

S. E. POWER LIMITED

PHOENIX
RUBBER REBORN



ANNUAL REPORT

2016-17



Corporate Information

Board of Directors

Dr. Arun Gopal Agarwal, Chairman
Mr. Ravindra Agrawal, Managing Director
Mr. DharamVir Gupta, Independent Director
Mrs. Anshu Gupta, Independent Director
Mr. Diwan Chand Arya, Independent Director

Chief Financial Officer

Hemant Kumar Jain

Company Secretary

Lipika Garg

Statutory Auditor

M/s R. Lal and Company
Chartered Accountants

Bankers

Andhra Bank

CIN

L40106GJ2010PLC091880

Registered Office

Survey No. 54/B, Pratapnagar,
Jarod-Savli Road, Samlaya
Vadodara-391520 (Gujarat)

Website & E-Mail

www.sepower.in
www.phoenixrubberreborn.com
info@sepower.in

Registrar and Share Transfer Agent

Alankit Assignments Limited
Alankit Heights, 1E/13, Jhandewalan
Extension, New Delhi – 110055

Listing of Equity Shares

i) National Stock Exchange of India Limited
ii) BSE Limited

7th Annual General Meeting

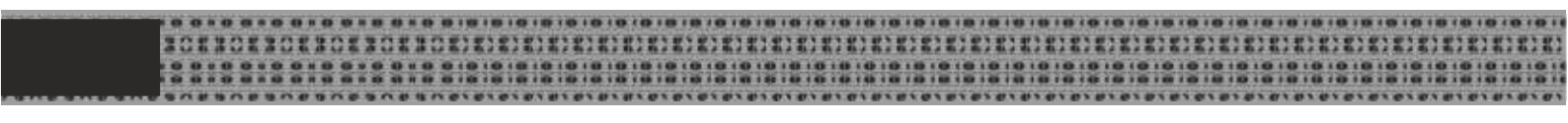
15th September, 2017 at 10:30 AM
at Registered Office of the Company

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**NOTICE OF THE
7TH ANNUAL
GENERAL MEETING**



NOTICE OF THE 7TH ANNUAL GENERAL MEETING

Notice is hereby given that the 7th Annual General Meeting of Members of S. E. Power Limited will be held on Friday, 15th day of September, 2017 at 10:30 A.M. at Survey No. 54/B, Pratapnagar, Jarod-Savli Road, Samlaya Vadodara-391520 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Financial Statements

To consider and adopt Standalone and Consolidated Financial Statements of the Company for the year ended 31st March, 2017 including the audited Balance Sheet as on 31st March, 2017, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.

Item No. 2 – Re-appointment of Director

To appoint a Director in place of Dr. Arun Gopal Agarwal (holding DIN 00374421), who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 3 – Ratification of Appointment of Auditors

To Ratify the appointment of M/s R. Lal and Company, Chartered Accountants, as statutory Auditors and to fix their remuneration.

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

“RESOLVED THAT in accordance with the provisions of Sections 139, 142 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of M/s R. Lal and Company Chartered Accountants (Firm Registration No. 000926C), who was appointed as auditors of the Company in the 6th Annual General Meeting of the Members of the Company held on 20th September, 2016, until the conclusion of 11th Annual General Meeting of the Company, be and is hereby ratified for the financial year 2017-2018 and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31st March, 2018 as may be determined by the audit committee in consultation with the auditors.

Place : New Delhi
Date : 08th August, 2017

By Order of the Board of
S. E. Power Limited

Sd/-
(LIPIKA GARG)
Company Secretary
Membership No.: A43789

NOTES

1. The required details as per Regulation 36 (3) of SEBI (LODR) Regulations, 2015 and Secretarial Standard issued under Companies Act, 2013, of persons seeking appointment/re-appointment as Directors under item no. 2 of the Notice, are also annexed.
2. A Member entitled to attend and vote at the Annual General Meeting (“the meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and the proxy need not be a Member of the Company. The instrument appointing proxy in order to be effective, should be duly completed, stamped and signed and must be deposited at the Registered Office of the Company not less than Forty-Eight Hours before the scheduled time for commencement of the meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting right. In case a proxy is proposed to be appointed by a Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights then such proxy shall not act as a proxy for any other person or member.
4. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members/ Proxies attending the meeting are requested to bring with them the Attendance Slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of place of the meeting. Proxy/Representative of a Member should mark on the Attendance Slip as “Proxy” or “Representative” as the case may be. Members holding shares in electronic form and desirous of attending the meeting are required to bring along with them Client ID and DP ID Numbers for easy identification.
6. In case of Joint holders attending the meeting, only such joint holder whose name appears first in the order of names, will be entitled to vote.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 09th September, 2017 to 15th September, 2017 (both days inclusive).
8. Members desirous of getting any information on the Financial Statements at the Annual General Meeting are requested to write to the Company at least 10 days in advance, so as to enable Company to keep the information ready.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their Bank account details, Electronic Clearing Services (ECS) mandates, nominations, power of attorney, change of address, name, e-mail address, contact numbers etc. to their Depository Participant (DP) only and not to the Company's Registrar & Share Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its Registrar & Share Transfer Agent to provide efficient and better service to the Members.
10. Members holding shares in physical form are requested to intimate all changes in their particulars including nominations, power of attorney, change of address, name, e-mail address, contact numbers etc. to the Registrar & Share Transfer Agent of the Company, quoting their registered folio number.
11. The Securities and Exchange Board of India (SEBI) has notified that the shareholders/transferee(s) of shares (including joint holders) holding shares in physical form are required to furnish a certified copy of their PAN card to the Company / RTA for transactions in the securities market including transfer, transmission or any other corporate action. Accordingly, all the shareholders / transferee(s) of shares (including joint holders) are requested to furnish a certified copy of their PAN card to the Company/ RTA while transaction in the securities market including transfer, transmission or any other corporate action.
12. All documents referred to in the Notice requiring the approval of the Members at the meeting shall be available for inspection by the Members at the Registered Office of the Company, on all working days between 11:00 a.m. to 1:00 p.m., except Sundays and public holidays, from the date hereof up to the date of the 7th Annual General Meeting of the Company.

13. As per Section 72 of the Act, Members are entitled to make nomination in respect of shares held by them. Members desirous of making nomination are requested to send their request in Form No. SH 13 to the Company or Registrar and Share Transfer Agent. The form SH 13 will be made available to Member(s) on request.
14. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General meeting. Members are requested to bring their copies to the meeting.
15. Notice of this Annual General Meeting, Audited Financial Statements for the financial year 2016-17 along with Auditors' Report and Directors' Report are available on the website of the Company www.sepower.in
16. All communication relating to shares are to be addressed to the Company's Registrar and Share Transfer Agent, M/s Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi - 110055.
17. Provisions of Companies Act, 2013 and Green initiative in Corporate Governance, allowed Companies to give notice and share documents with its Members through electronic mode. Accordingly, the Company sends notice and communication, in electronic form to all its Members whose email ids are registered with the Company/ Depository Participant. Members are requested to support this green initiative by registering /updating their email addresses, in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form, with Alankit Assignments Ltd., Company's Registrar and Share Transfer Agent.
18. Voting through electronic means:
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide to its Members the facility to exercise their right to vote on resolutions proposed to be considered at the 7th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-Voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 12th September, 2017 (9:00 am) and ends on 14th September, 2017 (5:00 pm). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 08th September, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting is as under:
 - A. In case a Member receives an email from NSDL [for Members whose email IDs are registered with the Company/Depository Participants(s)] :
 - i. Open email and open PDF file viz; "SEPOWER remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on Shareholder – Login

- iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - vi. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vii. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - viii. Select “EVEN” of “S. E. Power Limited”.
 - ix. Now you are ready for remote e-voting as Cast Vote page opens.
 - x. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - xi. Upon confirmation, the message “Vote cast successfully” will be displayed.
 - xii. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xiii. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to sepower.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for Members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- i. Initial password is provided as below at the bottom of the attendance slip/ separate sheet attached with Annual Report.

EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - ii. Please follow all steps from Sl. No. ii to Sl. No. xiii above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 08th September, 2017.
- X. Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 08th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or jksingla@alankit.com.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A Member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. CS Satish Kumar Jadon, Practicing Company Secretary (Membership No. 23580) has been appointed as the Scrutinizer for providing facility to the Members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of “Ballot Paper” for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the web site of the Company “<http://www.sepower.in>” and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

DETAILS OF DIRECTORS
SEEKING APPOINTMENT/ RE-APPOINTMENT
AT THE FORTHCOMING ANNUAL GENERAL MEETING

(In pursuant to Secretarial Standard issued under the Companies Act, 2013 and Regulation 36 of SEBI (LODR) Regulations, 2015)

Name of director	Dr. Arun Gopal Agarwal	
DIN	00374421	
Date of Birth	2 nd March, 1946	
Age	Aged about 70 Years	
Date of Appointment	4 th August, 2011	
Qualification	CS, CWA, Ph. D (Commerce)	
Expertise in Specific Functional Areas / Experience	Key areas of his expertise include commercial arbitrations, management, accounting, financial management including budgetary controls, cost accounting and internal audit. He is also fellow member of the Management Association and Arbitration Council of India.	
Designation (at which appointment to be made)	Non-Executive Director	
Shareholding in the Company as on the date of this Notice	98 equity shares of Rs. 10 each	
Shareholding of Non Executive Directors in the Company as on the date of this Notice	Nil	
List of other companies in which directorship held on the date of this Notice	<ol style="list-style-type: none"> 1. S. E. Investments Limited 2. Bloom Inn Private Limited 3. Value Plus Centre Of Excellence Private Limited 4. Agarwal Meadows Private Limited 5. Shubham Electrochem Limited 6. R N R Infosolution Private Limited 	
Chairman/ Member of the Committees of the Board across all other public Companies of which he is a Director as on the date of this Notice	S. E. Investments Limited :-	
	I. Nomination & Remuneration Committee	Member
	II. Stakeholders Relationship Committee	Chairman
	III. Corporate Social Responsibility Committee	Member
Relationships between Directors inter-se	Nil	
Remuneration	No remuneration paid or proposed to be paid.	

BOARD'S REPORT

Dear Members

The Directors are pleased to present 7th Board's Report of the Company along with the Audited Financial Statements of the Company for the financial year ended 31st March, 2017.

Financial Results

The financial results of the Company for the year 2016-17 is summarized in the following table as compared to that of previous year:

(Figures In Lakhs)

Particulars	Year Ended on 31 st March, 2017	Year Ended on 31 st March, 2016
Revenue from Operations	1251.52	949.01
Other Income	7.18	10.53
Total Revenue	1258.71	959.54
Less: Expenditure	1390.36	889.10
Profit before Financial Cost, Depreciation and Tax	(131.66)	70.44
Less: Financial Cost	102.82	44.21
Less: Depreciation and amortization	401.31	395.58
Profit/Loss before Tax (PBT)	(635.79)	(369.35)
Less: Tax Expenses	195.19	122.12
Profit/Loss after Tax(PAT)	(440.60)	(247.23)
Balance carried to Balance Sheet	(1143.59)	(702.99)

Summary of Performance

During the year 2016-17 the Company has reported growth of 31.88 % in revenue from operations as compared to the previous financial year 2015-16. During the financial year the total revenue of the Company stood at Rs. 1251.52 Lakhs. However, due to challenging business environment for reclaim rubber industry and increase in cost of operations, the Company has suffered Loss of Rs. 440.60 Lakhs during financial year 2016-17.

Management of the Company believes that business environment will change and the Company will come with better and positive results in upcoming years.

Dividend

In the financial year under review, Company has not earned profit, therefore, the Board of Directors regret their inability to recommend any dividend for the year.

Fixed Deposits

Company has not accepted any public deposits within the meaning of Section 73 of Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and as such no amount of principal or interest on public deposits was outstanding as on the date of balance sheet.

Board of Directors and Key Managerial Personnel

In accordance with the provisions of Companies Act, 2013 and as per Articles of Association of the Company Dr. Arun Gopal Agarwal, Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment.

On 24th January, 2017 Mr. Manendra Singh and Mr. Nikhil Bansal ceased to be the Company Secretary and Chief Financial Officer (CFO) of the Company respectively due to their resignation from the post and Ms. Lipika Garg and Mr. Hemant Kumar Jain have been appointed as the Company Secretary and Chief Financial Officer (CFO) of the Company respectively by the Board of Directors w. e. f. 25th January, 2017.

None of the Directors of the Company is disqualified under Section 164 of the Companies Act, 2013.

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting, as required under clause 36 of SEBI (LODR) Regulations, 2015, is enclosed with the notice of Annual General Meeting.

Criteria for Board Membership of the Company

For the appointment of Directors, the Company take into account following points:

Director must have relevant experience in Finance/ Law/ Management/ Sales/ Marketing/Administration/ Research/ Corporate Governance/ Technical Operations or the other disciplines related to Company's business.

- Director should possess the highest personal and professional ethics, integrity and values.
- Director must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.
- Director must be fit and proper person.

Independent Director

Independent Director is a Non-Executive Director, who does not have any direct or indirect material pecuniary relationship with the Company or any of its officers, other than as a Director or Shareholder of Company. Independent Director shall abide by the Code of Conduct as prescribed under Schedule IV of the Companies Act, 2013.

Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and Regulation 25 of SEBI (LODR) Regulations, 2015.

Mr. Dharam Vir Gupta, Mrs. Anshu Gupta and Mr. Diwan Chand Arya are Independent Directors on the Board of the Company. In the opinion of the Board and as declaration submitted by these Directors under Section 149 (7) of Companies Act, 2015, they comply with all the criteria of Independent Director as envisaged in Section 149(6) the Companies Act, 2013 and Regulation 25 SEBI (LODR) Regulations, 2015.

Familiarization Programme for Independent Directors

Every new Independent Director of the Board attends an orientation program, which is to familiarize the new Non-Executive Director with the strategy, operations and functions of the Company. The Executive Directors / Senior Managerial Personnel conduct meetings with the Non-Executive Directors to make them understand the Company's strategy, operations, product and organization structure, human resources, facilities and risk management. Through meetings and interaction among Senior Managements and Non- Executive Directors and Independent Directors, Company has made its best effort to ensure that the Non- Executive Directors understand their roles, rights, responsibilities in the Company.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as an Independent Director. The format of the letter of appointment is available on Company's website.

Directors' Responsibility Statement

Pursuant to the requirement of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 (the Act), your Directors confirm that:

- a) in the preparation of the annual accounts for the financial year 2016-17, the applicable accounting standards had been followed and there are no material departure from the same;
- b) the Directors has 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 at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Company's Policy on Directors' Appointment and Remuneration

Company has constituted Nomination and Remuneration Committee as required under Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015, which inter-alia has recommended and formulated a Remuneration Policy ("the policy").

The Policy is framed in accordance with the provisions of Companies Act, 2013 and listing Regulations. In case of any subsequent changes in the provisions of Companies Act, 2013 and Listing Regulations which makes any of the provisions of the policy inconsistent with the Act or regulations, the provisions of the Act or regulation shall prevail over the policy.

The objective of the policy is to provide criteria for appointment of Directors viz. experience, qualification, positive attributes understanding of the Company's business and social perspective, personal achievements and Board diversity. The Policy also contained the provisions to ensure that Executive Directors, KMP and other employees are sufficiently compensated for their performance. Under the Policy, Nomination and Remuneration Committee is entrusted with the responsibility to evaluate the various aspects relating to recommend the appointment and remuneration of the Directors of the Company.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals. Independent Non-Executive Directors shall be entitled for sitting fees, reimbursement of expenses, paid for attending the meeting of the Board and Board Committees and commission as approved by the Board or/and shareholders.

The remuneration of employees largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and other benefits are paid according to the Company policy, subject to prescribed statutory ceiling. The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience /merits, performance of each employee.

Board Evaluation

The Companies Act, 2013 states that formal annual evaluation required to be made by Board of its own performance and that of its Committees and individual Directors and Schedule IV of the Companies Act, 2013 states that the performance of Independent Directors shall be evaluated by the entire Board of Directors, excluding the Director being evaluated. Further, listing regulations also mandates that the Board shall monitor and review the Board evaluation framework.

Accordingly, the Board in consultation with the Nomination and Remuneration Committee, has set the criteria for evaluation of performance of Executive/Non-Executive/Independent Directors. Such criteria provides that the evaluation of performance of Board as whole, its Committees and Directors shall be carried out on annual basis and the Board may avail services of independent consultant to facilitate it for evaluating the performance of directors individually or collectively.

During the year, evaluation of performance of all the Directors and the Board as a whole and its Committees was conducted based on criteria set in this regard. The Evaluation process focused on various aspect of the Board and Committees functioning such as composition of the Board and Committees, competencies and experiences, performance of duties and obligation assigned etc. A separate process was also carried out to evaluate the performance of individual Director on the criteria such as contribution in decision making, governance issue, independent judgment, experience and presence in the meetings of Board and Committees. The results of evaluations were satisfactory. In addition to above evaluation, the performance of Non-Independent Directors, performance of Board as a Whole, performance of Chairman of the Company have also been reviewed by Independent Directors in their separate meeting held on 14th March, 2017 in terms of provisions of Schedule IV of the Companies Act, 2013 and Listing Regulations.

Subsidiary Company

The Company owned hundred percent shares of M/s Shubham Electrochem Limited (Wholly Owned Subsidiary Company). At the year ended 31st March, 2017, the turnover of M/s Shubham Electrochem Limited stood at Rs. 10.55 Lakhs. During the reporting period Subsidiary Company reported profit before tax of Rs. 2.48 Lakhs.

Statutory Auditor and Audit Report

In terms of Section 139 of the Companies Act, 2013, M/s R. Lal and Company, Chartered Accountants, has been appointed as Statutory Auditor of the Company in 6th Annual General Meeting of the Company up to the conclusion of 11th Annual General Meeting of the Company subject to annual ratification. Accordingly, Board of Directors recommends the ratification for appointment of Statutory Auditor being eligible to continue as Statutory Auditor for financial year 2017-18.

The observations of Statutory Auditor and Secretarial Auditor in their reports read with notes thereto are self-explanatory and do not call for any further explanation. The Auditors of the Company have not given any adverse remark or disclaimer in their reports.

The report of the Statutory Auditors and Secretarial Auditors are enclosed to this report.

Secretarial Auditor and Secretarial Audit Report

As stipulated in the Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Secretarial Audit for the financial year 2016-17 has been carried out by a qualified Practicing Company Secretary and submitted Secretarial Audit Report on the compliance of applicable Acts, Rules, Regulations, Guidelines, Standards etc. The Secretarial Audit Report is enclosed to this Annual Report as an integral part of this report. The findings of Secretarial Audit are satisfactory and do not call for any further explanation.

Internal Financial Controls

Internal Financial Control System is an integral component of the Risk Management System of the Company. The internal financial control policies and internal audit program adopted by the Company plays an important role in safeguarding the Company's assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Board has adopted procedures for ensuring the orderly and efficient conduct of its business, including risk management feedback loop, in which the information generated in the internal control process is reported back to Board and Management.

A firm of Competent Chartered Accountants has been engaged by the Company for conducting internal audit, to examine and evaluate the adequacy and effectiveness of internal financial control system of the Company. The Audit Committee of Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken.

The Audit Committee of Board of Directors actively review the adequacy and effectiveness of internal financial control system and suggests improvements for strengthening them. Internal Financial Control System of the Company are adequate with the respect to the operations of the Company.

Particulars of Contracts or Arrangements with Related Parties

During the year under the review, there were no materially significant related party transactions which could have had a potential conflict with the interests of the Company. Transactions with related parties are in the ordinary course of business on arm's length basis and do not attract the provisions of Section 188(1) of the Companies Act, 2013. The related party transactions were periodically placed before the Audit Committee and/or Board for its approvals or review as and when required. The policy on Material Related Party Transactions is available on the Company's website.

Credit Rating

CARE BB+ and CARE A4 rating has been assigned by Credit Analysis & Research Ltd. (CARE Ratings) to the Company for Long Term Bank Facilities and Short Term Bank Facilities respectively.

Particulars of Employees

In accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 information regarding employees is annexed as Annexure-A to this report.

Extracts of Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, Extracts of Annual Return in the prescribed form MGT-9 is annexed as an integral part of this report as Annexure-B.

Meetings of the Board of Directors

During the financial year under review Five (5) meetings of the Board of Directors were duly convened, details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars pursuant to Section 134(3)(m) of Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 to the extent applicable are as under:

(A) Conservation of energy-

- i. Company has been continually working on energy conservation and has taken and implemented various measures towards this in production, domestic lightning and cooling facilities. Company has installed significant numbers of powerless turbo ventilators in the entire working shed for ventilation using 'zero' power. Building have been designed for ingress of adequate natural light thus requiring no artificial lightning during the day time. Many provisions have been made in various machines for consuming energy, during processing line losses has been maintained close to 'zero' by adequate design of cables and other systems.
- ii. No step has been taken by the Company for utilization of alternate source of energy. However, Company at its non-conventional energy division generate electricity by wind energy and transfer the same to power grids.
- iii. Company has invested Rupees Three Lakhs on proposals for power generation for captive consumption at its reclaim rubber plant through solar route.

(B) Technology absorption-

I.	The efforts made towards technology absorption	:	It's a continual process and the drive for reaching and adapting new technology is always under progress.
II.	The benefits derived like production improvement, cost reduction, product development or import substitution	:	Performance improvement is a continual process with respect to productivity, delivery, quantity cost and safety. Company is regularly following this and each department has set its own objective for performance improvement, which is closely monitored and regulated. With continued improvement in technology our production rate has been improved.
III.	In case imported technology (imported during last 3 years reckoned from the beginning of the financial year)-		
(a)	The details of technology imported	:	Company is using imported machines in its reclaimed rubber division.
(b)	The year of import	:	2013
(c)	Whether technology been fully absorbed	:	Yes
(d)	Research and developments	:	The company seeks regular technical support from experts in this field and undertake appropriate R&D activities depending upon future requirements.

(C) Foreign exchange earnings and Outgo-

The details of the foreign exchange exposure during the period under review are as under:

(Amount In Lakhs)

Particulars	Current Year	Previous Year
Total Foreign Exchange Earnings	Nil	Nil
Total Foreign Exchange Outgo	5.86	1.71

Vigil Mechanism/ Whistle Blower Policy

Pursuant to the requirement of the Companies Act, 2013, the Company has established vigil mechanism/whistle blower policy. Section 177 of the Companies Act, 2013 which inter-alia provides for a requirement to establish a mechanism for all the Directors and employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

Accordingly, the Mechanism is established to provide adequate safeguards against victimization of persons who use such mechanisms. Whistle blower Policy is available on Company's website.

Prevention of Sexual Harassment at Workplace

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. The Directors of the Company state that during the year under review there was no case filed pursuant to sexual harassment of woman at workplace (Prevention, Prohibition and Redressal) Act, 2013.

Material Changes and Commitments

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

Statutory Orders

No significant and material orders were passed by Courts, Tribunals and other Regulatory Authorities affecting the going concern status of the Company's operations.

Management Discussion and Analysis Report

In terms of Regulation 34 of SEBI (LODR) Regulations, 2015, Management Discussions and Analysis Report is appended to this Board's Report as Annexure-C.

Corporate Governance

The Company is committed to maintain the good standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company continues to benchmark its corporate governance policies in its true sense. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this report as Annexure-D. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is annexed to the report on Corporate Governance.

Acknowledgements

We place on record our appreciation to employees at all level for their contribution, dedication and commitment. The Board take this opportunity to thank all Investors, Clients, Vendors, Banks, Government and Regulatory Authorities for their support, and look forward for their continued support in the future.

Place : New Delhi
Date : 08th August, 2017

For and on behalf of the Board of
S. E. Power Limited

Sd/-
(DR. ARUN GOPAL AGARWAL)
Chairman
DIN : 00374421

REMUNERATION OF DIRECTORS/EMPLOYEES

[Disclosure as per Section 197(12) of the Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

S. No.	Details	Mr. Ravindra Agrawal (MD)	Mr. Nikhil Bansal (CFO)	Mr. Hemant Jain (CFO)	Mr. Manendra Singh (CS)	Ms. Lipika Garg (CS)
1.	Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	19.63:1	3.86:1	1.20:1	4.87:1	0.39:1
2.	Percentage increase in remuneration of each director, CFO, CEO, Company Secretary or Manager, if any, in financial year	416.92%	18.46%	-	13.28%	-
3.	Percentage increase in the median remuneration of employees in the financial year	4.60%				
4.	The number of permanent employees on the rolls of Company	63 Employees (including workers)				
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	<p>Managerial Remuneration of Mr. Ravindra Agrawal (MD) have increased by 416.92% over previous year 2015-16 as against Employees remuneration increased by 4.60% over the previous year figure.</p> <p>The Increase in remuneration was in line with the industrial standards and individual employees performance.</p> <p>There is no exceptional circumstances for increase in the managerial remuneration. The Remuneration paid as above was as per the Remuneration policy of the company</p>				
6.	Name of top ten employee in terms of remuneration drawn	Mr. Ravindra Agrawal (Managing Director), Mr. Sanjeet Rath (AGM Plants), Mr. Ambrish Bedade (Sr. Manager HR & Admin), Mr. Hemant Kumar Jain (CFO), Mr. Rakesh Chaudhary (Sr. Manager-Quality), Ms. Lipika Garg (CS), Mr. Hardik Godhani (Purchase Manager), Mr. Pawan Mangal (Production Manager), Mr. Neepal Singh, Mr. Mayank Tripathi.				
7.	Name of every employee of the company, who have remuneration more than 8.50 lakh in month and 120 lakh in year	Nil				
8.	Name of every employee of the company, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company	Nil				

It is hereby affirmed that remuneration is as per the plicy

Place : New Delhi
Date : 08th August, 2017

For and on behalf of the Board of
S. E. Power Limited
Sd/-
(DR. ARUN GOPAL AGARWAL)
Chairman
DIN : 00374421

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

As on 31st March, 2017

[Pursuant to Section 92(1) of the Companies Act, 2013 and rules made thereunder]

I. Registration and Other Details:

i)	CIN	:	L40106GJ2010PLC091880
ii)	Registration Date	:	11 th August, 2010
iii)	Name of the Company	:	S. E. Power Limited
iv)	Category / Sub-Category of the Company	:	Company Limited by Shares, Indian Non Government Company
v)	Address of the Registered Office and contact details	:	Survey No. 54/B, Pratapnagar, Jarod-Savli Road, Samlaya, Vadodara-391520 (Gujarat) Phone: +91 2667 251566 E-mail: cs@sepower.in
vi)	Whether listed company	:	Equity Shares of the Company Listed on i) BSE Limited ii) National Stock Exchange of India Limited
vii)	Name, Address and contact details of Registrar & Share Transfer Agent (RTA)	:	Alankit Assignments Limited Alankit Heights, 1E/13, Jhandewalan Extension, New Delhi-110055 Email - info@alankit.com Tel No. - +91 1142541234

II. Principal Business Activities of the Company:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated-

S. No.	Name and Description of main products / services	NIC Code of the Product/ service*	% to total turnover of the company
1.	Generation of Energy through Non-Conventional Sources	Class 3510	12.20
2.	Manufacturing of Reclaimed Rubber	Class 2219	87.80

III. Particulars of Holding, Subsidiary and Associate Companies:

S. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	M/s Shubham Electrochem Ltd.	U34301DL1988PLC033788	Subsidiary	100%	87(ii)

IV. Share Holding Pattern:

(Equity Share Capital Breakup as percentage of Total Equity)

(a) Category-wise Share Holding for the year ended 31st March, 2017-

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	
A. Promoter									
(1) Indian									
a. Individual/HUF	65,18,640	-	65,18,640	16.05	65,18,640	-	65,18,640	16.05	-
b. Cent. Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	39,65,866	-	39,65,866	9.77	39,65,866	-	39,65,866	9.77	-
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-Total- A(1)	1,04,84,506	-	1,04,84,506	25.82	1,04,84,506	-	1,04,84,506	25.82	-
(2) Foreign									
a. NRI- Individual	-	-	-	-	-	-	-	-	-
b. Other Individual	-	-	-	-	-	-	-	-	-
c. Body Corp.	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any	-	-	-	-	-	-	-	-	-
Sub Total- A (2)	-	-	-	-	-	-	-	-	-
Total SH of Promoter A (1+2)	1,04,84,506	-	1,04,84,506	25.82	1,04,84,506	-	1,04,84,506	25.82	-
B. Public Shareholding									
(1) Institution									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Bank/ FI	2,00,000	-	2,00,000	0.49	2,00,000	-	2,00,000	0.49	-
c. Cent. Govt.	-	-	-	-	-	-	-	-	-
d. State Govt.	-	-	-	-	-	-	-	-	-
e. Venture Capital	-	-	-	-	-	-	-	-	-
f. Insurance Co.	-	-	-	-	-	-	-	-	-
g. FII's/FPI's	72,37,019	-	72,37,019	17.81	72,32,275	-	72,32,275	17.81	-
h. Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
i. Other	-	-	-	-	-	-	-	-	-
Share issued to Custodian for GDRs of Demerged Company	-	-	-	-	-	-	-	-	-
Sub-Total-B (1)	74,37,019	-	74,37,019	18.30	74,32,275	-	74,32,275	18.30	-
(2) Non Institution									
a. Body Corp.									
i. Indian	44,53,692	-	44,53,692	10.97	43,26,973	-	43,26,973	10.65	(0.32)
ii. Overseas	1,58,88,591	-	1,58,88,591	39.13	1,58,88,591	-	1,58,88,591	39.12	-

b.	Individual									
i.	Individual shareholders holding nominal share capital upto Rs. 2 lakh	14,50,294	33,406	14,83,700	3.65	15,33,024	33,406	15,66,430	3.85	0.20
ii.	Individual shareholders holding nominal share capital in excess of Rs 2 lakh	7,94,164	-	7,94,164	1.96	8,25,122	-	8,25,122	2.03	0.08
c.	Other									
i.	Non Resident Indian	30,552	-	30,552	0.08	24,370	-	24,370	0.06	(0.02)
ii.	Clearing Member/ Broker/Margin Trading	37,776	-	37,776	0.09	61,733	-	61,733	0.15	0.06
	Sub-Total-B (2)	2,26,55,069	33,406	2,26,88,475	55.88	2,26,55,069	33,406	2,26,93,219	55.88	-
	Total SH of Public (other than GDRs) B (1+2)	3,00,92,088	33,406	3,01,25,494	74.18	3,00,92,088	33,406	3,01,25,494	74.18	-
C. Shares held by Custodian for GDRs & ADRs										
(1)	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-	-
	Total SH issued against GDRs C	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	4,05,76,594	33,406	4,06,10,000	100.00	4,05,76,594	33,406	4,06,10,000	100.00	-

(b) Shareholding of Promoters-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mr. Sachin Agarwal	30,89,240	7.61	-	30,89,240	7.61	-	-
2.	Mrs. Shikha Agarwal	34,29,400	8.44	-	34,29,400	8.44	-	-
3.	Spring Infradev Ltd.	4,97,080	1.22	-	4,97,080	1.22	-	-
4.	S. E. Micro Housing Finance Pvt. Ltd.	10,35,000	2.55	-	10,35,000	2.55	-	-
5.	Gajodhari Chemicals Pvt. Ltd.	61,756	0.15	-	61,756	0.15	-	-
6.	Agrim Marketing Pvt. Ltd.	91,000	0.22	-	91,000	0.22	-	-
7.	Baba Herbals Pvt. Ltd.	60,800	0.15	-	60,800	0.15	-	-
8.	Diamond Infradev Pvt. Ltd.	1,10,000	0.27	-	1,10,000	0.27	-	-
9.	Bhavya Electronics and Networks Pvt. Ltd.	62,608	0.15	-	62,608	0.15	-	-
10.	Suprteck Printing Pvt. Ltd	20,47,622	5.04	-	20,47,622	5.04	-	-
	Total	1,04,84,506	25.82	-	1,04,84,506	25.82	-	-

(c) Change in Promoters' Shareholding-

There was no change in the shareholding of promoter group during the year.

(d) Shareholding Pattern of top ten Shareholders-

(Other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Name of Top 10 Shareholder	Shareholding at the beginning of the year (01.04.2016)		Date wise increase/decrease in Shareholding		Cumulative shareholding during the year	Shareholding at the end of the year (31.03.2017)	
		No. of Shares	%				No. of Shares	%
1.	M/s Auctor Investments Limited	37,95,504	9.35	Shares	—	37,95,504	37,95,504	9.35
				Date	—			
				Reason	—			
2.	M/s Heshika Growth Fund	37,95,504	9.35	Shares	—	37,95,504	37,95,504	9.35
				Date	—			
				Reason	—			
3.	M/s Plutus Terra India Fund	37,43,581	9.22	Shares	—	37,43,581	37,43,581	9.22
				Date	—			
				Reason	—			
4.	M/s Antara India Evergreen Fund Ltd	33,46,493	8.24	Shares	—	33,46,493	33,46,493	8.24
				Date	—			
				Reason	—			
5.	M/s Davos International Fund	29,29,449	7.21	Shares	—	29,29,449	29,29,449	7.21
				Date	—			
				Reason	—			
6.	M/s Elara India Opportunities Fund Limited	21,44,704	5.28	Shares	—	21,44,704	21,44,704	5.28
				Date	—			
				Reason	—			
7.	M/s Kuvera Fund Limited	16,29,760	4.01	Shares	1000	16,28,760	16,25,016	4.00
				Date	24.02.17			
				Reason	Sell			
				Shares	3744	16,25,016		
				Date	03.03.17			
Reason	Sell							
8.	M/s Zeal Professional Services Pvt. Ltd.	13,86,000	3.41	Shares	—	13,86,000	13,86,000	3.41
				Date	—			
				Reason	—			
9.	M/s Sparrow Asia Diversified Opportunities Fund	12,07,509	2.97	Shares	—	12,07,509	12,07,509	2.97
				Date	—			
				Reason	—			
10.	M/s Antara India Evergreen Fund Ltd	4,75,615	1.17	Shares	—	4,75,615	4,75,615	1.17
				Date	—			
				Reason	—			

(e) Shareholding of Directors and Key Managerial Personnel-

Directors and Key Managerial Personnel of the Company did not hold shares in the Company during the financial year.

V. Indebtedness:

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

(Rs. in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	2,359.89	2,378.20	-	4,738.09
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,359.89	2,378.20	-	4,738.09
Change in Indebtedness during the financial year				
i. Addition	-	1138.75	-	1138.75
ii. Reduction	341.35	-	-	341.35
Net Change	341.35	899.00	-	97.40
Indebtedness at the end of the financial year				
i. Principal Amount	2018.54	3516.95	-	5535.49
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2018.54	3516.95	-	5535.49

VI. Remuneration of Directors and Key Managerial Personnel:

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

(Rs. in Lakh)

S. No.	Particulars of Remuneration	Mr. Ravindra Agrawal (Managing Director)	Total Amount
1.	Gross salary (Per Annum)		
	i. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22.51	22.51
	ii. Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	iii. Profits in lieu of salary under	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
5.	Others	-	-
	Total	22.51	22.51
	Total (A)		22.51
	Ceiling as per the Act	Above remuneration to Managing Director is paid as per Schedule V of the Companies Act, 2013	

B. Remuneration to other directors-

S. No.	Particulars of Remuneration	Name of Director				Total
		Mr. Rupinder Singh	Mrs. Anshu Gupta	Mr. Dharm Vir Gupta	Mr. Diwan Chand Arya	
1.	Independent Directors					
	Fee for attending board committee meeting	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
2.	Other Non-Executive Director	Dr. Arun Gopal Agarwal				
	Fee for attending board committee meeting	Nil				
	Commission	Nil				
	Others	Nil				
	Total (2)	Nil				
	Total (B) = (1+2)					Nil
Total Managerial Remuneration= A+B						22.51
Remuneration paid to directors is as per the provisions of Companies Act, 2013						

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

(Rs. in Lakhs)

S. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		Mr. Manendra Singh (CS) upto 24.01. 2017	Ms. Lipika Garg (CS) from 25.01. 2017	Mr. Nikhil Bansal (CFO) upto 24.01. 2017	Mr. Hemant Kumar Jain (CFO) from 25.01. 2017	
1.	Gross salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income-tax Act, 1961	7.05	0.56	5.59	1.74	14.94
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
5.	Others	-	-	-	-	-
	Total	7.05	0.56	5.59	1.74	14.94

VII. Penalties/Punishment/Compounding of Offences:

S. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment compounding fee imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any
1.	Company Penalty Punishment Compounding			None		
2.	Directors Penalty Punishment Compounding			None		
3.	Other Officers in Default Penalty Punishment Compounding			None		

Place : New Delhi
Date : 08th August, 2017

For and on behalf of the Board of
S. E. Power Limited
Sd/-
(DR. ARUN GOPAL AGARWAL)
Chairman
DIN : 00374421

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure and Development

In recent years, recycling has gained attention worldwide due to growing focus on sustainability and realisation that natural resources are limited. Now Companies are articulating a vision of using more and more portion of recycled material in their products. The rubber industry is not an exception to this. This envisages tremendous growth pockets of the industry in the years to come as India is far from attaining any saturation level, so far as consumption of rubber products is concerned. End of life tyres are an important source of recycled rubber worldwide and its status has changed from waste to resource. The reclaim rubber industry has been developed around this reality and made India the world's second largest producer of reclaim rubber.

Rubber is a versatile product with multiple usages. It is grown in various countries worldwide and plays a crucial role in the Indian economy too. The use of rubber is widespread, ranging from household to industrial products, entering the production stream at the intermediate stage or as final products. Tyre and tubes are the largest consumers of rubber and synthetic rubber is mainly used for the production of auto tyres and tubes, cycle tyres and tubes and footwear. Other applications for the synthetic variety are camel back, belts etc. The market segmentation includes Auto tyres and tubes 56%, Bicycle tyres and tubes 9%, Footwear 18%, Latex goods 8%, Belts and hoses 4%, Camelback 5%.

The use of rubber in so many applications results in a growing volume of rubber waste. With the increase in demand, the manufacturing and use of rubber and the rubber products has increased tremendously both in the developed and developing countries. End-of-life tyres (ELT) or waste tyres are a chronic environmental issue in western countries and so now in India. As India is riding on robust growth, more and more vehicles are hitting the roads, so are tyres. In the last five fiscals, the tyre industry in the country has grown at a CAGR of 12%. On the flip side, the impressive growth has brought in its wake more challenges to the environment.

Reclaim Rubber is widely used in manufacturing of automobile tyres and tubes as well other rubber products. By adding reclaim rubber with the virgin rubber, it reduces the production cost of the product as well as enhances process ability of compound.

Reclaim Rubber industry has high growth potential for many decades as generation of waste tyres will continue with the rapid increase in vehicle population and also reclaim rubber properties enhancement. Tyre sector though being the largest consumer of reclaim rubber, other products such as belts also offer high volume for its consumption.

Further, sustainability also comes from renewable energy which is generally defined as energy that comes from resources which are naturally replenished, such as sunlight, wind, rain, tides, waves, and geothermal heat etc. Harnessing of renewable energy has resulted in significant energy security, climate change mitigation, and economic benefits. In rural and remote areas, transmission and distribution of energy generated from fossil fuels can be difficult and expensive. Producing renewable energy locally offers a viable alternative.

Wind is a clean source of renewable energy that produces no air or water pollution. At present, wind power farms are in operation around the world. Many wind farms with large numbers of wind turbines have been installed in recent years around the world including India. Industry body Indian Wind Turbine Manufacturers Association (IWTMA) said that the wind power generation capacity in the country has crossed 32 GW so far and there should be at least 6 GW of capacity addition every year to meet the target of having 60 GW by 2022.

However, according to the Central Electricity Authority's (CEA) monthly report for March 2017, the installed wind power generation capacity is around 28.7 GW, lower than the ITWMA estimates. "India set a new record in 2016, and 2017 is likely to be another strong year, but after that things will probably slow a bit as the industry and markets adapt to tendering system which is now being introduced and then pick up again," GWEC had said in its 2016 report.

OPPORTUNITIES AND THREATS

The worldwide economic crisis is leading to surpluses, falling prices and import/export restrictions imposed by countries to protect their own industries. But with an optimistic view towards Indian economy, we can say that amidst the gloomy landscape of unusual volatility in the international economic environment, Indian economy stands as a place of stability and opportunity.

Any new initiative to develop new products and processes takes time to stabilize and costs are incurred in business development. Further, slump in the commodities (scrap, rubber) have affected the Company's revenue. This has impacted the profitability during Financial Year 2016-17. This is our investment for a more robust and strong future. The Company has taken steps for forward integration to make value added end products using present finish product i.e. Reclaim Rubber.

Reclaim rubber manufacturing is not a simple process and it calls for robust management practices to guarantee technical soundness, environmental benefits and lower costs to consumers.

The global rubber industry has not remained unaffected by all the events as Terrorist attacks. The price of natural rubber, which was ruling around Rs.200 a kg about four years ago, is now hovering around Rs.100. Similar is the case of most synthetic rubbers. Reclaim rubber, the third source of rubber hydrocarbon, too has been experiencing several challenges, pricing pressure being just one of them.

Hence, with growing interest in developing new technologies for recycling hazardous waste into usable value-added products, recycling of waste tyres too came under focus around the world and manufacturers of rubber products realized the benefits – both economic and technical – that usage of recycled rubber (like reclaim rubber) could bring to their business. Several patents in this area have been registered on this process.

Implementation of GST in FY2018 is expected to give a boost to the organized reclaim rubber sector. At present, about one-third of the Indian reclaim market is with the unorganized sector. Most unorganized players offer reclaim rubber at 20% lower cost over organized players. Post implementation of GST the overall market is likely to see consolidation.

In the recent years, radialisation of commercial vehicle tyres in India has gathered momentum (it currently stands at around 37%, up from just 15% in 2010). This will obviously lead to less and less availability of end-of-life cross ply nylon tyres, the main raw material for the reclaim rubber industry till now. On the other hand, the increased availability of end-of-life steel belted radial tyres will mean that the industry will have to ensure smooth 'switch-over' to this new raw material source – not just from the technological point of view of recycling but also in getting the consuming industry to accept this inevitable change. Key steps required are changing equipment types (currently modeled exclusively for cross ply tyres) and manufacturing processes to handle this transition.

It's quite clear that reclaim rubber manufacturing will no longer be a simple operation that can be managed effectively by a small scale entrepreneur with limited resources and almost no technical support. Robust management practices are imperative to ensure that the finished product is produced from scrap and ever changing raw material; the processes employed have to guarantee a technically sound and standard product similar to other manufactured chemicals and rubbers. Reclaim rubber manufacturers that embrace this change wholeheartedly will survive and can look forward to a good future.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is engaged in two segments viz. generation of energy through non-conventional sources and production of reclaimed rubber. During FY 2016-17, non-conventional energy division has 12.20% and reclaimed rubber division has 87.80% share in total revenue of the Company as under:

Segment Revenue:	Amount in lakhs	
	31-Mar-2017	31-Mar-2016
Non-Convention Energy Division	152.70	181.63
Reclaimed Rubber Division	1098.82	767.38
Total	1251.52	949.01

The Company has succeeded in supplying on regular basis reclaimed rubber products of unparalleled quality parameters in bulk quantities to many customers in various product segments thus surpassing the objectives set during the preceding year. This has been possible due to the systems and processes encompassing raw materials management, various production processes, quality assurance, sales and marketing, maintenance management, human resources management and development, environment, health and safety, etc.

Having established itself as a supplier for crumb rubber for various applications in FY 2014-15, the Company earned the status of preferred vendor for reclaim rubber to customers of repute in different product segments during FY 2016-17.

We employ latest technology and hi-tech equipment to develop a range of rubber reclaim products using eco-friendly production processes. The company has implemented quality and environment management systems for procurement of quality raw materials, efficient manufacturing techniques, testing procedures including research and design for ensuring consistency in quality output. The company emphasizes on training of employees on continual basis for improvement of their skills and create an encouraging atmosphere towards company overall performance.

OUTLOOK

The reclaim rubber industry during this period has been grappling with many challenges. About 3-5 years ago, there was a mushroom growth of pyrolysis plants all across the country to recover cheap aromatic oil from waste tyres. Such oil found lucrative buyers in the grey market. As a result the prices of the waste rubber began to rise sharply and posed major threat to the viability of reclaim rubber manufacturers.

This coupled with intense competition from the new entrants in the reclaim rubber industry led to unhealthy price war. The survival of the fittest has become the norm. Reclaim rubber manufacturers with an established customer base globally have been able to sustain themselves (so far) albeit at wafer-thin margins or with losses.

As a result, the industry has lost its appetite to invest in creating fresh capacities. With virgin rubber available at so low prices, there is lower interest for rubber goods manufacturers to increase usage of reclaim rubber in their formulations, despite several technical and environmental benefits the latter provides.

In this scenario, reclaim rubber manufacturers are being forced to rethink their value proposition to the consuming industries. Moving away from just a cost advantage, focus is being put on further highlighting the technical benefits (better processability, improved tack etc.) and environmental-friendly nature (lower CO2 emissions). These and other benefits make reclaim rubber an indispensable component of rubber compound for a variety of rubber goods, not restricted to just tyres. Reclaim rubber manufacturers will have to convince the consuming industries to give equal weightage to technical, environmental benefits and lower costs.

Pursuant to company's philosophy, Company is focusing on consistent quality, physical properties of reclaim rubber to facilitate its higher loading in compound. The Company continues to supply REACH compliant products by way of revalidation of its certificate and Company's quality and environment management system in compliance with ISO 9001:2008 & ISO 14001: 2004 standards.

SEPL Reclaim Rubber industry intents to save valuable resources for future generations, with a vision to consolidate the existing rubber industry and wind power in the country. The company is committed towards attaining international standards in the quality of its rubber products. After making key efforts in research of reclamation of rubber, Reclaim Rubber has made a place for itself where its users can put the complete reliance on the quality and timely deliveries of our products. Based on this approach, we have been making efforts to grow and effect technological up-gradation and promoting our brand in domestic markets by producing high quality Reclaim Rubber.

RISKS AND CONCERNS

Your Company follows a proactive risk management policy aimed at protecting its employees, assets and the environment while at the same time ensuring growth and continuity of its business. Regular updates are made available to the Directors of the Company. Key risks identified by your company are as under:

- Any economic slowdown may adversely impact the business.
- Tyres are highly inflammable and your Company's property and stock are subject to risk of loss due to fire and flood and these are mitigated with insurance and fire detecting and fire fighting equipment and proper security personnel. Regular training program for employees are being organised by the Company relating to fire control.
- Any change in Government policies may adversely affect the demand/profitability of the product.
- Technology obsolescence is an inherent business risk in a fast changing world and speed of change and adaptability is crucial for survival of the business.
- The domestic, regional and global macro- economic environment directly influences the demand of the reclaimed rubber.

FINANCIAL PERFORMANCE VIZ - A - VIZ OPERATIONAL PERFORMANCE

The details of the financial performance of the Company are appearing in the Balance Sheet, Profit & Loss Statements and other financial statements forming part of this Annual Report. For Financial highlights please refer heading 'FINANCIAL STATEMENTS of Directors' Report.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company firmly believes that Human Resource is the key driver for the success of any organization for that your Company has made HR policy that acts as an effective lever for driving the Company's strategic initiatives and helps in integrating and aligning all people practices to Company's business priorities. Teamwork is encouraged and at the same time every individual is trained and empowered to take right decisions at right time. Training has become a part of the lives of every employee so that innovation becomes the key for all the activities. Your Company has a dedicated team of 64 employees as on 31st March, 2017 as compared to 61 employees as on 31st March, 2016.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the SEPL's objectives, projections, estimates and expectations might be construed as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the rubber industry, rise in input costs, exchange rate fluctuations and significant changes in political and economic environment, environment standards, tax laws, litigation and labour relations.

Place : New Delhi
Date : 08th August, 2017

For and on behalf of the Board of
S. E. Power Limited
Sd/-
(DR. ARUN GOPAL AGARWAL)
Chairman
DIN : 00374421

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is most often viewed as both the structure and the relationships which determines corporate direction and performance. Corporate Governance is the commitment of an organization to follow ethics, fair practices and transparency in all its dealing with its various stakeholders such as Customers, Employees, Investors, Government and the Society at large. Sound Corporate Governance is the result of external market place commitment and legislation plus a healthy board culture which directs the policies and philosophy of the organization. Our Company is committed to good Corporate Governance in all its activities and processes.

Corporate Governance rightly continues to remain a prevailing area of shareholder focus. At SEPOWER, good governance is an integral part of how we do business. We have a well-established corporate governance framework to facilitate effective and prudent management while supporting the strategic delivery of our objectives. The Board provides clear strategic direction to and oversight management who act within the limits of the authority delegated to them by the Board.

Company's philosophy on Corporate Governance

We at SEPOWER believe that corporate governance is more than compliance to regulatory requirements as there exists a fundamental link with the business of organisation commitment to values. As a responsible organisation, we follow these principles to maintain accountability in all our affairs and employ democratic and open processes. We have evolved guidelines and best practices to ensure timely and accurate disclosure of information regarding our financial performance and corporate governance of the Company.

Our corporate governance philosophy is based on the following principles:

- ✓ Make a clear distinction between personal conveniences and corporate resources.
- ✓ Be transparent and ensure timely and balance disclosure of all material information concerning the Company, to all its stakeholders.
- ✓ Satisfy the spirit of the law and not just the letter of the law.
- ✓ Corporate Governance standards should go beyond the law.
- ✓ Communicate externally, in a truth full manner, about how the Company is running internally.
- ✓ Have a simple and transparent corporate structure driven solely by business needs.
- ✓ The Management is the trustee of the shareholders' capital and is not the owner.

We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance and Board of Directors of the Company (the Board) understand their duties towards the stakeholders and work in the furtherance of the true spirit of being "Trustees".

The disclosures as required under the Listing Regulations are as under:

Board of Directors

Composition of the Board

The effectiveness of the Board is instrumental in delivering the long-term success to the Company. The Board of the Company along with its Committees provides guidance to manage, supervise and control the performance of the Company. At present, the Board of the Company comprises of five Directors that includes majority of Independent Directors and Chairman of the Company is Non-Executive Director. None of the Director of the Company belongs to promoter group.

None of the Directors on the Board is a member in more than 10 Committees and Chairman of more than 5 Committees (as prescribed in Listing Regulations), across all the companies in which he/she is a Director. The necessary disclosures regarding Committees position have been made by the Directors.

The details regarding the composition of the Board of Directors, category of the Directors, their attendance at the Board Meeting held during the year under review and also last Annual General Meeting, the numbers of directorship and Committee Chairmanship/ Membership held by them in other public companies and their shareholding as on 31st March, 2017 are as follows:

DIN	Name & Designation of the Director	Category of Directorship	No. of Shares held in the Company as on 31 st March, 2017	No. of Board Meeting held during the tenure of Director in FY 2016-17	No. of Board Meeting attended by Director during the FY 2016-17	Attendance at 6 th Annual General Meeting of the Company	No. of Directorship held in other Public Companies#	Committees position in other Public Companies*	
								As Member	As Chairman
01836312	Mr. Ravindra Agrawal (Managing Director)	Executive	Nil	5	5	Yes	1	Nil	Nil
00374421	Dr. Arun Gopal Agarwal (Chairman)	Non-Independent, (Non Executive)	98 Shares	5	5	Yes	2	Nil	1
06942076	Mrs. Anshu Gupta (Director)	Independent, (Non Executive)	Nil	5	5	Yes	4	2	1
01639124	Mr. Dharam Vir Gupta (Director)	Independent, (Non Executive)	Nil	5	5	Yes	1	Nil	Nil
05164932	Mr. Diwan Chand Arya (Director)	Independent, (Non Executive)	100 Shares	5	5	Yes	Nil	Nil	Nil

Note:

Includes Private Limited Company(ies) which is subsidiary of Public Limited Company.

* Includes only Audit and Stakeholder Relationship Committees.

There are no inter-se relationships between the Board members of the Company.

During the financial year 2016-17 Five (5) Board Meetings were held and gap between two meetings was not exceed 120 days. The dates on which the said meetings were held are as follows:

27th May, 2016; 13th August, 2016; 04th November, 2016; 25th January, 2017 and 10th February, 2017. The Board periodically reviews and discussed the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

During the financial year 2016-17, there was one separate meeting of Independent Director held on 14th March, 2017 to review the performance of Non- Independent Directors and the Company and other matters as required to be transacted as per applicable laws.

Code of Conduct for Directors & Senior Management

The Company has in place a comprehensive separate Code of Conduct for Directors and Senior Management personnel of the Company. All Board Members and Senior Management personnel have affirmed compliance with their respective Code of Conduct. The Managing Director has also confirmed and certified the same.

Board Supervised Committees

The Committees of the Board focus on certain specific areas and make informed decisions in line with the delegated authority. Each Committee of the Board functions according to its role and defined scope. In accordance with the Companies Act, 2013 and Listing Regulations as applicable on the Company and for better governance, the Company has four committees namely Audit Committee, Stakeholders Relationship Committee, and Nomination and Remuneration Committee. The details of committees are as follows;

1. Audit Committee

The Audit Committee of the Company has been constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The role and power of the Audit Committee are governed by the Companies Act and Listing Regulations and primarily includes following responsibilities and functions:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment, remuneration and terms of appointment of statutory auditors.
- Approving payment to statutory auditors, for any other services rendered by them.
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by the management;
 - Significant adjustments made in financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications in draft audit report.
- Reviewing and monitoring the auditors independence and performance, and effectiveness of audit process
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Evaluation of internal financial controls and risk management systems
- To review the functioning of the Vigil Mechanism and Whistle Blower mechanism.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- The Audit Committee is entrusted with following powers;
 - To investigate any activity within its terms of reference.
 - To seek information from any employee.
 - To obtain outside legal and other professional advice.
 - To secure attendance of outsiders with relevant expertise, if considered necessary.

Meeting and Composition of Audit Committee

The Audit Committee met Four (4) times during the year under review on 27th May, 2016; 13th August, 2016; 04th November, 2016 and 10th February, 2017.

Composition of Audit Committee and attendance of each member during the period under review are as follows:

S. No.	Name of the Director	Designation	Committee Meeting during the year under review	
			Held during the tenure	Attended
1.	Mr. Dharam Vir Gupta	Chairman	3	3
2.	Dr. Arun Gopal Agarwal	Member	4	4
3.	Mrs. Anshu Gupta	Member	4	4

The Chairman of the Audit Committee was present at the Company's 6th Annual General Meeting held on 20th September, 2016 to answer the shareholders' queries.

2. Stakeholders Relationship Committee

The Stakeholders Relationship Committee is constituted in accordance with provisions of 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. Terms of Reference of the Committee, inter alia, includes the following:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Approve issue of the Company's duplicate share certificates.
- Consider, resolve and monitor redressal of investors' / shareholders' / security holders' grievances related to transfer of securities, non-receipt of Annual Report, non-receipt of declared dividend etc.
- Oversee the performance of the Company's Registrar and Share Transfer Agent.
- Monitor, implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading.
- Carry out any other function as is referred by the Board from time to time and / or enforced by any statutory notification / amendment or modification as may be applicable perform such other functions as may be necessary or appropriate for the performance of its duties.

Meeting and Composition of Stakeholders Relationship Committee

The Stakeholders Relationship Committee met Four (4) times during the year under review on 26th May, 2016; 12th August, 2016; 03rd November, 2016 and 09th February, 2017.

Composition of Stakeholders Relationship Committee and attendance of each member during the period under review are as follows:

S. No.	Name of the Director	Designation	Committee Meeting during the year under review	
			Held during the tenure	Attended
1.	Mrs. Anshu Gupta	Chairperson	4	4
2.	Dr. Arun Gopal Agarwal	Member	4	4
3.	Mr. Ravindra Agrawal	Member	3	3

Compliance Officer

Company Secretary of the Company is designated as Compliance Officer.

Investor's Complaints Status for Financial Year 2016-17

No. of complaints pending at the beginning of the year	:	Nil
No. of complaints received by correspondence during the year ended 31 st March, 2017	:	1
No. of complaints received from BSE	:	Nil
No. of complaints received from NSE	:	Nil
No. of complaints received from SEBI	:	Nil
No. of complaints resolved/replied during the year	:	1
No. of complaints pending at the end of the year 31 st March, 2017	:	Nil

We confirm that no complaint remained unattended/ pending for more than 30 days.

There was no share transfer pending for registration for more than 15 days during the year.

3. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in accordance with provisions of 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. The role of the Nomination and Remuneration Committee shall, inter alia, includes the following:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing /Whole-time Director(s).
- Reviewing the performance of the Managing / Whole-time Director and recommending to the Board, the quantum of annual increments and annual commission.
- To review such other matters which the Board may from time to time request the Committee to consider, examine, recommend and/or approve.
- The function of the Remuneration Committee includes recommendation of appointment and remuneration of Directors and Managerial Personnel, to the Board.
- Any other functions, as may be specified by the Board from time to time or as required under any other law for the time being in force.

Meeting and Composition of Nomination and Remuneration Committee

The Nomination and Remuneration Committee met Five (5) times during the year under review on 26th May, 2016, 13th August, 2016, 03rd November, 2016, 18th January, 2017, 09th February, 2017.

Composition of Nomination and Remuneration Committee and attendance of each member during the period under review are as follows:

S. No.	Name of the Director	Designation	Committee Meeting during the year under review	
			Held during the tenure	Attended
1.	Mr. Diwan Chand Arya	Chairman	4	4
2.	Dr. Arun Gopal Agarwal	Member	5	5
3.	Mr. Dharam Vir Gupta*	Member	1	1
4.	Mrs. Anshu Gupta	Member	4	4

* Mr. Dharam Vir Gupta ceased to be the member of the Nomination and Remuneration Committee w. e. f. 13th August, 2016

Nomination and Remuneration Policy

Company has formulated Nomination and Remuneration Policy for its Directors, KMP and Other Employees.

Remuneration to Directors

No remuneration or commission was paid to any Non-Executive Directors of the Company. Remuneration paid to Managing Director during the year under review is in the consonance with the terms of his appointment as approved by the Shareholders of the Company.

The Nomination and Remuneration Committee reviews and, if required, recommends to the Board the changes in the managerial remuneration. The Nomination and Remuneration Committee review the remuneration of the managerial personnel on the basis of performance of the managerial personnel on certain defined qualitative and quantitative parameters.

For details pertaining to Managerial Remuneration paid to the Directors during the financial year under review kindly refer disclosure as per Section 197(12) of the Companies Act, 2013 read with rule 5 of Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 annexed with Directors' Report.

The Company does not have Employee Stock Option scheme.

Corporate Ethics

As a responsible corporate citizen, the Company consciously follows corporate ethics in both business and corporate interactions. The Company has framed various codes and policies like code of conduct for prevention of insider trading, code of conduct for board of directors and senior management, whistle blower policy which act as guiding principles for carrying business in ethical way.

Familiarisation Programme for Independent Directors

To make understand the Independent Directors about the Company's culture, organisation structure, Company's business, Board procedure, risk associated with the business of the Company and Company's strategy to manage such risks, appropriate orientation session and meetings with executive personnel have been conducted by the Company. Through meetings and interaction programmes among Senior Management and Non-Executive Directors/Independent Directors Company has made its best efforts to ensure that the Non-Executive Directors/Independent Directors understand their roles, rights and responsibilities in the Company. The Familiarisation Programme for Independent Directors of the Company is available on the website of the Company i.e. www.sepower.in.

General Body Meetings

The location and time of last three Annual General Meetings are as follows:

Year	EGM/AGM	Date	Time	Venue
2013-14	4 th AGM	Tuesday, 30 th September, 2014	11:00 A.M.	Auditorium ISKCON Complex, Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash, New Delhi-110065
2014-15	5 th AGM	Wednesday, 30 th September, 2015	11:30 A.M.	Auditorium ISKCON Complex, Hare Krishna Hill, Sant Nagar, Main Road, East of Kailash, New Delhi-110065
2015-16	6 th AGM	Wednesday, 20 th September, 2016	10:30 A.M.	Survey No. 54/B, Pratapnagar Jarod-Savli Road, Samlaya Vadodara-391520

- All the resolutions moved at the 6th Annual General Meeting were passed by means of remote e-voting and physical voting through ballots, the resolutions were passed by requisite majority of members.
- No Extraordinary General Meeting was held during the financial year.
- No resolution passed through Postal Ballot during the financial year

Disclosures

- There were no materially significant related party transactions i.e. transactions of the material nature, with its promoters, Directors or the management, their relatives etc. during the year, that may have potential conflict with the interest of the Company at large. Company has availed professional services from Director/relative of Director in the ordinary course of business. Further, the Company's policy for dealing with Related Party Transactions is available on company's website www.sepower.in.
- There has neither been any non-compliance of any legal provision nor any penalty, stricture imposed by SEBI or Stock Exchange or any other authorities since incorporation of the Company.
- The Board of Directors of the Company has adopted a Whistle Blower policy for establishing a mechanism for employee to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. They affirm that no employee has been denied access to the Audit Committee.
- All mandatory requirement as per Clause 49 of the Listing Agreement and provisions of Listing Regulations have been complied with by the Company. Moreover, the Company has complied with the non-mandatory requirements also as indicated in the separate section of this report..
- The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and there is no statutory audit qualification in this regard.

Whistle Blower Policy

We have established a mechanism i.e. vigil mechanism for employees to report concerns about behavior, actual or suspected fraud or violation of our code of conduct or ethics policy. It provides for adequate safeguards against victimization of employees who avail of the mechanism and also allow direct access to the Chairperson of the Audit Committee in exceptional cases. We further affirm that no employee has been denied access to the Audit Committee.

Means of Communication

Half yearly report sent to each household of shareholders :	No
Quarterly results of the Company	: Normally published in Business Standard (English) Business Standard (Hindi) Loksatta (Gujarati)
Website where quarterly results displayed	: www.sepower.in www.bseindia.com www.nseindia.com
Whether it also displays official news releases	: No
Whether any advertisement also displayed official news releases And presentations made to institutions or investors/analysts	: No presentation made
Whether management discussions and analysis forms part of Annual Report	: Yes
Whether shareholders' information section forms part of Annual Report	: Yes

General Shareholder Information

The Company is registered with Registrar of Companies, Ministry of Corporate Affairs with CIN: L40106GJ2010PLC091880.

7th Annual General Meeting

Date and Time	:	15 th September, 2017 at 10:30 AM
Venue	:	Survey No. 54/B, Pratapnagar, Jarod_Savli Road, Samlaya, Vadodara-391520 (Gujarat)
Cut of date	:	Cut of date for the purpose of e-voting 8 th September, 2017
Date of Book Closure	:	9 th September, 2017 to 15 th September, 2017 (Both Days Inclusive)

Financial Calendar

Financial Year	:	Starts with 1 st day of April and ends on 31 st day of March of following year
1st, 2nd and 3rd Quarterly Financial Results	:	Within 45 days of the end each quarter
4th Quarter and Audited Yearly Financial Results	:	Within 60 days of the end of 4 th quarter/ financial year
Listing on Stock Exchange	:	The equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The details are as under:

Stock Exchange	BSE	NSE
Type of Shares	Equity	Equity
No. of Shares Listed	4,06,10,000	4,06,10,000
ISIN	INE735M01018	INE735M01018
Security Code/ Symbol	534598	SE POWER
Address of Stock Exchanges	P. J. Tower, 25 th Floor, Dalal Street, Mumbai - 400001 (www.bseindia.com)	Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai-400051 (www.bseindia.com)
Listing Fees	Paid upto financial year 2017-18	Paid upto financial year 2017-18

Company Secretary & Compliance Officer : Ms. Lipika Garg

Plant Location : Wind Mills at District Chitradurga, Karnataka and District Jaisalmer, Rajasthan. Rubber Reclamation Unit located at Vadodara, Gujarat.

Address for Correspondence : For any query relating to shares of the Company

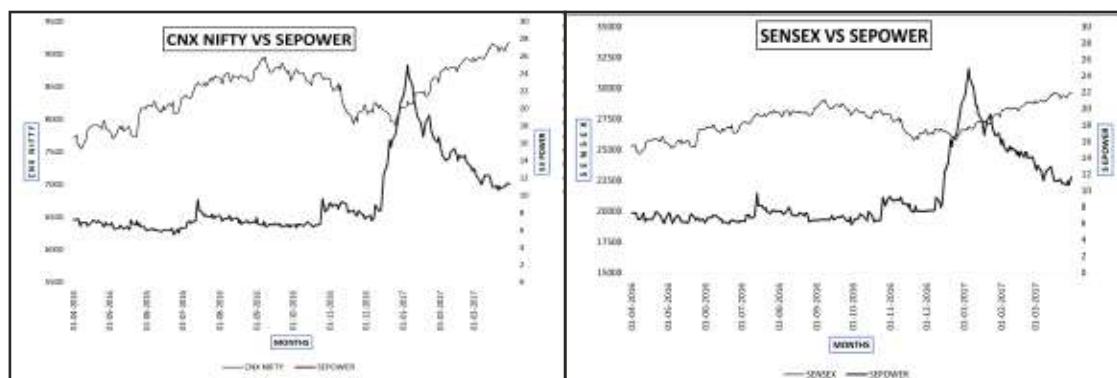
For Shares held in Physical Form:	Alankit Assignments Limited 1E/13, Jhandewalan Extension New Delhi : 110055 Contact Person : Mr. J K Singla Email : jksingla@alankit.com Tel No. : 011 4251234
For Shares held in Demat Form	To the Investor's Depository Participant or Alankit Assignments Limited
For Grievance Redressal and any query on Annual Report	Secretarial Department S. E. Power Limited Survey No. 54/B, Pratapnagar Jarod-Savli Road, Samlaya Vadodara-391520 (Gujarat)

Market Price Data : Monthly high and low prices of the equity shares of the Company on BSE and NSE during the year under review are as under:

Months	BSE		NSE	
	High (in Rs.)	Low (in Rs.)	High (in Rs.)	Low (in Rs.)
Apr-16	8	6.01	8.00	5.80
May-16	8	6	8.30	5.10
Jun-16	6.95	6	6.75	5.40
Jul-16	9.99	6	9.85	5.70
Aug-16	7.98	6.2	8.75	6.05
Sep-16	7.74	5.57	8.80	5.35
Oct-16	10.09	6.11	10.30	6.00
Nov-16	9.9	7.4	9.85	7.10
Dec-16	20.58	6.55	20.65	6.15
Jan-17	26.1	15.9	25.90	15.30
Feb-17	17	13.4	17.00	12.65
Mar-17	13.44	10.2	13.65	10.35

Source: website of respective stock exchange

Performance of Company's Shares vis-à-vis SENSEX and CNX Nifty:



Registrar and Share Transfer Agent : M/s Alankit Assignments Limited, New Delhi acts as the Registrar and Share Transfer Agent of the Company for handling the shares related work both in physical and electronic form. All correspondence relating to share transfer, transmission, dematerializations, rematerializations etc. can be made at the following address:

Alankit Assignments Limited
Alankit Heights, 1E/13, Jhandewalan Extension,
New Delhi – 110055

Share Transfer System : Shares sent for transfer in physical form are processed and completed by our Registrar and Share Transfer Agent within a period of 15 days from the date of receipt of application for transfer, provided all the documents are in order. In case of shares in electronic form, the transfer are processed by NSDL/CDSL through respective Depository Participants. Shares under objection are returned within two weeks.

Share Dematerialisation Process : As trading in shares of the Company can be done only in electronic form, it is advisable that the shareholders who have shares in physical form get their shares dematerialised. The process of share dematerialisation is as under:

Step1: Shareholder has to open a demat account with a Depository participant (DP) and obtain an account number.

Step2: Shareholder need to fill in a Demat Request Form (DRF) and submit the same with the physical certificate/s to the depository participants for dematerialization. For each ISIN, a separate DRF has to be used.

Step3: DP would verify that the DRF has been filled correctly.

Step4: DP would setup a demat request on the CDSL or NSDL system and send the same to the Company and the Registrar and Transfer Agent.

Step5: Issuer/ Registrar and Transfer Agent (RTA) would verifies the genuineness of the certificates and confirms the request.

Step6: Once the request has been successfully made, DP would deface and mutilate the physical certificates, generate a Demat Request Number (DRN) and send an electronic communication to the depository and courier the DRF and the share certificate to the company by courier.

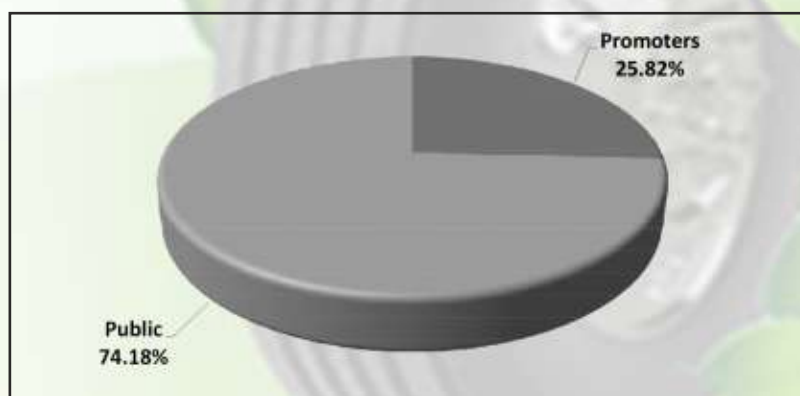
Step7: On receiving confirmation, depository will credit an equivalent number of securities in the demat account of the BO maintained with CDSL or NSDL.

Step8: The depository will electronically download the details of the demat request and communicate the same to the electronic registry maintained by the Registrar of Companies.

Dematerialization process take approximately 10-15 days from the receipt of dematerialization request form. Details of Shareholding as on 31st March, 2017

Details of Shareholding as on 31st March, 2017

♦ Distribution of Shareholding :



♦ Shareholding Pattern :

S. No.	Category of Shareholder	Total number of shares as on 31.03.2017	%
A	Promoter and Promoter Group		
(1)	India		
a	Individuals/Hindu Undivided Family	65,18,640	16.05
b	Bodies Corporate	39,65,866	9.77
c	Central Government/State Government	0	0.00
d	FIs/Banks	0	0.00
	Sub Total A(1)	1,04,84,506	25.82
(2)	Foreign		
a	Individuals (NRI/Foreign Individuals)	0	0.00
b	Government	0	0.00
c	Institutions	0	0.00
d	Foreign Portfolio Investor	0	0.00
	Sub Total A(2)	0	0.00
	Total Promoter & Promoter Group Shareholding A=A(1) +A(2)	1,04,84,506	25.82
B	Public		
(1)	Institutions		
a	Mutual Funds/Venture Capital funds	0	0.00
b	Alternate Investment Funds	0	0.00
c	Foreign Venture Capital Investors	0	0.00
d	Foreign Portfolio Investors	72,32,275	17.81
e	Financial Institutions/Banks	2,00,000	0.49
f	Insurance Company	0	0.00
g	Central Government/State Government(s)	0	0.00
	Sub Total B(1)	74,32,275	18.30

(2)	Non-Institutions		
a	Individuals		
	i. Individual shareholding nominal share capital upto Rs. 2 Lakh	15,66,430	3.86
	ii. Individual shareholding nominal share capital in excess of Rs. 2 Lakh	8,25,122	2.03
b	NBFCs	0	0.00
c	Employee Trusts	0	0.00
d	Oversease Depositories (holding Drs)	0	0.00
e	Bodies Corporate (Indian)	43,88,706	10.81
f	Bodies Corporate (Foreign)	1,58,88,591	39.12
g	NRI	24,370	0.06
	Sub Total B(2)	2,26,93,219	55.88
	Total Public Shareholding B=B(1) +B(2)	3,01,25,494	74.18
C	Shareholding of Non Promoter- Non Public Shareholder		
(1)	Custodian/DR Holders	0	0.00
(2)	Employee Benefit Trust [Under SEBI (Share Based Employee Benefits) Regulation 2014]	0	0.00
	Total Non Promoter- Non Public Shareholding C=C(1) +C(2)	0	0.00
	Grand Total = A+B+C	4,06,10,000	100.00

♦ Outstanding GDR's/
ADR's/Warrant or any
Convertible instruments : Nil

♦ Shareholding by size :

Shareholding of nominal value of Rs.	Shareholders		Nominal Share Capital	
	Number	% to Total shareholder	Rs.	% to Total Nominal Paid-up capital
1 to 5,000	3635	85.87	27,79,080	0.68
5,001 to 10,000	203	4.80	17,06,290	0.42
10,001 to 20,000	152	3.59	23,80,410	0.59
20,001 to 30,000	49	1.15	12,67,860	0.31
30,001 to 40,000	35	0.82	12,74,230	0.31
40,001 to 50,000	21	0.50	9,58,920	0.24
50,001 to 100,000	58	1.37	42,58,640	1.05
100,001 to above	80	1.90	39,14,74,570	96.40
Total	4233	100.00	40,61,00,000	100.00

♦ **Dematerialization of Shares :**

Shareholding	Shares of Rs. 10/- each		Members	
	Number	%	Number	%
Physical	33,406	0.08	12	0.28
NSDL	3,85,39,702	94.90	2545	60.12
CDSL	20,36,892	5.02.	1676	39.60
Total	4,06,10,000	100.00	4233	100.00

♦ **Reconciliation of Share Capital Audit:**

As stipulated under Regulation 55A (1) of SEBI (Depositories and Participants) Regulations, 1996, Share Capital Audit is carried out every quarter and report thereon is timely submitted to Stock Exchanges.

Compliance with Non-Mandatory Requirements of Listing Regulations:

- The Chairman of the Company is entitled to seek any advice and consultancy in relation to the performance of his duties and is also entitled to claim reimbursement of the expenses incurred in this regard and other office facilities.
- Presently, Quarterly/ Half yearly financial performance is not being sent to each shareholders.
- The Company believes and maintains its accounts in transparent manner and aims at receiving unqualified report from the Auditors on the financial statement of the Company.
- In regard to the training of Board members, the Directors on the Board are professionals having wide range of expertise in diverse fields. They keep themselves abreast with the latest developments in the field of management, Technology and Business Environment through various symposiums, seminars, etc.
- The Company has appointed two different persons as Managing Director and Chairman, thereby complied with the requirement of separation of office between the two.

Place : New Delhi
Date : 08th August, 2017

For and on behalf of the Board of
S. E. Power Limited
Sd/-
(DR. ARUN GOPAL AGARWAL)
Chairman
DIN : 00374421

CERTIFICATE ON CORPORATE GOVERNANCE

TO
THE MEMBERS OF
S. E. POWER LIMITED,
(CIN: L40106GJ2010PLC091880)

We have examined the compliance of conditions of Corporate Governance by S. E. Power Limited for the year ended 31st March, 2017 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the relevant records and documents maintained by the Company and furnished to us.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of the procedure and implementation thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. 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 explanation given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Regulations.

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.

Place : New Delhi
Date : 07th August, 2017

For R. Lal and Company
Chartered Accountants
Firm Reg. No. 000926C

Sd/-
(CA. RAM LAL AGRAWAL)
Proprietor
Membership No. 017583

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER'S CERTIFICATION

To,
The Board of Directors,
S. E. Power Limited
Vadodara

Dear Members of the Board,

We have reviewed the financial statements and cash flow statements for the year 2016-17 and to the best of our knowledge and believe, we state that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statements present a true & fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct;
4. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal control, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies
5. We further certify that:
 - There has been no significant changes in internal control over financial reporting during the year,
 - There has been no significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - There has been no instances of significant fraud of which we became aware, involving management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi
Date : 07th August, 2017

Sd/-
(RAVINDRA AGRAWAL)
Managing Director
DIN : 01836312

Sd/-
(HEMANT KUMAR JAIN)
Chief Financial Officer
PAN : ADSPJ2225K

COMPLIANCE WITH CODE OF CONDUCT

To,
The Shareholders of
S. E. Power Limited
Vadodara

The Company has adopted "Code of Conduct for Directors and Senior Management Personnel" In accordance with Regulation 34 read with schedule V of SEBI (LODR) Regulations, 2015, we hereby certify that all the Directors and Senior Management personnel of the Company have affirmed with the code of conduct applicable to all the Directors and Senior Management, for the year ended 31st March, 2017.

Place : New Delhi
Date : 7th August, 2017

Sd/-
(RAVINDRA AGRAWAL)
Managing Director
DIN : 01836312

SECRETARIAL AUDIT REPORT

Form No. MR-3

For The Financial Year Ended 31st March, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and rules made thereunder]

To,
The Members,
S. E. Power Limited,
Survey No. 54/B, Pratapnagar Jarod-Savli Road,
Samlaya, Vadodara- 391520 (Gujarat)

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s S. E. Power Limited [CIN: L40106GJ2010PLC091880] (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and produced to me and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. 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, 1992 and 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996;
 - f) Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase -Scheme) Guidelines, 1999;
 - g) 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;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

6. The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited.
7. As informed to me the following other Laws specifically applicable to the Company as under:
 - a) Factories Act, 1948
 - b) Industrial Disputes Act, 1947
 - c) The Payment of Wages Act, 1936
 - d) The Minimum Wages Act, 1948
 - e) Workmen's compensation Act 1923
 - f) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
 - g) The Contract Labour (Regulation & Abolition) Act, 1970
 - h) The Child Labour (Prohibition & Regulation) Act, 1986
 - i) The Industrial Employment (Standing Order) Act, 1946
 - j) The Employees' Compensation Act, 1923
 - k) Equal Remuneration Act, 1976
 - l) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959
 - m) Water (Prevention and Control of Pollution) Act, 1974
 - n) Water (Prevention and Control of Pollution) Cess Act, 1977
 - o) Air (Prevention and Control of Pollution) Act, 1981
 - p) Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.
 - q) Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013.
 - r) The Rubber Act 1947

I have also examined compliance with the applicable clauses of the Secretarial Standard issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as applicable on the Company.

In respect of the other laws specifically applicable to the Company, I have relied on the information/ records produced by the Company during the course of my audit and the reporting is limited to that extent.

I further report

1. That there were no actions / events in pursuance of:
 - a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, requiring compliance thereof by the Company during the financial year.
2. That the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.
3. That the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Woman Director and Independent Directors. During the period under review no changes in the composition of the Board of Directors took place.
4. That the adequate notice was given to all the 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.

5. That the decisions were taken according to majority rule and subject to the requirement of the Act and other applicable laws.
6. 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.

Place : Agra
Date : 07th August, 2017

Sd/-
(DIMPLE SACHDEVA)
Company Secretary
Membership No. : ACS-27511
CoP No. : 12852

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To,
The Members,
S. E. Power Limited,
Survey No. 54/B, Pratapnagar Jarod-Savli Road,
Samlaya, Vadodara- 391520 (Gujarat)

Our report of even data is to be read along with this letter.

1. Maintenance of Secretarial record 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 record. 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. Where ever required, we have obtained the Management representation about the Compliance of the 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 not of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Agra
Date : 07th August, 2017

Sd/-
(DIMPLE SACHDEVA)
Company Secretary
Membership No. : ACS-27511
CoP No. : 12852



**INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS
(STANDALONE & CONSOLIDATED)**



INDEPENDENT AUDITOR'S REPORT

**TO
THE MEMBERS OF
M/s S. E. POWER LIMITED
VADODARA**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of M/s S. E. POWER LIMITED ("the Company") which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, 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 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 of 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 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 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 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 aforesaid 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:

1. In the case of the Balance Sheet, of the “State of Affairs” of the Company as at 31st March 2017;
2. In the case of the Statement of Profit and Loss, of the “Loss” for the year ended on that date; and
3. In the case of the Cash Flow Statement, of the “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 Companies Act, 2013, we give in Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The audit of all the branch offices of the Company has been conducted by us, hence section 143(8) is not applicable;
 - d. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - e. 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;
 - f. On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164(2) of the Act;
 - g. 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
 - h. With respect to the other matters 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 does not have any pending litigations which would impact its financial position.
 - 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 amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv) The Company has provided requisite disclosures in the Standalone Financial Statements as to holdings as well as dealings in Specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December, 2016, these disclosures are in accordance with books of accounts maintained by the Company.

Place : New Delhi
Date : 24th May, 2017

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/s S. E. POWER LIMITED **(Referred to in our Report of even date for F. Y. 2016-17)**

- i. The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
As explained to us, the fixed assets have been physically verified by the management at reasonable interval. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
According to information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
- ii. As explained to us, inventories have been physically verified by the management at reasonable interval. In our opinion and according to information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, LLP or other parties listed in the register maintained under Section 189 of the Companies Act, 2013.
- iv. According to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security have been complied with.
- v. Directives issued by Reserve Bank of India and Provisions of Section 73 to 76 or any other relevant provisions of The Companies Act, 2013 and the ruled framed there under are not applicable to the Company.
- vi. Maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to the company.
- vii. According to the information and explanations given to us, the Company has been regular in depositing with appropriate authorities undisputed statutory dues and there are no undisputed amounts of Income Tax, Service Tax, Cess, Employees State Insurance, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Provident Fund etc. outstanding as at the last day of financial year concerned for a period of more than six months from the date they became payable.
There are no dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Value Added Tax on account of any dispute.
- viii. The Company has not defaulted in the repayment of loans or borrowings to a Financial Institution or Bank or Government or due to Debenture holders.
- ix. According to the information and explanations given to us, the Company had not raised money by way of initial public offer or further public offer during the year. The term loan raised during the year has been utilized for the purpose for which it has been taken.
- x. According to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the information & explanations given to us, provision of section 197 read with Schedule V to the Companies Act, 2013 for managerial remuneration paid or provided have been complied with.

- xii. According to the information & explanation given to us, the Company is not Nidhi Company; therefore this clause is not applicable to the company.
- xiii. According to the information & explanation given to us, the provisions of section 177 and 188 of the Companies Act, 2013 regarding transaction with related parties have been complied with and details of the transaction as per applicable accounting standard have been disclosed in the notes to accounts of the financial statements.
- xiv. According to the information & explanation given to us, this clause is not applicable to the company because the company has not made preferential allotment or private placement of share or fully or partly convertible debenture during the year.
- xv. According to the information & explanation given to us, no non-cash transactions with directors or persons connected with him, have been taken place during the year, hence the provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi. According to the information & explanation given to us, the company does not require to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : New Delhi
Date : 24th May, 2017

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF

M/s S. E. POWER LIMITED
(Referred to in our Report of even date for F. Y. 2016-17)

Report on the Internal Financial Controls Under Clause (i) of Sub – Section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of M/s S. E. POWER LIMITED as of 31st March 2017 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.

Auditor's 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, 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 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : New Delhi
Date : 24th May, 2017

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No.	Figures as at the end of	Figures as at the end of
		current reporting period	previous reporting year
		₹	₹
EQUITY AND LIABILITIES:			
(1) Shareholders' Funds			
(a) Share Capital	1	40,61,00,000	40,61,00,000
(b) Reserves and Surplus	2	(4,30,69,501)	9,90,934
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	49,05,95,000	41,23,20,000
(b) Deferred Tax Liabilities		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings	4	6,29,53,641	6,14,89,670
(b) Trade Payables	5	98,50,865	22,43,463
(c) Other Current Liabilities	6	43,70,966	41,36,817
(d) Short-Term Provisions	7	23,16,913	23,16,913
Total Equity & Liabilities		93,31,17,884	88,95,97,797
ASSETS:			
(1) Non-Current Assets			
(a) Fixed Assets	8		
(i) Tangible Assets		78,57,38,989	79,03,23,580
(ii) Intangible Assets		-	-
(iii) Assets under development		-	-
(b) Non-Current Investments	9	75,00,000	75,00,000
(c) Deferred Tax Assets	10	3,11,50,562	1,15,04,501
(d) Long Term Loans and Advances	11	11,03,136	11,03,136
(e) Other Non-Current Assets		-	-
(2) Current Assets			
(a) Current Investments	12	1,26,07,012	1,25,48,729
(b) Inventories	13	2,80,11,369	1,94,49,592
(c) Trade Receivables	14	3,48,85,524	1,69,28,078
(d) Cash and Cash Equivalents	15	1,32,348	12,44,719
(e) Short-Term Loans and Advances	16	2,99,40,214	2,69,46,732
(f) Other Current Assets	17	20,48,730	20,48,730
Total Assets		93,31,17,884	88,95,97,797

Notes referred to above form an integral part of the Financial Statements
As per our Report of even date attached

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

Sd/-
(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

Place : New Delhi
Date : 24th May, 2017

For and on behalf of the Board

Sd/-
(RAVINDRA AGRAWAL)
Managing Director

Sd/-
(DR. ARUN GOPAL AGARWAL)
Director

Sd/-
(HEMANT KUMAR JAIN)
Chief Finance Officer

Sd/-
(LIPIKA GARG)
Company Secretary

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Sr. No.	Particulars	Note No.	Figure as at the end of current reporting year	Figures as at the end of previous reporting year
			₹	₹
I	Income:			
	Revenue from operations	18	12,51,52,828	9,49,01,166
	Other Income	19	7,17,877	10,52,875
	Total Revenue (I)		12,58,70,705	9,59,54,041
II	Expenses:			
	Cost of operations	20	10,57,05,417	6,37,81,445
	Decrease/(Increase) in Stock	21	(46,54,627)	29,563
	Employee Benefit Expenses	22	1,44,68,337	1,22,04,549
	Financial Costs	23	1,02,82,152	44,20,773
	Depreciation and Amortization Expenses	24	4,01,31,756	3,95,58,552
	Other Expenses	25	2,35,17,156	1,28,94,324
	Total Expenses (II)		18,94,50,191	13,28,89,206
III	Profit before exceptional and extraordinary items and tax	(I-II)	(6,35,79,486)	(3,69,35,165)
IV	Exceptional Items		-	-
V	Profit before extraordinary items and tax	(III-IV)	(6,35,79,486)	(3,69,35,165)
VI	Extraordinary Items		-	-
VII	Profit before tax		(6,35,79,486)	(3,69,35,165)
VIII	Tax Expenses:			
	Current tax		-	-
	Last Year Income Tax		1,27,010	-
	Deferred Tax Reserve	10	(1,96,46,061)	(1,22,11,874)
IX	Profit/(Loss) for the period from Continuing Operations	(VII-VIII)	(4,40,60,435)	(2,47,23,291)
X	Profit/(Loss) from Discontinuing Operations		-	-
XI	Tax Expense of Discontinuing Operations		-	-
XII	Profit/(Loss) from Discontinuing Operations	(X-XI)	-	-
XIII	Profit/(Loss) for the period	(IX-XII)	(4,40,60,435)	(2,47,23,291)
XIV	Earning per equity share:	33		
	Basic		(1.08)	(0.61)
	Diluted		(1.08)	(0.61)

Notes referred to above form an integral part of the Financial Statements
As per our Report of even date attached

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

Sd/-
(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

Place : New Delhi
Date : 24th May, 2017

For and on behalf of the Board

Sd/-
(RAVINDRA AGRAWAL)
Managing Director

Sd/-
(DR. ARUN GOPAL AGARWAL)
Director

Sd/-
(HEMANT KUMAR JAIN)
Chief Finance Officer

Sd/-
(LIPIKA GARG)
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	₹	Current Year	₹	Previous Year
Cash Flows from Operating Activities:	₹	₹	₹	₹
Net Profit before taxation, and extraordinary items		(6,35,79,486)		(3,69,35,165)
Adjustments for				
Depreciation	4,01,31,756		3,91,06,464	
Preliminary Expenses W/O	-		4,52,088	
Interest Income	(7,17,877)		(10,52,875)	
Interest expenses	1,02,82,152		44,20,773	
Operating Profit before working capital changes		(1,38,83,455)		59,91,285
Adjustments for				
Trade & Other Receivable	(1,79,57,446)		(70,40,782)	
Loans & Advances (Assets)	(29,93,483)		(2,88,407)	
Inventories	(85,61,777)		2,98,543	
Trade Payable & other Current Liabilities	78,41,551		18,34,172	
Short-Term Provisions	-		-	
Cash generated from operations		(3,55,54,610)		7,94,812
Income Taxes paid		1,27,010		-
Cash flow before extraordinary item		(3,56,81,620)		7,94,812
Extraordinary items		-		-
Net Cash from / (used) Operating activities		(3,56,81,620)		7,94,812
Cash Flows from Investing Activities:				
Interest Income	7,17,877		10,52,875	
Purchase of Fixed Assets	(3,55,47,165)		(4,74,39,596)	
Sale of Fixed Assets	-		-	
Purchase of Trade Investments	(58,283)		(75,70,951)	
Maturity of Trade Investments	-		-	
Net Cash from / (used) Investing activities		(3,48,87,571)		(5,39,57,672)
Net Cash from Financing activities:				
Repayment of long-term borrowings	-		-	
Proceeds from Long Term Borrowings	7,82,75,000		4,93,23,098	
Proceeds from Short Term Borrowings	14,63,971		86,91,446	
Interest expenses	(1,02,82,152)		(44,20,773)	
Net Cash from / (used) Financing activities		6,94,56,819		5,35,93,770
Net Increase in cash & cash equivalents		(11,12,371)		4,30,910
Cash & Cash equivalents at beginning of period		12,44,719		8,13,808
Cash & Cash equivalent at end of period		1,32,348		12,44,719

Signed in terms of our Report of even date

For and on behalf of the Board

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

Sd/-
(RAVINDRA AGRAWAL)
Managing Director

Sd/-

Sd/-
(DR. ARUN GOPAL AGARWAL)
Director

(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

Sd/-
(HEMANT KUMAR JAIN)
Chief Finance Officer

Place : New Delhi
Date : 24th May, 2017

Sd/-
(LIPIKA GARG)
Company Secretary

ACCOUNTING POLICIES FORMING INTEGRAL PART OF THE FINANCIAL STATEMENTS

A. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention method, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013, as adopted consistently by the Company. The Company has followed Mercantile System of Accounting and the accounts have been made consistently on accrual basis as a going concern.

The Company complies with the relevant provisions of the Companies Act, 2013 and applicable accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 issued by the Central Government of India and the guidelines issued by the Securities and Exchange Board of India (SEBI) to the extent applicable.

The financial statements are presented in Indian rupees rounded off to the nearest rupee.

B. Stock in Trade

Inventories are stated at the lower of cost or net realizable value after providing for obsolescence, if any. Cost of Inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition.

C. Cash Flow Statement

As required by Accounting Standard-3 “Cash Flow Statement” issued by “The Institute of Chartered Accountants of India” the Cash Flow for the period is reported using indirect method. The Cash and Cash Equivalent of the Company comprises of Cash in hand and Current account with Scheduled Banks.

D. Depreciation

Depreciation for current financial year has been provided on straight-line method in the manner and as per the useful lives of the Assets specified in Schedule II to the Companies Act, 2013 and on pro rata basis from the date of installation till the date the assets are sold or disposed off.

E. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured:

- a) Sales are recognized on generation of sale bill or clearance of goods from factory whichever is earlier and are recorded exclusive of excise duty, service tax and sales tax.
- b) Export benefits are recognized on accrual basis.
- c) Scrap, salvaged/waste materials and sweepings are recognized on actual realization basis.

F. Fixed Assets

All assets held with the intention of being used for the purpose of producing goods or providing services and not for sale in the normal course of business are recognized as Fixed Assets and are stated at cost less accumulated depreciation after considering lease adjustment account. All costs including finance cost attributable to fixed assets till assets are ready for intended use are capitalized.

G. Investments

Investments are recognized as recommended in AS 13. Accordingly following policies have been adopted in respect of Investments made:

- i) Investments that are readily realizable and are intended not to be held for more than one year from the date of acquisition are classified as current investments. All other investments are classified as Long term investments.

- ii) The Company values its Investments based on the Accounting Standard- 13 “Accounting for Investment” issued by the Institute of Chartered Accountants of India:
 - a) Investment held as long-term investments are valued at cost. Provision for diminution in value is made only if there is a permanent decline in their net realizable value.
 - b) Current investments are valued at lower of cost or net realizable value.

H. Employee Retirement Benefits

Contributions to Provident Fund made during the year, are charged to Statement of Profit and Loss for the period.

The Company has taken Workmen Compensation Policy to meet the requirement in case of any accident or death of the worker. This contribution to the said plan is charged to Profit & Loss account. The company has no further obligation beyond its contribution to plan.

I. Borrowing Costs

- i) Borrowing costs, which are directly attributable to the acquisition /construction of fixed assets, till the time such assets are ready for intended use, are capitalized as a part of the cost of assets.
- ii) All borrowing costs other than mentioned above are expensed in the period they are incurred. In case unamortized identified borrowing cost is outstanding at the year end, it is classified under loans and advances as unamortized cost of borrowings.
- iii) In case any loan is prepaid/ cancelled then the unamortized borrowing cost, if any, is fully expensed off on the date of prepayment/cancellation.

J. Related Parties

Parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

As required by AS-18 “Related Party Disclosure” only following related party relationships are covered:

- (a) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the reporting enterprise (this includes holding Companies, subsidiaries and fellow subsidiaries);
- (b) Associates and joint ventures of the reporting enterprise and the investing party or venture in respect of which the reporting enterprise is an associate or a joint venture;
- (c) Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual;
- (d) Key management personnel (KMP) and relatives of such personnel; and
- (e) Enterprises over which any person described in (c) or (d) is able to exercise significant influence.

K. Lease Assets

Assets taken on lease are accounted for in accordance with AS-19 “Accounting for Lease” issued by “The Institute of Chartered Accountants of India”.

L. Earning Per Share

The Earning per Share (Basic as well as Diluted) is calculated based on the net profit or loss for the period attributable to equity shareholders i.e. the net profit or loss for the period after deducting Proposed Preference Dividend and any attributable tax thereto.

For the purpose of calculating (Basic and Diluted EPS), the number of equity shares taken are the weighted average number of equity shares outstanding during the period.

M. Segment Reporting

The Segment report of the Company has been prepared in accordance with the Accounting Standard-17 “Segment Reporting” issued by The Institute of Chartered Accountants of India.

N. Intangible Assets

Intangible assets are recognized only when four of below mentioned criteria are fulfilled:

- a) Asset is identifiable.
- b) Control of the enterprise over that asset.
- c) It is probable that future economic benefits attributable to the asset will flow to the enterprise.
- d) Cost of the asset can be measured reliably.

If any of the above four criteria is not fulfilled the expenditure incurred to acquire the asset is recognized as an expense, in the year in which it is incurred.

Intangible assets are initially measured at cost, after initial recognition the intangible asset is carried at its carrying value i.e. cost less any accumulated amortization and accumulated impairment losses.

O. Impairment of Assets

An asset is treated as impaired, when carrying cost of asset exceeds its recoverable amount.

At each Balance Sheet Date, it is seen that whether there is any indication that an asset may be impaired, if any such indication exist, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss; if any. Such impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired.

When an impairment loss is subsequently reversed, the carrying amount of the asset is increased to its revised estimate of its recoverable amount. However this increased amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for that asset in prior period. A reversal of an impairment loss is recognized as income immediately in the Profit & Loss Account.

P. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is present obligation as a result of past events and it is probable that there will be outflow of resources. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value. Contingent liabilities are not recognized but are disclosed in the notes on accounts. Contingent assets are neither recognized nor disclosed in the financial statements and will be recognize only when its realization is virtually certain.

Q. Use of Estimates and Judgements

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

R. Foreign Currency Transactions

As prescribed in Accounting Standard 11 (AS- 11)- "The effect of changes in foreign exchange rates", Transactions in foreign currency are recorded at the rates of exchange prevalent on the date of transaction. Exchange differences, if any arising from foreign currency transactions are dealt in the statement of profit and loss at year end rates.

Note : 3 Long Term Borrowings		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Secured Term Loan		
	Andhra Bank	13,89,00,000	17,45,00,000
2	Unsecured Loan		
	From Others	35,16,95,000	23,78,20,000
	Total in ₹	49,05,95,000	41,23,20,000

- (See Note No. 30)

Note : 4 Short Term Borrowings		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Secured Cash Credit Limits		
	Andhra Bank	2,73,53,641	2,12,89,670
2	Term Loan- Repayable in one year		
	Andhra Bank	3,56,00,000	4,02,00,000
	Total in ₹	6,29,53,641	6,14,89,670

- (See Note No. 29 & 30)

Note : 5 Trade Payable		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Trade Payable	98,50,865	22,43,463
	Total in ₹	98,50,865	22,43,463

Note : 6 Other Current Liabilities		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Other Current Liabilities	43,70,966	41,36,817
	Total in ₹	43,70,966	41,36,817

Note : 7 Short Term Provisions		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Taxation	23,16,913	23,16,913
	Total in ₹	23,16,913	23,16,913

Note : 8 Fixed Assets

(Amount in ₹)

Sr. No.	Particulars	Gross Block			Depreciation			Net Block			
		Value at the beginning	During the Year Addition	Deduction	Value at the end	Value at the beginning	During the Year Addition	Deduction	Value at the end	WDV as on 31.03.2017	WDV as on 31.03.2016
1	Tangible Assets										
	Land	5,48,18,878	-	-	5,48,18,878	-	-	-	-	5,48,18,878	5,48,18,878
	Building	19,36,11,803	3,00,01,762	-	22,36,13,565	44,30,718	21,69,526	-	66,00,244	21,70,13,321	18,91,81,088
	Plant & Machinery	69,09,18,845	54,54,854	-	69,63,73,699	15,30,19,023	3,65,02,277	-	18,95,21,300	50,68,52,399	54,30,21,328
	Furniture & Fittings	81,37,941	59,133	-	81,97,074	12,22,730	7,89,240	-	20,11,970	61,85,104	17,93,702
	Computer Peripheral & Software	20,67,244	31,416	-	20,98,660	5,58,660	6,70,713	-	12,29,373	8,69,287	15,08,584
	Total	94,95,54,711	3,55,47,165	-	98,51,01,876	15,92,31,131	4,01,31,756	-	19,93,62,887	78,57,38,989	79,03,23,580
	(Current Year)	94,95,54,711	3,55,47,165	-	98,51,01,876	15,92,31,131	4,01,31,756	-	19,93,62,887	78,57,38,989	79,03,23,580
	(Previous Year)	90,21,15,116	4,74,39,596	-	94,95,54,712	12,01,24,667	3,91,06,464	-	15,92,31,131	79,03,23,580	78,19,90,449

Note : 9 Non Current Investment		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Investment in wholly owned Subsidiary Co.	75,00,000	75,00,000
	Shubham Electrochem Ltd.		
	(5,00,000 Equity Shares of Face Value of Rs. 10/- per share Fully Paid up)		
	Total in ₹	75,00,000	75,00,000

Note : 10 Deferred Tax Assets		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	DTA at the end of the year	3,11,50,562	1,15,04,501
	DTA at beginning of the year	1,15,04,501	(7,07,373)
	Amount charged from P&L A/c	1,96,46,061	1,22,11,874

Note : 11 Long Term Loans and Advances		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Security Deposits		
	a) Secured, Considered Good		
	b) Unsecured, Considered Good	11,03,136	11,03,136
	c) Doubtful	-	-
2	Loans & Advances to related parties		
	a) Secured, Considered Good	-	-
	b) Unsecured, Considered Good	-	-
	c) Doubtful	-	-
3	Other Loans & Advances		
	a) Secured, Considered Good	-	-
	b) Unsecured, Considered Good	-	-
	c) Doubtful	-	-
	Total in ₹	11,03,136	11,03,136

Note : 12 Current Investments		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Trade Investments (Bank FDR's including interest thereon)	1,26,07,012	1,25,48,729
	Total in ₹	1,26,07,012	1,25,48,729

-(See Note No. 31)

Note : 13 Inventories		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Inventories (As certified by Management)	2,80,11,369	1,94,49,592
	Total in ₹	2,80,11,369	1,94,49,592

Note : 14 Trade Receivable		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Trade Receivables		
	a) Secured, Considered Good	-	-
	b) Unsecured, Considered Good (With in Six Months from the date they become due for Payment)	3,48,85,524	1,69,28,078
	c) Doubtful	-	-
	Total in ₹	3,48,85,524	1,69,28,078

Note : 15 Cash & Cash Equivalent		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Cash-in-Hand		
	Cash Balances	72,456	2,46,164
	Sub Total (A)	72,456	2,46,164
2	Bank Balance		
	Current a/c with scheduled banks (Subject to reconciliation)	59,892	9,98,555
	Sub Total (B)	59,892	9,98,555
	Total in ₹ [A + B]	1,32,348	12,44,719

Note : 16 Short Term Loans and Advances		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Loans & Advances to related parties	-	-
2	Others		
	Income Tax and TDS	53,43,086	33,48,475
	Prepaid Expenses	3,81,359	4,25,286
	Other loan and advances	2,42,15,769	2,31,72,971
	Total in ₹	2,99,40,214	2,69,46,732

Note : 17 Other Current Assets		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	MAT Credit Entitlement	20,48,730	20,48,730
	Total in ₹	20,48,730	20,48,730

Note : 18 Revenue from Operations		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Income from Non Conventional Energy Division	1,52,70,122	1,81,63,514
	Sub Total (A)	1,52,70,122	1,81,63,514
	Sale from Reclaimed Rubber Division		
2	Sale of Goods	11,54,27,228	7,99,10,583
	Less: Excise Duty	55,44,522	31,72,931
	Sub Total (B)	10,98,82,706	7,67,37,652
	Total in ₹ [A + B]	12,51,52,828	9,49,01,166

Note : 19 Other Incomes		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest Income	7,17,877	10,52,875
	Total in ₹	7,17,877	10,52,875

Note : 20 Cost of operations		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Operational cost	-	-
2	Cost of Material Consumed:		
	Raw Material Consumed		
	Opening Inventory	76,93,709	94,17,422
	Add: Purchases	4,72,30,215	3,01,24,543
	Add: Custom duty & Freight	1,54,67,788	1,10,10,581
	Less: Inventory at the end of the year	1,03,05,955	76,93,709
		6,00,85,757	4,28,58,837
	Packing Material Consumed		
	Opening Inventory	1,31,115	2,31,211
	Add: Purchases	15,77,097	10,61,003
	Less : Inventory at the end of the year	1,99,845	1,31,115
		15,08,367	11,61,099
	Cunsumables Consumed	17,80,757	2,25,928
	Opening Inventory	45,35,097	33,83,751
	Add: Purchases	30,06,932	17,80,757
	Less : Inventory at the end of the year	33,08,922	18,28,922
3	Purchases of Spares	4,34,387	2,72,801
4	Direct Expenses	4,03,67,984	1,76,59,785
	Total in ₹	10,57,05,417	6,37,81,445

Note : 21 Change in Inventory of Finished Goods and Work in process		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Stock at the end of the year		
	Finished Goods	31,98,986	48,13,011
	Work in process	1,12,99,652	50,31,000
	Less: Stock at the beginning of the year	98,44,011	98,73,574
	Change in Inventory	(46,54,627)	29,563

Note : 22 Employment Benefit Expenses		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Salary & Establishment Expenses	1,15,73,162	1,13,52,647
2	Managing Directors' Remuneration	22,51,400	5,40,000
3	Staff Welfare Expenses	6,43,775	3,11,902
	Total in ₹	1,44,68,337	1,22,04,549

- There is no employee who has drawn more than ₹ 6,000,000/- per annum or ₹ 500,000/- per month during the year. The Remuneration paid to Managing Director is within the limit as permitted under Section 197 read with Schedule V of the Companies Act, 2013.

Note : 23 Financial Cost		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest & Bank Charges	1,02,82,152	44,20,773
	Total in ₹	1,02,82,152	44,20,773

Note : 24 Depreciation & Amortised Cost		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	4,01,31,756	3,91,06,464
2	Preliminary Expenses W/O	-	4,52,088
	Total in ₹	4,01,31,756	3,95,58,552

Note : 25 Other Expenses		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Travelling & Conveyance Expenses	19,15,291	11,78,726
2	Repair & Maintenance Expenses	57,63,362	4,81,335
3	Insurance Expenses	5,55,620	5,30,477
4	Legal & Professional Expenses	8,11,495	7,36,976
5	Printing & Stationery Expenses	2,55,508	2,93,878
6	Postage & Telephone Expenses	3,59,606	1,51,540
7	Office and General Expenses	20,25,165	12,79,119
8	Rent, Rates & Taxes	40,75,189	23,38,942
9	Freight Outward & Other Transportation cost	42,38,577	38,78,295
10	Security Expenses	13,28,203	9,37,163
11	Marketing & Business Promotion Expenses	21,19,140	5,87,874
12	Auditor's Remuneration	70,000	5,00,000
	Total in ₹	2,35,17,156	1,28,94,324

26. Remuneration to Auditor:

Particulars	₹ Current year 31.03.2017	₹ Previous year 31.03.2016
For Statutory Audit	50,000	2,50,000
For Tax Audit Report U/s 44AB of IT Act 1961	15,000	2,25,000
For Certification work / Other services	5,000	25,000
Total in ₹	70,000	5,00,000

Above Figure are excluding Service Tax.

27. Figures of the previous year have been regrouped/rearranged/reclassified wherever considered necessary.

28. Disclosure of related party transactions:-**A. Parties where control Exists:**

Shubham Electrochem Ltd.
(Wholly Owned Subsidiary)

B. List of related parties and relationship:

Related Party

Relation

Key Managerial Personnel (KMP)

Mr. Ravindra Agrawal

Managing Director

Relatives of KMP

Mrs. Shilpa Agarwal

Spouse of Mr. Ravindra Agrawal

Ms. Rishika Agarwal

Daughter of Mr. Ravindra Agrawal

Ms. Saumya Agarwal

Daughter of Mr. Ravindra Agrawal

Mr. Devendra Kumar Agarwal

Brother of Mr. Ravindra Agrawal

Mrs. Sangeeta Jain

Sister of Mr. Ravindra Agrawal

Mr. Shashi Bhushan Agarwal

Father of Mr. Ravindra Agrawal

Mrs. Prem Lata Agarwal

Mother of Mr. Ravindra Agrawal

C. Enterprises over which significant influence exercised by Key Managerial Personnel /Directors/Relatives of key Management Personnel during the year: NIL

D. Disclosures required for related party transaction:

Particulars	KMP & Relative	Enterprise over which significant influence exercised by KMP/ Directors	Total
Transactions made during the year			
Interest Paid	-	-	-
Remuneration paid	22.51	-	22.51
Rendering of Services (Professional Fees)	-	-	-
Amount outstanding at Balance Sheet date			
- Amount Payable	-	-	-
- Amount Receivable	-	-	-

Notes:

- (1) Related party relationship is as identified by the Management on the basis of information available with them and accepted by the auditors as correct.
- (2) Company has entered into transactions with certain parties as listed above during the year under consideration. Full disclosures have been made and the Board considers such transaction to be in normal course of business and at rates agreed between the parties.
- (3) No amount has been written off or written back during the year in respect of debt due from or to related parties.

29. Working Capital Borrowings:

The facilities from Andhra Bank are secured by hypothecation of stock of Raw Material, Stock in process, stores & Spares, Finished goods, Packing material, Book Debts, Bill discounted, etc. The credit facilities are secured by equitable mortgage of land belonging to the Company and other personal guarantees.

30. Term Loans:

Term loan facilities from Andhra Bank are secured by hypothecation of Plant & Machinery and equitable mortgage of land belonging to the Company and other personal guarantees.

The same are repayable in quarterly installments as per terms of sanction.

31. Details of Bank FDR's held as on 31.03.2017:

(₹ in Lakhs)

S. No.	Name of the Bank	Purpose	Principal Amount
1.	United Bank of India	Custom Deptt.	118.30
2.	Andhra Bank	Bank Guarantee	6.15
	Total in ₹		124.45

32. Contingent Liabilities:

(₹ in Lakhs)

S. No.	Nature of Liability	Amount
1.	Custom Deptt. (against EPCG Scheme)	118.30
2.	Madhya Gujarat Vij Company Ltd. (MGVCL)	40.99
	Total in ₹	159.29

33. Earning Per Share:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Net Profit /(Loss) after tax	(440.60)	(247.23)
Profit /(Loss) available to equity share holders (A)	(440.60)	(247.23)
Number of Equity Shares		
Weighted average number of Equity Shares outstanding (Face Value of ₹10/- each) (B)	406.10	406.10
Basic Loss per Share (A / B) (Basic & diluted)	₹ (1.08)	₹ (0.61)

34. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any relating to amounts unpaid at the year end together with interest paid/payable as required under the Act cannot be furnished.

35. Financial cost and other expenses related to projects have been capitalized.

36. The Company did not have any holding or dealing in Specified Bank Note (SBN) during the period from 8th November to 30th December 2016.

37. Additional Information:-

A. Expenditure in Foreign Currency:

(₹ in Lakhs)

S. No.	Particulars	2016-17
1.	Foreign Travelling Exp.	5.86
	Total in ₹	5.86

B. Details of Value of imported and indigenous material consumed:

(₹ in Lakhs)

S. No.	Particulars	2016-17
1.	Imported & Indigenous	160.75
	Total in ₹	160.75

38. Segment Reporting:

(₹ in Lakhs)

Sr. No.	Particulars	Year Ended	
		31.03.2017	31.03.2016
1	Segment Revenue:		
A	Non Conventional Energy Division	152.70	181.63
B	Reclaimed Rubber Division	1098.82	767.38
2	Net Income from Operations	1251.52	949.01
	Segment Results:		
	Profit/(Loss) before tax, interest and Exceptional Items		
A	Non Conventional Energy Division	(80.39)	(25.44)
B	Reclaimed Rubber Division	(459.76)	(310.24)
	Total	(540.15)	(335.67)
	Less: Finance cost	102.82	44.21
	Add: Other Un-allocable Income	7.18	10.53
	Total Profit/(Loss) Before Tax and Exceptional Items	(635.79)	(369.35)
3	Capital Employed:		
	(Segment assets- Segment Liabilities)		
A	Non Conventional Energy Division	2420.70	2501.05
B	Reclaimed Rubber Division	1210.23	1569.86
	Total	3630.93	4070.91
4	Depreciation	401.32	391.06
	Total	401.32	391.06

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

**TO
THE MEMBERS OF
M/S S. E. POWER LIMITED
VADODARA**

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying Consolidated financial statements of M/s S. E. POWER LIMITED (hereinafter referred to as “the Holding Company”) and its wholly owned subsidiary M/s Shubham Electrochem Limited (the Holding Company and its subsidiary together referred to as “the Group”) which comprise of the Consolidated Balance Sheet as at 31st March 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as “the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making 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 these 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 Companies Act, 2013. 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for

the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

OPINION

We believe that our audit provides a reasonable basis for our opinion:

1. We report that the Consolidated Financial Statements have been prepared by the company's management in accordance with requirements of Accounting Standard 21 issued by the ICAI, "Consolidated Financial Statements".
2. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. In the case of the Consolidated Balance Sheet, of the State of Affairs of the Company as at 31st March 2017;
 - b. In the case of the Consolidated Statement of Profit and Loss, of the Loss for the year ended on that date; and
 - c. In the case of the Consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date;
3. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The audit of all the branch offices of the Group has been conducted by us, hence section 143(8) is not applicable;
 - d. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and 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;
 - e. 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;
 - f. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - g. 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
 - h. With respect to the other matters 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) There were no pending litigations which would impact the consolidated financial position of the Group.
- ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company, incorporated in India.
- iv) The Group has provided requisite disclosures in the Consolidated Financial Statements as to holdings as well as dealings in Specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December, 2016, these disclosures are in accordance with books of accounts maintained by the Group.

Place : New Delhi
Date : 24th May, 2017

For R. LAL & COMPANY
Chartered Accountants
Firm Reg. No. 000926C

Sd-
(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

**ANNEXURE 'A' TO THE INDEPENDENT
AUDITOR'S REPORT OF
M/S S. E. POWER LIMITED
(Referred to in our Report of even date for F. Y. 2016-17)**

**REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB -
SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2017, We have audited the internal financial controls over financial reporting of M/s S. E. POWER LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the of the Holding company, its subsidiary company, which are companies incorporated in India, are 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 the respective 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**ANNEXURE 'A' TO THE INDEPENDENT
AUDITOR'S REPORT OF
M/S S. E. POWER LIMITED
(Referred to in our Report of even date for F. Y. 2016-17)**

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 (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, its subsidiary company, which are companies incorporated in India, have, 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, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : New Delhi
Date : 24th May, 2017

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

Sd/-
(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

CONSOLIDATED BALANCE SHEET FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No.	Figures as at the end of	Figures as at the end of
		current reporting period	previous reporting year
		₹	₹
EQUITY AND LIABILITIES:			
(1) Shareholders' Funds			
(a) Share Capital	1	40,61,00,000	40,61,00,000
(b) Reserves and Surplus	2	(2,12,74,654)	2,25,41,985
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	49,05,95,000	41,23,20,000
(b) Deferred Tax Liabilities		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings	4	6,29,53,641	6,14,89,670
(b) Trade Payables	5	98,50,865	22,43,463
(c) Other Current Liabilities	6	43,89,618	41,57,644
(d) Short-Term Provisions	7	23,36,263	24,09,669
Total Equity & Liabilities		95,49,50,733	91,12,62,431
ASSETS:			
(1) Non-Current Assets			
(a) Fixed Assets	8		
(i) Tangible Assets		78,83,11,513	79,30,09,376
(ii) Intangible Assets		-	-
(iii) Assets under development		-	-
(b) Non-Current Investments	9	47,48,536	47,48,536
(c) Deferred Tax Assets	10	3,11,65,533	1,15,02,516
(d) Long Term Loans and Advances	11	11,03,136	11,03,136
(e) Other Non-Current Assets	12	11,25,725	11,25,725
(2) Current Assets			
(a) Current Investments	13	1,26,07,012	1,25,48,729
(b) Inventories	14	2,80,12,939	1,94,50,365
(c) Trade Receivables	15	3,48,85,524	1,69,28,078
(d) Cash and Cash Equivalents	16	9,35,294	16,28,931
(e) Short-Term Loans and Advances	17	5,00,06,791	4,71,68,309
(f) Other Current Assets	18	20,48,730	20,48,730
Total Assets		95,49,50,733	91,12,62,431

Notes referred to above form an integral part of the Financial Statements
As per our Report of even date attached

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

Sd/-
(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

Place : New Delhi
Date : 24th May, 2017

For and on behalf of the Board

Sd/-
(RAVINDRA AGRAWAL)
Managing Director

Sd/-
(DR. ARUN GOPAL AGARWAL)
Director

Sd/-
(HEMANT KUMAR JAIN)
Chief Finance Officer

Sd/-
(LIPIKA GARG)
Company Secretary

CONSOLIDATED PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Sr. No.	Particulars	Note No.	Figure as at the end of current reporting year	Figures as at the end of previous reporting year
			₹	₹
I	Income:			
	Revenue from operations	19	12,62,08,471	9,61,49,582
	Other Income	20	7,17,877	15,44,268
	Total Revenue (I)		12,69,26,348	9,76,93,850
II	Expenses:			
	Cost of operations	21	10,58,52,147	6,41,59,827
	Decrease/(Increase) in Stock	22	(46,55,424)	29,779
	Employee Benefit Expenses	23	1,47,35,922	1,24,95,949
	Financial Costs	24	1,02,82,152	44,20,773
	Depreciation and Amortization Expenses	25	4,02,45,028	3,98,18,758
	Other Expenses	26	2,37,97,435	1,32,23,880
	Total Expenses (II)		19,02,57,260	13,41,48,966
III	Profit before exceptional and extraordinary items and tax (I-II)		(6,33,30,912)	(3,64,55,116)
IV	Exceptional Items		-	-
V	Profit before extraordinary items and tax (III-IV)		(6,33,30,912)	(3,64,55,116)
VI	Extraordinary Items		-	-
VII	Profit before tax (V-VI)		(6,33,30,912)	(3,64,55,116)
VIII	Tax Expenses:			
	Current tax		19,350	92,756
	Last Year Income Tax		1,29,394	-
	Deferred Tax Reserve	10	(1,96,63,017)	(1,22,12,147)
IX	Profit/(Loss) for the period from Continuing Operations (VII-VIII)		(4,38,16,639)	(2,43,35,725)
X	Profit/(Loss) from Discontinuing Operations		-	-
XI	Tax Expense of Discontinuing Operations		-	-
XII	Profit/(Loss) from Discontinuing Operations (X-XI)		-	-
XIII	Profit/(Loss) for the period (IX-XII)		(4,38,16,639)	(2,43,35,725)
XIV	Earning per equity share:	30		
	Basic		(1.08)	(0.60)
	Diluted		(1.08)	(0.60)

Notes referred to above form an integral part of the Financial Statements
As per our Report of even date attached

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

Sd/-
(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

Place : New Delhi
Date : 24th May, 2017

For and on behalf of the Board

Sd/-
(RAVINDRA AGRAWAL)
Managing Director

Sd/-
(DR. ARUN GOPAL AGARWAL)
Director

Sd/-
(HEMANT KUMAR JAIN)
Chief Finance Officer

Sd/-
(LIPIKA GARG)
Company Secretary

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

Particulars	Current Year	Previous Year
Cash Flows from Operating Activities:	₹	₹
Net Profit before taxation, and extraordinary items	(6,33,30,912)	(3,64,55,116)
Adjustments for		
Depreciation	4,02,45,028	3,93,66,670
Preliminary Expenses W/O	-	4,52,088
Interest Income	(7,17,877)	(10,52,875)
Profit on Sale of Shares	-	(4,91,393)
Interest expenses	1,02,82,152	44,20,773
Operating Profit before working capital changes	(1,35,21,609)	62,40,147
Adjustments for		
Trade & Other Receivable	(1,79,57,446)	(70,40,782)
Loans & Advances (Assets)	(28,38,482)	17,26,016
Inventories	(85,62,574)	2,98,759
Trade Payable & other Current Liabilities	78,39,376	18,34,215
Short-Term Provisions	(73,406)	77,127
Cash generated from operations	(3,51,14,142)	31,35,483
Income Taxes paid	1,48,744	92,756
Cash flow before extraordinary item	(3,52,62,886)	30,42,727
Extraordinary items	-	-
Net Cash from / (used) Operating activities	(3,52,62,886)	30,42,727
Cash Flows from Investing Activities:		
Interest Income	7,17,877	10,52,875
Profit on Sale of Shares	-	4,91,393
Purchase of Fixed Assets	(3,55,47,165)	(4,74,59,197)
Sale of Fixed Assets	-	-
Purchase of Trade Investments	(58,283)	(1,01,40,477)
Maturity of Trade Investments	-	-
Net Cash from / (used) Investing activities	(3,48,87,571)	(5,60,55,406)
Net Cash from Financing activities:		
Repayment of long-term borrowings	-	-
Proceeds from Long Term Borrowings	7,82,75,000	4,93,23,098
Proceeds from Short Term Borrowings	14,63,971	86,91,446
Interest expenses	(1,02,82,152)	(44,20,773)
Net Cash from / (used) Financing activities	6,94,56,819	5,35,93,770
Net Increase in cash & cash equivalents	(6,93,637)	5,81,091
Cash & Cash equivalents at beginning of period	16,28,931	10,47,840
Cash & Cash equivalent at end of period	9,35,294	16,28,931

Signed in terms of our Report of even date

For and on behalf of the Board

For R. LAL AND COMPANY
Chartered Accountants
Firm Reg. No. 000926C

Sd/-
(RAVINDRA AGRAWAL)
Managing Director

Sd/-

Sd/-
(DR. ARUN GOPAL AGARWAL)
Director

(CA. RAM LAL AGRAWAL)
Proprietor
M. No. 017583

Sd/-
(HEMANT KUMAR JAIN)
Chief Finance Officer

Place : New Delhi
Date : 24th May, 2017

Sd/-
(LIPIKA GARG)
Company Secretary

M/S S. E. POWER LIMITED
Significant Accounting Policies and Notes on Accounts on Consolidated Accounts

ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

A. PRINCIPLE OF CONSOLIDATION

The Consolidated Financial Statements relate to M/s S. E. POWER LIMITED (the Company) and its subsidiary M/s Shubham Electrochem Limited. The Consolidated Financial Statements have been prepared on the following basis:

- a) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements". The financials 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.
- b) Investment in Associate Companies has been accounted under the equity method as per (AS 23)- "Accounting for Investments in Associates in Consolidated Financial Statements".
- c) 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.

B. INVESTMENTS OTHER THAN IN SUBSIDIARIES AND ASSOCIATES

Investments other than in subsidiaries and associates have been accounted as per Accounting Standards (AS) 13 on "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.

Note : 4 Short Term Borrowings		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Secured Cash Credit Limits		
	Andhra Bank	2,73,53,641	2,12,89,670
2	Term Loan- Repayable in one year		
	Andhra Bank	3,56,00,000	4,02,00,000
	Total in ₹	6,29,53,641	6,14,89,670

- Refer to Note no. 33

Note : 5 Trade Payable		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Trade Payable	98,50,865	22,43,463
	Total in ₹	98,50,865	22,43,463

Note : 6 Other Current Liabilities		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Other Current Liabilities	43,89,618	41,57,644
	Total in ₹	43,89,618	41,57,644

Note : 7 Short Term Provisions		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Provision for Taxation	23,36,263	24,09,669
	Total in ₹	23,36,263	24,09,669

Note : 9 Non-Current Investments		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Investment in Unquoted Shares	47,48,536	47,48,536
	Total in ₹	47,48,536	47,48,536

Note : 10 Deferred Tax Assets		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	DTA at the end of the year	3,11,65,533	1,15,02,516
	DTA at beginning of the year	1,15,02,516	(7,09,631)
2	Amount charged from P&L A/c	1,96,63,017	1,22,12,147

Note : 8 Fixed Assets

(Amount in ₹)

Sr. No.	Particulars	Gross Block			Depreciation			Net Block		
		Value at the beginning	Addition	Deduction	Value at the end	Value at the beginning	Addition	Value at the end	WDV as on 31.03.2017	WDV as on 31.03.2016
1	Tangible Assets									
	Land	5,48,18,878	-	-	5,48,18,878	-	-	-	5,48,18,878	5,48,18,878
	Building	19,64,87,956	3,00,01,762	-	22,64,89,718	46,71,052	22,63,671	69,34,723	21,95,54,995	19,18,16,904
	Plant & Machinery	69,64,49,817	54,54,854	-	70,19,04,671	15,34,28,489	3,65,02,277	18,99,30,766	51,19,73,905	54,30,21,328
	Furniture & Fittings	26,68,031	59,133	-	27,27,164	8,43,762	7,97,098	16,40,860	10,86,304	18,24,269
	Computer Peripheral & Software	21,24,454	31,416	-	21,55,870	5,96,457	6,81,982	12,78,439	8,77,431	15,27,997
	Total	95,25,49,136	3,55,47,165	-	98,80,96,301	15,95,39,760	4,02,45,028	19,97,84,788	78,83,11,513	79,30,09,376
	(Current Year)	95,25,49,136	3,55,47,165	-	98,80,96,301	15,95,39,760	4,02,45,028	19,97,84,788	78,83,11,513	79,30,09,376
	(Previous Year)	90,50,89,940	4,74,59,196	-	95,25,49,136	12,01,24,667	3,93,66,670	15,95,39,759	79,30,09,376	-

Note : 11 Long Term Loans and Advances		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Security Deposits		
	a) Secured, Considered Good	-	-
	b) Unsecured, Considered Good	11,03,136	11,03,136
	c) Doubtful	-	-
2	Loans & Advances to related parties		
	a) Secured, Considered Good	-	-
	b) Unsecured, Considered Good	-	-
	c) Doubtful	-	-
3	Other Loans & Advances		
	a) Secured, Considered Good	-	-
	b) Unsecured, Considered Good	-	-
	c) Doubtful	-	-
	Total in ₹	11,03,136	11,03,136

Note : 12 Other Non Current Assets		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Goodwill	11,25,725	11,25,725
	Total in ₹	11,25,725	11,25,725

Note : 13 Current Investments		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Trade Investments (Bank FDR's including interest thereon)	1,26,07,012	1,25,48,729
	Total in ₹	1,26,07,012	1,25,48,729

Note : 14 Inventories		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Inventories	2,80,12,939	1,94,50,365
	(As certified by Management)		
	Total in ₹	2,80,12,939	1,94,50,365

Note : 15 Trade Receivable		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Trade Receivables		
	a) Secured, Considered Good	-	-
	b) Unsecured, Considered Good	3,48,85,524	1,69,28,078
	(With in Six Months from the date they become due for Payment)		
	c) Doubtful	-	-
	Total in ₹	3,48,85,524	1,69,28,078

Note : 16 Cash & Cash Equivalent		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Cash-in-Hand		
	Cash Balances	8,47,615	6,24,377
	Sub Total (A)	8,47,615	6,24,377
2	Bank Balance		
	Current a/c with scheduled banks (Subject to reconciliations)	87,679	10,04,554
	Sub Total (B)	87,679	10,04,554
	Total in ₹ [A + B]	9,35,294	16,28,931

Note : 17 Short Term Loans and Advances		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Loans & Advances to related parties	-	
2	Others		-
	Income Tax and TDS	53,44,633	-
	Prepaid Expenses	3,81,359	-
	Other loan and advances	4,42,80,799	4,71,68,309
	Total in ₹	5,00,06,791	4,71,68,309

Note : 18 Other Current Assets		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	MAT Credit Entitlement	20,48,730	20,48,730
	Total in ₹	20,48,730	20,48,730

Note : 19 Revenue from Operations		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Revenue from Operations	12,62,08,471	9,61,49,582
	Total in ₹	12,62,08,471	9,61,49,582

Note : 20 Other Incomes		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest Income	7,17,877	10,52,875
2	Profit on sale of shares	-	4,91,393
	Total in ₹	7,17,877	15,44,268

Note : 21 Cost of operations		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Cost of Material Consumed		
	Raw Material Consumed		
	Opening Inventory	76,93,709	94,17,422
	Add: Purchases	4,73,76,945	3,05,02,925
	Add: Custom duty & Freight	1,54,67,788	1,10,10,581
	Less: Inventory at the end of the year	1,03,05,955	76,93,709
		6,02,32,487	4,32,37,219
	Packing Material Consumed		
	Opening Inventory	1,31,115	2,31,211
	Add: Purchases	15,77,097	10,61,003
	Less: Inventory at the end of the year	1,99,845	1,31,115
		15,08,367	11,61,099
	Consumables Consumed		
	Opening Inventory	17,80,757	2,25,928
	Add: Purchases	45,35,097	33,83,751
	Less: Inventory at the end of the year	30,06,932	17,80,757
		33,08,922	18,28,922
2	Purchases of Spares	4,34,387	2,72,801
3	Direct Expenses	4,03,67,984	1,76,59,785
	Total in ₹	10,58,52,147	6,41,59,827

Note : 22 Change in Inventory of Finished Goods and Work in process		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Stock at the end of the year		
	Finished Goods	32,00,556	48,13,784
	Work in process	1,12,99,652	50,31,000
	Less: Stock at the beginning of the year	98,44,784	(98,74,563)
	Change in Inventory	(46,55,424)	29,779

Note : 23 Employment Benefit Expenses		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Salary & Establishment Expenses	1,18,40,747	1,16,44,047
2	Managing Directors' Remuneration	22,51,400	5,40,000
3	Staff Welfare Expenses	6,43,775	3,11,902
	Total in ₹	1,47,35,922	1,24,95,949

- There is no employee who has drawn more than ₹ 6,000,000/- per annum or ₹ 500,000/- per month during the year. The Remuneration paid to Managing Director is within the limit as permitted under Section 197 read with Schedule V of the Companies Act, 2013.

Note : 24 Financial Cost		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Interest & Bank Charges	1,02,82,152	44,20,773
	Total in ₹	1,02,82,152	44,20,773

Note : 25 Depreciation & Amortised Cost		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Depreciation	4,02,45,028	3,93,66,670
2	Preliminary Expenses W/O	-	4,52,088
	Total in ₹	4,02,45,028	3,98,18,758

Note : 26 Other Expenses		₹	₹
Sr. No.	Particulars	Current Year	Previous Year
1	Travelling & Conveyance Expenses	19,53,830	12,23,124
2	Repair & Maintenance Expenses	57,63,362	4,81,335
3	Insurance Expenses	5,55,620	5,30,477
4	Legal & Professional Expenses	8,11,495	7,36,976
5	Printing & Stationery Expenses	2,62,180	2,99,135
6	Postage & Telephone Expenses	3,67,574	1,62,637
7	Office and General Expenses	22,37,265	15,30,748
8	Rent, Rates & Taxes	40,75,189	23,38,942
9	Freight Outward & Other Transportation cost	42,38,577	38,78,295
10	Security Expenses	13,28,203	9,37,163
11	Marketing & Business Promotion Expenses	21,19,140	5,87,874
12	Auditor's Remuneration	85,000	5,17,175
	Total in ₹	2,37,97,435	1,32,23,880

27. Remuneration to Auditor:

		₹
Particulars		Current year 31.03.2017
	For Statutory Audit	55,000
	For Tax Audit	20,000
	For Certification work / Other services	10,000
	Total in ₹	85,000

Above Figure are excluding Service Tax.

28. Contingent Liabilities:

(₹ in Lakhs)

S. No.	Nature of Liability	Amount
1.	Custom Deptt. (against EPCG Scheme)	118.30
2.	Madhya Gujarat Vij Company Ltd. (MGVCL)	40.99
	Total in ₹	159.29

29. No amount is payable to Small Scale Industrial Undertakings. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any relating to amounts unpaid as at the year end together with interest paid/payable as required under the Act cannot be furnished.

30. **Earning per Share:**

(₹ in Lakhs)

Particulars	2016-17
Net profit/(Loss) for the year (After Tax)	(438.16)
Weighted average number of Equity Shares outstanding (Face Value of ₹10/- each)	406.10
Basic and diluted Loss per share	₹ (1.08)

31. Figures for the previous year have been regrouped/rearranged/reclassified wherever considered necessary.

32. **Disclosures of related party transaction:**

Refer note no. 29 & 17 (A, B, C & D) of the company's separate financial statements.

33. **Working Capital Borrowings & Term Loan details:**

Term loan facilities from Andhra Bank are secured by hypothecation of Plant & Machinery and equitable mortgage of land belonging to the Company and other personal guarantees.

(₹ in Lakhs)

Name of Financial Institutions	Date of Sanction	Sanctioned Amount	Rate of Interest	Terms of repayment	Maturity Date
Andhra Bank	March 2014	24.92	13.75%	28 equal Qly installments	30th May, 2022

The working Capital facilities from Andhra Bank are secured by hypothecation of stock of Raw Material, Stock in process, stores & Spares, Finished goods, Packing material, Book Debts, Bill discounted, etc. The credit facilities are secured by equitable mortgage of land belonging to the Company and other personal guarantees.

(₹ in Lakhs)

S. No.	Name of Bank	Sanctioned Amount	Date of Sanction	Rate of Interest
1	Andhra Bank	5.90	March 2014	Base Rate+3.00%

34. **Detail of Bank FDR's (principal amount) held as on 31.03.2017:**

(₹ in Lakhs)

S. No.	Particulars	Principal Amount
1.	United bank Of India (Held as guarantee to Custom Deptt. Agst EPCG scheme)	118.30
2.	Andhra bank (held as guarantee to MGVCL)	6.15
	Total in ₹	124.45

35. Additional information as required in respect of Consolidated Financial Statements:

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Total Consolidated	100%	5701.25	100%	(438.16)
Holding Co.:				
S. E. Power Ltd.	95.06%	5419.56 (Note 1)	(100.56%)	(440.60) (Note 2)
Subsidiaries-Wholly Owned:				
Shubham Electrochem Ltd.	4.94%	281.69	0.56%	2.44

S. E. Power Ltd not holding any foreign subsidiary company/ Joint Venture

Note 1. Net of Investment in Subsidiary Company

Note 2. Net of Income from Subsidiary Company

Form No. AOC-I

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

Statement containing salient features of the financial statements of subsidiaries/associate companies/ joint ventures:

Part "A": Subsidiaries

1	Name of Subsidiary	M/s Shubham Electrochem Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same i.e. 1 st April, 2016 to 31 st March, 2017
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.
4	Share Capital	50.00 Lakhs
5	Reserves	231.69 Lakhs
6	Total Assets	282.07 Lakhs
7	Total Liabilities	282.07 Lakhs
8	Investments	47.48 Lakhs
9	Turnover	10.55 Lakhs
10	Profit before Taxation	2.48 Lakhs
11	Provision for Taxation	0.19 Lakhs
12	Profit after Taxation	2.44 Lakhs
13	Proposed Dividend (excluding dividend distribution tax)	NIL
14	% of shareholding	100%

Names of subsidiaries which are yet to commence operations. : N.A.

Names of subsidiaries which have been liquidated or sold during the year : N.A.

Part "B": Associates and Joint Ventures : **NIL**



S. E. POWER LIMITED

CIN : L40106GJ2010PLC091880

Registered Office : Survey No. 54/B, Pratapnagar,

Jarod-Savli Road, Samlaya, Vadodara-391520 (Gujarat)

Phone : +91 2667 251566, E-mail : cs@sepower.in, Website: www.sepower.in

ATTENDANCE SLIP

(To be presented at the entrance)

7th Annual General Meeting on 15th September, 2017 at 10:30 A.M.
at Survey No. 54/B, Pratapnagar, Jarod-Savli Road, Samlaya, Vadodara-391520 (Gujarat)

I hereby record my presence at the 7th Annual General Meeting of the Company to be held on 15th September, 2017 at 10:30 a.m. at Survey No. 54/B, Pratapnagar, Jarod-Savli Road, Samlaya, Vadodara-391520 (Gujarat).

Full Name of the Member (IN BLOCK LETTERS) :

Folio No. :

DP ID No. : Client ID No. :

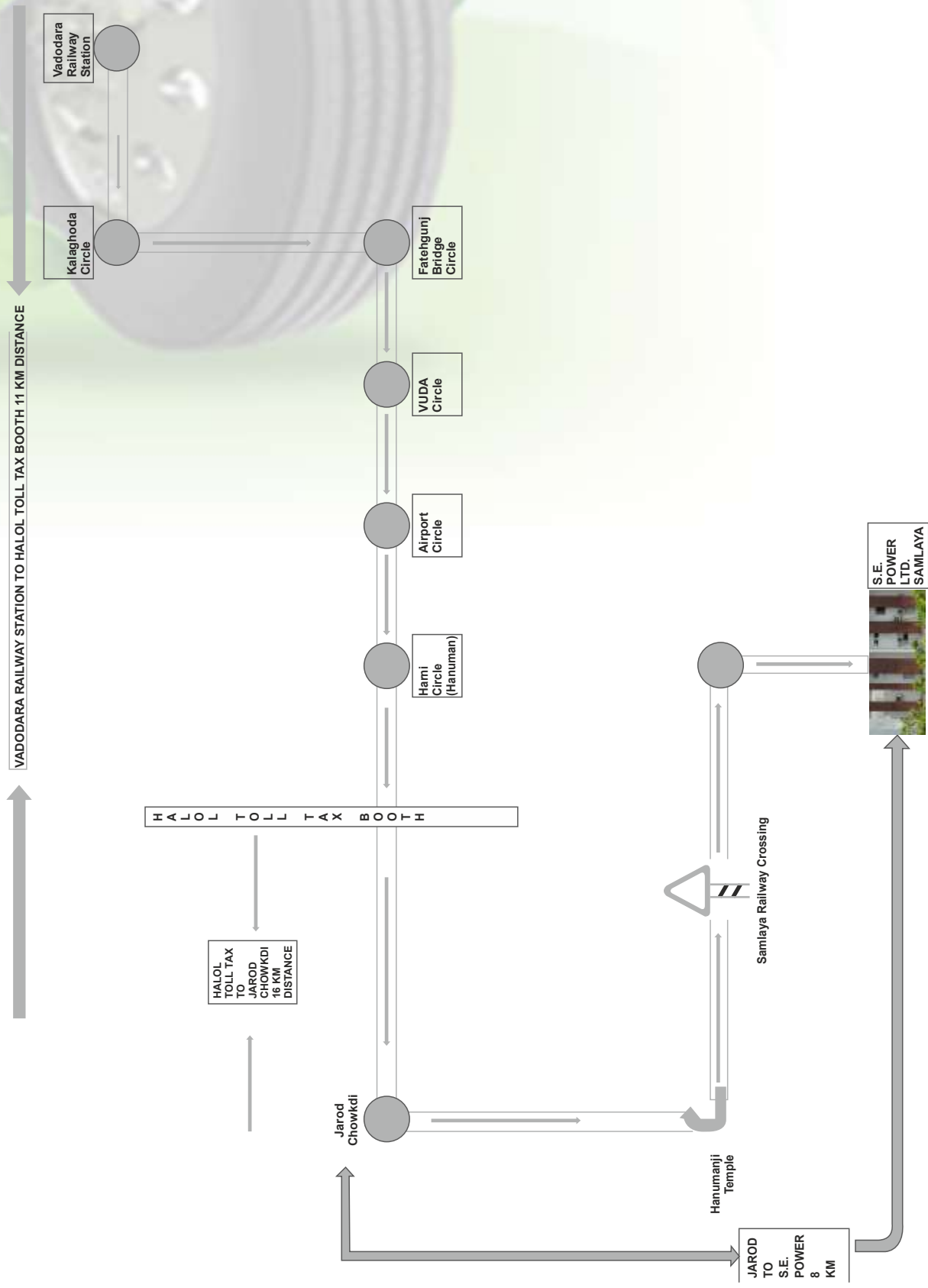
No. of Shares held :

Full Name of Proxy (IN BLOCK LETTERS) :

Signature of Member/Proxy :

Date :





S. E. POWER LIMITED

CIN : L40106GJ2010PLC091880

Registered Office : Survey No. 54/B, Pratapnagar,
Jarod-Savli Road, Samlaya, Vadodara-391520 (Gujarat)
Phone : +91 2667 251566, E-mail : cs@sepower.in, Website: www.sepower.in

FORM NO. MGT 11

PROXY FORM

Name of the Member(s) :

Registered Address :

E-mail ID :

Folio No. / Client Id :

DP ID :

I/We, being the member(s) of Shares of the S. E. Power Limited, hereby appoint.

1. Name :

Email Id :

Address :

Signature : or failing him;

2. Name :

Email Id :

Address :

Signature : or failing him;

3. Name :

Email Id :

Address :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 7th Annual General Meeting of the Company, to be held on 15th September, 2017 at 10:30 a.m. at Survey No. 54/B, Pratapnagar, Jarod-Savli Road, Samlaya, Vadodara-391520 (Gujarat) and at any adjournment thereof in respect of such resolutions as are indicated below:

RES. NO.	DESCRIPTION	Optional	
		For	Against
1	Adoption of Financial Statements, Report of Board of Directors and Auditors for the financial year ended 31 st March, 2017		
2	Re-appointment of Dr. Arun Gopal Agarwal, who retires by rotation		
3	Ratification of Appointment of M/s R. Lal and Company, Chartered Accountants, as Statutory Auditors and to fix their remuneration		

Signed on this day of2017.

Signature of Shareholder :

Signature of Proxy holder(s) :

Notes:

- This Form in order to be effective should be duly completed and deposited at the registered office of the Company at Survey No. 54/B, Pratapnagar, Jarod-Savli Road, Samlaya, Vadodara-391520 (Gujarat), not less than 48 hours before the commencement of the meeting.
- Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy

**Affix ₹ 1/-
Revenue
Stamp**





NOTES

NOTES

PHOENIX

RUBBER REBORN



S. E. Power Limited

Registered Office:

Survey No. 54/B, Pratapnagar,
Jarod-Savli Road, Samlaya
Vadodara-391520 (Gujarat) India
Phone +91 2667 251 566

Camp Office:

17, Kamal Kunj Society
Behind Bank of Baroda
Deluxe Crossroad
Nizampura, Vadodara-390002,
Gujarat, India
Phone + 91 265 2785566