



SRM ENERGY LIMITED

**31st Annual Report
2017-2018**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vishal Rastogi	Managing Director
Mr. Sameer Rajpal	Non-Executive & Independent Director (Resigned on 23.10.2017)
Mr. Pranav Kumar	Non-Executive & Independent Director (Resigned on 14.11.2017)
Mr. Vijay Kumar Sharma	Non-Executive & Independent Director
Mrs. Tanu Agarwal	Non-Executive Woman Director
Mr. Shailesh Kumar Singh	Non-Executive & Independent Director (Appointed on 14.11.2017)

CS & COMPLIANCE OFFICER

Ms. Ruchi Singh (Resigned on 26.07.2018)

CHIEF FINANCIAL OFFICER (CFO)

Mr. Bhupender Sharma (Appointed on 14.03.2018)
Mr. Achyut Ganapati Pai (Resigned on 15.09.2017)

BANKERS

Axis Bank Limited

STATUTORY AUDITORS

M/s VATSS & Associates

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area Phase-1,
New Delhi-110020.

Tel. No. : 011-41406149/50/51

Fax :011-41709881

Email : admin@mcsregistrars.com

Website : www.mcsregistrars.com

CIN: L17100DL1985PLC303047

LISITNG OF SECURITIES

The Bombay Stock Exchange Ltd. (BSE Ltd.)
PhirozeJeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai- 400001

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NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the members of SRM Energy Limited will be held on Thursday, September 27, 2018 at 11.00 a.m. at Federation of Indian Export Organisations, Niryat Bhawan, Rao Tula Ram Marg, OPP. Army Hospital Research and Referral, New Delhi 110 057, 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 31st March, 2018 and the Reports of Director's and Auditors thereon.

Item No. 2: Appointment of Directors:

To appoint a Director in place of Ms. Tanu Agarwal (DIN-07134266) who retires by rotation and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:**Item No. 3: Regularization of appointment of Mr. Shailesh Kumar Singh (DIN:07688944) as an Independent Director of the Company:**

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

"RESOLVED THAT pursuant to Section 149, 152, Schedule-IV and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shailesh Kumar Singh (DIN: 07688944), who was appointed as an Additional Director of the Company with effect from 14th November, 2017 by the Board of Directors and who holds office upto the date of this Annual General Meeting of the Company under Section 161 (1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold office as such upto 13th November, 2022, who shall not be liable to retire by rotation."

Item No. 4: Re-appointment of Mr. Vijay Kumar Sharma (DIN: 03272034) as an Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Vijay Kumar Sharma (DIN: 03272034), Director of the Company, whose period of office is liable to determination by the retirement of Director by

rotation on March 31, 2019, and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for another term of five consecutive years with effect from April 1, 2019 to March 31, 2024 and the term shall not be subject to retirement by rotation."

Item No. 5: Re-appointment of Mr. Vishal Rastogi (DIN: 02780975) as a Managing Director of the Company:

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

"RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the consent of Members of the Company be and is hereby accorded to re-appoint Mr. Vishal Rastogi (DIN 02780975) as Managing Director of the Company without remuneration for the period of five years with effect from February 21, 2019 on the terms and conditions as set out in the Explanatory Statement annexed to this Notice."

RESOLVED FURTHER THAT the Managing Director will be authorized to exercise such powers of management, as maybe delegated to him by the company from time to time, subject however, to the overall superintendence, control and supervision of the Board of Directors of the company."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

By Order of the Board of Directors

Place: New Delhi
Date: August 13, 2018

(Vishal Rastogi)
Managing Director
DIN: 02780975

NOTES

1. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, which sets out details relating to the special business as mentioned in notice and to be transacted at the Annual General Meeting is annexed hereto.

2. 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, 2nd 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.
3. 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.
4. 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.
5. In case of Joint holders attending the meeting, only such holder who is higher in the order of names will be entitled to vote.
6. 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.
7. 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 Friday 21st September, 2018 to Thursday 27th September, 2018 (both days inclusive)** for annual closing.
8. 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.
9. 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.
10. Members/Proxy holders are requested to produce at the entrance of hall, attendance slips duly completed and signed, in accordance with the specimen signature registered with the Company for admission to the Meeting Hall.
11. 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:**
 1. are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR Code of the branch, type of account and account number to our Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited, F 65, 1st Floor, Okhla Industrial Area Phase I, New Delhi-110020.
 2. notify immediately the change of address, if any, to the Company at Unit No. 206, 2nd 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, 1st 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, MCS Share Transfer Agent Limited at the aforesaid address for consolidation of all such shareholdings into one account to facilitate better service.
12. 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.
13. Pursuant to Sections 101 and 136 of the Companies Act, 2013, read with rules made thereunder the Annual Report 2017-18 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 2017-18 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".

14. 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, 1st 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.
15. 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.
16. **At the 28th Annual General Meeting (AGM) of the Company held on 30th September, 2015, the members approved appointment of M/s VATSS & Associates, Chartered Accountants, New Delhi (Firm Registration No.- 017573N) as Statutory Auditors of the Company for a term of 5 years from the conclusion of that AGM till the conclusion of the 33rd AGM of the Company to be held in the year 2020 (subject to ratification of their appointment at every AGM). Accordingly, their appointment was ratified/ approved by the members in 29th and 30th AGM of the Company.**
The ratification of their appointment, pursuant to Section 139 of the Companies Act, 2013, is not required, in terms of Notification No. S.O. 1833(E) dated May 7, 2018, issued by the Ministry of Corporate Affairs and accordingly, the item has not been included in the Ordinary Business of the AGM Notice.
17. 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 provided to all the Members at the end of the

Annual Report, 2017-18. 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.

18. **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.
19. 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.
20. 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.
21. Route Map and details of prominent land mark of the venue of the meeting is annexed with this notice.
22. **Important Communication to Members**

This is to kindly inform to all the shareholders of the Company that the Securities and Exchange Board of India (SEBI) has amended the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, vide Gazette notification dated 08.06.2018, the SEBI vide this amendment has mandated that the transfer of securities/shares will be carried out in dematerialized form only.

In context to the aforesaid changes in the Regulations, all the shareholders of the Company are advised to dematerialize their physical shareholding at the earliest to avoid any inconvenience. Please note that after 04.12.2018 the Company cannot process the application for transfer of securities in physical form. Members can write to the Registrar in this regard.

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.

	(1)	(2)
Name of Director	Ms. Tanu Agarwal	Mr. Shailesh Kumar Singh
DIN	07134266	07688944
Brief Resume and Nature of his/her expertise in specific functional areas	Ms. Tanu Agarwal is a Woman Non-Executive Director and is on the Board of the Company since 1 st April, 2015. She has varied experience of more than 16 Years in the field of Corporate Laws and practical business knowledge. She is well aware of handling compliances and also possesses deep understanding about the business operations.	Mr. Shailesh Kumar Singh is an Additional Director of the Company, who was appointed in the category of Independent and Non-Executive, on 14 th November, 2017. He is practicing professional and now consulting to the Corporate Sector, after having varied service experience in the corporates. He is Company Secretary with an experience of almost 12 years, he also posses degree of law.
Date of Birth	17 th December, 1978	15 th February, 1981
Qualifications	She is a law graduate and also holds a post graduate degree in Commerce. In addition to above, she is Fellow member of The Institute of Companies Secretaries of India (ICSI).	He is law graduate and also holds graduate degree in Commerce. In addition to above, he is Fellow member of The Institute of Companies Secretaries of India (ICSI).
Terms and conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Ms. Tanu Agarwal shall retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers herself for re-appointment.	In terms of Section 161(1) of the Act, Mr. Shailesh Kumar Singh holds office only upto the date of the forthcoming AGM but is eligible for appointment as a Director. A notice under Section 160 (1) of the Companies Act, 2013, has been received from a Member signifying its intention to propose the appointment of Mr. Shailesh Kumar Singh as a Director of the Company, subject to approval of the Members in the ensuing annual general meeting, whose office shall not be liable to retire by rotation. The above Director has given declaration to the Board that he meets the criteria of Independent Director as per the provisions under Section 149(6) of the Companies Act, 2013 and Listing Regulations.
Details of Remuneration and remuneration last drawn	NIL	NIL
Date of first appointment in the Board	1 st April, 2015	14 th November, 2017
Shareholding in the Company	Nil	25 Equity Shares
Relationship with other Directors, Manager and other Key Managerial Personnel (if any)	N.A.	N.A.
Number of Meetings of the Board attended during the year	Details mentioned in the Corporate Governance Report	Details mentioned in the Corporate Governance Report
Details of other Directorships in other Companies	As on the date of this report, she does not hold Directorship in any other Listed Company apart from this Company.	As on the date of this report, he does not hold Directorship in any other Listed Company apart from this Company.
Details of Membership/ Chairmanship of Committees of the Boards in other Companies	NIL	NIL

	(3)	(4)
Name of Director	Mr. Vijay Kumar Sharma	Mr. Vishal Rastogi
DIN	03272034	02780975
Brief Resume and Nature of his/her expertise in specific functional areas	He is a Bachelor in Science from Punjab University. He has been associated in the corporate sector since last 39 years. He is having vast and varied experience in the field of Accounts and Finance. He has also handled the job relating to marketing of various products of the Company mainly in Laboratory Chemicals. He is a Non-Executive Independent Director of the Company.	He is a Promoter Director and is on the Board of the Company since 21 st February, 2014. He has vast and rich experience of 16 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.
Date of Birth	16 th May, 1948	11 th September, 1980
Qualifications	Bachelor in Science from Punjab University	He is Master of Computer Systems from London, UK.
Terms and conditions of Re-appointment	<p>As per Section 149(10) and 152 of the Companies Act, 2013, an independent Director shall hold office for a term of five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a Special resolution by the Company for another term of five consecutive years on the Board of a Company.</p> <p>In view of the aforesaid provisions of Law and after considering Mr. Sharma's appreciable involvement in the functioning of Board and its committees and his valuable guidance to the management, it is proposed to re-appoint Mr. Vijay Kumar Sharma as an Independent Director of the Company for a period of five years w.e.f. 1st April, 2019 upto 31st March, 2024.</p> <p>The above Director have given declaration to the Board that he meets the criteria of Independent Director as per the provisions under Section 149(6) of the Companies Act, 2013 and Listing Regulations.</p>	<p>In terms of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the office of Mr. Vishal Rastogi, Managing Director of the Company is scheduled to be completed on 20th February 2019.</p> <p>However, considering the recommendations of Nomination & Remuneration Committee and the Board of Directors but subject to the consent of Members of the Company, it is proposed to re-appoint Mr. Vishal Rastogi (DIN 02780975) as Managing Director of the Company without remuneration for the period of five years with effect from 21st February 2019.</p>
Details of Remuneration and remuneration last drawn	NIL	NIL
Date of first appointment in the Board	11 th February, 2014	21 st February, 2014
Shareholding in the Company	NIL	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel (if any)	NA	N.A.
Number of Meetings of the Board attended during the year	Details mentioned in the Corporate Governance Report	Details mentioned in the Corporate Governance Report

Details of Directorships in other Companies	He is serving the following Companies, as a Director/Additional Director: 1. Metropolitan Minerals Private Limited 2. Chemical Distributors (I) Limited 3. SRM Energy Tamilnadu Private Limited 4. Green Field Land And Development Housing Private Limited 5. BND Gas Private Limited (Additional Director) He does not hold Directorship in any other Listed Company apart from this Company.	He is serving the following Companies/LLP, as a Director/Partner: 1. SRM Energy Tamilnadu Private Limited 2. Metropolitan Oil and Gas Private Limited 3. Delhikem India Private Limited 4. Nyra Holdings Private Limited 5. BND Gas Private Limited 6. Encode Net Ventures Private Limited 7. Metropolitan Gas LLP (Designated Partner) He does not hold Directorship in any other Listed Company apart from this Company.
Details of Membership/ Chairmanship of Committees of the Boards in other Companies	Nil	Nil

EXPLANATORY STATEMENT

As required under Section 102 of the Companies Act, 2013, the following Explanatory Statements sets out all material facts relating to the business mentioned under Item Nos. 3 to 5 of the accompanying Notice dated 13th August, 2018:

Item No. 3: Regularization of appointment of Mr. Shailesh Kumar Singh (DIN: 07688944) as an Independent Director of the Company:

The Board of Directors had appointed Mr. Shailesh Kumar Singh as the Additional Director of the Company pursuant to the provisions of the Companies Act, 2013 read with Articles of Association of the Company and in compliance with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the category of Independent Director, with effect from 14th November, 2017.

Presently Mr. Shailesh Kumar Singh is acting as an Independent Director on the Board as per the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He will hold office up to the date of ensuing Annual General Meeting. In pursuance of the provisions of Section 149, 152, Schedule IV and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, Mr. Shailesh Kumar Singh being eligible and offering his appointment, is proposed to be appointed as an Independent Director for a period up to November 13, 2022, not liable to retire by rotation.

The Company has received a notice in writing from a member signifying its intention to propose the candidature of Mr. Shailesh Kumar Singh for the office of Independent Director of the Company under the provisions of Section 160 of the Companies Act, 2013. Further the Nomination and Remuneration Committee has recommended his name to the Board of Directors of the Company and in the opinion of the Board also Mr. Shailesh Kumar Singh fulfills the conditions specified for his appointment as independent director of the Company as per the Companies Act, 2013, and rules made thereunder, moreover Mr. Shailesh Kumar Singh is also an Independent to the management of the Company.

In terms of Companies Amendment Act, 2017 (relevant provisions notified on 09.02.2018), the requirement to deposit Rs. 1,00,000 towards the proposal of the candidature of directorship as aforementioned is not required due to the following provision of Section 160 of

the Companies Act, 2013;

“Provided that requirements of deposit of amount shall not apply in case of appointment of an independent director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee.”

Hence the proposal by the member in the name of Mr. Shailesh Kumar Singh for his appointment, is made without deposit of any amount.

Mr. Shailesh Kumar Singh is practicing professional and now consulting to the Corporate Sector, after having varied service experience in the corporates. He is Company Secretary with an experience of almost 12 years. He is law graduate and also holds graduate degree in Commerce.

The Company has received from Mr. Shailesh Kumar Singh (i) consent in writing to act as Director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in form Dir 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub section (2) of section 164 of the Companies Act, 2013 (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013.

As in the opinion of the Board and Nomination and Remuneration Committee, Mr. Shailesh Kumar Singh fulfills the conditions specified in the Law to be appointed as Independent Director of the Company. A copy of the draft letter for his appointment as an independent Director setting out the terms and conditions, is available for inspection without any fee by the members, at the Company's registered office during normal business hours on working day up to the date of the AGM.

Having regard to his qualifications, knowledge and experience his appointment as an Independent Director

will be in the interest of the Company. The Board of Directors accordingly recommends the resolution set out at Item No. 3 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel, and/or their relatives, except Mr. Shailesh Kumar Singh is, in any way, concerned or interested in the said resolution.

Item No. 4: Re-appointment of Mr. Vijay Kumar Sharma (DIN: 03272034) as an Independent Director of the Company:

The Members at the 27th Annual General Meeting held on 30th September, 2014 approved the appointment of Mr. Vijay Kumar Sharma as an Independent Director of the Company for a period of five years with effect from 1st April, 2014. His term of office will be completed on 31st March, 2019.

Presently, Mr. Vijay Kumar Sharma is acting as an Independent Director on the Board as per the requirements of Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Sharma is a Bachelor in Science from Punjab University. He has been associated in the corporate sector since last 39 years. He is having vast and varied experience in the field of Accounts and Finance. He has also handled the job relating to marketing of various products of the Company mainly in Laboratory Chemicals.

In terms of Section 149(10) and 152 of the Companies Act, 2013, an independent Director shall hold office for a term of five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a Special resolution by the Company for another term of five consecutive years on the Board of a Company.

The Company has received a notice in writing from a member signifying its intention to propose the candidature of Mr. Vijay Kumar Sharma for the office of Independent Director of the Company under the provisions of Section 160 of the companies Act, 2013. Further the Nomination and Remuneration Committee has recommended his name to the Board of Directors of the Company and in the opinion of the Board also Mr. Vijay Kumar Sharma fulfills the conditions specified for his appointment as independent director of the Company as per the Companies Act, 2013, and rules made thereunder.

In terms of Companies Amendment Act, 2017 (relevant provisions notified on 09.02.2018), the requirement to deposit Rs. 1,00,000 towards the proposal of the candidature of directorship as aforementioned is not required due to the following proviso of Section 160 of the Companies Act, 2013;

"Provided that requirements of deposit of amount shall not apply in case of appointment of an independent director or a director recommended by the Nomination and Remuneration Committee, if any, constituted under sub-section (1) of section 178 or a director recommended by the Board of Directors of the Company, in the case of a company not required to constitute Nomination and Remuneration Committee."

Hence the proposal by the member in the name of

Mr. Vijay Kumar Sharma for his appointment, is made without deposit of any amount.

The Company has received from Mr. Vijay Kumar Sharma necessary consents/declarations in writing, to the effect that he meets the criteria of independence as provided in sub-section (6) of section 149 of the Companies Act, 2013.

As in the opinion of the Board and Nomination and Remuneration Committee Mr. Vijay Kumar Sharma fulfills the conditions specified in the Law to be appointed as Independent Director of the Company for an another period of 5 years commencing from 1st April, 2019 to 31st March, 2024. A copy of the draft letter for his appointment as an Independent Director setting out the terms and conditions, is available for inspection without any fee by the members, at the Company's registered office during normal business hours on working day up to the date of the AGM.

Having regard to his qualifications, knowledge and experience and active involvement in the affairs of the company, his appointment as Independent Director will be in the interest of the Company. The Board of Directors accordingly recommends the resolution set out at Item No. 4 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel, and/or their relatives, except Mr. Vijay Kumar Sharma is, in any way, concerned or interested in the said resolution.

Item No. 5: Re-appointment of Mr. Vishal Rastogi (DIN: 02780975) as a Managing Director of the Company:

In terms of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, Mr. Vishal Rastogi was appointed as Managing Director of the Company on 21st February, 2014. His appointment was further approved by the shareholders of the Company in 27th AGM held on 30th September, 2014 for a period of 5 years without any remuneration.

His term of appointment as Managing Director of the Company is scheduled to be completed on 20th February, 2019. However, Considering his active involvement in the affairs of the Company, the Nomination and Remuneration Committee at their meeting held on 13th August, 2018, pursuant to the provisions of Section 196, 197 and 203 read with Schedule V of the Companies Act, 2013 recommended his appointment as Managing Director of the Company to the Board of Directors. The Board of Directors of the Company at their meeting held on the same date, i.e., 13th August, 2018 confirmed the recommendation of Nomination and Remuneration Committee w.r.t his appointment as Managing Director of the Company (without any remuneration) for a period of 5 years with effect from 21st February, 2019, subject to the approval of the members of the Company.

The aforesaid appointment was made majorly on the following Terms and Conditions;

1. The appointment of Mr. Vishal Rastogi as Managing Director of the company shall come into effect on 21/02/2019 for a period of five years,

subject to the approval of Shareholders in ensuing Annual General Meeting (AGM).

2. The Managing Director shall exercise and perform such powers and duties as the Board of Directors of the company (hereinafter called "the Board") shall, from time to time, determine, and subject to any directions and restrictions, given and imposed by the Board, management and superintendence of the business of the company and to enter into contracts on behalf of the company in the ordinary course of business and to do and perform all other acts, deeds, and things, which are in the best interest of the Company, except such things, acts and deeds, which requires specific approval of the Board, Shareholders etc. and those acts which are under the general powers and duties of the Managing Director of a Company.
3. The Managing Director shall throughout the said term, devote his time, attention and abilities to the business of the company and shall carry out the orders, from time to time, of the Board and in all respect conform to comply with the directions and regulations made by the Board, and shall faithfully serve the company and use his utmost endeavors to promote the interests of the company.
4. The Managing Director shall not, during the period of his employment and without the previous consent in writing of the Board, engage or indulge himself either directly or indirectly in the business or affairs of any other person, firm, company, body corporate or in any undertaking or business of a nature similar to or competing with the company's business.
5. The office and duties of Managing Director shall be govern by Articles of Associations of the Company and other applicable laws for the time being in force.
6. Based on the declaration/consent for such re-appointment by Mr. Vishal Rastogi, wherein he has confirmed that his appointment shall be made

without any remuneration, the same is done as such.

7. If at any time the Managing Director ceases to be a Director for any cause whatsoever, he shall also cease to be the Managing Director of the Company.

The members are requested to consider that he is under the category of Promoter Director and is on the Board of the Company since 21st February, 2014. He has vast and rich experience of 16 years in the field of trading of Minerals and Chemical products together with experience in the field of Oil and Gas.

In the opinion of the Board, Mr. Vishal Rastogi fulfills the conditions specified under Section 196, 197 and 203 of the Companies Act, 2013 read with Schedule V and rules made thereunder for his appointment as Managing Director of the Company.

Having regard to his qualifications, knowledge and experience his appointment as Managing Director will be in the interest of the Company. The Board of Directors accordingly recommends the resolution set out at Item No. 5 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel, and/or their relatives, except Mr. Vishal Rastogi is, in any way, concerned or interested in the said resolution.

By Order of the Board of Directors

Place: New Delhi
Date: August 13, 2018

(Vishal Rastogi)
Managing Director
DIN: 02780975

DIRECTOR'S REPORT

To

The Members of SRM ENERGY LIMITED

The Board of Directors hereby submits the 31st Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2018.

1. Financial Results

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

(in Rs. Million)

Particulars	Standalone		Consolidated	
	2017-18	2016-17	2017-18	2016-17
Revenue from Operations	-	-	-	-
Other Income	-	0.29	-	0.29
Total Revenue	-	0.29	-	0.29
Operational Expenses	-	-	-	-
Employee Benefit Expenses	3.17	1.88	3.17	1.88
Interest and Finance Charges	-	-	-	-
Depreciation and Amortizations	-	-	-	-
Other Expenses	1.11	2.50	1.11	2.50
Total Expenses	4.28	4.38	4.28	4.38
Profit/(Loss) before exceptional items	(4.28)	(4.09)	(4.28)	(4.09)
Exceptional Items	-	-	-	-
Profit/(Loss) for the year	(4.28)	(4.09)	(4.28)	(4.09)

2. Dividend

There is no profit arising out of the business activities, hence no dividend has been recommended by the Board of Directors for the financial year 2017-18.

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

There is no change in the status of the Project since last reported.

Your Company, through its wholly owned subsidiary, SRM Energy Tamilnadu Pvt. Ltd., had proposed to set up Thermal Power Projects at various locations in the state of Tamil Nadu with a capacity of 3X660 MW i.e. 1980 MW capacity.

The implementation of the project requires huge amount of investments and also the acquisition of considerable part of the land. Your management had put in its efforts to find the investors for the project, through the Merchant Bankers, but did not materialize, majorly due to:

- Current investment by the promoters being very low vis-a-vis the amount of investment needed for the implementation of the project.
- The unfavourable Industrial scenario, Govt. policies, Company's current status of approvals, status for the land acquisitions and its financial health etc.

Your Company has no other operations, hence, the related expenses incurred during the current period are considered as pre-operative expenses pending allocation to the power project.

The aforesaid continued adverse situation of the Company has led into the further reduction of Net worth of the Company, which further slipped from (Rs. 8.51) Millions of the 2016-17 to (Rs. 12.79) Millions of 2017-18. The promoters have been infusing funds to meet the liabilities and future running expenses of the Company. The losses for the Company has been (Rs. 4.28) Millions for 2017-18 which has further increased the negative Reserves to (Rs. 103.39) Millions in 2017-18 from (Rs. 99.11) Millions in 2016-17.

Further, your Board of Directors on March 09, 2015 had decided to sell/dispose off the assets /power plant/project in the wholly owned subsidiary, subject to necessary approvals from the shareholders and other statutory authorities, if any, which is still under consideration and finalization. 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 assets/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 REPAYED BY SRM ENERGY TAMILNADU PVT. LTD., (THE WHOLLY OWNED SUBSIDIARY)

In its last financial year's Directors Report, the Company had informed its esteemed Shareholders about the unsecured loan received by its Wholly owned subsidiary. Mr. Gagan Rastogi, the Director of the subsidiary Company had repeatedly requested for the money to be repaid and he has also expressed his inability to infuse further funds. As all the expenses of the said wholly owned subsidiary Company were met by the Director, Mr. Gagan Rastogi.

In the previous year, the Wholly owned subsidiary had settled the loan of Mr. Gagan Rastogi with an amount of Rs. 9.257 crore by way of assigning the amount as receivable from Krishna Enterprises, in its favour, through an MOU and assignment agreement on "as is where is basis". Upon being settled with the said amount, Mr. Rastogi further raised his concern about the settlement of his entire loan amount as advanced to the Company. The loan balance as on the date of this report is Rs. 42,80,61,000 /- i.e. as on 13th August, 2018.

Considering all the possibilities and the prevailing scenario of the Companies, its business status, its financial position etc., the board had decided to settle his loan by offering the available assets of the subsidiary, which majorly comprises of land. The wholly owned subsidiary (WOS) had arranged to get the valuation of the Land done by two Independent Valuers, which was valued to Rs. 9.50 crores and 9.75 crores respectively by the two Valuers. The proposal was placed before Mr. Gagan Rastogi to accept the ownership of the land with its current valuation as settlement of the amount outstanding in the books in his name. He accepted the offer subject to the condition that all the applicable costs and fees that are applicable in the change of ownership of the land would not be borne by him. However, Mr. Gagan Rastogi had suggested an alternative route of transferring the Equity Shares of the subsidiary Company equivalent to the outstanding loan amount in his name.

The matter is still pending for finalization. Upon a suitable course of action being decided by the Board of Directors, it shall be put forward before the Shareholders of the Company for their approval.

5. Change in Nature of Business

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

6. 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 have occurred between the end of the financial year, i.e., 2017-18 till the date of this report i.e. 13.08.2018.

7. First-time adoption of Ind AS

Your Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016. These financial statements for the year ended 31st March 2018 are the first financial statements of the Company which has been prepared in accordance with Ind AS. Earlier, till the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under the section 133 of the Companies Act 2013, read with the Companies (Accounts) Rules, 2014 ('Previous GAAP'). For further clarification and details refer to Note No. 2 of the 'Notes to standalone and consolidated financial statements for the year ended 2018' which clarifies about the 'Basis of Preparation' of the financial statements.

8. Internal Financial Controls

The Company has in place adequate Internal Financial controls with reference to financial statements, which ensures the safeguard of all assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records etc. The Company has also adopted certain policies which ensures the comprehensive and effective management control and necessary compliances under various laws; such policies are, Vigil Mechanism Policies/Whistle Blower Policies and Risk Management Policy.

The Audit Committee reconsidered and reviewed the Internal Financial Control and Risk Management system to which the statutory auditors confirm that the Company's Internal Financial Control is adequate. The report on the Internal Financial Control issued by M/s. Vatss & Associates, Chartered Accountants, Statutory Auditors of the Company confirming the compliance with the provisions under the Companies Act, 2013 is forming part as Annexure A of the Auditor's Report for the F.Y 2017-18.

9. Subsidiaries, Joint Ventures and Associate Companies

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 said situation remains same in the Financial Year 2017-18. The company regularly keeps a track on operational opportunities of its WOS Company, though it does not have any operations at present.

Material Subsidiary

Pursuant to the provisions 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-%20OOD%20-%20Policy%20for%20Determining%20Material%20Subsidiary.pdf>

10. Extract of Annual Return

The extracts of Annual Return in Form MGT-9 in pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is appended as an **Annexure 1** to this Annual Report.

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

Your company has one wholly owned subsidiary company i.e. SRM Energy Tamilnadu Private Limited. In terms of the Companies Act, 2013 and other applicable rules and regulations, a statement containing salient features of financial statements of Subsidiary in the prescribed format AOC-1 is appended as **Annexure-2** to the Board's Report. Hence, the same has not been provided here for the sake of brevity. 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.

In accordance with Section 136 of the Companies Act, 2013 and the applicable Accounting Standard on the Consolidated Financial Statements, your Directors have attached the consolidated financial statements of the Company which form a part of the Annual Report.

The board has also explained about the material developments with the subsidiary Company above at Point No. 4, the same is related with the loan obtained by the subsidiary and the settlement thereof.

12. Deposits

The Company has neither accepted nor renewed any deposits during the financial year 2017-18 under the provisions of Chapter V of the Companies Act, 2013.

13. Statutory Auditors & Auditor's Report

The Company has engaged M/s VATSS & Associates, Chartered Accountants, (ICAI Firm Registration No.- 017573N), as the statutory auditors of your Company, who 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. However, pursuant to provisions of the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, henceforth the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. The members are requested to take note of the aforesaid.

The Report given by the Auditors on the financial statement of the Company is part of this Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. However, an emphasis

on matter is being made w.r.t going concern status of the Company.

Further, in terms of Section 143(12) of the Companies Act, 2013, no frauds has been reported by the Auditors to the Audit Committee.

14. Internal Auditor & their Report

The Company has engaged M/s Amar Jeet Singh & Associates, Chartered Accountants as the Internal Auditor of the Company for the Financial Year 2017-18 within the terms of Section 138 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. They were further appointed for the Financial Year 2018-19 by the Board of Directors of the Company in their meeting held on 25th May, 2018. The Internal Auditor reports to the Audit Committee of Board of Directors of the Company. The Internal Auditor submits the internal audit report on a quarterly basis to the Audit Committee of the Board of Directors of the Company. The internal audit assist the company to review the operational efficiency and the internal controls. During the audit process for the reposting year, no material discrepancies were reported by him.

15. Secretarial Auditor & Secretarial Audit Report

In terms of the provisions of Section 204 of the Companies Act, 2013 and rules made there under, Mr. Ankush Aggarwal, Proprietor M/s Ankush Aggarwal & Associates was appointed as the Secretarial Auditor of the Company for the Financial Year 2017-18 in the Board meeting held on 14th August, 2017. However, he had resigned from the office on 26th September, 2017.

Thereafter, the Board in its meeting held on 14th March, 2018, based on the recommendations of the Audit Committee, and after considering the profile, appointed, Mr. Sajal Saxena, (CP No. 13387), of M/s Sajal Saxena, Company Secretaries, Delhi as the Secretarial Auditor of the Company for the Financial Year 2017-18.

A Secretarial Audit Report in Form No. MR-3 for the financial year 2017-18 given by the Secretarial Auditors of the Company is annexed as **Annexure-3** with this report.

16. Disclosure about Cost Audit

The provisions of Section 148 of the Companies Act, 2013 read with rules framed thereunder relating to the Cost Audit are not applicable to your Company.

17. Share Capital

The capital structure of the Company remains unchanged during the financial year 2017-18 i.e. the Company has not;

- issued any equity share with differential rights, or Sweat Equity Shares,
- bought back any of its securities,
- provided any Stock Option Scheme to the employees during the relevant period.

18. 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;

(A) CONSERVATION OF ENERGY	
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) TECHNOLOGY ABSORPTION	
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:

- The company has not earned any income in Foreign Currency during the year.
- The company has not incurred any expenditure in Foreign Currency.

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

During the period under review, your Company has not developed and implemented any policy on Corporate Social Responsibility initiatives in accordance with the provisions of section 135 of Companies Act, 2013 since, the said provisions were not applicable to the Company during the relevant period.

20. Directors and Key Managerial Personnel

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

During the year under review, the composition of Board of Directors of the Company was changed;

S.No.	Name	Designation	Appointment/Resignation	Date Of Event
1	Mr. Sameer Rajpal	Director	Resigned	October 23, 2017
2	Mr. Pranav Kumar	Director	Resigned	November 14, 2017
3	Mr. Shailesh Kumar Singh	Additional Director	Appointment	November 14, 2017

The following changes were occurred with respect to the Key Managerial Personnel of the Company during period under review;

S.No.	Name	Designation	Appointment/Resignation	Date Of Event
1	Mr. Achyut Ganapati Pai	CFO	Resignation	September 15, 2017
2	Mr. Bhupender Sharma	CFO	Appointment	March 14, 2018

Cessation of Director/KMP:

- During the year under review, Mr. Achyut Ganapati Pai had resigned from his office of the Chief Financial Officer (CFO) from the close of the working hours on September 15, 2017.
- Mr. Sameer Rajpal and Mr. Pranav Kumar had resigned from their office of Director from the close of the working hours on 23rd October, 2017 and 14th November, 2017, respectively.
- After the closure of financial year 2017-18 and upto the date of this report, Ms. Ruchi Singh had resigned from her office of the Company Secretary & Compliance Officer from the close of the working hours on July 26, 2018.

Appointment of New Directors/KMP:

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shailesh Kumar Singh (DIN: 07688944) was appointed as Additional Director of the Company (in the category of Independent Non-Executive Director) on 14th November, 2017.

Further, the office of CFO was vacant till 13th March, 2018 due to resignation of Mr. Achyut Ganapati Pai (previous CFO). After considering aforesaid casual vacancy and in terms of the applicable provisions of the Companies Act, 2013 the Board of Directors in their meeting held on 14th March, 2018, appointed Mr. Bhupender Sharma as the new CFO of the Company.

Reappointment of Directors*

- In terms of Section 152(6) and other applicable provisions of the Companies Act, 2013 read with the Articles of Association of the Company, **Ms. Tanu Agarwal**, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered herself for re-appointment, brief resume and other details of Ms. Tanu Agarwal, 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.
- In terms of Section 161(1) of the Act, **Mr. Shailesh Kumar Singh** holds office only upto the date of the forthcoming Annual General Meeting but is eligible for appointment as a Director. A notice under Section 160(1) of the Companies Act, 2013, has been received from a Member signifying its intention to propose the appointment of Mr. Shailesh Kumar Singh as a Director of the Company, subject to approval of the Members in the ensuing Annual

General Meeting. Considering the recommendation of nomination and remuneration committee and the Board of Directors, it is proposed to appoint Mr. Shailesh Singh as Independent Director of the Company, subject to approval of share holder for a period of 5 years whose office shall not be liable to retire by rotation.

- c) As per Section 149(10) and 152 of the Companies Act, 2013, an independent Director shall hold office for a term of five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a Special resolution by the Company for another term of five consecutive years on the Board of a Company. In view of the aforesaid provisions of Law and after considering Mr. Sharma's appreciable involvement in the functioning of Board and its committees and his valuable guidance to the management. It is proposed to re-appoint Mr. Vijay Kumar Sharma as an Independent Director of the Company after considering recommendation of Nomination and Remuneration committee and Board of Directors for a period of five years w.e.f. 1st April, 2019 upto 31st March, 2024.
- d) In terms of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the office of Mr. Vishal Rastogi, Managing Director of the Company is scheduled to be completed on 20th February, 2019. However, considering the recommendations of Nomination and Remuneration Committee and the Board of Directors but subject to the consent of Members of the Company, it is proposed to re-appoint Mr. Vishal Rastogi (DIN 02780975) as Managing Director of the Company without remuneration for the period of five years with effect from February 21, 2019.

***Note:** The Resolutions seeking approval of the members for the appointment/re-appointment of aforesaid Directors along with their brief resume and other details, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the terms of Secretarial Standards - 2 has been included in the Explanatory Statement to the Notice of the ensuing Annual General Meeting.

B) Declaration of Independent Directors

All Independent Directors have submitted declarations within the terms of Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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

Within the terms of Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your company is exempt from the compliances of the requirements of Regulation 25 (7) of the said regulations. However the Company follows a practice to conduct an

orientation program for the newly appointed Independent Director when inducted on the Board 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.

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

In terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a formal annual evaluation was performed by the Board of Directors of the Company on its own performance, its committee's and Chairman/individual Directors. Pursuant to Schedule IV of the Companies Act, 2013 the performance evaluation of Independent Directors was also done by the entire Board of Directors, excluding the Director being evaluated.

The Independent Directors of the Company in their meeting held on 29th January, 2018 reviewed the performance of Mr. Vishal Rastogi, the Managing Director of the Company, Ms. Tanu Agarwal, Non-Executive Woman Director. The Independent Directors also reviewed the performance of Board as a whole and also assess the quality, quantity and timeliness of the flow of Information between the Company Management and the Board. The aforesaid meeting was attended by all Independent Directors.

Thereafter, the Board of Directors in their meeting held on 25th May, 2018 evaluated the performance of all the Independent Directors based on set questionnaires/criteria circulated to the Board. The result of aforesaid evaluations were noted by the Nomination and Remuneration Committee in their meeting held on 25th May, 2018. On the basis of above evaluations, the performance of executive Directors and Independent Directors was found satisfactory taking into consideration of the existing circumstance, in which the Company is operating.

21. Number of meetings of the Board of Directors

During the financial year under review, 6 (Six) Board Meetings were held i.e. on May 26, 2017, August 14, 2017, September 27, 2017, November 14, 2017, January 29, 2018 and March 14, 2018. The details of aforementioned Board Meetings and its attendance by each Director are covered 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.

22. Audit Committee

The Composition of Audit Committee is in

compliance with the provision of Section 177 of the Companies Act, 2013 and Regulation 18 of Listing Regulations. The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Regulations. A detailed description about the audit Committee is elaborated in the Corporate Governance Report, forming part of the Director's Report. All recommendations made by Audit Committee during the year were accepted by the Board. The Audit Committee met 5 times, i.e., on 26.05.2017, 14.08.2017, 14.11.2017, 29.01.2018, 14.03.2018.

23. Details of Establishment of Vigil Mechanism for Directors and Employees

The Company has adopted 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. 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>

24. Nomination and Remuneration Committee

The constitution and term of reference of the Nomination and Remuneration Committee (NRC) meet the requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the relevant provisions of the Section 178 of the Companies Act, 2013.

The Corporate Governance Report (forming part of the Director's Report), includes a detailed description about the NRC. The company has in place a Policy formulated by the Board of Directors of the Company relating to the remuneration for the Directors, Key Managerial Personnel 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**. The Nomination and Remuneration Committee met 3 times, i.e., 26.05.2017, 14.11.2017 and 14.03.2018.

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

Your company has not granted any loans, extended any guarantees or made Investments under Section 186 of the Companies Act, 2013 during the financial year under review.

26. Particulars of contracts or arrangements made with related parties

During the financial year 2017-18, your Company has not made any new contracts with related parties pursuant to Section 188 of Companies Act, 2013. Though there were instances of transaction with a related party as detailed below:

The Spice Energy Private Limited (Promoter Company), a related party as per Section 2 (76) of the Companies Act, 2013, has provided unsecured loans to our Company. The aforesaid loan fund was provided by the promoter company to fulfill our company's requirements related to legal expenses

and necessary statutory compliances. Such loan transactions does not fall under the criteria of Section 188 of the Companies Act, 2013. However, aforesaid loan transaction is covered under the category of material related party transaction as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Though in terms of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the provisions of Regulation 23, dealing with Related Party Transactions (including material related party transactions) are not applicable on a Company having paid up share capital not exceeding Rs. 10 crores and network not exceeding Rs. 25 crores as on the last day of the previous financial year. Accordingly, our company is exempt to comply with the provisions of Regulation 23.

As a part of good corporate governance, our Company follows the practice to present the details of all related party transactions on quarterly basis before the audit Committee of the Company for their consideration.

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>

27. 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 2017-18:

None of the Director of the Company has drawn any remuneration in any form during the financial year 2017-18. 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 2017-18.

No increment in the remuneration of Company Secretary and Chief Financial Officer of the Company has taken place during the year of reporting.

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

No remuneration of employees were increased during the financial year.

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

During the year 2017-18, 4 employees were

there on the pay roll of the Company including one Company Secretary and one Chief Financial Officer. Mr. Achyut Ganapati Pai had resigned on 15th September, 2017 from the position of Chief Financial Officer (CFO) of the Company. Thereafter, Mr. Bhupender Sharma was appointed as the CFO of the Company w.e.f. 14th March, 2018.

As on 31st March, 2018, 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. During the year, the salary of employees was not increased.
- 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. AchyutGnapati Pai*	Chief Financial Officer
2	Ms. Ruchi Singh	Company Secretary and Compliance Officer
3	Mr. Bhupender Sharma*	Chief Financial Officer

*Mr. Achyut Ganapati Pai had resigned and relieved from the post of the CFO of the Company from the end of working hours on 15th September, 2017 and in the place of him. Mr. Bhupender Sharma, was appointed as CFO of the Company w.e.f. 14th March, 2018.

- 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.

28. 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 has not submitted any adverse remark, qualification or reservation in their report for the period under review.

However, the Secretarial Audit Report contains the following;

Basis my review during the audit period, I further report that according to provisions of Section 177 of the Companies Act, 2013 read with applicable Rules, the Company hasn't obtained omnibus approval of the Audit Committee for transactions entered with related parties during the period. However, the Committee takes note of material

related party transaction relating to inter-corporate loan from Spice Energy Private Limited though it is exempt from the requirement of seeking shareholders approval for such material related party transaction as per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have been informed that the Company will seek such omnibus approvals of the Audit Committee in current financial year.

29. Risk Management Policy

In terms of applicable laws and regulations, the Company has formulated a Risk Management Policy duly reviewed by the Board of Directors. The policy includes risk identification, analysis and prioritization of risk and development of risk mitigation plans.

Earlier, a Risk Management Committee was framed by the Board of Directors of the Company in pursuant to the Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the said committee was dissolved by the Company w.e.f. 14th November, 2015, in terms of applicability of the provisions for having the risk management committee are only with the top 100 listed Companies based on the market Capitalization as at the end of the immediate previous financial year.

Further, the Audit Committee of the Board is entrusted to ensure the Risk Management Policy and System. 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>

30. Management Discussion and Analysis Report

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report has been prepared and the same is forming part of this Report.

31. Corporate Governance Report

The Company's corporate governance is well equipped with all features, reflecting a transparent value system. The management of the 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. Your company remains committed to follow best governance practices in true spirit. An elaborated 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.

32. Listing of Securities

The Company's Securities are currently listed on Bombay Stock Exchange Limited (BSE Limited) with ISIN- INE173J01018 and scrip code 523222. The annual listing fee for the Financial Year 2017-18 and 2018-19 has been paid by the Company to BSE Limited. We re-iterate that the Company is regularly complying with all the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

33. Directors' Responsibility Statement

The financial statements of the Company were prepared in accordance with Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from 1st April, 2017, with a transition date of 1st April, 2016.

In terms of Section 134(5) of the Companies Act, 2013, the Directors would like to state/confirm that:

- (a) in the preparation of the annual accounts for the financial year ended on 31st March, 2018, 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 2017-18 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 31st March, 2018 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, and

- (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.

34. Transfer of unclaimed dividend to Investor Education and Protection Fund

During the Financial Year 2017-18, there was no dividend declared and paid. Hence,, the provisions of Section 125(2) of the Companies Act, 2013 do not apply.

35. Secretarial Standards

Your Company complies with all applicable secretarial standards.

36. Prevention of Sexual Harassment at Workplace

In terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your company is exempt from compliance under said provisions. Hence, no Internal Complaint Committee (ICC) has been constituted during the period under review.

37. Acknowledgements

We, Board of Directors would like to thank our investors/stakeholders, promoters, bankers, employees for their continued co-operation during the year. We wish to submit our appreciation to our employees at all levels for their commitment and dedication towards the Company. We are aware that the Company's existence and its survival was made possible by the hard work of employees and support of stakeholders of the Company.

For and on behalf of the Board of Directors

(Vishal Rastogi)
Managing Director
DIN: 02780975

(Shailesh Kumar Singh)
Additional Director
DIN: 07688944

Place: New Delhi
Date:13.08.2018

Form No. MGT-9

EXTRACT OF ANNUAL RETURNAs on the financial year ended on 31st March 2018

[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, 2nd Floor, Suneja Tower-II, District Center, Janakpuri, New Delhi-110058
Phone No.: 011-40234327
- vi. Whether listed company : Yes / No
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any : MCS Share Transfer Agent Ltd
F-65, 1st floor, Okhla Industrial Area, Phase-I, New Delhi-110020

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 2017-18, 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)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i. Category-wise Share Holding:

Category of Shareholders (2017-18)	No. of Shares held at the beginning of the year (2017-18)				No. of Shares held at the end of the year (2017-18)				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(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) State Govt(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
Sub-total (1):-	6450000	0	6450000	71.1921	6450000	0	6450000	71.1921	0.0000
(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.
Sub-total (2):-	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	6450000	0	6450000	71.1921	6450000	0	6450000	71.1921	0.0000
B. Public Shareholding									
1.Institutions									
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) FIs	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
Sub-total (B) (1):-	299795	5700	305495	3.3719	299795	5700	305495	3.3719	0.0000

2. Non- Institutions									
a) Bodies Corp.									
i) Indian	166151	82000	248151	2.7390	167154	82000	249154	2.7501	0.0111
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	528505	934750	1463255	16.1507	531302	928450	1459752	16.1121	-0.0387
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	523502	42000	565502	6.2417	523502	42000	565502	6.2417	0.0000
c) Others (specify)									
Non Resident Individuals	26197	1400	27597	0.3046	28697	1400	30097	0.3322	0.0276
Sub-total(B)(2):-	1244355	1060150	2304505	25.4360	1250655	1053850	2304505	25.4360	0.0000
Total Public Shareholding (B)=(B)(1)+ (B)(2)	1544150	1065850	2610000	28.8079	1550450	1059550	2610000	28.8079	0.0000
C.Shares held by Custodianfor GDRs&ADRs	0	0	0	0.0000	0	0	0	0.0000	0.0000
Grand Total (A+B+C)	7994150	1065850	9060000	100.0000	8000450	1059550	9060000	100.0000	0.0000

ii. Shareholding of Promoters

SI 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
	Total	6450000	71.1921	0.00	6450000	71.1921	0.0000	0.0000

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:	116470 - 116470	1.286 - 1.286	116470 - 116470	1.286 - 1.286
5.	<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
6.	<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
7.	<u>BAHUBALI PROPERTIES LTD</u> At the beginning of the year Decrease in Shareholding dated on 16 th June, 2017 (Date of BENPOS): At the End of the year:	68600 22600 -	0.757 0.249 -	68600 46000 46000	0.757 0.508 0.508
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	GANDHI SECURITIES & INVESTMENT PRIVATE LIMITED				
	At the beginning of the year	24975	0.276	24975	0.276
	Date wise Increase/ Decrease in Share holding: At the End of the year:	- 24975	- 0.276	- 24975	- 0.276
10	KAMALANATHAN G				
	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:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year* (Appointed w.e.f. 14.11.2017)				
1.	Shailesh Kumar Singh*	25	0.00	25	0.00
	Datewise Increase/ Decrease in Shareholding during the year specifying the reasons for increase/ Decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	N.A.	N.A.	N.A.	N.A.
	At the End of the year				
1.	Shailesh Kumar Singh	25	0.00	25	0.00

*Mr. Shailesh Kumar Singh, Independent Director of the Company was appointed during the year on 14th November, 2017.

VI. 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
Indebtedness at the beginning of the financial year				
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
Total (i + ii + iii)	Nil	19.19	Nil	19.19
Change in Indebtedness during the financial year				
• Addition	Nil	6.05	Nil	6.05
• Reduction	Nil	0.27	Nil	0.27
Net Change	Nil	5.78	Nil	5.78
Indebtedness at the end of the financial year				
i) Principal Amount	Nil	24.97	Nil	24.97
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i + ii + iii)	Nil	24.97	Nil	24.97

VII. 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 2017-18, 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.	420000	2107419	2527419
	(b) Value of perquisites under section 17 (2) of Income-tax Act,1961	N.A.	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of 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"> • As % of profit • Others, specify 	N.A.	Nil	Nil	Nil
5.	Others, please specify	N.A.	Nil	Nil	Nil
	Total	N.A.	420000	2107419	2527419

* The Remuneration of Chief Finance Officer (CFO) includes the remuneration paid to Mr. Achyut Ganapati Pai till 15th September, 2017, i.e., Rs. 20,90,000/- and Rs. 17,419/- paid to Mr. Bhupender Sharma who was appointed as CFO w.e.f 14th March, 2018.

VIII. 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.

Form AOC-I

ANNEXURE-2

(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	458638244
7	Total Liabilities	446444585
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 2018

[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, 2nd Floor, Suneja Tower – II,
District Centre, Janakpuri – New Delhi - 110058

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 2018, 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 13th August 2018 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 2018 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'):-
 - I. 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 3rd 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 ("SS-1" and "SS-2"); 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - 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.

Basis my review during the audit period, I further report that according to provisions of Section 177 of the Companies Act, 2013 read with applicable Rules, the Company hasn't obtained omnibus approval of the Audit Committee for transactions entered with related parties during the period. However, the Committee takes note of material related party transaction relating to inter-corporate loan from Spice Energy Private Limited though it is exempt from the requirement of seeking shareholder's approval for such material related party transaction as per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have been informed that the Company will seek such omnibus approvals of the Audit Committee in current financial year.

Sajal Saxena
Company Secretaries in Practice
Membership No: A28315
Certificate of Practice No: 13387

Date: 13th August 2018

Place: New Delhi

Annexure –A to Secretarial Audit Report dated 13.08.2018 for the Financial Year ended 31st March, 2018

To,

The Members,
SRM Energy Limited
Unit No. 206, 2nd Floor, Suneja Tower – II,
District Centre, Janakpuri – New Delhi - 110058
CIN: L17100DL1985PLC303047

My Secretarial Audit Report dated 13th August 2018 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.

Sajal Saxena
Company Secretaries in Practice
Membership No: A28315
Certificate of Practice No: 13387

Date: 13th August 2018

Place: New Delhi

Remuneration Policy for Directors, Key Managerial Personnel and other employees

Introduction

- 1.1 SRM Energy Limited (SRM) formulated the remuneration policy for its directors, keymanagerial 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) Retiral 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 progressive Board consciously creates 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 Section 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 appointee 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 thereafter 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 or 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) holds 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 per cent or more of the gross turnover of such firm;
 - (iii) holds together with his relatives two per cent 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 per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
 - (v) Is a material supplier, service provider or customer or a lessor or lessee of the company.
 - f. shall possess appropriate skills, experience and knowledge in one or more fields of financial 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 qualifications 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 Committee shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of 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, whether listed or not, shall be included and all other 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**

The Corporate Governance mechanism of your company is well equipped with all the necessary tools to ensure well compliance of all laws and regulations applicable on the Company. It majorly devoted 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. Being a believer of ethical management your company's corporate governance is dedicated to the effective accomplishment of organizational goals.

During the year under review, 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 2017-18.

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
6.	Mr. Shailesh Kumar Singh***	Non-Executive and Independent Director

*Resigned on 23rd October, 2017.

***Appointed on 14th November, 2017

**Resigned on 14th November, 2017

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	6	Yes
2.	Mr. Sameer Rajpal	3	No
3.	Mr. Pranav Kumar	4	Yes
4.	Mr. Vijay Kumar Sharma	6	Yes
5.	Mrs. Tanu Agarwal	3	Yes
6.	Mr. Shailesh Kumar Singh*	3	NA

*Appointed on 14th November, 2017

c. Number of other Boards or Board Committees in which Directors are member or Chairperson as on 31st March, 2018.

S.No.	Name of the Directors	No. of other directorships and Committee member or Chairmanship		
		Other Directorships*	Committee Memberships**	Committee Chairmanships**
1.	Vishal Rastogi	Nil	Nil	Nil
2.	Vijay Kumar Sharma	Nil	Nil	Nil
3.	Tanu Agarwal	Nil	Nil	Nil
4.	Shailesh Kumar Singh#	1	2	2

*Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

**Includes only Audit Committee and Stakeholders' Relationship Committee.

Mr. Shailesh Kumar Singh holds membership and chairmanship status in the committees of the Board of Cals Refineries Limited (the Company under CIRP), he has resigned in that company w.e.f 01.06.2018.

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

During the year, Six Board Meetings were held on May 26, 2017, August 14, 2017, September 27, 2017, November 14, 2017, January 29, 2018 and March 14, 2018.

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.

Mr. Shailesh Kumar Singh, who was appointed on 14.11.2017 as Independent and Non-Executive Director. He had intimated to the Company that he holds 25 number of equity shares of the Company.

Apart from him, none of the Non-Executive Directors holds any share or convertible instrument of the Company.

h. During the year under review, the Independent Directors held one separate meeting on 29th January, 2018 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 persons. 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.

(i) 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.

(ii) 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;
 - Qualifications in draft audit report; and
 - 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.

(iii) 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the Financial year 2017-18, the composition of Audit Committee was changed due to resignation of Mr. Sameer Rajpal on 23.10.2017.

Composition before resignation of Mr. Sameer Rajpal	<ol style="list-style-type: none"> 1. Mr. Sameer Rajpal (Chairman) (Independent & Non-Executive Director) 2. Mr. Vijay Kumar Sharma (Independent & Non-Executive Director) 3. Mr. Vishal Rastogi (Managing Director)
Composition After Change (w.e.f 14.11.2017)	<ol style="list-style-type: none"> 1. Mr. Shailesh Kumar Singh (Chairman) (Independent & Non-Executive Director) 2. Mr. Vijay Kumar Sharma (Independent & Non-Executive Director) 3. Mr. Vishal Rastogi (Managing Director)

Mr. Shailesh Kumar Singh is presently the Chairman of the Committee. The Company Secretary and Compliance officer of the Company act as the secretary to the Committee, the Chief financial officer of the Company and the statutory auditors are regular invitees to every meeting of the Audit Committee. The minutes of each Audit Committee meeting are placed and discussed in the Board.

(iv) Meetings and attendance during the year.

During the year, the Committee met 5 times on May 26, 2017, August 14, 2017, November 14, 2017, January 29, 2018 and March 14, 2018.

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 till 23.10.2017)*	5	2
Mr. Vijay Kumar Sharma	5	5
Mr. Vishal Rastogi	5	5
Mr. Shailesh Kumar Singh (Chairman w.e.f. 14.11.2018)**	5	3

* Resigned on October 23, 2017.

**Appointed on November 14, 2017.

II. NOMINATION AND REMUNERATION COMMITTEE

The Company has a duly constituted Nomination and Remuneration Committee within the terms of Compliance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee is responsible for identifying persons who are qualified to become Directors, KMPs and other Senior Management and recommend 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, (if applied) 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 director's 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 Chairman of the committee

During the year 2017-18, the composition of Nomination and Remuneration committee was changed due to resignation of Mr. Sameer Rajpal on 23.10.2017:

Composition before resignation of Mr. Sameer Rajpal	1. Mr. Sameer Rajpal (Chairman), (Non-Executive Independent Director) 2. Mr. Pranav Kumar (Non-Executive Independent Director) 3. Mr. Vijay Kumar Sharma (Non-Executive Independent Director)
Composition After Change(w.e.f 14.11.2017)	1. Mr. Vijay Kumar Sharma (Chairman), (Non-Executive Independent Director) 2. Mr. Shailesh Kumar Singh (Non-Executive Independent Director) 3. Ms. Tanu Agarwal (Non-Executive Independent Director)

(iii) Attendance during the year

During the year, the Nomination and Remuneration Committee met three times on May 26, 2017, November 14, 2017 and March 14, 2018.

Name of Committee Member	No. of meetings held	No. of meetings attended
Mr. Sameer Rajpal (Chairman upto 23.10.2017)*	3	1
Mr. Vijay Kumar Sharma (Chairman w.e.f. 14.11.2017)	3	3
Mr. Pranav Kumar**	3	2
Mr. Shailesh Kumar Singh#	3	1
Ms. Tanu Agarwal##	3	0

*Resigned on 23rd October, 2017.

**Resigned on 14th November, 2017.

#Appointed as (Non-Executive Independent Director) on 14th November, 2017.

Appointed as Member of the Nomination and Remuneration Committee on 14th November, 2017.

(iv) Remuneration Policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is duly framed, adopted and implemented the same 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

(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 Directors of the Company, has been duly carried out. 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 and discussed at to the Nomination and Remuneration Committee in their meeting held on 25th May, 2018.

(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

During the Financial Year 2017-18, the Composition of Stakeholders' Relationship Committee was changed due to resignation of Mr. Sameer Rajpal from the Board of Directors of the Company, on 23rd October, 2017. However, before aforesaid resignation the Committee was comprised of Mr. Vijay Kumar Sharma, (Non-Executive Independent Director) Mr. Sameer Rajpal (Non-Executive Independent Director) and Mr. Vishal Rastogi (Managing Director), Mr. Vijay Kumar Sharma is the Chairman of the Committee.

The Committee was duly re-constituted on 14th November, 2017 with the following members;

1. Mr. Vijay Kumar Sharma, Chairman, (Non-Executive Independent Director)
2. Mr. Shailesh Kumar Singh, Member, (Non-Executive Independent Director)
3. Mr. Vishal Rastogi, Member, (Managing Director)

In the previous Annual General Meeting of the Company held on 27th September, 2017, M/s MCS Share Transfer Agent 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, Ms. Ruchi Singh has been the Company Secretary and compliance officer of the Company, she acted as such till the working hours of 26th July, 2018 and resigned thereafter. At present, the Company is in process to search for a suitable profile for the post of Company Secretary and Compliance Officer.

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

The Company has Nil Complaints pending at the beginning of the year. During the year, the Company has not received any complaints. There were Nil complaints pending as on March 31, 2018.

(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

Detail of location and time, where last three AGMs held.

Year	AGM	Location	Date	Time
2016-17	AGM	Executive Club, Dolly Farms & Resorts, 439, Village Shahurpur, P.O, Fatehpur Beri, New Delhi- 110074	27.09.2017	11.30 A.M.
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.

In the last three financial years, special resolutions as 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
2016-17	27.09.2017	<ul style="list-style-type: none"> No special resolution was passed.
2015-16	29.09.2016	<ul style="list-style-type: none"> No special resolution was passed.
2014-15	30.09.2015	<ul style="list-style-type: none"> To authorise the board to borrow money under section 180 (1) (c) of the Companies Act, 2013 as a special resolution. 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. Increase in limits of investments in other bodies corporate.

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%20for%20Determination%20of%20Materiality%20for%20Disclosure%20of%20Information.pdf>

The relevant Provision of Regulation 23 read with Regulation 15 of Listing Regulations, pertaining to the dealings with related party transactions is not applicable upon 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 about the whistle blower policy w.r.t its adoption and implementation etc. are given in Board's Report. Further, the Company has ensured the direct access, for the personnel, to the audit committee, though no one has approached for the same. 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 the said Listing 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. (8.51) million 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 "Jansatta" in the prescribed Performa within maximum 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 2017-18)

Date and Time: Thursday, September 27, 2018 at 11.00 a.m.
 Venue: Federation of Indian Export Organisations
 Niryat Bhawan, Rao Tula Ram Marg,
 OPP. Army Hospital Research and Referral, New Delhi 110 057.

ii. Financial Year: 01st April to 31st March of every year.

Financial Calendar (Tentative and subject to change)

Financial Results/Disclosure for the Quarter ending June 2018	On or before 14 th August, 2018
Financial Results/Disclosure for the Quarter ending September 2018	On or before 14 th November, 2018
Financial Results/Disclosure for the Quarter ending December 2018	On or Before 14 th February, 2019
Financial Results/Disclosure for the Quarter ending March 2019	On or Before 30 th May, 2019
Annual General Meeting	September 2019

iii. Date of Book closure: Friday 21th September, 2018 to Thursday 27th September, 2018 (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

Note: The Company has paid Rs. 2,70,000/- towards the Annual Listing Fee and as on date there are no arrears for the same.

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	
Jul-17	5.04	5.04	32672.66	31017.11	600
Aug-17	4.90	4.66	32686.48	31128.02	2307
Oct-17	4.66	4.66	33340.17	31440.48	10
Nov-17	4.66	4.66	33865.95	32683.59	200
Jan-18	4.67	4.28	36443.98	33703.37	1033
Feb-18	4.28	4.28	36256.83	33482.81	10

Note: Share price data for the month of April, May, June, September, December 2017 and March 2018 are not available on the website of BSE w.r.t shares of the Company. The BSE Sensex Month's high and Low are being given for the corresponding months

vii. Registrar and Transfer Agents (RTA):

During the year of reporting the Registrar and transfer activity was being handled by: **MCS Share Transfer Agent Ltd.** F-65, 1st floor, Okhla Industrial Area, Phase-I, New Delhi-110020, E-Mail: 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.

Shareholders' are also requested to note, that the Securities and Exchange Board of India (SEBI) has amended the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, vide Gazette notification dated 08.06.2018, the SEBI vide this amendment has mandated that the transfer of securities/shares will be carried out in dematerialized form only.

In context to the aforesaid changes in the Regulations, all the shareholders of the Company are advised to dematerialize their physical shareholding at the earliest to avoid any inconvenience. Please note that after 04.12.2018 the Company cannot process the application for transfer of securities in physical form.

ix. a. Distribution of shareholding as on March 31, 2018:

Range	Shares	Percent Shares	No. of Holders	Percent Holders
1 - 500	848612	9.3666	5150	91.7676
501 - 1000	232720	2.5687	267	4.7577
1001 - 2000	156505	1.7274	104	1.8532
2001 - 3000	82037	0.9055	32	0.5702
3001 - 4000	25450	0.2809	7	0.1247
4001 - 5000	55691	0.6147	12	0.2138
5001 - 10000	151550	1.6727	21	0.3742
10001 - 50000	298908	3.2992	13	0.2316
50001 - 100000	53925	0.5952	1	0.0178
100000 and Above	7154602	78.9691	5	0.0891
Total	9060000	100.00	5612	100.00

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

As at the end of year of reporting, i.e., as on 31.03.2018, the Distribution of shareholdings between NRI, Mutual Funds, Body Corporate and Resident Individuals are represented below:

Category	No. of shares	%age
Non Resident Indians	30097	0.33
Mutual Funds/UTI	305495	3.37
Bodies Corporate	6699154	73.94
Resident Individuals	2025254	22.36
Total	9060000	100.00

x. Dematerialization of shares and liquidity

As at the end of March, 31 2018, 8000450 Equity Shares (88.30% 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	7369840	81.34
CDSL	630610	6.96
PHYSICAL	1059550	11.70
Total	9060000	100.00

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

Investor Correspondence (For transfer/dematerialisation of shares and any other query related to the shares of the Company)	For shares held in physical form MCS Share Transfer Agent Limited Address: F-65, 1 st Floor, Okhla Industrial Area, Phase I, New Delhi – 110020. Phone: 011-41406149/50/51 Fax: 011-41709881 admin@mcsregistrars.com For shares held in Dematerialized form To the depository participant
Any query on Annual Report	SRM Energy Limited Shares Department Address: Unit No.206, 2 nd Floor, Suneja Tower-2, District Centre, Janakpuri, New Delhi-110058. Phone: 011- 40234327, E-Mail: cs@srmenergy.in

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 13, 2018

(Vishal Rastogi)
 Managing Director
 DIN:02780975

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations 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

(Bhupender Sharma)
Chief Financial Officer

Date: 25.05.2018
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, 2018, 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 Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with 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) of 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: 13.08.2018

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis ("MDA") Report mainly focuses on various factors and their impact on the business of SRM Energy Limited and its subsidiary SRM Energy Tamilnadu Private Limited ("SRM" or the "Company") during the Financial Year 2017-18 and to the date of this report. This report discusses and analyses the financial results for the period 2017-18 along with the review of business risk faced by the Company. MDA also contains the overall scenario of the industry, its growth at global and domestic level, this further contains the possible effect of such industry scenario on the business of the Company.

The management of the Company opine and give their comments on the various resources that may affect necessary development of the Company's business.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The India cannot overlook the essential role of the power sector in fuelling its overall development. The country's power sector has been going through a massive transformation. The government has been supportive to growth in the power sector by undertaking various programmes for the same. The 2018 Global Economics Prospect (GEP) released by the World Bank, projects India's GDP growth to pick up to 7.3% in 2018-19 and to 7.5% for the next two years.

In view of the Central Electricity Authority (CEA), the electricity demand in the country will grow at 7.1% (CAGR) between F.Y. 2017 and F.Y. 2022, driven primarily by industrial demand which is expected to pick up owing to the 'Make in India' initiative of the Government.

Further, India is expected to attract a substantial investment of Rs. 11,55,652 crore in power generation sector by the year 2022 in setting up projects across thermal, hydro, nuclear and renewables segment. A total capacity addition of 58,384 MW from conventional sources has been foreseen consisting of 47,855 MW of coal-based power stations, 406 MW of gas-based power stations, 6,823 MW of hydropower stations and 3,300 MW of nuclear stations.

The Government of India has released its roadmap to achieve 175 GW capacity in renewable energy by 2022, which includes 100 GW of solar power and 60 GW of wind power. In addition, the Union Government of India is preparing a 'rent a roof' policy for supporting its target of generating 40 gigawatts (GW) of power through solar rooftop projects by 2022. Also the Coal-based power generation capacity in India, which currently stands at 192 GW is expected to reach 330-441 GW by 2040.

1.2. Total Installed Capacity

As of March 2018, India has a total thermal installed capacity of 222.90 GW. Almost 88% of the thermal power is obtained from coal and the rest is from diesel and gas.

The private sector generates close to 45.2% of India's thermal power, whereas States and Centre have a share of 24.6% and 30.2% respectively. The share of large hydro and nuclear energy in total installed capacity is approximately 13.2% and 2% respectively.

1.3. Fuel

Fuel	MW	% of Total
Coal	1,96,958	57.3%
Gas	24,897	7.2%
Oil	838	0.2%
Total Thermal	2,22,693	64.8%
Hydro (Renewable)	45,403	13.2%
Nuclear	6,780	2.0%
RES* (MNRE)	69,022	20.1%
Total	343,899	

* Installed capacity in respect of RES (MNRE) as on 31.03.2018. RES (Renewable Energy Sources) include Small Hydro Project, Biomass Gasifier, Biomass Power, Urban & Industrial Waste Power, Solar and Wind Energy.

1.4. Generation

The electricity generation target of conventional sources for the year 2018-19 has been fixed as 1265 Billion Unit (BU). i.e. growth of around 4.87% over actual conventional generation of 1206.306 BU for the previous year (2017-18). The conventional generation during 2017-18 was 1206.306 BU as compared to 1160.141 BU generated during 2016-17, representing a growth of about 3.98%.

1.5 Transmission

The Indian transmission sector has seen a robust growth in the last 5 years. The sector is largely dominated by the state utilities while the private sector currently accounts for only 3-4% of the total transmission capacity. The Central Electricity Authority (CEA) estimates that an investment of INR 2.6 lakh crore will be made between F.Y. 2018 and F.Y. 2022. The investment will be used for the 100,000 circuit km of transmission lines and 2,00,000 MVA transformer capacity of substations at 220 KV and above voltage by the end of 13th five year plan.

1.6. Distribution

Power distribution in India has shown considerable improvement, though there is significant scope for future interventions. The power distribution segment is similarly dominated by state utilities with presence of private players only in few cities across India. Recently the government has tried to increase private participation in electricity distribution through distribution franchise model and sub-contracting of non-core operations. However, the sector still remains inefficient with high AT&C losses and poor financial health of distribution utilities.

2. OPPORTUNITIES AND THREATS

India has the fifth largest power generation capacity in the world. The country ranks third globally in terms of

electricity production. In May 2018, India ranked 4th in the Asia Pacific region out of 25 nations on an index that measures their overall power. Electricity production in India reached 1,201.543 Billion Units (BU) during F.Y. 2018.

Opportunities:

- Expansion in industrial activity to boost demand for electricity.
- Growing population and increasing penetration and per-capita usage to provide further impetus.
- Power consumption is estimated to increase from 1,160.1 Terawatt-Hour (TWh) in 2016 to 1,894.7 TWh in 2022.
- Diversification into renewable sources increasing growth avenues.
- Schemes like Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS) have already been implemented for rural and urban areas respectively.

Threats:

- Threats of substitute - Does not have any substitutes.
- Bargaining power of suppliers is high as presence of bigger players block the new entrants, on contrary of above, bargaining power of buyers is Medium, as for retail consumers, government sometimes interferes to regulate prices. However, prices are not regulated for industrial customers.
- Rivalry is not intense due to oligopoly structure.
- In India, the projected demand is already above the supply levels.
- Capital intensive nature of the industry makes it difficult for new entrants
- Regulatory approvals, land remain a major problem.
- Competitive rivalry is expected to increase due to government encouraging private players to enter the sector.

3. OPERATIONAL PERFORMANCE

The Company has plan to set up a power project at Tamilnadu with a capacity of 3X660 MW i.e. 1980 MW. The said plan was proposed to be set up through the Wholly Owned Subsidiary SRM Energy Tamilnadu Pvt. Ltd. Your Company has no other operation at present and the related expenses incurred during the current period are considered as pre operative expenses pending allocation to the power project.

As informed that the Company has no other operation at present and also the project in hand is not become operations, this had led to the situation where the Net worth of the Company has been significantly reduced and it has been incurring cash losses.

Pursuant to the repetitive demand of one of the Directors in the subsidiary Company for the repayment of the loan extended by him to the said subsidiary, the board of directors of the company, in its meeting held on March 9, 2015 had 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. The aforesaid

decision has taken various further steps, the latest position has been detailed in the Board 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 coupled with the slower pace of growth of the country as a whole, prospective investors 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 in process with the authorities concerned and it is expected that the necessary allotments will be received shortly once we initiate project activities on ground.

5. HUMAN RESOURCES

The Company is working with the limited necessary staff as the project of the Company has not become operational. During the year, the Company continued to witness healthy and cordial relationship with the employees of the Company. As on 31 March, 2018, the Company had only 4 employees. The employees includes two key managerial personnel i.e. one Company Secretary (CS) and one Chief Financial Officer (CFO). During the year under review there was a change in the Key Managerial Personnel of the Company due to the following appointments and separations/resignation;

Sl. No.	Name and designation of Person	Appointment/ resignation	Date of event
1	Mr. Achyut Ganapati Pai	Resignation	15.09.2017
2	Mr. Bhupender Sharma	Appointment	14.03.2018

After, the closure of FY 2017-18, Ms. Ruchi Singh has resigned from the office of Company Secretary and Compliance Officer from the end of closure of working hours on 26th July, 2018.

The Company's specified employees remuneration structure is govern by a proper remuneration policy relating to the Whole time Director/ Executive/ Managing Director, Key Managerial Personnel (KMP) and Senior Management Personnel, as required under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

6. INTERNAL CONTROL SYSTEMS

The Company has effectively and efficiently laid down policies, guidelines and procedures keeping in mind the nature, size and complexity of Company's business objectives. The Company maintains proper and adequate system of internal controls with well-defined policies, systems, process guidelines and operating procedures. The Company positively ensures strict adherence to various procedures, laws, rules and statutes. All transactions are recorded and reported in accordance with the applicable Accounting Standards and within the terms of accounting policies.

The Company has also ensure the periodical Internal Audit by an independent auditor, whose report is submitted to the Audit Committee and Board of Directors for consideration. During the Audit Process,

no material discrepancies have been reported by the Internal Auditor.

The Audit Committee is responsible to ensure the monitoring of Internal Control System and oversees the various financial transactions on a regular basis and any deviations are promptly reported to the Senior Management to ensure normalcy is established at the earliest, though, no such deviations had been reported by the Audit Committee during the FY 2017-18.

7. RISKS AND CONCERNS

The power sector is facing challenges around to fuel issues, statutory obligations, emission levels, water scarcity, power theft, low power demand growth, poor quality of coal, availability of transmission corridors, low performance of old power plants and financial crisis of private power generators/IPP's etc. Some of the key risks and concerns specific to your Company are as follows:

- Issues in land acquisition and resettlement and rehabilitation (R&R) affecting acquisition of coal blocks.
- Lack of state of the art infrastructure with state transmission and distribution utilities.
- Increase in stressed thermal assets due to non-availability of long term PPAs and unviable tariffs.
- Increased environmental cess and stricter emission norms likely to impact cost of production of thermal power plants.

- Inadequate fuel supplies and dependence on imported coal.
- Discoms are refraining from signing fresh thermal PPA's due to subdued demand growth.

The major steps from the Government may help improve the financial health of the nation's power distribution companies by driving increased efficiency of domestic coal production and delivery which will result in even less need for thermal coal imports. India's electricity generation future, in other words, will be based on cheap renewables and domestic coal, with the Central Electricity Authority continuing to target a cessation of thermal coal imports.

CAUTIONARY STATEMENT

The statements in the Management Discussion and Analysis Report that describe your Company's projections, estimates and expectations are "forward-looking statements". They are within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied depending upon the economic conditions affecting demand/supply, price scenario in the domestic and international markets in which it operates, changes in government regulations, tax laws and other statutes. Your Company undertakes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development, information or events. Further, members are requested to note that the above mentioned information has been gathered from public domain.

INDEPENDENT AUDITOR'S REPORT

To The Members of SRM ENERGY LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **SRM Energy Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also 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; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS 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 standalone Ind AS financial statements based on our audit.

In conducting 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 of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures

selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS 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, of the state of affairs of the Company as at March 31, 2018, and its loss, total comprehensive income, its cash flows and the changes in equity for the year 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 net worth 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/discard 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, based on our audit we report, to the extent applicable 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of

- Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - 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; and
 - (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.
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: 25/05/2018

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, 2018 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 of 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, 2018, 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 **VATSS & ASSOCIATES**
Chartered Accountants
Firm Regn. No. : 017573N

Suresh Arora
Partner
Membership No. 090862
Place: New Delhi
Dated: 25/05/2018

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, 2018

- (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 complied 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, 2018 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	0.02	AY 2008-09 to 2014-15	CIT(Appeals)
Income Tax Act 1961	Income Tax Due u/s 143(3)	5.943	AY2008-09 & AY 2013-14	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: 090862)

Place: New Delhi
Dated: 25/05/2018

BALANCE SHEET AS AT 31ST MARCH, 2018

	Note No.	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment		-	-
(b) Capital work-in-progress	4	-	-
(c) Investment Property		-	-
(d) Goodwill on consolidation		-	-
(e) Goodwill		-	-
(f) Other Intangible assets		-	-
(g) Intangible assets under development		-	-
(h) Biological Assets other than bearer plants		-	-
(i) Financial Assets			
(i) Investments	5	13.20	13.20
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Others (to be specified)		-	-
(j) Deferred tax assets (net)		-	-
(k) Other non-current assets		-	-
(2) Current assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Cash and cash equivalents	6	0.03	0.04
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
(vi) Others (to be specified)		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	7	0.05	0.01
Total Assets		13.28	13.25
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	8	90.60	90.60
(b) Other Equity	9	(103.39)	(99.11)
LIABILITIES			
(1) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions	10	0.01	0.74
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	11	24.97	19.19
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item (c))		-	-

(b) Other current liabilities	12	1.09	0.58
(c) Provisions	10	-	1.25
(d) Current Tax Liabilities (Net)		-	-
Total Equity and Liabilities		<u>13.28</u>	<u>13.25</u>

As per our attached report of even date

For VATSS & Associates

Chartered Accountants

ICAI Firm Registration No. 017573N

Suresh Arora

Partner

Membership No.090862

For and on behalf of the Board of Directors

Vishal Rastogi

Managing Director

DIN:02780975

Tanu Agarwal

Director

DIN:07134266

Ruchi Singh

Chief Financial Officer

Bhupender Sharma

CFO

Place : New Delhi

Date : 25/05/2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Note No.	For The Year Ended As at 31.03.2018 ₹ million	For The Year Ended 31.03.2017 ₹ million
I REVENUE		
Revenue From Operations		
Other Income	13	0.29
Total Revenue (I)	-	0.29
II EXPENSES		
Cost of Material consumed	-	-
Purchases of Stock-in-Trade	-	-
Changes in inventories of finished goods, stock in trade work in progress	-	-
Employee benefits expense	14 3.17	1.88
Finance costs	-	-
Depreciation and amortization expenses	-	-
Other expenses	15 1.11	2.50
Total expenses (II)	4.28	4.38
III Profit before exceptional items and tax (I-II)	<u>(4.28)</u>	<u>(4.09)</u>
IV Exceptional Items	-	-
V Profit/(loss) before tax (III-IV)	<u>(4.28)</u>	<u>(4.09)</u>
VI Tax expense:	-	-
(1) Current tax	-	-
(2) Deferred tax	-	-
VII Profit (loss) for the period from continuing operations (V-VI)	<u>(4.28)</u>	<u>(4.09)</u>
VIII Profit/(loss) from discontinued operations	-	-
IX Tax expense of discontinued operations	-	-
X Profit/(loss) from discontinued operations (after tax) (VIII-IX)	-	-
XI Profit/(loss) for the period (VII+ X)	<u>(4.28)</u>	<u>(4.09)</u>
XII Other Comprehensive Income	-	-
A Items that will be reclassified to profit or loss		
Exchange differences on translation of foreign operations	-	-
Income tax effect	-	-
Net movement on cash flow hedges	-	-
Income tax effect	-	-
Net (loss)/gain on FVTOCI financial instruments	-	-
Income tax effect	-	-
B Items that will not be reclassified to profit or loss		
Re-measurement gains (losses) on defined benefit plans	-	-
Income tax effect	-	-
Revaluation of property, plant and equipment	-	-
Income tax effect	-	-
XIII Total Comprehensive Income for the period (XI + XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)"	<u>(4.28)</u>	<u>(4.09)</u>

XIV Earnings per equity share (for continuing operation):

	24		
(1) Basic		(0.47)	(0.45)
(2) Diluted		(0.47)	(0.45)

XV Earnings per equity share (for discontinued operation):

(1) Basic		-	-
(2) Diluted		-	-

XVI Earnings per equity share (for discontinued & continuing operations)

(1) Basic		(0.47)	(0.45)
(2) Diluted		(0.47)	(0.45)

Accompanying notes forming part of the consolidated financial statements.

**For VATSS & ASSOCIATES
CHARTERED ACCOUNTANT
ICAI Firm Registration No. 017573N**

Suresh Arora
Partner
M. No. 090862

Place : New Delhi
Date : 25/05/2018

For and on behalf of the Board of Directors

Vishal Rastogi
Managing Director
DIN:02780975

Tanu Agarwal
Director
DIN:07134266

Ruchi Singh
Company Secretary

Bhupender Sharma
CFO

SRM ENERGY LIMITED
Statement of Change in Equity for the year ended 31st Mar-2018

(Amount in Rupees, except for share data and if otherwise stated)

(a) Equity Share Capital	(₹ in million)
Balance as at March 31, 2016	90.60
Change in equity share capital during the year	-
Balance as at March 31, 2017	90.60
Change in equity share capital during the year	-
Balance as at March 31, 2018	90.60

(b) Other Equity					
Reserve and Surplus					
	Capital reserve	General reserve	Retained earnings	Foreign currency translation	Total
Balance as at March 31, 2016	-	-	(95.02)	-	(95.02)
Profit/(Loss) for the year	-	-	(4.09)	-	(4.09)
Other Comprehensive income for the year, net of income tax	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-
Payment of Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Foreign Currency Translation Reserve	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-
Balance at March 31, 2017	-	-	(99.11)	-	(99.11)
Profit/(Loss) for the year	-	-	(4.28)	-	(4.28)
Other Comprehensive income for the year, net of income tax	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-
Payment of Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Foreign Currency Translation Reserve	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-
Balance at March 31, 2018	-	-	(103.39)	-	(103.39)

Accompanying notes forming part of the consolidated financial statements.

**For VATSS & ASSOCIATES
CHARTERED ACCOUNTANT
ICAI Firm Registration No. 017573N**
Suresh Arora
Partner
M. No. 090862

Place : New Delhi
Date : 25/05/2018

For and on behalf of the Board of Directors
Vishal Rastogi
Managing Director
DIN:02780975

Ruchi Singh
Company Secretary

Tanu Agarwal
Director
DIN:07134266

Bhupender Sharma
CFO

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

	For The Year Ended As at 31.03.2018 ₹ million	For The Year Ended 31.03.2017 ₹ million
(A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS) BEFORE TAX	(4.28)	(4.09)
ADJUSTMENTS FOR		
Interest and Finance Expenses	-	-
Interest Income	-	-
Pre-operative expenses written off	-	-
OPERATING (LOSS) / PROFIT BEFORE WORKING CAPITAL CHANGES	(4.28)	(4.09)
ADJUSTMENT FOR		
Increase/(Decrease) in Other Current Liabilities	0.51	(0.66)
Increase/(Decrease) in Short-term Provisions	(1.25)	0.82
Increase/(Decrease) in Long-term Provisions	(0.73)	0.73
Decrease/(Increase) in Short-term Loans and Advances	(0.04)	(0.01)
Decrease/(Increase) in Long-term Loans and Advances	-	0.26
CASH (OUTFLOW) / GENERATED FROM OPERATIONS	(5.79)	(2.95)
NET CASH USED IN OPERATING ACTIVITIES (A)	(5.79)	(2.95)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including CWIP and Capital Advances	-	-
NET CASH USED IN INVESTING ACTIVITIES (B)	-	-
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Short-term Borrowings (Net)	5.78	2.88
Interest and Finance Charges Paid	-	-
NET CASH FROM FINANCING ACTIVITIES (C)	5.78	2.88
(D) NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	(0.01)	(0.07)
(E) CASH & CASH EQUIVALENTS - OPENING BALANCE	0.04	0.12
(F) CASH & CASH EQUIVALENTS - CLOSING BALANCE (Refer Note 6)	0.03	0.04

As per our attached report of even date

For VATSS & Associates

Chartered Accountants

ICAI Firm Registration No. 017573N

Suresh Arora

Partner

Membership No.090862

For and on behalf of the Board of Directors

Vishal Rastogi

Managing Director

DIN:02780975

Tanu Agarwal

Director

DIN:07134266

Place : New Delhi

Date : 25.05.2018

Ruchi Singh

Company Secretary

Bhupender Sharma

CFO

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018.

1 Corporate Information

SRM Energy Limited (“the company”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013 (“the 2013 Act”). The company equity shares are listed on Bombay Stock Exchange (BSE). The Company has been engaged in setting up Thermal power project in its wholly owned subsidiary. The registered office of the company situated at 206, Suneja Tower-II, Janak Puri Distt. Centre, New Delhi-110058. The company parent and ultimate holding Company is Spice Energy Pvt. Ltd.

2. Significant Accounting Policies

2.1 Statement of Compliance

The financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments that are measured at fair values, the provisions of the Companies Act, 2013 (“the Act”). The Ind AS are prepared under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Effective April 1, 2017, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transaction date. The transaction was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

2.2 Basis of preparation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The principal accounting policies are set out below.

All assets and liabilities have been classified as current or non-current according to the Company’s operating cycle and other criteria set out in the Act. Based on the nature of products and the time

between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months.

2.3 Property, plant and equipment [PPE]

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

All items of property plant and equipment have been measured at fair value at the date of transition to Ind AS. The Company have opted such fair valuation as deemed cost at the transition date i.e. April 1, 2016.

Cost of acquisition or construction is inclusive of freight, duties, relevant taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, upto the date of commissioning of the assets

2.4 Capital Work in Progress:

Project under which assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

2.5 Depreciation

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.

2.6 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.

2.7 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing

of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are expensed in the period in which they occur.

2.8 Leasing

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

2.9 Foreign Currencies

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.

2.10 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.

2.11 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.

2.12 Provisions and Contingent Liabilities

Provisions

The company recognised a provision when there is a present obligation (legal or constructive) as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.13 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.

2.14 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.15 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.16 First-time adoption - mandatory exceptions, optional exemptions

Overall principle

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this

principle is subject to the exception and certain optional exemptions availed by the Company as detailed below:

Past business combinations

The Company has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2016.

Consequently,

- The Company has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Company has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Company has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Company has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

The above exemption in respect of business combinations has also been applied to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business, as defined in Ind AS 103.

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 Capital work in Progress

During the year, the Company has not incurred any expenses related to project.

	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
i) Opening Balance- Pre- Operative expenses	-	-
Less: Transferred as per Scheme of Arrangement	-	-
Less: Written off during the year	-	-
Add: Expenditure incurred during the current year	-	-
Closing Balance	-	-
	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million

5 Non-current Financial Assets

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

13.20	13.20
<u>13.20</u>	<u>13.20</u>
As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million

6 Cash and Cash Equivalents

Balances with Banks in Current Account

Cash in Hand

0.02	0.04
0.01	0.00
0.03	0.04
As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million

7 Other Current Assets Unsecured Considered good

Advances recoverable in cash or in kind

Balance with Revenue Authorities

0.01	0.01
0.04	-
<u>0.05</u>	<u>0.01</u>
As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million

8 Equity Share Capital

	As at 31.03.2018 ₹ million		As at 31.03.2017 ₹ million	
Authorised Shares	No. million	₹ million	No. million	₹ million
Equity Shares of ₹10/- each	11.30	113.00	11.30	113.00
	11.30	113.00	11.30	113.00

Issued, subscribed and paid up

Equity Shares of ₹10/- each fully paid up	9.06	90.60	9.06	90.60
	9.06	90.60	9.06	90.60

8.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period Equity Shares

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

8.2 6.45 million (Previous year 6.45 million) Equity Shares are held by the Holding Company - Spice Energy Pvt. Ltd.

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

	As at 31.03.2018		As at 31.03.2017	
	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%

8.4 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 31.03.2018	As at 31.03.2017
₹ million	₹ million

9. Other Equity

Surplus/(Deficit) in the Statement of Profit and Loss

Balance as per last financial statements	(99.11)	(95.02)
Loss for the Current year	(4.28)	(4.09)
Balance at the end of the year	(103.39)	(99.11)

10 Provisions

	Non-Current		Current	
	As at	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
	₹ million	₹ million	₹ million	₹ million
Provision for employee benefit				
Provision for Gratuity (Unfunded)	0.01	0.74	0.00	0.02
Provision for Leave Encashment (Unfunded)	(0.00)	-	0.00	-
Provision for Expenses	-	-	0.00	1.23
	0.01	0.74	0.00	1.25
	As at 31.03.2018		As at 31.03.2017	
	₹ million		₹ million	

11 Short-term Borrowings

(Unsecured & repayable on demand)

Loan from Related party (Refer Note 23)

- Spice Energy Private Limited	24.15	18.46
- SRM Energy Tamilnadu Pvt. Ltd.	0.82	0.73
	24.97	19.19

12 Other Current Liabilities

Sundry Creditors for Expenses	0.14	0.45
Provision for Expenses	0.93	0.00
Other Liabilities	0.02	0.13
	1.09	0.58

	Year ended 31.3.2018 ₹ million	Year ended 31.3.2017 ₹ million
13 Other Income		
Excess Provision for earlier years written back	-	0.29
Interest on income tax refund/TDS written off recovered	-	-
Interest Income	-	0.29
	3.17	1.88
14 Employee Benefit expenses		
Salaries	2.99	1.12
Gratuity (refer note no. 21)	0.18	0.75
Leave Encashment	0.00	0.01
	3.17	1.88
15 Other Expenses		
Advertisement Expenses	0.10	0.09
Auditors' Remuneration (Refer Note no. 19 below)	0.24	0.39
Postage, Telephone, Telex & Courier Charges	0.05	-
Rent	-	0.26
Legal and Professional Charges	0.15	0.27
Rates & Taxes	0.00	0.02
Secretarial Service Charges	-	0.32
Bank Charges	0.01	-
TDS Default	-	0.63
Travelling & Conveyance Expenses	0.05	-
Annual Listing Fees	0.29	0.23
Miscellaneous Expenses	0.22	0.29
	1.11	2.50
16 Extra-ordinary Items		
Liability No Longer Required Written Back	-	-
	-	-
17 Capital and other commitments		
Estimated amount of contract remaining to be executed on capital account net of advances paid as at 31/03/2018 : 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: ₹ million 0.02 /- (Previous year - 0.52 million)		
19 Auditors Remuneration (Refer note no 15 above)		
Audit Fees (including limited review)	0.24	0.39
Out of Pocket Expenses	-	-
Total	0.24	0.39

20 CIF VALUE OF IMPORTS, EXPENDITURE, REMITTANCES AND EARNINGS IN FOREIGN CURRENCY - Nil
21 Disclosure of “Employee Benefits” are as follows:

Defined Benefits Plans		
Gratuity		
Actuarial Assumptions	2017-18	2016-17
Discount Rate (Per Annum)	7.87%	7.29%
Rate of increase in compensation levels (Per Annum)	5%	5%
Expected average remaining lives of the employees (in no of years)	19	15
Attrition Rate	2%	2%
	₹ million	₹ million
Particulars	2017-18	2016-17
I Change in Present Value of Obligation		
Present value of defined benefits obligation as at the beginning of the year	0.01	0.76
Interest Cost	-	-
Current Service Cost	0.18	0.75
Benefits Paid	0.92	-
Actuarial (Gain) / loss on obligation	-	-
Present value of defined benefits obligation as at the end of the year	(0.73)	1.51
II Amount recognised in the Balance Sheet		
Liability at the end of the year	0.01	0.76
Fair Value of Plan Assets at the end of the year	-	-
Amount recognised in the Balance Sheet	0.01	0.76
III Expenses recognised in the Statement of Profit & Loss		
Current Service Cost	0.18	0.75
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	0.18	0.75
IV Balance Sheet Reconciliation		
Liability at the beginning of the year	0.76	0.01
Expenses as above	0.18	0.75
Benefits Paid	0.92	0.00
Amount recognised in the Balance Sheet	0.01	0.76

V Disclosures as required under Para 120 (n):

Particulars	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Present value of defined benefit obligation	0.01	0.76	0.01	0.33	0.24
Fair Value of Plan Assets	-	-	-	-	-
Surplus / (Deficit) in the Plan	(0.01)	(0.76)	(0.01)	(0.33)	(0.24)
Experience adjustment on liability {loss/(gain)}	(0.01)	(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 Group is in the process of setting up Power Project, constitutes single operating segment. Therefore, there is no disclosure requirement as per Ind AS 108 on ‘Segment Reporting’.

23 Related Party Transactions as per Ind AS 24
23.1 List of Related Parties

- 1) Holding Company:**
Spice Energy Pvt. Ltd
- 2) Subsidiaries:**
SRM Energy Tamilnadu Pvt. Ltd. (Wholly owned subsidiary)

3) Key Management Personnel :

Mr. Vishal Rastogi	Managing Director
Mr. Achyut Ganpati Pai (Resigned on 15.09.2017)	Chief Financial Officer
Mr. Bhupendra Sharma (Appointed on 14.03.2018)	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)

23.2 Transactions with Related Parties

Particulars	Holding Company		Subsidiary	
	As at 31.03.2018	As at 31.03.2017	As at 31.03.2018	As at 31.03.2017
Investment in Wholly owned subsidiary as per Scheme of Arrangement	-	-		
Loan Given	-	-	-	-
Payment received against Loan Given	-	-	-	-
Loan Taken	5.95	3.03	0.10	-
Loans repaid	0.27	0.15	-	-
Interest Income			-	-
Expenses incurred on our behalf	-	-	-	-
Closing Balance:				
Investment in Wholly owned subsidiary	-	-	13.20	13.20
Creditors for expenses	-	-	-	-
Loan Payable	24.15	18.46	0.82	0.73

24 Earnings Per Share (EPS):

Particulars	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
Net Loss as per Statement of Profit and Loss (in ₹)	(4.28)	(4.09)
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 ₹)	(0.47)	(0.45)

25. Deferred Tax:

Deferred tax Asset has not been recognized considering the principle of virtual certainty as per Ind AS 12 'Income Taxes'.

26. Disclosure in respect of Operating Leases:

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

Particulars	Lease Rental Debited to Statement of Profit and Loss (Cancellable and Non cancellable)	Future Minimum Lease Rentals		
		Less Than 1 Year	Between 1 to 5 Years	More than 5 Years
Office Premises	-	0.00	-	-

The lease rentals have been included under the head "Rent" under Note no. "15 - Other Expenses".

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 of the year	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. 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.

31. 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. Also, demand raised by the Income Tax office Rs.0.60 lacs for the AY 2003-04, Rs.45.88 lacs for the AY 2007-08 and Rs.3.81 lacs for the AY 2009-10 . In response of these demands of Rs. 50.48 lacs no reply submitted by the Comapny to Income Tax Department.

32. 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

For and on behalf of the Board of Directors

SURESH ARORA

Partner

Membership No. 090862

Vishal Rastogi

Managing Director

DIN:02780975

Tanu Agarwal

Director

DIN:07134266

Place: New Delhi

Date : 25.05.2018

Ruchi Singh

Company Secretary

Bhupender Sharma

CFO

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF SRM ENERGY LIMITED****Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS financial statements of SRM Energy Limited (hereinafter referred to as "the Holding Company") and its subsidiary SRM ENERGY TAMILNADU PRIVATE LIMITED (the Holding Company and its subsidiaries together referred to as "the Group") comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for 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; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were 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, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting 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 consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgements, including the assessment of the risks of material misstatement of the consolidated Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to below in the Other Matters paragraph, the aforesaid consolidated Ind AS 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, of the consolidated state of affairs of the Group as at March 31, 2018, and their consolidated profit, consolidated total comprehensive income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

Attention of the matters is invited to note no.25 of the notes to accounts regarding the consolidated financial statements of the Group having been prepared on a Going Concern basis, the Group's net worth 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. 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 report, to the extent applicable, 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 purposes of our audit of the aforesaid consolidated Ind AS financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group company are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary company, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's and its subsidiary company's incorporated in India internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated Ind AS financial statement disclose the impact of pending litigations on the consolidated financial position of the Group-Refer Note 17 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
- For **VATSS & Associates**,
Regn. No.017573N
Chartered Accountants
- Suresh Arora**
Partner (M/N: 090862)
- Place: New Delhi
Dated: 25/05/2018

ANNEXURE "A"

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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, 2018 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 of 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 of 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 of 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, 2018, 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 Arora

Partner
Membership No. 090862

Place: New Delhi
Dated: 25/05/2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

	Note No.	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	3	114.12	114.16
(b) Capital work-in-progress	4	307.48	306.49
(c) Investment Property		-	-
(d) Goodwill on consolidation		-	-
(e) Goodwill	5	30.00	30.00
(f) Other Intangible assets		-	-
(g) Intangible assets under development		-	-
(h) Biological Assets other than bearer plants		-	-
(i) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Others (to be specified)		-	-
(j) Deferred tax assets (net)		-	-
(k) Other non-current assets	6	6.01	6.01
(2) Current assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade receivables		-	-
(iii) Cash and cash equivalents	7	0.10	0.26
(iv) Bank balances other than (iii) above		-	-
(v) Loans		-	-
(vi) Others (to be specified)		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	6	0.13	0.48
Total Assets		457.84	457.40

II. EQUITY AND LIABILITIES

Equity

(a) Equity Share capital	8	90.60	90.60
(b) Other Equity	9	(104.44)	(100.17)

LIABILITIES

(1) Non-current liabilities

(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
(b) Provisions	10	0.01	0.82
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-

(2) Current liabilities

(a) Financial Liabilities			
(i) Borrowings	11	470.39	463.58
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item (c))		-	-
(b) Other current liabilities	12	0.33	1.25
(c) Provisions	10	0.95	1.31
(d) Current Tax Liabilities (Net)		-	-

Total Equity and Liabilities		457.84	457.40
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Accompanying notes forming part of the consolidated financial statements.

In terms of our report attached
For VATSS & ASSOCIATES

For and on behalf of the Board of Directors

Chartered Accountants
ICAI Firm Registration No. 017573N

Suresh Arora
Partner
M. No. 090862

Vishal Rastogi
Managing Director
DIN:02780975

Tanu Agarwal
Director
DIN:07134266

Place: New Delhi
Date : 25.05.2018

Ruchi Singh
Company Secretary

Bhupender Sharma
CFO

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2018**

	Note No.	For The Year Ended 31.03.2018 ₹ million	For The Year Ended 31.03.2017 ₹ million
I Revenue From Operations			
Other Income	13	-	0.29
Total Revenue (I)		-	0.29
II EXPENSES			
Cost of Material consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in inventories of finished goods, stock in trade work in progress		-	-
Employee benefits expense	14	3.17	1.88
Finance costs		-	-
Depreciation and amortization expenses		-	-
Other expenses	15	1.11	2.50
Total expenses (II)		4.28	4.38
III Profit before exceptional items and tax (I-II)		(4.28)	(4.09)
IV Exceptional Items		-	-
V Profit/(loss) before tax (III-IV)		(4.28)	(4.09)
VI Tax expense:		-	-
(1) Current tax		-	-
(2) Deferred tax		-	-
VII Profit (Loss) for the period from continuing operations (V-VI)		(4.28)	(4.09)
VIII Profit/(loss) from discontinued operations		-	-
IX Tax expense of discontinued operations		-	-
X Profit/(loss) from Discontinued operations (after tax) (VIII-IX)		-	-
XI Profit/(loss) for the period (VII+ X)		(4.28)	(4.09)
XII Other Comprehensive Income		-	-
A Items that will be reclassified to profit or loss			
Exchange differences on translation of foreign operations		-	-
Income tax effect		-	-
Net movement on cash flow hedges		-	-
Income tax effect		-	-
Net (loss)/gain on FVTOCI financial instruments		-	-
Income tax effect		-	-
B Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		-	-
Income tax effect		-	-
Revaluation of property, plant and equipment		-	-
Income tax effect		-	-
"XIII Total Comprehensive Income for the period (XI + XII) (Comprising Profit (Loss) and Other Comprehensive Income for the period)"		(4.28)	(4.09)

XIV Earnings per equity share (for continuing operation):	22		
(1) Basic		(0.47)	(0.45)
(2) Diluted		(0.47)	(0.45)
XV Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
XVI Earnings per equity share (for discontinued & continuing operations)	22		
(1) Basic		(0.47)	(0.45)
(2) Diluted		(0.47)	(0.45)

Accompanying notes forming part of the consolidated financial statements.

In terms of our report attached
For VATSS & ASSOCIATES

For and on behalf of the Board of Directors

Chartered Accountants
ICAI Firm Registration No. 017573N

Suresh Arora
Partner
M. No. 090862

Vishal Rastogi
Managing Director
DIN:02780975

Tanu Agarwal
Director
DIN:07134266

Place: New Delhi
Date : 25.05.2018

Ruchi Singh
Company Secretary

Bhupender Sharma
CFO

SRM ENERGY LIMITED
Consolidated Statement of Change in Equity for the year ended 31st Mar-2018

(Amount in Rupees, except for share data and if otherwise stated)

(a) Equity Share Capital					(₹ in million)
Balance as at March 31, 2016					90.60
Change in equity share capital during the year					-
Balance as at March 31, 2017					90.60
Change in equity share capital during the year					-
Balance as at March 31, 2018					90.60

(b) Other Equity					
Reserve and Surplus					
	Capital reserve	General reserve	Retained earnings	Foreign currency translation	Total
Balance as at March 31, 2016	-	-	(96.08)	-	(96.08)
Profit/(Loss) for the year	-	-	(4.09)	-	(4.09)
Other Comprehensive income for the year, net of income tax	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-
Payment of Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Foreign Currency Translation Reserve	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-
Balance at March 31, 2017	-	-	(100.17)	-	(100.17)
Profit/(Loss) for the year	-	-	(4.28)	-	(4.28)
Other Comprehensive income for the year, net of income tax	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	-
Payment of Dividend	-	-	-	-	-
Tax on Dividend	-	-	-	-	-
Foreign Currency Translation Reserve	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-
Balance at March 31, 2018	-	-	(104.44)	-	(104.44)

Accompanying notes forming part of the consolidated financial statements.
For VATSS & ASSOCIATES

CHARTERED ACCOUNTANT

ICAI Firm Registration No. 017573N

Suresh Arora

Partner

M. No. 090862

Place : New Delhi

Date : 25/05/2018

For and on behalf of the Board of Directors
Vishal Rastogi

Managing Director

DIN:02780975

Ruchi Singh

Company Secretary

Tanu Agarwal

Director

DIN:07134266

Bhupender Sharma

CFO

**CONSOLIDATED CASH FLOW STATEMENT FOR THE
YEAR ENDED 31ST MARCH, 2018**

	For the year ended 31.03.2018 ₹ million	For the year ended 31.03.2017 ₹ million
(A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/(LOSS) BEFORE TAX	(4.28)	(4.09)
ADJUSTMENTS FOR		
Interest Income	-	-
Pre-operative expenses written off	-	-
OPERATING (LOSS) / PROFIT BEFORE WORKING CAPITAL CHANGES	(4.28)	(4.09)
ADJUSTMENT FOR		
Increase/(Decrease) in Other Current Liabilities	(0.92)	(0.93)
Increase/(Decrease) in Current Provisions	(0.37)	0.66
Increase/(Decrease) in Non-Current Provisions	(0.81)	(0.04)
Decrease/(Increase) in other Current Assets	0.35	(0.03)
Decrease/(Increase) in Non-Current Loans and Advances	-	86.28
CASH (OUTFLOW) / GENERATED FROM OPERATIONS	(6.03)	81.85
Interest on income tax refund/TDS written off recovered	-	-
NET CASH USED IN OPERATING ACTIVITIES (A)	(6.03)	81.85
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/(Sale) of Property, Plant and Equipment including CWIP	(0.95)	(5.89)
Proceeds from Sale of Property, Plant and Equipment	-	6.56
Purchase of Current Investments	-	-
NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)	(0.95)	0.67
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from Current Borrowings (Net)	6.81	(82.54)
Interest on income tax refund/TDS written off recovered	-	-
NET CASH FROM FINANCING ACTIVITIES (C)	6.81	(82.54)
(D) NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	(0.17)	(0.02)
(E) CASH & CASH EQUIVALENTS - OPENING BALANCE	0.26	0.28
(F) CASH & CASH EQUIVALENTS - CLOSING BALANCE (Refer Note 11)	0.09	0.26

Accompanying notes forming part of the consolidated financial statements.

In terms of our report attached
For VATSS & ASSOCIATES
Chartered Accountants
ICAI Firm Registration No. 017573N

Suresh Arora
Partner
M. No. 090862

Place: New Delhi
Date : 25.05.2018

For and on behalf of the Board of Directors

Vishal Rastogi
Managing Director
DIN:02780975

Ruchi Singh
Company Secretary

Tanu Agarwal
Director
DIN:07134266

Bhupender Sharma
CFO

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED
MARCH 31, 2018**

1. Corporate Information

SRM Energy Limited (“the Group”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 2013 (“the 2013 Act”). The group’s equity shares are listed on Bombay Stock Exchange (BSE). The Company has been engaged in setting up Thermal power project in its wholly owned subsidiary. The registered office of the group situated at 206, Suneja Tower-II, Janak Puri Distt. Centre, New Delhi-110058. The group’s parent and ultimate holding Company is Spice Energy Pvt. Ltd.

2. Significant Accounting Policies

2.1 Statement of Compliance

These consolidated financial Statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments that are measured at fair values, the provisions of the Companies Act, 2013 (“the Act”). The Ind AS are prepared under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter.

Effective April 1, 2017, the Group has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 First time adoption of Indian Accounting Standards, with April 1, 2016 as the transaction date. The transaction was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

2.2 Basis of preparation and consolidation

The consolidated financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below.

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an

orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The principal accounting policies are set out below.

All assets and liabilities have been classified as current or non-current according to the Group’s operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months.

The consolidated financial statements incorporate the financial statements of the holding company and its subsidiaries. Control is achieved when the group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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

2.3 Property, plant and equipment [PPE]

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any.

All items of property plant and equipment have been measured at fair value at the date of transition to Ind AS. The Group have opted such fair valuation as deemed cost at the transition date i.e. April 1, 2016.

Cost of acquisition or construction is inclusive of freight, duties, relevant taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of

commissioning of the assets. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, upto the date of commissioning of the assets

2.4 Capital Work in Progress:

Project under which assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

2.5 Depreciation

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

Freehold land is not depreciated.

Depreciation is calculated on a pro rata basis except that, assets costing upto ₹ 5,000 each are fully depreciated in the year of purchase.

An item of property, plant and equipment or any significant part initially recognised of such item of property plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

2.6 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination.

2.7 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.

2.8 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are expensed in the period in which they occur.

2.9 Leasing

A lease is classified at the inception date as a

finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the group is classified as a finance lease. The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

2.10 Foreign Currencies

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.

2.11 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.

2.12 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.

2.13 Provisions and Contingent Liabilities

Provisions

The group recognised a provision when there is a present obligation (legal or constructive) as a result of past events and it is more likely than not that an outflow of resources would be required to settle the obligation and a reliable estimate can be made. When the group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.14 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.

2.15 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.16 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the

Company are segregated based on the available information.

2.17 First-time adoption - mandatory exceptions, optional exemptions

Overall principle

The Group has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the exception and certain optional exemptions availed by the Group as detailed below:

Past business combinations

The Group has elected not to apply Ind AS 103 Business Combinations retrospectively to past business combinations that occurred before the transition date of April 1, 2016. Consequently,

- The Group has kept the same classification for the past business combinations as in its previous GAAP financial statements;
- The Group has not recognised assets and liabilities that were not recognised in accordance with previous GAAP in the consolidated balance sheet of the acquirer and would also not qualify for recognition in accordance with Ind AS in the separate balance sheet of the acquiree;
- The Group has excluded from its opening balance sheet those items recognised in accordance with previous GAAP that do not qualify for recognition as an asset or liability under Ind AS;
- The Group has tested the goodwill for impairment at the transition date based on the conditions as of the transition date;
- The effects of the above adjustments have been given to the measurement of non-controlling interests and deferred tax.

The above exemption in respect of business combinations has also been applied to past acquisitions of investments in associates, interests in joint ventures and interests in joint operations in which the activity of the joint operation constitutes a business, as defined in Ind AS 103.

3 Property, Plant and Equipment

₹ million

Particulars	Land	Furniture & Fixtures	Office Equipments	Computer	Total	Previous year
Gross Block						
As at 01.04.2017	114.12	0.18	0.56	0.55	115.41	115.90
	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	0.06
Sales/(discarded) during the year	-	-	-	-	-	(0.56)
As at 31.03.2018	114.12	0.18	0.56	0.55	115.41	115.41
Depreciation						
As at 01.04.2017	-	0.16	0.55	0.54	1.25	1.28
Add: Transferred as per the said Scheme	-	-	-	-	-	-
Provided during the year	-	0.02	0.01	-	0.03	0.02
Adjusted for Last Financial Year	-	-	-	-	-	-
On Sale/adjustment	-	-	-	-	-	(0.05)
As at 31.03.2018	-	0.18	0.56	0.54	1.28	1.25
Impairment Loss						
As at 01.04.2017	-	-	-	-	-	-
Charge for the year	-	-	-	-	-	-
As at 31.03.2018	-	-	-	-	-	-
Net Block						
As at 01.04.2017	114.12	0.02	0.01	0.00	114.16	114.16
As at 31.03.2018	114.12	-	-	0.00	114.12	-

Depreciation and Amortisation for the year	0.03	0.02
Less: Transferred to Preoperative expenses pending allocation	(0.03)	(0.02)
Depreciation & Amortisation as per Profit and Loss Account	-	-
	As at 31.03.2018	As at 31.03.2017
	₹ million	₹ million
Transitional Depreciation (Refer Note 2.7)	-	-
Less: Transferred to Preoperative expenses pending allocation	-	-
Depreciation & Amortization as per Profit and Loss Account	-	-

4 Capital work in Progress

Particulars	As on 31.03.2018 (₹ million)	As on 31.03.2017 (₹ million)
Opening Balance	306.49	306.70
Less: Written off during the year	-	-
Add: Expenditure incurred during the current year		
Salaries and Perquisites	0.08	3.87
Staff Welfare Expenses	0.00	0.01
Legal & Professional Fees	0.55	1.22
Travelling & Conveyance Expenses	0.05	0.07
Telephone / Internet Expenses	0.01	0.05
Auditors' Remuneration	0.05	0.12
Advertisement	-	-
Demerger Exp	-	-
Rates and Taxes	-	0.10
Rent and Compensation	0.10	0.40
Vehicle Running Expenses	-	-

Repairs and Maintenance	-	-
Electricity Expenses	0.00	0.01
Printing & Stationery	0.02	0.01
Courier/Postage	0.01	0.01
Advances written off	-	37.81
Miscellaneous Expenses	0.09	0.17
Loss/Discard in Sale of Assets	-	-
Interest and Bank Charges	0.00	0.00
Depreciation & Amortization	0.03	0.02
Depreciation for the last financial year	-	-
Total	0.99	43.86
Less : Interest Income on Deposit with Bank	-	-
Less : Profit on sale of assets	-	-
Less : Dividend from Investment in Mutual Funds	-	-
Less : Exchange Rate Difference Gain (net)	-	-
Less : Other Income	-	44.07
Balance		
Add: Fringe Benefit Tax		-
Net Expenses for the year	0.99	(0.21)
Closing Balance	307.48	306.49

5 Goodwill

	As at 31.03.2018 ₹ million	As at 31.03.2017 Rupee million
Gross Block		
As at 01.04.2017	30.00	30.00
Additions during the year	-	-
As at 31.03.2018	30.00	30.00
Amortisation		
As at 01.04.2017	-	-
Charge for the year	-	-
As at 31.03.2018	-	-
Net Block		
As at 01.04.2017	30.00	30.00
As at 01.04.2018	30.00	30.00

6 Other Assets

	Non-Current		Current	
	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
6.1 Capital Advances				
Secured Considered good	-	-	-	-
Unsecured Considered good	6.01	6.01	-	-
	6.01	6.01	-	-
6.2 Security Deposit				
Secured Considered good	-	-	-	-
Unsecured Considered good	-	-	0.01	0.41
	-	-	0.01	0.41
6.3 Other Loans & Advances				
Unsecured Considered goods				
Loans and advances to Employees	-	-	-	-
Advance recoverable in cash or in kind	-	-	0.12	0.07
	-	-	0.12	0.07
Total (a+b+c)	6.01	6.01	0.13	0.48

	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
7 Cash and Cash Equivalents		
Cash in Hand	0.02	0.05
Balances with Banks in Current Account	0.08	0.21
	0.10	0.26

	As at 31.03.2018		As at 31.03.2017	
	No. million	₹ million	No. million	₹ million
8 Equity Share Capital				
Authorised Shares	11.30	113.00	11.30	113.00
Equity Shares of ₹10/- each	11.30	113.00	11.30	113.00
Issued, subscribed and paid up				
Equity Shares of ₹10/- each fully paid up	9.06	90.60	9.06	90.60
	9.06	90.60	9.06	90.60

8.1 Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares				
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

8.2 6.45 million (Previous year 6.45 million) Equity Shares are held by the Holding Company - Spice Energy Pvt. Ltd.

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

	As at 31.03.2018		As at 31.03.2017	
	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%

8.4 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 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
9 Other Equity		
Retained earnings		
Surplus/(Deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	(100.17)	(96.08)
(Loss) for the Current Year	(4.28)	(4.09)
Balance at the end of the year	(104.44)	(100.17)

10 Provisions

	Non-Current		Current	
	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
Provision for employee benefit				
Provision for Gratuity (Refer Note no.18)	0.01	0.82	-	0.02
Provision for Leave Encashment	-	-	0.00	0.00
Provisions for Expenses	-	-	0.95	1.29
	0.01	0.82	0.95	1.31

11 Borrowings

	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
“Current (Unsecured & repayable on demand)”		
Loan from Related party (Refer Note 20)		
- Inter Corporate Deposit from related party	1.50	1.50
- Loan From Directors and Relatives of Director	422.84	390.43
- Spice Energy Private Limited	46.05	71.65
	470.39	463.58

12 Other Current Liabilities

	As at 31.03.2018 ₹ million	As at 31.03.2017 ₹ million
Sundry Creditors for Expenses	0.27	1.05
Other Liabilities	0.06	0.19
	0.33	1.25

13 Other Income

	For the year ended March 31,2018 ₹ million	For the year ended March 31,2017 ₹ million
Excess Provision for earlier years written back	-	0.28
Interest on income tax refund/TDS written off recovered	-	0.00
	-	0.29

14 Employee Benefit expenses

	For the year ended March 31,2018 ₹ million	For the year ended March 31,2017 ₹ million
Salaries	2.99	1.12
Gratuity (refer note no. 18)	0.18	0.75
Leave Encashment	-	0.01
	3.17	1.88

15 Other Expenses

	For the year ended March 31,2018 ₹ million	For the year ended March 31,2017 ₹ million
Advertisement Expenses	0.10	0.09
Auditors' Remuneration	0.24	0.39
Postage, Telephone, Telex & Courier Charges	0.05	0.00
Bank Charges	0.01	0.00
Rent	-	0.26
Legal and Professional Charges	0.15	0.27
Rates & Taxes	-	0.02
Interest on TDS	-	0.63
Secretarial Service Charges	-	0.32
Travelling & Conveyance Expenses	0.05	-
Annual Listing Fees	0.29	0.23
Miscellaneous Expenses	0.21	0.29
	1.11	2.50

16 Capital and other commitments

- i) Estimated amount of contract remaining to be executed on capital account net of advances paid as at 31/03/2018 : Nil and as at 31/03/2017 : Nil
- ii) For commitment relating to lease arrangements, please Refer Note 20 below.

17 Contingent Liabilities:

Disputed dues of Income tax due to non/late deposit of TDS for the assessment years 2008-09 to 2014-15: ₹ 0.02 million/- (Previous year - 0.52 million)

18 Disclosure of "Employee Benefits" are as follows:

Defined Benefits Plans

Gratuity

Actuarial Assumptions	2017-18	2016-17
Discount Rate (Per Annum)	7.29%	7.29%
Rate of increase in compensation levels	5%	5%
Expected average remaining lives of the employees (in no of years)	15	15
Attrition	2%	2%
	₹ million	₹ million

Particulars

Change in Present Value of Obligation

	2017-18	2016-17
I Present value of defined benefits obligation as at the beginning of the year	0.84	0.71
Net Liability/Asset transferred out		(0.63)
Interest Cost		0.05
Current Service Cost	0.18	0.85
Benefits Paid	1.01	-
Actuarial (Gain) / loss on obligation		(0.14)
Present value of defined benefits obligation as at the end of the year	0.01	0.84
II Amount recognised in the Balance Sheet		
Liability at the end of the year	0.01	0.84
Fair Value of Plan Assets at the end of the year		
Amount recognised in the Balance Sheet	0.01	0.84
III Expenses recognised in the Pre-operative Expenses / Statement of Profit and Loss		
Current Service Cost	0.18	0.85
Past Service Cost	-	-
Interest Cost	-	0.05
Expected Return on Plan Assets		
Net Actuarial (Gain)/Loss Recognised in the year	-	(0.14)
Total expenses recognised in the Preoperative Expenses / Statement of Profit and Loss	0.18	0.76
IV Balance Sheet Reconciliation		
Liability at the beginning of the year	0.84	0.71
Net Liability/Asset transferred out	(0.92)	(0.63)
Expenses as above(Refer Point III)	0.18	0.76
Employers' Contribution		-
Amount recognised in the Balance Sheet	0.10	0.84

V Disclosures required under Para 120(n)

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Present Value of defined benefit obligation	0.01	0.84	0.71	0.88	0.61
Fair Value of plan Asset	-	-	-	-	-
Surplus / (Deficit) in the Plan	(0.01)	(0.84)	(0.71)	(0.88)	(0.61)
Experience adjustment on liability {loss/(gain)}	(0.01)	(0.14)	0.01	0.12	(0.10)

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.

19 Segment Reporting :

The Group is in the process of setting up Power Project, constitutes single operating segment. Therefore, there is no disclosure requirement as per Ind AS 108 on 'Segment Reporting'.

20 Related Party Transactions as per Ind AS 24
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 LLP

3) Key Management Personnel :

Mr. Vishal Rastogi

Managing Director

Mr.Achyut Ganpati Pai(Resigned on 15.09.2017)

Chief Financial Officer

Mr.Bhupendra Sharma(Appointed on 14.03.2018)

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

Particulars	Holding Company		Key Management Personnel and Relatives of Key Management Personnel*		"Enterprise in which key management personnel and their relatives exercise significant influence"	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Loans Repaid	31.55	30.65	0.30	94.07	-	-
Loans Taken	5.95	3.03	32.71	39.15		
Closing Balance:						
Loan Payable	46.05	71.65	422.84	390.43	1.50	1.50

* Loan taken includes Loan taken from Mr. Gagan Rastogi amounting to Rs 32.71 Millions (39.15 Millions) and Loan payable includes Loan payable to Mr. Gagan Rastogi amounting to Rs. 422.84 Millions (390.43 Millions)

21 Disclosure in respect of Operating Leases:

(a) The Company has entered into cancellable / non-cancellable leasing agreement for office premises renewable by mutual consent on mutually agreeable terms.

(b) 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	0.10		-	-

Total lease payments recognised in Statement of Profit and loss / pre operative expenses during the year was Rs.0.10 million (Previous Year :Rs. ₹0.70 million)

22 Earnings Per Share (EPS):

Particulars	For the year	For the year
	₹ million	₹ million
Net Loss as per Statement of Profit and Loss (in ₹)	(4.28)	(4.09)
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 ₹)	(0.47)	(0.45)

23 Deferred Tax:

Deferred tax Asset has not been recognized considering the principle of virtual certainty as per Ind AS 12 'Income Taxes'.

24 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 Ind AS 105 Non-Current Assets held for sale and Discontinued 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 Ind AS-108 on 'Segment Reporting', the disclosure as required by Ind AS-108, 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. (6.02) millions, Rs. (0.95) millions and Rs. 6.81 millions respectively.

25 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.

26 Pursuant to first proviso 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
Equity Share Capital	13.20
Other Equity	1.01
Total Assets	458.62
Total Liabilities	446.44
Investment	-
Turnover	-
Profit/(Loss) before Taxation	-
Provision for Taxation	-
Profit/(Loss) after Taxation	-
Proposed Dividend	-
% of Shareholding	100%

- 27 Particulars of Derivative Instruments as at March 31, 2018 :
- No derivative instruments are acquired for hedging purposes.
 - No derivative instruments are acquired for speculation purposes
 - 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)
- 28 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.
- 29 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.
- 30 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	92%	(12.79)	100%	(4.28)
Subsidiary (indian)				
SRM Energy Tamilnadu Pvt. Ltd.	(88%)	12.18	0%	-
Adjustments arising out of consolidation		(13.23)		-
Consolidated Net Assets/ Profit after Tax		(13.84)		(4.28)

- 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, 2018
- 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. Also, demand raised by the Income Tax office Rs.0.60 lacs for the AY 2003-04, Rs.45.88 lacs for the AY 2007-08, Rs.3.81 lacs for the AY 2009-10 and Rs.3.67 lacs for the AY 2013-14. In response of these demands of Rs. 53.96 lacs no reply submitted by the Company to Income Tax Department.
- 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 Arora

Partner

Membership No.090862

Place : New Delhi

Date : 26/05/2018

For and on behalf of the Board of Directors

Vishal Rastogi

Managing Director

DIN:02780975

Ruchi Singh

Company Secretary

Tanu Agarwal

Director

DIN:07134266

Bhupender Sharma

CFO

SHAREHOLDER'S INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 24, 2018 at 09:00 A.M. and ends on September 26, 2018 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, 2018, 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, 2018 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.

(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. Please follow the instructions as prompted by the mobile app while voting on your mobile.)
- (iv) Click on "Shareholders/Members" 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 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:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/ Depository Participant are requested to use 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. • 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. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> • 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).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders/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 of '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 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.
 - 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 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, 2018 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, under help section or write an email to 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, 24th August, 2018.
- The Voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company.
- Mr. Sajal Saxena, Proprietor of Sajal Saxena, Company Secretaries 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.
- 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 31st AGM to be held on 27th September, 2018 and will be communicated to the Stock Exchange and placed on the website of the Company, i.e., www.srmenergy.in.

SRM ENERGY LIMITED

REGD. & ADMIN OFFICE: UNIT NO. 206, 2ND FLOOR, SUNEJA TOWER-2,
DISTRICT CENTRE, JANAKPURI, NEW DELHI-110058

CIN L17100DL1985PLC303047
TEL. NO. +91-011-40234327

website: www.srmenergy.in
email: info@srmenergy.in

Date: 10.07.2018

IMPORTANT COMMUNICATIONS FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM.

This is to kindly inform to all the shareholders of the Company that the Securities and Exchange Board of India (SEBI) has amended the Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, vide Gazette notification dated 08.06.2018, the SEBI vide this amendment has mandated that the transfer of securities/shares will be carried out in dematerialized form only.

In context to the aforesaid changes in the Regulations, all the shareholders of the Company are advised to dematerialize their physical shareholding at the earliest to avoid any inconvenience. Please note that after 04.12.2018 the Company cannot process the application for transfer of securities in physical form.

In case of any query/clarification, the shareholders may please contact at the addressee/(s) mentioned herein below;

- A) MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area, Phase-1,
Tel. no. 011-41406149
E-mail- admin@mcsregistrars.com

- B) SRM ENERGY LIMITED
Unit No. 206, Second Floor,
Suneja Tower-2, District Center,
Janakpuri, New Delhi-110058
Tel No. 011-40234327
E-mail- info@srmenergy.in



Proxy Form

SRM ENERGY LIMITED

CIN: L17100DL1985PLC303047

Regd. off: 206, 2nd Floor, Suneja Tower-2, District Center, Janakpuri, New Delhi- 110058

Phone: +91 (11) 40234327, **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 SRM Energy Limited shares of the above named company, hereby appoint

- Name : Address :
E-mail : Signature : or failing him
- 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 31st Annual General Meeting of the Company, to be held on Thursday the 27th day of September, 2018 at Federation of Indian Export Organisations, Niryat Bhawan, Rao Tula Ram Marg, OPP. Army Hospital Research and Referral, New Delhi 110 057 at 11:00 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 (including Audited Consolidated Financial Statement) of the Company for the financial year ended 31st March, 2018 and the Reports of Director's and Auditor's thereon.
- To appoint a Director in place of Ms. Tanu Agarwal (DIN- 07134266) who retires by rotation and being eligible, offers herself for reappointment.

Special Business:

- Regularization of appointment of Mr. Shailesh Kumar Singh (DIN: 07688944) as an Independent Director of the Company.
- Re-appointment of Mr. Vijay Kumar Sharma (DIN: 03272034) as an Independent Director of the Company.
- Re-appointment of Mr. Vishal Rastogi (DIN: 02780975) as a Managing Director of the Company.

Affix
Revenue
Stamp

Signed this _____ day of _____ 20 _____

Signature of shareholder _____ Signature of Proxy holder(s) _____

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, 2nd Floor, Suneja Tower-2, District Center, Janakpuri, New Delhi- 110058

Phone: +91 (11) 40234327, **Email:** info@srmenergy.in, **Web:** www.srmenergy.in

31st 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 31st Annual general meeting of the Company to be held on Thursday, September 27, 2018 at 11.00 a.m. at Federation of Indian Export Organisations, Niryat Bhawan, Rao Tula Ram Marg, OPP. Army Hospital Research and Referral, New Delhi 110 057.

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

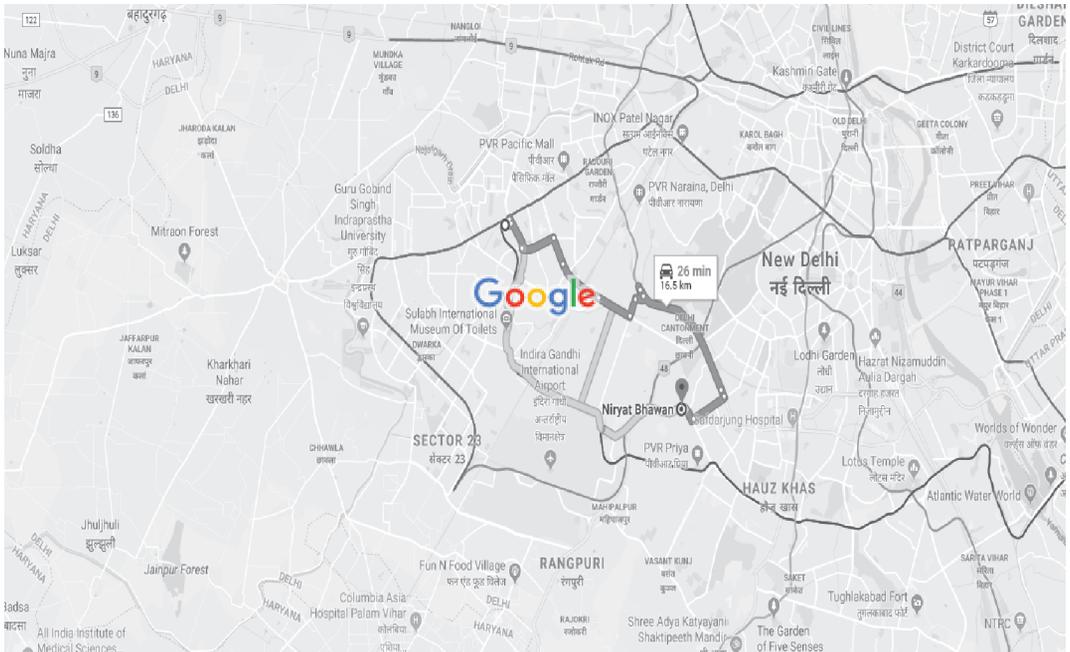
I certify that I am a member/proxy/ authorized representative for the member of the Company.

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 NIRYAT BHAWAN, 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