.

- b. I **In case shares are held in physical form:** notify immediately the change of address, if any, to the Company at Unit No. 206, 2<sup>nd</sup> Floor, Suneja Tower-II, Janakpuri District Centre, New Delhi-110058 or to the Registrar and Share Transfer Agent of the Company, MCS Share Transfer Agent Limited, F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase I, New Delhi-110020 quoting their folio number.
- II **In case shares are held in dematerialized form:** notify to their depository participants, change/correction in their address/bank account particulars etc. as the Company uses the information provided by Depositories in respect of shares held in dematerialized form.
- c. Send, in case of those members who have multiple accounts in identical names or joint names in same order, all the share certificates to the Registrar and Share Transfer Agent of the Company i.e., MCS Share Transfer Agent Limited at the aforesaid address for consolidation of all such shareholdings into one account to facilitate better service.
11. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all days except Saturday, Sunday and Public holidays up to the date of the Annual General Meeting.
12. Pursuant to Sections 101 and 136 of the Companies Act, 2013, read with rules made thereunder the Annual Report 2016-17 is being sent through electronic mode only to the members whose email addresses are registered with the Company/ Depository Participant(s), unless any member has requested for a physical copy of the Report. For members who have not registered their email addresses, physical copies of the annual report 2016-17 are being sent by the permitted mode. The Annual Report will also be available at the Company's registered office for inspection during normal business hours on all working days and is also available on Company's website "www.srmenergy.in".
13. With a view to using Natural Resources responsibly, we request Shareholders to update their email address with their Depository participants to enable the Company to send all communications including Annual Report, Notices, Circulars, etc. electronically. Members who hold shares in physical form are requested to write to "**MCS Share Transfer Agent Limited (Unit SRM Energy Limited), F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-1, New Delhi-110020**" with details like Name, Folio No. and Email ID to register the same at our Registrar and Transfer Agent.
14. Details pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standards 2 in respect of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting is furnished as annexure to the notice. The Directors have furnished consent/declaration for their appointment/re-appointment as required under Companies Act, 2013 and rules made thereunder.
15. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, e-voting facility is being provided to the members. Details of the e-voting process and other relevant details are being sent to all the Members along with the Notice. The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM and who have not cast their vote electronically shall be able to exercise their right at the AGM through ballot paper. Members who have cast their vote by e-voting may attend the AGM but shall not be entitled to cast their vote again.
16. **Voting through Electronics Means-** A detailed instructions and related write ups, on **Electronic Voting Process**, which forms part of this notice, is given at the end of this Annual Report. Shareholders are requested to kindly follow the said process for casting their vote electronically.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company and/or its RTA.
18. The Securities and Exchange Board of India (SEBI) has mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of Securities.
19. Route Map and details of prominent land mark of the venue of the meeting is portrayed at the back side of the Annual Report.
20. ***Important Communication to Members Your Company had appointed MCS Share Transfer Agent Limited, F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase I, New Delhi-110020 as the Registrar and Share Transfer Agent of the Company w.e.f. 01<sup>st</sup> April, 2017.***

**NOTES ON DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AS REQUIRED UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND IN TERMS OF SECRETARIAL STANDARDS 2.**

<b>Name of Director</b>	Mr. Vishal Rastogi
<b>DIN</b>	02780975
<b>Brief Resume</b>	<b>Mr. Vishal Rastogi</b> is a Promoter Director and is on the Board of the Company since 21 <sup>st</sup> February, 2014. He has vast and rich experience of 15 years in the field of trading of Minerals and Chemical products together with experience in the field of Oil and Gas. He also manages a firm, which is involved in the Business of Distribution of Auto LPG and has number of Auto LPG Dispensing stations across India.
<b>Date of Birth</b>	11 <sup>th</sup> September, 1980
<b>Qualifications</b>	He is Master of Computer Systems from London, UK.
<b>Terms and conditions of Re-appointment</b>	In terms of Section 152(6) of the Companies Act, 2013, Mr. Vishal Rastogi shall retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers himself for re-appointment.
<b>Details of Remuneration and remuneration last drawn</b>	NIL
<b>Date of first appointment in the Board</b>	21 <sup>st</sup> February, 2014
<b>Shareholding in the Company</b>	Nil
<b>Relationship with other Directors, Manager and other Key Managerial Personnel (if any)</b>	N.A.
<b>Number of Meetings of the Board attended during the year</b>	Details mentioned in the Corporate Governance Report
<b>Details of other Directorships in other Companies</b>	He is serving the following Companies, as a Director: <ul style="list-style-type: none"> <li>● SRM Energy Tamilnadu Private Limited</li> <li>● Metropolitan Oil and Gas Private Limited</li> <li>● Metropolitan Minerals Private Limited</li> <li>● Metropolitan Gas LLP</li> <li>● Delhikem India Private Limited</li> <li>● Nyra Holdings Private Limited</li> <li>● BND Gas Private Limited</li> <li>● Encode Net Ventures Private Limited</li> <li>● Finbrook Pte. Ltd.</li> </ul> he does not hold Directorship in any other Listed Company apart from this Company
<b>Details of Membership/Chairmanship of Committees of the Board</b>	he is member of below Committees of the Board of this Company <ul style="list-style-type: none"> <li>● Audit Committee</li> <li>● Stakeholder's Relationship Committee</li> </ul>

**By Order of the Board of Directors**

Place: New Delhi  
Date: August 14, 2017

**(Ruchi Singh)**  
**Company Secretary**  
**ACS-36761**

## DIRECTOR'S REPORT

To

**The Members of SRM ENERGY LIMITED**

Your directors are submitting the 30<sup>th</sup> Annual Report of the Company together with the Audited Financial Statement for the year ended 31<sup>st</sup> March, 2017.

**1. Financial Results**

The Company's financial performance (standalone & consolidated) for the year under review along with previous year's figures is given here under:

(in Rs. Million)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from Operations	-	-	-	-
Other Income	0.29	0.00	0.29	0.00
Total Revenue	0.29	0.00	0.29	0.00
Operational Expenses	-	-	-	-
Employee Benefit Expenses	1.88	2.79	1.88	2.79
Interest and Finance Charges	-	-	-	-
Depreciation and Amortizations	-	-	-	-
Other Expenses	2.50	2.73	2.50	2.73
Total Expenses	4.38	5.52	4.38	5.52
Profit/(Loss) before exceptional items	(4.09)	(5.52)	(4.09)	(5.52)
Exceptional Items	-	-	-	-
Profit/(Loss) for the year	(4.09)	(5.52)	(4.09)	(5.52)

**2. Dividend**

There is no profit arising out of the business activities, hence no dividend is recommended for the financial year 2016-17.

**3. Reserves**

There is no surplus available to be carried forward to reserve.

**4. Results of Business Operations and the State of Company's Affairs**

You are aware that your Company intends to set up Thermal Power Projects at various locations of the state of Tamilnadu. The project at Tamilnadu is consisting of 3X660 MW i.e. 1980 MW capacity, which is being set up by the SRM Energy Tamilnadu Pvt. Ltd., the Wholly Owned Subsidiary of the Company. Your Company has no other operations at present and the related expenses incurred during the current period are considered as pre-operative expenses pending allocation to the power project.

We had also reported in the previous report that the Group's network has been significantly reduced and it has been incurring cash losses, the promoters have infused funds by way of unsecured loan and are committed to provide necessary funding to meet the liabilities and future running expenses of the Group, however all the effort of the subsidiary Company to find the investors for the project could not be successful, due to various reasons and prevailing situations of

the Company.

Your Board of Directors on March 09, 2015 had decided to sell/dispose off the Power plant/ Project in the wholly owned subsidiary, subject to necessary approvals from the shareholders and other statutory authorities, if any, which could also not materialize. In view of the commitments of your promoters to infuse funds into the Company and to provide necessary funding, the accounts have been prepared on going concern basis.

The power plant in the wholly owned subsidiary, which is intended to be sold /disposed off as explained above, is in Pre-operative stage and no expenses have been charged to Statement of Profit and Loss. Accordingly, the loss for the year does not include any loss relating to ordinary activities attributable to discontinuing operations.

**Demand of loan to be repaid by SRM Energy Tamilnadu Pvt. Ltd., (the wholly owned subsidiary)**

This is to further apprise that Mr. Gagan Rastogi has been infusing unsecured loan to SRM Energy Tamilnadu Pvt. Ltd. the wholly owned subsidiary of the Company. Since 2014, Mr. Rastogi has been demanding his loan to be repaid. Previously, upon his demand, a request was made to him that he should allow us time to be in a position, where the repayment of his loan could be positively considered.

However, recently the subsidiary has settled the Loan of Mr. Gagan Rastogi to the extent of

Rs. 9.257 Crores by way of assigning the amount as receivable from Krishna Enterprises, in his favour through an MOU and assignment agreement on an as is where is basis. After such settlement, an amount of Rs. 39,43,26,000/- is was due to him, till 23<sup>rd</sup> May, 2017. The total amount due till date (14<sup>th</sup> August 2017) is Rs. 40,22,26,000/-

Mr. Gagan Rastogi has demanded for the balance amount to be repaid. This matter was discussed in detailed in your Board in the light of the fact that Mr. Rastogi in the past had demanded his money, but the same could not be repaid due to the bad financial position of the Company. However, the subsidiary Company as a measure to run the project decided to find investors to procure requisite investments into the Company for the establishment of project. The subsidiary Company, had also taken the services of two Catagory-1 Merchant Bankers for finding investors. The Merchant Bankers, after their due diligence and detailed deliberations had shown their inability to find any investors, majorly on the following grounds:

- That the present investment made by the Promoter was low.
- The current Industrial scenario, Govt. policies, Company's current status of approvals, status for the land acquisitions and its financial health etc. were not favorable.

The sincere efforts of the Board of the subsidiary Company to arrange funds for its project implementation and operation could not materialize due to stringent / adverse conditions. The aforesaid facts were duly intimated to Mr. Rastogi at the time. Presently, the situation is such that the Company (including its subsidiary) is completely dependent on the financial assistance made by Mr. Gagan Rastogi as no operation of the Company could start till date, and the investors for the project could not be found as the situation of the Company is similar as to the earlier date.

Your Board after taking into consideration, the aforesaid facts, and also after considering the present situation, financial position and project implementation status etc. of the Company, discussed and deliberated all the possible ways / options to deal with the prevailing situation, the board also noted that at present the Subsidiary Company has no inflow of funds other than the financial assistance of Mr. Gagan Rastogi, and Mr. Rastogi has intimated that he is not in a position to continue with further assistance.

The Board in present scenarios find it suitable for the Company to explore whether any of the assets of the Company including subsidiary Company could be offered to him towards the settlement of his loan extended to the Company. The Board after such discussion consented to make an offer to Mr. Rastogi as a settlement of his loan and further propose to revalue the Assets/Land of the Company/subsidiary Company to determine the present value of the same, which could be offered to him for settlement.

The board further appointed two Independent

local Registered valuers to determine the fair market value of the land of the Company, who have assigned a value of Rs. 9.50 crores and 9.75 crores respectively towards the assets. Based on the aforesaid valuation, an offer was given to Mr. Rastogi towards settlement of his loan as such. However, it has been made clear to him that the said offer will be subject to the approval of the shareholders of our Company, i.e., SRM Energy Limited.

Mr. Rastogi has not yet communicated his decision on the offer, once he communicates his decision, the Company will act accordingly, i.e., shall move suitable resolutions to the shareholders for their due approval.

#### **5. Change in Nature of Business**

There is no change in nature of business during the period under review.

#### **6. Registered Office of the Company**

As intimated in the previous year's report that the registered office of the Company has been shifted from state of Maharashtra to the Delhi, your Company, in this respect has received a certificate of registration dated 15/07/2016 as issued by Registrar of Companies, Delhi & Haryana, certifying that the order of Regional Director confirming such shifting of Registered office has been duly registered. The master data of the Company at the website of Ministry of Corporate Affairs has been updated. The New Registered office of the Company w.e.f. 06/06/2016, (i.e, date of issuance of the order of Regional Director in this respect), is "Unit No. 206, 2nd Floor, Suneja Tower-2, District Centre, Janakpuri, New Delhi-110058".

#### **7. Change of Registrar and Share Transfer Agent (RTA) of the Company**

Since the Registered office of the Company has been shifted from Mumbai, the state of Maharashtra to New Delhi the NCT of Delhi, your Directors considered changing the RTA of the Company by appointing a local RTA based in Delhi. Accordingly the MCS Share Transfer Agent Limited was duly identified to be an RTA of the Company and all the formalities in this respect was completed by entering into a contract and appointing them as RTA of the Company w.e.f. 01<sup>st</sup> April, 2017. Also to note that the previous RTA M/s Datamatics Financial Services Limited, Mumbai had provided their services as such till 31<sup>st</sup> March, 2017.

#### **8. Material changes and commitment if any affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of the report**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year, i.e., 2016-17 till the date of this report i.e. 14.08.2017.

#### **9. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

The Company has adequately adopted the procedures, criteria and mechanism to ensure the proper internal control, suitable policies and guidelines as required under various provisions of the Companies Act, 2013 and the Listing Agreement are in place. The following policies adopted by the Company, which focuses on comprehensive management, control and compliance with different rules and regulations as prescribed under various laws applicable to the Companies.

- a. Vigil Mechanism Policies/Whistle Blower Policies,
- b. Risk Management Policy

The said policies ensures reduction of possible threats of fraud, the orderly and efficient conduct of the business of the Company. These policies and guidelines are adequately monitored by the designated Committees of the Board.

The Company prepare the financial information/ Reporting as per the requisite requirements of the Companies Act, 2013 and the Listing Regulations, and place it to the Audit Committee and Board for the approval, once approved the said financial results are submitted to the stock exchange and also placed on the website of the Company. The Internal Auditors are empowered with the facility to directly report to the Audit Committee of the Board of Directors of the Company.

#### 10. Extract of Annual Return

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure I** and is forming part of this Annual Report.

#### 11. Subsidiaries, Joint Ventures and Associate Companies

During the FY under review, your Company has one wholly owned Subsidiary Company (WOS) viz. SRM Energy Tamilnadu Private Limited and it does not have any Joint Ventures and Associate Companies. The company regularly keeps a track on operational opportunities of its WOS Company. However, the members are requested to note that the WOS Company does not have any operations at present.

##### Material Subsidiary

In terms of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in regulation 24, i.e., with respect to subsidiary of listed entity does not apply to the Company during the period under review. However, as practice of good governance, the Board of Directors has approved a policy on Material Subsidiary, which can be viewed on the Company's website at the link:

<http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Policy%20for%20Determining%20Material%20Subsidiary.pdf>

#### 12. Performance and financial position of each of the Subsidiaries, Associates and Joint Venture Companies included in the Consolidated Financial Statement.

A statement containing salient features of financial statements of Subsidiary forms part of the financial statement for the year ended on 31<sup>st</sup> March, 2017, forming part of this Annual Report, hence the same is not provided here for the sake of brevity. Further, a statement in the prescribed format AOC-1 is appended as **Annexure 2** to the Boards' Report. The annual accounts of the Subsidiary Company and any other information related to that shall be provided to any member of the Company who may be interested in obtaining the same. It shall also be kept open for inspection at the registered office of the holding Company and subsidiary company concerned. The Consolidated financial statement provided by the Company also includes the financial statement of its Subsidiary, which is further being proposed for the approval of the shareholders.

Also your Board has explained in the item No.-4 of this report about the recent developments w.r.t the subsidiary Company. The demand of the repayment of loan against the subsidiary and related proposal to be offered by it to the lender, it has been duly explained above and not repeated here for the sake of brevity.

#### 13. Deposits

The Company has neither accepted nor renewed any deposits during the year under review.

#### 14. Statutory Auditors & Auditor's Report

M/s VATSS & Associates, Chartered Accountants, (ICAI Firm Registration No.- 017573N), who are the statutory auditors of your Company, hold office up to the conclusion of the AGM to be held in the year 2020, subject to ratification of their appointment at every subsequent AGM. They have audited the financial statements of the Company for the period under review. The Auditors has not submitted any adverse remark, qualification or reservation in their report for the period under review. However, an Emphasis on Matter is being made w.r.t. Going Concern status of the Company. The Auditors' Report forms part of this Annual Report. Further, in terms of Section 143 (12) of the Companies Act, 2013, no frauds has been reported by the Auditors to the Audit Committee. The Board have recommended appointment of M/s VATSS & Associates, Chartered Accountants, as statutory auditor of the Company for the FY 2017-18. The Members are requested to ratify their appointment as Auditors.

#### 15. Internal Auditor & their Report

Your Company has also in place a proper system of internal audit that is adequate in respect to the size and operations of the Company. M/s Amar Jeet Singh & Associates, Chartered accountants had been appointed as the Internal Auditor of the Company for the financial year 2016-17. They had adequately conducted the Quarterly internal audit exercise within the terms of regulatory requirements. During the Audit Process, no

material discrepancies was reported by him. The Internal Auditors may directly report to the Audit Committee of the Board of Directors of the Company.

**16. Secretarial Auditor & Secretarial Audit Report**

In terms of the provisions of Section 204 of the Companies Act, 2013 and rules made there under, Mr. Kumar Bhavesh Kishore, Proprietor (CP No. 11598), M/s KBK & CO, Company Secretaries, Delhi was appointed as the Secretarial Auditor of the Company during the Financial Year 2016-17.

A Secretarial Audit Report in Form No. MR-3 for the financial year 2016-17 given by the Secretarial Auditors of the Company is annexed as **Annexure 3** with this report.

**17. Disclosure about Cost Audit**

The provision of maintenance of cost audit records and filing the same is not applicable to the Company.

**18. Shares Capital**

During the period under review the capital structure of the Company remain unchanged i.e. the Company has not issued any equity share with differential rights, Sweat Equity Shares, has not bought back any of its securities, has not provided any Stock Option Scheme to the employees during the period under review.

**19. Conservation of energy, technology absorption, foreign exchange earnings and outgo**

Your company has not initiated its operation till date, hence members are requested to consider the details as mentioned herein below;

<b>(A) CONSERVATION OF ENERGY</b>	
The steps taken or impact on conservation of energy	NA
The steps taken by the company for utilizing alternate sources of Energy	NA
The capital investment on energy conservation equipments	NA
<b>(B) TECHNOLOGY ABSORPTION</b>	
The efforts made towards technology absorption	NA
The benefits derived like product improvement, cost reduction, product development or import substitution	NA
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
The expenditure incurred on research and development	NA

**Details of Foreign currency transactions are as follows:**

a. The company has not earned any income in Foreign Currency during the year.

b. The company has not incurred any expenditure in Foreign Currency.

**20. Details of policy developed and implemented by the company on its Corporate Social Responsibility initiatives**

Your Company has not developed and implemented any policy on Corporate Social Responsibility initiatives as the provisions of section 135 of Companies Act, 2013 are not applicable to the Company during the period under review.

**21. Directors and Key Managerial Personnel**

**A) Changes in Directors and Key Managerial Personnel (KMP):**

During the year under review, no changes occurred in the composition of Board of Directors of the Company. However, following changes occurred with respect to the Key Managerial Personnel of the Company during FY 2016-17;

S.No.	Name	Designation	Appointment/Resignation	Date Of Event
1	Mr. Kailash Chandra Gupta	CFO	Resigned	October 05, 2016
2	Ms. Kanika Arora	CS & Compliance officer	Resigned	December 23, 2016
3	Mr. Achyut Ganapati Pai	CFO	Appointment	February 09, 2017
4	Ms. Ruchi Singh	CS & Compliance officer	Appointment	February 09, 2017

**Cessation of Director/KMP:**

- During the year under review, Mr. Kailash Chandra Gupta had resigned from his office of the Chief Financial Officer (CFO) from the close of the working hours on October 05, 2016.
- Later, Ms. Kanika Arora had resigned from her office of the Company Secretary from the close of the working hours on December 23, 2016.

**Appointment of New Directors/KMP:**

Pursuant to the requirements of Section 203 read with rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the office of CFO and Company Secretary was vacant till February 08, 2017. Considering the aforesaid requirements the Board consented to appoint Mr. Achyut Ganapati Pai as the new CFO of the Company and Ms. Ruchi Singh as Company Secretary of the Company w.e.f. February 09, 2017.

Further, Mr. Achyut Ganapati Pai, CFO of the Company has submitted his resignation vide his letter 31st July, 2017, wherein he has requested to be relieved from his post of CFO w.e.f. 15th September 2017. The Board of Directors have considered and approved the aforesaid matter in their meeting held on 14th August, 2017.

**Reappointment of Directors:**

In terms of applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vishal Rastogi, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment, Brief resume and other details of Mr. Vishal Rastogi, who is proposed to be re-appointed as Director of your company has been included in the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

**B) Declaration of Independent Directors**

In terms of Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Independent Directors have submitted declarations that they meet the criteria of Independence, as prescribed therein. The Board have considered the aforementioned submissions and stipulated that the Independent Directors fulfill the conditions specified under the Companies Act, 2013 along with rules made thereunder and the Listing Regulations.

**C) Details of training imparted to Independent Directors**

The Compliances under Relevant Regulation 25 (7) read with Regulation 15 of Listing Regulations are not applicable to the Company and hence, Company has exempted herself from the compliance of the requirements of the regulation, however every new Independent Director inducted on the Board attends an orientation program in which he/she is familiarized with the strategy, operations and Status of the Company. They are further briefed with history of the Company and also handed over a Copy of the bunch of Company's Annual reports, its Memorandum and Articles of Association, various policies and the Code of Conduct of the Company.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, functions and duties/responsibilities as a Director. The Format of the letter of appointment is provided on our website, a web link thereto is given below:

<http://srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Appointment%20of%20ID.pdf>

**D) Formal Annual Evaluation**

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that a formal annual evaluation needs to be made by the Board of its own performance its committees, Chairman and individual Directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Independent Directors of the Company meet at least once in every financial year without the presence of Executive Directors or management personnel. All Independent Directors strive to be present at such meetings.

During the year under review, the Independent Directors held one separate meeting on 09th February 2017 to evaluate the performance of Mr. Vishal Rastogi, the Managing Director of the Company, Ms. Tanu Agarwal and the Board as a whole and also to assess the Quality, Quantity and timeliness of the flow of Information between the Company Management and the Board. All the independent Directors had attended the meeting.

The Board of Directors in their meeting held on May 26, 2017 evaluated the performance of all the Independent Directors based on set questionnaires circulated to the Board. The result of aforesaid evaluations were noted by the Nomination and Remuneration Committee in their meeting held on May 26, 2017. The performance of executive Directors and Independent Directors was found satisfactory taking into consideration of the existing circumstance, in which the Company is operating.

**22. Number of meetings of the Board of Directors**

The Board of Directors met 5 times during the year, the details of which are given in Corporate Governance report forming part of this annual report. The intervening gap between any two meetings was within prescribed time limit under Companies Act, 2013.

**23. Audit Committee**

The Composition of Audit Committee is in line with the provision of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. During the Financial year 2016-17, the Audit Committee comprised of Mr. Sameer Rajpal, Chairman of the committee with other members, Mr. Vishal Rastogi and Mr. Vijay Kumar Sharma.

A detailed description about the audit Committee is given in the Corporate Governance Report, forming part of the Director's Report.

Further all recommendations made by Audit Committee during the year were accepted by the Board.

**24. Details of Establishment of Vigil Mechanism for Directors and Employees**

The Company has in place a Vigil Mechanism/ Whistle Blower Policy, framed as per the requirements of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Vigil Mechanism has also been displayed on Company's website at <http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Whistle%20Blower.pdf>

**25. Nomination and Remuneration Committee**

In terms of Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a duly constituted Nomination and Remuneration Committee. The detailed description about the Committee is given in the Corporate Governance Report, forming part of the Director's Report.

The Policy formulated by the Board relating to the remuneration for the Directors, Key Managerial Personnels and other employees and also the criteria for determining the Qualification, positive attributes and independence of directors is annexed in this report as **Annexure 4**.

**26. Particulars of loans given, investments made, guarantees given and securities provided**

The Company has neither granted any Loans, extended any Guarantees nor made Investments during the Financial year 2016-17, pursuant to the provisions of Section 186 of Companies Act, 2013.

**27. Particulars of contracts or arrangements made with related parties**

The Company has not made any new contracts with related parties pursuant to Section 188 of Companies Act, 2013 except as reported below.

Your Company has been obtaining loan from Spice Energy Pvt. Ltd. a related party as per Section 2 (76) of the Companies Act, 2013, to meet its day to day financial needs and also to meet the statutory dues, necessary compliances and the legal expenses. Such arrangements of obtaining loan from related party falls into the category of material related party transaction as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides that the provisions of Regulation 23, dealing with Related Party Transactions are not applicable on a Company having paid up share capital not exceeding Rs. 10 crores and networth not exceeding Rs. 25 crores as on the last day of the previous financial year. Therefore, the aforesaid compliances under the said provision not falling under the above thresholds, the Company is exempt from the requirements of this regulation.

As a matter of practice the Company puts forward the details of all related party transactions on quarterly basis before the audit Committee of the Company for their noting and record. The Company has formulated a policy on materiality of related party transactions and also on dealing with Related Party Transactions which can be downloaded from the link mentioned below:

<http://srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Policy%20on%20Dealing%20with%20Related%20Party%20Transactions.pdf>

**28. Managerial Remuneration**

Disclosure pursuant to Section 197(12) of Companies Act, 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided below:

- i) The Ratio of the remuneration of each Director to the Median remuneration of the employees of the Company for the year 2016-17:

None of the Director of the Company has drawn any remuneration in any form during the year. Hence, no such ratio could be calculated.

- ii) The percentage increase in remuneration of

each Director, CFO, CEO, CS or Manager in the financial year:

None of the Director of the Company has drawn any remuneration in any manner whatsoever from the Company during the year and hence there was no such increase in the remuneration of any of the Director during the financial year 2016-17.

No increment in the remuneration of Company Secretary and Chief and Financial Officer of the Company has taken place during the year of reporting, except the remuneration of the ex-Company Secretary who resigned during the period of reporting.

- iii) The percentage increase in the median remuneration of employees in the financial year:

The median remuneration of employees were increased by 14.68% in the financial year.

- iv) The number of permanent employees on the rolls of Company:

During the year 2016-17, there were 6 employees on the rolls of the Company. CS Ruchi Singh was appointed in the place of outgoing CS of the Company in the mid of the year, similarly Mr. Achyut Ganapati Pai was appointed as CFO of the Company during the year in the place of outgoing CFO. As on 31<sup>st</sup> March, 2017, only 4 employees were continuing on the rolls of the Company.

- v) Average percentile increase already made in the salaries of employees other than 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:

There were total 4 employees in the Company as at the end of the financial year, two out of them are Company Secretary and Chief Financial Officer, the salary of the Company Secretary, was increased by 14.68%, during the year, however the salary of other employees was not increased as they are inducted into the Company in the year of reporting.

- vi) The Remuneration is as per the remuneration policy of the Company.

- vii) The names of Top 10 employees during the year in terms of remuneration are:

S. No.	Name of employee	Designation
1	Mr. Achyut Ganapati Pai	Chief Financial Officer
2	Ms. Kanika Arora*	Company Secretary
3	Ms. Ruchi Singh*	Company Secretary

\*Ms. Kanika Arora had resigned and relieved from the post of the Company Secretary of the Company from the end of working hours on 23<sup>rd</sup> December, 2017 and in the place of her Ms. Ruchi Singh was appointed w.e.f 09<sup>th</sup> February, 2017.

- viii) There were no employees in the Company during the year who were in receipt of remuneration in excess of Rs. 1,02,00,000/- per annum or Rs.

8,50,000/- per month.

Managing Director of the Company had not received any remuneration from its Subsidiary.

**29. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the auditors and the practicing company secretary in their reports**

The Auditors and the practicing company secretary has not submitted any adverse remark, qualification or reservation in their report for the period under review.

**30. Risk Management Policy**

The Company has formulated its Risk Management Policy in accordance with the legal requirements, which majorly includes procedure and criteria for Identification and mitigation of risk. Also, it enumerates comprehensive system for risk management. Audit Committee of the Board of Directors are entrusted with the responsibility to manage Company's risk in the best possible manner.

The Company had also constituted a Risk Management Committee, which was later on dissolved by the Company w.e.f. 14.11.2015 in terms of the Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, it was ensured that the Risk Management System/policy of the Company would now to be looked after by the Audit Committee of the Company.

Further, voluntarily the Board of Directors has approved a Risk Management Policy which is available on Company's website with below link:

(<http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Risk%20Management.pdf>).

**31. Management Discussion and Analysis Report**

The Management Discussion and Analysis Report as required under Regulation 21(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock Exchange forms part of this Report.

**32. Corporate Governance Report**

Your Company believes in good Corporate Governance with a view to perform various mandatory and /or non-mandatory compliances, as prescribed under various laws and regulations which are applicable to the Company for the time being in force. A detailed report on corporate governance has been provided in a separate section which forms part of this Annual Report. A certificate from Practicing Company Secretary confirming compliance with corporate governance Norms as stipulated in Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in this Annual Report forming part of the Corporate Governance Report.

**33. Listing of Securities**

The Securities of your Company are currently listed with Bombay Stock Exchange (BSE) with ISIN- INE 173J01018 and scrip code 523222. The Company has paid listing fee to the Bombay

Stock Exchange for the financial year 2016-17. All compliances with respect to the listing agreement is being made in regular course.

**34. Directors' Responsibility Statement**

Your Directors make the following statement/ confirmations in terms of the provisions of Section 134(5) of the Companies Act, 2013 that -

- (a) in the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the appropriate accounting policies have been selected and applied 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 2016-17 and of the profit and loss of the company for that period;
- (c) the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts for the financial year ended on 31<sup>st</sup> March, 2017 have been prepared 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**35. Transfer of unclaimed dividend to Investor Education and Protection Fund**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in previous years.

**36. Acknowledgements**

The Directors wish to place on record their appreciation for the co-operation and support received from the Government, Bankers and the investors/stakeholders for their support to the Company. The Directors also acknowledge the hard work, dedication and commitment of the employees, who have been standing by the Company and giving their tireless support in the adverse circumstances.

**For and on behalf of the Board of Directors**

**(Vishal Rastogi)**

Managing Director

DIN: 02780975

**Place: New Delhi**

**Date: August 14, 2017**

**(Sameer Rajpal)**

Director

DIN: 05184612

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31<sup>st</sup> March 2017**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i. CIN : L17100DL1985PLC303047  
 ii. Registration Date : 03/09/1985  
 iii. Name of the Company : SRM Energy Limited  
 iv. Category / Sub-Category of the Company : Company Limited by Shares/ Indian Non-Government Company  
 v. Address of the Registered office and contact details : Unit No. 206, 2<sup>nd</sup> Floor, Suneja Tower-II, District Centre, Janakpuri, New Delhi-110058  
 Phone No.: 011-45067736  
 vi. Whether listed company : Yes / No  
 vii. Name, Address and Contact details of Registrar and Transfer Agent, if any\* : **Till 31.03.2017:**  
 Datamatics Financial Services Limited,  
 Plot No.B-5, Part B Cross Lane, MIDC,  
 Andheri-East, Mumbai-400 093.  
 Tel. No.: +91-22-66712151 / 2156  
 Fax: 022-66712161,  
 Email: info@dfssl.com  
**From 01.04.2017:**  
 \*MCS Share Transfer Agent Limited  
 F-65, 1<sup>st</sup> floor, Okhla Industrial Area,  
 Phase-I, New Delhi -110020

*\* With effect from 1<sup>st</sup> April, 2017 the Company has appointed a new RTA, (based in Delhi) which details are mentioned above.*

**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:

The Company did not conduct any business operation during the financial year 2016-17, hence no turnover was recorded.

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

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name And Address of The Company	CIN/GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable Section
1	Spice Energy Private Limited  Address: Unit No-206, 2nd Floor, Suneja Tower-2, District Center, Janakpuri, New Delhi-110058.	U40105DL2007PTC168066	Holding	71.19%	2(46)

2	SRM Energy Tamilnadu Private Limited Address: 21, Basant Lok Complex, Vasant Vihar, New Delhi- 110057.	U40105DL2008PTC280425	Subsidiary	100%	2 (87)
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**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i. Category-wise Share Holding:**

Category of Shareholders (2016-17)	No. of Shares held at the beginning of the year (2016-17)				No. of Shares held at the end of the year (2016-17)				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian	0	0	0	0.0000	0	0	0	0.0000	0.0000
a) Individual/ HUF	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Central Govt.	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) StateGovt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Bodies Corp.	6450000	0	6450000	71.1921	6450000	0	6450000	71.1921	0.0000
e)Banks/FIs	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Sub-total (1):-</b>	<b>6450000</b>	<b>0</b>	<b>6450000</b>	<b>71.1921</b>	<b>6450000</b>	<b>0</b>	<b>6450000</b>	<b>71.1921</b>	<b>0.0000</b>
(2) Foreign									
a) NRIs- Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Other- Individuals	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Bodies Corp.	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) Banks/FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Any Other	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Sub-total (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0000</b>	<b>0.0000</b>
<b>Total shareholding of Promoter (A)= (A) (1)+(A)(2)</b>	<b>6450000</b>	<b>0</b>	<b>6450000</b>	<b>71.1921</b>	<b>6450000</b>	<b>0</b>	<b>6450000</b>	<b>71.1921</b>	<b>0.0000</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	299795	5700	305495	3.3719	299795	5700	305495	3.3719	0.0000
b) Banks / FI	0	0	0	0.0000	0	0	0	0.0000	0.0000
c) Central Govt	0	0	0	0.0000	0	0	0	0.0000	0.0000
d) State Govt(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
e) Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
f) Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000

g) Flls	0	0	0	0.0000	0	0	0	0.0000	0.0000
h) Foreign Venture capital	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i) Others (specify)	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Sub-total (B)(1):-</b>	<b>299795</b>	<b>5700</b>	<b>305495</b>	<b>3.3719</b>	<b>299795</b>	<b>5700</b>	<b>305495</b>	<b>3.3719</b>	<b>0.0000</b>
<b>2. Non- Institutions</b>									
a) Bodies Corp.									
i) Indian	174676	82300	256976	2.8364	166151	82000	248151	2.7390	-0.0974
ii) Overseas	0	0	0	0.0000	0	0	0	0.0000	0.0000
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	536075	936850	1472925	16.2575	528505	934750	1463255	16.1507	-0.1068
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	523507	42000	565507	6.2418	523502	42000	565502	6.2417	-0.0001
c) Others (specify)									
Non Resident Individuals	7697	1400	9097	0.1004	26197	1400	27597	0.3046	0.2042
<b>Sub-total(B)(2):-</b>	<b>1241955</b>	<b>1062550</b>	<b>2304505</b>	<b>25.4360</b>	<b>1244355</b>	<b>1060150</b>	<b>2304505</b>	<b>25.4360</b>	<b>0.0000</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1541750</b>	<b>1068250</b>	<b>2610000</b>	<b>28.8079</b>	<b>1544150</b>	<b>1065850</b>	<b>2610000</b>	<b>28.8079</b>	<b>0.0000</b>
C.Shares held by Custodian for GDRs & ADRs	0	0	0	0.0000	0	0	0	0.0000	0.0000
<b>Grand Total (A+B+C)</b>	<b>7991750</b>	<b>1068250</b>	<b>9060000</b>	<b>100.0000</b>	<b>7994150</b>	<b>1065850</b>	<b>9060000</b>	<b>100.0000</b>	<b>0.0000</b>

**ii. Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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								
	Spice Energy Private Limited	6450000	71.1921	0.00	6450000	71.1921	0.0000	0.0000
	<b>Total</b>	<b>6450000</b>	<b>71.1921</b>	<b>0.00</b>	<b>6450000</b>	<b>71.1921</b>	<b>0.0000</b>	<b>0.0000</b>

- iii. **Change in Promoters' Shareholding (please specify, if there is no change):** There is no change in the promoters' shareholding during the year of reporting.
- iv. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S.No.	For Each of the Top 10 Shareholders	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
1.	<u>UTI-UNIT LINKED INSURANCE PLAN</u> At the beginning of the year Date wise Increase/ Decrease in Shareholding: At the End of the year:	299795 - 299795	3.309 - 3.309	299795 - 299795	3.309 - 3.309
2.	<u>ARUN K HITKARI</u> At the beginning of the year Date wise Increase/ Decrease in Shareholding: At the End of the year:	154800 - 154800	1.709 - 1.709	154800 - 154800	1.709 - 1.709
3.	<u>AJAY RAJENDRA GUPTA</u> At the beginning of the year Date wise Increase/ Decrease in Shareholding: At the End of the year:	133537 - 133537	1.474 - 1.474	133537 - 133537	1.474 - 1.474
4.	<u>NEELAM AJAY GUPTA</u> At the beginning of the year Date wise Increase/ Decrease in Shareholding: At the End of the year:	116475 (5) -	1.286 0.000 -	116475 116470 116470	1.286 1.286 1.286
5.	<u>BAHUBALI PROPERTIES LTD</u> At the beginning of the year Date wise Increase/ Decrease in Shareholding: At the End of the year:	68600 - 68600	0.757 - 0.757	68600 - 68600	0.757 - 0.757
6.	<u>PRASHANT RAMAKANT PURAV</u> At the beginning of the year Date wise Increase/ Decrease in Shareholding: At the End of the year:	53925 - 53925	0.595 - 0.595	53925 - 53925	0.595 - 0.595
7.	<u>HITKARI POTTERIES PVT LTD</u> At the beginning of the year Date wise Increase/ Decrease in Shareholding: At the End of the year:	47200 - 47200	0.521 - 0.521	47200 - 47200	0.521 - 0.521
8.	<u>KRISHAN KAPOOR</u> At the beginning of the year Date wise Increase/ Decrease in Shareholding: At the End of the year:	25000 - 25000	0.276 - 0.276	25000 - 25000	0.276 - 0.276

9	<u>GANDHI SECURITIES &amp; INVESTMENT PRIVATE LIMITED</u>				
	At the beginning of the year	25000	0.276	25000	0.276
	Date wise Increase/ Decrease in Share holding:	(25)	0.000	24975	0.276
	At the End of the year:			24975	0.276
10	<u>KAMALANATHAN G</u>				
	At the beginning of the year	24272	0.268	24272	0.268
	Date wise Increase/ Decrease in Shareholding:	-	-	-	-
	At the End of the year:	24272	0.268	24272	0.268

**v. Shareholding of Directors and Key Managerial Personnel:**

No KMPs and Directors hold equity shares of the Company.

**V. INDEBTEDNESS**

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

**(Rs. In Million)**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	Nil	16.31	Nil	16.31
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total ( i +ii + iii)</b>	Nil	16.31	Nil	16.31
<b>Change in Indebtedness during the financial year</b>				
• Addition	Nil	3.03	Nil	3.03
• Reduction	Nil	0.15	Nil	0.15
<b>Net Change</b>	Nil	2.88	Nil	2.88
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	Nil	19.19	Nil	19.19
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
<b>Total ( i +ii + iii)</b>	Nil	19.19	Nil	19.19

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and / or Manager:**

No Remuneration was paid to Mr. Vishal Rastogi, the only Managing Director of the Company, during the financial year 2016-17, as he has opted not to take any managerial remuneration.

**B. Remuneration to other directors:**

No remuneration was paid to any of the Directors in any form, during the year.

**C. Remuneration to key managerial personnel other than MD/Manager/WTD :**
**(Amount in Rs.)**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company* Secretary	CFO*	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	N.A.	333794	685715	1019509
	(b) Value of perquisites/s 17 (2) Income-tax Act,1961	N.A.	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act,1961	N.A.	Nil	Nil	Nil
2.	Stock Option	N.A.	Nil	Nil	Nil
3.	Sweat Equity	N.A.	Nil	Nil	Nil
4.	Commission <ul style="list-style-type: none"> <li>• As % of profit</li> <li>• Others, specify</li> </ul>	N.A.	Nil	Nil	Nil
5.	Others, please specify	N.A.	Nil	Nil	Nil
	<b>Total</b>	<b>N.A.</b>	<b>333794</b>	<b>685715</b>	<b>1019509</b>

\* The Remuneration of Company Secretary includes the remuneration paid to Ms. Kanika Arora till 23/12/2016, i.e., Rs. 2,75,937/- and Rs. 57,857/- paid to Ms. Ruchi Singh who was appointed as CS w.e.f 09<sup>th</sup> February, 2017.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:** No Penalty, Punishment was imposed by any authority e.g., Regional Director, NCLT and/or Court and therefore no Compounding of penalties and punishment was made/applied for by the Company its Directors and Officers in default under the Companies Act, 2013, during the year of reporting.

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of Subsidiaries**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary with amounts in Rs.)

S.No.	Particulars	Name of the Subsidiary
		SRM Energy Tamilnadu Private Limited
1	Date since when subsidiary was acquired	18/10/2013
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.
4	Share capital (Paid-up)	13200000
5	Reserves & surplus	(1006337)
6	Total assets	458119994
7	Total Liabilities	445926331
8	Investments	Nil
9	Turnover	Nil
10	Profit before taxation	Nil
11	Provision for taxation	Nil
12	Profit after taxation	Nil
13	Proposed Dividend	Nil
14	Extent of shareholding (in percentage)	100%

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations:
  - a. SRM Energy Tamilnadu Private Limited
2. Names of subsidiaries which have been liquidated or sold during the year: N.A.

**SECRETARIAL AUDIT REPORT**

For the Financial period ended 31st March 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
SRM Energy Limited  
Unit No. 206, 2<sup>nd</sup> Floor, Suneja Tower – II,  
District Centre, Janakpuri – New Delhi

**CIN: L17100DL1985PLC303047**

I have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. SRM Energy Limited (hereinafter called "the Company"). The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of M/s. SRM Energy Limited's 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 and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial period ended on 31st March 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent based on the management representation letter/ confirmation received from the management, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with my letter dated 8<sup>th</sup> August 2017 annexed to this report as **Annexure – A.**

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on 31st March 2017 according to the applicable provisions of:
  - i) The Companies Act, 2013 (the Act) and the rules made there under;
  - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under;
  - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act):-
    1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- II. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - III. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (*Not applicable to the Company during the Audit period*);
  - IV. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (*Not applicable to the Company during the Audit period*);
  - V. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*Not applicable to the Company during the Audit period*);
  - VI. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (*Not applicable to the Company during the Audit period*);
  - VII. The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the companies Act and dealing with clients; and
  - VIII. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (*Not applicable to the Company during the Audit period*).
2. On examination of the relevant documents, records, management confirmations in pursuance thereof, on test check basis, I further report that:
    - I. The Company does not have any employees falling under the applicability of Labour Laws;
    - II. The Power project of the Company were hived off to their wholly owned subsidiary namely, SRM Energy Tamilnadu Private Limited vide the Hon'ble Bombay High Court order dated 3<sup>rd</sup> September 2013 and is presently in its pre operative stage and hence none of the below mentioned sector specific laws are presently applicable to Company:
      - a. The Electricity Act, 2003
      - b. National Tariff Policy;
      - c. Essential Commodities Act, 1955
      - d. Explosives Act, 1884
      - e. Mines Act, 1952 (wherever applicable)
      - f. Mines and Mineral (Regulation and Development) Act, 1957
  3. I have also examined compliance with the applicable clauses of the following:
    - i) Secretarial Standards issued by The Institute

- of Company Secretaries of India, with respect to board and general meetings; and
- ii) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. During the period under review, to the best of my knowledge and belief and according to the information and explanations given to me, the Company has complied with the provisions of the Acts, Rules, Regulations and Agreements mentioned above, to the extent applicable.
  5. I further report that:
    - i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. There were no changes in composition of the Board of Director during FY 2016-17.
    - ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings was sent at least seven days in

advance and where any Board Meeting was held on shorter notice the same was conducted in compliance with the Act. A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

- iii) 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.

**KBK & Co.**  
**Company Secretaries**  
**(Kumar Bhavesh Kishore)**  
**Proprietor**  
**Membership No: A22843**  
**Certificate of Practice No: 11598**

**Date:** August 8, 2017

**Place:** New Delhi

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**Annexure –A to Secretarial Audit Report dated 8<sup>th</sup> August 2017 for the Financial Year ended 31<sup>st</sup> March, 2017**

To,

The Members,  
SRM Energy Limited  
Unit No. 206, 2<sup>nd</sup> Floor, Suneja Tower – II,  
District Centre, Janakpuri – New Delhi

**CIN: L17100DL1985PLC303047**

My Secretarial Audit Report dated 8<sup>th</sup> August, 2017 is to be read with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to make a report based on the secretarial records produced for my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for my report.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.
4. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
5. Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. This 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.

**KBK & Co.**  
**Company Secretaries**

**Kumar Bhavesh Kishore**  
**Proprietor**  
**Membership No: A22843**  
**Certificate of Practice No: 11598**

**Date:** August 8, 2017

**Place:** New Delhi

## Remuneration Policy for Directors, Key Managerial Personnel and other employees

### 1. Introduction

- 1.1 SRM Energy Limited (SRM) formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:
- 1.1.1 Ensuring that the level and composition of remuneration is rational and adequate to attract, retain and motivate, to run the company successfully.
- 1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- 1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

### 2. Scope and Exclusion:

This Policy sets out the guiding principles for the Human Resources, Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

### 3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 “**Director**” means a director appointed to the Board of the Company.
- 3.2 “**Key Managerial Personnel**” means
- (i) the Chief Executive Officer or the managing director or the manager;
  - (ii) the company secretary;
  - (iii) the whole-time director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the Companies Act, 2013
- 3.3 “**Human Resources, Nomination and Remuneration Committee**” means the committee constituted by SRM’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

### 4. Policy:

#### 4.1 Remuneration to Executive Directors and Key Managerial Personnel

- 4.1.1 The Board, on the recommendation of the Human Resources, Nomination and Remuneration

(HRNR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

- 4.1.2 The Board, on the recommendation of the HRNR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

- 4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual Performance Bonus

- 4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the HRNR Committee and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives.

#### 4.2 Remuneration to Non-Executive Directors & Independent Directors

- 4.2.1 The Board, on the recommendation of the HRNR Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

- 4.2.2 Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

#### 4.3 Remuneration to other employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, position, knowledge and current remuneration levels for comparable jobs.

5. **In present circumstances the Managing Director is not taking any salary and rest all other Directors has also decided not to accept any sitting fees.**

**Policy for selection of Directors and determining Directors' Independence**

**1. Introduction**

1.1 SRM Energy Limited (SRM) believes that a background of direction to offer a long-term vision and policy approach to improve the quality of governance. Towards this, SRM ensures structure of a Board of Directors with an appropriate composition, Size, Diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

1.2 SRM recognizes the significance of independent Directors in achieving the efficiency of the Board. SRM aims to have an optimal combination of Executive, Non-Executive and Independent Directors.

**2. Scope and Exclusion:**

This Policy sets out the guiding principles for the Human Resources, Nomination and Remuneration committee for identifying persons who are qualified to become directors and to conclude the independence of Directors, in case of their appointment as independent directors of the Company.

**3. Terms and References:**

In this Policy, the following terms shall have the following meanings:

3.1 "Director" means a director appointed to the Board of a company.

3.2 "Human Resources, Nomination and Remuneration Committee" means the committee constituted by SRM's Board in accordance with the Provisions of Sections 178 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

3.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

**4. Policy:**

**4.1 Qualifications and criteria**

4.1.1 The Human Resources, Nomination and Remuneration (HRNR) Committee, and the Board, shall review on an annual basis, appropriate skills, acquaintance and knowledge required of the Board as a whole and its individual members. The objective is to have a Board with varied background and skill that are relevant for the Company's operations.

4.1.2 In evaluating the appropriateness of individual Board members, the HRNR Committee may take into account factors, such as:

- common understanding of the Company's
- Educational and professional background
- position in the profession;
- Individual and professional principles, integrity and ethics:
- passion to dedicate enough time and energy in carrying out their duties and responsibilities efficiently

4.1.3 The proposed appointed shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall effort to attend all board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and hereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013.
- Equity Listing Agreements and other relevant laws.

4.1.4 The HRNR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

**4.2 Criteria of Independence**

4.2.1 The HRNR Committee shall assess the independence of Directors at the time of appointment / reappointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The Criteria of independence, as laid down in Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, is as below:

An independent director in relation to a company,

means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company; (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship with the company. Its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives-
  - (i) hold or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed of-
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two percent or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five percent or more

of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the company; or

- (v) is a material supplier, service provider or customer or a lessee or of the company.
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. shall possess such other qualification as may be prescribed from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age.

4.2.3 The Independent Directors shall abide by the "Code for independent Directors" as specified in Schedule IV to the Companies Act, 2013.

#### 4.3 Other directorships / committee memberships

4.3.1 The Board members are likely to have sufficient time and knowledge and skill to contribute to efficient Board performance. Accordingly, members should willingly limit their directorships in other listed public limited companies in such a way that it does not hamper with their role as directors of the Company. The HRNR Company. The HRNR Committee shall take into account the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as Director in more than 20 Companies of which not more than 10 shall be Public Limited Companies.

4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.

For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

**REPORT ON CORPORATE GOVERNANCE**

**CORPORATE GOVERNANCE PHILOSOPHY**

For your Company, the Corporate Governance is a bond of relationship between the Company, its stakeholders and associates. The transparency in the conduct of the business affairs holds the value of relationship, it also establishes the strong foundation of its subsistence. Your Company strongly believes into the ethics of the corporate governance for the effective accomplishment of Organizational goals. We, being an organization believe for implementation of set of rules and compliances for cultivating a high standards of ethical behavior, core responsibilities, true and fair disclosures among the management and employees of the Company at all levels. As a part of good governance we are entrusted with a responsibility to ensure the safeguard of stakeholders' rights and their values.

Your Company has complied with the provisions of Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges. A report on the implementation of these provisions of Corporate Governance is furnished below:

**1. Board of Directors:**

The Board of Directors consists of following directors during financial year 2016-17.

**a. Composition and category of directors:**

S.No.	Name of the Directors	Category
1.	Mr. Vishal Rastogi	Managing Director (Promoter Category)
2.	Mr. Sameer Rajpal	Non-Executive and Independent Director
3.	Mr. Pranav Kumar	Non-Executive and Independent Director
4.	Mr. Vijay Kumar Sharma	Non-Executive and Independent Director
5.	Mrs. Tanu Agarwal	Non-Executive Director

**b. Attendance of each director at the Board meetings and the last AGM.**

S.No.	Name of the Directors	Attendance Particulars	
		No. of Board meetings attended	Last AGM attended (Yes/No)
1.	Mr. Vishal Rastogi	5	Yes
2.	Mr. Sameer Rajpal	5	Yes
3.	Mr. Pranav Kumar	5	Yes
4.	Mr. Vijay Kumar Sharma	4	No
5.	Mrs. Tanu Agarwal	2	No

**c. Number of other Boards or Board Committees in which Directors are member or Chairperson as on 31<sup>st</sup> March, 2017.**

S.No.	Name of the Directors	No. of other directorships and Committee member or Chairmanship		
		Other Directorships (excluding Private Companies & Sec. 25 Companies)	Committee Memberships	Committee Chairmanships
1.	Mr. Vishal Rastogi	Nil	Nil	Nil
2.	Mr. Sameer Rajpal	1	4	3
3.	Mr. Pranav Kumar	1	3	1
4.	Mr. Vijay Kumar Sharma	Nil	Nil	Nil
5.	Mrs. Tanu Agarwal	Nil	Nil	Nil

**d. Number of Board meetings held during the reporting year and dates thereof.**

During the year, Five Board Meetings were held on May 27, 2016, August 04, 2016, September 29, 2016, November 14, 2016 and February 09, 2017.

**e. Disclosure of relationship between directors inter-se.**

None of the Directors of the Company are related to each other.

**f. During the year Number of shares and convertible instruments held by Non-Executive Directors**

None of the Non-Executive Directors holds any share or convertible instrument of the Company.

**g. During the year under review, the Independent Directors held one separate meeting on 09<sup>th</sup> February, 2017 to evaluate the performance of the Chairman, Individual Directors and the Board as a whole and also to assess the Quality, Quantity and timeliness of the flow of Information between the Company Management and the Board. All the independent Directors had attended the meeting.**

**2. COMMITTEES OF THE BOARD:**

**I. AUDIT COMMITTEE**

The Company is having in its place an adequately qualified Audit Committee, which is suitably equipped with the mixture of qualified professional and experienced person. The Committee is also fulfilling the requirements of Section 177 of the Companies Act, 2013 and Regulation 18(3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Powers of the Audit Committee:**

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Terms of Reference:**

The terms of reference / powers of the Audit Committee are as follows:

- a. To oversee financial reporting and disclosure process.
- b. To recommend the appointment and removal of statutory auditors and decide their remuneration and approval of payment to Statutory auditors for any other services rendered by them.
- c. To review financial results and statements, before submission to the Board, focus primarily on-
  - I. Any change in accounting policies and practices.
  - II. Major accounting entries, based on exercise of judgment by the management.
  - III. Qualifications in the draft audit report.
  - IV. Significant adjustments arising out of the audit.
  - V. Going concern assumption.
  - VI. Compliance with accounting standards.
  - VII. Compliance with Stock Exchange and legal requirements concerning financial statements.
  - VIII. Any related party transactions i.e. transactions of the Company of a material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with larger interests of the Company.
- d. To oversee adequacy of internal control systems.
- e. Reviewing adequacy of internal audit function, coverage and frequency of internal audit report.
- f. Discussion with internal auditors and concurrent auditors on any significant findings in their reports and follow up thereon.
- g. Discussion with external auditors before audit commences, as regards nature and scope of audit, as well as having post audit discussions to ascertain any areas of concern.
- h. Reviewing the Company's financial and risk management policies.
- i. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by the management;
  - Significant adjustments made in financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in draft audit report.
- Management's letters or letter's of Internal Control weakness issued by Statutory Auditors.

- j. Approval or any subsequent modification of transactions of the Company with related parties.
- k. Scrutiny of inter-corporate loans and investments.
- l. Valuation of undertakings or assets of the Company, wherever it is necessary.
- m. to look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- n. to review the functioning of the whistle blower/vigil mechanism.
- o. approval of appointment of Chief Financial officer after assessing the qualifications, experience, background of the candidate.
- p. reviewing the management's discussion and analysis of financial conditions and results of operations.
- q. appointment, removal and terms of remuneration of the Internal Auditors.

**ii. Composition, Name of Members and Chairperson of the Committee.**

The Composition of Audit Committee is in line with the provision of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. During the Financial year 2016-17, the Audit Committee comprised of Mr. Sameer Rajpal, Mr. Vishal Rastogi and Mr. Vijay Kumar Sharma.

Mr. Sameer Rajpal is presently the Chairman of the committee. The Company Secretary and Compliance officer of the Company act as the secretary of the Committee, the Chief financial officer of the Company and the statutory auditors are permanent invitees to the meeting of the Audit Committee. The minutes of each Audit Committee meeting are placed before and discussed in the Board.

**iii. Meetings and attendance during the year.**

During the year, the Committee has met 4 times on May 27, 2016, August 04, 2016, November 14, 2016 and February 09, 2017.

Attendance of each member at the Audit Committee meetings held during the year is as follows:

Name of Committee Member	No. of meetings held	No. of meetings attended
Mr. Sameer Rajpal (Chairman)	4	4
Mr. Vijay Kumar Sharma	4	4
Mr. Vishal Rastogi	4	4

**II. NOMINATION AND REMUNERATION COMMITTEE**

In terms of Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a duly constituted Nomination and Remuneration Committee. The Committee is responsible for identifying persons who are qualified to become Directors, KMPs, and other Senior Management and recommend for their appointment before the Board of Directors. The said committee is entrusted with responsibilities as detailed in below mentioned terms of reference:

**(i) Terms of reference:**

The terms of reference for the Nomination and Remuneration Committee as enumerated herein below:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity
- To develop a succession plan for the Board and to regularly review the plan.
- formulation of the criteria for determining qualifications, positive attributes and independence of a

director and recommend to the board of directors policy relating to, the remuneration of the directors, key managerial personnel and other employees.

- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.

**(ii) Composition, Name of Members and Chairperson of the committee**

During the year 2016-17, the Nomination and Remuneration committee consists of following 3 members:

- Mr. Sameer Rajpal
- Mr. Pranav Kumar
- Mr. Vijay Kumar Sharma

Mr. Sameer Rajpal is the Chairman of the Committee.

**(iii) Attendance during the year**

During the year, the Nomination and Remuneration Committee met two times on May 27, 2016 and February 09, 2017.

Name of Committee Member	No. of meetings held	No. of meetings attended
Mr. Sameer Rajpal (Chairman)	2	2
Mr. Vijay Kumar Sharma	2	2
Mr. Pranav Kumar	2	2

**(iv) Remuneration Policy**

The Company's Remuneration Policy for Director's Key Managerial Personnel and other employees is annexed with the Director's Report. This can also be accessed at the Company's website with below link: [http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Remuneration\\_Policy.pdf](http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Remuneration_Policy.pdf)

**(v) Performance evaluation of Independent Director**

In pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the performance evaluation of every Director has been carried out by the Company. The Board has adopted and implemented the criteria for performance evaluation of every Director, which focusses on various aspects of the functioning of members of Board and Committees, such as attendance at meeting, contribution, awareness towards Company's development etc. The result of aforesaid evaluation were submitted to the Nomination and Remuneration Committee in their meeting held on 26<sup>th</sup> May, 2017.

**(vi) Details of remuneration paid to all the Directors**

No remuneration is being paid to any of the Director of the Company.

**III. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Prime responsibility of the Stakeholders' Relationship Committee is to ensure that the grievances of security holders are resolved efficiently and effectively i.e. within the given time period

**(i) Name of Non-Executive Director heading the Committee**

Mr. Vijay Kumar Sharma, Mr. Sameer Rajpal and Mr. Vishal Rastogi are the members of the Committee. Mr. Vijay Kumar Sharma is the Chairman of the Committee.

In the previous Annual General Meeting of the Company held on 29<sup>th</sup> September, 2016, M/s Datamatics Financial Services Limited was the Registrar and Share Transfer Agents to handle the grievances of the shareholders. The Company suitably monitors and analyse the work of registrar to ensure that the investors' grievances are settled in given time period.

**(ii) Terms of Reference of the Committee, inter alia, includes the following:**

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share certificates
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Registrars and Transfer Agents Recommend methods to upgrade the standard of services to investors

- Monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable
- Perform such other functions as may be necessary or appropriate for the performance of its duties.

**(iii) Name and Designation of Compliance officer**

During the financial year under review, change in the Compliance officer of the Company was recorded i.e till 23<sup>rd</sup> December, 2016 Ms. Kanika Arora, the Company Secretary of the Company, acts as a secretary to the Committee. At present, Ms. Ruchi Singh (w.e.f. 09<sup>th</sup> February, 2017) is Company Secretary and compliance officer of the Company, who is also acting as the Secretary to the Committee.

**(iv) Number of Shareholder Complaints received so far**

The Company has Nil Complaints pending at the beginning of the year. No complain have been received during the year 2016-17. There were Nil complaints pending as on March 31, 2017.

**(v) Number of complaints not solved to the satisfaction of Shareholders: Nil**

**(vi) Number of Pending Complaints: NIL**

**3. ANNUAL GENERAL MEETINGS AND EXTRAORDINARY GENERAL MEETING**

Location and time, where last three AGMs held.

Year	AGM	Location	Date	Time
2015-16	AGM	Executive Club, Dolly Farms & Resorts, 439, Village Shahurpur, P.O, Fatehpur Beri, New Delhi- 110074	29.09.2016	11.30 A.M.
2014-15	AGM	Vishal Hall, Vishal Shopping Centre, Andheri Kurla Road, Near Andheri Railway Station, Andheri (East), Mumbai-400069.	30.09.2015	02.00 P.M.
2013-14	AGM	Vishal Hall, Vishal Shopping Centre, Andheri Kurla Road, Near Andheri Railway Station, Andheri (East), Mumbai-400069.	30.09.2014	02.00 P.M.

In the last three financial years, special resolutions was set out in the schedule below were passed by the members of the Company either in the AGM/EGM or through postal ballot:

Details of Resolutions passed IN AGM/EGM:

Year	AGM Date	Special Resolutions
2015-16	29.09.2016	<ul style="list-style-type: none"> <li>• No special resolution was passed.</li> </ul>
2014-15	30.09.2015	<ul style="list-style-type: none"> <li>• To authorise the board to borrow money under section 180 (1) (c) of the Companies Act, 2013 as a special resolution.</li> <li>• To authorize the board to create charge / mortgage properties of the company under section 180(1) (a) of the Companies Act, 2013 as a special resolution.</li> <li>• Increase in limits of investments in other bodies corporate.</li> </ul>
2013-14	30.09.2014	<ul style="list-style-type: none"> <li>• Modification in articles of association.</li> </ul>

Details of Resolutions passed through Postal Ballot:

No Special Resolution was passed through postal ballot last year, further at present there is no Special Resolution proposed to be conducted through postal ballot.

**4. Disclosures:**

**i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.**

None of the transactions with any of the related parties, were in conflict with the interests of the Company. However, the Company has formulated a policy on materiality of related party transactions and also on dealing with Related Party Transactions which can be downloaded from the link mentioned below:

<http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Policy%20on%20Dealing%20with%20Related%20Party%20Transactions.pdf>

This is to note that the relevant Regulation 23 read with Regulation 15 of Listing Regulation, which states the dealing with related party transaction is not applicable to the Company, however Company has put its efforts to comply with the provision to the extent possible on voluntary basis.

**ii. Details of non-compliance by the company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The Company has complied with all the requirements of the Stock Exchange as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock exchanges or SEBI, or any statutory authority on any matter related to capital markets, during the last three years.

**iii. The Company has in place a Vigil Mechanism/ Whistle Blower Policy, the details of establishment of which are given in Board's Report. Further, no personnel has been denied access to the audit committee. The said Policy is also available at the website of the Company with below link:**

<http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Whistle%20Blower.pdf>

**iv. The Company is compliant with the mandatory requirements applicable to the Company under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**v. Regulation 15 of the Listing Regulation provides an exemption from the compliances of Regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Part C, D and E of Schedule V of Listing the said Regulations, to those Companies having paid up equity share capital not exceeding Rs. 10 Crores and Net Worth Not Exceeding Rs. 25 Crores as on the last day of Previous Financial Year.**

Your Company with a Paid Share Capital of Rs. 9.06 Crores and Net Worth of Rs. (44.18) Lacs as at the end of previous financial year is exempted from the Compliances of aforesaid regulations, however it has put its effort to comply with many of those Regulation to the extent possible on voluntary basis.

**5. Means of Communication**

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,

- the unaudited/audited financial results are intimated to the stock exchange, immediately after the Board meetings at which they are approved.
- these quarterly results/disclosures are published in The Financial Express and Mumbai Lakshadweep till 27th May, 2016 and thereafter in The Financial Express and Jansatta in the prescribed Performa within 48 hours of the conclusion of the meeting of the Board at which they are approved.
- The financial results/disclosure are also displayed on the website of the Company, i.e., <http://www.srmenergy.in/FinancialResults.php>

**6. General Shareholder Information:**

**i. Annual General Meeting (For financial year 2016-17)**

Date and Time : Wednesday, September 27, 2017 at 11.30 a.m.

Venue : Executive Club, Dolly Farms & Resorts 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi 110 074.

**ii. Financial Year: 01<sup>st</sup> April to 31<sup>st</sup> March of every year.**

**Financial Calendar (Tentative and subject to change)**

Financial Results/Disclosure for the Quarter ending June 2017	On or before 14 <sup>th</sup> August, 2017
Financial Results/Disclosure for the Quarter ending September 2017	On or before 14 <sup>th</sup> November, 2017
Financial Results/Disclosure for the Quarter ending December 2017	On or Before 14 <sup>th</sup> February, 2018

Financial Results/Disclosure for the  
Quarter ending March 2018

On or Before 30<sup>th</sup> May, 2018

Annual General Meeting

September 2018

**iii. Date of Book closure:** Thursday 21<sup>st</sup> September, 2017 to Wednesday 27<sup>th</sup> September, 2017 (both days inclusive).

**iv. Dividend payment date:** Since Company is not proposing any dividend, this date is not applicable.

**v. Listing on Stock Exchanges, Stock Code & ISIN:**

INSTRUMENT	STOCK EXCHANGE	STOCK CODE	ISIN
Equity Shares	Bombay Stock Exchange, Mumbai	Trading Symbol- SRMENERGY- 523222	INE 173J01018

**vi. Market Price Data :** High, Low during each month in last financial year and performance in comparison to BSE Sensex.

Months	Share Price (BSE) (In Rs.)		SENSEX		Volume (No. of Shares)
	Month's High Price	Month's Low Price	Month's High	Month's Low	
Apr-16	7.5	7.5	26100.54	24523.20	25
May-16	7.6	7.6	26837.20	25057.93	1
Jul-16	7.98	6.89	28240.20	27034.14	10678
Aug-16	7.80	7.13	28532.25	27627.97	109
Sep-16	7.40	7.13	29077.28	27716.78	223
Oct-16	6.84	6.50	28477.65	27488.30	1000
Dec-16	6.50	6.18	26803.76	25753.74	206
Jan-17	5.88	5.59	27980.39	26447.06	61
Feb-17	5.32	5.05	29065.31	27590.10	663
Mar-17	5.05	4.80	29824.62	28716.21	300

**Note:** Share price data for the month of June and November were not available on the website of BSE w.r.t shares of the Company.

**vii. Registrar and Transfer Agents (RTA):**

During the year of reporting the Registrar and Transfer activity was being handled by M/s Datamatics Financial Services Limited situated at Plot No. B-5, Part B Cross Lane, MIDC, Andheri-East, Mumbai-400093. E-Mail: [info@dfssl.com](mailto:info@dfssl.com)

Phone: 011-41406149/50/51

However with effect from 1<sup>st</sup> April, 2017 the Company has appointed local RTA based in the Delhi, i.e. where the Registered office of the Company is situated, the details of the new RTA is as below:

MCS Share Transfer Agent Ltd.

F-65, 1st floor, Okhla Industrial Area,

Phase-I, New Delhi, Delhi-110020 E-Mail: [admin@mcsregistrars.com](mailto:admin@mcsregistrars.com)

**viii. Share Transfer System:**

Presently, the share transfers, which are received in physical form, are processed and the Share certificates returned within the prescribed time period, subject to the documents being valid and complete in all respects.

**ix. a. Distribution of shareholding as on March 31, 2017:**

Range	Shares	Percent Shares	No. of Holders	Percent Holders
1 - 500	852770	9.41	5160	91.83
501 - 1000	230650	2.55	264	4.70
1001 - 5000	317595	3.51	155	2.76
5001 - 10000	151550	1.67	21	0.37

10001 - 20000	108861	1.20	7	0.13
20001 and Above	7398574	81.66	12	0.21
<b>Total</b>	<b>9060000</b>	<b>100.00</b>	<b>5619</b>	<b>100.00</b>

**b. Distribution of shareholding among Non-Resident, FI, Body Corporate and Individuals:**

As at the end of year of reporting, i.e., as on 31.03.2017, the Distribution of shareholdings between NRI, Mutual Funds, Body Corporate and Resident Individuals are represented below:

Category	No. of shares	%age
Non Resident Indians	27597	0.30
Mutual Funds/UTI	305495	3.38
Bodies Corporate	6698151	73.93
Resident Individuals	2028757	22.39
<b>Total</b>	<b>9060000</b>	<b>100.00</b>

**x. Dematerialization of shares and liquidity**

As at the end of March, 31 2017, 7994150 Equity Shares (88.24% of the equity capital of the company) were dematerialized. The Following table shows the details relating to dematerialization of shares of the Company:

Particulars	No. of Shares	% age
NSDL	7349349	81.12
CDSL	644801	7.12
PHYSICAL	1065850	11.76
<b>Total</b>	<b>9060000</b>	<b>100.00</b>

**xi. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

The Company does not have any Outstanding GDRs/ADRs/Warrants or any Convertible instruments.

**xii. Address for correspondence**

<p><b>Investor Correspondence</b> (For transfer/dematerialisation of shares and any other query related to the shares of the Company)</p>	<p><b>For shares held in physical form</b> MCS Share Transfer Agent Limited Address: F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase I, New Delhi – 110020. Phone: 011-41406149/50/51 Fax: 011-41709881 <a href="mailto:admin@mcsregistrars.com">admin@mcsregistrars.com</a></p> <p><b>For shares held in Dematerialized form</b> To the depository participant</p>
<p><b>Any query on Annual Report</b></p>	<p>SRM Energy Limited Shares Department Address: 206, 2<sup>nd</sup> Floor, Suneja Tower-2, District Centre, Janakpuri, New Delhi-110058. Phone: 011- 45067736, E-Mail: <a href="mailto:cs@srmenergy.in">cs@srmenergy.in</a></p>

**DECLARATION**

It is hereby declared that all the Board Members and Senior Management of the Company have reaffirmed adherence to in compliance with the 'Code of Conduct' laid down by the Company.

Place: New Delhi

Date: August 14, 2017

(Vishal Rastogi)  
Managing Director  
DIN:02780975

**COMPLIANCE CERTIFICATE**

[Pursuant to Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

To,  
**Board of Directors**  
**SRM Energy Limited**

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**(Vishal Rastogi)**  
Managing Director  
DIN: 02780975

**(Achyut Ganapati Pai)**  
Chief Financial Officer

Date: 26.05.2017  
Place: Delhi

**CORPORATE GOVERNANCE CERTIFICATE**

To  
The Members of **SRM Energy Limited**

We have examined the Compliance of conditions of Corporate Governance by SRM Energy Limited ('the Company'), for the year ended March 31, 2017, as stipulated under the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations").

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

As per the provisions of Regulation 15 (2) Listing Regulations the Company is exempted to comply with Corporate Governance Provisions as specified in Regulations 17 to 27 and clause (b) to (i) of sub regulations (2) of Regulations 46 and para C, D and E OF Schedule V of the Listing Regulations.

However, in our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Listing Regulations.

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

**For Priya Gupta & Associates**  
Company Secretaries

Place : Delhi  
Dated: 14.08.2017

**(Priya Kesari)**  
Proprietor  
M. No.- 22710  
C.P. No.- 8180

## MANAGEMENT DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis ("MDA") focuses on significant factors that affected SRM Energy Limited and its subsidiary SRM Energy Tamilnadu Private Limited ("SRM" or the "Company") during the FY 2016-17 and to the date of this report. It contains a review and analysis of the financial results for the relevant period, identifies business risks that the Company faces and comments on the financial resources required for the development of its business.

### 1. INDUSTRY STRUCTURE AND DEVELOPMENTS

#### 1.1 Market Structure

Supply and demand characteristics comprise a market's core structure, but in a power market these are unusually complex. The supply side cannot store its output so that real-time production characteristics are important and demand-side flaws (like low elasticity of demand and huge fluctuations in demand) interact detrimentally with this characteristic. Consequently, the market cannot satisfactorily operate on its own, and is essentially incomplete. It requires regulatory supervision backed by a pricing policy in areas of real-time energy, operating reserves, and installed capacity.

India has the fifth largest power generation capacity in the world. The country ranks third globally in terms of electricity production. Electricity production in India reached 584.22 Billion Units (BU) during April-September 2016. As per the 12th Five Year Plan, India is targeting a total of 88.5 GW of power capacity addition by 2017, of which, 72.3 GW constitutes thermal power, 10.8 GW hydro and 5.3 GW nuclear.

Renewable energy is fast emerging as a major source of power in India. Wind energy is the largest source of renewable energy in India. It accounts for an estimated 60 per cent of total installed 'Renewable energy Capacity' (21.1GW). There are plans to double wind power generation capacity to 20GW by 2022. India has also raised the solar power generation capacity addition target by five times to 100GW by 2022.

The Government of India has been supportive to growth in the power sector. It has de-licensed the electrical machinery industry and also allowed 100 per cent Foreign Direct Investment (FDI) in the sector.

With many bilateral nuclear agreements in place, India is expected to become a major hub for manufacturing nuclear reactors and associated components. Foreign participation in the development and financing of generation and transmission assets, engineering services, equipment supply and technology collaboration in nuclear and clean coal technologies is also expected to increase.

The Indian power market has traditionally been dominated by publicly-owned vertically integrated utilities. Central government generators own one-fifth

of the generation facilities, which supply power on long-term arrangements to the 'State Electricity Boards (SEBs)' other than in a few reforming states. Various policies support aiding growth in the sector, some of them are explained herein below;

Sl. No.	Name of Policy	Outcomes
1	Electricity Act, 2003	Elimination of licensing for electricity generation projects. Increased competition through international competitive bidding. Demarcation of transmission as a separate activity.
2	National Tariff policy	Adequate return on investment to companies engaged in power generation, transmission & distribution. Uniform guidelines to SERCs for fixing tariffs. Assured electricity to consumers at reasonable and competitive rates.
3	Ultra-Mega Power Projects (UMPPs)	Launch of UMPP scheme through tariff-based competitive bidding. Ease of land possession, provision of fuel, water & necessary clearances for enhancing investor confidence.
4	Restructured Accelerated Power Development and Reforms Programme (R-APDRP).	R-APDRP was launched by Ministry of Power with the purpose of reducing AT&T losses up to 15 % by upgradation of transmission & distribution network.
5	Fuel Supply Agreement	Fuel Supply Agreement with Coal India Ltd. will ensure the availability of coal for power companies over long term.

#### 1.2. Generation

With the electricity production of 1038.9 BU in FY 17, the country witnessed growth of around 6.25 per cent over the previous fiscal year. Around 12,29,400 million units of power is likely to be generated from the conventional sources in 2017-18 against 11,78,000 million units in 2016-17. The estimate pegs growth of conventional power generation, which includes thermal, nuclear, hydel and import from Bhutan, at 4.35 per cent during 2017-18. **For FY 2016-17 Overall Growth rate recorded is 4.72 %**

### 1.3. Fuel

CEA has estimated that coal-fired power plants are likely to generate 9,58,444 million units of power in 2017-18. In contrast it had estimated a total generation of 9,21,129 million units of power in 2016-17.

### 1.4. Transmission

Electricity sector in India is growing at rapid pace. To meet the rising electricity demand, the Central Government plans to expedite market opportunity of US\$ 14.94 billion for New power transmission facilities.

Power surplus States have been inter-alia, able to supply their surplus power to power deficit State Utilities across the country except for some grid congestion in supply of power to Southern Region, which is being worked upon.

### 1.5. Distribution

Government is taking major steps to strengthen the Power Distribution Network and Power Utilities. Govt. has undertaken initiatives such as Ujwal DISCOM Assurance Yojana (UDAY) for financial turnaround of power distribution companies (DISCOM). Further, the Government of India has projected an investment of INR 146,000 crore in power distribution sector by FY 2019 to strengthen the transmission & distribution network thus increasing the demand for power transformers.

The Western region accounted for the largest revenue share in the country in 2016. However, the major investment in transmission sector is expected in the Southern region, followed by the Northern and Western region. In the distribution sector, the Western region is expected to receive highest investments followed by the Southern and Northern region.

## 2. OPPORTUNITIES AND THREATS

India has the fifth largest electricity generation capacity in the world. Transmission & Distribution network of 6.6 million circuit km - the third largest in the world.

**The Major opportunities that exist for Companies engaged in Thermal power Industry are as follows:**

- Clearer political signals about the priorities and objectives can create transparent regulatory framework for efficient long-term energy supply.
- Utilization of available energy saving potential will reduce the growth rate of energy demand and generating capacities;
- Economically justified larger contribution of available indigenous and renewable energy resources will reduce dependence on imported fuel.
- Existing infrastructure and experience are supportive for construction of new nuclear power plant.

**The Major Threats that exist for Companies engaged in Thermal power Industry are as follows:**

- The coal sector faces a very different kind of

existential threat now. Despite reforms like UDAY and the push for electrification of all sections of the country, the growth in power demand in the country has been flagging off. For FY16-17, up to Jan, the increase in power demand year over year stood at just 3%, compared to 4% the year before.

- In contrast to the less than desired growth rates in power demand, thermal power generation in the country is estimated to grow at >4% in FY17-18, according to most recent estimates by Central Electricity Authority (CEA). As of the end of 2016, around 50 GW of coal capacity was under various stages of construction. Additionally, wind and solar energy have seen drastic increase in their competitiveness in most recent bidding rounds.
- All these factors combined, CEA has made a dire prediction for the coal sector. According to CEA, by 2022, Capacity Utilisation Factor (CUF) for coal power plants could fall as low as just 48%. Capacity utilization as low as that essentially makes the coal plants economically unviable. The increase in costs of energy production and the drop in revenues is unable to cover for the operating costs. In addition, plant life is dramatically reduced.

So while on one hand more coal capacity continues to be built in the country, on the other hand the need for thermal power is estimated to drop steeply in the coming 5 years. Coal power plants in the country may need Policy Support from Government for survival.

## 3. OPERATIONAL PERFORMANCE

Company's project at Tamilnadu consisting of 3X660 MW i.e. 1980 MW capacity being set up through the Wholly Owned Subsidiary SRM Energy Tamilnadu Pvt. Ltd. As such there are no other operations at present and the related expenses incurred during the current period are considered as pre operative expenses pending allocation to the power project.

The company's network has been significantly reduced and it has been incurring cash losses, the board of directors of the company, pursuant to the repetitive demand of repayment of loan by Mr. Gagan Rastogi, have offered him the assets/land of the Company as a part settlement of his loan, subject to the approval of the Shareholders of our Company, Mr. Rastogi is yet to communicate his consent on that.

A detailed discussion in this respect is included in the Director's Report..

## 4. PROJECT AT CUDDALORE

As stated in the last Annual Report, the paucity of funds, resulting from the Company not being able to proceed with the Proposed Rights issue, due to reasons beyond its control, has considerably slowed down the progress of the project. Considering the prevailing power industry scenario in the country, the prospective investors etc.,

have deferred their decisions on investments, which has further compounded the problems.

The Company's applications for allotment of Govt. land entrapped in the project site is held up as the authorities concerned insisting on completion of private land acquisition as anticipated for the project before making final decision on the Govt. Land. We anticipate to get favourable decision in the matter of Govt. land once the Company completes the private land acquisition.

## 5. HUMAN RESOURCES

The Company is having no operations and comprises of limited staff. During the financial year under review the relation with the human resources have been dispute free and cordial. The company has an adequate remuneration policy relating to the Whole time Director/ Executive/ Managing Director, Key Managerial Personnel (KMP) and Senior Management Personnel, as required under the Companies, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The same has been regularly reviewed and adopted by the board. The Company has been operating with 6 employees during the year. Ms. Kanika Arora had resigned from her office of Company Secretary (CS) of the Company during the year and in her place Ms. Ruchi Singh was appointed as CS of the Company w.e.f. 09 February, 2017. Also, Mr. Kailash Chandra Gupta had resigned from his post of the Chief Financial Officer (CFO) from the close of the working hours on October 05, 2016 and at his place Mr. Achyut Ganapati Pai was appointed as CFO of the Company w.e.f. 09 February, 2017. Further, Mr. Achyut Ganapati Pai, CFO of the Company has submitted his resignation vide his letter 31<sup>st</sup> July, 2017, wherein he has requested to be relieved from his post of CFO w.e.f. 15<sup>th</sup> September 2017. The Board of Directors have considered and approved the aforesaid matter in their meeting held on 14<sup>th</sup> August, 2017.

## 6. INTERNAL CONTROL SYSTEMS

The Company has adequately adopted the procedures, criteria and mechanism to ensure the proper internal control, suitable policies and guidelines as required under various provisions of the Companies Act, 2013 and the Listing Agreement are in place. The following policies adopted by the Company, which focuses on comprehensive management, control and compliance with different rules and regulations as prescribed under various laws applicable to the Companies.

1. Vigil Mechanism Policies/Whistle Blower Policies,
2. Risk Management Policy

The said policies ensures reduction of possible threats of fraud, the orderly and efficient conduct of the business of the Company. These policies and guidelines are adequately monitored by the designated Committees of the Board.

The Company in addition to the above, has also in place a proper system of internal audit that is adequate in respect to the size and operations of the Company. M/s Amar Jeet Singh & Associates, Chartered accountants had been appointed as the Internal Auditor of the Company for the financial year 2016-17. They had adequately conducted the Quarterly internal audit exercise with in the terms of regulatory requirements. During the Audit Process, no material discrepancies have been

reported by him. The Company prepare the financial information/reporting as per the requisite requirements of the Companies Act, 2013 and the Listing Agreement, and place it to the Audit Committee and Board for the approval, once approved the said financial results are submitted to the stock exchange and also placed on the website of the Company. The Internal Auditors are empowered with the facility to directly report to the Audit Committee of the Board of Directors of the Company.

## 7. RISKS AND CONCERNS

The risks prevalent in the thermal power market, seeded in fuel sourcing, availability, and import dependency. Volatility in imported coal prices and the uncertainty around cost-efficiency of domestic coal production add more concern. Non-availability of coal could swiftly turn the once lucrative and viable coal power plants into stranded assets.

India's renewables sector does not have to battle risks associated with fuel sourcing, the current reliance on imported solar panels and balance of system products exposes the renewable energy sector to balance of payment implications, as in the case of coal imports. This makes it imperative for India to rapidly ramp up domestic renewables manufacturing capacity.

Thermal power plants are increasingly facing lower capacity utilization. More than one-third of India's total thermal power capacity is currently stranded and the rest is running at 55% utilization. This spells trouble for the lenders to these thermal projects, mainly state-owned banks, since lower capacity utilization translates to falling recoveries.

The growing risk profile for thermal power plants is likely to result in increasing cost of capital for thermal projects. At the same time, with the tariffs for both wind and solar power dropping to unprecedented levels, power sector investors may shift focus to renewables. In the same breath, it is important to note that the renewable energy sector is also plagued by several risks, such as delays in executing offtake agreements, delays in payments from the utilities, curtailment, etc.

The traditional electricity utility models are being upended and it will augur well for financiers and policymakers to heed the risks that have unfolded in the thermal sector. If the government continues to actively revamp and reimagine India's power sector, along with making simultaneous efforts to ensure a quick expansion in transmission infrastructure and a pickup in demand, India could find a sweet spot for itself in the new low-carbon world.

## CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections and estimates may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental / related factors.

**INDEPENDENT AUDITOR'S REPORT****To the Members of SRM ENERGY LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **SRM ENERGY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial controls system

over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2017;
- b) in the case of the statement of Profit and Loss, of the loss for the period ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

**Emphasis of Matter**

Attention of the matters is invited to note no. 28 of the notes to accounts regarding the financial statements of the Company having been prepared on a Going Concern basis, the Company's networth has been significantly reduced and it has been incurring cash losses and the promoters have infused funds by way of unsecured loan and are committed to provide necessary funding to meet the liabilities and future running expenses of the Company. Further, the Board of Directors of the Company have decided to sell/ dispose off the power plant transferred in its wholly owned subsidiary, subject to necessary approvals from the shareholders and the statutory authorities, if any. In view of above developments, the accounts have been prepared under going concern basis.

Our opinion is not modified in respect to this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by section 143 (3) of the Act, we further report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the

Companies (Accounts) Rules 2014 :

- e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act; and
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting :
- g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
  - (i) The Company has disclose the impact of pending litigations on its financial position in its financial statements-Refer Note 18 on Contingent Liabilities;
  - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any

material foreseeable losses thereon does not arise ;

- (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise;
  - (iv) The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November to 30<sup>th</sup> December. 2016 and these are in accordance with the books of accounts maintained by the Company;
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **VATSS & Associates,**

**Regn. No.017573N**

Chartered Accountants

**Suresh Arora**

Partner(M/N: 90862)

Place: New Delhi

Dated: 26/05/2017

**ANNEXURE "A"**

## **TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

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

We have audited the internal financial controls over financial reporting of **SRM ENERGY LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance or adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the

safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation or reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, to the best our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the Internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V A T S S & ASSOCIATES**  
Chartered Accountants  
Firm Regn. No. : 017573N

**Suresh Kumar Arora**  
Partner  
Membership No. 090862  
Place: New Delhi  
Dated: 26/05/2017

#### ANNEXURE "B"

#### ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report of even date to the members of **SRM ENERGY LIMITED** on the accounts of the company for the year ended 31st March, 2017

- (i) The Company does not have fixed assets. Hence, clause 3(i)(a) to 3(i)(c) of the order are not applicable to the Company;
- (ii) The nature of business of the Company does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Company;
- (iii) As informed to us, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence clauses 3(iii) (a) to (c) of the order are not applicable to the Company.
- (iv) In our opinion, and according to the information and explanations given to us, the company has compiled with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) As informed to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- (vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, Cess and any other statutory dues applicable to it, though there has been a slight delay in few

cases. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable;

- (b) According to the information and explanations given to us and based on the records of the Company examined by us, the dues outstanding with respect to, Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty or cess, as applicable to it, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount in million	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	TDS	0.52	AY 2008-09 to 2014-15	CIT (Appeals)

- (viii) According to the records of the company examined by us and as per the information and explanations given to us, the company has not taken any loans from any financial institutions, banks or debenture holder and hence the question of defaulting in repayment of dues does not arise.
- (ix) According to the records of the company examined by us and as per the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) According to the records of the company examined by us and as per the information and explanations given to us, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, the Company has not paid any managerial remuneration. Therefore, the provisions of clause 4 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) According to the records of the company examined by us and as per the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the records of the company examined by us and as per the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the records of the company examined by us and as per the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **VATSS & Associates,**  
**Regn. No.017573N**  
Chartered Accountants

**Suresh Arora**  
Partner(M/N: 90862)

Place: New Delhi  
Dated: 26/05/2017

**BALANCE SHEET AS AT 31ST MARCH, 2017**

	Note No.	As at 31.03.2017 ₹ million		As at 31.03.2016 ₹ million	
<b>Equity and Liabilities</b>					
<b>Shareholders' Funds</b>					
Share Capital	4	<b>90.60</b>		90.60	
Reserves and Surplus	5	<b>(99.11)</b>	<b>(8.51)</b>	(95.02)	(4.42)
<b>Non-current Liabilities</b>					
Long-term Provisions	6	<b>0.74</b>	<b>0.74</b>	0.01	0.01
<b>Current Liabilities</b>					
Short-term Borrowings	7	<b>19.19</b>		16.31	
Other Current Liabilities	8	<b>0.57</b>		1.24	
Short-term Provisions	6	<b>1.25</b>	<b>21.01</b>	0.43	17.98
	<b>TOTAL</b>		<b>13.25</b>		<b>13.58</b>
<b>Assets</b>					
<b>Non-current Assets</b>					
<b>Fixed Assets</b>					
Capital Work-in-Progress	9	-	-	-	-
Non-current Investments	10		<b>13.20</b>		13.20
Long-term Loans and Advances	11A		-		0.26
			<b>13.20</b>		<b>13.20</b>
<b>Current Assets</b>					
Cash and Cash Equivalents	12		<b>0.04</b>		0.12
Short-term Loans & Advances	11B		<b>0.01</b>		-
			<b>0.05</b>		<b>0.12</b>
	<b>TOTAL</b>		<b>13.25</b>		<b>13.58</b>
Significant accounting policies	2				
<b>For VATSS &amp; Associates</b>	<b>3-34</b>				

As per our attached report of even date

**For VATSS & Associates**

Chartered Accountants

ICAI Firm Registration No. 017573N

**For and on behalf of the Board of Directors**

**Suresh Kumar Arora**  
Partner  
Membership No.090862

**Vishal Rastogi**  
Managing Director  
DIN:02780975

**Sameer Rajpal**  
Director  
DIN:05184612

**Achyut Ganapati Pai**  
Chief Financial Officer

**Ruchi Singh**  
Company Secretary

Place : New Delhi

Date : 26/05/2017

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017**

	Note No.	For The Year Ended As at 31.03.2017 ₹ million	For The Year Ended 31.03.2016 ₹ million
<b>REVENUE</b>			
Revenue From Operations		-	-
Other Income	13	0.29	-
<b>Total Revenue</b>		<u>0.29</u>	<u>-</u>
<b>EXPENSES</b>			
Employee Benefit expenses	14	1.88	2.79
Other Expenses	15	2.50	2.73
<b>Total Expenses</b>		<u>4.38</u>	<u>5.52</u>
<b>Loss before exceptional and extraordinary items and tax</b>		<u>(4.09)</u>	<u>(5.52)</u>
<b>Exceptional Items</b>			
Pre-operative expenses written off		-	-
<b>Loss before extraordinary items and tax</b>		<u>(4.09)</u>	<u>(5.52)</u>
Extra-ordinary Items	16	0.00	-
<b>Loss before Tax</b>		<u>(4.09)</u>	<u>(5.52)</u>
Tax Expense			
1) Current		-	-
2) Deferred		-	-
		-	-
<b>Loss for the year</b>		<u>(4.09)</u>	<u>(5.52)</u>
Earnings Per Equity Share (₹) (face value of Rs 10 per share)	24	(0.45)	(0.61)
		(0.45)	(0.61)
Significant accounting policies	2		
<b>See accompanying Notes to the Financial Statements</b>	3-34		

As per our attached report of even date

**For VATSS & Associates**

Chartered Accountants

ICAI Firm Registration No. 017573N

For and on behalf of the Board of Directors

**Suresh Kumar Arora**

Partner

Membership No.090862

**Vishal Rastogi**

Managing Director

DIN:02780975

**Sameer Rajpal**

Director

DIN:05184612

Place : New Delhi

Date : 26/05/2017

**Achyut Ganapati Pai**

Chief Financial Officer

**Ruchi Singh**

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017**

	For The Year Ended As at 31.03.2017 ₹ million	For The Year Ended 31.03.2016 ₹ million
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT/(LOSS) BEFORE TAX	(4.09)	(5.52)
ADJUSTMENTS FOR		
Interest and Finance Expenses	-	-
Interest Income	-	-
Pre-operative expenses written off	-	-
<b>OPERATING (LOSS) / PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(4.09)</b>	<b>(5.52)</b>
ADJUSTMENT FOR		
Increase/(Decrease) in Other Current Liabilities	<b>(0.66)</b>	0.40
Increase/(Decrease) in Short-term Provisions	<b>0.82</b>	(0.05)
Increase/(Decrease) in Long-term Provisions	<b>0.73</b>	(0.68)
Decrease/(Increase) in Short-term Loans and Advances	<b>(0.01)</b>	1.24
Decrease/(Increase) in Long-term Loans and Advances	<b>0.26</b>	0.43
CASH (OUTFLOW) / GENERATED FROM OPERATIONS	<b>(2.95)</b>	<b>(4.18)</b>
Income Tax Refund/(Paid) (@= ₹ 2260)	<b>@</b>	<b>@</b>
<b>NET CASH USED IN OPERATING ACTIVITIES (A)</b>	<b>(2.95)</b>	<b>(4.18)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including CWIP and Capital Advances	-	-
NET CASH USED IN INVESTING ACTIVITIES (B)	-	-
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Short-term Borrowings (Net)	2.88	5.75
Interest and Finance Charges Paid	-	-
NET CASH FROM FINANCING ACTIVITIES (C)	<b>2.88</b>	<b>5.75</b>
<b>(D) NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(0.07)</b>	<b>1.57</b>
<b>(E) CASH &amp; CASH EQUIVALENTS - OPENING BALANCE</b>	<b>1.79</b>	<b>0.22</b>
<b>(F) CASH &amp; CASH EQUIVALENTS - CLOSING BALANCE (Refer Note 11)</b>	<b>1.71</b>	<b>1.79</b>

As per our attached report of even date

**For VATSS & Associates**

Chartered Accountants

ICAI Firm Registration No. 017573N

**Suresh Kumar Arora**

Partner

Membership No.090862

**For and on behalf of the Board of Directors**

**Vishal Rastogi**

Managing Director

DIN:02780975

**Sameer Rajpal**

Director

DIN:05184612

Place : New Delhi

Date : 26.05.2017

**Achyut Ganapati Pai**

Chief Financial Officer

**Ruchi Singh**

Company Secretary

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

### 1 Corporate Information

SRM Energy Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange. The Company has been engaged in setting up Thermal power project in its wholly owned subsidiary

### 2 SIGNIFICANT ACCOUNTING POLICIES :

#### i Basis of Preparation

The Financial Statements are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP), and comply in material aspects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the act) (read with Rule 7 of the Companies (Accounts) Rules, 2014). The financial statements have been prepared under the historical cost convention on an accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company & are consistent with those used in the previous year.

#### ii Use of Estimates

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets & liabilities & disclosures of contingent liabilities at the date of financial statements & the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events & actions, actual results could differ from these estimates.

#### iii Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation & impairment losses (if any). Cost comprises the purchase price & any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to the acquisition of the fixed asset which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

#### iv Expenditure During Construction Period

Expenditure incurred during construction period which is directly or indirectly related to the projects is included under Pre-operative Expenses and the same will be allocated to the respective Fixed Assets upon completion of construction.

#### v Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price & value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending upon changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

#### vi Investments

Investments that are readily realizable & intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost & fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize the decline other than temporary in the value of investments.

#### vii Foreign Currency Transactions

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated asset and liabilities (monetary items) are translated into reporting currency at the exchange rates prevailing on the Balance Sheet date. Exchange difference arising on settlement of foreign currency transactions or restatement of foreign currency denominated assets and liabilities (monetary items) are recognized in the Statement of Profit and Loss.

#### viii Employee benefits

Employee benefits such as salaries, allowances, non-monetary benefits which fall due for payment within a period of twelve months after rendering service, are capitalised if related to project else recognised in the Statement of Profit and Loss in the period in which the service is rendered.

Employee benefits under defined benefit plans, such as gratuity, which fall due for payment after completion of employment, are measured by the projected unit credit method, on the basis of actuarial valuation carried out by the third party actuaries at each balance sheet date. The Company's obligations recognized in the Balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where applicable.

During Current financial year, Provision for leave encashment is accounted on year to year basis and considered as short term employee benefits and are recognised as an expense at undiscounted amount in the profit and loss account for the year in which the related services are rendered.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

#### ix **Borrowing Cost**

Borrowing cost which are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the respective asset. All other borrowing cost are expensed in the period they occur. Borrowing cost consists of interest & other cost that an entity incurs in connection with the borrowing of funds. In determining the amount of borrowing cost eligible for capitalization during a period, any income earned on the temporary investments of those borrowings is deducted from the borrowing costs incurred.

- x Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating lease. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### xi **Earning Per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstand-

ing during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

#### xii **Taxation**

Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of The Income Tax Act, 1961

Deferred tax resulting from "timing differences" between book and taxable profit is measured using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, the Company reassesses unrecognised deferred tax assets. It recognizes, unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company write-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available, against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### xiii **Provisions**

A provision is recognized when the Company has a present obligation as a result of past event. It is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on

best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**xiv Contingent Liabilities**

Contingent Liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

**xv Cash Flow Statement**

The Cash Flow Statement is prepared by 'Indirect Method' set out in Accounting Standard 3 on "Cash Flow Statement" and presents the Cash Flow Statement by Operating, Investing and Financing activities of the Company. Cash and Cash equivalents presented in the Cash Flow Statement consists of Cash in hand and balance in current accounts.

**3 Scheme of Arrangement :**

The Board of Directors in their meeting held on October 18, 2013 has approved the effect of the orders of the Hon'ble Bombay High Court dated 3rd September 2013, (which was filed with the Registrar of Companies on 11th October 2013- the Effective date) approving the Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 for hive off of the Cuddalore Power Division of the Company to the SRM Energy Tamilnadu Private Limited, with effect from 1st April 2012 (the "Appointed Date"), Accordingly all the assets and liabilities of the Cuddalore Power Division of the Company at book value as on 01.04.2012 along with increase or decrease thereafter were transferred to the SRM Energy Tamilnadu Private Limited. However, the formalities of transfer of properties, assets, consents, approvals, sanctions, licenses, contracts etc pertaining to the Cuddalore Power Division in the name of the SRM Energy Tamilnadu Private Limited are in progress.

**4 Share Capital**

**Authorised Shares**

Equity Shares of ₹10/- each

**Issued, subscribed and paid up**

Equity Shares of ₹10/- each fully paid up

As at 31.03.2017		As at 31.03.2016	
No. million	₹ million	No. million	₹ million
11.30	113.00	11.30	113.00
11.30	113.00	11.30	113.00
9.06	90.60	9.06	90.60
9.06	90.60	9.06	90.60

**a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Equity Shares

At the beginning of the year

Issued during the year

Outstanding at the end of the year

9.06	90.60	9.06	90.60
-	-	-	-
9.06	90.60	9.06	90.60

**b 6.45 million (Previous year 6.45 million) Equity Shares are held by the Holding Company - Spice Energy Pvt. Ltd.**

**c Details of shareholders holding more than 5% shares in the Company**

Equity Shares of ₹ 10 each fully paid up held by Spice Energy Pvt. Ltd., the holding company

As at 31.03.2017		As at 31.03.2016	
No. million	% holding	No. million	% holding
6.45	71.19%	6.45	71.19%
6.45	71.19%	6.45	71.19%

**d Terms / rights attached to equity shares**

The Company has only one class of Equity Shares having a par value of ₹10 per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

	As at 31.03.2017			As at 31.03.2016
	₹ million			₹ million
<b>5 Reserves and Surplus</b>				
Surplus/(Deficit) in the Statement of Profit and Loss				
Balance as per last financial statements	<b>(95.02)</b>			(89.50)
Loss for the Current year	<b>(4.09)</b>			(5.52)
<b>Balance at the end of the year</b>	<b>(99.11)</b>			(95.02)
<b>6 Provisions</b>		<b>Long-term</b>	<b>Short-term</b>	
	<b>As at 31.03.2017</b>	As at 31.03.2016	<b>As at 31.03.2017</b>	As at 31.03.2016
	₹ million	₹ million	₹ million	₹ million
<b>Provision for employee benefit</b>				
Provision for Gratuity (Unfunded)	<b>0.74</b>	0.01	<b>0.02</b>	-
Provision for Leave Encashment (Unfunded)	-	0.00	-	-
Provision for Expenses	-	-	<b>1.22</b>	0.43
	<b>0.74</b>	0.01	<b>1.25</b>	0.43
			<b>As at 31.03.2017</b>	As at 31.03.2016
			₹ million	₹ million
<b>7 “Short-term Borrowings (Unsecured &amp; repayable on demand)”</b>				
<b>Loan from Related party (Refer Note 23)</b>				
- Spice Energy Private Limited			<b>18.46</b>	15.58
- SRM Energy Tamilnadu Pvt. Ltd.			<b>0.73</b>	0.73
			<b>19.19</b>	16.31
<b>8 Other Current Liabilities</b>				
Sundry Creditors for Expenses			<b>0.45</b>	1.20
Other Liabilities			<b>0.13</b>	0.04
			<b>0.57</b>	1.24
<b>9 Capital work in Progress</b>				
During the year, the Company has not incurred any expenses related to project.				
<b>Particulars</b>	<b>As at 31.03.2017</b>			As at 31.03.2016
	(₹ million)			(₹ million)
i) Opening Balance- Pre- Operative expenses	-			-
Less: Written off during the year	-			-
Add: Expenditure incurred during the current year	-			-
<b>Closing Balance</b>	-			-
	<b>As at 31.03.2017</b>			As at 31.03.2016
	₹ million			₹ million
<b>10 Non-current Investments</b>				
Trade Investments (valued at cost unless stated otherwise)				
Investment in equity instruments (Unquoted)				
-Investment in Equity Instruments of Wholly Owned Subsidiary Company				
1.32 million (Previous year 1.32 million) Equity Shares in SRM Energy Tamilnadu Pvt. Ltd. of ₹10 each fully paid up			<b>13.20</b>	13.20
			<b>13.20</b>	13.20

**11 Loans & Advances**
**A Long Term Loans & Advances**

Security Deposit

Secured Considered good

Unsecured Considered good

	As at 31.03.2017 ₹ million	As at 31.03.2016 ₹ million
	-	-
	-	0.26
	-	0.26

**B Short Term Loans and Advances**

Unsecured Considered good

Advances recoverable in cash or in kind

	0.01	-
	0.01	-

	As at 31.03.2017 ₹ million	As at 31.03.2016 ₹ million
--	-------------------------------	-------------------------------

**12 Cash and Cash Equivalents**

Balances with Banks in Current Account

Cash in Hand

	0.04	0.10
	0.00	0.02
	0.04	0.12

	As at 31.03.2017 ₹ million	As at 31.03.2016 ₹ million
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**13 Other Income**

Excess Provision for earlier years written back

Interest on income tax refund/TDS written off recovered (@= ₹ 2820,

Previous Year @= 3250)

Interest Income

	0.29	-
	@	@
	-	-
	0.29	-

	As at 31.03.2017 ₹ million	As at 31.03.2016 ₹ million
--	-------------------------------	-------------------------------

**14 Employee Benefit expenses**

Salaries

Gratuity (refer note no. 21)

Leave Encashment

	1.12	2.40
	0.75	0.18
	0.01	0.21
	1.88	2.79

	As at 31.03.2017	As at 31.03.2016
	₹ million	₹ million
<b>15 Other Expenses</b>		
Advertisement Expenses	0.09	0.11
Auditors' Remuneration (Refer Note no. 19 below)	0.39	0.32
Postage, Telephone, Telex & Courier Charges	0.00	0.40
Printing and Stationery	0.00	0.25
Rent	0.26	0.50
Legal and Professional Charges	0.27	0.32
Rates & Taxes	0.02	0.05
Secretarial Service Charges	0.32	0.21
Sundry Balances Written Off	0.00	-
Bank Charges	0.00	
TDS Default	0.63	
Travelling & Conveyance Expenses	0.00	0.10
Annual Listing Fees	0.23	0.11
Miscellaneous Expenses	0.29	0.36
	2.50	2.73

	As at 31.03.2017	As at 31.03.2016
	₹ million	₹ million
<b>16 Extra-ordinary Items</b>		
Liability No Longer Required Written Back	0.00	-
	0.00	-

**17 Capital and other commitments**

- i) Estimated amount of contract remaining to be executed on capital account net of advances paid as at 31/03/2017 : Nil (Previous year: Nil)

**18 Contingent Liabilities:**

18.1 Disputed dues of Income tax due to non/late deposit of TDS for the assessment years 2008-09 to 2014-15: ₹ 0.52 million/- (Previous year - 0.89 million)

18.2 There has been an instance of non-compliance of Section 185 and 188 of Companies Act, 2013(earlier section 295 and 297 of Companies Act, 1956) in 2007-08 for which compounding application has been filed with Company Law Board/ National Company Law Tribunal.

	As at 31.03.2017	As at 31.03.2016
	₹ million	₹ million
<b>19 Auditors Remuneration (Refer note no 15 above)</b>		
Audit Fees (including limited review)	0.39	0.32
Out of Pocket Expenses	-	-
<b>Total</b>	0.39	0.32

**20 CIF VALUE OF IMPORTS, EXPENDITURE, REMITTANCES AND EARNINGS IN FOREIGN CURRENCY - Nil**

**21 DISCLOSURE OF "EMPLOYEE BENEFITS" as per Accounting Standard 15 are as follows:**

Defined Benefits Plans  
Gratuity

	2016-17	2015-16
Actuarial Assumptions		
Discount Rate (Per Annum)	7.29%	7.90%
Rate of increase in compensation levels (Per Annum)	5%	5%
Expected average remaining lives of the employees (in no of years)	15	12
Attrition Rate	2%	2%

Particulars	₹ million 2016-17	₹ million 2015-16
<b>I Change in Present Value of Obligation</b>		
Present value of defined benefits obligation as at the beginning of the year	0.76	0.33
Interest Cost	0.00	0.00
Current Service Cost	0.75	0.18
Benefits Paid	-	(0.50)
Actuarial (Gain) / loss on obligation	-	0.00
Present value of defined benefits obligation as at the end of the year	1.51	0.01
<b>II Amount recognised in the Balance Sheet</b>		
Liability at the end of the year	0.76	0.01
Fair Value of Plan Assets at the end of the year	-	0.00
Amount recognised in the Balance Sheet	0.76	0.01
<b>III Expenses recognised in the Statement of Profit &amp; Loss</b>		
Current Service Cost	0.75	0.18
Past Service Cost	-	-
Interest Cost	0.00	0.00
Expected Return on Plan Assets	-	-
Net Actuarial (Gain)/Loss Recognised in the year	-	0.00
Total expenses recognised in the Statement of Profit & Loss	0.75	0.18
<b>IV Balance Sheet Reconciliation</b>		
Liability at the beginning of the year	0.01	0.33
Expenses as above	0.75	0.18
Benefits Paid	-	-0.50
Amount recognised in the Balance Sheet	0.76	0.01
<b>V Disclosures as required under Para 120(n):</b>		

Particulars	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
Present value of defined benefit obligation	0.76	0.01	0.33	0.24	-
Fair Value of Plan Assets	-	-	-	-	-
Surplus / (Deficit) in the Plan	(0.76)	(0.01)	(0.33)	(0.24)	-
Experience adjustment on liability {loss/(gain)}	(0.01)	(0.01)	(0.01)	(0.21)	-

The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion, and other relevant factors, such as supply and demand in the employment market.

## 22 Segment Reporting :

The Company has been engaged in setting up Thermal power project in its wholly owned subsidiary, which at present, constitutes its single operating segment as per AS-17 on 'Segment Reporting'.



27 In the opinion of the management, the realizable value of Current Assets, loans and Advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provision for all known and determined liabilities are adequately made.

28 **Going Concern**

Though the Company's net worth has been significantly reduced and it has been incurring Cash Losses, the promoters have infused funds by way of unsecured loan and are committed to provide necessary funding to meet the liabilities and future running expenses of the company. Further, the Board of Directors of the Company, in its meeting held on March 9, 2015 have decided to sell/dispose off the Power plant transferred in its wholly owned subsidiary, subject to necessary approvals from the shareholders and other statutory authorities, if any. In view of above development, the accounts have been prepared under going concern basis.

29 **INFORMATION PERTAINING TO LOANS AND GUARANTEES GIVEN TO SUBSIDIARIES (INFORMATION PURSUANT TO CLAUSE 32 OF LISTING AGREEMENTS WITH STOCK EXCHANGES AND SECTION 186 OF THE COMPANIES ACT, 2013):**

(Rupees in millions)

Loans and advances in the nature of loans to subsidiary :

Name of Company	Outstanding as at the beginning year of the	Given during the year	Adjusted/ repaid during the year	Closing at the end of the year	maximum amount outstanding during the year	Purpose of Loan
SRM Energy Tamilnadu Pvt. Ltd.	-	-	-	-	-	-

30 In terms of notification dated 30th March 2017 issued by Ministry of Corporate Affairs, The company is required to disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. The said information is provided in the table below

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016			0.02
(+) Permitted receipts			0.01
(-) Permitted payments			0.03
(-) Amount deposited in Banks			-
Closing cash in hand as on 30.12.2016			-

31 Previous year figures have been regrouped and rearranged wherever necessary. to make them comparable to those for the current year. Figures in bracket indicate previous year's figures.

32 During the year the liabilities relating to the leave encashment has been calculated and fully paid up. Further no provisions has been created for the same as the leave encashment policy has been abolished, effective from 01st April, 2017

33 The Income Tax Department has issued an order for the A.Y.2008-09 disallowing Rs.51.12 lacs w.r.t sales tax liabilities covered under the sales tax deferral scheme and for the A.Y.2013-14 disallowed Rs.8.31 lacs for the assessment u/s 143(3). The Company has filed appeals before CIT(A) in both the above matter.

34 Figures are rounded off to the million. '@'- represents figures less than Rs. 5,000 which have been shown at actual in brackets with @.

As per our attached report of even date

**For and on behalf of the Board of Directors**

**For VATSS & Associates**

Chartered Accountants

ICAI Firm Registration No. 017573N

**Suresh Kumar Arora**

Partner

Membership No.090862

Place : New Delhi

Date : 26/05/2017

**Vishal Rastogi**

Managing Director

DIN:02780975

**Achyut Ganapati Pai**

Chief Financial Officer

**Sameer Rajpal**

Director

DIN:05184612

**Ruchi Singh**

Company Secretary

**INDEPENDENT AUDITOR'S REPORT****To the Members of SRM ENERGY LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **SRM ENERGY LIMITED** ("the Holding Company") and its subsidiary SRM ENERGY TAMILNADU PRIVATE LIMITED (the Holding Company and its Subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial statements").

**Management's Responsibility for the Financial Statements**

The management and Board of Directors of the Holding Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement

of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Group has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31<sup>st</sup> March 2017;
- b) in the case of the Consolidated statement of Profit and Loss, of the loss for the period ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the period ended on that date.

**Emphasis of Matter**

Attention of the matters is invited to note no.24 of the notes to accounts regarding the consolidated financial statements of the Group having been prepared on a Going Concern basis, the Group's networth has been significantly reduced and it has been incurring cash losses and the promoters have infused funds by way of unsecured loan and are committed to provide necessary funding to meet the liabilities and future running expenses of the Group. Further, the Board of Directors of the Holding Company have decided to sell/ dispose off the power plant transferred in its wholly owned subsidiary, subject to necessary approvals from the shareholders and the statutory authorities, if any. Management has represented that it is exploring new Business activities to ensure revenue inflow to the Company. In view of above developments, the accounts have been prepared under going concern basis.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by section 143 (3) of the Act, we further report that:
  - a. We have sought and obtained all the information and explanations which to the best

- of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements ;
- b. In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group so far as appears from our examination of those books;
  - c. The consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid consolidated financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2017, and taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act; and
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
  - g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014;
- (i) The consolidated financial statement disclose the impact of pending litigations on the consolidated financial position of the Group-Refer Note 16 to the consolidated financial statements;
  - (ii) The Group did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
  - (iii) There has not been an occasion in case of the Group during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise;
  - (iv) The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November to 30<sup>th</sup> December 2016 and these are in accordance with the books of accounts maintained by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, based on the comments in the auditors' report of the Holding Company and subsidiary company incorporated in India, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **VATSS & Associates,**  
**Regn. No.017573N**  
Chartered Accountants

**Suresh Kumar Arora**  
Partner(M/N: 90862)  
Place: New Delhi

Dated: 26/05/2017

**ANNEXURE "A"**

## TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

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

We have audited the internal financial controls over financial reporting of **SRM ENERGY LIMITED** ("the Holding Company") and its subsidiary **SRM ENERGY TAMILNADU PRIVATE LIMITED** (the Holding Company and its Subsidiary together referred to as "the Group") as of March 31, 2017 in conjunction with our audit of the financial statements of the Group for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial

controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, to the best our information and according to the explanation given to us, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V A T S S & ASSOCIATES**  
Chartered Accountants  
Firm Regn. No. : 017573N

**Suresh Kumar Arora**  
Partner  
Membership No. 090862

Place: New Delhi  
Dated: 26/05/2017

**ANNEXURE "B"****TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date)

The Annexure referred to in our Independent Auditors' Report of even date to the members of **SRM ENERGY LIMITED** on the accounts of the Group for the year ended 31st March, 2017

- (i) (a) The Group have maintained proper records showing full particulars, including quantitative details and situation of fixed assets ;
- (b) As explained to us, fixed assets of the Group have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
- (c) In our opinion and according to the information and explanations given to us, the title deeds of immovable property are held in the name of the Group;
- (ii) The nature of business of the Group does not require it to have any inventory. Hence, the requirement of clause (ii) of paragraph 3 of the said Order is not applicable to the Group;
- (iii) As informed to us, the Group has not granted

loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence clauses 3 (iii) (a) to (c) of the order are not applicable to the Group.

- (iv) In our opinion, and according to the information and explanations given to us, the Group has compiled with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Group has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The Central Government of India has prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act and the rules framed in respect of the class of the Group (i.e. Electricity Industry). However, since the Group is in the pre-operative stage, maintenance of cost records is considered as applicable only upon commencement of commercial operations.
- (vii) (a) According to the information and explanations given to us and based on the records of the Group examined by us, the Group is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, Cess and any other statutory dues applicable to it, though there has been a slight delay in few cases. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable;
- (b) According to the information and explanations given to us and based on the records of the Group examined by us, the dues outstanding with respect to, Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty or cess, as applicable to it, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount in million	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	TDS	0.52	AY 2008-09 to 2014-15	CIT (Appeals)

- (viii) According to the records of the Group examined by us and as per the information and explanations given to us, the Group has not taken any loans from any financial institutions, banks or debenture

holder and hence the question of defaulting in repayment of dues does not arise.

- (ix) According to the records of the Group examined by us and as per the information and explanations given to us, the Group has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Group and hence not commented upon.
- (x) According to the records of the Group examined by us and as per the information and explanations given to us, we report that no fraud by the Group or on the Group by its officers or employees has been noticed or reported during the year.
- (xi) In our opinion, the Group has not paid any managerial remuneration. Therefore, the provisions of clause 4 (xi) of the Order are not applicable to the Group.
- (xii) In our opinion, the Group is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Group.
- (xiii) According to the records of the Group examined by us and as per the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the records of the Group examined by us and as per the information and explanations given to us, the Group has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Group and hence not commented upon.
- (xv) According to the records of the Group examined by us and as per the information and explanations given to us, the Group has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Group and hence not commented upon.
- (xvi) In our opinion, the Group is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Group and hence not commented upon.

For **VATSS & Associates,**  
**Regn. No.017573N**  
Chartered Accountants

**Suresh Arora**  
Partner(M/N: 90862)

Place: New Delhi  
Dated: 26/05/2017

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017**

	Note No.	As at 31.03.2017		As at 31.03.2016	
		₹ million		₹ million	
<b>Equity and Liabilities</b>					
<b>Shareholder's Funds</b>					
Share Capital	2	90.60		90.60	
Reserves and Surplus	3	(100.17)	(9.57)	(96.08)	(5.48)
<b>Non-current Liabilities</b>					
Long-term Provisions	4	0.82	0.82	0.86	0.86
<b>Current Liabilities</b>					
Short-term Borrowings	5	463.58		546.12	
Other Current Liabilities	6	1.25		2.18	
Short-term Provisions	4	1.31	466.15	0.65	548.95
<b>TOTAL</b>			<b>457.40</b>		<b>544.33</b>
<b>Assets</b>					
<b>Non-current Assets</b>					
<b>Fixed Assets</b>					
(a) Tangible Assets	7	114.16		114.61	
(b) Intangible Assets	8	30.00		30.00	
(c) Capital Work-in-Progress	9	306.49	450.65	306.70	451.31
Long-term Loans and Advances	10		6.01		92.29
			<b>456.66</b>		<b>543.60</b>
<b>Current Assets</b>					
Cash and Cash Equivalents	11		0.26		0.28
Short-term Loans & Advances	10		0.48		0.45
			<b>0.74</b>		<b>0.73</b>
<b>TOTAL</b>			<b>457.40</b>		<b>544.33</b>
Significant accounting policies	1				
See accompanying Notes to the Financial Statements	2-34				

As per our attached report of even date  
**For VATSS & Associates**

**For and on behalf of the Board of Directors**

Chartered Accountants  
ICAI Firm Registration No. 017573N

Suresh Kumar Arora  
Partner  
Membership No.090862

**Vishal Rastogi**  
Managing Director  
DIN:02780975

**Sameer Rajpal**  
Director  
DIN:05184612

Place : New Delhi  
Date : 26/05/2017

**Achyut Ganapati Pai**  
Chief Financial Officer

**Ruchi Singh**  
Company Secretary

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31ST MARCH, 2017**

	Note No.	For The Year Ended 31.03.2017 ₹ million	For The Year Ended 31.03.2016 ₹ million
<b>REVENUE</b>			
Revenue From Operations		-	-
Other Income	12	0.29	-
	<b>Total Revenue</b>	<b>0.29</b>	<b>-</b>
<b>EXPENSES</b>			
Employee Benefit expenses	13	1.88	2.79
Other Expenses	14	2.50	2.73
	<b>Total Expenses</b>	<b>4.38</b>	<b>5.52</b>
<b>Loss before exceptional and extraordinary items and tax</b>		<b>(4.09)</b>	<b>(5.52)</b>
<b>Exceptional Items</b>			
Pre-operative expenses written off		-	-
<b>Loss before extraordinary items and tax</b>		<b>(4.09)</b>	<b>(5.52)</b>
Extra-ordinary Items		-	-
<b>Loss before Tax</b>		<b>(4.09)</b>	<b>-</b>
Tax Expense			
1) Current		-	-
2) Deferred		-	-
		-	-
<b>Loss for the year</b>		<b>(4.09)</b>	<b>(5.52)</b>
Earnings Per Equity Share (₹) (face value of Rs 10 per share)	21		
Basic		(0.45)	(0.61)
Diluted		(0.45)	(0.61)
Significant accounting policies	1		
<b>See accompanying Notes to the Financial Statements</b>	<b>2-34</b>		

As per our attached report of even date

**For VATSS & Associates**

Chartered Accountants

ICAI Firm Registration No. 017573N

**For and on behalf of the Board of Directors**

Suresh Kumar Arora  
Partner  
Membership No.090862

**Vishal Rastogi**  
Managing Director  
DIN:02780975

**Sameer Rajpal**  
Director  
DIN:05184612

Place : New Delhi  
Date : 26/05/2017

**Achyut Ganapati Pai**  
Chief Financial Officer

**Ruchi Singh**  
Company Secretary

**CONSOLIDATED CASH FLOW STATEMENT FOR THE  
YEAR ENDED 31ST MARCH, 2017**

	For the year ended 31.03.2017 ₹ million	For the year ended 31.03.2016 ₹ million
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT/(LOSS) BEFORE TAX	<b>(4.09)</b>	(5.52)
ADJUSTMENTS FOR		
Interest Income	-	
Pre-operative expenses written off	-	
<b>OPERATING (LOSS) / PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>(4.09)</b>	(5.52)
ADJUSTMENT FOR		
Increase/(Decrease) in Other Current Liabilities	<b>(0.93)</b>	0.23
Increase/(Decrease) in Short-term Provisions	<b>0.66</b>	-
Increase/(Decrease) in Long-term Provisions	<b>(0.04)</b>	(0.52)
Decrease/(Increase) in Short-term Loans and Advances	<b>(0.03)</b>	(0.04)
Decrease/(Increase) in Long-term Loans and Advances	<b>86.28</b>	-
<b>CASH (OUTFLOW) / GENERATED FROM OPERATIONS</b>	<b>81.85</b>	(5.85)
Interest on income tax refund/TDS written off recovered (@= ₹ 3250, Previous Year @= 2260)	@	@
<b>NET CASH USED IN OPERATING ACTIVITIES (A)</b>	<b>81.85</b>	(5.85)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase/(Sale) of Fixed Assets including CWIP and Capital Advances	<b>(5.89)</b>	(6.93)
Proceeds from Sale of Fixed Assets	<b>6.56</b>	-
Purchase of Current Investments	-	-
<b>NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)</b>	0.67	(6.93)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds / (Repayment) from Short-term Borrowings (Net)	<b>(82.54)</b>	12.55
Interest on income tax refund/TDS written off recovered (@= ₹ 3250, Previous Year @= 2260)	@	@
<b>NET CASH FROM FINANCING ACTIVITIES (C)</b>	<b>(82.54)</b>	12.55
<b>(D) NET CHANGES IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b>	<b>(0.02)</b>	(0.23)
<b>(E) CASH &amp; CASH EQUIVALENTS - OPENING BALANCE</b>	<b>0.28</b>	0.51
<b>(F) CASH &amp; CASH EQUIVALENTS - CLOSING BALANCE (Refer Note 11)</b>	<b>0.26</b>	0.28

As per our attached report of even date  
**For VATSS & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 017573N

**For and on behalf of the Board of Directors**

Suresh Kumar Arora  
Partner  
Membership No.090862

**Vishal Rastogi**  
Managing Director  
DIN:02780975

**Sameer Rajpal**  
Director  
DIN:05184612

Place : New Delhi  
Date : 26/05/2017

**Achyut Ganapati Pai**  
Chief Financial Officer

**Ruchi Singh**  
Company Secretary

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017**

**1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS :**

**i Basis of preparation**

SRM Energy Limited (the "Company") has prepared the Consolidated Financial Statements by consolidating its accounts with its subsidiary in accordance with Accounting Standard (AS)-21 on 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

The Financial Statements are prepared in accordance with the generally accepted accounting principles in India (Indian GAAP), and comply in material aspects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the act) (read with Rule 7 of the Companies (Accounts) Rules, 2014). The financial statements have been prepared under the historical cost convention on an accrual basis, except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company & are consistent with those used in the previous year.

**ii Principles of consolidation**

- a) The Financial statements of the Holding Company and its subsidiary Company (together the "Group") have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions.
- b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Holding Company's separate financial statements.

**iii Companies included in Consolidation**

Name of the consolidated entity	Country of Incorporation	Nature of Interest	% of Interest
SRM Energy Tamilnadu Pvt. Ltd. (i.e. SETPL)	India	Subsidiary	100

**iv Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events

and actions, actual results could differ from these estimates.

**v Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation & impairment losses (if any). Cost comprises the purchase price & any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to the acquisition of the fixed asset which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

**vi Expenditure During Construction Period**

Expenditure incurred during construction period which is directly or indirectly related to the power project is included under Pre-operative Expenses and the same will be allocated to the respective Fixed Assets upon completion of construction.

**vii Depreciation and Amortization**

Depreciation has been provided following Written Down Value Method based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013, unless stated otherwise. Goodwill arose during 2007-08 on amalgamation of SRM Energy Pvt. Ltd., a Special Purpose Vehicle for implementing Power Project, into SRM Energy Limited as per the Scheme of Amalgamation approved by the Hon'ble High Courts at Bombay and Delhi and is being transferred from SRM Energy Ltd to SETPL under the Scheme of Arrangement approved by the Hon'ble Bombay High Court vide their order dated 03/09/2013. Goodwill will be amortised over a period of five years after the commencement of commercial production of the projects. Depreciation on additions is charged proportionately from the date of acquisition. Assets individually costing less than or equal to Rupees Five thousand have been fully depreciated in the year of purchase.

The depreciation in respect of following assets has been provided based on management estimate of useful life, which is as under:

Particulars	Useful Life
Office Equipment	3-10 years

**viii Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price & value in

use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending upon changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

#### **ix Investments**

Investments that are readily realizable & intended to be held for not more than a year are classified as current investment. All other investments are classified as long term investments. Current investments are carried at lower of cost & fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize the decline other than temporary in the value of investments.

#### **x Foreign Currency transactions**

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated asset and liabilities (monetary items) are translated into reporting currency at the exchange rates prevailing on the Balance Sheet date. Exchange difference arising on settlement of foreign currency transactions or restatement of foreign currency denominated assets and liabilities (monetary items) recognized in the Statement of Profit and Loss / Pre-operative expenses.

#### **xi Employee benefits**

Employee benefits such as salaries, allowances, non-monetary benefits which fall due for payment within a period of twelve months after rendering service, are capitalised if related to project else recognised in the Statement of Profit & Loss in the period in which the service is rendered.

Employee benefits under defined benefit plans, such as gratuity which fall due for payment after completion of employment, are measured by the projected unit credit method, on the basis of actuarial valuation carried out by the third party actuaries at each balance sheet date. The Company's obligations recognized in the Balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where

applicable.

During Current financial year, Provision for leave encashment is accounted on year to year basis and considered as short term employee benefits and are recognised as an expense at undiscounted amount in the profit and loss account for the year in which the related services are rendered.

Actuarial gains and losses are recognized immediately in the Statement of Profit & Loss.

#### **xii Borrowing Cost**

Borrowing cost which are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the respective asset. All other borrowing cost are expensed in the period they occur. Borrowing cost consists of interest & other cost that an entity incurs in connection with the borrowing of funds. In determining the amount of borrowing cost eligible for capitalization during a period, any income earned on the temporary investments of those borrowings is deducted from the borrowing costs incurred.

#### **xiii Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating lease. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

#### **xiv Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares). Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

#### **xv Taxation**

- (i) Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of The Income Tax Act, 1961.

- (ii) Deferred tax resulting from “timing differences” between book and taxable profit is measured using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.
- (iii) At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognizes, unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company write-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that

it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### xvi Provisions

A provision is recognized when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

#### xvii Contingent Liabilities

Contingent Liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts in respect of those contingencies which are likely to materialize into liabilities after the year end till the approval of the accounts by the Board of Directors and which have material effect on the position stated in the Balance Sheet.

#### xviii Cash Flow Statement

The cash flow statement is prepared by ‘indirect method’ set out in Accounting Standard 3 on “Cash Flow Statement” and presents the cash flow statement by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the cash flow statement consists of cash on hand and balance in current accounts.

## 2 Share Capital

	As at 31.03.2017		As at 31.03.2016	
	No. million	₹ million	No. million	₹ million
Authorised Shares	11.30	113.00	11.30	113.00
Equity Shares of ₹10/- each	1.30	113.00	11.30	113.00
<b>Issued, subscribed and paid up</b>				
Equity Shares of ₹10/- each fully paid up	9.06	90.60	9.06	90.60
	9.06	90.60	9.06	90.60
a Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
<b>Equity Shares</b>				
At the beginning of the year	9.06	90.60	9.06	90.60
Issued during the year	-	-	-	-
Outstanding at the end of the year	9.06	90.60	9.06	90.60
b 6.45 million (Previous year 6.45 million) Equity Shares are held by the Holding Company - Spice Energy Pvt. Ltd.				

**c Details of share holders holding more than 5% shares in the Company**

	As at 31.03.2017		As at 31.03.2016	
	No. million	% holding	No. million	% holding
Equity Shares of ₹ 10 each fully paid up held by Spice Energy Pvt. Ltd., the holding company	6.45	71.19%	6.45	71.19%
	6.45	71.19%	6.45	71.19%

**d Terms/ Rights attached to equity share**

The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

	As at 31.03.2017	As at 31.03.2016
	₹ million	₹ million
<b>3 Reserves and Surplus Surplus/(Deficit) in the Statement of Profit and Loss</b>		
Balance as per last financial statements	(96.08)	(90.56)
(Loss) for the Current Year	(4.09)	(5.52)
Balance at the end of the year	(100.17)	(96.08)

**4 Provisions**

	Long-term		Short-term	
	As at 31.03.2017 ₹ million	As at 31.03.2016 ₹ million	As at 31.03.2017 ₹ million	As at 31.03.2016 ₹ million
<b>Provision for employee benefit</b>				
Provision for Gratuity (Refer Note no.17)	0.82	0.63	0.02	0.08
Provision for Leave Encashment	-	0.23	0.00	0.07
Provisions for Expenses	-	-	1.29	0.50
	0.82	0.86	1.31	0.65
	As at 31.03.2017 ₹ million		As at 31.03.2016 ₹ million	

**5 "Short-term Borrowings**
**(Unsecured & repayable on demand)**
**Loan from Related party (Refer Note 19)**

- Inter Corporate Deposit from related party	1.50	1.50
- Loan From Directors and Relatives of Director	390.43	445.35
- Spice Energy Private Limited	71.65	99.27
	463.58	546.12

**6 Other Current Liabilities**

Sundry Creditors for Expenses	1.05	1.95
Other Liabilities	0.19	0.23
	1.25	2.18

**7 Tangible Fixed Assets**

₹ million

Particulars	Land	Furniture & Fixtures	Office Equipments	Computer	Total	Previous year
<b>Gross Block</b>						
As at 01.04.2016	114.56	0.23	0.57	0.55	<b>115.90</b>	115.89
	-	-	-	-	-	-
Additions during the year	0.06	-	-	-	<b>0.06</b>	-
Sales/(discarded) during the year	0.50	0.05	0.01	-	<b>0.56</b>	-
<b>As at 31.03.2017</b>	<b>115.12</b>	<b>0.18</b>	<b>0.56</b>	<b>0.55</b>	<b>116.41</b>	<b>115.89</b>
<b>Depreciation</b>						
As at 01.04.2016	-	0.19	0.55	0.54	<b>1.28</b>	1.18
Add: Transferred as per the said Scheme	-	-	-	-	-	-
Provided during the year	-	0.01	0.00	-	<b>0.02</b>	0.05
Adjusted for Last Financial Year	-	-	-	-	-	0.06
On Sale/adjustment	-	0.04	0.01	-	<b>0.05</b>	-
<b>As at 31.03.2017</b>	-	<b>0.16</b>	<b>0.55</b>	<b>0.54</b>	<b>1.25</b>	<b>1.28</b>
<b>Impairment Loss</b>	-	-	-	-	-	-
As at 01.04.2016	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-
<b>As at 31.03.2017</b>	-	-	-	-	-	-
<b>Net Block</b>						
As at 01.04.2016	114.56	0.04	0.01	0.00	<b>114.61</b>	-
As at 31.03.2017	114.12	0.02	0.01	0.00	<b>114.16</b>	-

Depreciation and Amortisation for the year	<b>0.02</b>	0.05
Less: Transferred to Preoperative expenses pending allocation	<b>(0.02)</b>	(0.05)
Depreciation & Amortisation as per Profit and Loss Account	-	-
	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>
	₹ million	₹ million
Transitional Depreciation (Refer Note 2 (vii))	-	0.06
Less: Transferred to Preoperative expenses pending allocation	-	(0.06)
Depreciation & Amortization as per Profit and Loss Account	-	-

**8. Intangible Fixed Assets**
**Goodwill**
**Gross Block**

As at 01.04.2016

Additions during the year

As at 31.03.2017

**Amortisation**

As at 01.04.2016

Charge for the year

As at 31.03.2017

**Net Block**

As at 01.04.2016

As at 01.04.2017

	<b>As at 31.03.2017</b>	As at 31.03.2016
	₹ million	₹ million
As at 01.04.2016	30.00	30.00
Additions during the year	-	-
<b>As at 31.03.2017</b>	<b>30.00</b>	30.00
As at 01.04.2016	-	-
Charge for the year	-	-
As at 31.03.2017	-	-
As at 01.04.2016	30.00	30.00
<b>As at 01.04.2017</b>	<b>30.00</b>	30.00

**9 Capital work in Progress**

The Company's Subsidiary (SRM Energy Tamil Nadu Private Limited) is in the process of setting up Thermal Power Projects in the State of Tamilnadu. As such the related expenses incurred during the current year as per details below are considered as pre operative expenses pending capitalization (included under Capital Work in Progress) and will be apportioned to the assets on completion of the project:

Particulars	As on 31.03.2017 (₹ million)	As on 31.03.2016 (₹ million)
<b>Opening Balance</b>	<b>306.70</b>	<b>299.68</b>
Less: Written off during the year	-	-
<b>Add: Expenditure incurred during the current year</b>		
Salaries and Perquisites	3.87	5.62
Staff Welfare Expenses	0.01	-
Legal & Professional Fees	1.22	0.17
Travelling & Conveyance Expenses	0.07	0.08
Telephone / Internet Expenses	0.05	0.10
Auditors' Remuneration	0.12	0.11
Demerger Exp	-	-
Rates and Taxes	0.10	0.02
Rent and Compensation	0.40	0.41
Vehicle Running Expenses	-	-
Repairs and Maintenance	-	0.01
Electricity Expenses	0.01	0.04
Printing & Stationery	0.01	0.03
Courier/Postage	0.01	0.01
Advances written off	37.81	
Miscellaneous Expenses	0.17	0.30
Loss/Discard in Sale of Assets	-	-
Interest and Bank Charges(previous year @= 2505)	0.00	0.01
Depreciation & Amortization	0.02	0.05
Depreciation for the last financial year	-	0.06
Total	<b>43.86</b>	7.01
Less: Other Income	<b>44.07</b>	-
Net Expenses for the year	<b>(0.21)</b>	7.02
<b>Closing Balance</b>	<b>306.49</b>	306.70

**10. Loans and Advances**

	Long Term		Short Term	
	As on 31.03.2017 ₹ million			
<b>a Capital Advances</b>				
Secured Considered good	-	-	-	-
Unsecured Considered good	6.01	92.03	-	-
	<b>6.01</b>	<b>92.03</b>	-	-
<b>b Security Deposit</b>				
Secured Considered good	-	-	-	-
Unsecured Considered good	-	0.26	0.41	0.41
	-	0.26	<b>0.41</b>	<b>0.41</b>
<b>c Other Loans &amp; Advances</b>				
Unsecured Considered goods				
Advance recoverable in cash or in kind	-	-	0.07	0.04
	-	-	<b>0.07</b>	0.04
<b>Total (a+b+c)</b>	<b>6.01</b>	<b>92.29</b>	<b>0.48</b>	<b>0.45</b>

	As on 31.03.2017 ₹ million	As on 31.03.2016 ₹ million
<b>11. Cash and Cash Equivalents</b>		
Balances with Banks in Current Account	0.21	0.24
Cash in Hand	0.05	0.04
	<b>0.26</b>	0.28
<b>12. Other Income</b>		
Excess Provision for earlier years written back	0.28	-
Interest on income tax refund/TDS written off recovered (@= ₹ 2820, Previous Year @= '3250)	0.00	@
	<b>0.29</b>	-
<b>13 Employee Benefit expenses</b>		
Salaries	1.12	2.40
Gratuity (refer note no. 17)	0.75	0.18
Leave Encashment	0.01	0.21
	<b>1.88</b>	2.79
	<b>As on 31.03.2017</b>	As on 31.03.2016
	₹ million	₹ million
<b>14 Other Expenses</b>		
Advertisement Expenses	0.09	0.11
Auditors' Remuneration	0.39	0.32
Postage, Telephone, Telex & Courier Charges	0.00	0.40
Printing and Stationery	0.00	0.25
Rent	0.26	0.50
Legal and Professional Charges	0.27	0.32
Rates & Taxes	0.02	0.05
Interest on TDS	0.63	-
Secretarial Service Charges	0.32	0.21
Travelling & Conveyance Expenses	-	0.10
Annual Listing Fees	0.23	0.11
Miscellaneous Expenses	0.29	0.36
	<b>2.50</b>	2.73

**15 Capital and other commitments**

- i) Estimated amount of contract remaining to be executed on capital account net of advances paid as at 31/03/2017 : Nil and as at 31/03/2016 : Nil
- ii) For commitment relating to lease arrangements, please Refer Note 20 below.

**16 Contingent Liabilities:**

- 16.1 Disputed dues of Income tax due to non/late deposit of TDS for the assessment years 2008-09 to 2014-15: ₹ 0.52 million/- (Previous year - 0.89 million).
- 16.2 There has been an instance of non-compliance of Section 185 and 188 of Companies Act, 2013(earlier section 295 and 297of Companies Act,1956) in 2007-08 for which compounding application has been filed with Company Law Board/ National Company Law Tribunal.

**17 Disclosure of "Employee Benefits" as per Accounting Standard 15 are as follows:**

Defined Benefits Plans

**Gratuity**

	2016-17	2015-16
Actuarial Assumptions		
Discount Rate (Per Annum)	7.29%	7.90%
Rate of increase in compensation levels	5%	5%
Expected average remaining lives of the employees (in no of years)	15	11-12
Attrition	2%	2%
	₹ million	₹ million

**Particulars**

**2016-17**      **2015-16**

**Change in Present Value of Obligation**

<b>I Present value of defined benefits obligation as at the beginning of the year</b>	<b>0.71</b>	0.88
Net Liability/Asset transferred out	(0.63)	-
Interest Cost	0.05	0.04
Current Service Cost	0.85	0.28
Benefits Paid	-	(0.50)
Actuarial (Gain) / loss on obligation	(0.14)	0.01
Present value of defined benefits obligation as at the end of the year	<b>0.84</b>	0.71
<b>II Amount recognised in the Balance Sheet</b>		
Liability at the end of the year	<b>0.84</b>	0.71
Fair Value of Plan Assets at the end of the year		
Amount recognised in the Balance Sheet	<b>0.84</b>	0.71
<b>III Expenses recognised in the Pre-operative Expenses / Statement of Profit and Loss</b>		
Current Service Cost	<b>0.85</b>	0.28
Past Service Cost	-	-
Interest Cost	<b>0.05</b>	0.04
Expected Return on Plan Assets		
Net Actuarial (Gain)/Loss Recognised in the year	<b>(0.14)</b>	0.01
Total expenses recognised in the Preoperative Expenses / Statement of Profit and Loss	<b>0.76</b>	0.33
<b>IV Balance Sheet Reconciliation</b>		
Liability at the beginning of the year	<b>0.71</b>	0.88
Net Liability/Asset transferred out	<b>(0.63)</b>	-
Expenses as above(Refer Point III)	<b>0.76</b>	0.33
Employers' Contribution	-	(0.50)
Amount recognised in the Balance Sheet	<b>0.84</b>	0.71

**V Disclosures required under Para 120(n)**

Particulars	2016-17	2015-16	2014-15	2013-14	2012-13
Present Value of defined benefit obligation	<b>0.84</b>	0.71	0.88	<b>0.6</b>	1.48
Fair Value of plan Asset	-	-	-	-	-
Surplus / (Deficit) in the Plan	<b>(0.84)</b>	(0.71)	(0.88)	<b>(0.61)</b>	(1.48)
Experience adjustment on liability {loss/(gain)}	<b>(0.14)</b>	0.01	0.12	<b>(0.10)</b>	0.05

The estimates of future salary increase, considered in actuarial valuation take account of inflation, seniority, promotion, and other relevant factors, such as supply and demand in the employment market.

**18 Segment Reporting :**

The Group is in the process of setting up Power Project, which in the context of AS-17 on ' Segment Reporting', constitutes single operating segment.

**19 Related Party Transactions as per Accounting Standard – 18:**
**A List of Related Parties**
**1) Holding Company :**

Spice Energy Pvt. Ltd.

**2) Enterprises over which key management personnel and relatives of such personnel exercise significant influence**

Sovinchem Industries Pvt. Ltd.

**3) Key Management Personne :**

Mr. Vishal Rastogi Managing Director

Mr. Achyut Ganapati Pai Chief Financial Officer

Ms Ruchi Singh Company Secretary

**4) Relatives of Key Management Personnel**

Mr. Gagan Rastogi (Relative of Mr. Vishal Rastogi)

Mr. Deep Kumar Rastogi (Relative of Mr. Vishal Rastogi)

**B. Transactions with Related Parties**

₹ million

Particulars	Holding Company		Key Management Personnel and Relatives of Key Management Personnel*		"Enterprise in which key management personnel and their relatives exercise significant influence"	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Loans Repaid	30.65	37.83	94.07	-	-	-
Loans Taken	3.03	6.22	39.15	44.15		
Closing Balance:						
Loan Payable	71.65	99.27	390.43	445.35	1.50	1.50

\* Loan taken includes Loan taken from Mr. Gagan Rastogi amounting to Rs 39.15 Millions (44.15 Millions) and Loan payable includes Loan payable to Mr. Gagan Rastogi amounting to Rs. 390.43 Millions (445.35 Millions)

**20 Disclosure as required by Accounting Standard -19 are as follows:**

"Disclosure as required under AS - 19 "Accounting for Leases" as prescribed under Companies (Accounting Standards) Rules, 2006 is given below:

- The Company has entered into cancellable / non-cancellable leasing agreement for office premises renewable by mutual consent on mutually agreeable terms.
- Future minimum lease payments under non-cancellable operating lease are as under:"

₹ million

Particulars	Lease Rental Debited to Statement of Profit and Loss / pre-operative expenses (Cancellable and Non cancellable)	Future Minimum Lease Rentals		
		Less Than 1 Year	Between 1 to 5 Years	More than 5 Years
Office Premises	0.65		-	-

Total lease payments recognised in Statement of Profit and loss / pre operative expenses during the year was ₹ 0.70 million (Previous Year : ₹0.90 million)

**21 Earnings Per Share (EPS):**

Particulars	As at 31.03.2016 ₹ million	As at 31.03.2016 ₹ million
Net Loss as per Statement of Profit and Loss (in ₹)	(4.09)	(5.52)
Weighted average number of equity shares (par value of ₹10/- each)	9.06	9.06
Earnings per share (Face value of ₹ 10/- each)- Basic and Diluted (in ₹)	(0.45)	(0.61)

**22 Deferred Tax:**

Deferred tax Asset has not been recognized considering the principle of virtual certainty as per Accounting Standard -22 'Accounting for Taxes on Income'.

**23 Discontinuing Operations :**

Pursuant to the resolution passed at the meeting of Board of directors of SRM Energy limited (Holding Company) held on March 09, 2015 to sale/ dispose off the Power Plant of its subsidiary viz. SRM Energy Tamilnadu Private Limited, subject to the necessary approvals from the shareholders and other statutory authorities, the following disclosures are being made as per the AS – 24 on Discontinuing Operations.

1) SRM Energy Tamilnadu Private Limited (the Company), wholly owned subsidiary of SRM Energy Limited, is a private company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is in the process of setting up of the Thermal Power Project of 3 X 660 MW i.e. 1980 MW capacity in Tamilnadu. The said power project is still in Pre-operative stage and no expenses have been charged to Statement of Profit and Loss.

2) As the Company, at present, is operating in single segment viz. setting up of Thermal power project, only as per AS-17 on 'Segment Reporting', the disclosure as required by AS 17, Segment Reporting is not applicable;

3) At the meeting of Board of directors of SRM Energy limited (Holding Company) held on March 09, 2015, resolution has been passed to sale/ dispose off the Power Plant of its subsidiary viz. SRM Energy Tamilnadu Private Limited, subject to the necessary approvals from the shareholders and other statutory authorities.

4) Since, the company is yet to find the proposed buyer, it is not possible to determine the date or period in which discontinuance is expected to be completed.

5) Since the company is in pre-operative stage, there was no revenue or profit attributable to the ordinary activities carried on by the company. The expenses and losses, incurred during the year are not being charged to the Profit and Loss account and the same are being considered under Capital Work-in-progress for pending allocation.

6) The amounts of net cash flows attributable to the operating, investing and financing activities of the discontinuing operation during the current financial reporting period are Rs. 81.85 millions, Rs. 0.67 millions and Rs. (82.54) millions respectively.

**24 Going Concern**

Though the Group's networth has been significantly reduced and it has been incurring cash losses, the promoters have infused funds by way of unsecured loan and are committed to provide necessary funding to meet the liabilities and future running expenses of the Group. In view of above, the accounts have been prepared under going concern basis.

**25 Pursuant to first provision to sub-section (3) of section 129 of the Companies Act, 2013, read with rule 5 of Companies (Accounts) Rules, 2014, Salient features of the financial statement of its subsidiary are as follows:-**

Name of the subsidiary SRM Energy Tamilnadu Pvt. Ltd.

Particulars	₹ million
Share Capital	13.2
Reserves & Surplus	1.01
Total Assets	458.12
Total Liabilities	445.93
Investment	-
Turnover	-
Profit/(Loss) before Taxation	-
Provision for Taxation	-
Profit/(Loss) after Taxation	-
Proposed Dividend	-
% of Shareholding	100%

**26 Particulars of Derivative Instruments as at March 31, 2017 :**

- i) No derivative instruments are acquired for hedging purposes.
- ii) No derivative instruments are acquired for speculation purposes
- iii) Foreign currency exposures that are not hedged by derivative instruments or otherwise are :
  - Capital advance of USD 0.10 million (previous year USD 0.10 million)

- 27 Based on the information available with the company, both the balances due to Micro & Small Enterprises as defined under the MSMED Act, 2006 and interest paid /payable during the year under the terms of said act under the terms of MSMED Act are Nil (previous year nil). The auditors have relied upon in respect of this matter.
- 28 In the opinion of the management, the realizable value of Current Assets, loans and Advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provision for all known and determined liabilities are adequately made.
- 29 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates/ Joint Ventures.

Name of the Company	Net Assets i.e. total assets minus total liabilities As % of consolidated net assets	Share in Profit / (Loss)		
		Amount (₹ in Millions)	As % of consolidated profit and loss	Amount (₹ in Millions)
Parent				
SRM Energy Limited	89%	(8.50)	100%	(4.09)
Subsidiary (Indian)				
SRM Energy Tamilnadu Pvt. Ltd.	(127%)	12.19	0%	-
Adjustments arising out of consolidation		(13.26)		-
Consolidated Net Assets/ Profit after Tax		(9.57)		(4.09)

- 30 In terms of notification dated 30th March 2017 issued by Ministry of Corporate Affairs, The company is required to disclose the details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016. The said information is provided in the table below.

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016			0.10
(+) Permitted receipts			0.05
(-) Permitted payments			0.08
(-) Amount deposited in Banks			-
Closing cash in hand as on 30.12.2016			0.07

- 31 Previous year figures have been regrouped and rearranged wherever necessary. to make them comparable to those for the current year. Figures in bracket indicate previous year's figures.
- 32 During the year the liabilities relating to the leave encashment has been calculated and fully paid up. Further no provisions has been created for the same as the leave encashment policy has been abolished, effective from 01<sup>st</sup> April, 2017.
- 33 The Income Tax Department has issued an order for the A.Y.2008-09 disallowing Rs.51.12 lacs w.r.t sales tax liabilities covered under the sales tax deferral scheme and for the A.Y.2013-14 disallowed Rs.8.31 lacs for the assessment u/s 143(3). The Company has filed appeals before CIT(A) in both the above matter.
- 34 Figures are rounded off to the million. @'- represents figures less than Rs. 5,000 which have been shown at actual in brackets with @.

As per our attached report of even date

**For VATSS & Associates**

Chartered Accountants

ICAI Firm Registration No. 017573N

Suresh Kumar Arora  
Partner

Membership No.090862

Place : New Delhi  
Date : 26/05/2017

For and on behalf of the Board of Directors

**Vishal Rastogi**  
Managing Director  
DIN:02780975

**Sameer Rajpal**  
Director  
DIN:05184612

**Achyut Ganapati Pai**  
Chief Financial Officer

**Ruchi Singh**  
Company Secretary

**SHAREHOLDERS INSTRUCTIONS FOR E-VOTING**

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 24, 2017 at 09:00 A.M. and ends on September 26, 2017 at 05:00 P.M. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members holding shares in physical or in demat form as on cut-off date, i.e., September 20, 2017 shall only be eligible for e-voting.
- (ii) Shareholders who have already voted through e-voting prior to the meeting date would not be entitled to vote through physical mode at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

**Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.)**

- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. Sequence number is printed on the stickers pasted on the cover of the Annual Report.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details  OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the '**SRM Energy Limited**' on which you choose to vote.

- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take print out of the voting done by you by clicking on “Click here to print” option on the voting page.
- (xviii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians :
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. Corporates and Custodians already registered with CDSL should use their login details.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - The Admin login details will be sent by CDSL. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 20, 2017 may follow the same instructions as mentioned above for e-Voting.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other Information:**

- Pursuant to Section 108 and corresponding Rules of Companies Act, 2013, the Company will provide e-voting facility to the members. All business to be transacted at the annual general meeting can be transacted through the electronic voting system.
- The notice of annual general meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on Friday, 25<sup>th</sup> August, 2017.
- The Voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company.
- Mr. Ankush Agarwal, Managing Partner, of M/s. Forecore Professionals LLP has been appointed as Scrutinizer to scrutinize the e-voting process and also the voting done through Physical ballot at the AGM venue and for conducting the same in a fair and transparent manner.
- Notice of the meeting is also displayed at [www.srmenergy.in](http://www.srmenergy.in).
- Scrutinizer shall, after scrutinizing the votes cast at the AGM and through Remote E-voting, not later than 2 (two) days from the conclusion of the AGM submit a consolidated Scrutinizer’s report to the Chairman. The Result of the voting will be announced by the Chairman of the meeting on or after the 30<sup>th</sup> AGM to be held on 27<sup>th</sup> September, 2017 and will be communicated to the Stock Exchange and placed on the website of the Company, i.e., [www.srmenergy.in](http://www.srmenergy.in) .

## Notes

A series of 25 horizontal dotted lines for writing notes.





Proxy Form

**SRM ENERGY LIMITED**

**CIN: L17100DL1985PLC303047**

**Regd. off:** 206, 2<sup>nd</sup> Floor, Suneja Tower-2, District Center, Janakpuri, New Delhi- 110058

**Phone:** +91 (11) 45067736, **Email:** info@srmenergy.in, **Web:** www.srmenergy.in

**PROXY FORM: 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	:

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

- Name : ..... Address : .....  
E-mail : ..... Signature : ..... , or failing
- Name : ..... Address : .....  
E-mail : ..... Signature : ..... or failing him
- Name : ..... Address : .....  
E-mail : ..... Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday the 27<sup>th</sup> Day of September, 2017 at Executive Club, Dolly Farms & Resorts 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi 110074 at 11:30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below :

**Ordinary Business:**

- To receive, consider and adopt the audited financial statement of the Company for the financial year ended 31<sup>st</sup> March, 2017 and the Reports of Director's and Auditor's thereon.
- To appoint a Director in place of Mr. Vishal Rastogi (DIN- 02780975) who retires by rotation and being eligible, offers himself for reappointment.
- To ratify the appointment of M/s VATSS & Associates, Chartered Accountant (Firm Registration No.- 017573N) as statutory auditors of the Company for the Financial year 2017-18 at remuneration of Rs. 1,50,000/- (exclusive of taxes), as recommended by the Board in consultation with the Auditors.

Signed this..... day of..... 20....

Signature of shareholder \_\_\_\_\_ Signature of Proxy holder (s) \_\_\_\_\_

Affix  
Revenue  
Stamp

Note: 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.



**SRM ENERGY LIMITED**

**CIN: L17100DL1985PLC303047**

**Regd. off:** 206, 2<sup>nd</sup> Floor, Suneja Tower-2, District Center, Janakpuri, New Delhi- 110058

**Phone:** +91 (11) 45067736, **Email:** info@srmenergy.in, **Web:** www.srmenergy.in

**30<sup>TH</sup> ANNUAL GENERAL MEETING**

**ATTENDANCE SLIP**

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE AGM PREMISES.**

I/We hereby record my/our presence at the 30<sup>th</sup> Annual general meeting of the Company to be held on **Wednesday, September 27, 2017 at 11.30 a.m.** at Executive Club, Dolly Farms & Resorts 439, Village Shahurpur, P.O. Fatehpur Beri, New Delhi 110074.

Name(s) of the Shareholder(s) or Proxy (in Block Letters)	No. of Shares held	Registered Folio/Client ID No./DP ID No.

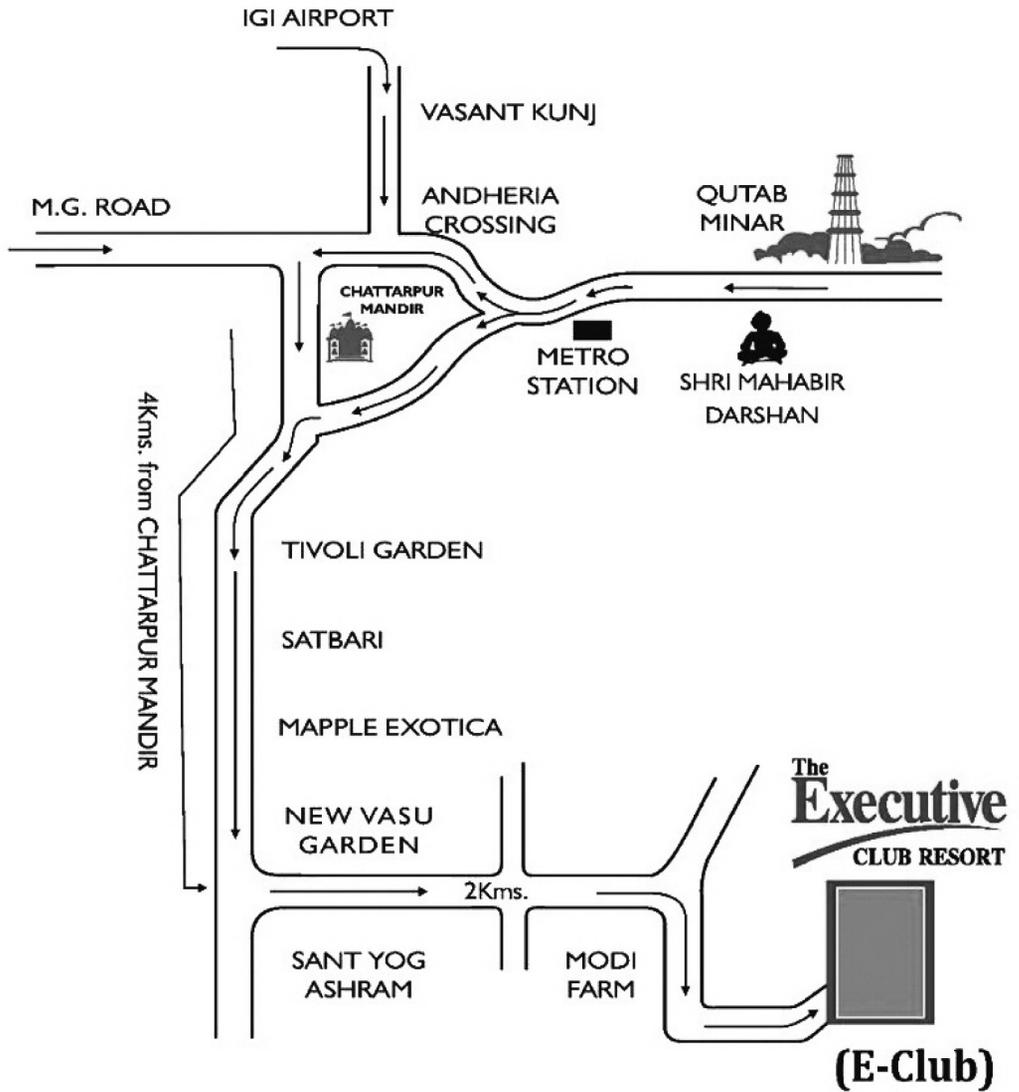
I certify that I am a member/proxy/ authorized representative for the member of the Company.

**PLEASE CARRY YOUR COPY OF ANNUAL REPORT**

**NO GIFTS/SNACKS WILL BE PROVIDED AT THE MEETING**

Signature/s of the Shareholders/s or Proxy  
(To be signed at the time of handing over the slip)

# ROUTE MAP OF EXECUTIVE CLUB, THE AGM VENUE



If undelivered, please return to :-

**SRM ENERGY LIMITED**

Unit No. 206, 2nd Floor, Suneja Tower-II

District Centre, Janakpuri, New Delhi-110058