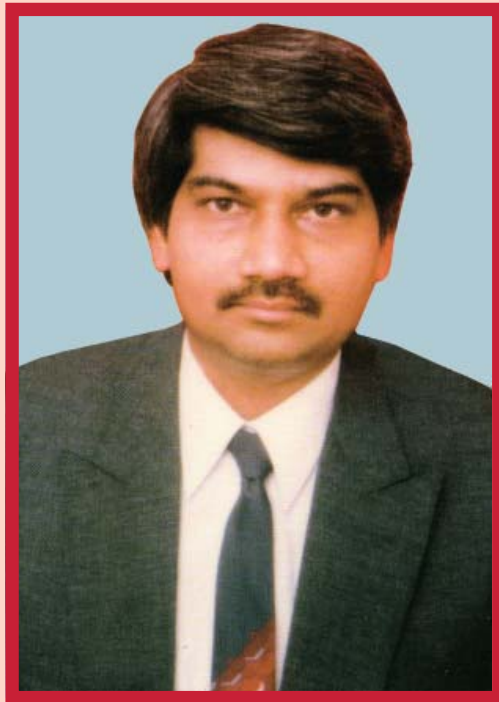




**H E L P I N G  
C O N D U C T  
E L E C T R I C I T Y  
B E T T E R**

**RTS POWER CORPORATION LTD.  
| 68TH ANNUAL REPORT | 2015-2016 |**

*Mortal in Life - immortal memory*



**Late Surendra Bhutoria (1961-1995)**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Sri Sardul Singh Jain  
Sri Rajendra Bhutoria  
Sri Abhay Bhutoria  
Smt Rachna Bhutoria  
Sri Ram Lal Saini  
Sri Alok Kumar Banthia

Chairman  
Vice Chairman & Whole-Time Director  
Managing Director  
Director  
Director  
Director

### COMPANY SECRETARY

Sri J. Biswas

### AUDITORS

A. C. Bhutoria & Co.  
Chartered Accountants  
2, India Exchange Place (2nd Floor)  
Kolkata - 700 001

### BANKERS

State Bank of Bikaner & Jaipur  
ICICI Bank Limited  
Bank of Baroda  
Canara Bank  
Oriental Bank of Commerce

### REGISTERED OFFICE

56, Netaji Subhas Road (2nd Floor)  
Kolkata - 700 001  
Phone : (033) 2242-6025, 2242-6054  
Fax : (033) 2242-6732  
E-mail : headoffice@rtspower.com  
Website : www.rtspower.com

CIN : L17232WB1947PLC016105

### PLANTS

1. Rajasthan Transformers & Switchgears  
(A Unit of RTS Power Corporation Limited)  
Power & Distribution Transformers Unit  
C-174, Road No 9J Vishwakarma Industrial Area  
Chomu Road, Jaipur - 302013 (Rajasthan)
2. Rajasthan Transformers & Switchgears  
(A Unit of RTS Power Corporation Limited)  
Power & EHV Division Unit - 132 KV Class Transformers  
E-346, Road No. 16, Vishwakarma Industrial Area  
Jaipur - 302013 (Rajasthan)
3. Rajasthan Transformers & Switchgears  
(A Unit of RTS Power Corporation Limited)  
Distribution Transformers Division  
F 139 to 142 Udyog Vihar, Jetpura, Jaipur (Rajasthan)
4. RTS Power Corporation Limited  
Transformer & Speciality Oil Unit  
A-25, 26 RIICO Industrial Area, Kaladera  
Chomu, Jaipur, (Rajasthan)
5. Rajasthan Transformers & Switchgears  
(A Unit of RTS Power Corporation Limited)  
Power & Distribution Transformers Unit  
Near 14 KM Mile Stone, Mathura Road  
P.O. Artoni, Agra - 282007 (U.P.)
6. RTS Power Corporation Limited  
Power & Distribution Transformers Unit  
Jala Dhulagori, Sankrail, Dhulagori  
Howrah - 711302 (West Bengal)
7. RTS Power Corporation Limited  
Wind Energy Division  
Dhule - Maharashtra
8. RTS Power Corporation Limited  
Wind Energy Division  
Barmer - Rajasthan

### REGISTRAR & SHARE TRANSFER AGENT :

NICHE TECHNOLOGIES PRIVATE LIMITED

D-511, BAGREE MARKET, 5TH FLOOR, 71, B.R.B. BASU ROAD, KOLKATA - 700001

PHONE : (033) 2234-3576, 2235-7270/7271/3070, Fax No. : (033) 2215-6823

E-mail: nichetechpl@nichetechpl.com

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## Directors' Report

Dear Shareholders,

Your Directors have the pleasure in presenting their 68th Annual Report on the business and operations of your Company and the audited Financial Statements of your Company for the year ended March 31, 2016:

### FINANCIAL RESULTS

(₹ In Lacs)

	2015-2016		2014-2015	
<b>Total Income</b>		14532.63		17217.08
<b>Total Expenditure</b>		14499.75		17073.43
		<b>32.88</b>		<b>143.65</b>
<b>Add :</b>				
Exceptional Item		236.84		0.00
<b>Less:</b>				
Non-recurring Item- adjustment under transitional provisions for Depreciation as per Schedule II to the Companies Act, 2013		0.00		18.82
<b>Profit/(Loss) Before Tax</b>		<b>269.72</b>		<b>124.83</b>
<b>Less :</b>				
Current Tax	68.70		25.00	
Deferred Tax	(10.35)	58.35	37.12	62.12
<b>Profit/(Loss) After Tax</b>		<b>211.37</b>		<b>62.71</b>
Add: Profit Brought Forward		999.20		936.49
<b>Balance Carried to Reserves &amp; Surplus</b>		<b>1210.57</b>		<b>999.20</b>

### DIVIDEND

The Board of Directors has proposed to retain the meagre amount of operating profit of ₹ 33 lacs in Reserves and Surplus for expansion and further growth of the Company and therefore, has not recommended payment of any Dividend.

### STATE OF THE COMPANY'S AFFAIRS

#### OPERATIONAL REVIEW

During the year under review, your Company's revenue has fallen down to ₹ 142.41 Crores (17% approx) over last year. Including other income, total revenue has fallen down by 15% approx. from ₹172.17 Crores in 2014-2015 to ₹ 145.33 Crores in 2015-2016. Such shortfall arises mainly due to non-lifting of the Company's finished products by various customers.

This year your Company has earned a Profit Before Tax of ₹ 270 Lacs as against ₹ 125 Lacs of last year. Exceptional income, namely, profit on sale of land (₹150 lacs), profit on sale of other fixed assets (₹ 19 lacs) and profit on sale of investment in wholly-owned Subsidiary (₹ 68 lacs), amounted to ₹ 237 lacs this year.

Your Company's focus on better Working Capital Management (WCM) has borne fruit, which has reduced inventory by 21% approx. compared to last year and as a part of such WCM, the Company is making all out efforts to realise debtors as fast as possible and has been able to reduce its Debtors from ₹ 92.96 Crores to ₹ 56.79 Crores (reduction of 39% approx.) over last year. Your Company has seen a

## Directors' Report

massive reduction in its Creditors from ₹ 78 Crores to ₹ 30 Crores, which is a reduction of 61% approx. over last year. The Unsecured Loans of your Company have been reduced from ₹ 17.65 Crores of last year to ₹ 5.37 Crores of this year. A reduction of 70% approx. Total Borrowings of your Company has come down from ₹ 45.06 Crores to ₹ 29.65 Crores over last year. A reduction of 34%. Its total outside liability (TOL) has come down from ₹ 127.31 Crores last year to ₹ 61.80 Crores this year, a reduction of almost 51% in course of one year, which is unprecedented in your Company's history. This is a very healthy sign for your Company.

### FUTURE OUTLOOK

Your Company's continued effort in achieving higher exports has yielded fruitful result. This year the Company's export sales has registered a growth of about 155% over last year with its increase from ₹ 440 Lacs in 2014-2015 to ₹ 1121 Lacs in 2015-2016. In 2014-2015 the increase in export front was 150% over 2013-2014. Your Company is putting much thrust on export Sales and expects further increase in export sales in coming years.

However, as in the past, mushroom growth and unhealthy competition from various Transformer manufacturing Units in unorganized sector is posing problems to organized sector, like your Company, resulting in under utilization of production capacities, and therefore, the selling prices are under pressure, so are the margins.

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO

Monitoring and control of consumption of sources of energy like power, oil, etc. continued to be a priority area of your Company. Energy conservation procedures also form an important part of your Company's operational practices. No alternative sources of energy has so far been utilized. There is no capital investment during the year under review on energy conservation equipment.

Your Directors have nothing to report in the matter of Technology Absorption since your Company has neither hired nor imported any technology from outside sources. Your Company has no Research and Development (R&D) Department and has not spent any amount on R&D during the Financial Year.

Your Company has achieved increased Export business and consequently, Foreign Exchange earnings (FOB) out of such Export business during this year was ₹ 1121.49 Lacs (increase of almost 155% over last year). The Foreign Exchange outgo during this year was as follows:

#### Expenditure in Foreign Currency

Foreign Travelling	₹ 13.97 Lacs
Bank Charges	₹ 1.46 Lacs
	<u>₹ 15.43 Lacs</u>

### CONSOLIDATED FINANCIAL STATEMENT

The consolidated Financial Statements of the Company and its Subsidiaries (upto July 27,2015) for the year ended March 31,2016, prepared in accordance with the provisions of Sub Section 3 of Section 129 of the Companies Act,2013 (the Act) and the applicable Accounting Standards and the Listing Regulations and duly audited by M/s A C Bhuteria & Co., Chartered Accountants , Auditors of the Company form a part of this Annual Report. The said consolidated Financial Statements shall be laid before the ensuing Annual General Meeting of the Company while laying its own Financial Statements under Sub Section (2) of the said Section. A separate Statement containing the salient features of the Financial Statements of its Subsidiaries (upto July 27,2015) has been given in Note No 39 to the Consolidated Financial Statements pursuant to first proviso to Sub Section (3) of Section 129 read

## Directors' Report

with Rule 5 of The Companies (Accounts) Rules, 2014. The duly audited Accounts of the Subsidiary Companies as on and upto July 27, 2015 are also available on the Company's Website.

### DIRECTORS

The Board of Directors of your Company consists of a balanced profile of Members specializing in different fields that enables it to address the various business needs of the Company, while placing very strong emphasis on corporate governance.

#### (a) Independent Directors

Your Company has at present two Independent Directors, namely, Sri Sardul Singh Jain (DIN 00013758) and Sri Alok Kumar Banthia (DIN 00528159) which meets the requirements of both the Companies Act, 2013 (the Act) and the Rules made thereunder as well as the provisions contained in Regulation 17(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"). They are not liable to retire by rotation.

Your Company has received declarations from the above mentioned Independent Directors confirming that they meet with the criteria of independence as prescribed both under Sub-Section(6) of Section 149 of the Act and under Regulation 16(b) of the Listing Regulations.

#### (b) Resignation of a Director

Sri Bachhraj Begwani, Director of your Company has resigned with effect from January 27, 2016.

The Board of Directors of your Company places on record their due appreciation of the valuable contribution made by him and services rendered by him during his long tenure of office as a Director of your Company.

#### (c) Retirement of Director by rotation

As per the provisions of the Companies Act, 2013 and the Articles of Association of the Company Sri Rajendra Bhutoria (DIN 00013637), Director of your Company will retire by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

#### (d) Performance Evaluation

Your Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which also includes criteria for performance evaluation of the Independent Directors, Non-Executive Directors and Executive Directors, the proportional existence of three such categories of Directors in your Company also meets the requirement as prescribed both under the Act and the Listing Regulations. On the basis of such Policy a process of formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors. Criteria for performance evaluation of Independent Directors and other Non- Executive Directors has been given in the Corporate Governance Report annexed herewith.

The following Policies of the Company are attached herewith marked as **Annexure 'C'** and **Annexure 'D'**, which have also been placed on the Company's Website [www.rtspower.com](http://www.rtspower.com):

(i) **Policy for selection of Directors and determining Directors' independence; and**

(ii) **Remuneration Policy for Directors, Key Managerial Personnel and other employees.**

#### (e) Meetings of the Board and its Committees

The number and dates of Meetings of the Board and its Committees thereof and the Directors' present therein have been given in the Report on Corporate Governance attached herewith.

## Directors' Report

### KEY MANAGERIAL PERSONNEL

During the year there was no change in the Key Managerial Personnel of your Company.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 (the 'Act') and, based upon representations from the Management, the Board, to the best of its knowledge and belief, confirms that :

- I. in the preparation of the Annual Accounts for the year ended March 31, 2016, the applicable Accounting Standards have been followed and there are no material departures from the same;
- II. the Directors have selected such Accounting Policies and applied them 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 as at March 31, 2016 and of the Profit of the Company for the year ended on that date;
- III. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- IV. the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis ,
- V. the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively ; and
- VI. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively .

### CORPORATE GOVERNANCE

A separate Report on Corporate Governance in format as prescribed in Part C of Schedule V under Regulation 34(3) of the Listing Regulations forms a part of the Annual Report of your Company and is being attached hereto marked as **Annexure- "A"**, along with the Auditors' Certificate on its compliance. A Report on Management Discussion and Analysis as stipulated in the Part B of the said Schedule is also attached herewith marked as **Annexure --'B'**.

### DEPOSITS

Your Company has not accepted any Deposit within the meaning of Sections 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

No loan or deposit has been taken or accepted from any Director of your Company.

### TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of the Companies Act, relevant dividend amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund (IEPF).

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 29, 2015 (date of its last Annual General Meeting) on the Company's Website ([www.rtspower.com](http://www.rtspower.com)) and has also filed Form No 5 INV on February 26, 2016 with the Registrar of Companies, West Bengal . Since the abovesaid last Annual General Meeting , the Company has also transferred unpaid and unclaimed Dividend amount in respect of Interim Dividend and Final Dividend for the Financial Year 2007-2008 to IEPF both on November 3, 2015 and filed Form No I INV with the Registrar of Companies, West Bengal following such transfers.



## Directors' Report

### EXTRACT OF ANNUAL RETURN

The extract of the Annual Return as provided in Sub Section 3 of Section 92 of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014 in Form MGT 9 is enclosed, marked as **Annexure 'E'**.

### AUDITORS AND AUDITORS' REPORT

#### STATUTORY AUDITORS

M/s A .C. Bhuteria & Co, Chartered Accountants, (FRN 303105E) statutory Auditors of the Company were re-appointed Auditors to hold office from the conclusion of Sixty Sixth Annual General Meeting (AGM) held on September 29, 2014 till the conclusion of Sixty Ninth AGM to be held in 2017 subject to ratification by the Members at the Sixty Seventh and Sixty Eighth AGM of the Company. Accordingly, the Notice convening the ensuing Sixty Eighth AGM includes a Resolution seeking such ratification by the Members of the said re-appointment of the Auditors. Their said re-appointment, however, were ratified by the Members at the Sixty Seventh AGM held on September 29, 2015.

The Company has received a letter from the statutory Auditors to the effect that the ratification of their re-appointment, if made at the forthcoming Sixty Eighth AGM, would be in accordance with the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not otherwise disqualified.

#### AUDITORS' REPORT

The Notes on Financial Statements of the Company referred to in the Auditors' Report are self-explanatory and do not call for any further comments by the Board .The Auditors' Report does not contain any qualification , reservation or adverse remark

#### BRANCH AUDITORS

M/S Jain Shrimal & Co., Chartered Accountants, (FRN 001704C), Branch Auditors of the Company were re-appointed Branch Auditors to hold office from the conclusion of Sixty Sixth Annual General Meeting (AGM) held on September 29, 2014 till the conclusion of the Sixty Ninth AGM to be held in 2017 subject to ratification by the Members at the Sixty Seventh and Sixty Eighth AGM of the Company. Accordingly, the Notice convening the ensuing Sixty Eighth AGM includes a Resolution seeking such ratification by the Members of the said re-appointment of the Branch Auditors. Their said re-appointment, however, were ratified by the Members at the Sixty Seventh AGM held on September 29, 2015.

The Company has received a letter from the Branch Auditors to the effect that the ratification of their re-appointment, if made at the forthcoming Sixty Eighth AGM, would be in accordance with the limits prescribed under Section 141(3)(g) of the Companies Act, 2013 and that they are not otherwise disqualified.

#### INTERNAL AUDITORS

The Board has re-appointed , on the recommendation of the Audit Committee, M/s K.S. Bothra & Co, Chartered Accountants (FRN 304084E) as Internal Auditors of the Company to conduct Internal Audit of the functions and activities of the Company for the Financial Year 2016-2017.

#### COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Amendment Rules, 2014 the Board of Directors of your Company, on the recommendation of the Audit Committee, has appointed M/s K.G.Goyal & Associates (FRN 000024) as Cost Auditors of your Company, with due information to the Central Government by way of filing the prescribed Form No CRA 2 on June 6, 2016, for conducting audit of cost records of your

## Directors' Report

Company for the Financial Year 2016-2017, subject to ratification of their remuneration as approved by the Board, on the recommendation of the Audit Committee, by the Members of the Company in its ensuing Annual General Meeting.

### SECRETARIAL AUDITOR

The Board has appointed Sri Manoj Prasad Shaw, Proprietor of M/s Manoj Shaw & Co., Practicing Company Secretary (FCS No 5517 C.P. No 4194) to conduct Secretarial Audit for the Financial Year 2015-2016.

The Secretarial Audit Report for the Financial Year ended March 31, 2016 in the prescribed Form No MR3 is annexed herewith pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 marked as **Annexure 'F'** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN AND SECURITIES PROVIDED.

The Company has neither given any Loan and Guarantee nor provided any security in terms of Section 186 of the Companies Act, 2013.

The Company has not made any investment during the year under review.

### CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

Particulars of all contracts/ arrangements/transactions entered into by the Company during the Financial Year with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 are given in Form AOC 2 as prescribed in Rule 8(2) of the Companies (Accounts) Rules, 2014 annexed herewith and marked as **Annexure 'G'**. During the year the Company has not entered into any contract/ arrangement/transaction with any related parties which could be considered material in accordance with the Policy of the Company on materiality of the related party transactions.

The Policies on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's Website at the link [www.rtspower.com](http://www.rtspower.com)

Your Directors draw attention of the Members to Note No 36 to the Financial Statements which sets out related party disclosures.

A Statement in summary form of transactions with related parties in the ordinary course of business has been periodically placed before the Audit Committee and the Board of Directors for its approval before entering into such transactions or making any amendment thereto.

### SUBSIDIARIES

#### (i) Blue Nile Projects Limited, Hong Kong

As reported in the Company's last Annual Report 2014-2015 Blue Nile Projects Limited, Hong Kong has ceased to be a Subsidiary of your Company on July 27, 2015.

During the Financial Year 2015-16 this erstwhile Subsidiary Company of your Company, basically being a trading company, incorporated for the purpose of establishing Projects outside India, has incurred a loss of Rs 2,17,600/- (U.S.\$ 3400) upto July 27, 2015 which has been taken into account for the purpose of consolidation with Standalone Accounts of your Company.

#### (ii) ABAY Energy Private Limited Company, Ethiopia

Similarly, as reported in the Company's last Annual Report 2014-2015, ABAY Energy Private

## Directors' Report

Limited Company, Ethiopia has ceased to be the step-down Subsidiary Company of your Company on July 27, 2015.

During the Financial Year 2015-16, this erstwhile step-down Subsidiary Company of your Company has made a profit of Rs 37,23,461/- (Birr 11,92,509 ) upto July 27, 2015 which has been taken into account for the purpose of consolidation with Standalone Accounts of your Company.

More details about performance and financial position of each of such two Subsidiaries upto July 27,2015 during the Financial Year 2015-2016 as required under the Companies Act, 2013 have been given in Note No 39 to the Consolidated Financial Statements and hence not repeated here for the sake of brevity.

### PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 (the Rules) are provided in **Annexure 'H'**.

Further the information, as required pursuant to Rule 5(2) and 5(3) of the said Rules, also forms a part of this Annual Report . However, as per the proviso to Section 136(1) of the Act, this Annual Report is being sent to all the Members of the Company excluding the abovesaid information. The said information is available for inspection by Members at the Company's Registered Office during working hours upto the date of the Annual General Meeting. Any Member interested in obtaining such information may also write to the Company Secretary at the Registered Office of the Company.

### AUDIT COMMITTEE

The Audit Committee of the Board of Directors, constituted in terms of Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, has been functioning in your Company for a long time .

As on the close of business on March 31, 2016 the Audit Committee comprises of two Non-Executive Independent Directors, Sri S. S. Jain and Sri Alok Kumar Banthia and one Executive Non-Independent Director, Sri R. Bhutoria, Vice Chairman & Whole-time Director of your Company. Sri S.S.Jain is the Chairman of the Committee, who also chaired the Annual General Meeting of your Company held on September 29, 2015. All the Members of the Committee are financially literate and have accounting or related financial management expertise.

The Company's Accounts personnel and representatives of the statutory Auditors as well as Internal Auditors are permanent invitees in the Meetings of the Audit Committee. Mr. J. Biswas, Company Secretary acts as the Secretary of the Committee.

### VIGIL MECHANISM

A Vigil Mechanism, which also incorporates a Whistle Blower Policy in terms of the Listing Regulations, has been established for Directors, Employees and Stakeholders to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy or grievances in accordance with the provisions contained in Section 177 of the Companies Act, 2013 read with Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations. Such Vigil Mechanism provides for adequate safeguards against victimization of Directors, Employees and Stakeholders who avail of the Vigil Mechanism and also provides for the direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

## Directors' Report

The Audit Committee, as formed above, oversees the Vigil Mechanism and should any of the Members of the Committee have a conflict of interest in a given case, they should recuse themselves and the others on the Audit Committee would deal with the matter on hand.

Details in this regard have been disclosed in the Company's Website at the link: [www.rtpower.com](http://www.rtpower.com)

### RISK MANAGEMENT POLICY

Keeping in view of the nature of industry in which your Company is engaged, your Company has all along been conscious of the risk associated with the nature of its business. Senior Management personnel carried out risk identification, risk assessment, risk treatment and risk minimization procedures for all functions of the Company, which are periodically reviewed on an ongoing basis and Board Members are informed about all these from time to time to ensure that executive management controls risk through means of a properly defined framework. The Board of Directors is overall responsible for framing, implementing and monitoring the Risk Management Policy of the Company.

The Board of Directors also oversees that all the risks that the organization faces such as strategic, financial, credit marketing, liquidity, security, property, goodwill, IT, legal, regulatory, reputational and other risks have been identified and assessed and executive management keeps a vigil on such risks so that it can be addressed properly as soon as possibility of occurrence of any one of such risks arises.

### ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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 .

### GENERAL

- No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
- Your Directors state that during the year under review, there was no case filed pursuant to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

### APPRECIATION

Your Directors take this opportunity to express their whole-hearted appreciation for the unstinted support and co-operation received from Banks, State Electricity Boards, Government and Semi Government Authorities, Power Utilities, other customers, vendors and Shareholders during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the sincere and devoted services that the Executives, Staffs and Workers at all levels have rendered to your Company.

Registered Office :  
56, Netaji Subhas Road  
Kolkata - 700001  
Dated : 12th August, 2016

For and on behalf of the Board of Directors

**S. S. JAIN**  
Chairman

## Report on Corporate Governance (Annexure 'A' to Directors' Report)

### Company's Philosophy on Code of Governance

Your Company believes in adopting and adhering to the best recognized Corporate Governance practices. Your Company has infused the philosophy of Corporate Governance into all its activities. The philosophy of Corporate Governance is an important tool for Shareholder for protection and maximization of their long term values. Your Company's core values of quality consciousness, customer satisfaction, fairness in dealings, adopting transparent accounting policies, following superior Board practices, consistent consideration for all its stakeholders serve as the means for implementing its philosophy of Corporate Governance in letter and spirit. Your Company complies with Corporate Governance Systems not as a mere structure or statutory guidelines, but as a way of corporate life.

### Board of Directors

- (a) As on close of business on March 31, 2016 the Board is headed by Sri Sardul Singh Jain, regular Non Executive Chairman and comprises of five other Directors (one Vice Chairman & Whole-time Director, one Managing Director and three Non-Executive Directors, including one woman Director) all of whom have considerable experiences in their own fields.

The day-to-day management of your Company is conducted by the Managing Director and Vice Chairman & Whole-time Director subject to the superintendence, control and directions of the Board of Directors ('the Board'). About sixty seven percent of the Board consists of Non-Executive Directors, including one woman Director and about thirty three percent of the Board are Independent Directors. As on close of business on March 31, 2016, the composition of the Board satisfies the conditions that Regulations 17(a) and (b) of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") have laid down in this regard as also Section 149 of the Companies Act, 2013 ("the Act").

The details of the Directors as on March 31, 2016 and attendance of each Director at the Board Meetings and at the last Annual General Meeting (AGM) held during the Financial Year ended on March 31, 2016 are given below:

Name of the Directors	Category of Directorship	No. of Board Meetings Attended	Attendance at the last AGM
Sri S. S. Jain	Non-Executive/Independent / Chairman	11	Yes
Sri Rajendra Bhutoria	Executive / Promoter / Vice Chairman & Whole- time Director	11	Yes
Sri Abhay Bhutoria	Executive / Promoter / Managing Director	5	Yes
Sri Bachhraj Begwani	Non-Executive/Independent	2	No
Smt Rachna Bhutoria	Woman/ Non-Executive/Promoter	5	No
Sri Ram Lal Saini	Non-Executive/ Non-Independent	5	Yes
Sri Alok Kumar Banthia	Non-Executive/ Independent	11	Yes

#### Note :

Sri Bachhraj Begwani has resigned with effect from January 27, 2016 due to his ill health.

- (b) Number of other Board of Directors or Board Committees (other than in your company) where

## Report on Corporate Governance

Directors of your Company are Directors / Members / Chairman as on the close of business on March 31, 2016 :

Name of the Directors	No. of Directorship in other Boards	No. of Members in other Board Committees	No. of Chairmanship in other Board Committees
Sri S. S. Jain	17	5	2
Sri Rajendra Bhutoria	7	Nil	Nil
Sri Abhay Bhutoria	2	Nil	Nil
Sri Bachhraj Begwani	Nil	Nil	Nil
Sri Ram Lal Saini	Nil	Nil	Nil
Smt Rachna Bhutoria	2	Nil	Nil
Sri Alok Kumar Banthia	Nil	Nil	Nil

The Chairmanship and Membership in other Companies held by Directors as mentioned above, do not include those held, if any, in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies. Chairmanship/Membership held in Public Limited Companies, whether listed or not, only, therefore, has been considered as per the Listing Regulations.

In accordance with the Listing Regulations Memberships/Chairmanships of only Audit Committees and Stakeholders Relationship Committees have been considered.

- (c) Details of Board Meetings held during the period from April1, 2015 to March 31, 2016:

Serial No	Date
1	April 14,2015
2	May 30,2015
3	May 30,2015
4	June 8,2015
5	June 27,2015
6	August 10,2015
7	August 14,2015
8	September 29, 2015
9	November 9, 2015
10	February 12,2016
11	March 31,2016

The Board met more than four times. The gap between any two Meetings did not exceed 120 days.

## Report on Corporate Governance

- (d) Necessary information, where applicable, as mentioned in Part A of Schedule II under Regulation 17(7) of the Listing Regulations has been placed before the Board in each Board Meeting.

### Audit Committee

The terms of reference of the Audit Committee are in line with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, besides other terms as may be referred to it by the Board of Directors.

The Audit Committee of the Board exercises the powers and plays the role and discharges its function as per the abovesaid Regulation of the Listing Regulations and Section of the Companies Act.

As on the close of business on March 31, 2016 the Audit Committee comprises of two Non-Executive Independent Directors, Sri S. S. Jain and Sri Alok Kumar Banthia and one Executive Non-Independent Director, Sri R. Bhutoria, Vice Chairman & Whole-time Director of the Company. Sri S.S.Jain is the Chairman of the Committee, who also chaired the Annual General Meeting of the Company held on September 29, 2015. All the Members of the Committee are financially literate and have accounting or related financial management expertise.

The Company's Accounts personnel and representatives of the statutory Auditors as well as Internal Auditors are permanent invitees in the Meetings of the Audit Committee. Mr. J. Biswas, Company Secretary acts as the Secretary of the Committee.

During the Financial Year ended on March 31, 2016, 4 (Four) Meetings were held on May 30, 2015, August 14, 2015, November 9, 2015 and February 12, 2016.

The gap between any two Meetings did not exceed 120 days.

Composition of the Audit Committee and the attendance of the Members during the Financial Year ended on March 31, 2016 are furnished below:

Sl. No.	Name of Directors who are Members of the Audit Committee	No. of Meetings held	No. of Meetings Attended
1	Sri S. S. Jain, Chairman	4	4
2	Sri Rajendra Bhutoria, Member	4	4
3	Sri Bachhraj Begwani , Member *	4	1
4	Sri Alok Kumar Banthia , Member	4	4

\* Sri Bachhraj Begwani has resigned from Audit Committee following his resignation from directorship of the Company with effect from January 27,2016.

### Vigil Mechanism

A Vigil Mechanism , which also incorporates a Whistle Blower Policy in terms of the Listing Regulations, has been established for Directors, Employees and Stakeholders to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy or grievances in accordance with the provisions contained in Section 177 of the Companies Act, 2013 read with Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the Listing Regulations. Such Vigil Mechanism provides for adequate safeguards against victimisation of Directors, Employees and Stakeholders who avail of the Vigil Mechanism and also provides for the direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

There has not been any case that a person wanted to have an access to the Audit Committee, but he has been denied.

## Report on Corporate Governance

The Audit Committee, as formed above, oversees the Vigil Mechanism and should any of the Members of the Committee have a conflict of interest in a given case, they should recuse themselves and the others on the Audit Committee would deal with the matter on hand.

The Policy on Vigil Mechanism and Whistle Blower Policy is available on the Company's Website at the link [www.rtspower.com](http://www.rtspower.com)

### Anti Sexual Harassment Policy

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 covering all employees of the Company. Audit Committee, consisting of two Independent Directors and Vice Chairman and Whole-time Director, has been considered most suitable to look into any complaints in this regard. Hence this Audit Committee should be treated acting as the Internal Complaints Committee for the purpose of this Act. The Audit Committee, however, did not receive any complaint for redressal during the year.

### Nomination and Remuneration Committee

1. Nomination and Remuneration Committee of the Board of Directors comprises of three Non-Executive Directors, two of them being Independent Directors .The Members of the Committee are Sri Alok Kumar Banthia and Sri S.S. Jain, Non-Executive Independent Directors and Smt Rachna Bhutoria, Non-Executive Promoter Director. Smt Rachna Bhutoria was inducted by the Board in the Nomination and Remuneration Committee on February12,2016 following resignation of Sri Bachhraj Begwani, an Independent Director of your Company, from the Committee on January 27, 2016. Sri Alok Kumar Banthia, Chairman of the Committee attended the last Annual General Meeting of the Company held on September 29, 2015. Sri J. Biswas, Company Secretary acts as the Secretary of the Committee.

The Committee essentially discharges the role as assigned to it by the Board as per Clause A of Part D of Schedule II under Regulation 19(4) of the Listing Regulations, Section 178 of the Companies Act, 2013 (the Act) read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules,2014 and Explanation IV to Part II of Schedule V to the Act.

During the Financial Year 2015-2016 2 (Two) Meetings of the Nomination and Remuneration Committee were held on August 12,2015 and February 16,2016 and the attendance of the Members were as follows:

Sl. No.	Name of Directors who are Members of the Nomination and Remuneration Committee	No. of Meetings held	No. of Meetings Attended
1	Sri Alok Kumar Banthia, Chairman	2	2
2	Sri Sardul Singh Jain, Member	2	2
3	Sri Bachhraj Begwani, Member*	2	0
4	Smt Rachna Bhutoria, Member	1	1

\* Sri Bachhraj Begwani has resigned from Nomination and Remuneration Committee following his resignation from directorship of the Company with effect from January 27,2016.

- 2 (a) Payment of Remuneration to Sri Rajendra Bhutoria, the Whole-time Director of the Company is governed by statutory guidelines and the Company's Service Agreement with him, the terms and conditions of which have been approved by the Nomination and Remuneration Committee, the Board and Shareholders. His annual remuneration for the Financial Year 2015-16 structure mainly comprises of –



**Report on Corporate Governance**

(i) Salary	:	₹ 12,00,000/-
(ii) Contribution to Provident Fund	:	₹ 1,44,000/-
(iii) Perquisites	:	Nil
(iv) Bonuses	:	Nil
Service Contract	-	5 (five) years from 1st April 2012
Notice Period	-	3 (Three) months
Stock Option	-	Nil
Severance Fee	-	Nil
Pension	-	Nil

**Note :**

- (a) Provisions for incremental gratuity for the current year has not been considered, since the provision is based on actuarial basis for the Company as a whole.
- (b) No incentive, fixed or performance linked, is payable to the Whole-time Director
- (b) Payment of Remuneration to Sri Abhay Bhutoria, the Managing Director of the Company is governed by statutory guidelines and the Company's Service Agreement with him, the terms and conditions of which have been approved by the Nomination and Remuneration Committee, the Board and Shareholders. His annual remuneration structure for the Financial Year 2015-2016 mainly comprises of –

(i) Salary	:	₹ 11,00,000/-
(ii) Contribution to Provident Fund	:	₹ 1,32,000/-
(iii) Perquisites	:	₹ 1,99,369/-
(iv) Bonuses	:	Nil
Service Contract	:	3 (three) years from 1st December, 2015
Notice Period	:	3 (Three) months
Stock Option	:	Nil
Severance Fee	:	Nil
Pension	:	Nil

**Notes :**(a) Provisions for incremental gratuity for the current year has not been considered, since the provision is based on actuarial basis for the Company as a whole.

- (b) No incentive, fixed or performance linked, is payable to the Managing Director

No sitting Fee is paid to the Whole-time Director and Managing Director for attending Meetings of the Board and its Committees.

- No remuneration is paid to any Non-Executive Director, except to Sri R L Saini, who gets Fee of Rs 6 Lacs per annum for rendering consultancy services to the Company on Accounting and Auditing matters in his professional capacity being a Chartered Accountant by profession, which has been approved by the Nomination and Remuneration Committee, Board and Shareholders. The Non-Executive Directors do not get any sitting Fees for attending Meetings of the Board and its Committees.
- No Stock Option has been granted to any of the Directors. No Equity Share and convertible instrument was held by Non-Executive Directors as on March 31,2016 except by Sri R.L.Saini who held 160 Equity Shares of Rs 10/- each fully paid up in the Company as on that date.
- Other than what has been stated above, there has been no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company during the year.

All these having been shown in "Criteria of making payments to Non-Executive Directors " as appearing in the Company's website [www.rtspower.com](http://www.rtspower.com)

## Report on Corporate Governance

### Remuneration Policy

In accordance with the recommendation of the Nomination and Remuneration Committee, the Board of Directors of your Company has formulated a Remuneration Policy for Directors, Key Managerial Personnel and other Employees of the Company, details of which has been annexed to the Directors' Report forming part of the Annual Report for 2015-16.

### Criteria for evaluation of Independent Directors and the Board and Familiarisation Programmes for Independent Directors

The Performance evaluation criteria for Non-Executive Directors, including Independent Directors, laid down by the Nomination and Remuneration Committee and taken on record by the Board of Directors includes:

- (a) Attendance and participation in the Board as well as Committee Meetings and General Meetings
- (b) Preparedness for the Meetings
- (c) Devoting sufficient time and attention to his professional obligations for informed and balanced decision making
- (d) Understanding of the Company and the external environment in which it operates and contributes to strategic direction/decision.
- (e) Raising valid concerns to the Board and constructive contribution to issues/problems/ risks and active participation at Meetings.
- (f) Working together objectively with other Board members / Management Team without being confrontational or obstructionist
- (g) Not unfairly obstructing functioning of an otherwise proper Board or Committees of the Board.
- (h) Acting within his authority and assist in protecting the legitimate interests of the Company, shareholders and its employees
- (i) Not disclosing confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by Law.

Your Company has also made a programme for familiarization of Independent Directors with the Company, their roles, rights and responsibilities in the Company, nature of industry in which the Company operates, business models of the Company and related matters.

The details of familiarisation programmes imparted to Independent Directors during the year as well as on cumulative basis (in terms of both number of programmes and hours spent therein) as specified in Regulation 46(2)(i) of the Listing Regulations have been disclosed on the Company's website at the link [www.rtspower.com](http://www.rtspower.com)

### Stakeholders Relationship Committee

The Stakeholders Relationship Committee is headed by Sri S.S.Jain, an Independent Non-Executive Director. Other Members of the Committee comprises of Sri Alok Kumar Banthia, an Independent Non- Executive Director and Sri R. Bhutoria, a Non Independent Whole-time Director of the Company. Sri Sardul Singh Jain, Chairman of the Committee attended the last Annual General Meeting of the Company held on September 29, 2015. Sri J.Biswas, Company Secretary acts as Secretary to the Committee.

## Report on Corporate Governance

In accordance with the provisions of Section 178 and Regulation 20 of the Listing Regulations the Committee considers and resolves the grievances of the security holders of the Company, including complaints relating to transfer /transmission of Shares, non-receipt of Annual Report, Notice, declared dividends, Share Certificates, etc. and other complaints/grievances.

During the Financial Year 2015-2016 6 (six) Meetings of the Stakeholders Relationship Committee were held on June 30,2015, July 1,2015, July 2,2015, July 3,2015 ,November 23,2015 and December 16,2015 and the attendance of the Members were as follows:

Sl. No.	Name of Directors who are Members of the Stakeholders Relationship Committee	No. of Meetings held	No. of Meetings Attended
1	Sri Sardul Singh Jain, Chairman	6	6
2	Sri Rajendra Bhutoria, Member	6	6
3	Sri Alok Kumar Banthia , Member	6	6

### Name of Compliance Officer

Sri J. Biswas, Company Secretary is the Compliance Officer of the Company under Regulation 6 of the Listing Regulations.

No of Shareholders Complaints received during the year 2015-2016	NIL
No of Complaints not resolved to the satisfaction of Shareholders as on March 31, 2016	NIL
No of pending Complaints as on March 31, 2016	NIL

### General Body Meetings

The last three Annual General Meetings of the Company were held as under :-

AGM	Year	Venue	Date	Time	No. of Special Resolutions passed
67th	2015	Hotel Lindsay 8A & 8B Lindsay Street, Kolkata-700087	29.09.2015	10.00 A.M.	One
66th	2014	Hotel Lindsay 8A & 8B Lindsay Street, Kolkata-700087	29.09.2014	10.00 A.M.	Three
65th	2013	Hotel Lindsay 8A & 8B Lindsay Street, Kolkata-700087	27.09.2013	10.00 A.M.	Nil

Following 2(two) Special Resolutions were passed through Postal Ballot this year (2015-2016). Details of voting pattern (Postal Ballot as well as e-voting process) were as follows:

Subject Matter of the Resolutions	Total valid votes cast	Votes cast In Favour	Votes cast Against
Alteration of Articles of Association of the Company	66,43,361	66,43,357	4
Issue of Preference Shares on Private Placement basis	66,43,361	66,43,357	4

The Board of Directors of the Company appointed Sri Manoj Prasad Shaw, Proprietor of M/s Manoj Shaw & Co., Practicing Company Secretary (FCS No 5517 C.P.No 4194) to conduct the Postal Ballot and e-voting process in a fair and transparent manner.

## Report on Corporate Governance

Postal Ballot was conducted in compliance with Section 110 of the Companies Act, 2013 and Rule 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(3) of the Listing Regulations. The Company also offered e-voting facility through Central Depository Services (India) Limited (CDSL) as an alternate to enable the Members to cast their votes electronically simultaneously with the Postal Ballot exercise.

No Special Resolution is proposed to be passed through Postal Ballot at present.

Resume and other information regarding the Directors being appointed/ reappointed as required under Regulation 26(4) and Regulation 36(3) of the Listing Regulations have been given in the Notice of the ensuing Annual General Meeting.

### Disclosures

- (a) Details of transactions of a material nature with any of the related parties as specified in Accounting Standard (AS)-18 notified under the Companies (Accounting Standards) Rules, 2006, Section 188 of the Companies Act, 2013, Rule 15 of The Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 23 of the Listing Regulations have been reported in the Notes attached to the Accounts 2015-2016. There is no transaction of a material nature with any of the related parties which may have potential conflict with the interests of the Company or which are not in the normal course of business.

The Company's Policy on dealing with related party transactions has been disclosed on the Company's Website link [www.rtspower.com](http://www.rtspower.com), as required in terms of the Clause 10(f) of Part C of Schedule V under Regulation 34(3) of the Listing Regulations.

- (b) A Statement in summary form of transactions with related parties in the ordinary course of business has been periodically placed before the Audit Committee and the Board of Directors for its approval before entering into such transactions or making any amendment thereto.
- (c) There has not been any instance of Stock Exchange/ SEBI / any statutory authority imposing penalties or strictures on the Company for non-compliance on any matter related to Capital Markets during the last three Financial Years.
- (d) The Company follows Accounting Standards as applicable to it and notified under the Companies (Accounting Standards) Rules, 2006 and in the preparation of Financial Statements the Company has not adopted a treatment different from that prescribed in any Accounting Standard.
- (e) The Company has laid down a process of assessing risk management. The scope of Audit Committee includes evaluation of the Company's internal financial control and risk management systems.
- (f) CEO / CFO Certificate as specified in Part B of Schedule II under Regulation 17(8) of the Listing Regulations has duly been submitted to the Board.
- (g) All disclosures relating to financial and commercial transactions where Directors may have potential interest are provided to the Board, and the interested Directors leave the Meeting room and thereby do not participate in the discussion nor do they vote on such matters.
- (h) The non-mandatory requirements, to the extent followed/pursued by the Company, have been stated in this Report.
- (i) There is no inter-se relationship between Directors except Sri Abhay Bhutoria, Managing Director and Sri Rajendra Bhutoria, Vice-Chairman and Whole-time Director who are cousin brothers. Smt Rachna Bhutoria, Director is the wife of Late Surendra Bhutoria, brother of Sri Abhay Bhutoria, Managing Director and cousin brother of Sri Rajendra Bhutoria, Vice Chairman and Whole-time Director of the Company.

## Report on Corporate Governance

### Policy with respect to obligations of Directors and Senior Management

The Company has laid a Policy by virtue of which-

1. all the Directors inform the Company about the Committee positions he or she occupies in other companies and notify changes as and when it takes place.
2. senior management make disclosures to the Board of Directors relating to all material financial and commercial transactions, namely, dealing in shares of the Company, commercial dealings with bodies, if any, which have shareholding of management and their relatives, etc. where they have personal interest that may have a potential conflict with the interest of the Company at large.

### Means of Communication

The main channel of communication of the Company with the Shareholders is through the Annual Report which contains all relevant information about the Company. Shareholders communicate with the Company by letters /mails also.

The General Meetings are the principal forum for interaction with the Shareholders where their queries are clarified, future plans of the Company are announced and the Shareholders offer their suggestions for improving performance of the Company.

Quarterly Results and Annual audited Results are sent to Bombay Stock Exchange where the Company's Shares are listed. The Company has a Website [www.rtspower.com](http://www.rtspower.com) which is updated from time to time. During the Financial Year the Company has neither displayed any official news release nor made any presentation to the Institutional Investors or Analysts. The Quarterly Results and Annual audited Results were mainly published in the Business Standard in its Kolkata edition (in English) and Dainik Lipi, Kolkata (in Bengali) and also displayed in the Company's aforesaid Website along with all other vital information about the Company relevant from the point of view of Shareholders and Investors.

### General Shareholders Information

#### ANNUAL GENERAL MEETING

Day, Date and Time : Thursday, the 29th day of September, 2016 at 10.00 A.M.

Venue : Hotel Lindsay, 8A & 8B Lindsay Street, Kolkata - 700087

Financial Year : 1st April to 31st March.

#### Financial Calendar

Board / Audit Committee Meetings for approval of :	Expected Date
April 2016 - June 2016 Quarterly Results	August 12, 2016 (Held)
July 2016 - September 2016 Quarterly Results	Within November 14, 2016
October 2016 - December 2016 Quarterly Results	Within February 14, 2017
January 2017 - March 2017 Quarterly Results & Financial Year 2016-17 audited Annual Results	Within May 30, 2017

#### Date of Book Closure

The dates of Book Closure are from Friday, 23rd day of September, 2016 to Thursday, 29th day of September, 2016, both days inclusive, for the Annual General Meeting.

#### ISIN Number for NSDL and CDSL

ISIN No. – INE005C01017

## Report on Corporate Governance

### Stock Code and Existing Listing on Stock Exchanges

BSE Limited, Mumbai

Stock Code: 531215

### Note

Your Company's Shares continue to be listed on Bombay Stock Exchange. The Company entered into fresh Listing Agreement with BSE on February 15, 2016 in terms of the Listing Regulations.

All Listing and Custodial Fees to the Stock Exchange and Depositories have been paid up-to-date to the respective Institutions.

### Market Price Data

Market Price Data (High/Low) during each month in the year 2015-16

Month	BSE		
	High (₹)	Low (₹)	Volume (Nos.)
April'15	29.20	21.20	4,64,254
May'15	30.00	21.60	45,337
June'15	28.00	18.00	19,253
July'15	30.40	24.00	81,158
August'15	36.15	26.30	1,91,434
September'15	34.65	29.10	1,17,581
October'15	54.80	35.00	3,05,623
November'15	41.70	32.10	1,03,730
December'15	57.45	38.55	1,75,712
January'16	53.95	36.70	70,521
February'16	44.30	26.35	36,122
March'16	32.80	27.00	75,502

### Share price performance compared with broad based indices

Company's Share Price as on	BSE
1st April, 2015	21.35
31st March, 2016	31.70
Change	48.48%
Indices	
1st April, 2015	27485.77
31st March, 2016	27166.87
Change	-1.16%

### Registrar & Share Transfer Agent

#### M/s. Niche Technologies Pvt. Ltd.

D-511, Bagree Market,

71 B.R.B. Basu Road, Kolkata – 700001

Phone: (033) 2234-3576/2235-7270/7271/5236

Fax : (033) 2215-6823

E Mail: nichetechpl@nichetechpl.com

## Report on Corporate Governance

### Share Transfer System

The Share transfers in physical form are at present processed and the Share Certificates are returned, duly transferred in favour of transferees, subject to all the documents being in order. Share transfers under objection are returned immediately. The Stakeholders Relationship Committee of the Board of Directors meets to consider the Share transfer proposals in physical form, whenever received by the Company or its Registrar & Share Transfer Agent.

### Shareholding Pattern as on March 31,2016

Category	No. of Shares	% of Total
<b>A. PROMOTERS' HOLDING</b>		
1. PROMOTERS		
Indian Promoters	54,81,076	67.100
Foreign Promoters	NIL	NIL
2. PERSON ACTING IN CONCERT	NIL	NIL
<b>SUB - TOTAL</b>	<b>54,81,076</b>	<b>67.100</b>
<b>B. NON-PROMOTERS' HOLDINGS</b>		
3. INSTITUTIONAL INVESTORS		
a. Mutual Funds & UTI	NIL	NIL
b. Banks, Fls, Insurance Cos. (Central/State Govt. Institutions / Non-Govt.institutions )	NIL	NIL
c. FIs	NIL	NIL
<b>SUB-TOTAL</b>	<b>NIL</b>	<b>NIL</b>
4. OTHERS		
a. Private Corporate Bodies	14,55,617	17.820
b. Indian Public	10,49,793	12.851
c. NRIS / OCBS	15,000	0.184
d. Any Other - Clearing Members	1,67,014	2.045
<b>SUB - TOTAL</b>	<b>26,87,424</b>	<b>32.900</b>
<b>GRAND - TOTAL</b>	<b>81,68,500</b>	<b>100.000</b>

## Report on Corporate Governance

### Distribution of Share Holding as on March 31, 2016

No. of Equity Shares held	Total No. of Shares	% of Holding	No. of Shareholders	% of Shareholders
Upto - 500	2,78,096	3.4045	2,377	86.2482
501 - 1,000	1,39,096	1.7028	175	6.3498
1,001 - 5,000	3,22,661	3.9501	155	5.6241
5,001 - 10,000	99,616	1.2195	13	0.4717
10,001 - 50,000	5,51,794	6.7551	23	0.8345
50,001 - 1,00,000	3,85,977	4.7252	5	0.1814
1,00,001 - And Above	63,91,260	78.2428	8	0.2903
<b>TOTAL</b>	<b>81,68,500</b>	<b>100.0000</b>	<b>2756</b>	<b>100.0000</b>

### Dematerialization of Shares & Liquidity

The Company's Shares are compulsorily traded in dematerialized form. The Shares are available for trading with either of the two Depositories in India – National Securities Depositories Limited and Central Depository Services (India) Limited, under ISIN: INE005C01017.

As on March 31, 2016 about 99.90% of the total number of Equity Shares of the Company were in dematerialized form.

### Risk Management

Keeping in view of the nature of industry in which your Company is engaged, your Company has all along been conscious of the risk associated with the nature of its business. Senior Management personnel carried out risk identification, risk assessment, risk treatment and risk minimization procedures for all functions of the Company, which are periodically reviewed on an ongoing basis and Board Members are informed about all these from time to time to ensure that executive management controls risk through means of a properly defined framework. The Board of Directors is overall responsible for framing, implementing and monitoring the Risk Management Policy of the Company.

### Code of Conduct

The Company has framed and adopted a Code of Business Conduct and Ethics for Members of the Board, including Independent Directors and Senior Management Personnel relating to their duties and responsibilities, duties of Independent Directors, conflict of interest, corporate opportunities, statutory compliance, financial reporting and records, integrity of data furnished, confidentiality and behaviours. All Directors and Senior Management Personnel have affirmed compliance during the year 2015-2016 of the provisions of the Code and a declaration from the Managing Director to that effect is attached to this Report.

### Code for Prevention of Insider Trading Practices

In compliance with the SEBI Regulation on prevention of insider trading, the Company has in place a comprehensive code of conduct for its Directors and Senior Management Officers. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with Shares of the Company. The code clearly specifies, among other matters, that Directors and specified employees of the Company can trade in the Shares of the Company only during "Trading Window Open Period". The trading window is closed during the time of declaration of results, dividend and material events, as per the Code.



## Report on Corporate Governance

Two new sets of Codes—Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and report trading by Insiders—have been adopted by the Board during the year, in supersession of the earlier ones, in accordance with SEBI(Prohibition of Insider Trading)Regulations, 2015.

The Code of Business Conduct and Ethics, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and report trading by Insiders all are available on the Website of your Company.

**Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, Conversion date and likely impact on Equity - NIL**

**Commodity price risk or foreign exchange risk and hedging activities- Not applicable**

### Plant Locations

- a. Rajasthan Transformers & Switchgears  
(A Unit of RTS Power Corporation Limited)  
Power & Distribution Transformers Unit  
C-174, Road No 9J Vishwakarma Industrial Area,  
Chomu Road, Jaipur –302013 (Rajasthan)
- b. Rajasthan Transformers & Switchgears  
(A Unit of RTS Power Corporation Limited)  
Power & EHV Division Unit-132 KV Class Transformers  
E-346, Road No. 16, Vishwakarma Industrial Area,  
Jaipur –302013 (Rajasthan)
- c. Rajasthan Transformers & Switchgears  
(A Unit of RTS Power Corporation Limited)  
Distribution Transformers Division  
F 139 to 142 Udyog Vihar, Jetpura, Jaipur (Rajasthan)
- d. RTS Power Corporation Limited  
Transformer & Speciality Oil Unit  
A-25, 26 RIICO Industrial Area,  
Kaladera, Chomu, Jaipur, (Rajasthan)
- e. Rajasthan Transformers & Switchgears  
(A Unit of RTS Power Corporation Limited)  
Power & Distribution Transformers Unit  
Near 14 KM Mile Stone, Mathura Road,  
P.O.Artoni, Agra –282007 (U.P)
- f. RTS Power Corporation Limited  
Power & Distribution Transformers Unit  
Jala Dhulagori, Sankrail, Dhulagori,  
Howrah-711302 (West Bengal)
- g. RTS Power Corporation Limited  
Wind Energy Division  
Dhule –Maharashtra
- h. RTS Power Corporation Limited  
Wind Energy Division  
Barmer –Rajasthan

### **Address for Correspondence**

Shareholders are requested to make the correspondences relating to their Shareholdings to the Registrar and Share Transfer Agent:

#### **M/s. Niche Technologies Pvt. Ltd.**

D-511 Bagree Market,  
71 B. R. B. Basu Road  
Kolkata - 700001  
Phone : (033) 2234-3576; 2235-7270/7271/5236  
Fax : (033) 22156823  
E mail : nichetechpl@nichetechpl.com

In case any Shareholder is not satisfied with the response or do not get any response within a reasonable period from the Registrar and Share Transfer Agent, they shall approach to Company Secretary and Compliance Officer at the Registered Office of the Company :

56, N. S. Road, 2nd Floor, Kolkata - 700001  
Phone : (033) 2242-6025 / 2242-6054  
Fax : (033) 2242-6732  
E-mail : headoffice@rtspower.com

### **Auditors' Certificate on Corporate Governance**

As required under Clause E of Schedule V of the Listing Regulations, the Auditors' Certificate on the Company's compliance of conditions of the Corporate Governance norms is attached.

Registered Office :

56, Netaji Subhas Road  
Kolkata - 700 001

Dated : 12th day of August, 2016

For and on behalf of the Board of Directors

**SARDUL SINGH JAIN**

*Chairman*

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### **Certificate of Compliance with the Code of Conduct Policy**

As required under Clause D of Schedule V of the Listing Regulations, it is confirmed that all the Directors and Senior Management Personnel have affirmed compliance with the Code of Business Conduct and Ethics of the Company during the year 2015-2016.

Registered Office :

56, Netaji Subhas Road  
Kolkata - 700 001

Dated : 12th day of August, 2016

For **RTS POWER CORPORATION LIMITED**

**ABHAY BHUTORIA**

*Managing Director*

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

**RTS Power Corporation Limited**

We have examined the compliance of conditions of Corporate Governance by **RTS Power Corporation Limited** ("the Company"), for the year ended 31st March, 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the Stock Exchange for the period 1st April, 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulations 15(2) of the Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement / Listing Regulations, as applicable.

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

**For A. C. Bhuteria & Co.**

*Chartered Accountants*

Firm Registration No. 303105E

**Rahul Sethia**

*Partner*

Membership No. 303931

Place: Kolkata

Date : 12th August, 2016

## Management Discussion and Analysis (Annexure 'B' to Directors' Report)

### Industry Structure and Developments

Power plays a very important role in the country's economy for a sustained economic growth. Your Company is manufacturing Power & Distribution Transformers, Cables and Conductors of various capacities which are major and indispensable equipment for generation, transmission and distribution of electricity in the country .

Besides the Power and Distribution Transformers manufacturing line, your Company has embarked upon the manufacture and sale of various types and sizes of Cables and Conductors for transmission of electricity since the year 2006-2007 and the Company has so far been supplying the same to various Electricity Boards.

The growth of Transformer Industry mainly depends upon progress of Power Generation, Transmission & Distribution Industry. The Power Sector is growing at a reasonable pace and is poised for further growth in the near future. Government's Agenda of giving priorities on development of the Power Transmission and Distribution Segment have contributed for development of Indian Transformer , Cable & Conductor Industry. As a result, your Company too, being in the Transformer, Cable & Conductor Industry, is also trying to reap advantage of the greater Governmental focus on the Power Sector.

### Opportunities and threats

With the Government of India's current Policy and Programme of giving thrust on Power Sector, the Transformer Industry in India is poised for growth. The demand for smaller size of Distribution Transformers has also increased due to Central and State Government's rural electrification Programmes. Similarly, due to Government's upcoming Project of National Grid and Interlinking of Trunk Lines for inter-transfer of bulk power from surplus to deficit States the demand for Transformers at UHV level has increased. All these opportunities will help the Industry which is struggling hard with various problems for past few years.

There has been a spate of expansions by various companies in the Transformer Industry for manufacturing different types and ratings of Transformers resulting in stiff competition .Therefore, the selling prices are under constant pressure. The increase in cost of inputs like CRGO steel, copper ,bushings ,etc and payment problem from SEBs are causes for concern. Imports from China in particular is posing a real threat.

There is a strong base of about 170 Transformer Companies in organized Sector in India, with an overall production over 90,000 MVA per annum. Besides meeting the domestic requirement, India is exporting Transformers to over 50 countries covering USA, Europe, Africa, Cyprus, Syria, Iraq and other Middle East and Far East countries all over the world. Continued inflation, volatile commodity prices, tight liquidity, increased financing costs, delayed finalization of Orders , delayed inspection of finished products by customers, etc. are threats for satisfactory sales growth and proper margins.

### Segment-wise or Product-wise Performance

PARTICULARS	SALES (Gross)	
	Year ended 31.3.2016 (₹)	Year ended 31.3.2015 (₹)
<b>Transformers</b>	1,26,47,53,456	1,47,64,40,776
<b>Cables &amp; Conductors</b>	6,44,17,049	19,11,54,129
<b>Wind Energy</b>	1,12,34,954	66,60,127
<b>Others</b>	19,72,84,900	14,60,38,354

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## Management Discussion and Analysis

### Outlook

#### (a) Transformers

The Government of India's plan of electrifying each and every village in rural areas will boost the demand of Distribution Transformers. Your Company with technical expertise and various manufacturing set-ups are trying to take share of such future growth in Power Sector in our Country.

But, mushroom growth and unhealthy competition from various Transformer manufacturing Units in unorganized Sector is posing problems to organized Sector, like your Company, resulting in under utilization of production capacities and therefore, the selling prices are under pressure.

Your Company's continued effort in exploring export market has been fruitful as your Company has made a headway by achieving substantial increase in exports this year. Such effort will be continued to achieve furthermore exports in coming years.

Apart from exporting transformers to traditional market, such as, Africa and the Middle East, your Company has also exported its products to prestigious developed countries in the previous year. It is a testimony to our quality standards and systems for us to continue to receive regular orders from our existing customers.

Your Company is committed to continue its focus on exploring export markets for its products as a buffer against the low margin domestic business.

#### (b) Cables and Conductors

Your Company's Cable and Conductor Unit is now fully operational. It contributes to the Turnover of your Company. But due to lower selling prices, margin has become low and profitability in this segment has also reduced. Your Company cannot sell Cables & Conductors at such lower prices and therefore Cable and Conductor sales have fallen down this year compared with previous year.

#### (c) Wind Mill

Your Company's Wind Mill division has given a very good performance this year. Revenue and Profitability both have gone up. The Dhule Unit has repaid all its debts owed to the Banks and as a result, will have no further interest outgo for this Unit.

### Risks and Concerns

There has been a spate of expansions of various companies in the Transformer Industry for manufacturing different types of Transformers. Hence your Company is facing the problem of lower margins due to the widespread and stiff competition. Continuous increase in cost of raw materials, like CRGO steel, Copper, Transformer Oil, etc. will contribute for a further erosion in margins since the raw materials form around 75% of the pricing of Transformers.

However, risks and threats are there and the Management is fully aware and cautious of the same.

### Internal Control Systems and their adequacy

The philosophy being followed with regard to Internal Control Systems and their adequacy has been formulation of effective Systems, commensurate with the Company's size and nature of its operations and their strict implementation to ensure that assets and interest of the Company are safeguarded and checks and balances are in place to determine the accuracy and reliability of the accounting data.

The Company has a well-established and comprehensive Internal Control structure to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition, that

## Management Discussion and Analysis

transactions are properly authorized, recorded and reported correctly and that operations are conducted in an efficient and cost effective manner and that all applicable laws and regulations are complied with.

Your Company has proper and adequate system of Internal Control in all areas of its operations. This Internal Control System are regularly reviewed and monitored. The Audit Committee of the Board of Directors supervises the functioning and effectiveness of Internal Controls

### Financial Performance

₹ in Lacs

PARTICULARS	Year Ended 31.03.2016	Year Ended 31.03.2015
Total Income	14,532.63	17,217.08
Total Expenditure	14,262.91	17,092.25
Profit/(Loss) Before Tax	269.72	124.83
Profit/(Loss) After Tax	211.37	62.71

### Operational Performance

During the year under review, your Company's revenue has fallen down to ₹ 142.41 Crores (17% approx) over last year. Including other income, total revenue has fallen down by 15% approx. from ₹172.17 Crores in 2014-2015 to ₹ 145.33 Crores in 2015-2016. Such shortfall arises mainly due to non-lifting of the Company's finished products by various customers.

This year your Company has earned a Profit Before Tax of ₹ 270 Lacs as against ₹ 125 Lacs of last year. Exceptional income, namely, profit on sale of land (₹150 lacs), profit on sale of other fixed assets (₹ 19 lacs) and profit on sale of investment in wholly-owned Subsidiary (₹ 68 lacs), amounted to ₹ 237 lacs this year .

Your Company's focus on better Working Capital Management (WCM) has borne fruit , which has reduced inventory by 21% approx. compared to last year and as a part of such WCM, the Company is making all out efforts to realise debtors as fast as possible and has been able to reduce its Debtors from ₹ 92.96 Crores to ₹ 56.79 Crores (reduction of 39% approx.) over last year .Your Company has seen a massive reduction in its Creditors from ₹ 78 Crores to ₹ 30 Crores , which is a reduction of 61% approx. over last year. The Unsecured Loans of your Company have been reduced from ₹ 17.65 Crores of last year to ₹ 5.37 Crores of this year. A reduction of 70% approx. Total Borrowings of your Company has come down from ₹ 45.06 Crores to ₹ 29.65 Crores over last year. A reduction of 34%. Its total outside liability (TOL) has come down from ₹ 127.31 Crores last year to ₹ 61.80 Crores this year, a reduction of almost 51% in course of one year, which is unprecedented in your Company's history. This is a very healthy sign for your Company.

### Material developments in Human Resources / Industrial Relations front

Employee Relations scenario of your Company continues to be excellent.

Your Company would like to record its appreciation of the wholehearted support and dedication from employees at all levels numbering 70 as on 31st March, 2016 in maintaining its operation and functioning during the period under review.

Registered Office :  
56, Netaji Subhas Road  
Kolkata - 700001  
Dated : 12th August, 2016

For and on behalf of the Board of Directors

**S. S. JAIN**  
Chairman

## Policy for Selection of Directors and determining Directors' Independence (Annexure 'C' to Directors' Report)

### INTRODUCTION

The Board of Directors of the Company consists of a balanced profile of Members specializing in different fields that enables it to address the various business needs of the Company, while placing very strong emphasis on corporate governance

The Company recognizes the importance of Independent Directors in achieving the effectiveness of the Board. The Company has at present an optimum combination of Executive, Non-Executive and Independent Directors which too complies with the Companies Act, Rules made thereunder and the Listing Regulations.

This Policy sets out the Guidelines for the Nomination and Remuneration Committee (the NRC) and the Board for identifying persons who are qualified to become Directors or are suitable for appointment as Director of the Company and to determine the independence of Directors for Independent Directors of the Company.

### POLICY

#### 1. Qualifications Criteria

- (a) Before appointment of a person as a Director, NRC and the Board shall ensure that the person concerned has appropriate skill, knowledge and experience required to be a Member of the Board. The objective is to have a Board with diverse background and experience that are relevant for the Company's operations.
- (b) In evaluating the suitability of an individual to be a Board Member, NRC and the Board shall take into consideration the following factors :
  - (i) Educational and professional background
  - (ii) Relevant expertise and experience
  - (iii) Personal and professional ethics, integrity and values;
  - (iv) Readiness to devote sufficient time and energy in carrying out his duties and responsibilities
- (c) The proposed Director shall :
  - (i) not be disqualified under the Companies Act, 2013 and gives a declaration to that effect;
  - (ii) give his written consent to act as a Director of the Company
  - (iii) possess a Director Identification Number;
  - (iv) abide by the Code of Conduct established by the Company for Directors , Independent Directors and Senior Management Personnel;
  - (v) disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals or other entity, including his shareholding at the first Meeting of the Board in every Financial Year and thereafter whenever there is a change during the Financial Year in the disclosures already made;
  - (vi) Comply with such other requirements as may be prescribed, from time to time in future, under the Companies Act, 2013, Rules made thereunder, Listing Regulations and other laws as applicable .

## Policy for Selection of Directors and determining Directors' Independence

### 2. Independence Criteria

(a) NRC shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall also assess continuity/maintenance of independence whenever any new interests or relationships are disclosed by a Director.

(b) The Companies Act, 2013 and Listing Regulations sets out the following criteria of independence for a person to be an Independent Director :

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—

(i) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;

(ii) (a) who is or was not a promoter of the company or its holding, subsidiary or associate company;

(b) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;

(iii) 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;

(iv) 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;

(v) 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 organization 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 percent 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.



## Policy for Selection of Directors and determining Directors' Independence

- VI. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
  - VII. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013 and the Listing Regulations
  - VIII. who is not less than 21 years of age.
- (c) The Independent Directors shall abide by the " Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013
- (d) Every Independent Director shall at the first Meeting of the Board in which he participates as a Director and thereafter at the first Meeting of the Board in every Financial Year or whenever there is any change in the circumstances which may affect his status as an Independent Director, gives a declaration that he meets the criteria of independence as mentioned above.

### 3. Criteria for Making Effective Contribution

Before making its recommendation to the Board for appointment of an individual as a Director of the Company, NRC shall take into consideration his Directorships/ Committee Memberships in other companies because Directors are expected to give sufficient time and energy to the Company for his effective contribution as a Board Member.

The Companies Act 2013, and the Listing Regulations already stipulates the following restrictions in this regard:

- A Director shall not serve as Director, including as alternate Director, in more than 20 companies of which not more than 10 shall be Public Limited Companies.
- A Director shall not serve as an Independent Director in more than 7 Listed Companies, and in more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.
- A Director shall not be a Member in more than 10 Committees or act as Chairperson of more than 5 Committees across all the companies in which he holds directorships.

For the purpose of considering the limit of the Committee Chairpersonship and Membership, Chairpersonship and Membership of Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies only, 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.

Registered Office :  
56, Netaji Subhas Road  
Kolkata - 700001  
Dated : 12th August, 2016

For and on behalf of the Board of Directors

**S. S. JAIN**  
Chairman

## Remuneration Policy for Directors, Key Managerial Personnel and Other Employees (Annexure 'D' to Directors' Report)

### INTRODUCTION

The Company gives importance of meeting the business objectives along with fulfilling of individual objectives of employees and their aspirations. The Company has accordingly formulated the Remuneration Policy for its Directors, Key Managerial Personnel and other employees ensuring that:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and employees of the qualities required to run the company successfully;
- (b) that relationship of remuneration to performance is clear and meets the appropriate performance benchmarks; and
- (c) remuneration of Directors, Key Managerial Personnel and employees 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.

### POLICY

This Policy sets out a broad guidelines for the Nomination and Remuneration Committee (NRC) for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company and for the Board to finally determine the same.

#### A. Remuneration of Executive Directors and Key Managerial Personnel

- (1)(a). The Board shall review and approve the remuneration as recommended by NRC to be payable to the Executive Directors of the Company within the overall limits under the Companies Act and Schedule thereto, which shall be finally approved by the shareholders
- (1)(b) (i) While recommending to the Board the remuneration payable by the Company to Executive Directors in case of absence or inadequacy of profits of the Company, NRC shall :-
  - (a) take into account, financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration, etc.
  - (b) be in a position to bring about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders
- (ii) In case of absence or inadequacy of Profit, the Board shall fix the remuneration of the Executive Directors, keeping in view the recommendation of NRC, but within the limits specified in the Companies Act and Schedule V thereto, at such amount or percentage of profits of the Company, as it may deem fit and while fixing the remuneration, the Board shall have regard to -
  - (a) the financial position of the company;
  - (b) the remuneration or commission drawn by the individual concerned in any other capacity;
  - (c) the remuneration or commission drawn by him from any other company;
  - (d) professional qualifications and experience of the individual concerned;
  - (e) such other matters as may be prescribed under the Companies Act and Schedule thereto

## Remuneration Policy for Directors, Key Managerial Personnel and Other Employees

- (2) The remuneration structure of the Executive Directors and Key Managerial Personnel shall include the following components:
  - (i) Salary
  - (ii) Perquisites and Allowances
  - (iii) Retiral benefits
  - (iv) Annual Bonus
- (3) The Board shall also review and approve the remuneration as recommended by NRC to be payable to the Key Managerial Personnel of the Company.
- (4) The Annual Plan and Objectives for Executive Directors, Key Managerial Personnel and Senior Executives shall be reviewed by the NRC and Annual increments /increases in their salaries will be recommended by the NRC to the Board for its approval based on their achievements against the Annual Plan and Objectives.

### B. Remuneration to other Employees

Employees shall get remuneration according to their nature of jobs, qualifications, work experience, competencies as well as their roles and responsibilities in the organization. Annual increments shall be based on various factors , such as , their performance in the last year , job profile, skill sets, seniority, experience , attitude, behavior pattern ,commitments to their jobs , etc. Their promotions in respective deserving cases according to the needs of the Company will also be based on the abovesaid criteria.

Registered Office :  
56, Netaji Subhas Road  
Kolkata - 700001  
Dated : 12th August, 2016

For and on behalf of the Board of Directors

**S. S. JAIN**  
*Chairman*

**Extract of Annual Return (Annexure ' E' to Directors' Report )**
**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN as on the Financial Year ended on 31st March, 2016  
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1)  
of the Companies (Management and Administration) Rules, 2014]**

<b>I</b>	<b>REGISTRATION AND OTHER DETAILS</b>	
i	CIN	L17232WB1947PLC016105
ii	Registration Date	12.12.1947
iii	Name of the Company	RTS POWER CORPORATION LIMITED
iv	Category / Sub-Category of the Company	A Public Company limited by Shares
v	Address of the Registered office and contact details	56 Netaji Subhas Road ,2nd Floor, Kolkata-700001 Telephone No (033) 22426025,22426054 Fax No (033) 2242-6732 E Mail :headoffice@rtspower.com
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Niche Technologies Pvt. Ltd. D-511, Bagree Market, 71 B.R.B.Basu Road, Kolkata –700001 Phone: (033) 2234-3576/ 2235-7270/7271/5236 Fax : (033) 2215-6823 E Mail:nichetechpl@nichetechpl.com
<b>II</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b> All the business activities contributing 10% or more of the total turnover of the Company	As per Attachment – A
<b>III</b>	<b>PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES</b>	As per Attachment – B
<b>IV</b>	<b>SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)</b>	
	i) Category-wise Shareholding	As per Attachment – C
	ii) Shareholding of Promoters	As per Attachment – D
	iii) Change in Promoter's Shareholding	As per Attachment – E
	iv) Shareholding Pattern of top Ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs)	As per Attachment – F
	v) Shareholding of Directors and Key Managerial Personnel	As per Attachment – G

## Directors' Report

V	<b>INDEBTEDNESS</b> Indebtedness of the Company including interest outstanding / accrued but not due for payment	As per Attachment – H
VI	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
	A. Remuneration to Managing Director, Whole-time Director and/or Manager	As per Attachment – I
	B. Remuneration to other Directors	As per Attachment – J
	C. Remuneration to Key Managerial Personnel other than MD/MANAGER/ WTD	As per Attachment – K
VII	<b>PENALTIES/PUNISHMENT/ COMPOUNDING OF OFFENCES</b>	As per Attachment – L

### ATTACHMENT – A

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company :-

Sl No	Name and Description of main products / services	NIC Code of the product/ services*	% to total turnover of the company
1.	Transformers	271	80.38%
2.	Cables & Conductors	273	4.09%

\*As per National Industrial Classification –Ministry of Statistics and Programme Implementation

### ATTACHMENT – B

#### III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl No	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of Shares held	Applicable Section
1.	Blue Nile Projects Limited	1301 Bank of America Tower , 12 Harcourt Road , Central Hong Kong	Not Applicable	Subsidiary	100	2(87)(ii)
1.	ABAY Energy Private Limited Company	OROMIA, E/SHWA, WERDA, DUKEM, House No K No.70/97	Not Applicable	Subsidiary	99.81	2(87)(ii)

As reported, Blue Nile Projects Limited, Hong Kong has ceased to be a Subsidiary of your Company on July 27, 2015

As a result, ABAY Energy Private Limited Company, Ethiopia has ceased to be the step-down Subsidiary Company of your Company on July 27, 2015

## Directors' Report

### ATTACHMENT C

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
1) Indian									
a) Individual / HUF	409711	0	409711	5.016	409711	0	409711	5.016	0.000
b) Central Government									
c) State Government									
d) Bodies Corporate	4663019	0	4663019	57.085	5071365	0	5071365	62.084	4.999
e) Banks / Financial Institutions									
f) Any Other									
Sub-total (A)(1)	5072730	0	5072730	62.101	5481076	0	5481076	67.100	4.999
2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corporate									
d) Banks / Financial Institutions									
e) Any Other									
Sub-total (A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	5072730	0	5072730	62.101	5481076	0	5481076	67.100	4.999
<b>B. PUBLIC SHAREHOLDING</b>									
1) Institutions									
a) Mutual Funds									
b) Banks / Financial Institutions									

## Directors' Report

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Central Governments									
d) State Governments									
e) Venture Capital Funds									
f) Insurance Companies									
g) Foreign Institutional Investors (FI)									
h) Foreign Venture Capital Funds									
i) Others (Specify)									
Sub-total (B)(1)	0	0	0	0.000	0	0	0	0.000	0.000
2) Non-Institutions									
a) Bodies Corporate									
i) Indian	1893325	1001	1894326	23.191	1454616	1001	1455617	17.820	-5.371
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	636825	7262	644087	7.885	866651	6965	873616	10.695	2.810
ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	400839	0	400839	4.907	176177	0	176177	2.157	-2.750
c) Others									
1. NRI	9879	0	9879	0.121	15000	0	15000	0.184	0.063
2. Overseas Corporate Bodies									
3. Foreign Nationals									
4. Clearing Members	146639	0	146639	1.795	167014	0	167014	2.045	0.250

## Directors' Report

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
5. Trusts									
6. Foreign Bodies - D.R.									
Sub-total (B)(2)	3087507	8263	3095770	37.899	2679458	7966	2687424	32.900	-4.999
Total Public Shareholding (B) = (B)(1)+(B)(2)	3087507	8263	3095770	37.899	2679458	7966	2687424	32.900	-4.999
C. Shares held by Custodian for GDRs & ADRs									
<b>GRAND TOTAL (A+B+C)</b>	<b>8160237</b>	<b>8263</b>	<b>8168500</b>	<b>100.000</b>	<b>8160534</b>	<b>7966</b>	<b>8168500</b>	<b>100.000</b>	<b>0.000</b>

### ATTACHEMNT D

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of 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	ABHAY BHUTORIA (HUF)	100695	1.233	0.000	100695	1.233	0.000	0.000
2	ABHAY BHUTORIA .	53800	0.659	0.000	53800	0.659	0.000	0.000
3	ABHAY TRANSFORMERS PVT LTD	89800	1.099	0.000	89800	1.099	0.000	0.000
4	BHUTORIA BROS LTD	924935	11.323	0.000	1333281	16.322	0.000	4.999
5	BHUTORIA INVESTMENTS PVT. LTD	2298648	28.140	0.000	2298648	28.140	0.000	0.000
6	BHUTORIA TRANSFORMERS & RECTIFIERS PVT.LTD	676336	8.280	0.000	676336	8.280	0.000	0.000
7	HEMLATA BHUTORIA	35800	0.438	0.000	35800	0.438	0.000	0.000
8	HOWRAH WAREHOUSE PVT. LTD	81200	0.994	0.000	0	0.00	0.000	-0.994
9	LADNUN AGRICULTURAL FARMS (P) LTD	204800	2.507	0.000	204800	2.507	0.000	0.000
10	RACHNA BHUTORIA	38800	0.475	0.000	38800	0.475	0.000	0.000



## Directors' Report

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of 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	
11	RAJASTHAN TRANSFORMERS AND SWITCHGEARS (PVT)LTD	387300	4.741	0.000	468500	5.735	0.000	0.994
12	RAJENDRA BHUTORIA	39700	0.486	0.000	39700	0.486	0.000	0.000
13	RAJENDRA BHUTORIA(HUF)	45200	0.553	0.000	45200	0.553	0.000	0.000
14	SADHNA BHUTORIA .	35558	0.435	0.000	35558	0.435	0.000	0.000
15	SHARAD BHUTORIA	60158	0.736	0.000	60158	0.736	0.000	0.000
	<b>TOTAL</b>	<b>5072730</b>	<b>62.101</b>	<b>0.000</b>	<b>5481076</b>	<b>67.100</b>	<b>0.000</b>	<b>4.999</b>

### ATTACHMENT E

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (iii). Change in Promoter's Shareholding

Sl No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	ABHAY BHUTORIA (HUF)				
	a) At the Beginning of the Year	100695	1.233		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			100695	1.233
2	ABHAY BHUTORIA				
	a) At the Beginning of the Year	53800	0.659		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			53800	0.659
3	ABHAY TRANSFORMERS PVT LTD				
	a) At the Beginning of the Year	89800	1.099		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			89800	1.099
4	BHUTORIA BROTHERS LTD				
	a) At the Beginning of the Year	924935	11.323		
	b) Changes during the year				

## Directors' Report

Sl No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Date Reason				
	10/04/2015 Transfer	73886	0.905	998821	12.228
	17/04/2015 Transfer	100000	1.224	1098821	13.452
	24/04/2015 Transfer	50100	0.613	1148921	14.065
	01/05/2015 Transfer	184360	2.257	1333281	16.322
	c) At the End of the Year			1333281	16.322
5	BHUTORIA INVESTMENTS PVT. LTD				
	a) At the Beginning of the Year	2298648	28.140		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			2298648	28.140
6	BHUTORIA TRANSFORMERS & RECTIFIERS PVT. LTD				
	a) At the Beginning of the Year	676336	8.280		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			676336	8.280
7	HEMLATA BHUTORIA				
	a) At the Beginning of the Year	35800	0.438		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			35800	0.438
8	HOWRAH WAREHOUSE PVT. LTD				
	a) At the Beginning of the Year	81200	0.994		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	31/03/2016 Transfer	-81200	0.994		
	c) At the End of the Year			0	0
9	LADNUN AGRICULTURAL FARMS PVT LTD				
	a) At the Beginning of the Year	204800	2.507		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			204800	2.507
10	RACHNA BHUTORIA				
	a) At the Beginning of the Year	38800	0.475		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			38800	0.475

## Directors' Report

Sl No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
11	RAJASTHAN TRANSFORMERS AND SWITCHGEARS PVT. LTD				
	a) At the Beginning of the Year	387300	4.741		
	b) Changes during the year				
	31/03/2016 Transfer	81200	0.994	468500	5.735
	c) At the End of the Year			468500	5.735
12	RAJENDRA BHUTORIA				
	a) At the Beginning of the Year	39700	0.486		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			39700	0.486
13	RAJENDRA BHUTORIA (HUF)				
	a) At the Beginning of the Year	45200	0.553		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			45200	0.553
14	SADHNA BHUTORIA				
	a) At the Beginning of the Year	35558	0.435		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			35558	0.435
15	SHARAD BHUTORIA				
	a) At the Beginning of the Year	60158	0.736		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			60158	0.736
	<b>TOTAL</b>	<b>5072730</b>	<b>62.101</b>	<b>5481076</b>	<b>67.100</b>

### ATTACHMENT F

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl 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	BLB CABLES AND CONDUCTORS PVT. LTD				
	a) At the Beginning of the Year	420488	5.148		
	b) Changes during the year				

## Directors' Report

Sl 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
	Date Reason				
	10/04/2015 Transfer	-408000	4.995	12488	0.153
	01/05/2015 Transfer	-308	0.004	12180	0.149
	c) At the End of the Year			12180	0.149
<b>2</b>	<b>BONANZA PORTFOLIO LTD</b>				
	a) At the Beginning of the Year	37365	0.457		
	b) Changes during the year				
	Date Reason				
	10/04/2015 Transfer	4401	0.054	41766	0.511
	17/04/2015 Transfer	963	0.012	42729	0.523
	24/04/2015 Transfer	500	0.006	43229	0.529
	01/05/2015 Transfer	660	0.008	43889	0.537
	08/05/2015 Transfer	-4580	0.056	39309	0.481
	15/05/2015 Transfer	4118	0.050	43427	0.532
	29/05/2015 Transfer	46	0.001	43473	0.532
	05/06/2015 Transfer	1811	0.022	45284	0.554
	12/06/2015 Transfer	260	0.003	45544	0.558
	19/06/2015 Transfer	5	0.000	45549	0.558
	26/06/2015 Transfer	-10	0.000	45539	0.557
	17/07/2015 Transfer	-600	0.007	44939	0.550
	24/07/2015 Transfer	235	0.003	45174	0.553
	31/07/2015 Transfer	-61	0.001	45113	0.552
	07/08/2015 Transfer	4913	0.060	50026	0.612
	14/08/2015 Transfer	-1815	0.022	48211	0.590
	21/08/2015 Transfer	210	0.003	48421	0.593
	28/08/2015 Transfer	-23190	0.284	25231	0.309
	04/09/2015 Transfer	-750	0.009	24481	0.300
	11/09/2015 Transfer	-200	0.002	24281	0.297
	25/09/2015 Transfer	2984	0.037	27265	0.334
	30/09/2015 Transfer	-1	0.000	27264	0.334
	09/10/2015 Transfer	-413	0.005	26851	0.329
	16/10/2015 Transfer	-793	0.010	26058	0.319
	23/10/2015 Transfer	250	0.003	26308	0.322
	30/10/2015 Transfer	523	0.006	26831	0.328

## Directors' Report

Sl 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
	06/11/2015 Transfer	950	0.012	27781	0.340
	20/11/2015 Transfer	2200	0.027	29981	0.367
	27/11/2015 Transfer	940	0.012	30921	0.379
	11/12/2015 Transfer	200	0.002	31121	0.381
	18/12/2015 Transfer	70	0.001	31191	0.382
	25/12/2015 Transfer	-40	0.000	31151	0.381
	31/12/2015 Transfer	-1355	0.017	29796	0.365
	08/01/2016 Transfer	4032	0.049	33828	0.414
	15/01/2016 Transfer	-603	0.007	33225	0.407
	22/01/2016 Transfer	425	0.005	33650	0.412
	29/01/2016 Transfer	-43	0.001	33607	0.411
	05/02/2016 Transfer	5	0.000	33612	0.411
	12/02/2016 Transfer	665	0.008	34277	0.420
	19/02/2016 Transfer	-1192	0.015	33085	0.405
	26/02/2016 Transfer	319	0.004	33404	0.409
	04/03/2016 Transfer	303	0.004	33707	0.413
	11/03/2016 Transfer	309	0.004	34016	0.416
	18/03/2016 Transfer	380	0.005	34396	0.421
	25/03/2016 Transfer	-2909	0.036	31487	0.385
	31/03/2016 Transfer	417	0.005	31904	0.391
	c) At the End of the Year			31904	0.391
3	GEOJIT BNP PARIBAS FINANCIAL SERVICES LTD				
	a) At the Beginning of the Year	169000	2.069		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			169000	2.069
4	MANI MARKETING & HOLDINGS PVT. LTD.				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	30/06/2015 Transfer	1140000	13.956	1140000	13.956
	c) At the End of the Year			1140000	13.956

## Directors' Report

Sl 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
5	MONARCH NETWORK CAPITAL LIMITED				
	a) At the Beginning of the Year	89219	1.092		
	b) Changes during the year				
	Date Reason				
	28/08/2015 Transfer	500	0.006	89719	1.098
	06/11/2015 Transfer	3642	0.045	93361	1.143
	13/11/2015 Transfer	-3750	0.046	89611	1.097
	20/11/2015 Transfer	-392	0.005	89219	1.092
	c) At the End of the Year			89219	1.092
6	MUKESH KUMAR CHANDULAL SHAH				
	a) At the Beginning of the Year	93000	1.139		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			93000	1.139
7	MULTIPLIER ENTERPRISES PVT. LTD.				
	a) At the Beginning of the Year	1140000	13.956		
	b) Changes during the year				
	Date Reason				
	30/06/2015 Transfer	1140000	13.956	0	0
	c) At the End of the Year			0	0
8	PRAKASH CHANDRA MODI				
	a) At the Beginning of the Year	29500	0.361		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			29500	0.361
9	PRECISE CONSULTING & ENGINEERING PVT LTD				
	a) At the Beginning of the Year	32450	0.397		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			32450	0.397
10	RAHUL FATEHCHAND SHAH				
	a) At the Beginning of the Year	33650	0.412		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			33650	0.412

## Directors' Report

Sl 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
11	SPATIAL SERVICES (P) LTD.				
	a) At the Beginning of the Year	36746	0.450		
	b) Changes during the year				
	16/10/2015 Transfer	-2500	0.031	34246	0.419
	31/12/2015 Transfer	-2500	0.031	31746	0.389
	c) At the End of the Year			31746	0.389
12	TATA SECURITIES LIMITED				
	a) At the Beginning of the Year	25900	0.317		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			25900	0.317
	<b>TOTAL</b>	<b>2107318</b>	<b>25.798</b>	<b>1688549</b>	<b>20.671</b>

### ATTACHMENT G

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### (v) Shareholding of Directors and Key Managerial Personnel

Sl No.	For Each of the Directors and Key Management Personnel	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	RAJENDRA BHUTORIA (WHOLETIME DIRECTOR)				
	a) At the Beginning of the Year	39700	0.486		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	c) At the End of the Year			39700	0.486
2	ABHAY BHUTORIA (MANAGING DIRECTOR)				
	a) At the Beginning of the Year	53800	0.659		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	c) At the End of the Year			53800	0.659

## Directors' Report

Sl No.	For Each of the Directors and Key Management Personnel	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
3	RACHNA BHUTORIA				
	a) At the Beginning of the Year	38800	0.475		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	c) At the End of the Year			38800	0.475
4	RAM LAL SAINI (DIRECTOR)				
	a) At the Beginning of the Year	160	0.002		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	c) At the End of the Year			160	0.002
5	MUKHESH KR. JAIN (CHIEF FINANCIAL OFFICER)				
	a) At the Beginning of the Year	1400	0.017		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	Date Reason				
	c) At the End of the Year			1400	0.017

**NOTE :** None of the other Directors and Key Managerial Personnel hold any Shares in the Company

### ATTACHMENT – H

#### V. INDEBTEDNESS

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

(₹)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	279794096	176490580		456284676
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>279794096</b>	<b>176490580</b>		<b>456284676</b>



**Directors' Report**

<b>Change in Indebtedness during the Financial Year</b>			
Addition			
Reduction	42377124	111733610	154110734
<b>Net Change</b>	<b>42377124</b>	<b>111733610</b>	<b>154110734</b>
<b>Indebtedness at the end of the financial year</b>			
i) Principal Amount	237416972	64756970	302173942
ii) Interest due but not paid			
iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>	<b>237416972</b>	<b>64756970</b>	<b>302173942</b>

**ATTACHMENT – I****VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager :**

(₹)

Sl. No.		Name of MD Abhay Bhutoria	Name of WTD Rajendra Bhutoria	Total Amount
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	11,00,000	12,00,000	23,00,000
	(b) Value of perquisites under Section 17(2) of the Income-Tax Act, 1961	1,99,369	NIL	1,99,369
	(c) Profits in lieu of salary under Section 17(3) of the Income-Tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others	NIL	NIL	NIL
5	Others-Contribution to Provident Fund	1,32,000	1,44,000	2,76,000
	Total	14,31,369	13,44,000	27,75,369
	Ceiling as per the Act	84,00,000	84,00,000	1,68,00,000

**Note :** Provisions for incremental gratuity for the current year has not been considered, since the provision is based on actuarial basis for the Company as a whole.

## Directors' Report

### ATTACHMENT – J

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

##### B. Remuneration to other Directors :

Sl No.	Particulars of Remuneration	Name of Directors					Total Amount
		SARDUL SINGH JAIN	BACHHRAJ BEGWANI	ALOK KUMAR BANTHIA			
1.	Independent Directors (a) Fee for attending Board / Committee Meetings (b) Commission (c) Others	NIL	NIL	NIL			NIL
	Total (1)	NIL	NIL	NIL			NIL
					RACHNA BHUTORIA	RAM LAL SAINI	
2.	Other Non-Executive Directors (a) Fee for attending Board / Committee Meetings (b) Commission (c) Others,				NIL	NIL	NIL
	Total (2)				NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act						

**NOTE :** Non-Executive Directors do not get any remuneration from the Company , except Sri R L Saini, who gets Fee of Rs 6 Lacs per annum for rendering consultancy services to the Company on Accounting and Auditing matters in his professional capacity being a Chartered Accountant by profession, which has been approved by the Nomination and Remuneration Committee, Board and Shareholders .The Non-Executive Directors do not get any sitting Fees for attending Meetings of the Board and its Committees.

## Directors' Report

### ATTACHMENT – K

#### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Company Secretary	Chief Financial Officer	
	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	2,48,400	4,76,564	7,24,964
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NIL	NIL	NIL
	Stock Option	NIL	NIL	NIL
	Sweat Equity	NIL	NIL	NIL
	Commission - as % of profit - others,	NIL	NIL	NIL
	Others Provident Fund	NIL	33,204	33,204
	<b>Total</b>	<b>2,48,400</b>	<b>5,09,768</b>	<b>7,58,168</b>

### ATTACHMENT – L

#### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding Fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment			NONE		
Compounding			NONE		

## Directors' Report

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding Fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment			NONE		
Compounding			NONE		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment			NONE		
Compounding			NONE		

Registered Office :  
 56, Netaji Subhas Road  
 Kolkata - 700001  
 Dated : 12th August, 2016

For and on behalf of the Board of Directors

**S. S. JAIN**  
*Chairman*

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**Secretarial Audit Report (Annexure 'F' to Directors' Report)**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March 2016

[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,  
**M/s RTS POWER CORPORATION LIMITED**  
56, NETAJI SUBHAS ROAD  
KOLKATA - 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s **RTS POWER CORPORATION LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company'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, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31st, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31st, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 which came into effect from 15th May, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit Period)**

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
- (vi) The followings are the other laws as specifically applicable to the Company:
  - a) The Factories Act, 1948;
  - b) The Payment of Bonus Act, 1965;
  - c) The Industrial Disputes Act, 1947;
  - d) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
  - e) The Employees' State Insurance Act, 1948.

**We have also examined compliance with the applicable clauses of the following:**

- (i) The company has complied with the applicable Clauses of Secretarial Standard (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the company has complied with the same to the extent possible.
- (ii) The company has complied with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable during the period under review and the company has entered into a fresh listing agreement with BSE Ltd pursuant to requirement of the said regulation.

**Management's Responsibility:**

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The 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.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors,

Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review are carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** 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.

**We further report that** during the audit period the company has accorded the consent to the Board of Directors for the following specific events/action having a major bearing on the company's affairs.

- Under Section 61 read with Section 64 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) the Authorised Share Capital of the company increased from existing Rs 12,00,00,000 (Rupees Twelve Crores) divided into 1,20,00,000 (One Crore Twenty Lakh) Equity Shares of Rs 10/- each to Rs. 22,00,00,000 (Rupees Twenty two Crores) divided into 1,20,00,000 (One Crore Twenty Lakh) Equity Shares of Rs. 10/- each and 1,00,00,000 (One Crore) Redeemable Non-Cumulative Non-Convertible Preference Shares of Rs. 10/- each.
- Under Section 13 of the Companies Act, 2013 the Company has altered its Memorandum of Association by substituting the Capital Clause as above.
- Under Section 14 of the Companies Act, 2013 the Company has altered its Articles of Association by substituting the Capital Clause as above.
- Under Section 42, 55 and 62 of the Companies Act, 2013 the Company has offered 1,00,00,000 (One Crore) 9% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each, for cash, at par, aggregating to Rs. 10,00,00,000 (Ten Crores) to be redeemed at par within a period not exceeding twenty years, on Private Placement Basis. Out of 1,00,00,000 (One Crore) 9% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10/- each, 75,00,000 (seventy five lacs) 9% Non-Cumulative Non-Convertible Redeemable Preference Shares has been subscribed.
- The Company has transferred entire 2,82,500 Shares of U.S. Dollar 1 per Share of its Wholly-owned subsidiary, Blue Nile Projects Limited, Hong Kong (BLUE NILE) which was holding 99.81% Shares of ABAY Energy Private Limited Company, Ethiopia (ABAY), the Step-down Subsidiary of the Company to one of the group entities M/s Kalinga Petrochemicals LLP (KP LLP) at a price of U.S. Dollar 1.33 per Share as per the Valuation Report given by a Certified Valuer.

*Signature:*

Proprietor : **Manoj Prasad Shaw**

Name of Firm : **M/s Manoj Shaw & Co.**

FCS No. 5517

C P No.: 4194

Place : Kolkata

Date : 12.08.2016

## Disclosure of Related Party Transaction (Annexure 'G' to Directors' Report)

Form No. AOC-2

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

### 1. Details of contracts or arrangements or transactions not at arm's length basis

The Audit Committee and the Board of Directors of the Company at their respective Meetings held on May 30, 2014 have approved the proposals for entering into the following Related Party contracts/arrangements/transactions, which were also approved by the Shareholders by passing a Special Resolution in the Company's Annual General Meeting held on 29th September, 2014. No amount of advance has been paid by the Company against such contracts/arrangements/transactions:

Name of the Related Party	Name of the Director or Key Managerial Personnel of the Company who is related, if any	Nature of their relationship with the Related Party	Maximum Monetary Value In Rupees	Nature, salient terms and particulars of the proposed Contracts or Arrangements or Transactions	Justification for entering into such Contracts or Arrangements or Transactions	Duration or validity of the proposed Contracts or Arrangements or Transactions
Bhutoria Brothers Limited (BBL)	Sri Rajendra Bhutoria Whole-time Director	Director & Member (holding 22% of BBL's Paid up Share Capital)	12 lakhs per year	Building and Godown Rent payable to BBL for the premises taken on rent by the Company from BBL.	Tenancy arrangement has been continuing for a long time	To remain valid till this limit is not exceeded and approved and changed
	Sri Abhay Bhutoria Managing Director	Member (holding 16% of BBL's Paid up Share Capital)				
	Smt Rachna Bhutoria Director	Member (holding 3.53% of BBL's Paid up Share Capital)				
ABAY Energy Private Limited Company, Ethiopia	Sri Rajendra Bhutoria Whole-time Director	Erstwhile Step -down Subsidiary of the Company	50 Crores per year	Sale of Goods	Additional business of the Company by way of Export	To remain valid till this limit is not exceeded and approved and changed
	Sri Abhay Bhutoria Managing Director					
	Smt Rachna Bhutoria Director					



## Directors' Report

Name of the Related Party	Name of the Director or Key Managerial Personnel of the Company who is related, if any	Nature of their relationship with the Related Party	Maximum Monetary Value In Rupees	Nature, salient terms and particulars of the proposed Contracts or Arrangements or Transactions	Justification for entering into such Contracts or Arrangements or Transactions	Duration or validity of the proposed Contracts or Arrangements or Transactions
Bhutoria Transformers & Rectifiers Private Limited (BTR)	Sri Rajendra Bhutoria Whole-time Director  Sri Abhay Bhutoria Managing Director  Smt Rachna Bhutoria Director  Sri Sharad Bhutoria Chief Executive Officer	Member (holding 2.89 % of BTR's Paid up Share Capital)  Director & Member (holding 6.56 % of BTR's Paid up Share Capital)  Member (holding 6.94 % of BTR's Paid up Share Capital)  Director & Member	12 lakhs per year	Rent payable to BTR for the premises taken on rent by the Company from BTR	Tenancy arrangement has been continuing for a long time	To remain valid till this limit is not exceeded and approved and changed
Bhutoria Properties (BP)	Smt Rachna Bhutoria Director	Co-owner	50,000 per year	Rent payable to BP for the premises taken on rent by the Company from BP	Tenancy arrangement has been continuing for a long time	To remain valid till this limit is not exceeded and approved and changed
Sri Sharad Bhutoria	Son of Sri Rajendra Bhutoria, Wholetime Director	Chief Executive Officer	12 Lakhs per year	Salary & Perquisites	Already in employment for about 9 and 1/2years	To remain valid till this limit is not exceeded and approved and changed
Sri Ram Lal Saini		Director	9 Lakhs per year	Getting such remuneration (Fees) not as a Director, but for rendering consultancy services to the Company on Accounting and Auditing matters in his professional capacity being a Chartered Accountant	Has been rendering such services for last 29 years, even before he became a Director of the Company from May14,2011	To remain valid till he continues to be a Director of the Company and renders such services to the Company in his professional capacity

Name of the Related Party	Name of the Director or Key Managerial Personnel of the Company who is related, if any	Nature of their relationship with the Related Party	Maximum Monetary Value In Rupees	Nature, salient terms and particulars of the proposed Contracts or Arrangements or Transactions	Justification for entering into such Contracts or Arrangements or Transactions	Duration or validity of the proposed Contracts or Arrangements or Transactions
Bhutoria Transformers & Rectifiers Private Limited (BTR)	Sri Rajendra Bhutoria Whole-time Director	Member (holding 2.89 % of BTR's Paid up Share Capital)	20 Crores per year	Purchase of Transformer Oil	Transactions between group Companies to achieve economy and convenience of operations	To remain valid till this limit is not exceeded and approved and changed by a further Resolution
	Sri Abhay Bhutoria Managing Director	Director & Member (holding 6.56 % of BTR's Paid up Share Capital)	5 Crores per year	Purchase of all kinds of paper and paper products , including excise books but excluding handmade papers		
	Smt Rachna Bhutoria Director	Member (holding 6.94 % of BTR's Paid up Share Capital)	5 Crores per year	Purchase and/or sale of Power and Distribution Transformers and raw materials, parts, spares, accessories, and others used in manufacturing of Power & Distribution Transformers , Cables & Conductors		
	Sri Sharad Bhutoria Chief Executive Officer	Director & Member				
Bhutoria Transformers & Rectifiers Private Limited (BTR)	Sri Rajendra Bhutoria Whole-time Director	Member (holding 2.89 % of BTR's Paid up Share Capital)	5 Lacs per year	Factory Building Repair Charges	Necessary repair and maintenance done to run the Company	
	Sri Abhay Bhutoria Managing Director	Director & Member (holding 6.56 % of BTR's Paid up Share Capital)				
	Smt Rachna Bhutoria Director	Member (holding 6.94 % of BTR's Paid up Share Capital)				
	Sri Sharad Bhutoria Chief Executive Officer	Director & Member				

## 2. Details of material contracts or arrangements or transactions at arm's length basis - **NOT APPLICABLE**

Registered Office :

56, Netaji Subhas Road

Kolkata - 700001

Dated : 12th August, 2016

For and on behalf of the Board of Directors

**S. S. JAIN**

Chairman

**Annexure 'H' to Directors' Report**

DETAILS PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED BY THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) AMENDMENT RULES 2016.

- (i) The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer during the Financial Year 2015-2016 and ratio of remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2015-2016 are as under:

S I No	Name of Director/KMP & Designation	Remuneration of Director /KMP for Financial Year 2015-2016 (₹)	% increase in remuneration in Financial Year 2015-2016	Ratio of remuneration of each Director to the median remuneration of the employees for the Financial Year 2015-2016
1	Sri Rajendra Bhutoria Vice Chairman & Whole-time Director	13,44,000/-	33.33%	5.14
2	Sri Abhay Bhutoria Managing Director	14,31,369/-	15.19%	5.47
3	Sri J Biswas Company Secretary	2,48,400/-	NIL	0.95
4	Sri Mukesh Jain Chief Financial Officer	5,09,768/-	7.74%	1.95

- (ii) Non-Executive Directors do not get any remuneration from the Company, except Sri R L Saini, who gets Fee of Rs 6 Lacs per annum for rendering consultancy services to the Company on Accounting and Auditing matters in his professional capacity being a Chartered Accountant by profession, which has been approved by the Nomination and Remuneration Committee, Board and Shareholders. The Non-Executive Directors do not get any sitting Fees for attending Meetings of the Board and its Committees.
- (iii) The median remuneration of employees of the Company during the Financial Year was Rs 2,61,600/-.
- (iv) In the Financial Year, there was an increase of 12.22% in the median remuneration of employees;
- (v) There were 70 permanent employees on the rolls of Company as on March 31, 2016;
- (vi) Average percentage increase made in the salaries of employees other than the Managerial Personnel in the last Financial Year i.e. 2015-16 was 14.63 % whereas the average percentage increase in managerial remuneration for the same Financial Year was 18.89 %.
- (vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Registered Office :  
56, Netaji Subhas Road  
Kolkata - 700001  
Dated : 12th August, 2016

For and on behalf of the Board of Directors

**S. S. JAIN**  
Chairman

## **Independent Auditors' Report**

To the Members of  
**RTS Power Corporation Limited**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of RTS Power Corporation Limited ('the Company') which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the

## Independent Auditors' Report

standalone 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 31st March, 2016, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - i. 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.
  - ii. 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.
  - iii. The Branch Auditor's report in respect of branches not visited by us, have been properly dealt with in preparing our report.
  - iv. The Balance Sheet, the Statement of Profit and Loss and the Cash flow Statement dealt with this Report are in agreement with the books of account.
  - v. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - vi. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - vii. 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 B"; and
  - viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as referred to in Note No. 33 to the standalone financial statements.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

For **A.C. Bhuteria & Co.**  
*Chartered Accountants*  
Firm Regn. No. 303105E

**Rahul Sethia**

*Partner*

Membership No.: 303931

Place: Kolkata  
Dated : 30th May, 2016

## Annexure 'A' to the Auditors' Report

### ANNEXURE 'A' TO THE INDEPENDENT AUDITORS REPORT REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE.

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management in a phased manner, during the year which in our opinion is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. Physical verification of inventories has been conducted at reasonable intervals by the management. No material discrepancies were noticed on physical verification as compared to book record.
- iii. The Company has not granted any loan, secured or unsecured to Companies / firms/ parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3(iii)(b) & 3(iii)(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 not given any loan/guarantee/security to or on behalf of any party referred to in Section 185 of the Companies Act 2013. The Company has complied with Section 186 in respect of loans and investments made. The Company has not given any guarantee or provided any security in connection with a loan to any body corporate or any other person.
- v. On the basis of our examination of books and records of the Company, in our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year and therefore the directives issued by the Reserve bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues as applicable to it with appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the books and records of the Company, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable except as under:

Name of the Statute	Nature of Dues	Amount (₹)	Financial Year to which the amount relates
Rajasthan Tax on Entry of Goods in Local Area Act, 1999	Entry Tax	20,95,481	2014-2015

- b. According to the information & explanation give to us, there are no dues of Income tax and other applicable Statutory Dues which have not been deposited on account of any dispute except as under:

**Annexure 'A' to the Auditors' Report**

Name of the Statute	Nature of Dues	Amount (₹)	Period	Forum where dispute is pending
Rajasthan VAT/CST	VAT,CST, Interest, Penalty on Freight and insurance recovered	7,33,527/-	2007-08	Tax Board, Rajasthan
		9,93,285/-	2008-09	
		8,72,954/-	2009-10	
		11,21,471/-	2010-11	
		21,12,544/-	2011-12	
West Bengal VAT	VAT	40,46,172/-	2009-10	Appellate & Revision Board of Sales Tax
West Bengal VAT	VAT	2,04,21,568/-	2010-11	Joint Commissioner of Sales Tax
Central Sales Tax	CST	18,96,071/-	2010-11	Joint Commissioner of Sales Tax
Central Sales Tax	CST	15,00,753/-	2011-12	Joint Commissioner of Sales Tax

- viii. Based on our audit procedures and as per the information & explanation given by the management, the Company has not defaulted in repayment of loans or borrowings to financial Institution or Banks. The Company has not issued any debentures.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable. The Company has not given any guarantee for loan taken by others from banks and financial institution.
- x. On the basis of our examination of books and records of the Company and according to the information and explanation provided to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations give to us and based on our examination of the records of the Company, the Company has complied with provisions of Section 42 of the Companies Act 2013 in respect of preferential allotment of Preference shares made during the year. The Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year. The amount raised by preferential allotment of shares has been used for the purposes for which it was raised.
- xv. The company has not entered into any non cash transaction with directors or persons connected with him under section 192 of the Companies Act, 2013.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For A.C. Bhuteria & Co.**  
Chartered Accountants  
Firm Regn. No. 303105E

**Rahul Sethia**  
Partner

Place: Kolkata  
Dated : 30th May, 2016

Membership No.: 303931

## **Annexure - B to the Auditors' Report**

### **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 RTS Power Corporation Ltd ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of 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 of 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") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 was 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 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 authorisations of management and directors of the company; and



## Annexure - B to the Auditors' Report

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, 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 31 March 2016, 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.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, insofar as it relates to 6 branches, is based on the corresponding reports of the branch auditors of such branches.

For **A.C. Bhuteria & Co.**  
*Chartered Accountants*  
Firm Regn. No. 303105E

**Rahul Sethia**  
*Partner*

Place: Kolkata  
Dated : 30th May, 2016

Membership No.: 303931

**Balance Sheet as at 31st March, 2016**

Particulars	Notes	As At 31st March 2016 (₹)	As At 31st March 2015 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	156,685,000	81,685,000
(b) Reserves & Surplus	3	385,529,671	364,392,520
	<b>(A)</b>	<b>542,214,671</b>	<b>446,077,520</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	6,147,812	12,418,000
(b) Deferred Tax Liabilities (Net)	5	9,594,000	10,629,000
(c) Long Term Provisions	6	4,412,216	3,084,769
	<b>(B)</b>	<b>20,154,028</b>	<b>26,131,769</b>
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	7	290,322,912	438,162,263
(b) Trade Payables	8	299,892,990	780,070,020
(c) Other Current Liabilities	9	21,605,721	42,475,643
(d) Short Term Provisions	10	3,128,302	3,336,753
	<b>(C)</b>	<b>614,949,925</b>	<b>1,264,044,679</b>
<b>Total (A+B+C)</b>		<b>1,177,318,624</b>	<b>1,736,253,968</b>
<b>II. ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		130,481,277	142,809,496
(b) Non Current Investments - Long Term	12	21,500	17,686,518
(c) Long Term Loans and Advances	13	5,682,425	5,892,394
(d) Other Non Current Assets	14	19,094,395	9,443,063
	<b>(A)</b>	<b>155,279,597</b>	<b>175,831,471</b>
<b>(2) Current Assets</b>			
(a) Inventories	15	294,573,418	371,986,623
(b) Trade Receivables	16	567,896,530	929,628,692
(c) Cash and Bank Balances	17		
(i) Cash & Cash Equivalents		14,311,176	89,428,631
(ii) Other Bank Balances		59,764,254	69,131,874
(d) Short Term Loans and Advances	18	81,630,218	97,610,960
(e) Other Current Assets	19	3,863,431	2,635,717
	<b>(B)</b>	<b>1,022,039,027</b>	<b>1,560,422,497</b>
<b>Total (A+B)</b>		<b>1,177,318,624</b>	<b>1,736,253,968</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes to Financial Statements</b>	2-38		

As per our Report of even date.  
For **A.C. Bhuteria & Co.**  
Chartered Accountants  
Firm Registration No.: 303105E

**Rahul Sethia**  
Partner  
Membership No. : 303931  
2 India Exchange Place  
Kolkata - 700 001  
Date : 30th May, 2016

**Abhay Bhutoria**  
Managing Director

**Mukesh Jain**  
Chief Financial Officer

**S. S. Jain**  
Chairman

**R. Bhutoria**  
Vice Chairman &  
Whole Time Director

**J. Biswas**  
Company Secretary

**Statement of Profit and Loss for the year ended on 31st March, 2016**

Particulars	Notes	Figures for the year ended 31st March, 2016 (₹)	Figures for the year ended 31st March, 2015 (₹)
<b>I. Revenue from Operations (Gross)</b>	20		
Sale of Products		1,537,690,359	1,820,293,386
Sale of Traded Goods		2,349,004	-
Revenue from Works Contract		1,412,938	24,712,408
Other Operating Revenues		31,944,397	37,107,175
		<b>1,573,396,698</b>	<b>1,882,112,969</b>
Less: Excise Duty		149,343,730	173,640,836
		<b>1,424,052,968</b>	<b>1,708,472,133</b>
<b>II. Other Income</b>	21	<b>29,209,758</b>	<b>13,236,113</b>
<b>III. Total Revenue ( I+II )</b>		<b>1,453,262,726</b>	<b>1,721,708,246</b>
<b>IV. EXPENSES</b>			
Cost of Materials Consumed	31(a)	968,482,626	1,202,447,893
Purchases of Stock-in-trade/Traded Goods		1,752,300	-
Changes in Inventories of Finished Goods, Work in Progress and Scrap Materials	22	49,612,282	103,350,831
Employee Benefits Expenses	23	25,480,132	19,439,647
Finance Costs	24	73,654,484	110,222,747
Depreciation	11	15,673,911	15,266,060
Other Expenses	25	315,319,151	256,616,444
<b>Total Expenses</b>		<b>1,449,974,886</b>	<b>1,707,343,622</b>
<b>V. Profit Before Tax, Exceptional &amp; Non recurring Item ( III-IV )</b>		<b>3,287,840</b>	<b>14,364,624</b>
<b>VI. Add: Exceptional Item</b>	26	<b>23,684,311</b>	<b>-</b>
<b>VII. Less: Non-Recurring Items - adjustment under transitional provisions for depreciation as per Schedule II to the Companies Act, 2013</b>	11	<b>-</b>	<b>1,881,679</b>
<b>VIII. Profit Before Tax ( V+VI-VII )</b>		<b>26,972,151</b>	<b>12,482,945</b>
<b>IX. Tax Expenses</b>			
Current Tax		6,870,000	2,500,000
Deferred Tax	5	(1,035,000)	3,712,000
<b>X. Profit/ (Loss) for the Year ( VIII-IX )</b>		<b>21,137,151</b>	<b>6,270,945</b>
<b>XI. Earnings Per Equity Share</b>	27		
a) Basic		2.59	0.77
b) Diluted		2.59	0.77
c) Face Value per Equity Share		10	10
<b>Significant Accounting Policies</b>	1		
<b>Notes to Financial Statements</b>	2-38		

As per our Report of even date.  
For **A.C. Bhuteria & Co.**  
Chartered Accountants  
Firm Registration No.: 303105E

**Rahul Sethia**  
Partner  
Membership No. : 303931

2 India Exchange Place  
Kolkata - 700 001  
Date : 30th May, 2016

**Abhay Bhuteria**  
Managing Director

**Mukesh Jain**  
Chief Financial Officer

**S. S. Jain**  
Chairman

**R. Bhuteria**  
Vice Chairman &  
Whole Time Director

**J. Biswas**  
Company Secretary

**Cash Flow Statement annexed to the Balance Sheet as at 31st March, 2016**

	2015-16 (₹)	2014-15 (₹)
<b>(A) Cash Flow from Operating Activities :</b>		
Net Profit Before Tax, Exceptional and Extra Ordinary Items	26,972,151	14,364,624
<b>Adjusted for :</b>		
- Depreciation	15,673,911	15,266,060
- Finance Costs	73,654,484	110,222,747
- Profit on Sale of Investments in Wholly Owned Subsidiary	(6,731,382)	
- Profit on Sale of Fixed Asset	(16,952,929)	-
- Interest Income	(18,694,261)	46,949,823
<b>- Operating Profit before Working Capital Change</b>	<b>73,921,974</b>	<b>131,331,415</b>
<b>Movements in Working Capital</b>		
- Decrease/ (Increase) in Inventories	77,413,205	112,561,144
- Decrease/ (Increase) in Trade and Other Receivables	377,174,413	(60,545,663)
- Increase/ (Decrease) in Trade and Other Payables	(499,926,761)	(45,339,143)
<b>Cash generated / (used) from operations</b>	<b>28,582,831</b>	<b>152,779,284</b>
Direct Tax (Paid) / Refunds Received (including interest)	(5,252,953)	(1,106,353)
<b>Net Cash from / (used in) Operating activities</b>	<b>(A) 23,329,878</b>	<b>151,672,931</b>
<b>(B) Cash Flow From Investing Activities:</b>		
Addition to Fixed Assets / Capital WIP	(5,924,361)	(14,932,333)
Sale of Fixed Assets	19,531,598	-
Sale of Long Term Investments	350,000	-
Investment in Wholly Owned Subsidiary	-	(1,990,018)
Sale of Long Term Investments in Wholly Owned Subsidiary	24,046,400	-
Interest received	18,703,089	8,533,729
Fixed Deposits (Made) / Matured	(2,426,323)	(4,359,887)
<b>Net Cash Flow from / (used in) Investing activities</b>	<b>(B) 54,280,403</b>	<b>(12,748,509)</b>

**Cash Flow Statement annexed to the Balance Sheet as at 31st March, 2016**

	2015-16 (₹)	2014-15 (₹)
<b>(C) Cash Flow from Financing Activities :</b>		
Repayment of Long Term Borrowing	(6,271,383)	(2,706,953)
Proceeds from Long Term Borrowing	-	3,041,740
Proceeds / (Repayment) of Short Term Borrowing	(147,839,351)	45,414,844
Proceeds from Issue of Preference Shares	75,000,000	-
Finance Cost	(73,654,484)	(110,277,574)
Net Cash used in Finance Activity	(C) (152,765,218)	(64,527,943)
Net Increase in Cash & Cash Equivalents	( A + B + C) (75,154,937)	74,396,479
Cash & Cash Equivalents (Opening)	89,523,549	15,127,070
Cash & Cash equivalents (Closing)	14,368,612	89,523,549
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	497,142	1,107,576
Balances with Bank		
- In Current Accounts	7,115,325	88,321,055
- Fixed Deposits (due within 3 months)	6,698,709	-
Unpaid Dividend Account	57,436	94,918
	14,368,612	89,523,549

**Note :**

- Cash Flow Statement has been prepared using the indirect method in accordance with Accounting Standard (AS) - 3 "Cash Flow Statement" notified under Section 133 of the Companies Act, 2013.

As per our Report of even date.  
 For **A.C. Bhuteria & Co.**  
 Chartered Accountants  
 Firm Registration No.: 303105E

**Rahul Sethia**  
 Partner  
 Membership No. : 303931  
 2 India Exchange Place  
 Kolkata - 700 001  
 Date : 30th May, 2016

**Abhay Bhutoria**  
 Managing Director

**Mukesh Jain**  
 Chief Financial Officer

**S. S. Jain**  
 Chairman

**R. Bhutoria**  
 Vice Chairman &  
 Whole Time Director

**J. Biswas**  
 Company Secretary

## 1 Significant Accounting Policies

### a. Accounting Convention

To prepare financial statements in accordance with applicable Accounting Standards in India. A summary of important accounting policies is set out below. The financial statements have also been prepared in accordance with relevant presentational requirements of the Companies Act, 2013.

### b. Basis of Preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and comply with the Accounting Standards prescribed by Companies (Accounting Standards) Rules, 2006, as amended and other pronouncements of the Institute of Chartered Accountants of India ('ICAI'). GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of operations of the Company, the Company has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of all assets and liabilities.

### c. Use of Estimates

The preparation of the financial statements is in conformity with Generally Accepted Accounting Principles (GAAP) which requires the management to make estimates and assumptions that affect the reported amounts of income and expenditure for the period ended, assets and liabilities and disclosures of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the preparation of accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statement. Actual results could, however, differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

### d. Fixed Assets and Depreciation

Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes and levies, freight and other incidental expenses related to acquisition and installation, financing costs during the period of construction for qualifying assets. Depreciation on tangible fixed assets is charged on written down value method over the useful life/remaining useful life of the asset as per Schedule II of the Companies Act 2013. Depreciation on assets purchased / acquired during the year is charged from the date of purchase / acquisition of the asset or from the day the asset is ready for its intended use. Similarly, depreciation on assets sold / discarded during the year is charged up to the date when the asset is sold / discarded.

### e. Inventories

- a) Raw Materials, Stores & Spares, Work in Progress and Finished Goods are valued at lower of cost or net realisable value and cost is determined on FIFO basis, net of central credit availed.

- b) Cost for Finished Goods and Work-in-Progress is determined taking material cost [net of cenvat credit availed] labour and relevant appropriate overheads and excise duty.
- c) Scrap, empty drums and replaced materials are valued at their respective net realisable value.

**f. Investments**

Long-term (Non Current) investments are stated at cost. Provision is made for diminution in the value of the investments, if, in the opinion of the management, the same is considered to be other than temporary in nature. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

**g. Revenue from Operation**

Revenue from operations includes sale of goods and works contract including excise duty, adjusted for discounts (net), Value Added Tax (VAT). Sale of products are recognised when risk and rewards of ownership of the products are passed on to the customers. Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

**h. Recognition of other items of Income & Expenditures**

Other items of income and expenditure are accounted for on accrual basis.

**i. Employee Benefits**

(i) Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the services are classified as short term employee benefits, which includes benefits like salary, wages, short term compensated absences and bonus, are recognized as expenses in the period in which the employee renders the related service.

(ii) Post- Employment Benefits

**- Defined Contribution Plans**

The Company has Defined Contribution Plans for Post employment benefits in the form of Provident / Family Pension Fund for all employees which are administered by Regional Provident Fund Commissioner. Provident Fund and Family Pension Fund are classified as defined contribution plans as the Company has no further obligation beyond making the contributions. The Company's contributions to Defined Contribution plans are charged to the Statement of Profit and Loss as and when incurred.

**- Defined Benefit Plans**

Non-Funded Plan : The Company has a defined benefit plan for Post-employment benefit in the form of Gratuity. Liability for the above defined benefit plan is provided on the basis of valuation, as at the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the Projected Unit Credit Method.

- (iii) Termination benefits are recognised as an expense as and when incurred.
- (iv) The Actuarial gains and losses arising during the year are recognised in the Statement of Profit and Loss.
- (v) Provision is made for value of un-availed leaves due to employees at the end of accounting year on actual calculations.

**j. Foreign Currency Transactions**

Transactions in foreign currency are accounted for at exchange rates prevailing on the date of the transaction. Foreign currency assets and liabilities (monetary items-trade receivables / trade payables) at the year-end are accounted for at year-end exchange rates and differences, if any, are adjusted in the Statement of Profit and Loss. Exchange differences arising on settlement of monetary items (trade receivables / trade payables) are recognised as income or expense in the period in which the settlements are made.

**k. Borrowing Cost**

Interest and other costs in connection with the borrowings of the funds to the extent related / attributed to the acquisition /construction of qualifying fixed assets are capitalised upto the date when such assets are ready for their intended use and other borrowing costs are charged to Statement of Profit and Loss.

**l. Segment reporting**

Segments are identified based on the dominant source and nature of risks and returns and the internal organisation and management structure. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. In addition, the following specific accounting policies have been followed for segment reporting: a) Inter segment revenue is accounted for based on the transaction price agreed to between segments on cost basis. b) Revenue and expenses are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been disclosed as "Unallocable".

**m. Leases**

Where the Company is a Lessee:

Leases where the Lessor effectively retains substantially all the risks and benefits of ownership of the Leased Asset, are classified as 'Operating Leases. Lease rentals with respect to assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on a straight line basis over the lease term. Leases which effectively transfer to the Company substantially all the risks and benefits incidental to the ownership of the leased item are classified as 'Finance Lease'. Assets acquired on Finance Lease which substantially transfer all the risks and rewards of ownership to the Company are capitalized as assets by the Company at the lower of the fair value and the present value of the minimum lease payment and a liability is created for an equivalent amount. Amortization of capitalized Leased asset is computed on Straight Line Method over the useful life of the asset . Lease rentals payable is apportioned between the liability and finance charge so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

**n. Taxation**

Tax expense for the year comprising current tax & deferred tax are considered in determining the net profit for the year. Provision is made for current tax and based on tax liability computed in accordance with relevant tax laws applicable to the Company. Provision is made for deferred tax for all timing difference arising between taxable incomes & accounting income at currently enacted or substantively enacted tax rates, as the case may be. Deferred tax assets (other than in situation of unabsorbed depreciation and carry forward losses) are recognized only if there is reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date. Deferred tax assets, in situation



of unabsorbed depreciation and carry forward losses under tax laws are recognised only to the extent that where is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be recognised. Deferred Tax Assets and Deferred Tax Liability have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liability and where the Deferred Tax Asset and Deferred Tax Liability relate to Income taxes is levied by the same taxation authority.

**o. Earning Per Share**

The earnings in ascertaining the Company's EPS comprises the net profit after tax attributable to equity shareholders and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extra ordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period.

**p. Impairment of Assets**

The Company evaluates the impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable at the year-end in term of clause 5 to 13 of AS -28. If such assets are considered to be impaired the impairment loss is then recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on the appropriate discount factor. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**q. Provisions, Contingent Liabilities And Contingent Assets**

Provisions involving substantial degree of estimation in measurements are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are disclosed in respect of possible obligations that arises from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Assets are neither recognized nor disclosed in the financial statements.

**Notes to Financial Statement for the year ended 31st March, 2016**

	As At 31st March, 2016		As At 31st March, 2015	
	Qty (Nos.)	Amount (₹)	Qty (Nos.)	Amount (₹)
<b>2 SHARE CAPITAL</b>				
(a) <b>Authorized Share Capital</b>				
Equity Shares of ₹ 10/- each	12,000,000	120,000,000	12,000,000	120,000,000
Preference Shares of ₹ 10/- each	10,000,000	100,000,000	-	-
	<b>22,000,000</b>	<b>220,000,000</b>	<b>12,000,000</b>	<b>120,000,000</b>
(b) <b>Issued, Subscribed &amp; Fully Paid-up Capital</b>				
Equity Shares of ₹ 10/- each	8,168,500	81,685,000	8,168,500	81,685,000
Preference Shares of ₹ 10/- each	7,500,000	75,000,000	-	-
	<b>15,668,500</b>	<b>156,685,000</b>	<b>8,168,500</b>	<b>81,685,000</b>
(c) <b>Reconciliation of Equity Shares of ₹ 10/- each outstanding at the beginning and at the end of the financial year.</b>				
Balance as at the beginning of the financial year	8,168,500	81,685,000	8,168,500	81,685,000
Balance as at the end of the financial year	<b>8,168,500</b>	<b>81,685,000</b>	<b>8,168,500</b>	<b>81,685,000</b>
(d) <b>Reconciliation of Preference Shares of ₹ 10/- each outstanding at the beginning and at the end of the financial year.</b>				
Balance as at the beginning of the financial year	-	-	-	-
Add: Preferential Allotment made during the year	7,500,000	75,000,000	-	-
Balance as at the end of the financial year	<b>7,500,000</b>	<b>75,000,000</b>	<b>-</b>	<b>-</b>
(e) <b>Rights, Preference and restriction attached to each class of shares : Equity Shares</b>				
<p>The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 10/- each. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders. Dividend recommended by the Board of Directors (other than interim dividend) is subject to approval of the shareholders ensuring Annual General Meeting.</p>				

**Notes to Financial Statement for the year ended 31st March, 2016****Preference Shares**

The Company has only one class of preference share which is 9% non cumulative, non participating and redeemable at a par value of ₹ 10/- each, within a period not exceeding 20 years from the date of issue i.e. 30th June, 2015. The preference shareholders have preferential rights vis-a-vis Equity Shareholders of the Company in respect of dividend, repayment in case of winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013.

(f) **Shareholders holding more than 5% of Equity Share Capital**

	As At 31st March, 2016		As At 31st March, 2015	
	No. of Shares held	% of holdings	No. of Shares held	% of holdings
Bhutoria Investments Private Limited	2,298,648	28.14	2,298,648	28.14
BLB Cables & Conductors Private Limited	-	-	827,138	10.13
Multiplier Enterprises Pvt. Ltd. (Formerly Sharp Investments Limited)	1,140,000	13.96	1,140,000	13.96
Rajasthan Transformers & Switchgears Private Limited	468,500	5.74	387,300	4.74
Bhutoria Brothers Limited	924,935	11.32	495,157	6.06
Bhutoria Transformers & Rectifiers (P) Ltd.	676,336	8.28	676,336	8.28

(g) **Shareholders holding more than 5% of Preference Share Capital**

	As At 31st March, 2016		As At 31st March, 2015	
	No. of Shares held	% of holdings	No. of Shares held	% of holdings
Bhutoria Brothers Limited	4000000	53.33	-	-
Abhay Transformers Private Limited	2000000	26.67	-	-
Rajasthan Transformers & Switchgears Private Limited	1000000	13.33	-	-
Bhutoria Investments Private Limited	500000	6.67	-	-

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Figure as at 31st March, 2016 (₹)	Figure as at 31st March, 2015 (₹)
<b>3 RESERVES &amp; SURPLUS</b>		
<b>a) Securities Premium Account</b>		
Balance as at the beginning of the year	254,285,500	254,285,500
Balance as at the end of the year	254,285,500	254,285,500
<b>b) Share Forfeited Reserve</b>		
Balance as at the beginning of the year	15,500	15,500
Balance as at the end of the year	15,500	15,500
<b>c) Rajasthan State Investment Subsidy Reserve</b>		
Balance as at the beginning of the year	521,505	521,505
Balance as at the end of the year	521,505	521,505
<b>d) Generator Subsidy Reserve</b>		
Balance as at the beginning of the year	61,000	61,000
Balance as at the end of the year	61,000	61,000
<b>e) General Reserve</b>		
Balance as at the beginning of the year	9,589,264	9,589,264
Balance as at the end of the year	9,589,264	9,589,264
<b>f) Surplus, i.e., Balance in the Statement of Profit &amp; Loss</b>		
Balance as at the beginning of the year	99,919,751	93,648,806
Add: Transfer from Statement of Profit & Loss	21,137,151	6,270,945
Balance as at the end of the year	121,056,902	99,919,751
<b>Total (a to f)</b>	<b>385,529,671</b>	<b>364,392,520</b>
<b>4 LONG TERM BORROWINGS</b>		
<b>Secured</b>		
<b>a) Term Loan</b>		
From Banks		
- State Bank of Bikaner & Jaipur, Kolkata (Security margin has been estimated considering the all existing as well as proposed fixed assets of the company and personal guarantee by two Directors.)	2,850,153	4,854,153
- Bank of Baroda, Johari Bazar Jaipur (Wind Energy Division) (Secured against equitable mortgage of Wind Mill Project & Hypothecation of Plant and Machinery situated at Rawat ka Gaon, District - Barmer and personal guarantee of two Directors.)	2,772,117	6,892,260
- Bank of Baroda, Johari Bazar Jaipur (Car Loan) (Loan is secured against hypothecation of vehicle acquired under hire purchase agreement & personal guarantee by two directors)	525,542	671,587
	<b>6,147,812</b>	<b>12,418,000</b>
Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)

**Notes to Financial Statement for the year ended 31st March, 2016**

Additional Notes on Long Term Borrowings including amount shown under Other Current Liabilities as "Current Maturities of Long Term Debt" & "Current Maturities of Finance Lease Obligation"

A Terms of Repayment	Period of Maturity (Months)	Number of Instalments Due (Quarterly / Monthly)	Amount of Instalments Due (₹)
<b>Term Loan</b>			
From Bank			
- State Bank of Bikaner & Jaipur, Kolkata	29 Months	29 Monthly*	4,854,153
Rate of Interest - Base Rate plus 2.85% i.e. 12.55.% p.a as on 31.03.2016	(41 Months)	(41 Monthly*)	(6,858,153)
- Bank of Baroda, Johari Bazar, Jaipur	36 Months	(8 Quarterly)	6,328,117
Rate of Interest : Base Rate + 3.25% i.e.12.90% as at 31.03.2016	(48 Months)	(12 Quarterly)	(10,464,260)
From Others			
- Bank of Boroda, Johari Bazar, Jaipur (Car Loan)	48 Months	48 Months	668,760
Rate of Interest - 10.15% p.a	(60 Months)	(60 Months)	(800,000)

**B Aggregate amount of loans guaranteed by Directors**

	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>Term Loan</b>		
From Banks	11,851,030	18,122,413

**5 DEFERRED TAX LIABILITIES (NET)**

In accordance with Accounting Standard 22 on Accounting for Taxes on Income, the Company has accounted for Deferred Asset / Liability. The break up of the deferred tax assets and liability as on 31st March, 2016 are as under:

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>(a) Deferred Tax Liability</b>		
In respect of Depreciation charged in books as per Companies Act, 2013 and tax depreciation allowable as per Income Tax Act,1961.		
- Opening Balance	12,712,000	15,790,000
- Charged / (Credited) to Statement of Profit & Loss	(508,000)	(3,078,000)
- Closing balance	12,204,000	12,712,000

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>(b) Deferred Tax Asset</b>		
Provision for Gratuity		
- Opening Balance	1,954,000	1,871,000
- Charged / (Credited) to Statement of Profit & Loss	(512,000)	(83,000)
- Closing balance	<u>2,466,000</u>	<u>1,954,000</u>
Disallowance of Leave Pay Provision under section 43B of Income Tax Act, 1961		
- Opening Balance	129,000	306,000
- Charged / (Credited) to Statement of Profit & Loss	(15,000)	177,000
- Closing balance	<u>144,000</u>	<u>129,000</u>
Unabsorbed Loss / Depreciation		
- Opening Balance		6,696,000
- Charged / (Credited) to Statement of Profit & Loss	-	6,696,000
- Closing balance	-	-
<b>Deferred Tax Liability (Net of DTA)</b>	<u>9,594,000</u>	<u>10,629,000</u>
Deferred Tax Assets and Liabilities are being off set as they relate to taxes on income levied by the same governing taxation laws.		
<b>6 LONG TERM PROVISIONS</b>		
(a) Provision for Employee Benefits - Gratuity	<u>4,412,216</u>	<u>3,084,769</u>
	<u>4,412,216</u>	<u>3,084,769</u>
<b>7 SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
<b>(a) Loans Repayable on Demand</b>		
From Banks		
- Cash Credit with State Bank of Bikaner & Jaipur, Kolkata (Rate of Interest @ 13.10% p.a.) (The above loan is secured against hypothecation of Raw Material, Finished Goods, Stores & Spares, Book Debts, Other Current Assets and personal guarantee of two Directors.)	<u>32,543,721</u>	44,603,522
- Cash Credit with Canara Bank. Agra (Rate of Interest @ 14.75% p.a.) (The above loan is secured against hypothecation of Raw Material, Stores & Spears, Book Debts, Other Current Assets and Personal guarantee of two Directors.)	-	5,492,841
- Cash Credit with ICICI Bank Ltd. Jaipur (Rate of Interest @ 13.10% p.a.) (The above loan is secured against hypothecation of Raw Material, Finished Goods, Stock-in-process, Stores & Spares, Book Debts and is further Secured by Equitable mortgage / hypothecation of all Fixed Assets and personal guarantee of two Directors.)	<u>28,233,075</u>	4,611,729

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>7 SHORT TERM BORROWINGS (Contd.)</b>		
- Cash Credit with Bank of Baroda, Jaipur (Rate of Interest @ 12.65% p.a.) (The above loan is secured against hypothecation of Raw Material, Finished Goods, Stock-in-process, Stores & Spares, Book Debts. The above Loan is further Secured by Equitable mortgage / hypothecation of all Fixed Assets and personal guarantee of two Directors.)	81,065,329	93,557,341
- Cash Credit with Oriental Bank of Commerce, Jaipur (Rate of Interest @ 12.70% p.a.) (The above loan is secured against hypothecation of Raw Material, Finished Goods, Stock-in-process, Stores & Spares, Book Debts. The above Loan is further Secured by Equitable mortgage / hypothecation of all Fixed Assets and personal guarantee of three Directors.)	20,832,179	-
- Bill Discounting Facility With Bank of Baroda Johari Bazar Jaipur (The above loan is secured against hypothecation of Raw Materials, Finished Goods Stores & Spares, Book Debts, Other Current Assets)	62,891,638	88,406,250
- Working Capital Demand Loan From ICICI Bank Ltd. Jaipur (Rate of Interest @ 13.50% p.a.) (Both of the above working capital demand loans are secured against the books debts of various discom(s) of UPPCL Lucknow and further earmarking by letter of Credit Limits.)	-	25,000,000
<b>Unsecured</b>		
Bill Discounting Facility with ICICI Bank	11,051,460	-
<b>(b) Loans and Advances from Related Parties</b>	42,625,510	144,783,779
<b>(c) Loans and Advances from Others</b>	11,080,000	31,706,801
	<b>290,322,912</b>	<b>438,162,263</b>
<b>Note :</b>		
<b>Aggregate amount of loans guaranteed by Directors</b>		
Loan Repayable on Demand	225,565,942	236,671,683
	<b>225,565,942</b>	<b>236,671,683</b>
<b>8 TRADE PAYABLES</b>		
(a) Payable for goods and services received in the ordinary course of business		
-Due to Micro & Small Enterprises	710,819	719,819
-Due to Others	299,182,171	779,350,201
	<b>299,892,990</b>	<b>780,070,020</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>9 OTHER CURRENT LIABILITIES</b>		
(a) Current Maturities of Long Term Debt	5,560,000	5,576,000
(b) Current Maturities of Finance Lease Obligations	143,218	128,413
(c) Unpaid Dividend	57,436	94,918
(d) Other Payables		
- Statutory Dues	8,040,902	18,641,192
- Due to Employees	692,989	733,871
- Trade Deposits & Advances from Customers	5,686,176	16,716,249
- Security Deposit	1,425,000	585,000
	21,605,721	42,475,643
<b>10 SHORT TERM PROVISIONS</b>		
(a) Provision for Employee Benefits		
- Gratuity	2,711,875	2,938,642
- Leave Encashment	416,427	398,111
	3,128,302	3,336,753



Notes to Financial Statement for the year ended 31st March, 2016

Description	Gross Block		Total	Up to 31st March 2015	For the year	Depreciation Sale during the year	Adjustments during the year	Net Block	
	As at 1st April 2015	Addition During the year						Sold During the year	As at 31st March 2016
<b>11 FIXED ASSETS</b>									
<b>TANGIBLE ASSETS</b>									
- Freehold Land	24,326,505	100,000	24,380,384	-	-	-	-	24,380,384	24,326,505
- Leasehold Land	4,881,177	-	4,881,177	-	-	-	-	4,881,177	4,881,177
- Building	68,077,917	-	67,647,908	24,936,519	4,941,858	392,585	-	38,162,117	43,140,709
- Office Building	22,338,601	-	22,338,601	11,169,607	190,502	-	-	10,978,692	11,168,694
- Time Share Building	48,400	-	48,400	-	-	-	-	48,400	48,400
- Plant & Equipment	84,701,200	2,867,309	74,744,804	63,861,147	4,526,238	10,366,758	-	16,724,177	20,840,953
- Motor Plant & Machinery	2,688,061	-	2,688,061	2,529,659	-	-	-	2,688,061	2,688,061
- Oil Storing Tank	90,000	-	90,000	56,036,929	3,854,116	-	-	27,030,276	31,392,383
- Wind Turbine Generator	7,913,504	-	9,889,679	6,032,009	498,499	416,721	-	6,083,767	7,922,493
- Rerolling Equipments	994,621	2,501,899	439,724	376,446	13,741	303,407	-	3,001,692	1,178,175
- Research & Development	-	312,874	681,747	-	-	-	-	586,760	-
- Equipments	496,578	-	496,578	425,708	18,783	-	-	444,491	70,870
- Auxiliary Machinery	1,135,853	-	1,135,853	896,345	43,795	-	-	195,713	239,508
- Generator	2,592,407	54,257	2,646,664	2,325,862	107,970	-	-	2,433,832	266,545
- Furniture & Fixture (Owned)	-	-	-	-	-	-	-	-	-
- Vehicles	-	-	-	-	-	-	-	-	-
- Owned	6,449,987	-	6,449,987	-	-	-	-	6,449,987	6,449,987
- Motor Car	-	247,143	6,202,844	5,503,236	421,134	234,786	-	513,260	946,751
- Assets under Finance Lease	-	-	-	-	-	-	-	-	-
- Motor Car	1,020,007	-	1,020,007	873	318,320	-	-	700,814	1,019,134
- Office Equipment	-	-	-	-	-	-	-	-	-
- Owned	3,970,282	181,750	4,152,032	3,452,184	274,397	-	-	3,726,581	518,098
- Computer	2,042,270	19,550	2,061,820	1,411,997	62,589	-	-	1,474,586	2,042,270
- General Office Equipment	108,507	-	108,507	89,922	1,717	-	-	91,639	108,507
- Fax Machine	14,290	-	14,290	-	-	-	-	14,162	128
- I-Type Writer	-	-	-	-	-	-	-	-	-
- Others	608,886	44,860	653,746	573,948	16,286	-	-	596,234	28,948
- Owned	18,790	-	18,790	16,209	2,581	-	-	16,980	18,790
- Tube Well	1,701,913	-	1,701,913	1,480,708	137,611	-	-	1,618,327	1,701,913
- Television	150,181	2,000	152,181	120,342	5,143	-	-	125,485	29,639
- Air Conditioner	4,366,293	39,145	4,405,438	3,683,005	220,815	126,591	-	3,777,229	497,668
- Fire Extinguisher	412,172	-	412,172	125,458	49,818	-	-	175,276	286,714
- Close Circuit Television	70,150	-	70,150	55,505	-	-	-	55,505	70,150
- EPB System	331,086,302	5,924,361	325,591,146	188,278,806	15,733,911	11,840,848	-	92,109,869	130,381,277
- Total	307,628,068	23,458,234	331,086,302	171,129,067	15,266,060	-	1,881,679	186,276,806	142,809,436
Figure as at 31.03.2015 (₹)									

**Notes to Financial Statement for the year ended 31st March, 2016**

		As At 31st March, 2016		As At 31st March, 2015		
		Face Value	Qty (Nos.)	Amount (₹)	Qty (Nos.)	Amount (₹)
<b>12</b>	<b>NON-CURRENT INVESTMENTS - LONG TERM</b>					
	<b>NON-TRADE - UN QUOTED - AT COST</b>					
(a)	<b>Investment in Equity Instruments</b>					
	Fully Paid up Equity Shares					
	- Bhutoria Agrotech Limited	₹10	-	-	35,000	350,000
(b)	Investment in Wholly Owned Subsidiary					
	- Blue Nile Projects Ltd. (Hong Kong)	\$1	-	-	282,500	17,315,018
	(a)		-	-	317,500	17,665,018
(c)	Investment in Government Securities					
	- National Savings Certificate			-	-	21,500
	(Lodged with Sales Tax Department)	(b)		-	-	21,500
	Total (a+b)			21,500		17,686,518

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>13 LONG TERM LOANS AND ADVANCES</b>		
(Unsecured Considered Good)		
Security Deposits	5,682,425	5,892,394
	<b>5,682,425</b>	<b>5,892,394</b>
<b>14 OTHER NON- CURRENT ASSETS</b>		
<b>Other Bank Balance</b>		
Fixed Deposit with Bank (with original maturity of more than 12 months)	19,048,535	9,345,974
(Receipt lodged with Bank as security against Bank Guarantee & Letter of Credit facilities availed)		
Interest Accrued on Fixed Deposit	45,860	97,089
	<b>19,094,395</b>	<b>9,443,063</b>
<b>15 INVENTORIES</b>		
(Valued at lower of Cost and Net Realizable Value, unless otherwise specified)		
(a) Raw Material		
- In Stock	54,914,596	68,562,170
- Goods in Transit	-	3,805,603
(b) Work in Progress	185,763,536	213,013,639
(c) Finished Goods	37,058,520	59,756,869
(d) Stores and Spares	13,591,236	23,938,982
(e) Scrap (Valued at Net Realizable Value)	3,245,530	2,909,360
	<b>294,573,418</b>	<b>371,986,623</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>16 TRADE RECEIVABLES</b>		
<b>(Unsecured Considered Good)</b>		
(a) Receivables outstanding for a period exceeding six months from the due date of payment	319,738,871	378,148,989
(b) Other Trade Receivables	248,157,659	551,479,703
	<b>567,896,530</b>	<b>929,628,692</b>
<b>17 CASH AND BANK BALANCES</b>		
(a) <b>Cash and Cash Equivalents :</b>		
- Balances with Banks in Current Account	7,115,325	88,321,055
- Cash on Hand	497,142	1,107,576
- Fixed Deposits(due within 3 months)	6,698,709	-
(Receipts lodged with Bank as security against Bank Guarantees & Letter of Credit facilities availed)		
	<b>14,311,176</b>	<b>89,428,631</b>
(b) <b>Other Bank Balances</b>		
- Earmarked Balance in Dividend Account	57,436	94,918
- Fixed Deposit	59,451,401	68,823,940
(Receipts lodged with Bank as security against Bank Guarantees & Letter of Credit facilities availed)		
- Interest Accrued on Fixed Deposit	255,417	213,016
	<b>(b) 59,764,254</b>	<b>69,131,874</b>
<b>(a + b)</b>	<b>74,075,430</b>	<b>158,560,505</b>
<b>Note</b>		
Fixed Deposits having original maturity of more than 12 months	1,199,100	262,700
<b>18 SHORT TERM LOANS AND ADVANCES</b>		
<b>(Unsecured Considered Good)</b>		
(a) Advances recoverable in cash or in kind or for value to be received	14,948,678	18,318,036
(b) Earnest Money Deposits	11,389,513	10,389,513
(c) Advance Income Tax / Tax deducted at Source (Net of Provision)	5,968,140	7,585,187
(d) Advance Fringe Benefit Tax (Net of Provision)	16,005	16,005
(e) Balance with Tax Authorities (Excise, Sales Tax, etc)	49,307,882	61,302,219
	<b>81,630,218</b>	<b>97,610,960</b>
<b>19 OTHER CURRENT ASSETS</b>		
(a) Fixed Deposits matured (including accrued interest)	3,507,229	1,410,928
(b) Export Incentive receivable	195,139	415,287
(c) Excise Duty Refundable	161,063	809,502
	<b>3,863,431</b>	<b>2,635,717</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Year ended	Year ended
	31st March, 2016 (₹)	31st March, 2015 (₹)
<b>20 REVENUE FROM OPERATIONS</b>		
(a) Sale of Products		
- Transformers	1,264,753,456	1,476,440,776
- Cables & Conductors	64,417,049	191,154,129
- Wind Energy	11,234,954	6,660,127
- Others	197,284,900	146,038,354
	<u>1,537,690,359</u>	<u>1,820,293,386</u>
(b) Sale of Traded Goods	2,349,004	-
	<u>2,349,004</u>	<u>-</u>
(c) Revenue from Works Contract	1,412,938	24,712,408
	<u>1,412,938</u>	<u>24,712,408</u>
(d) Other Operating Revenues		
- Labour Charges	283,989	1,746,690
- Freight and Insurance Charges	30,330,322	34,945,198
- Export Incentive	1,330,086	415,287
	<u>31,944,397</u>	<u>37,107,175</u>
(e) Less : Excise Duty		
- On Sale of Products	149,203,652	172,809,256
- On Revenue from Works Contract	140,078	831,580
	<u>149,343,730</u>	<u>173,640,836</u>
<b>21 OTHER INCOME</b>		
(a) Interest Income	18,694,261	8,522,016
(b) Gain in Foreign Exchange Fluctuation (Net)	4,646,745	240,304
(c) Liabilities no longer required written back	2,145,425	78,879
(d) Miscellaneous Income	3,723,327	4,394,914
	<u>29,209,758</u>	<u>13,236,113</u>
<b>22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS &amp; SCRAP MATERIALS</b>		
(a) Finished Goods		
Opening Stock	59,756,869	91,767,293
Less : Closing Stock	37,058,520	59,756,869
	(a) <u>22,698,349</u>	<u>32,010,424</u>
(b) Work In Progress		
Opening Stock	213,013,639	285,750,626
Less: Closing Stock	185,763,536	213,013,639
	(b) <u>27,250,103</u>	<u>72,736,987</u>
(c) Scrap & Replaced materials		
Opening Stock	2,909,360	1,512,780
Less: Closing Stock	3,245,530	2,909,360
	(c) <u>(336,170)</u>	<u>(1,396,580)</u>
Net (Increase)/ Decrease [a+b+c]	<u>49,612,282</u>	<u>103,350,831</u>
<b>23 EMPLOYEE BENEFIT EXPENSE</b>		
(a) Salaries, Wages, Bonus & Gratuity	23,425,351	18,085,659
(b) Contribution to Provident and Other Funds	1,282,302	1,102,085
(c) Staff Welfare expenses	772,479	251,903
	<u>25,480,132</u>	<u>19,439,647</u>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
<b>24 FINANCE COSTS</b>		
(a) Interest Expense	63,243,613	95,293,451
(b) Other Borrowing Costs	10,410,871	14,929,296
	<b>73,654,484</b>	<b>110,222,747</b>
<b>25 OTHER EXPENSES</b>		
(a) Consumption of Stores and Spare Parts	95,524,984	88,431,896
(b) Packing Material Consumed	2,913,609	5,690,193
(c) Power & Fuel	10,789,698	10,993,688
(d) Rent	1,569,008	794,968
(e) Repairs		
- To Plant & Machinery	2,513,385	3,238,986
- To Buildings	4,851,539	5,497,494
- To Others	1,592,029	1,147,742
(f) Insurance	1,073,990	1,575,392
(g) Rates and Taxes (excluding Taxes on Income.)	161,240	248,963
(h) Auditors Remuneration (Including Branch Auditors)		
Statutory Auditor		
- As Auditors	225,000	207,529
- For Tax Audit	25,000	28,090
- For Certification Fees / Limited Review	193,499	189,616
- For Taxation Matter	24,000	16,854
Branch Auditors		
- As Auditors	105,000	105,000
- For Taxation Matters	30,000	30,000
(i) Excise Duty Expense	(2,585,028)	(1,966,014)
(j) Carriage Inward	9,488,635	7,448,895
(k) Carriage Outward	34,721,324	40,862,260
(l) Commission	3,412,697	9,683,918
(m) Clearing & Forwarding Expenses	59,130	-
(n) Job & Fabrication Charges	32,153,087	54,230,535
(o) Legal & Professional Fees	4,566,178	3,794,628
(p) Damages for Delayed Supply	82,773,570	226,944
(q) Prior Period Adjustments	92,814	47,027
(r) Sales / Business Promotion	1,055,461	984,243
(s) Testing Fees	2,035,395	2,342,282
(t) Transformer Repairs & Maintenance	2,136,940	1,050,618
(u) Travelling & Conveyance	7,156,314	5,520,898
(v) Vehicle Expenses	721,411	862,542
(w) Freight & Insurance	-	2,408,200
(x) Miscellaneous Expenses	15,939,242	10,923,057
	<b>315,319,151</b>	<b>256,616,444</b>
<b>26 EXCEPTIONAL ITEMS</b>		
- Profit on sale of Land	15,023,879	-
- Profit on sale of Other Fixed Assets	1,929,050	-
- Profit on Sale of Investment in Wholly Owned Subsidiary	6,731,382	-
	<b>23,684,311</b>	<b>-</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
<b>27 EARNINGS PER SHARE</b>		
Net Profit/(Loss) attributable to Equity Shareholders (₹)	21,137,151	6,270,945
Weighted average number of Equity Share in issue (Nos)	8,168,500	8,168,500
Earnings per Equity Share of ₹ 10/-each (₹)		
Basic	2.59	0.77
Diluted	2.59	0.77
The company does not have any outstanding dilutive potential equity shares. Consequently the basic and dilutive earning per share of the Company remain the same.		
<b>28 FOB VALUE OF EXPORTS (in ₹)</b>	<b>112,149,170</b>	<b>44,023,625</b>
	<b>112,149,170</b>	<b>44,023,625</b>
<b>29 EXPENDITURE IN FOREIGN CURRENCY (₹)</b>		
(a) Foreign Travelling	1,396,750	578,256
(b) Bank Charges	146,153	19,584
(c) Foreign Exchange Fluctuation (On settlement of dues)	-	128,994
	<b>1,542,903</b>	<b>726,834</b>

Particulars	Amount (₹)	% of Total Consumption
<b>30 DETAILS OF CONSUMPTION OF INDIGENOUS &amp; IMPORTED RAW MATERIALS, STORES AND SPARES</b>		
(a) <b>Raw Materials</b>		
Imported	-	-
	-	-
Indigenous	968,482,626	100.00
	<b>(1,202,447,893)</b>	<b>100.00</b>
	<b>968,482,626</b>	<b>100.00</b>
	<b>(1,202,447,893)</b>	<b>100.00</b>
(b) <b>Stores &amp; Spare Parts consumed during the financial year is 100% (P.Y. 100%) indigenous.</b>		

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	(Figures in ₹)	
	Sales	
	2015-16	2014-15
<b>31 DETAILS OF SALE, CLOSING STOCK &amp; OPENING STOCK</b>		
<b>(a) OF FINISHED GOODS</b>		
<b>Manufactured Goods</b>		
Transformers	1,264,753,456	1,476,440,776
Wind Energy	11,234,954	6,660,127
Cable Conductor	64,417,049	191,154,129
Others	197,284,900	146,038,354
<b>Total</b>	<b>1,537,690,359</b>	<b>1,820,293,386</b>
	<b>Closing Inventory</b>	
<b>Manufactured Goods</b>		
Transformers	36,346,970	58,929,524
Cable Conductor	711,550	827,345
<b>Total</b>	<b>37,058,520</b>	<b>59,756,869</b>
	<b>Opening Inventory</b>	
<b>Manufactured Goods</b>		
Transformers	58,929,524	85,559,663
Cable Conductor	827,345	6,207,630
<b>Total</b>	<b>59,756,869</b>	<b>91,767,293</b>

Particulars	(Amount in ₹)	
	2015-16	2014-15
<b>(b) DETAILS OF RAW MATERIALS CONSUMED</b>		
Aluminium Conductor	267,055,317	299,920,485
Copper Conductor	215,018,765	250,116,054
Lamination	120,022,549	221,894,471
Transformer Oil	105,882,532	171,667,568
Tank Materials	116,884,184	155,175,859
Semi Finished - Aluminium , Copper, Lamination And Tank Material	143,619,280	103,673,456
<b>Total</b>	<b>968,482,626</b>	<b>1,202,447,893</b>

Particulars	(Amount in ₹)	
	2015-16	2014-15
<b>(c) DETAILS OF CLOSING STOCK OF WORK-IN-PROGRESS</b>		
Core Coil Assembly ( 05KVA TO 750 KVA )	17,601,555	9,349,561
Core Coil Assembly ( 750 KVA TO 3150 KVA )	435,478	784,382
Core Coil Assembly ( 3150 KVA TO 12500 KVA )	4,856,426	20,672,238
Core Assembly ( 10KVA TO 750 KVA )	4,509,521	24,799,740
Core Assembly ( 3150 KVA TO 12500 KVA )	6,756,368	12,672,568

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	(Amount in ₹)	
	2015-16	2014-15
<b>(c) DETAILS OF CLOSING STOCK OF WORK-IN-PROGRESS (Contd.)</b>		
H.T.Coil ( 10 KVA TO 1000 KVA )	1,986,786	3,030,551
H.T.Coil ( 3150 KVA TO12500 KVA )	3,262,230	4,973,684
L.T.Coil ( 10 KVA TO 750 KVA )	2,609,205	2,828,085
M.S.Tank ( 3150 KVA TO 12500 KVA )	1,039,805	1,230,771
M.S.Tank ( 10 KVA TO 500 KVA )	864,693	5,091,260
Transformer Under Process ( 10 KVA TO 500 KVA )	105,322,064	70,698,022
Transformer Under Process ( 3150 KVA TO 12500 KVA )	-	-
L.T.Coil ( 3150 KVA TO12500 KVA )	2,122,145	4,349,977
Repair Transformer Under Process ( 3150 KVA TO12500 KVA )	-	-
Replaced Material	33,073,396	51,023,586
Others (Damaged Conductors)	1,323,864	1,509,214
<b>Total</b>	<b>185,763,536</b>	<b>213,013,639</b>

Particulars	Outstanding Balance as on 31st March, 2016	Maximum Balance Outstanding during the year
<b>32 Disclosure of Loans/ Advances and investments in its own shares by listed companies, their subsidiaries, associates, etc. (as certified by the management)</b>		
I. Loans and Advances in the nature of loans to subsidiaries	NIL	NIL
II. Loans and Advances in the nature of loans to associates.	NIL	NIL
III. Loans and Advances in the nature of loans to firms/ companies in which directors are interested.	NIL	NIL
	<b>No. of Shares</b>	<b>Amount (₹)</b>
iv. Investments by loanee in the shares of parent company and subsidiary company when the company has made a loan or advance in the nature of loan.	NIL	NIL



**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>33 Contingent Liabilities</b>		
Contingent Liability not provided for in respect of:		
(a) WBVAT <sup>(i)</sup>	24,467,740	25,891,335
(b) CST <sup>(ii)</sup>	3,396,824	4,997,476
(c) Entry Tax	-	286,587
(e) Rajasthan VAT <sup>(iii)</sup>	5,833,781	12,913,097
	33,698,345	44,088,495

**Notes w.r.t. contingent liabilities disclosed above :**

<sup>(i)</sup> The Sales Tax Authorities have raised demand for ₹ 40,46,172/- for the financial year 2009-10 and ₹ 2,04,21,568/- for the financial year 2010-11 denying the Company the benefit of Input Tax Credit (ITC) validly claimed as per the tax invoices for the year 2009-10 and ex parte assessment not in conformity with return record, along with adhoc addition of turnover for the year 2010-11. The Company has preferred an appeal with appellate authorities based on the tax invoices available with the Company and other relevant records. The Company is reasonably certain that the demand will be reversed and the same shall not have any adverse impact on the financial statements. therefore no provision for the same required to be made in the books of accounts of the Company.

<sup>(ii)</sup> The Sales Tax Authorities have raised demand for ₹ 18,96,071/- for the financial year 2010-11 and ₹ 15,00,753/- for the financial year 2011-12 denying the Company the benefit of concessional tax under "C" Forms, way bills submitted and set off of Input Tax Credit (ITC) / Input VAT Credit against the Central Sales Tax (CST) liability. The Company has preferred an appeal with the appellate authorities based on the validly available ITC and "C" Forms available with the Company. The management is, therefore, reasonably certain that the demand will be reversed and the same shall not have any adverse impact on the financial statements and hence no provision for the same is required to be made in the books of accounts of the Company.

<sup>(iii)</sup> Contingent Liabilities with regard to VAT on Freight & Insurance

Commercial Taxes Anti Evasion Department, Jaipur have communicated the demand of VAT on Freight & Insurance recoverable with interest and penalty vide various orders aggregating to ₹ 1,29,13,097/- for various financial years. The Appellate Authority has allowed the appeal of the Company, partially and for rest of the amount the Company has gone to further appeal with the Tax Board, Rajasthan for relief aggregating to ₹ 58,33,781/- for various financial years.

The Commercial Tax Department, Rajasthan has preferred appeals with Tax Board Rajasthan against the appellate order of Deputy Commissioner, Appeal for deleting penalty aggregating to ₹ 68,43,298/- for various financial years. Based on interpretations of relevant provisions, the company has been advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at	As at
	31st March, 2016 (₹)	31st March, 2015 (₹)
<b>34 Disclosure of the amounts due to the The Micro and Small Enterprises (On the basis of the information &amp; records available with the Management).</b>		
(i) The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier		
*Principal amount	710,819	719,819
*Interest thereon	-	-
(ii) The interest paid by the buyer as above, along with the amount of payments made beyond the appointed date during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end each accounting year.	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small/micro enterprise.	-	-
<b>35</b> Previous years figures have been re-grouped / re-arranged wherever considered necessary to conform to current year presentation.		
<b>36 RELATED PARTY DISCLOSURES</b>		
Related party disclosures as required by Accounting Standard (AS-18) on "Related Party Disclosures" notified under Section 133 of the Companies Act, 2013 are as under:		
<b>i) Key Management Personnel</b>		
- Mr. Rajendra Bhutoria		
- Mr. Abhay Bhutoria		
<b>ii) Relatives of Key Management Personnel</b>		
- Mr. Sharad Bhutoria		
<b>iii) Wholly Owned Subsidiary</b>		
- Blue Nile Projects Ltd. (Upto 27-07-2015)		
<b>iv) Subsidiary</b>		
- ABAY Energy Private Limited Company - (upto 27-07-2015)		
<b>v) Enterprises where Key Management Personnel have significant influence.</b>		
- Abhay Transformers Pvt Ltd.		
- Bhutoria Agrotech Limited		
- Bhutoria Brothers Limited		
- Bhutoria Investments (P) Limited		
- Bhutoria Properties		
- Bhutoria Transformers & Rectifiers (P) Ltd.		
- BLB Cables & Conductors (P) Ltd.		
- Howrah Warehouse (P) Ltd. (upto 14-03-2016)		
- Kalinga Petrochemicals (P) Ltd. ( Upto 03.03.2015 )		
- Kalinga Petrochemicals LLP. (w.e.f 04.03.2015)		
- Ladnun Agricultural Farms (P) Ltd.		
- Rajasthan Transformers & Switchgears (P) Ltd.		

## Notes to Financial Statement for the year ended 31st March, 2016

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>(a) Interest Expenses</b>								
- Abhay Transformers Pvt Ltd	-	-	-	-	-	-	838,330	3,000,707
- Bhutoria Agrotech Limited	-	-	-	-	-	-	241,479	253,130
- Bhutoria Brothers Limited	-	-	-	-	-	-	851,877	4,947,745
- Bhutoria Investments (P) Limited	-	-	-	-	-	-	424,554	703,286
- Bhutoria Transformers & Rectifiers (P) Ltd.	-	-	-	-	-	-	-	46,048
- BLB Cables & Conductors (P) Ltd.	-	-	-	-	-	-	2,037,343	1,049,404
- Howrah Warehouse (P) Ltd	-	-	-	-	-	-	-	104,702
- Kalinga Petrochemicals (P) Ltd.	-	-	-	-	-	-	-	991,613
- Kalinga Petrochemicals LLP.	-	-	-	-	-	-	379,265	81,986
- Ladnun Agricultural Farms (P) Ltd.	-	-	-	-	-	-	328769	346,552
- Rajasthan Transformers & Switchgears (P) Ltd.	-	-	-	-	-	-	3168980	3,095,086
<b>Total (a)</b>	-	-	-	-	-	-	<b>8,270,597</b>	<b>14,620,259</b>
<b>(b) Rent</b>								
- Bhutoria Properties	-	-	-	-	-	-	2,458	2,424
- Bhutoria Transformers & Rectifiers Pvt.Ltd.	-	-	-	-	-	-	396,900	378,000
- Bhutoria Brothers Ltd.	-	-	-	-	-	-	166,000	120,000
<b>Total (b)</b>	-	-	-	-	-	-	<b>565,358</b>	<b>500,424</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>(c) Salary &amp; Perks</b>								
- Abhay Bhutoria	1,431,369	1,242,600	-	-	-	-	-	-
- Rajendra Bhutoria	1,008,000	1,008,000	-	-	-	-	-	-
- Sharad Bhutoria	-	-	900,000	672,000	-	-	-	-
<b>Total (c)</b>	<b>2,439,369</b>	<b>2,250,600</b>	<b>900,000</b>	<b>672,000</b>	-	-	-	-
<b>(d) Purchases</b>								
Raw Materials								
- Bhutoria Transformers & Rectifiers Pvt. Ltd.					156,642,089	79,744,801		
Factory Building Repairing Charges							432,701	
- Bhutoria Transformers & Rectifiers Pvt. Ltd.							157,074,790	79,744,801
<b>Total (d)</b>	-	-	-	-	-	-	-	-
<b>(e) Sales</b>								
- ABAY Energy Private Limited Company	-	-	-	-	60,507,566	17,353,370		
<b>Total (e)</b>	-	-	-	-	<b>60,507,566</b>	<b>17,353,370</b>	-	-
<b>(f) Rental Income</b>								
- Abhay Bhutoria	110,000	90,000	-	-	-	-	-	-
<b>Total (f)</b>	<b>110,000</b>	<b>90,000</b>	-	-	-	-	-	-



## Notes to Financial Statement for the year ended 31st March, 2016

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>(g) Short Term Borrowings</b>								
<b>(i) Taken During The Year</b>								
- Abhay Transformers Pvt Ltd	-	-	-	-	-	-	5,560,000	8,875,000
- Bhutoria Agrotech Limited	-	-	-	-	-	-	226,823	260,126
- Bhutoria Brothers Limited	-	-	-	-	-	-	13,900,029	5,236,266
- Bhutoria Investments (P) Limited	-	-	-	-	-	-	4,100,000	1,502,153
- Bhutoria Transformers & Rectifiers (P) Ltd.	-	-	-	-	-	-	-	3,524
- BLB Cables & Conductors (P) Ltd.	-	-	-	-	-	-	20,480,536	11,214,349
- Howrah Warehouse (P) Ltd	-	-	-	-	-	-	-	154,542
- Kalinga Petrochemicals (P) Ltd.	-	-	-	-	-	-	-	109,168
- Ladhun Agricultural Farms (P) Ltd.	-	-	-	-	-	-	187,527	150,000
- Rajasthan Transformers & Switchgears (P) Ltd.	-	-	-	-	-	-	28,050,768	12,782,873
<b>Total (g) (i)</b>	-	-	-	-	-	-	<b>72,505,683</b>	<b>40,288,001</b>
<b>(ii) Repaid During The Year</b>								
- Abhay Transformers Pvt Ltd	-	-	-	-	-	-	32,434,469	3,733,241
- Bhutoria Agrotech Limited	-	-	-	-	-	-	3,053,788	100,000
- Bhutoria Brothers Limited	-	-	-	-	-	-	54,604,847	24,020,372
- Bhutoria Investments (P) Limited	-	-	-	-	-	-	8,760,412	75,000
- Bhutoria Transformers & Rectifiers (P) Ltd.	-	-	-	-	-	-	41,443	780,000
- BLB Cables & Conductors (P) Ltd.	-	-	-	-	-	-	31,163,734	5,325,000
- Howrah Warehouse (P) Ltd	-	-	-	-	-	-	1,269,232	50,000
- Kalinga Petrochemicals (P) Ltd.	-	-	-	-	-	-	-	425,000

**Notes to Financial Statement for the year ended 31st March, 2016**

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
- Ladhun Agricultural Farms (P) Ltd.	-	-	-	-	-	-	4,032,877	-
- Rajasthan Transformers & Switchgears (P) Ltd.	-	-	-	-	-	-	35622475	23,565,000
<b>Total (g) (ii)</b>	-	-	-	-	-	-	<b>170,983,277</b>	<b>58,073,613</b>
<b>"(iii) Balance as at year end (Cr.) (Including Interest Accrued on Borrowings)"</b>								
- Abhay Transformers Pvt Ltd	-	-	-	-	-	-	754,497	26,790,636
- Bhutoria Agrotech Limited	-	-	-	-	-	-	217,331	2,802,817
- Bhutoria Brothers Limited	-	-	-	-	-	-	-	39,852,941
- Bhutoria Investments (P) Limited	-	-	-	-	-	-	4,132,099	8,367,967
- Bhutoria Transformers & Rectifiers (P) Ltd.	-	-	-	-	-	-	-	41,443
- BLB Cables & Conductors (P) Ltd.	-	-	-	-	-	-	10,073,609	18,719,464
- Howrah Warehouse (P) Ltd	-	-	-	-	-	-	-	1,269,232
- Kainga Petrochemicals LLP	-	-	-	-	-	-	-	12,841,239
- Ladhun Agricultural Farms (P) Ltd.	-	-	-	-	-	-	795,892	4,312,473
- Rajasthan Transformers & Switchgears (P) Ltd.	-	-	-	-	-	-	26,652,082	29,785,577
<b>Total (g) (iii)</b>	-	-	-	-	-	-	<b>42,625,510</b>	<b>144,783,779</b>
<b>(h) Trade Payables - Balance As At Year End (Cr.)</b>								
- Bhutoria Transformers & Rectifiers Pvt. Ltd.	-	-	-	-	-	-	22,304,751	2,596,236
<b>Total (h)</b>	-	-	-	-	-	-	<b>22,304,751</b>	<b>2,596,236</b>
<b>(i) Trade Receivable - Balance As At Year End (Dr.)</b>								
-ABAY Energy Private Limited Company	-	-	-	-	14,705	-	63,065	-
<b>Total (i)</b>	-	-	-	-	<b>14,705</b>	-	<b>63,065</b>	-

**Notes to Financial Statement for the year ended 31st March, 2016**

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>(j) Investments made during the year</b>								
- Blue Nile Projects Ltd.	-	1,990,018	-	1,990,018	-	1,990,018	-	-
<b>Total (j)</b>								
<b>(k) Investments sold / disposed during the year</b>								
- Blue Nile Projects Ltd.	17,315,018	-	17,315,018	-	-	-	-	-
<b>Total (k)</b>								
<b>(l) Investments as at the end of the year</b>								
- Blue Nile Projects Ltd.	-	17,315,018	-	17,315,018	-	17,315,018	-	-
<b>Total (l)</b>								
<b>(m) Short Term Loans &amp; Advances</b>								
(i) Balance as at year end	-	-	-	-	-	295,664	-	-
- Blue Nile Projects Ltd.	-	-	-	-	-	295,664	-	-
<b>Total (m) (i)</b>						<b>295,664</b>		

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	2015-16 (₹)	2014-15 (₹)
<b>37 EMPLOYEE BENEFITS :</b>		
<b>Post Retirement Benefits :</b>		
Defined Contribution Plans		
The Company has recognised the following amounts in the Statement of Profit and Loss for the year:		
Contribution to Employees' Provident & Family Pension Funds	1,282,302	1,102,085
<b>Defined Benefit Plans - Gratuity</b>		
<b>Changes in the Present Value of Obligation</b>		
- Present Value of Obligation as at 1st April, 2015	6,023,411	5,504,168
- Interest Cost	466,814	495,375
- Employer Service Cost		
- Current Service Cost	554,190	424,509
- Curtailment Cost/(Credit)	-	-
- Settlement Cost/(Credit)	-	-
- Benefits Paid	(1,096,803)	(1,009,509)
- Actuarial (Gain)/Loss	1,176,479	608,868
- Present Value of Obligation as at 31st March, 2016	<u>7,124,091</u>	<u>6,023,411</u>
<b>Changes in the Fair value of Plan Assets</b>		
- Present Value of Plan Assets as at 1st April, 2015	N.A., as	N.A., as
- Expected Return on Plan Assets	Gratuity benefit	Gratuity benefit
- Actuarial Gain/(Loss)	is not funded.	is not funded.
- Employers' Contributions		
- Employees' Contributions		
- Benefits Paid		
- Fair Value of Plan Assets as at 31st March, 2016		
<b>Amount recognised in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets</b>		
- Present Value of Funded Obligation as at 31st March, 2016	-	-
- Fair Value of Plan Assets as at 31st March, 2016	-	-
- Funded (Asset)/Liability recognised in the Balance Sheet	-	-
- Present Value of Unfunded Obligation as at 31st March, 2016	7,124,091	6,023,411
- Unrecognised Past Service Cost	-	-
- Unrecognised Actuarial (Gains)/Losses	-	-
- Unfunded Net Liability recognised in the Balance Sheet	<u>7,124,091</u>	<u>6,023,411</u>



**Notes to Financial Statement for the year ended 31st March, 2016**

<b>Particulars</b>	<b>2015-16 (₹)</b>	<b>2014-15 (₹)</b>
<b>Expenses recognised in the Statement of Profit and Loss</b>		
- Current Service Cost	554,190	424,509
- Past Service Cost	-	-
- Interest Cost	466,814	495,375
- Expected Return on Plan Assets	-	-
- Curtailment Cost/(Credit)	-	-
- Settlement Cost/(Credit)	-	-
- Net actuarial (Gain)/Loss	1,176,479	608,868
- Employees' Contribution	-	-
- Total Expenses recognised in the Statement of Profit and Loss	<b>2,197,483</b>	<b>1,528,752</b>
Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at 31st March, 2016	<b>N.A.</b>	<b>N.A.</b>
- Government of India Securities		
- Corporate Bonds		
- Special Deposit Scheme		
- Equity Shares of Listed Companies		
- Property		
- Insurer Managed Funds		
- Others		
The Actual Return on Plan Assets is as follows (₹)		
- Actual return on plan assets	<b>N.A.</b>	<b>N.A.</b>
<b>Following are the Principal Actuarial Assumptions used as at the Balance Sheet date:</b>		
- Interest Rate	-	-
- Discount Rate	<b>7.65%</b>	<b>7.75%</b>
- Expected Rate of Return on Plan Assets	<b>NA</b>	<b>NA</b>
- Salary Escalation Rate	<b>5.00%</b>	<b>5.00%</b>
<b>The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.</b>		
Retirement age - 58 years		



## Independent Auditors' Report

To the Members of  
**RTS Power Corporation Limited**

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of RTS Power Corporation Limited ('the Holding Company') and its subsidiaries (collectively referred to as "the Group") comprising the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments 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 financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit.

While conducting the 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 thereunder.

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 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 financial statements.

## Independent Auditors' Report (Contd.)

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Company, as at 31 March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matters

We did not audit the financial statements / consolidated financial statements of subsidiaries, whose financial statements / consolidated financial statements reflect, total revenues of ₹ 98,61,687/- for the period upto disposal i.e. 27th July, 2015. These financial statements / consolidated financial statements have been audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors.

Our opinion is not modified in respect of other matters.

### Report on Other Legal and Regulatory Requirements

1. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that :
  - i. 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 financial statements.
  - ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
  - iii. The Branch Auditor's report in respect of branches not visited by us, have been properly dealt with in preparing our report of the aforesaid consolidated financial statements.
  - iv. The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - v. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - vi. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - vii. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

**Independent Auditors' Report** (Contd.)

- viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as referred to in Note No. 33 to the standalone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring the amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

For **A.C. Bhuteria & Co.**

*Chartered Accountants*

Firm Regn. No. 303105E

**Rahul Sethia**

*Partner*

Membership No.: 303931

Place : Kolkata

Dated : 30th May, 2016

## **Annexure - A to the Auditors' Report**

### **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 RTS Power Corporation Ltd ("the Holding Company") as of 31st March, 2016 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

The Respective Board of Directors of the Holding Company 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of 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 of 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 was 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 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 authorisations of management and directors of the company; and

**Annexure 'A' to the Independent Auditors' Report** (Contd.)

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, the Holding 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 31st March, 2016, 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 ICAI.

**Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, insofar as it relates to 6 branches, is based on the corresponding reports of the branch auditors of such branches.

For **A.C. Bhuteria & Co.**  
*Chartered Accountants*  
Firm Regn. No. 303105E

**Rahul Sethia**  
*Partner*

Place : Kolkata  
Dated : 30th May, 2016

Membership No.: 303931

## Consolidated Balance Sheet as at 31st March, 2016

Particulars	Notes	As At 31st March 2016 (₹)	As At 31st March 2015 (₹)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	156,685,000	81,685,000
(b) Reserves & Surplus	3	385,529,671	369,634,256
	<b>(A)</b>	<b>542,214,671</b>	<b>451,319,256</b>
<b>(2) Minority Interest</b>	<b>(B)</b>	<b>-</b>	<b>35,143</b>
<b>(3) Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	6,147,812	12,418,000
(b) Deferred Tax Liabilities (Net)	5	9,594,000	10,629,000
(c) Long Term Provisions	6	4,412,216	3,084,769
	<b>(C)</b>	<b>20,154,028</b>	<b>26,131,769</b>
<b>(4) Current Liabilities</b>			
(a) Short Term Borrowings	7	290,322,912	438,162,263
(b) Trade Payables	8	299,892,990	779,948,909
(c) Other Current Liabilities	9	21,605,721	72,143,848
(d) Short Term Provisions	10	3,128,302	3,336,753
	<b>(D)</b>	<b>614,949,925</b>	<b>1,293,591,773</b>
<b>Total (A+B+C+D)</b>		<b>1,177,318,624</b>	<b>1,771,077,941</b>
<b>II. ASSETS</b>			
<b>(1) Non Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		130,481,277	156,415,048
(ii) Intangible Assets - Goodwill		-	56,477
(b) Non Current Investments - Long Term	12	21,500	371,500
(c) Long Term Loans and Advances	13	5,682,425	5,892,394
(d) Other Non Current Assets	14	19,094,395	9,443,063
	<b>(A)</b>	<b>155,279,597</b>	<b>172,178,482</b>
<b>(2) Current Assets</b>			
(a) Inventories	15	294,573,418	386,056,667
(b) Trade Receivables	16	567,896,530	934,838,558
(c) Cash and Bank Balances	17		
(i) Cash & Cash Equivalents		14,311,176	106,315,851
(ii) Other Bank Balances		59,764,254	69,131,874
(d) Short Term Loans and Advances	18	81,630,218	99,920,792
(e) Other Current Assets	19	3,863,431	2,635,717
	<b>(B)</b>	<b>1,022,039,027</b>	<b>1,598,899,459</b>
<b>Total (A+B)</b>		<b>1,177,318,624</b>	<b>1,771,077,941</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes to Financial Statements</b>	2-40		

As per our Report of even date.  
For **A.C. Bhuteria & Co.**  
Chartered Accountants  
Firm Registration No.: 303105E

**Rahul Sethia**  
Partner  
Membership No. : 303931

2 India Exchange Place  
Kolkata - 700 001  
Date : 30th May, 2016

**Abhay Bhutoria**  
Managing Director

**Mukesh Jain**  
Chief Financial Officer

**S. S. Jain**  
Chairman

**R. Bhutoria**  
Vice Chairman &  
Whole Time Director

**J. Biswas**  
Company Secretary



**Consolidated Statement of Profit and Loss for the year ended on 31st March, 2016**

Particulars	Notes	Figures for the year ended 31st March, 2016 (₹)	Figures for the year ended 31st March, 2015 (₹)
<b>I. Revenue from Operations (Gross)</b>	20		
Sale of Products		1,547,326,668	1,836,611,459
Sale of Traded Goods		2,349,004	-
Revenue from Works Contract		1,412,938	24,712,408
Other Operating Revenues		31,944,397	44,387,860
		<u>1,583,033,007</u>	<u>1,905,711,727</u>
Less: Excise Duty		149,343,730	173,640,836
		<u>1,433,689,277</u>	<u>1,732,070,891</u>
<b>II. Other Income</b>	21	<u>29,435,136</u>	<u>12,960,952</u>
<b>III. Total Revenue ( I+II )</b>		<u>1,463,124,413</u>	<u>1,745,031,843</u>
<b>IV. EXPENSES</b>			
Cost of Materials Consumed	31(a)	973,209,634	1,220,405,513
Purchases of Stock-in-trade/Traded Goods		1,752,300	-
Changes in Inventories of Finished Goods, Work in Progress and Scrap Materials	22	49,612,282	93,708,214
Employee Benefits Expenses	23	25,819,883	21,489,986
Finance Costs	24	73,654,484	110,222,747
Depreciation	11	15,673,911	18,145,497
Other Expenses	25	316,739,788	260,741,433
<b>Total Expenses</b>		<u>1,456,462,282</u>	<u>1,724,713,390</u>
<b>V. Profit Before Tax, Exceptional &amp; Non recurring Item ( III-IV )</b>		6,662,131	20,318,453
<b>VI. Add: Exceptional Item</b>	26	14,776,669	-
<b>VII. Less: Non-Recurring Items - adjustment under transitional provisions for depreciation as per Schedule II to the Companies Act, 2013</b>	11	-	1,881,679
<b>VIII. Profit Before Tax ( V+VI-VII )</b>		<u>21,438,800</u>	<u>18,436,774</u>
<b>IX. Tax Expenses</b>			
Current Tax		6,870,000	2,500,000
Deferred Tax	5	(1,035,000)	3,712,000
<b>X. Profit/ (Loss) for the Year ( VIII-IX )</b>		<u>15,603,800</u>	<u>12,224,774</u>
<b>XI. Share of Minority Interest</b>		-	(4,411)
<b>XII. Profit/ (Loss) for the Year (after adjustment for Minority Interest ( X-XI )</b>		15,603,800	12,220,363
<b>XIII. Earnings Per Equity Share</b>	27		
a) Basic		1.91	1.50
b) Diluted		1.91	1.50
c) Face Value per Equity Share		10	10
<b>Significant Accounting Policies</b>	1		
<b>Notes to Financial Statements</b>	2-40		

As per our Report of even date.  
 For A.C. Bhuteria & Co.  
 Chartered Accountants  
 Firm Registration No.: 303105E

**Rahul Sethia**  
 Partner  
 Membership No. : 303931  
 2 India Exchange Place  
 Kolkata - 700 001  
 Date : 30th May, 2016

**Abhay Bhutoria**  
 Managing Director

**S. S. Jain**  
 Chairman

**R. Bhutoria**  
 Vice Chairman &  
 Whole Time Director

**Mukesh Jain**  
 Chief Financial Officer

**J. Biswas**  
 Company Secretary

**Consolidated Cash Flow Statement annexed to the Balance Sheet as at 31st March, 2016**

Particulars	2015-16 (₹)	2014-15 (₹)
<b>(A) Cash Flow from Operating Activities :</b>		
Net Profit Before Tax, Exceptional and Non Recurring Items	21,438,800	18,436,774
<b>Adjusted for :</b>		
- Depreciation	15,673,911	18,145,497
- Finance Costs	73,654,484	110,222,747
- Goodwill on acquisition of subsidiary	-	(56,477)
- Non recurring Items	-	1,881,679
- Loss on disposal of subsidiary	2,176,260	
- Profit on Sale of Fixed Asset	(16,952,929)	-
- Interest Income	(18,694,261)    55,857,465	(8,592,678)    121,600,768
<b>- Operating Profit before Working Capital Change</b>	<b>77,296,265</b>	<b>140,037,542</b>
<b>Movements in Working Capital</b>		
- Decrease/ (Increase) in Inventories	77,413,205	98,491,100
- Decrease/ (Increase) in Trade and Other Receivables	377,174,413	(68,349,587)
- Increase/ (Decrease) in Trade and Other Payables	(499,926,761)    (45,339,143)	(1,110,428)    29,031,085
<b>Cash generated / (used) from operations</b>	<b>31,957,122</b>	<b>169,068,627</b>
Direct Tax (Paid) / Refunds Received (including interest)	(5,252,953)	(1,106,353)
<b>Net Cash from / (used in) Operating activities</b>	<b>(A) 26,704,169</b>	<b>167,962,274</b>
<b>(B) Cash Flow From Investing Activities:</b>		
Addition to Fixed Assets / Capital WIP	(5,924,361)	(31,417,322)
Sale of Fixed Assets	19,531,598	-
Sale of Investments	350,000	14,385,600
Effect of disposal of investments in wholly owned subsidiary	20,672,109	-
Interest received	18,703,089	8,604,391
Fixed Deposits (Made) / Matured	(2,426,323)	(4,359,887)
<b>Net Cash Flow from / (used in) Investing activities</b>	<b>(B) 50,906,112</b>	<b>(12,787,218)</b>

**Consolidated Cash Flow Statement annexed to the Balance Sheet as at 31st March, 2016**

Particulars	2015-16 (₹)	2014-15 (₹)
<b>(C) Cash Flow from Financing Activities :</b>		
Repayment of Long Term Borrowing	(6,271,383)	(2,706,953)
Proceeds from Long Term Borrowing	-	3,041,740
Proceeds / (Repayment) of Short Term Borrowing	(147,839,351)	45,414,844
Proceeds from Issue of Share Capital to Minority	-	30,732
Proceeds from Issue of Preference Shares	75,000,000	-
Finance Cost	(73,654,484)	(110,277,574)
<b>Net Cash used in Finance Activity</b>	<b>(C) (152,765,218)</b>	<b>(64,497,211)</b>
<b>(D) Effect of Exchange difference on translation of foreign Currency</b>	<b>(D) -</b>	<b>63,230</b>
	<b>-</b>	<b>63,230</b>
<b>Net Increase in Cash &amp; Cash Equivalents</b>	<b>(A+B+ C+D) (75,154,937)</b>	<b>90,741,075</b>
Cash & Cash Equivalents (Opening)	89,523,549	15,669,694
Cash & Cash equivalents (Closing)	14,368,612	106,410,769
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	497,142	1,107,576
Balances with Bank		
- In Current Accounts	7,115,325	105,208,275
- Fixed Deposits (due within 3 months)	6,698,709	
Unpaid Dividend Account	57,436	94,918
	<b>14,368,612</b>	<b>106,410,769</b>

**Notes :**

- Cash Flow Statement has been prepared using the indirect method in accordance with Accounting Standard (AS) - 3 "Cash Flow Statement" notified under Section 133 of the Companies Act, 2013.
- Opening balance of cash & cash equivalents have been taken from standalone financial statements due to disposal of subsidiary during the year.

As per our Report of even date.  
 For **A.C. Bhuteria & Co.**  
 Chartered Accountants  
 Firm Registration No.: 303105E

**Rahul Sethia**  
 Partner  
 Membership No. : 303931  
 2 India Exchange Place  
 Kolkata - 700 001  
 Date : 30th May, 2016

**Abhay Bhutoria**  
 Managing Director

**Mukesh Jain**  
 Chief Financial Officer

**S. S. Jain**  
 Chairman

**R. Bhutoria**  
 Vice Chairman &  
 Whole Time Director

**J. Biswas**  
 Company Secretary

## Notes to Consolidated Financial Statements for the year ended 31st March, 2016

### 1 Significant Accounting Policies

#### A. Principles of Consolidation

The consolidated financial statements relate to RTS Power Corporation Ltd. ('the Company') and its subsidiary company. The consolidated financial statements have been prepared on the following basis :

- a. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements.
- b. In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Exchange Fluctuation Reserve.
- c. The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statements as Goodwill or Capital Reserve, as the case may be.
- d. Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- e. Minority Interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- f. The financial statements of subsidiaries are drawn upto the same reporting date as that of the Company.
- g. Entities acquired during the year have been consolidated from the respective dates of their acquisition.
- h. Entities disposed during the year have been consolidated upto the date of respective disposal.
- i. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
- j. The subsidiary companies considered in the consolidated financial statements are :

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest
Blue Nile Projects Ltd.	Hong Kong	100%*
ABAY Energy Private Limited Company	Ethopia	99%*

(\*Interest in ownership of Subsidiary is upto the point of disposal i.e. 27-07-2015)

#### B. Investments

Investments other than in subsidiaries has been accounted as per Accounting Standard (AS) 13 - "Accounting for Investments".

#### C. Other Significant Accounting Policies

These are set out under "Significant Accounting Policies" as given in the company's separate financial statements.

**Notes to Financial Statement for the year ended 31st March, 2016**

	As At 31st March, 2016		As At 31st March, 2015	
	Qty (Nos.)	Amount (₹)	Qty (Nos.)	Amount (₹)
<b>2 SHARE CAPITAL</b>				
(a) <b>Authorized Share Capital</b>				
Equity Shares of ₹ 10/- each	12,000,000	120,000,000	12,000,000	120,000,000
Preference Shares of ₹ 10/- each	10,000,000	100,000,000	-	-
	<b>22,000,000</b>	<b>220,000,000</b>	<b>12,000,000</b>	<b>120,000,000</b>
(b) <b>Issued, Subscribed &amp; Fully Paid-up Capital</b>				
Equity Shares of ₹ 10/- each	8,168,500	81,685,000	8,168,500	81,685,000
Preference Shares of ₹ 10/- each	7,500,000	75,000,000	-	-
	<b>15,668,500</b>	<b>156,685,000</b>	<b>8,168,500</b>	<b>81,685,000</b>
(c) <b>Reconciliation of Equity Shares of ₹ 10/- each outstanding at the beginning and at the end of the financial year.</b>				
Balance as at the beginning of the financial year	8,168,500	81,685,000	8,168,500	81,685,000
<b>Balance as at the end of the financial year</b>	<b>8,168,500</b>	<b>81,685,000</b>	<b>8,168,500</b>	<b>81,685,000</b>
(d) <b>Reconciliation of Preference Shares of ₹ 10/- each outstanding at the beginning and at the end of the financial year.</b>				
Balance as at the beginning of the financial year	-	-	-	-
Add : Preferential Allotment made during the year	7,500,000	75,000,000	-	-
<b>Balance as at the end of the financial year</b>	<b>7,500,000</b>	<b>75,000,000</b>	<b>-</b>	<b>-</b>

**(e) Rights, Preference and restrictions attached to each class of shares :**
**Equity Shares**

The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 10/- each. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the shareholders. Dividend recommended by the Board of Directors (other than interim dividend) is subject to approval of the shareholders ensuring Annual General Meeting.

## Notes to Financial Statement for the year ended 31st March, 2016

### Preference Shares

The Company has only one class of preference share which is 9% non cumulative, non participating and redeemable at a par value of ₹ 10/- each, within a period not exceeding 20 years from the date of issue i.e. 30th June, 2015. The preference shareholders have preferential rights vis-a-vis Equity Shareholders of the Company in respect of dividend, repayment in case of winding up or repayment of capital and shall carry voting rights as per the provisions of Section 47(2) of the Companies Act, 2013.

(f) **Shareholders holding more than 5% of Equity Share Capital**

	As At 31st March, 2016		As At 31st March, 2015	
	No. of Shares held	% of holdings	No. of Shares held	% of holdings
Bhutoria Investments Private Limited	2,298,648	28.14	2,298,648	28.14
BLB Cables & Conductors Private Limited	-	-	827,138	10.13
Multiplier Enterprises Pvt. Ltd. (Formerly Sharp Investments Limited)	1,140,000	13.96	1,140,000	13.96
Rajasthan Transformers & Switchgears Private Limited	468,500	5.74	387,300	4.74
Bhutoria Brothers Limited	924,935	11.32	495,157	6.06
Bhutoria Transformers & Rectifiers (P) Ltd.	676,336	8.28	676,336	8.28

(g) **Shareholders holding more than 5% of Preference Share Capital**

	As At 31st March, 2016		As At 31st March, 2015	
	No. of Shares held	% of holdings	No. of Shares held	% of holdings
Bhutoria Brothers Limited	4,000,000	53.33	-	-
Abhay Transformers Private Limited	2,000,000	26.67	-	-
Rajasthan Transformers & Switchgears Private Limited	1,000,000	13.33	-	-
Bhutoria Investments Private Limited	500,000	6.67	-	-

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Figure as at 31st March, 2016 (₹)	Figure as at 31st March, 2015 (₹)
<b>3 RESERVES &amp; SURPLUS</b>		
<b>a) Securities Premium Account</b>		
Balance as at the beginning of the year	254,285,500	254,285,500
Balance as at the end of the year	254,285,500	254,285,500
<b>b) Share Forfeited Reserve</b>		
Balance as at the beginning of the year	15,500	15,500
Balance as at the end of the year	15,500	15,500
<b>c) Rajasthan State Investment Subsidy Reserve</b>		
Balance as at the beginning of the year	521,505	521,505
Balance as at the end of the year	521,505	521,505
<b>d) Generator Subsidy Reserve</b>		
Balance as at the beginning of the year	61,000	61,000
Balance as at the end of the year	61,000	61,000
<b>e) General Reserve</b>		
Balance as at the beginning of the year	9,589,264	9,589,264
Balance as at the end of the year	9,589,264	9,589,264
<b>f) Foreign Exchange Fluctuation Reserve</b>		
Balance as at the beginning of the year	(291,615)	(354,845)
Add : Movement during the year	291,615	63,230
Balance as at the end of the year	-	(291,615)
<b>g) Surplus, i.e., Balance in the Statement of Profit &amp; Loss</b>		
Balance as at the beginning of the year	105,453,102	93,232,739
Add : Transfer from Statement of Profit & Loss	15,603,800	12,220,363
Balance as at the end of the year	121,056,902	105,453,102
<b>Total (a to g)</b>	<b>385,529,671</b>	<b>369,634,256</b>

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>4 LONG TERM BORROWINGS</b>		
<b>Secured</b>		
<b>a) Term Loan</b>		
From Banks		
- State Bank of Bikaner & Jaipur, Kolkata (Security margin has been estimated considering the all existing as well as proposed fixed assets of the company and personal guarantee by two Directors.)	2,850,153	4,854,153
- Bank of Baroda, Johari Bazar Jaipur (Wind Energy Division) (Secured against equitable mortgage of Wind Mill Project & Hypothecation of Plant and Machinery situated at Rawat ka Gaon, District - Barmer and personal guarantee of two Directors.)	2,772,117	6,892,260
Bank of Baroda, Johari Bazar Jaipur (Car Loan) (Loan is secured against hypothecation of vehicle acquired under hire purchase agreement & personal guarantee by two directors)	525,542	671,587
	<b>6,147,812</b>	<b>12,418,000</b>

## Notes to Financial Statement for the year ended 31st March, 2016

Additional Notes on Long Term Borrowings including amount shown under Other Current Liabilities as "Current Maturities of Long Term Debt" & "Current Maturities of Finance Lease Obligation"

A Terms of Repayment	Period of Maturity (Months)	Number of Instalments Due (Quarterly / Monthly)	Amount of Instalments Due (₹)
<b>Term Loan</b>			
From Bank			
- State Bank of Bikaner & Jaipur, Kolkata	29 Months	29 Monthly*	4,854,153
Rate of Interest - Base Rate plus 2.85% i.e. 12.55.% p.a as on 31.03.2016	(41 Months)	(41 Monthly*)	(6,858,153)
- Bank of Baroda, Johari Bazar, Jaipur	36 Months	(8 Quarterly)	6,328,117
Rate of Interest : Base Rate + 3.25% i.e.12.90% as at 31.03.2016	(48 Months)	(12 Quarterly)	(10,464,260)
- Bank of Boroda, Johari Bazar, Jaipur (Car Loan)	48 Months	48 Months	668,760
Rate of Interest - 10.15% p.a	(60 Months)	(60 Months)	(800,000)

B Aggregate amount of loans guaranteed by Directors	Figure as at 31st March, 2016 (₹)	Figure as at 31st March, 2015 (₹)
<b>Term Loan</b>		
From Banks	11,851,030	18,122,413

### 5 DEFERRED TAX LIABILITIES (NET)

In accordance with Accounting Standard 22 on Accounting for Taxes on Income, the Company has accounted for Deferred Asset / Liability. The break up of the deferred tax assets and liability as on 31st March, 2016 are as under :

Particulars	Figure as at 31st March, 2016 (₹)	Figure as at 31st March, 2015 (₹)
<b>(a) Deferred Tax Liability</b>		
In respect of Depreciation charged in books as per Companies Act, 2013 and tax depreciation allowable as per Income Tax Act,1961.		
- Opening Balance	12,712,000	15,790,000
- Charged / (Credited) to Statement of Profit & Loss	(508,000)	(3,078,000)
- Closing balance	12,204,000	12,712,000



**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Figure as at 31st March, 2016 (₹)	Figure as at 31st March, 2015 (₹)
<b>(b) Deferred Tax Asset</b>		
Provision for Gratuity		
- Opening Balance	1,954,000	1,871,000
- Charged / (Credited) to Statement of Profit & Loss	(512,000)	(83,000)
- Closing balance	2,466,000	1,954,000
Disallowance of Leave Pay Provision under section 43B of Income Tax Act, 1961		
- Opening Balance	129,000	306,000
- Charged / (Credited) to Statement of Profit & Loss	(15,000)	177,000
- Closing balance	144,000	129,000
Unabsorbed Loss / Depreciation		
- Opening Balance	-	6,696,000
- Charged / (Credited) to Statement of Profit & Loss	-	6,696,000
- Closing balance	-	-
<b>Deferred Tax Liability (Net of DTA)</b>	<b>9,594,000</b>	<b>10,629,000</b>
Deferred Tax Assets and Liabilities are being off set as they relate to taxes on income levied by the same governing taxation laws.		
<b>6 LONG TERM PROVISIONS</b>		
Provision for Employee Benefits - Gratuity	4,412,216	3,084,769
	<b>4,412,216</b>	<b>3,084,769</b>
<b>7 SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
<b>(a) Loans Repayable on Demand</b>		
From Banks		
- Cash Credit with State Bank of Bikaner & Jaipur, Kolkata (Rate of Interest @ 13.10% p.a.) (The above loan is secured against hypothecation of Raw Material, Finished Goods, Stores & Spares, Book Debts, Other Current Assets and personal guarantee of two Directors.)	32,543,721	44,603,522
- Cash Credit with Canara Bank. Agra (Rate of Interest @ 14.75% p.a.) (The above loan is secured against hypothecation of Raw Material, Stores & Spears, Book Debts, Other Current Assets and Personal guarantee of two Directors.)	-	5,492,841
- Cash Credit with ICICI Bank Ltd. Jaipur (Rate of Interest @ 13.10% p.a.) (The above loan is secured against hypothecation of Raw Material, Finished Goods, Stock-in-process, Stores & Spares, Book Debts and is further Secured by Equitable mortgage / hypothecation of all Fixed Assets and personal guarantee of two Directors.)	28,233,075	4,611,729

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>7 SHORT TERM BORROWINGS (Contd.)</b>		
- Cash Credit with Bank of Baroda, Jaipur (Rate of Interest @ 12.65% p.a.)  (The above loan is secured against hypothecation of Raw Material, Finished Goods, Stock-in-process, Stores & Spares, Book Debts. The above Loan is further Secured by Equitable mortgage / hypothecation of all Fixed Assets and personal guarantee of two Directors.)	81,065,329	93,557,341
- Cash Credit with Oriental Bank of Commerce, Jaipur (Rate of Interest @ 12.70% p.a.)  (The above loan is secured against hypothecation of Raw Material, Finished Goods, Stock-in-process, Stores & Spares, Book Debts. The above Loan is further Secured by Equitable mortgage / hypothecation of all Fixed Assets and personal guarantee of three Directors.)	20,832,179	-
- Bill Discounting Facility With Bank of Baroda Johari Bazar Jaipur  (The above loan is secured against hypothecation of Raw Materials, Finished Goods Stores & Spares, Book Debts, Other Current Assets)	62,891,638	88,406,250
- Working Capital Demand Loan From ICICI Bank Ltd. Jaipur (Rate of Interest @ 13.50% p.a.)  (Both of the above working capital demand loans are secured against the books debts of various discom(s) of UPPCL Lucknow and further earmarking by letter of Credit Limits.)	-	25,000,000
<b>Unsecured</b>		
Bill Discounting Facility with ICICI Bank	11,051,460	-
<b>(b) Loans and Advances from Related Parties</b>	42,625,510	144,783,779
<b>(c) Loans and Advances from Others</b>	11,080,000	31,706,801
	<b>290,322,912</b>	<b>438,162,263</b>
<b>Note :</b>		
<b>Aggregate amount of loans guaranteed by Directors</b>		
Loan Repayable on Demand	225,565,942	236,671,683
	<b>225,565,942</b>	<b>236,671,683</b>
<b>8 TRADE PAYABLES</b>		
(a) Payable for goods and services received in the ordinary course of business		
- Due to Micro & Small Enterprises	710,819	719,819
- Due to Others	299,182,171	77,922,909
	<b>299,892,990</b>	<b>779,948,909</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>9 OTHER CURRENT LIABILITIES</b>		
(a) Current Maturities of Long Term Debt	5,560,000	5,576,000
(b) Current Maturities of Finance Lease Obligations	143,218	128,413
(c) Unpaid Dividend	57,436	94,918
(d) Other Payables		
- Statutory Dues	8,040,902	18,641,192
- Due to Employees	692,989	733,872
- Trade Deposits & Advances from Customers	5,686,176	46,384,453
- Security Deposit	1,425,000	585,000
	21,605,721	72,143,848
<b>10 SHORT TERM PROVISIONS</b>		
(a) Provision for Employee Benefits		
- Gratuity	2,711,875	2,938,642
- Leave Encashment	416,427	398,111
	3,128,302	3,336,753

## Notes to Financial Statement for the year ended 31st March, 2016

Description	Gross Block			Depreciation			Total		Net Block	
	As at 1st April 2015	Addition During the year	Sold During the year	Upto 31st March 2015	For the year	Sale during the year	Adjustments during the year	31st March 2016	As at 31st March 2015	As at 31st March 2015
<b>11 FIXED ASSETS</b>										
<b>TANGIBLE ASSETS</b>										
Land	24,380,505	100,000	46,121	24,380,884	-	-	-	24,380,884	24,380,505	
- Freehold Land	4,881,177	-	-	4,881,177	-	-	-	4,881,177	4,881,177	
Building	68,077,317	-	429,409	67,647,908	4,941,858	392,585	-	38,162,117	43,140,799	
- Office Building	22,338,601	-	-	11,689,607	190,302	-	-	11,359,909	11,168,984	
- Time Share Building	48,400	-	-	48,400	-	-	-	48,400	48,400	
Plant & Equipment	84,701,000	2,867,309	12,823,705	74,744,604	4,526,238	10,366,758	-	59,020,827	20,840,053	
- Main Plant & Machinery	5,589,000	-	-	5,589,000	-	-	-	5,589,000	5,589,000	
- On-site Generator	90,059,340	-	-	90,059,340	3,864,116	-	-	62,520,073	31,392,383	
- Handling Equipments	7,813,500	2,501,899	429,724	9,885,675	954,169	-	-	6,083,787	3,801,892	
- Research & Development	984,621	-	312,874	671,747	876,446	303,407	-	586,780	1,181,495	
- Auxiliary Machinery	486,578	-	-	486,578	18,783	-	-	444,491	1,181,175	
- Generator	1,135,853	-	-	1,135,853	43,785	-	-	940,140	239,508	
Furniture & Fixture	2,592,407	54,257	-	2,646,664	107,970	-	-	2,433,632	266,545	
Vehicles	6,449,987	-	247,143	6,202,844	421,134	234,786	-	5,689,884	946,751	
- Motor Car	1,020,007	-	-	1,020,007	318,320	-	-	319,193	1,019,134	
Assets under Finance Lease	3,870,282	181,750	-	4,152,032	274,387	-	-	3,726,381	518,098	
- Computer	2,042,270	19,550	-	2,061,820	62,589	-	-	1,474,586	630,273	
- General Office Equipment	108,507	-	-	108,507	89,922	-	-	91,639	16,888	
- Type Writer	14,280	-	-	14,280	1,717	-	-	14,162	128	
Office Equipment	608,896	44,860	-	653,756	16,286	-	-	596,234	28,948	
- Tube Well	18,790	-	-	18,790	771	-	-	16,980	2,581	
- Television	1,701,913	115,591	-	1,815,504	137,619	-	-	1,618,327	197,177	
- Air Conditioner	1,501,181	2,000	-	1,503,181	5,143	-	-	1,25,485	29,839	
- Fire Extinguisher	4,396,283	39,145	130,341	4,274,897	3,883,005	126,591	-	3,777,229	693,288	
- Electric Installation	412,172	-	-	412,172	125,458	-	-	175,276	236,896	
- Close Court Television	33,159,150	5,824,361	14,419,817	27,563,694	15,873,811	11,840,848	-	55,839,343	14,645,145	
- EPX System	307,620,068	23,459,234	-	331,086,802	171,120,067	15,260,000	1,881,679	182,109,809	142,809,446	
Goodwill	56,477	56,477	-	112,954	-	-	-	56,477	56,477	
Figure as at 31.03.2015 (₹)	56,477	56,477	-	112,954	-	-	-	56,477	56,477	
<b>INTANGIBLE ASSETS</b>										
Goodwill	56,477	56,477	-	112,954	-	-	-	56,477	56,477	
Figure as at 31.03.2015 (₹)	56,477	56,477	-	112,954	-	-	-	56,477	56,477	

**Note :**

Opening gross block and accumulated depreciation of fixed assets have been taken from standalone financial statements due to disposal of subsidiary during the year.

**Notes to Financial Statement for the year ended 31st March, 2016**

	As At 31st March, 2016			As At 31st March, 2015	
	Face Value	Qty (Nos.)	Amount (₹)	Qty (Nos.)	Amount (₹)
<b>12 NON-CURRENT INVESTMENTS - LONG TERM</b>					
<b>NON-TRADE - UN QUOTED - AT COST</b>					
(a) <b>Investment in Equity Instruments</b>					
Fully Paid up Equity Shares					
- Bhutoria Agrotech Limited	₹10	-	-	35,000	350,000
	(a)			35,000	350,000
(b) <b>Investment in Government Securities</b>					
- National Savings Certificate		-	21,500	-	21,500
(Lodged with Sales Tax Department)	(b)	-	21,500	-	21,500
<b>Total (a+b)</b>			<b>21,500</b>		<b>371,500</b>

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>13 LONG TERM LOANS AND ADVANCES</b>		
<b>(Unsecured Considered Good)</b>		
Security Deposits	5,682,425	5,892,394
	<b>5,682,425</b>	<b>5,892,394</b>
<b>14 OTHER NON-CURRENT ASSETS</b>		
<b>Other Bank Balance</b>		
Fixed Deposit with Bank (with original maturity of more than 12 months)	19,048,535	9,345,974
(Receipt lodged with Bank as security against Bank Guarantee & Letter of Credit facilities availed)		
Interest Accrued on Fixed Deposit	45,860	97,089
	<b>19,094,395</b>	<b>9,443,063</b>
<b>15 INVENTORIES</b>		
(Valued at lower of Cost and Net Realizable Value, unless otherwise specified)		
(a) <b>Raw Material</b>		
- In Stock	54,914,596	68,562,170
- Goods in Transit	-	3,805,603
(b) <b>Work in Progress</b>	185,763,536	213,013,639
(c) <b>Finished Goods</b>	37,058,520	73,826,913
(d) <b>Stores and Spares</b>	13,591,236	23,938,982
(e) <b>Scrap (Valued at Net Realizable Value)</b>	3,245,530	2,909,360
	<b>294,573,418</b>	<b>386,056,667</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at 31st March, 2016 (₹)	As at 31st March, 2015 (₹)
<b>16 TRADE RECEIVABLES</b>		
<b>(Unsecured Considered Good)</b>		
(a) Receivables outstanding for a period exceeding six months from the due date of payment	319,738,871	378,148,989
(b) Other Trade Receivables	248,157,659	556,689,569
	<b>567,896,530</b>	<b>934,838,558</b>
<b>17 CASH AND BANK BALANCES</b>		
(a) <b>Cash and Cash Equivalents :</b>		
- Balances with Banks in Current Account	7,115,325	105,208,275
- Cash on Hand	497,142	1,107,576
- Fixed Deposits(due within 3 months)	6,698,709	-
(Receipts lodged with Bank as security against Bank Guarantees & Letter of Credit facilities availed)		
<b>(a)</b>	<b>14,311,176</b>	<b>106,315,851</b>
(b) <b>Other Bank Balances</b>		
- Earmarked Balance in Dividend Account	57,436	94,918
- Fixed Deposit	59,451,401	68,823,940
(Receipts lodged with Bank as security against Bank Guarantees & Letter of Credit facilities availed)		
- Interest Accrued on Fixed Deposit	255,417	213,016
<b>(b)</b>	<b>59,764,254</b>	<b>69,131,874</b>
<b>(a + b)</b>	<b>74,075,430</b>	<b>175,447,725</b>
<b>Note</b>		
Fixed Deposits having original maturity of more than 12 months	1,199,100	262,700
<b>18 SHORT TERM LOANS AND ADVANCES</b>		
<b>(Unsecured Considered Good)</b>		
(a) Advances recoverable in cash or in kind or for value to be received	14,948,678	20,627,868
(b) Earnest Money Deposits	11,389,513	10,389,513
(c) Advance Income Tax / Tax deducted at Source (Net of Provision)	5,968,140	7,585,187
(d) Advance Fringe Benefit Tax (Net of Provision)	16,005	16,005
(e) Balance with Tax Authorities (Excise, Sales Tax, etc)	49,307,882	61,302,219
	<b>81,630,218</b>	<b>99,920,792</b>
<b>19 OTHER CURRENT ASSETS</b>		
(a) Fixed Deposits matured(including accrued interest)	3,507,229	1,410,928
(b) Export Incentive receivable	195,139	415,287
(c) Excise Duty Refundable	161,063	809,502
	<b>3,863,431</b>	<b>2,635,717</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
<b>20 REVENUE FROM OPERATIONS</b>		
(a) Sale of Products		
- Transformers	1,274,389,765	1,492,758,849
- Cables & Conductors	64,417,049	191,154,129
- Wind Energy	11,234,954	6,660,127
- Others	197,284,900	146,038,354
	<u>1,547,326,668</u>	<u>1,836,611,459</u>
(b) Sale of Traded Goods	2,349,004	-
	<u>2,349,004</u>	<u>-</u>
(c) Revenue from Works Contract	1,412,938	24,712,408
	<u>1,412,938</u>	<u>24,712,408</u>
(d) Other Operating Revenues		
- Labour Charges	283,989	1,746,690
- Freight and Insurance Charges	30,330,322	34,945,198
- Maintenance Charges		7,254,543
- Scrap		26,142
- Export Incentive	1,330,086	415,287
	<u>31,944,397</u>	<u>44,387,860</u>
(e) Less : Excise Duty		
- On Sale of Products	149,203,652	172,809,256
- On Revenue from Works Contract	140,078	831,580
	<u>149,343,730</u>	<u>173,640,836</u>
<b>21 OTHER INCOME</b>		
(a) Interest Income	18,719,858	8,592,678
(b) Gain in Foreign Exchange Fluctuation (Net)	4,846,526	(105,477)
(c) Liabilities no longer required written back	2,145,425	78,879
(d) Miscellaneous Income	3,723,327	4,394,872
	<u>29,435,136</u>	<u>12,960,952</u>
<b>22 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS &amp; SCRAP MATERIALS</b>		
(a) Finished Goods		
Opening Stock	59,756,869	91,767,293
Less : Closing Stock	37,058,520	69,399,486
	<u>22,698,349</u>	<u>22,367,807</u>
(b) Work In Progress		
Opening Stock	213,013,639	285,750,626
Less: Closing Stock	185,763,536	213,013,639
	<u>27,250,103</u>	<u>72,736,987</u>
(c) Scrap & Replaced materials		
Opening Stock	2,909,360	1,512,780
Less: Closing Stock	3,245,530	2,909,360
	<u>(336,170)</u>	<u>(1,396,580)</u>
Net (Increase)/ Decrease [a+b+c]	<u>49,612,282</u>	<u>93,708,214</u>
<b>23 EMPLOYEE BENEFIT EXPENSE</b>		
(a) Salaries, Wages, Bonus & Gratuity	23,765,102	20,121,051
(b) Contribution to Provident and Other Funds	1,282,302	1,117,032
(c) Staff Welfare expenses	772,479	251,903
	<u>25,819,883</u>	<u>21,489,986</u>

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Year ended 31st March, 2016 (₹)	Year ended 31st March, 2015 (₹)
<b>24 FINANCE COSTS</b>		
(a) Interest Expense	63,243,613	95,293,451
(b) Other Borrowing Costs	10,410,871	14,929,296
	<b>73,654,484</b>	<b>110,222,747</b>
<b>25 OTHER EXPENSES</b>		
(a) Consumption of Stores and Spare Parts	95,524,984	89,894,266
(b) Packing Material Consumed	2,913,609	5,690,193
(c) Power & Fuel	10,841,919	11,158,219
(d) Rent	1,569,008	794,968
(e) Repairs		
- To Plant & Machinery	2,513,385	3,238,986
- To Repairs to Buildings	4,851,539	5,497,494
- To Others	1,592,029	1,156,581
(f) Insurance	1,073,990	1,575,392
(g) Rates and Taxes (excluding Taxes on Income.)	171,277	336,777
(h) Auditors Remuneration (Including Branch Auditors)		
Statutory Auditor		
- As Auditors	225,000	207,529
- For Tax Audit	25,000	28,090
- For Certification Fees / Limited Review	193,499	189,616
- For Taxation Matter	24,000	16,854
Branch Auditors		
- As Auditors	105,000	105,000
- For Taxation Matters	30,000	30,000
Subsidiary Auditors		
- As Auditors	92,398	103,702
(i) Excise Duty Expense	(2,585,028)	(1,966,014)
(j) Carriage Inward	9,488,635	8,134,030
(k) Carriage Outward	34,721,324	40,862,260
(l) Commission	3,412,697	9,683,918
(m) Clearing & Forwarding Expenses	59,130	-
(n) Job & Fabrication Charges	32,153,087	54,230,535
(o) Legal & Professional Fees	4,590,627	3,887,758
(p) Damages for Delayed Supply	82,773,570	226,944
(q) Prior Period Adjustments	92,814	47,027
(r) Sales / Business Promotion	1,055,461	984,243
(s) Testing Fees	2,035,395	2,342,282
(t) Transformer Repairs & Maintenance	2,136,940	1,050,618
(u) Travelling & Conveyance	7,683,347	5,997,100
(v) Vehicle Expenses	721,411	862,542
(w) Freight & Insurance	-	2,408,200
(x) Miscellaneous Expenses	16,653,741	11,966,323
	<b>316,739,788</b>	<b>260,741,433</b>
<b>26 EXCEPTIONAL ITEMS</b>		
- Profit on sale of Land	15,023,879	-
- Profit on sale of Other Fixed Assets	1,929,050	-
- Profit on Sale of Investment in Wholly Owned Subsidiary	(2,176,260)	-
	<b>14,776,669</b>	<b>-</b>



**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	Year ended	Year ended
	31st March, 2016 (₹)	31st March, 2015 (₹)
<b>27 EARNINGS PER SHARE</b>		
Net Profit/(Loss) attributable to Equity Shareholders (₹)	15,603,800	12,224,774
Weighted average number of Equity Share in issue (Nos)	8,168,500	8,168,500
Earnings per Equity Share of ₹ 10/-each (₹)		
Basic	1.91	1.50
Diluted	1.91	1.50
The company does not have any outstanding dilutive potential equity shares. Consequently the basic and dilutive earning per share of the Company remain the same.		
<b>28 FOB VALUE OF EXPORTS (in ₹)</b>	112,149,170	26,670,255
	<u>112,149,170</u>	<u>26,670,255</u>
<b>29 EXPENDITURE IN FOREIGN CURRENCY (₹)</b>		
(a) Foreign Travelling	1,396,750	578,256
(b) Bank Charges	146,153	19,584
(c) Foreign Exchange Fluctuation (On settlement of dues)	-	128,994
	<u>1,542,903</u>	<u>726,834</u>

Particulars	Amount	% of Total
	(₹)	Consumption
<b>30 DETAILS OF CONSUMPTION OF INDIGENOUS &amp; IMPORTED RAW MATERIALS, STORES AND SPARES</b>		
(a) <b>Raw Materials</b>		
Imported	-	-
	-	-
Indigenous	973,209,634	100.00
	<u>(1,220,405,513)</u>	<u>100.00</u>
	973,209,634	100.00
	<u>(1,220,405,513)</u>	<u>100.00</u>
(b) <b>Stores &amp; Spare Parts consumed during the financial year is 100% (P.Y. 100%) indigenous.</b>		

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	(Figures in ₹)	
	Sales	
	2015-16	2014-15
<b>31 DETAILS OF SALE, CLOSING STOCK &amp; OPENING STOCK</b>		
<b>(a) OF FINISHED GOODS</b>		
<b>Manufactured Goods</b>		
Transformers	1,274,389,765	1,492,758,849
Wind Energy	11,234,954	6,660,127
Cable Conductor	64,417,049	191,154,129
Others	197,284,900	146,038,354
<b>Total</b>	<b>1,547,326,668</b>	<b>1,836,611,459</b>
	<b>Closing Inventory</b>	
<b>Manufactured Goods</b>		
Transformers	36,346,970	72,999,568
Cable Conductor	711,550	827,345
<b>Total</b>	<b>37,058,520</b>	<b>73,826,913</b>
	<b>Opening Inventory</b>	
<b>Manufactured Goods</b>		
Transformers	72,999,568	85,559,663
Cable Conductor	827,345	6,207,630
<b>Total</b>	<b>73,826,913</b>	<b>91,767,293</b>

Particulars	(Amount in ₹)	
	2015-16	2014-15
<b>(b) DETAILS OF RAW MATERIALS CONSUMED</b>		
Aluminium Conductor	267,055,317	299,920,485
Copper Conductor	215,018,765	250,116,054
Lamination	120,022,549	221,894,471
Transformer Oil	105,882,532	171,667,568
Tank Materials	116,884,184	155,175,859
Semi Finished - Aluminium , Copper, Lamination And Tank Material	148,346,288	121,631,076
<b>Total</b>	<b>973,209,634</b>	<b>1,220,405,513</b>

Particulars	(Amount in ₹)	
	2015-16	2014-15
<b>(c) DETAILS OF CLOSING STOCK OF WORK-IN-PROGRESS</b>		
Core Coil Assembly ( 05KVA TO 750 KVA )	17,601,555	9,349,561
Core Coil Assembly ( 750 KVA TO 3150 KVA )	435,478	784,382
Core Coil Assembly ( 3150 KVA TO 12500 KVA )	4,856,426	20,672,238
Core Assembly ( 10KVA TO 750 KVA )	4,509,521	24,799,740
Core Assembly ( 3150 KVA TO 12500 KVA )	6,756,368	12,672,568

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	(Amount in ₹)	
	2015-16	2014-15
<b>(c) DETAILS OF CLOSING STOCK OF WORK-IN-PROGRESS</b>		
H.T.Coil ( 10 KVA TO 1000 KVA )	1,986,786	3,030,551
H.T.Coil ( 3150 KVA TO12500 KVA )	3,262,230	4,973,684
L.T.Coil ( 10 KVA TO 750 KVA )	2,609,205	2,828,085
M.S.Tank ( 3150 KVA TO 12500 KVA )	1,039,805	1,230,771
M.S.Tank ( 10 KVA TO 500 KVA )	864,693	5,091,260
Transformer Under Process ( 10 KVA TO 500 KVA )	105,322,064	70,698,022
Transformer Under Process ( 3150 KVA TO 12500 KVA )	-	-
L.T.Coil ( 3150 KVA TO12500 KVA )	2,122,145	4,349,977
Repair Transformer Under Process ( 3150 KVA TO12500 KVA )	-	-
Replaced Material	33,073,396	51,023,586
Others (Damaged Conductors)	1,323,864	1,509,214
<b>Total</b>	<b>185,763,536</b>	<b>213,013,639</b>

Particulars	Outstanding Balance as on 31st March, 2016	Maximum Balance Outstanding during the year
<b>32 Disclosure of Loans/ Advances and investments in its own shares by listed companies, their subsidiaries, associates, etc. (as certified by the management)</b>		
I. Loans and Advances in the nature of loans to subsidiaries	NIL	NIL
II. Loans and Advances in the nature of loans to associates.	NIL	NIL
III. Loans and Advances in the nature of loans to firms/ companies in which directors are interested.	NIL	NIL
	<b>No. of Shares</b>	<b>Amount (₹)</b>
iv. Investments by loanee in the shares of parent company and subsidiary company when the company has made a loan or advance in the nature of loan	NIL	NIL

## Notes to Financial Statement for the year ended 31st March, 2016

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>33 Contingent Liabilities</b>		
Contingent Liability not provided for in respect of:		
(a) WBVAT <sup>(i)</sup>	24,467,740	25,891,335
(b) CST <sup>(ii)</sup>	3,396,824	4,997,476
(c) Entry Tax	-	286,587
(d) Rajasthan VAT <sup>(iii)</sup>	5,833,781	12,913,097
	<b>33,698,345</b>	<b>44,088,495</b>

### Notes w.r.t. contingent liabilities disclosed above :

<sup>(i)</sup> The Sales Tax Authorities have raised demand for ₹ 40,46,172/- for the financial year 2009-10 and ₹ 2,04,21,568/- for the financial year 2010-11 denying the Company the benefit of Input Tax Credit (ITC) validly claimed as per the tax invoices for the year 2009-10 and ex parte assessment not in conformity with return record, along with adhoc addition of turnover for the year 2010-11. The Company has preferred an appeal with appellate authorities based on the tax invoices available with the Company and other relevant records. The Company is reasonably certain that the demand will be reversed and the same shall not have any adverse impact on the financial statements. therefore no provision for the same required to be made in the books of accounts of the Company.

<sup>(ii)</sup> The Sales Tax Authorities have raised demand for ₹ 18,96,071/- for the financial year 2010-11 and ₹ 15,00,753/- for the financial year 2011-12 denying the Company the benefit of concessional tax under "C" Forms, way bills submitted and set off of Input Tax Credit (ITC) / Input VAT Credit against the Central Sales Tax (CST) liability. The Company has preferred an appeal with the appellate authorities based on the validly available ITC and "C" Forms available with the Company. The management is, therefore, reasonably certain that the demand will be reversed and the same shall not have any adverse impact on the financial statements and hence no provision for the same is required to be made in the books of accounts of the Company.

<sup>(iii)</sup> Contingent Liabilities with regard to VAT on Freight & Insurance

Commercial Taxes Anti Evasion Department, Jaipur have communicated the demand of VAT on Freight & Insurance recoverable with interest and penalty vide various orders aggregating to ₹ 1,29,13,097/- for various financial years. The Appellate Authority has allowed the appeal of the Company, partially and for rest of the amount the Company has gone to further appeal with the Tax Board, Rajasthan for relief aggregating to ₹ 58,33,781/- for various financial years.

The Commercial Tax Department, Rajasthan has preferred appeals with Tax Board Rajasthan against the appellate order of Deputy Commissioner, Appeal for deleting penalty aggregating to ₹ 68,43,298/- for various financial years. Based on interpretations of relevant provisions, the company has been advised that the additional demand raised is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	As at	As at
	31st March, 2016 (₹)	31st March, 2015 (₹)
<b>34 Disclosure of the amounts due to the The Micro and Small Enterprises (On the basis of the information &amp; records available with the Management).</b>		
(i) The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier		
*Principal amount	710,819	719,819
*Interest thereon	-	-
(ii) The interest paid by the buyer as above, along with the amount of payments made beyond the appointed date during each accounting year.	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(iv) (iv) The amount of interest accrued and remaining unpaid at the end each accounting year.	-	-
(v) (v) The amount of further interest remaining due and payable even in the succeeding years until such date when the interest dues as above are actually paid to the small/micro enterprise.	-	-
<b>35</b> Previous years figures have been re-grouped / re-arranged wherever considered necessary to conform to current year presentation. Previous years figures are strictly not comparable with the current year figures as the subsidiary was disposed off during the year.		
<b>36 RELATED PARTY DISCLOSURES</b>		
Related party disclosures as required by Accounting Standard (AS-18) on "Related Party Disclosures" notified under Section 133 of the Companies Act, 2013 are as under:		
<b>i) Key Management Personnel</b>		
- Mr. Rajendra Bhutoria		
- Mr. Abhay Bhutoria		
<b>ii) Relatives of Key Management Personnel</b>		
- Mr. Sharad Bhutoria		
<b>iii) Wholly Owned Subsidiary</b>		
- Blue Nile Projects Ltd. - (upto 27-07-2015)		
<b>iv) Subsidiary</b>		
- ABAY Energy Private Limited Company - (upto 27-07-2015)		
<b>v) Enterprises where Key Management Personnel have significant influence.</b>		
- Abhay Transformers Pvt Ltd		
- Bhutoria Agrotech Limited		
- Bhutoria Brothers Limited		
- Bhutoria Investments (P) Limited		
- Bhutoria Properties		
- Bhutoria Transformers & Rectifiers (P) Ltd.		
- BLB Cables & Conductors (P) Ltd.		
- Howrah Warehouse (P) Ltd. (upto 14-03-2016)		
- Kalinga Petrochemicals (P) Ltd. (Upto 03.03.2015)		
- Kalinga Petrochemicals LLP. (w.e.f 04.03.2015)		
- Ladnun Agricultural Farms (P) Ltd.		
- Rajasthan Transformers & Switchgears (P) Ltd.		

**Notes to Financial Statement for the year ended 31st March, 2016**

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>(a) Interest Expenses</b>								
- Abhay Transformers Pvt Ltd	-	-	-	-	-	-	838,330	3,000,707
- Bhutoria Agrotech Limited	-	-	-	-	-	-	241,479	253,130
- Bhutoria Brothers Limited	-	-	-	-	-	-	851,877	4,947,745
- Bhutoria Investments (P) Limited	-	-	-	-	-	-	424,554	703,286
- Bhutoria Transformers & Rectifiers (P) Ltd.	-	-	-	-	-	-	-	46,048
- BLB Cables & Conductors (P) Ltd.	-	-	-	-	-	-	2,037,343	1,049,404
- Howrah Warehouse (P) Ltd	-	-	-	-	-	-	-	104,702
- Kalinga Petrochemicals (P) Ltd.	-	-	-	-	-	-	-	991,613
- Kalinga Petrochemicals LLP.	-	-	-	-	-	-	379,265	81,986
- Ladnun Agricultural Farms (P) Ltd.	-	-	-	-	-	-	328,769	346,552
- Rajasthan Transformers & Switchgears (P) Ltd.	-	-	-	-	-	-	3,168,980	3,095,086
<b>Total (a)</b>	-	-	-	-	-	-	<b>8,270,597</b>	<b>14,620,259</b>
<b>(b) Rent</b>								
- Bhutoria Properties	-	-	-	-	-	-	2,458	2,424
- Bhutoria Transformers & Rectifiers Pvt.Ltd.	-	-	-	-	-	-	396,900	378,000
- Bhutoria Brothers Ltd.	-	-	-	-	-	-	166,000	120,000
<b>Total (b)</b>	-	-	-	-	-	-	<b>565,358</b>	<b>500,424</b>

**Notes to Financial Statement for the year ended 31st March, 2016**

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
<b>(c) Salary &amp; Perks</b>								
- Abhay Bhutoria	1,431,369	1,242,600	-	-	-	-	-	-
- Rajendra Bhutoria	1,008,000	1,008,000	-	-	-	-	-	-
- Sharad Bhutoria	-	-	900,000	672,000	-	-	-	-
<b>Total (c)</b>	<b>2,439,369</b>	<b>2,250,600</b>	<b>900,000</b>	<b>672,000</b>	-	-	-	-
<b>(d) Purchases and Repairs</b>								
Raw Materials								
- Bhutoria Transformers & Rectifiers Pvt. Ltd.	-	-	-	-	-	-	156,642,089	79,744,801
Factory Building Repairing Charges								
- Bhutoria Transformers & Rectifiers Pvt. Ltd.	-	-	-	-	-	-	432,701	-
<b>Total (d)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>157,074,790</b>	<b>79,744,801</b>
<b>(e) Sales</b>								
- ABAY Energy Private Limited Company	-	-	-	52,212,137	17,353,370	-	-	-
<b>Total (e)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52,212,137</b>	<b>17,353,370</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(f) Rental Income</b>								
- Abhay Bhutoria	110,000	90,000	-	-	-	-	-	-
<b>Total (f)</b>	<b>110,000</b>	<b>90,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(g) Short Term Borrowings</b>								
<b>(i) Taken During The Year</b>								
- Abhay Transformers Pvt Ltd	-	-	-	-	-	-	5,560,000	8,875,000
- Bhutoria Agrotech Limited	-	-	-	-	-	-	226,823	260,126
- Bhutoria Brothers Limited	-	-	-	-	-	-	13,900,029	5,236,266

**Notes to Financial Statement for the year ended 31st March, 2016**

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
- Bhutoria Investments (P) Limited	-	-	-	-	-	-	4,100,000	1,502,153
- Bhutoria Transformers & Rectifiers (P) Ltd.	-	-	-	-	-	-	-	3,524
- BLB Cables & Conductors (P) Ltd.	-	-	-	-	-	-	20,480,536	11,214,349
- Howrah Warehouse (P) Ltd.	-	-	-	-	-	-	-	154,542
- Kalinga Petrochemicals (P) Ltd.	-	-	-	-	-	-	-	109,168
- Ladnun Agricultural Farms (P) Ltd.	-	-	-	-	-	-	187,527	150,000
- Rajasthan Transformers & Switchgears (P) Ltd.	-	-	-	-	-	-	28,050,768	12,782,873
<b>Total (g) (i)</b>	-	-	-	-	-	-	<b>72,505,683</b>	<b>40,288,001</b>
<b>Repaid during the year</b>								
- Abhay Bhutoria	-	-	-	-	-	-	-	-
- Abhay Transformers Pvt Ltd	-	-	-	-	-	-	32,434,469	3,733,241
- Bhutoria Agrotech Limited	-	-	-	-	-	-	3,053,788	100,000
- Bhutoria Brothers Limited	-	-	-	-	-	-	54,604,847	24,020,372
- Bhutoria Investments (P) Limited	-	-	-	-	-	-	8,760,412	75,000
- Bhutoria Transformers & Rectifiers (P) Ltd.	-	-	-	-	-	-	41,443	780,000
- BLB Cables & Conductors (P) Ltd.	-	-	-	-	-	-	31,163,734	5,325,000
- Howrah Warehouse (P) Ltd.	-	-	-	-	-	-	1,269,232	50,000
- Kalinga Petrochemicals (P) Ltd.	-	-	-	-	-	-	-	425,000
- Kalinga Petrochemicals LLP	-	-	-	-	-	-	-	-
- Ladnun Agricultural Farms (P) Ltd.	-	-	-	-	-	-	4,032,877	-
- Rajasthan Transformers & Switchgears (P) Ltd.	-	-	-	-	-	-	35,622,475	23,565,000
<b>Total (g) (ii)</b>	-	-	-	-	-	-	<b>170,983,277</b>	<b>58,073,613</b>



**Notes to Financial Statement for the year ended 31st March, 2016**

vi. The following related party transactions were carried out during the year.

Nature of Transaction	Key Management Personnel		Relatives Of Key Management Personnel		Wholly Owned Subsidiary/ Subsidiary		Enterprises Where Key Management Personnel Have Significant Influence	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
(Figures in ₹)								
*(iii) Balance as at year end (Cr.) (Including Interest Accrued on Borrowings) <sup>a</sup>	-	-	-	-	-	-	-	-
- Abhay Transformers Pvt Ltd	-	-	-	-	-	-	754,497	26,790,636
- Bhutoria Agrotech Limited	-	-	-	-	-	-	217,331	2,802,817
- Bhutoria Brothers Limited	-	-	-	-	-	-	-	39,852,941
- Bhutoria Investments (P) Limited	-	-	-	-	-	-	4,132,099	8,367,957
- Bhutoria Transformers & Rectifiers (P) Ltd.	-	-	-	-	-	-	-	41,443
- BLB Cables & Conductors (P) Ltd.	-	-	-	-	-	-	10,073,609	18,719,464
- Howrah Warehouse (P) Ltd	-	-	-	-	-	-	-	1,269,232
- Kalinga Petrochemicals LLP	-	-	-	-	-	-	-	12,841,239
- Ladnun Agricultural Farms (P) Ltd.	-	-	-	-	-	-	795,892	4,312,473
- Rajasthan Transformers & Switchgears (P) Ltd.	-	-	-	-	-	-	26,652,082	29,785,577
<b>Total (g) (iii)</b>	-	-	-	-	-	-	<b>42,625,510</b>	<b>144,783,779</b>
<b>(h) Trade Payables - Balance As At Year End (Cr.)</b>								
- Bhutoria Transformers & Rectifiers Pvt. Ltd.	-	-	-	-	-	-	22,304,751	2,596,236
<b>Total (h)</b>	-	-	-	-	-	-	<b>22,304,751</b>	<b>2,596,236</b>
<b>(i) Trade Receivable - Balance As At Year End (Dr.)</b>								
-ABAY Energy Private Limited Company	-	-	-	-	14,705	63,065	-	-
<b>Total (i)</b>	-	-	-	-	<b>14,705</b>	<b>63,065</b>	-	-

**Notes to Financial Statement for the year ended 31st March, 2016**

Particulars	2015-16 (₹)	2014-15 (₹)
<b>37 EMPLOYEE BENEFITS :</b>		
<b>Post Retirement Benefits :</b>		
Defined Contribution Plans		
The Company has recognised the following amounts in the Statement of Profit and Loss for the year:		
Contribution to Employees' Provident & Family Pension Funds	1,282,302	1,117,032
<b>Defined Benefit Plans - Gratuity</b>		
<b>Changes in the Present Value of Obligation</b>		
- Present Value of Obligation as at 1st April, 2015	6,023,411	5,504,168
- Interest Cost	466,814	495,375
- Employer Service Cost		
- Current Service Cost	554,190	424,509
- Curtailment Cost/(Credit)	-	-
- Settlement Cost/(Credit)	-	-
- Benefits Paid	(1,096,803)	(1,009,509)
- Actuarial (Gain)/Loss	1,176,479	608,868
- Present Value of Obligation as at 31st March, 2016	<u>7,124,091</u>	<u>6,023,411</u>
<b>Changes in the Fair value of Plan Assets</b>		
- Present Value of Plan Assets as at 1st April, 2015	N.A., as	N.A., as
- Expected Return on Plan Assets	Gratuity benefit	Gratuity benefit
- Actuarial Gain/(Loss)	is not funded.	is not funded.
- Employers' Contributions		
- Employees' Contributions		
- Benefits Paid		
- Fair Value of Plan Assets as at 31st March, 2016		
<b>Amount recognised in the Balance Sheet including a reconciliation of the Present Value of Defined Benefit Obligation and the Fair Value of Assets</b>		
- Present Value of Funded Obligation as at 31st March, 2016	-	-
- Fair Value of Plan Assets as at 31st March, 2016	-	-
- Funded (Asset)/Liability recognised in the Balance Sheet	-	-
- Present Value of Unfunded Obligation as at 31st March, 2016	7,124,091	6,023,411
- Unrecognised Past Service Cost	-	-
- Unrecognised Actuarial (Gains)/Losses	-	-
- Unfunded Net Liability recognised in the Balance Sheet	<u>7,124,091</u>	<u>6,023,411</u>

**Notes to Financial Statement for the year ended 31st March, 2016**

<b>Particulars</b>	<b>2015-16 (₹)</b>	<b>2014-15 (₹)</b>
<b>Expenses recognised in the Statement of Profit and Loss</b>		
- Current Service Cost	554,190	424,509
- Past Service Cost	-	-
- Interest Cost	466,814	495,375
- Expected Return on Plan Assets	-	-
- Curtailment Cost/(Credit)	-	-
- Settlement Cost/(Credit)	-	-
- Net actuarial (Gain)/Loss	1,176,479	608,868
- Employees' Contribution	-	-
- Total Expenses recognised in the Statement of Profit and Loss	<b>2,197,483</b>	<b>1,528,752</b>
Percentage of each Category of Plan Assets to total Fair Value of Plan Assets as at 31st March, 2016	<b>N.A.</b>	<b>N.A.</b>
- Government of India Securities		
- Corporate Bonds		
- Special Deposit Scheme		
- Equity Shares of Listed Companies		
- Property		
- Insurer Managed Funds		
- Others		
The Actual Return on Plan Assets is as follows (₹)		
- Actual return on plan assets	<b>N.A.</b>	<b>N.A.</b>
<b>Following are the Principal Actuarial Assumptions used as at the Balance Sheet date:</b>		
- Interest Rate	-	-
- Discount Rate	7.65%	7.75%
- Expected Rate of Return on Plan Assets	NA	NA
- Salary Escalation Rate	5.00%	5.00%
<b>The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.</b>		
Retirement age - 58 years		

**Notes to Financial Statement for the year ended 31st March, 2016**

Name of the Entity	Net Assets, i.e, Total assets minus total liabilities		Share in Profit and Loss	
	As % of consolidated net assets	Amount (₹)	As % of consolidated profit and loss	Amount (₹)
<b>38 Additional Information required by Schedule III to the Companies Act, 2013:</b>				
Subsidiary (Foreign)				
1. Blue Nile Projects Limited	0.00%	-	-1.39%	(217,600)
2. ABAY Energy PLC	0.00%	-	23.86%	3,723,461
Minority Interest in Subsidiary	0.00%	-	0.00%	-
<b>Name of Subsidiaries</b>	<b>Blue Nile Projects Limited (In \$)</b>	<b>Blue Nile Projects Limited (In INR)</b>	<b>Abay Energy PLC (In Birr)</b>	<b>Abay Energy PLC (In INR)</b>
<b>39 Additional Statement containing salient features of the financial statements of subsidiaries (Pursuant to proviso to sub-section (3) of Section 129 of the Act.)</b>				
Share Capital	-	-	-	-
Reserve & Surplus	-	-	-	-
Total Assets	-	-	-	-
Total Liabilities	-	-	-	-
Investments	-	-	-	-
Turnover	-	-	5,749,112	17,931,738
Profit Before Tax	(3,400)	(217,600)	1,192,509	3,723,461
Provision For Taxation	-	-	-	-
Profit after Tax	(3,400)	(217,600)	1,192,509	3,723,461
Proposed Dividend	-	-	-	-
% of Shareholding	0.00%	0.00%	0.00%	0.00%



## Notes to Financial Statement for the year ended 31st March, 2016

## 40 Segment Reporting

The Company has identified three reportable segments i.e. Transformers, Cable Conductors and Wind Energy.

Particulars	Transformers		Cable Conductor		Wind Energy		Unlocated		Total
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	
<b>Segment Revenue:</b>									
External Turnover	1,505,228,790	1,700,259,102	66,568,263	198,792,498	11,234,954	6,680,127	-	-	1,983,033,007
Inter Segment Turnover	-	-	-	-	-	-	-	-	-
Gross Turnover	1,505,228,790	1,700,259,102	66,568,263	198,792,498	11,234,954	6,680,127	-	-	1,983,033,007
Less: Excise Duty	141,601,608	154,558,177	7,742,122	19,082,659	-	-	-	-	149,343,290
Net Turnover	1,363,627,182	1,545,700,925	58,827,141	179,709,839	11,234,954	6,680,127	-	-	1,433,689,277
Segment Result before interest, non recurring item and taxes	91,263,093	136,761,984	1,985,075	15,396,662	6,074,194	(64,199)	(37,816,953)	(30,145,315)	61,268,409
Less: Interest Expense	-	-	-	-	-	-	(73,300,539)	(110,222,747)	(73,300,539)
Add: Interest Income	-	-	-	-	-	-	18,694,261	8,592,678	18,694,261
Add: Exceptional Item	-	-	-	-	-	-	14,776,669	-	14,776,669
Less: Non recurring item	-	-	-	-	-	-	-	1,881,679	-
Profit before tax	-	-	-	-	-	-	5,855,000	6,212,000	5,855,000
Less: Tax Expenses	-	-	-	-	-	-	-	-	-
Profit After Tax	-	-	-	-	-	-	-	-	-
Less: Share of Profit of Minority	-	-	-	-	-	-	-	-	-
Profit / (Loss) for the year	-	-	-	-	-	-	-	-	-
Other information:									
Segment Assets	989,105,895	1,358,844,970	52,411,735	178,100,219	53,540,854	47,785,591	-	-	1,075,058,484
Add: Unlocated Assets	-	-	-	-	-	-	102,260,140	186,947,161	102,260,140
Total Assets	989,105,895	1,358,844,970	52,411,735	178,100,219	53,540,854	47,785,591	102,260,140	186,947,161	1,177,3,63,24
Segment Liabilities	349,412,157	801,373,105	13,951,085	95,829,952	6,394,042	10,498,669	-	-	365,727,284
Add: Unlocated Liabilities	-	-	-	-	-	-	285,376,659	412,021,816	285,376,659
Total Liabilities	349,412,157	801,373,105	13,951,085	95,829,952	6,394,042	10,498,669	285,376,659	412,021,816	651,103,943
Capital Expenditure	5,457,741	34,017,557	294,940	-	-	-	171,680	6,618,587	5,924,361
Depreciation	8,286,721	11,360,400	2,793,089	1,258,248	3,971,739	4,523,433	620,352	1,013,416	13,18,723,249
Non-Cash Expenses other than depreciation	-	-	-	-	-	-	-	-	-
- Sundry Balances w/off	-	42,113	-	-	-	-	-	-	-

As per our Report of even date.

For A.C. Bhutoria & Co.

Chartered Accountants

Firm Registration No. : 303108E

Rahul Sethia

Partner

Membership No. : 303931

2 India Exchange Place

Kolkata - 700 001

Date : 30th May, 2016

J. Biswas

Company Secretary

Mukesh Jain

Chief Financial Officer

R. Bhutoria

Vice Chairman &  
Whole Time Director

Abhay Bhutoria

Managing Director

S.S.Jain

Chairman



## Route Map to Venue of AGM



**Full Address :**

Lindsay Hotel, 8A & 8B, Lindsay Street  
Kolkata - 700 087  
Landmark : Opposite to New Market, Kolkata

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**RTS POWER CORPORATION LIMITED**

Registered Office : 56 Netaji Subhas Road, 2nd Floor, Kolkata - 700001  
Phone : (033) 2242-6025/6054, Fax : (033) 2242-6732  
E-mail ID : headoffice@rtspower.com, Website : www.rtspower.com  
CIN : L17232WB1947PLC016105

**ATTENDANCE SLIP**

**68th Annual General Meeting - 29th September, 2016**

Serial No		Client Id No/DP Id No	
Folio No		No of Shares	
Name		E Mail Id	
Address			

I hereby record my presence at the Sixty Eighth Annual General Meeting of the Members of RTS Power Corporation Limited held on Thursday, 29th September, 2016 at 10.00 A.M at Hotel Lindsay, 8A & 8B Lindsay Street, Kolkata 700087

.....  
*Name of Proxy (in Block Letters)*

.....  
*Member's/Proxy's Signature*

**Notes:**

1. Members/Proxy holders are requested to bring this Slip with them when they come to the Meeting and hand it over at the entrance of the Meeting Hall duly signed.
2. Please bring your copy of the Annual Report at the Meeting





**RTS POWER CORPORATION LIMITED**

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E-mail ID : headoffice@rtspower.com, Website : www.rtspower.com

CIN : L17232WB1947PLC016105

**PROXY FORM****68th Annual General Meeting - 29th September, 2016****Form No. 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 No
DPID

I/We, being the Member(s) of.....Shares of the above named Company, hereby appoint

- Name : \_\_\_\_\_ Signature : ..... or failing him;  
Address : \_\_\_\_\_  
E Mail Id : \_\_\_\_\_
- Name : \_\_\_\_\_ Signature : ..... or failing him;  
Address : \_\_\_\_\_  
E Mail Id : \_\_\_\_\_
- Name : \_\_\_\_\_ Signature : .....  
Address : \_\_\_\_\_  
E Mail Id : \_\_\_\_\_

as my/our Proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the Sixty Eighth Annual General Meeting of the Company to be held on Thursday, the 29th day of September, 2016 at 10.00 A.M at Hotel Lindsay, 8A & 8B Lindsay Street, Kolkata-700087 and at any adjournment thereof in respect of such Resolutions as are indicated below :

Resolution No	Resolution Proposed	Please tick (✓)
1	Consideration and adoption of the audited Financial Statements of the Company, the Reports of the Board of Directors and Auditors thereon and the audited Consolidated Financial Statements of the Company and the Report of the Auditors thereon for the Financial Year ended March 31, 2016.	
2	Appointment of Sri Rajendra Bhutoria (DIN 00013637) as a Director of the Company who retires by rotation	
3	Ratification of re-appointment of M/s. A.C.Bhuteria & Co as statutory Auditors of the Company and fixation of their remuneration	
4	Ratification of re-appointment of M/s Jain Shrimal & Co as Branch Auditors of the Company and fixation of their remuneration	
5	Ratification of remuneration payable to M/s K G Goyal & Associates as Cost Auditors of the Company for the Financial Year ended March 31, 2017	
6	Authorising Board of Directors of the Company for contribution to bonafide charitable and other funds	

Signed this ..... day of ..... 2016

Signature of Shareholder : .....

Signature of Proxy holder(s) : .....

Affix Revenue Stamp
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**Note: (i) 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.**

**(ii) A Shareholder may vote either for or against each Resolution as mentioned hereinabove**





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If undelivered, please return to:



**RTS POWER CORPORATION LTD.**

Registered Office: #56, Netaji Subhas Road (2nd Floor), Kolkata - 700001  
Phone: (033)2242-6025 | Fax: (033)2242-6732 | Email: [headoffice@rtspower.com](mailto:headoffice@rtspower.com)