



**S&S POWER SWITCHGEAR LIMITED**

Our Vision: "Preferred Switchgear and P&C Solutions Company"

**Annual Report 2016-2017**

## YEAR 2016-17 AT A GLANCE



India - U.K. - Synergy Meeting



Customer Inspection - L&T Malawi



Monthly Communication Meeting,  
Pondicherry Plant



Executive Management Committee  
Members - S&S, India



World Environment Day,  
Pondicherry Plant



Annual Staff Meet,  
S&S India



Channel Partner Meeting,  
S&S Group



Customer Inspection -  
Ceylon Electricity Board



Arogyam Health Camp



Expansion of 420kV DS Range



Customer Inspection -  
LSIS, South Korea



Ayudha Pooja Celebrations



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## MESSAGE FROM CHAIRMAN

Dear Fellow Shareholders,

I am pleased to present the 39th Annual report of your company. On the face of it, after the very good performance of the previous year the numbers look disappointing. However, these numbers have been impacted by a few serious macro-economic challenges such as Brexit which caused a slowdown in UK sales and adverse impact on the Pound exchange rate. We have also had to take a notional Rs 4.6 cr charge to our consolidated P/L account on account of increase in Pension deficit in our UK Company. As you may know, this is only an actuarial valuation and did not warrant any additional cash outflow. We have also increased the rigor by which we provide for impairments due to which there have been increased provisions for inventory and debtors. So, overall, I am pleased with our performance on account of increased activity, customers, products and processes. A more detailed account of the UK and Indian operation follows by the respective business leaders.

I think our business with a clear focus on engineered, high voltage equipment made for discerning customers is the right way to go. We have seen as to how it has a positive impact on margins, predictability and working capital. As a result of this we have been able to do our business within our own means and have not had to resort to bank finance for our business operations. We recognize that we are in a competitive market and the only way we can get ahead is by providing our customers with quality, ontime delivery and lower costs. We are constantly innovating and relooking at processes to achieve these ends. A big focus for us has been to move ahead in our quality management system from product to process to people. We hope to upgrade our QMS in Indian operations to ISO 9001-2015 Version and achieve ISO 14000 and OHSAS 18001 certification in this financial year which would be a big validation of this Integrated Management system implementation. We believe that with our product range, cost base and this certification in hand, it would give us access to greater markets and customers.

One of our other commitments is to be compliant to the laws and guidelines of the countries that we operate in, both in letter and spirit. In this process we have been guided by our Board of Directors and Auditors, both in the UK and India and we are grateful for their time and guidance. For your information, we do expect that our company will get re-listed on the Indian Stock exchanges sometime during the course of this financial year, providing some much-needed liquidity to our shareholders and a fair valuation of your company.

Some of the other developments which you would see this year is a simplification of our company structure and also some changes in our relationship with our joint venture partners which would allow us to access more of the world markets. As a company, we would also be transitioning to GST & IND-AS- the new accounting standard mandated by the Indian Govt. My gratitude to our mentor Mr Santhanakrishnan, all of our colleagues who have worked hard to put this company back on its feet after a long time, and to all of you dear shareholders for your patience and faith.

**Ashish Sushil Jalan**  
Chairman

## MESSAGE FROM MANAGING DIRECTOR INDIAN OPERATIONS

Greetings !

It has been our great pleasure to provide you with an insight into S&S Power's quest to continue to serve its stakeholder since 1975 and its resolve to remain a preferred Switchgear and P&C Solutions Company.

In last year, we have gone through major transformation at S&S Power in our product portfolio, technology, marketing strategies and manufacturing systems. This is an exciting time for all our employees and suppliers. The low-cost high-quality business model that we are evolving has huge potential to offer several advantages to our stakeholders. The year in review saw us expanding our markets to Africa, Afghanistan, Sri Lanka, Gulf, developed several solutions and extended the range of products.

Year under review saw our revenue grow by > 30% over previous year and we accomplished a very healthy order in hand situation at the end of the year. Longstanding labour settlement issues, provisions for inventory and bad debt and special investment in creating a new Multi Modal facility impacted the actual profitability whose benefits will be seen in the future years.

An installed base of more than 20,000 CB's and 31,150 disconnectors, > 20,000 Control Panels; more than 42 years of industrial experience, proven technologies and strong backbone of Application Engineering gave us excellent traction in developing our Service Business Portfolio.

With Make in India Initiatives, GST kicking in, we are optimistic of enhancing our growing presence in the power sector in India as the Government is expected to drive renewable energy, financial restructuring of DISCOMs through UDAY, 24X7 Power to all, reducing A T&C loss across the country, Optimizing 1 nation 1 grid. Several old outlived electrical infrastructures are under replacement, refurbishment and retrofit opportunities. We have strategically added Trading of Proximity Products, Field Services and Engineering Services in our offerings. SF6 RMU for medium voltage through partnerships with EATON shall support us in participating more aggressively in medium voltage distribution network. Improving Synergy between India and UK and developing our OEM business with GE, Toshiba, ABB helped us to generate more value by revenue growth and improved margin.

We had excellent growth in disconnector sales and doubled our order intake in the year with limited market region. With expansion of market we are likely to further increase our growth. There is a renewed focus on leveraging newer product market development in these segments and expand our geographies in emerging economies where electricity infrastructure is a great focus like Africa, Indonesia in addition to our traditional base in SAARC & Vietnam.

We lived our business philosophy based on delivering value to our stakeholders constantly inspires our people to innovate, excel and set new global bench marks. Our multi-cultural, multi-location and multi product organization gives us strength. Our strong belief in Quality and Innovation as No 1 priority continued to drive the mindset within the company. Our leadership team got expanded with hire of deep domain expertise and aspirational young talent to bring energy and speed in the company.

I congratulate the S&S Power Team in their quest of reviving S&S Power Switchgear Limited and their commitment to lead S&S Power Switchgear to regain its past glory and reach our vision of becoming, "Preferred Switchgear and P&C Solutions company" and drive excellence in T&D Solutions.

**Ashok Kumar Vishwakarma**  
Managing Director - India

## **MESSAGE FROM BUSINESS LEADER UK OPERATIONS**

Acrastyle continues to perform well even though this year was disappointing in terms of headline numbers of sales and profits being both below the previous years. This was due to a lull in order finalisation during Q2 of the financial year giving us a gap in executable orders in Q3. The Utilities started placing orders towards the end of the year enabling us to close the year with a record order book and opening orders for 2017-18.

With the profile of customers that we have developed and the terms that we are able to get, we are able to run the business with minimum capital employed. We have also restructured and optimised the supply chain and factory flow to enable a more efficient and cost effective production. With the result we have been able to reduce our workforce by more than 40% over three years.

The company has developed a plan to increase the resource on new business development by way of disconnectors, engineering services and other allied lines. All these are products and services that we have been associated with and we hope that with renewed thrust we can take these business lines to substantial levels.

We continue to be challenged by the pension deficit that we are faced with. The actuarial valuation shows a big deficit which has increased even more this year. Unfortunately even though the assets in the scheme have done well, with gilt yields being at all-time lows the discounted value of our future liability has increased. We do hope this situation reverses in the near future as it is putting an artificially high cost to both our profit and loss account and to our balance sheet.

We have recently moved towards much tighter integration of our business with those of our sister companies in India. I am sure this will result in more business opportunities by way of product range, costs and flexibility.

**Peter John Woolrich**  
Managing Director - UK

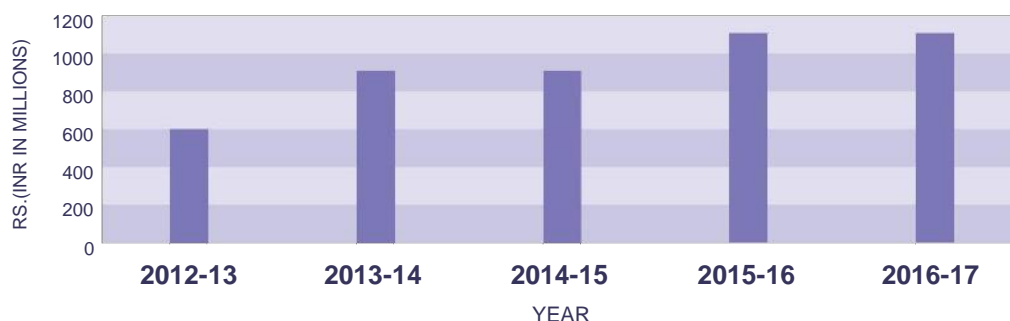
## ANNUAL REVIEW

### CONSOLIDATED RESULTS OF OPERATIONS – AN OVERVIEW

#### CONSOLIDATED REVENUE

| FINANCIAL YEAR | REVENUE (INR IN MILLIONS) |
|----------------|---------------------------|
| 2012 - 13      | 604.48                    |
| 2013 - 14      | 890.25                    |
| 2014 - 15      | 897.93                    |
| 2015 - 16      | 1142.76                   |
| 2016 - 17      | 1132.30                   |

#### CONSOLIDATED REVENUE



On account of Brexit we had lower sales in UK which was compounded by an unfavourable exchange rate this was offset by increase in India sales. This ensured that the turnover of the Group of the year 2016-17 is almost the same as the previous year.



### CONSOLIDATED PBIDT (Before Extraordinary Items)

| FINANCIAL YEAR | PBIDT (INR IN MILLIONS) |
|----------------|-------------------------|
| 2012 - 13      | (59.81)                 |
| 2013 - 14      | 32.32                   |
| 2014 - 15      | 6.26                    |
| 2015 - 16      | 73.93                   |
| 2016 - 17      | 50.13                   |

### CONSOLIDATED PROFIT



Extraordinary provision made in the UK operations for the pension deficit caused reduction in the Consolidated Profit of the Group. Investment made in a new Maraimalai Nagar factory for APIL business had challenges in attaining required volume in the first year. However, significant progress was made in the disconnector business.

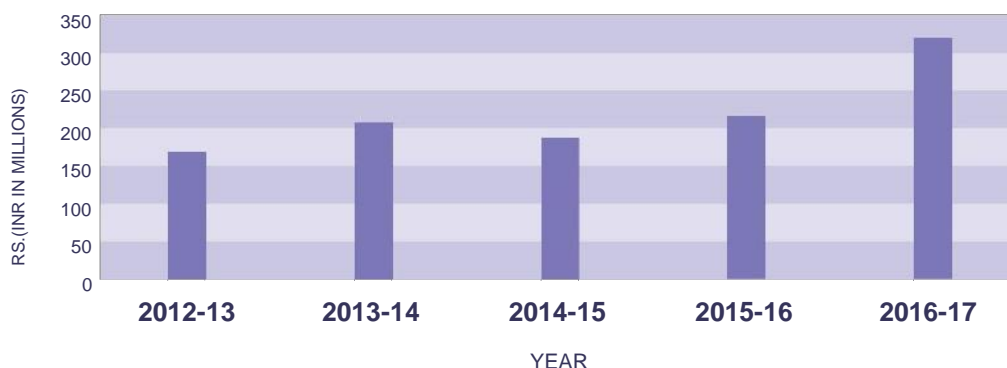


## S&S POWER SWITCHGEAR EQUIPMENT LIMITED (S&S PSE) (DISCONNECTOR BUSINESS)

### S&S PSE - REVENUE

| FINANCIAL YEAR | REVENUE (INR IN MILLIONS) |
|----------------|---------------------------|
| 2012 - 13      | 163.91                    |
| 2013 - 14      | 202.46                    |
| 2014 - 15      | 190.50                    |
| 2015 - 16      | 213.65                    |
| 2016 - 17      | 313.38                    |

### S&S PSE - REVENUE



Substantial improvement in Order booking in domestic, Spares and Export Market specially in Bangladesh, Africa and Srilanka was the main driver for the performance. S&S PSE standalone has registered a 50% revenue growth. In spite of strict provisions, settlement of long pending labour dispute profit has improved from Rs 0.6 Million to Rs 6 Million in this financial year

We ended the year with very healthy Order backlog at Rs 160 Million compared to Rs 40 Million order backlog end of March 2016.

Restructuring value chain by outsourcing low value-added activities and leveraging synergy of APIL we doubled the capacity of Pondicherry Plant with reduced headcount and simplified process. Expanding the product range to 4000A, developing special designs for Pantograph 123 KV, special design for CEB, Silicone coated DS for heavy pollution area were key product improvements.

We have also considered impairment of Debtors and Inventory in this year. Long term wage settlement for SSPSE workers was completed in this financial year. Impact of the arrears of the Wage settlement have been considered in this year

S&S PSE will focus on the following in the ensuing financial year:

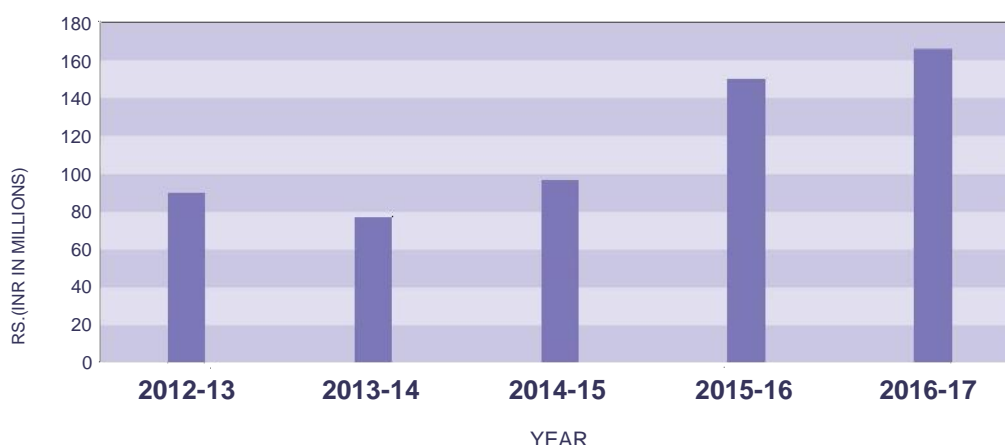
- IMS Certification
- Re-focus India & Grow Africa and Bangladesh
- Expanding range to 63KA
- Business Process Excellence
- Improving Service and Retrofit Business
- Leverage type tests performed in last year

## ACRASTYLE POWER INDIA LIMITED (APIL) (P&C SOLUTIONS BUSINESS)

### APIL - REVENUE

| FINANCIAL YEAR | REVENUE (INR IN MILLIONS) |
|----------------|---------------------------|
| 2012 - 13      | 87.48                     |
| 2013 - 14      | 78.32                     |
| 2014 - 15      | 98.92                     |
| 2015 - 16      | 148.03                    |
| 2016 - 17      | 164.18                    |

### APIL - REVENUE



APIL standalone has registered a 15% growth in revenue and a drop in profitability by Rs 10 Million

The drop in profitability is mainly due to investment in a new facility at Maraimalai Nagar and also due to exchange loss on interest receivable. However, the benefits of shifting to new facility will accrue in the following years. Several customer approvals and new orders from Toshiba and Al Ahleia are the examples of improving credentials of APIL.

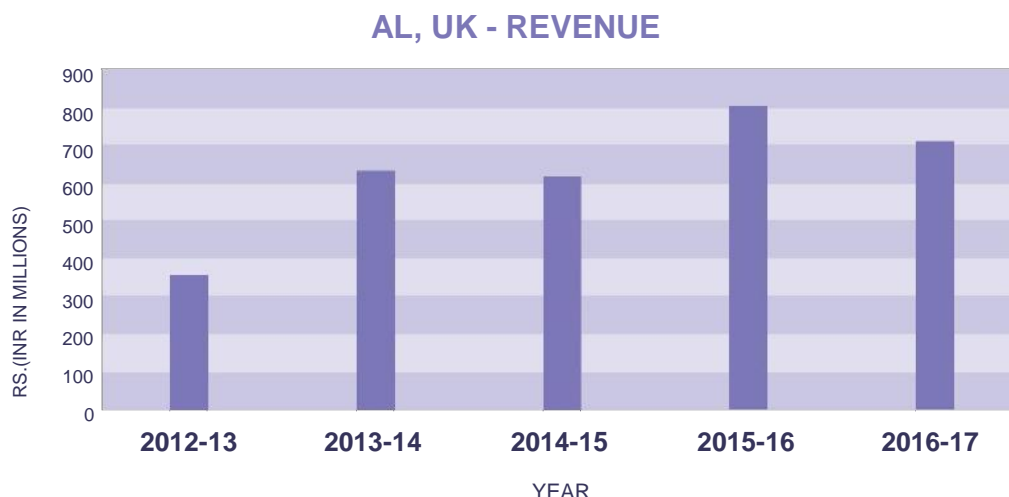
In the year 2016-17, focus was more on non-framed orders which the Company hope to capitalise in the ensuing year. This year also saw a substantial increase of Engineering Services outsourced by our Subsidiary from UK.

APIL will focus on the following in the ensuing financial year:

- Creating APIL as a separate SBU
- Improvement in Non-framed orders including export market.
- Expand Market Access and Offering by developing other electrical systems
- IMS certification
- Increase in Engineering Services

**ACRASTYLE LIMITED**  
**Core P&C Business – ACRASTYLE LIMITED, UK**  
**AL, UK - REVENUE**

| FINANCIAL YEAR | TURNOVER (INR IN MILLIONS) |
|----------------|----------------------------|
| 2012 - 13      | 361.57                     |
| 2013 - 14      | 626.22                     |
| 2014 - 15      | 610.89                     |
| 2015 - 16      | 801.46                     |
| 2016 - 17      | 708.75                     |



Following a successful 2015/16 Acrastyle have invested in the infrastructure of the Ulverston site, IT systems, buildings and other infrastructure during 2016/17. The rolling program of improvements will continue throughout 2017/18.

Cash flow has continued to improve during the year and we no longer need any external banking facility.

There has been a focus on improvement of margins and operating procedures. Current level of turnover is being achieved with 40% less employees than 3 years ago.

Acrastyle UK and APIL India have been developing the use of India based engineers to support UK projects. This has enabled us to manage the growing demand, remain competitive and improve our overall technical competence. APIL is also begun exporting a certain range control and relay panels for Acrastyle to sell into the UK market. We had a starting order book of £3.2 million 01.04.16 - Sales were budgeted to be 8.6 million. However, owing to delays within our utility customers to issue drawings and confirm schemes, we finished the year with sales valued at £8.133 million. Nevertheless we achieved a margin of £2.53 million and net profit of £401K.

Orders received for 2016/17 were at a record £10.5 million which resulted in a starting order book for 2017/2018 of £5.6 million - £2.4 million more than the same point last year.

## CORPORATE INFORMATION

### BOARD OF DIRECTOR'S & KEY MANAGERIAL PERSONNEL

|                                   |                      |
|-----------------------------------|----------------------|
| Mr ASHISH SUSHIL JALAN            | CHAIRMAN             |
| Mr ASHOK KUMAR VISHWAKARMA        | MANAGING DIRECTOR    |
| Mr DEEPAK JUGAL KISHORE CHOWDHARY | INDEPENDENT DIRECTOR |
| Mr AJAY KUMAR DHAGAT              | INDEPENDENT DIRECTOR |
| Mr NANDAKUMAR SUNDARRAMAN         | INDEPENDENT DIRECTOR |
| Mrs GAYATHRI SUNDARAM             | DIRECTOR             |
| Mr PETER JOHN WOOLRICH            | ADDITIONAL DIRECTOR  |

|                           |                         |
|---------------------------|-------------------------|
| Mr SADASIVAM DEIVANAYAGAM | COMPANY SECRETARY       |
| Mr A MAHESH               | CHIEF FINANCIAL OFFICER |

#### REGISTERED OFFICE & WORKS

Plot No 14, CMDA Industrial Area Part – II, Chithamanur Village, Maraimalai Nagar – 603209. Kancheepuram District. Tamilnadu  
Tel : 044 – 4743 1625, 4743 1626  
Website : [www.sspower.com](http://www.sspower.com) E-mail : [investor@sspower.com](mailto:investor@sspower.com)

#### CORPORATE IDENTITY NUMBER

L31200TN1975PLC006966

#### BANKERS

ICICI Bank Limited, Alwarpet, Chennai  
CITI BANK N.A, Anna Salai, Chennai

#### STATUTORY AUDITORS

M/s GSV ASSOCIATES,  
Chartered Accountants,  
Chennai.

#### SECRETARIAL AUDITORS

M/s BP & Associates, Company Secretaries, Chennai.

#### INTERNAL AUDITORS

M/s. Gopi Kumar Associates,  
Chartered Accountants, Chennai

#### REGISTRAR & SHARE TRANSFER AGENT

M/s. GNSA INFOTECH LIMITED,  
STA Department, Nelson Chambers,  
4th Floor, F-Block, No:115,  
Nelson Manickam Road, Aminjikarai,  
Chennai – 600029. Tamilnadu Tel :  
044 – 4296 2025 | Email :  
[sta@gnsaindia.com](mailto:sta@gnsaindia.com)

### ANNUAL GENERAL MEETING

**Date** : AUGUST 29, 2017

**DAY** : TUESDAY

**TIME** : 11:00 A.M

**VENUE** : REGISTERED OFFICE, MARAIMALAI NAGAR

(Member's are requested to bring their copy of the Annual report to the Annual General Meeting. Members are also requested to direct all correspondence relating to shares to the Company's Registrar & Share Transfer Agents, GNSA Infotech Limited, at the address above)



## BOARD PROFILE

### S&S POWER SWITCHGEAR LIMITED - BOARD OF DIRECTORS

#### 1. Mr. AJAY KUMAR DHAGAT - INDEPENDENT DIRECTOR

Mr. Ajay Dhagat is an Electrical Engineer from University of Jabalpur, India. He has deep domain expertise in Transmission & Distribution Industry, General Management, Business Leadership and Market for over 40 years. He has held higher position like AREVA T&D India country President and MD and IEEMA President. He also has an international experience of handling Asia Pacific regions of Alstom T&D and was located in France.



#### 2. Mr. ASHISH SUSHIL JALAN - CHAIRMAN

Mr. Ashish Jalan is a Commerce Graduate. He has to his credit over 25 years of Managerial and Administrative experience in various Industries and exposure in International business.



#### 3. Mr. ASHOK KUMAR VISHWAKARMA - MANAGING DIRECTOR

Mr. Ashok Vishwakarma is an Engineering Graduate from NIT, Allahabad, India. He has been leading S&S Power Business from last 2 years. He has over 26 years. He has over 26 years of professional experience in Indian Switchgear Industry, in Sales & Marketing, Technical Development, Sourcing, Manufacturing Operations & P&L Management. He was earlier employed with GE Areva T&D Alstom, GEC Alstom, GEC.



#### 4. Mr. DEEPAK JUGAL KISHORE CHOWDHARY - INDEPENDENT DIRECTOR

Mr. Deepak Chowdhary is the Founder Owner of MPM Private Limited, Nagpur, India's pioneering manufacturer and Technical Application experts of Lustrous Carbon additives for use in Green sand molding. Mr. Chowdhary is a B.Com (Honors) graduate from Sydenham College of Commerce and Economics, Mumbai University. He has been an invitee on several Management Institutes and likes to interact with Students on Entrepreneurship.



#### 5. Mrs. GAYATHRI SUNDARAM - DIRECTOR

Mrs. Gayathri is a Chartered Accountant and Cost Accountant. She combines a very bright academic record with best corporate exposure of over 20 years with specialization in Corporate accounting, Risk Management & Treasury. Currently, a freelance Chartered Accountant, associated with M/s Profadds Consulting, handling internal and management audits up to Audit Committee presentations, for a variety of Corporates Pan-India, including listed companies.



#### 6. Mr. NANDAKUMAR SUNDARRAMAN - INDEPENDENT DIRECTOR

Mr. Nandakumar is a Company Secretary & practicing Chartered Accountant. He has a wide knowledge & expertise in Corporate Matters, Financial accounting, Taxation & Statutory Audit. He is the Chairman of Audit Committee & Board Sub-committees.



#### 7. Mr. PETER JOHN WOOLRICH - ADDITIONAL DIRECTOR

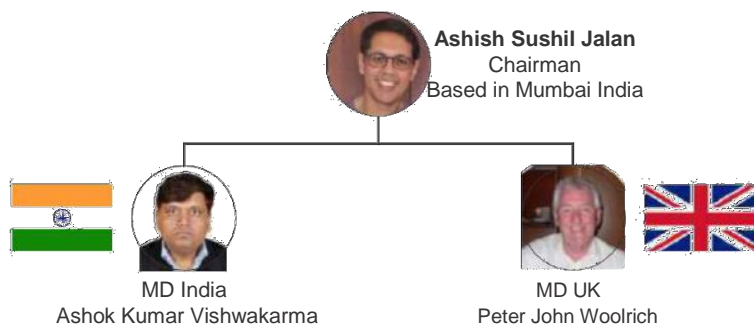
Mr. Peter Woolrich is an Executive Chairman of Acrastyle Limited, U.K. He has more than 35 years of professional experience in Protection and Control Systems with ALSTOM, GEC Alstom, English Electric in Sales & Marketing. Peter is an Electrical Engineer.



## S&S POWER - EXECUTIVE LEADERSHIP TEAM

Your Group has been restructured to handle different legal entities as a strategic business unit. Four SBUs are now led by four SBU leaders. The Executive Council in India and the UK is running the respective business operation on a day-to-day basis. The Strategic Business Management team is involved in validating long term strategy and plans in line with the directions, budgets, and principles agreed in the meetings of the Board of Directors. The Company is professionally managed by leaders having deep domain expertise and vast experience in the Industry. Under the current leadership, several transformational projects are being undertaken for the long term sustainable performance and growth of your Group.

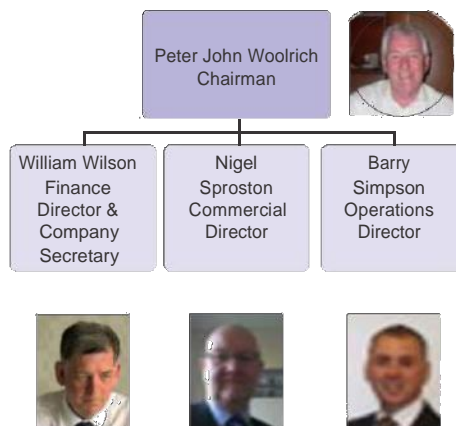
### STRATEGIC BUSINESS MANAGEMENT



#### Executive Council India Operation



#### Executive Council UK Operation



## NOTICE TO MEMBERS

**NOTICE** is hereby given that the **THIRTY NINTH (39th) Annual General Meeting of the Members of S&S POWER SWITCHGEAR LIMITED** will be held on **TUESDAY AUGUST 29, 2017** at **11:00 AM** at Registered Office of the Company to transact the following business:

### ORDINARY BUSINESS

**TO CONSIDER AND IF THOUGHT FIT, TO PASS THE FOLLOWING ITEMS OF BUSINESS, AS ORDINARY RESOLUTIONS:**

1. To receive, consider, adopt and approve the audited financial statement (including the audited consolidated financial statement) for the year ended March 31, 2017 along with the notes as on that date and the reports of the Board of Directors and the Auditors thereon.

**“RESOLVED THAT** the Audited financial statement including the consolidated financial statement for the year ended March 31, 2017 together with the Auditors Report thereon and the Report of the Board of Directors for the financial year ended on that date be and are hereby approved and adopted.”

2. To re-elect Mrs Gayathri Sundaram (DIN: 07342382), who retires by rotation, as a Director of the Company.

**“RESOLVED THAT** Mrs Gayathri Sundaram (DIN: 07342382) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as Director of the Company”.

3. To appoint CNK & ASSOCIATES LLP, Chartered Accountants as Statutory Auditors of the Company:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) **M/s. CNK & ASSOCIATES LLP**, Chartered Accountants, Mumbai having ICAI Firm Registration No.101961W/W-100036, who have offered themselves for appointment as Statutory Auditors of the Company and have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rule 4 of the Rules, be and is hereby appointed as Statutory Auditor of the Company in the place of **M/s. GSV Associates**, Chartered Accountants, Chennai (ICAI Firm Registration Number:006179S), the retiring Statutory Auditor of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of Forty Fourth (44th) Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting until the 44th Annual General Meeting, and the Board of Directors be and is hereby authorized to fix the remuneration payable to them, as may be determined by the Audit Committee, in consultation with the Auditors.”

### SPECIAL BUSINESS:

4. **To appoint Mr. Peter John Woolrich (DIN 07808275) as Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions (if any) of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force) and in accordance with Company's Articles of Association, Mr. PETER JOHN WOOLRICH holding DIN: 07808275, who was appointed as an Additional Director of the Company at the Board Meeting held on June 5, 2017, having tenure up to the ensuing Annual General Meeting and who is not disqualified to become a Director under the Companies

Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Act, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination for retirement by rotation”.

**5. Re-appointment of Mr. Ashok Kumar Vishwakarma (DIN: 05203223) as Managing Director.**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 & 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act (including any Statutory modification(s), variation(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Ashok Kumar Vishwakarma (DIN: 05203223) as the Managing Director of the Company for a period of Two (2) years with effect from November 11, 2017 to November 10, 2019 on the terms and conditions as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), as set out in the Explanatory Statement annexed to the Notice convening this meeting.”

**"RESOLVED FURTHER THAT** the remuneration payable to Mr. Ashok Kumar Vishwakarma, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time”.

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution”.

**By Order of the Board,  
For S&S POWER SWITCHGEAR LIMITED,**

**D SADASIVAM  
Company Secretary**

Dated: June 5, 2017  
Place: Chennai



## STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") sets out all material facts relating to the business mentioned at Item No. 4 & 5 as given above:

**ITEM NO.4:** To appoint Mr. Peter John Woolrich (DIN 07808275) as Director of the Company.

Pursuant to Section 161(1) of the Companies Act, 2013, Mr Peter John Woolrich was inducted in to the Board as an Additional Director at the Board meeting held on June 5, 2017 to hold office until the conclusion of ensuing Annual General Meeting of the Company.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Peter John Woolrich being eligible, offers himself for appointment and is proposed to be appointed as a Director. A Notice has been received by the Company from a Member proposing the candidature of Mr. Peter John Woolrich as a Director of the Company.

Brief particulars of Mr. Peter John Woolrich, as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this notice.

Mrs. Peter John Woolrich does not hold any Equity Shares in the Company and is not related to any Director or Key Managerial Personnel of the Company in any way.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned with or interested in, financial or otherwise, in the resolution set out at Item No. 4 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**ITEM NO. 5:** To re-appoint Mr. Ashok Kumar Vishwakarma (DIN: 05203223) as Managing Director of the Company.

Mr. Ashok Kumar Vishwakarma (DIN: 05203223), is a Managing Director of the Company and having over 25 years of industrial and professional experience in Indian Switchgear Industry. He is an Engineering Graduate from NIT Allahabad.

In accordance with Schedule V of the Companies Act, 2013 his current term of appointment as a Managing Director of the Company shall expire on November 10, 2017.

He has excellent grasp and thorough knowledge and experience of not only engineering and technology but also of general management. His knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that the services of Mr. Ashok Kumar Vishwakarma be available to the Company for a further period of Two (2) years with effect from November 11, 2017 to November 10, 2019.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on June 5, 2017, re-appointed him as Managing Director of the Company for a further period of Two (2) years with effect from November 11, 2017 to November 10, 2019 on the current remuneration of Rs 59,06,146/- per annum. The other terms and conditions shall remains same, as had been executed at the time of his appointment as a Managing Director of the Company.

Following are the details of the annual salary (payable monthly) proposed to be paid to Mr. Ashok Kumar Vishwakarma, Managing Director:

Consolidated Salary, Perquisites and Performance Bonus, etc. Rs 59,06,146/-

In addition to the above, he shall be entitled to receive the following:—

- a. Gratuity as per the rules of the Company, but not exceeding half a month's salary for each completed year of service.
- b. Encashment of leave at the end of tenure.
- c. Provision of car for use on Company's business.
- d. Free mobile telephone facility.
- e. He shall also be entitled to reimbursement of expenses actually and properly incurred in the normal course of business of the Company.

Accordingly the Board recommends the passing of the special resolution as set out in the Item no.5 of the Notice.

Except Mr. Ashok Kumar Vishwakarma, Managing Director, none of the Directors and/or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution stated above except and to the extent they are member/s of the Company.

**PARTICULARS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT (AGENDA NO. 3 & 4) AS REQUIRED TO BE FURNISHED UNDER THE SECRETARIAL STANDARD ON GENERAL MEETINGS / REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

|  |   |  |
|--|---|--|
| Name   | Mrs Gayathri Sundaram   | Mr Peter John Woolrich   |
| Age  | 47 years  | 69 years   |
| DIN  | 07342382  | 07808275   |
| Qualification  | Chartered Accountant and Cost Accountant  | City & Guilds Full Technological Certificate in Industrial Electronics   |
| Experience   | Mrs Gayathri Sundaram, is a practicing professional, who has very bright academic record with best corporate exposure of over 20 years, with specialization in Corporate accounting, Risk Management and Treasury. She also holds the distinction of being selected for IAS/IFS twice in a row. She is an active resource person for CA & CWA Southern region council for panel discussions, seminars & CPE programs. Currently Mrs Gayathri Sundaram, is a free lance chartered accountant, associated with M/s. Profadds consulting, handling internal and management audits upto Audit Committee presentations, for variety of Corporates Pan-India, including listed companies. | Mr. Peter John Woolrich has more than 35 years of professional experience in Protection & Control System with ALSTOM, GEC Alston, English Electric in Sales & Marketing. |
| Current remuneration (last drawn remuneration)   | Rs. 40,000/- (Sitting fees paid during the FY 2016-17)  | NIL  |
| Date of first appointment on the Board   | November 2, 2015  | June 5, 2017   |
| Shareholding in the Company  | NIL   | NIL  |
| Relationship with other Directors, Manager and other Key Managerial Personnel of the Company | NIL   | NIL  |
| Number of meetings of the Board attended during the year                                     | 4 (FOUR )   | NIL  |
| Other Directorships, Memberships/ Chairmanship of Committees of other Boards                 | NIL   | Holding Directorship in Acrastyle Power (India) Limited  |
| Nature of expertise in specific functional area  | FINANCE, ACCOUNTS & TAXATION  | ELECTRICAL ENGINEER  |

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER.

**A Person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total voting share capital of the Company. A member holding more than ten percent of the total voting share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

2. The Instrument appointing Proxy, in order to be effective should be duly completed, stamped and signed and must be deposited with the Company at least 48 hours before the time scheduled for the meeting. A Proxy form is annexed to this report. Proxies submitted on behalf of limited companies, societies, partnership firms etc., must be supported by appropriate resolution / authority letter/ power of attorney, as applicable, issued by the member/organization.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 setting out the material facts in respect of Agenda Item No. 4 & 5 of the Notice relating to Special Business to be transacted at the Annual General Meeting is annexed thereto.
4. Information relating to the Directors proposed to be appointed and those retiring by rotation and seeking re-appointment at this Meeting, as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.
5. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a certified copy of Board Resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 23, 2017 to Tuesday August 29, 2017 (both days inclusive) for the purpose of Annual General Meeting.
7. Members holding shares in physical form are requested to intimate any change of address to the Company Secretary of the Company immediately.  
In case of shares held in dematerialized form, this information should be passed on to their respective Depository Participants without any delay.
8. Also, Members holding shares in physical form are requested to dematerialize the shares in electronic form to facilitate faster transfer and avoid rejections of bad deliveries.
9. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Share Transfer Agent/Company or with the Depository Participant(s). **Members who have not registered their e-mail addresses so far are encouraged to participate in the green initiative by registering their e-mail address for receiving all communication including Annual Report, Notices, Circulars and other communications from the Company electronically. Members holding shares in dematerialized form are requested to register their e-mail address with their Depository Participant(s) only, while members holding shares in physical form are requested to register their e-mail id by sending a request either on [sta@gnsaindia.com](mailto:sta@gnsaindia.com) / [investor@sspower.com](mailto:investor@sspower.com)**
10. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address is registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s).
11. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print & bring their Attendance Slip/s and submit a duly filled in Attendance Slip signed and completed at the Registration Counter at the AGM. The Members/ Proxies should fill the Attendance Slip for attending the Meeting. The Members who hold shares in electronic form are requested to write their DP ID and Client ID and those who hold shares in physical form are requested to write their Folio No. in the Attendance Slip for attending the Meeting.



12. Members and Proxies attending the meeting are requested to bring their copy of annual report to the Annual General meeting.
13. Members may also note that the Notice of the 39th Annual General Meeting and the Annual Report for the financial year 2016-2017 will also be available on the Company's website [www.sspower.com](http://www.sspower.com) for their download. Even after registering for e-communication, members are also entitled to receive such communication in printed form, upon making a request for the same. For any communication, the members may also send requests to the email id: [investor@sspower.com](mailto:investor@sspower.com)
14. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Standard 2 of the Secretarial Standards on General Meetings and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means through the remote e-voting services provided by National Securities Depository Limited (NSDL) on all resolutions set forth in the notice. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, August 22, 2017, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place other than the venue of the meeting (Remote e-voting).

The remote e-voting period shall commence at 10.00 A.M on Thursday August 24, 2017 and will end at 5.00 P.M on Monday, August 28, 2017. In addition, Members attending the AGM who have not cast their vote by e-voting shall be eligible to vote at the AGM by means of Poll. The Company has appointed Mr. S. Bhaskar, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the entire e-voting process as well as Poll on Annual General Meeting in a fair and transparent manner. The Members desiring to vote through e-voting are requested to refer to the detailed procedure (instructions for e-voting) given hereinafter.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar & Share Transfer Agents.
16. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of Companies Act, 2013 will be available for inspection at the Annual General Meeting.
17. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the Meeting.
18. Route Map showing directions to reach to the venue of 39th Annual General Meeting is given at the last page of this Annual Report.

## PROCEDURE FOR REMOTE E-VOTING

- (A) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 read with Regulation 44 of SEBI (LODR) Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 39th Annual General Meeting 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).
- (B) The voting rights shall be as per the number of equity shares held by the Member(s) as on **Tuesday, August 22, 2017**, being the cut-off date. Members are eligible to cast vote electronically only if they are holding shares as on that date.
- (C) 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.
- (D) The members who have casted 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.
- (E) The remote e-voting period commences on **Thursday August 24, 2017 at 10:00 A.M and ends on August 28, 2017 by 5:00 P.M.** During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Tuesday, August 22, 2017, may cast their vote electronically 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.
- (F) The process and manner for remote e-voting are 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; "S&S Power 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) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "S&S Power Switchgear Limited".
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.

- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) 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 [secretarial@bpcorpadvisors.com](mailto:secretarial@bpcorpadvisors.com) with a copy marked to [evoting@nsdl.co.in](mailto: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 for the AGM: §fEVEN ( Remote e-voting event Number)
  - §fUSER ID :
  - §fPASSWORD / PIN :
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- (G) 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](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- (H) 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.
- (I) 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).
- (J) 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 of August 22, 2017.
- (K) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. August 22, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [sta@gnsaindia.com](mailto:sta@gnsaindia.com)
- (L) 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](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- (M) 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.
- (N) Mr S Bhaskar, Company Secretary (Membership No. 8315), Partner of M/s. BP & Associates Company Secretaries, Chennai has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.

- (O) 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.
- (P) 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 favor 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.
- (Q) The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company [www.sspower.com](http://www.sspower.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing.

**By Order of the Board,  
For S&S POWER SWITCHGEAR LIMITED,**

**D SADASIVAM  
Company Secretary**

**Date:** June 5, 2017  
**Place:** Chennai

## DIRECTOR'S REPORT

### Dear Shareholders,

Your Board of Directors ('Board') have immense pleasure in presenting their **Thirty Ninth (39th) Annual Report** on the business and operations of S&S Power Switchgear Limited ('S&S POWER') or 'the Company' together with the Audited Financial Statements for the year ended **March 31, 2017**.

In line with the requirements of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Regulations"), this report covers the Audited Financial results and other developments during the financial year from **April 1, 2016 to March 31, 2017** (Financial Year) in respect of S&S POWER and S&S POWER Consolidated Performance comprising of S&S Power, its subsidiaries and/or its associates in India and overseas. The Consolidated entity has been referred to as '**S&S Group**' or '**the Group**' in this report.

### 1. FINANCIAL RESULTS – AN OVERVIEW

Your Company's financial performance for the year ended March 31, 2017 is summarized hereunder:

| Particulars  | (Rs. in Lakhs)               |                              |                              |                              |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
|  | Consolidated                 |                              | Standalone                   |                              |
|  | Year ended<br>March 31, 2017 | Year ended<br>March 31, 2016 | Year ended<br>March 31, 2017 | Year ended<br>March 31, 2016 |
| Total Income   | 11381.02                     | 11455.48                     | 282.66                       | 389.78                       |
| <b>Profit before Depreciation,<br/>Finance Costs, Exceptional<br/>Items and Taxation</b> | <b>501.27</b>                | <b>739.36</b>                | <b>(35.55)</b>               | <b>54.23</b>                 |
| Finance Expenses   | 281.83                       | 202.64                       | 61.87                        | 45.56                        |
| Depreciation and Amortization  | 94.80                        | 119.02                       | 14.51                        | 16.87                        |
| Expenses   | 124.64                       | 417.70                       | (111.93)                     | (8.20)                       |
| <b>Profit/(Loss) before tax /<br/>Exceptional, Extraordinary<br/>Items</b>               | <b>(391.52)</b>              | <b>603.90</b>                | <b>(111.93)</b>              | <b>(1.79)</b>                |
| Exceptional & Extraordinary<br>Items**   | (516.16)                     | (186.20)                     | —                            | 6.41                         |
| <b>Profit/Loss Before Tax</b>  | <b>(391.52)</b>              | <b>603.90</b>                | <b>(111.93)</b>              | <b>(1.79)</b>                |
| Tax Expense  | 2.77                         | 20.19                        | 0.28                         | -                            |
| Amount transferred to<br>General Reserve   | -                            | -                            | -                            | -                            |
| <b>Profit / (Loss) after Tax</b>   | <b>(394.29)</b>              | <b>583.71</b>                | <b>(112.21)</b>              | <b>(1.79)</b>                |

**\*\* Exceptional & Extraordinary Items in Consolidated Financial results for the year ended 31.03.2017 represents Pension liability on account of Actuarial Valuation.**

### 2. BUSINESS OVERVIEW - RESULTS OF OPERATIONS

#### Consolidated Performance

Your Company has registered consolidated revenue for the financial year ended March 31, 2017 at **Rs 11381.02 Lacs** as against **Rs 11455.48 Lacs** for the year ended March 31, 2016.



The Total consolidated Earnings before depreciation, finance costs, exceptional items and taxation for the financial year ended March 31, 2017 is **Rs 501.27 Lacs** as against **Rs 739.36Lacs** for the year ended March 31, 2016.

Consolidated Loss for the year ended March 31, 2017 is (Rs 394.29 Lacs) as against Consolidated Profit of **Rs 583.71 Lacs** for the year ended March 31, 2016.

#### **Standalone Performance**

On Standalone basis, your Company has registered a revenue of **Rs 282.66 Lacs** for the financial year ended March 31, 2017 against **Rs 389.78 Lacs** for the year ended March 31, 2016.

The Loss before depreciation, finance costs, exceptional items and taxation for the financial year ended March 31, 2017 is **Rs 111.93 Lacs** as against the Loss of **Rs 8.20 Lacs** for the year ended March 31, 2016.

The Net Loss for the year ended March 31, 2017 stood at Rs 112.21 Lacs as against the Loss of Rs 1.79 lacs for the previous year ended March 31, 2016.

### **3. CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in nature of business of the Company during the year under review.

### **4. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There were no material changes and/or commitments between the end of financial year and the date of this report, which could have had an impact on the Company's operation in the future or its status as a going concern. There are no significant or material orders passed by the Regulators / Courts / Tribunals, during the financial year.

### **5. MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and analysis report which inter-alia covers the Company and its Group's financial and operational performance, Industry trends, Update on Macro Economic Indicators, Risks and Concerns, Internal control systems and their adequacy, Outlook and other material changes prepared in compliance of Regulation 34 of the SEBI Regulations forms part of the annual report, is annexed to this report.

### **6. SHARE CAPITAL**

During the financial year, there was no change in the Share capital structure and the Paid-up Share Capital of the Company as on March 31, 2017 stood at **Rs 620 Lacs**.

Further the Directors state that, no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the financial year:

- a. Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- b. Issue of Shares (including Sweat Equity Shares and ESOS) to employees of the Company under any scheme;
- c. Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

## 7. SUBSIDIARIES / JOINT VENTURES / ASSOCIATES

- a. A list of companies which are subsidiaries/associate to your Company is provided in Form AOC-1;
- b. Your Company continues to have 3 Subsidiaries in India and 2 overseas Subsidiaries, and there were no changes in the same during the financial year;
- c. A Statement containing salient features of financial statements of subsidiaries pursuant to Section 129 of the Act, read with Rule 5 of the Companies (Accounts) Rules, 2014 is annexed to this report in the prescribed Form AOC-1 as **"Annexure A"**

## 8. APPROPRIATIONS

### (a) Reserves

The Company has not transferred any amount to reserves due to loss incurred for the financial year.

### (b) Dividend

Considering the loss incurred, your Directors have not proposed any payment of dividend to the Shareholders for the financial year.

## 9. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated financial statements of the company including all subsidiaries/associates duly audited by the statutory auditors are annexed and forms part of this Annual Report. The consolidated financial statements have been prepared in compliance with the applicable Accounting Standards and the SEBI regulations, which reflect the financial position of the Company and those of its Subsidiaries/Associates.

In accordance with Section 136 of the Act, the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each subsidiary are also available on the Company's website: [www.sspower.com](http://www.sspower.com)

## 10. DEPOSITS

Your Company has not accepted or renewed any deposits from public during the financial year and there were no outstanding deposits within the purview of the provisions of Section 73 and 74 of the Act, read with Companies (Acceptance of Deposits) Rules, 2014.

## 11. BOARD OF DIRECTORS / KEY MANAGERIAL PERSONNEL:

- There was no change in the constitution of Board of directors of the Company during the financial year.
- Further, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on March 30, 2017 approved the appointment of Mr. A. Mahesh as the Chief Financial officer of the Company (CFO & KMP) with effect from April 3, 2017. Mr. K Sundaramurthi, stepped down from the position of Chief Financial Officer with effect from the close of business hours on March 30, 2017. The Board of Directors took on record the resignation of Mr. K Sundaramurthi and places on record its appreciation of the valuable contribution made by him during his tenure.

- Mr Peter John Woolrich (DIN: 07808275) was appointed as an Additional Director in the Board with effect from June 05, 2017 and holds office upto the forthcoming Annual General Meeting of the Company. Necessary resolution for appointment of Mr. Peter John Woolrich as a Director has been included in the Notice convening the Annual General Meeting and details of the proposal as required under the SEBI Regulations, are provided in the Corporate Governance Report and the Notice of 39th Annual General Meeting issued as per the applicable Secretarial Standards..
- All Independent Directors have submitted their declarations that they meet the criteria of Independence as laid down under Section 149(6) of the Act, and the SEBI Regulations.
- Based on the written disclosures provided by the Directors, none of them are disqualified from being appointed as Directors under Section 164 of the Act.
- During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

#### **RETIREMENT BY ROTATION**

Pursuant to Article 101 of the Articles of Association of the Company and in accordance with the Act, Mrs. Gayathri Sundaram (DIN:07342382), Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Board recommends her re-appointment as a Director for approval of members.

The details of Director being recommended for re-appointment as required under the Act and the SEBI Regulations are contained in the accompanying Notice convening the Annual General Meeting of the Company.

#### **RE-APPOINTMENT OF MANAGING DIRECTOR**

- The Board of Directors at its meeting held on June 5, 2017 subject to approval of members of the Company at its ensuing Annual General Meeting, has accorded their approval to re-appoint Mr. Ashok Kumar Vishwakarma (DIN: 05203223) as the Managing Director of the Company for a period of Two (2) years with effect from November 11, 2017 to November 10, 2019.
- The existing term of appointment was made on November 10, 2014 for a period of 5 years ,which originally expires on November 10, 2019. However, due to inadequacy of profits for the preceeding Three (3) years, the term of Managing Director is reduced to a period of Three (3) years in accordance with Schedule V of the Companies Act, 2013. Hence, the necessity for re-appointment of Managing Director for a further period of Two (2) years from November 11, 2017 to November 10, 2019 has arisen.
- The same was recommended to the Board of Directors by the Nomination and Remuneration Committee at its meeting held on June 5, 2017. The Company has also received a notice under Section 160 of the Companies Act, 2013 along with the requisite amount from a member proposing his re-appointment as the Managing Director of the Company.

#### **BOARD MEETINGS**

During the year, 5 (Five) meetings of the Board of Directors were convened and held. The details of the meetings are furnished in the Corporate Governance Report. Furthermore, the intervening gap between the Meetings was within the period prescribed under Section 173(1) of the Act.

## EVALUATION OF BOARD, COMMITTEES OF DIRECTORS

Pursuant to provisions of the Act and the SEBI Regulations, the Board has carried out an annual evaluation of its own performance, the performance of Board committees and of the independent directors. Further, Independent Directors at a Separate meeting, evaluated performance of the Non Independent Directors, Board as a Whole and of the Chairman of the Board.

## KEY MANAGERIAL PERSONNEL

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

- Mr. Ashok Kumar Vishwakarma, Managing Director ;
- Mr. Sadasivam Deivanayagam, Company Secretary & Compliance Officer;
- Mr. A. Mahesh, Chief Financial Officer (CFO)\*\*

(\*\* Appointed by the Board of Directors on March 30, 2017 with effect from April 03, 2017)

## 12. POLICIES

### ▪ VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has set up Vigil Mechanism viz. Whistle Blower Policy to enable the employees and Directors to report genuine concerns, unethical behaviour and irregularities, if any, in the Company noticed by them which could adversely affect company's operations to the Chairman of the Audit Committee. The policy is available at the Company's website ([www.sspower.com](http://www.sspower.com)).

No concerns or irregularities have been reported during the financial year. The Company hereby affirms that no Director/employee has been denied an access to the Chairman of the Audit Committee and that no complaints were received during the financial year.

### ▪ RISK MANAGEMENT POLICY

The Company has already in place an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to ensure that a robust system of risk controls and mitigation is in place. Through risk management approach, the Company ensures that risk to the continued existence as a going concern and to its development are identified and addressed on a timely basis.

At present, the company has not identified any element of risk which may threaten the existence of the company.

### ▪ POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Board has, on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of Directors, Key Managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report.

### ▪ POLICY ON SEXUAL HARASSMENT OF WOMEN

The Company has in place, policy on prevention, prohibition and Redressal of Sexual Harassment for women at the Workplace in accordance with the requirements of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. It ensures prevention and deterrence of acts of sexual harassment and communicates procedures for their resolution and settlement. All women employees are covered under this policy. There were no cases/ complaints reported in this regard during the financial year.

### 13. INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS

The Ministry of Corporate Affairs vide its notification dated February 16, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015.

In pursuance of this notification, your Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2017 with the comparatives for the period ending March 31, 2017. Also, the Unaudited Results for the quarter ended June 30, 2017 shall be prepared as per the applicable Ind AS to the Company.

Your Company had already begun the assessment of impact of the change to Ind AS on reported reserves and surplus and on the reported profit/loss for the relevant periods.

The implementation of Ind AS is a major change process for which the Company has set up a dedicated team and is providing desired resources for its completion within the time frame. The impact of the change on adoption of Ind AS is being assessed.

### 14. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 134(5) of the Act, your directors, on the basis of information made available to them, confirm the following:

- a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the LOSS of the Company for that period;
- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the directors have prepared the annual accounts on a going concern basis;
- e) that the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 15. EXTRACT OF ANNUAL RETURN

Pursuant to provisions of Section 92(3) of the Act, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT-9 is enclosed herewith and forms part of the report. (REFER “**ANNEXURE-B**” – EXTRACT OF ANNUAL RETURN)



## 16. AUDITORS

### a) Statutory Auditors

M/s GSV ASSOCIATES, Chartered Accountants, the existing Statutory Auditors of the Company whose term of office shall come to an end from the conclusion of ensuing Annual General Meeting of the Company in accordance with the Act, and shall vacate the office.

The Company has approached M/s. CNK & Associates LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No: 101961W/ W-100036) for being appointed as the Statutory Auditors of the Company, who have conveyed their eligibility and willingness to function as the Company's Statutory Auditors, if appointed. The Board, based on the recommendation of the Audit Committee, recommends the appointment of M/s. CNK & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company, for the approval of members at ensuing Annual General Meeting.

The Audit Committee and the Board of Directors have recommended the appointment of the Statutory Auditors for a period of 5 years, which is subject to ratification by the members at every Annual general meeting of the Company. A resolution to that effect forms part of notice of the Annual General Meeting attached to this report.

As required under Regulation 33(1)(d) of the SEBI Regulations, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI).

The Company has also obtained a written Certificate from the Statutory Auditors proposed to be appointed at the ensuing Annual General Meeting of the Company. The Auditors have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and Rules framed thereunder and would satisfy the criteria provided in Section 141 of the Act.

Further, the Outgoing Statutory Auditors have not reported any incident of material fraud to the Audit Committee of the Company during the financial year.

### b) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act, and the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 the Company has appointed Mr. S. Bhaskar, Partner of M/s. BP & Associates, a firm of Company Secretaries in practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor for the financial year is annexed to the Board's report as "Annexure C".

## 17. QUALIFICATIONS/OBSERVATION'S IN AUDIT REPORTS

Qualification / Observation or adverse remark on Independent Auditor's report for the year ended March 31, 2017:

### a) Statutory Auditors

#### Para 8.1 – Disclaimer of Opinion of Independent Auditor's Report

- a. The Company has not fulfilled its export obligation as disclosed in sub-note 5.1 of financial statements in respect of advance license availed during 1997-98. We were informed that there has been no progress in the writ petition filed in Madras High Court against the order of Director General of Foreign Trade in this regard. We are unable to express any opinion on the possible additional levy against the company.

### Management Reply

The said matter has been pending since 1997-98, wherein the Company was not able to fulfill its export obligation in respect of Advance licenses obtained for supply to Malaysia due to default in payments by its customer for the past supplies. It bears mention that out of more than 200 advance licenses availed by the Company, it has only defaulted in two and that too, on account of a default by the customer. The Company has been pursuing resolution of the said matter with the Government of India since then. It has made an application for merit based redemption before the appropriate forum. The Company has also filed a petition/application with the Ministry of Commerce, Government of India, during the previous financial year, which is under consideration.

### Para 8.2 – Disclaimer of Opinion of Independent Auditor's Report

**Included in Investments (Note 11), Short term advances (Note 16) and Other current assets (Note 17) are sums of Rs 24,10,20,217 invested and advanced to its subsidiary M/s Acrastyle Power India Ltd against which provisions amounting to Rs 7,21,76,837 have been made. In our opinion, the quantum of provisioning could be understated considering the net worth of its wholly owned subsidiaries. We are not able to comment on the adequacy of provisioning with respect to the same.**

### Management Reply

Though the Net worth of Acrastyle Limited, UK is eroded primarily on account of actuarial pension liability, the operations of the subsidiary looks promising and likely to improve further in the ensuing years through the rolling program of improvements. Accordingly, we believe that no further provision on these investments is necessary in the books of holding Company.

### Point No (iii) Annexure A to Independent Auditor's Report

- 1. Considering the interest rate charged by the company and the fact that the said advances are unsecured, in our opinion, the terms and conditions are prejudicial to the interest of the company.**
- 2. No interest / principal repayment schedule has been stipulated with respect to these loans and the repayments of the same are not regular**
- 3. In absence of any specified repayment schedule, we are not able to comment to the extent of loan which is overdue.** In our opinion, the company is in process of recovering loans by way of greater scrutiny of the company's operation.

### Management Reply

The Company being the holding parent Company had advanced these loans to its subsidiary to meet its working capital shortfall and due to incurrence of significant losses. Any further debit to the subsidiary will further put the subsidiary into further financial strain. However after the improvement in the financial situation of the subsidiary, the repayment schedule for the loans extended to the subsidiary is already drawn out for the financial year 2016-17.

Given the improvement in the financial situation of the subsidiary, the repayment schedule for the loans extended to the subsidiary shall be agreed to in the next financial year 2016-2017.

Qualification / Observation or adverse remark on Secretarial Audit report for the year ended March 31, 2017:

**The Company has advanced interest-free loan to its Subsidiary (S&S Power Switchgear Equipment Ltd) to the extent of Rs 5,82,00,000 which is not in accordance with Section 186(7) of the Companies Act, 2013.**

**Management Reply**

As reported earlier the Company, being the holding Company has advanced the loan to its subsidiary to improve the business and to meet shortfall in financial requirements. Necessary steps are being taken to recover the loans during the current financial year.

**18. CORPORATE GOVERNANCE**

As per Regulation 34(3) read with Schedule-V of the SEBI Regulations, a separate section on Corporate Governance practices followed by the Company, together with a certificate from the Practicing Company Secretary confirming compliance with the conditions of corporate governance, forms an Integral part of this report as Annexure D. Compliance reports in respect of all laws applicable to the Company have been reviewed by the Board of Directors periodically.

Your Company is committed to observe good corporate governance practices in letter and spirit. Your Board of Directors have taken all necessary steps to ensure compliance with the Corporate Governance guidelines, as laid out in the SEBI Regulations 2015. All the Directors and Key Management Personnel of the Company have affirmed in writing their compliance with and adherence to the 'Code of Ethics for Board of Directors and Senior Executives' adopted by the Company.

Also, a certificate by the Managing Director in terms of the SEBI Regulations on the compliance declarations received from the Directors and the Senior Management Personnel is being annexed with this Report as Annexure E.

Your Company had duly complied with the requirements regarding Corporate Governance as stipulated under Regulation 24 of the SEBI Regulations.

Further as required under Regulation 17(8) of the SEBI Regulations, a certificate from the Managing Director and Chief Financial Officer of the Company with regard to the financial statements and other matters is being annexed with this Report as Annexure F.

**19. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In line with the provisions of the Companies Act, 2013 and the rules frame there under with respect to the Corporate Social Responsibility (CSR), your Company is not governed by the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. So, the Company is not required to formulate a policy on CSR and also has not constituted a CSR Committee.

**20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO****(A) CONSERVATION OF ENERGY**

- The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
- The Company is also making continuous efforts for utilizing alternate sources of energy.
- The Company has launched formal management system implementation on environment, health & safety. It will bring significant focus on sustainable development and energy conservation.

**(B) TECHNOLOGY ABSORPTION& PRODUCT INNOVATION**

- Company's products are manufactured by using in-house knowhow technology and no outside technology is being used for manufacturing activities.
- Company operates in a very competitive environment, regular value engineering and adoption of new efficient material and manufacturing technology is a key to stay at the forefront of the cost competitiveness.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Amount in Rs.)

| Particulars               | For the year ended<br>March31, 2017 | For the year ended<br>March 31, 2016 |
|---------------------------|-------------------------------------|--------------------------------------|
| Foreign Exchange Earnings | -                                   | 21,96,000                            |
| Foreign Exchange Outgo    | -                                   | Nil                                  |

**21. INTERNAL FINANCIAL CONTROLS**

The Company has well defined and adequate internal financial controls system over financial reporting, commensurate with its size, scale and complexity of its operations to ensure that all the assets of the Company are safeguarded and protected against any loss and that all the transactions are properly authorised and recorded. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations.

Internal Financial controls helps the Board to monitor the state of controls in key business processes. The organisation is appropriately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment.

The Internal Auditors evaluates the effectiveness and adequacy of internal controls, compliance with operating systems, policies and procedures of the Company and recommends improvements, if any. Significant audit observations and the corrective/ preventive action taken or proposed to be taken by the process owners are presented to the Audit Committee. The Scope of Internal Audit is annually determined by the Audit Committee considering the inputs from the management and statutory auditors.

Capital expenditure of the Company as well as its Group are monitored and controlled with reference to approved budgets. The Audit Committee reviews the overall functioning of Internal Audit on a periodical basis.

The details in respect of internal financial control and their adequacy are included in the independent auditors' report which forms an integral part of this report.

**22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The company has given loans during the year but no guarantees has been issued that are covered under Section 186 of the Act read with the Rules made thereunder. Details of investments made under the said section are covered in Notes to the financial statements (Note-11).

## 23. RELATED PARTY TRANSACTIONS

Your Company has entered into various transactions with related parties as defined under Section 2(76) of the Act in the ordinary course of business. All the related party transactions entered during the financial year were on arm's length basis and in the ordinary course of business. All the related party transactions effected during the year are disclosed in the notes to the Financial Statements. Further, all related party transactions are placed before the Audit Committee and to the Board for approval.

There were no materially significant related party transactions i.e. transactions exceeding ten percent of the annual turnover of the Company as per the last audited financial statements entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and thus disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is enclosed as Annexure-G.

Also, none of the Directors or the Key Managerial Personnel of the Company has any pecuniary relationships or transactions vis-a-vis the company.

## 24. INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

It is firmly believed that employees of the Company and its group are the most valuable assets and key players of business success and sustained growth. The Company constantly striving to enhance the level of employee engagement and to ensure healthy career growth for employees at all levels. A diverse pool of lateral talent has been hired to enhance the bench strength. This includes professional experts with excellent academic credentials and professional track record.

The Company continued to conduct various employee benefit, recreational and team building programs to enhance employee skills, motivation as also to foster team spirit. The Company has also conducted in-house training programs to develop leadership as well as technical/functional capabilities of its employees in order to meet future talent requirements. Industrial relations were cordial throughout the year. The Company has also identified a pool of best human resources who are being groomed for future leadership roles. Structured safety programmes were organised emphasizing safety of people during the year under review.

## 25. PARTICULARS OF EMPLOYEES

As required under provisions of the Act and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, there are no employee falling under the above category, thus no disclosures is required to be given in the report.

## 26. LISTING OF SHARES & DEMATERIALIZATION

The Equity shares of your Company continues to be listed with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Your company is taking adequate steps to ensure early revocation of suspension of trading in the Equity Shares of the Company at BSE and NSE.

The shareholders can avail the facility provided by NSDL and CDSL to dematerialize their shares. Shareholders are requested to convert their physical holdings into dematerialized form to derive the benefits of holding the shares in electronic form.



## 27. INVESTOR SERVICES

Your Company shall constantly endeavour to give the best possible services to the investors and to keep the time of response to shareholder's request / grievance at the minimum. Priority is accorded to address all the issues raised by the shareholders and provide them a satisfactory reply at the earliest possible time.

The investor Grievances Redressal / Stakeholder's Relationship Committee of the Board meets periodically and reviews the status of the Shareholders' Grievances.

## 28. GRATITUDE & ACKNOWLEDGEMENTS

Your Directors place on record their sincere & high appreciation for the unflinching commitment, dedication, hard work and valuable contribution made by the employees of the company and its subsidiaries for sustained growth of group as a whole. Your Directors also sincerely thank all the Promoters, stakeholders, Government authorities, Customers, vendors, Banks business associates, shareholders and other statutory bodies for their continued assistance, support and co-operation.

## CAUTIONARY STATEMENT

Certain Statements in the Board's report and the Management Discussion and Analysis describing the Company's & its subsidiaries objectives, expectations or forecasts may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement.

For and on behalf of the Board of Directors,

**Ashish Sushil Jalan**  
Chairman

**Date:** June 5, 2017

**Place:** Chennai

## ANNEXURE-A

## FORM AOC-1

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

**Statement containing salient features of the Financial Statement of Subsidiaries/Associate Companies/Joint ventures**

**Part "A": Subsidiaries**

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

| S.No. | Particulars   | Details                                |                                 |                                |                       |                                  |
|-------|---|--|---------------------------------|--------------------------------|-----------------------|----------------------------------|
| 1.    | Name of the subsidiary  | S&S Power Switchgear Equipment Limited | Acrastyle Power (India) Limited | Acrastyle EPS Technologies Ltd | Acrastyle Limited, UK | Acrastyle Switchgear Limited, UK |
| 2.    | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | March 31, 2017                         | March 31, 2017                  | March 31, 2017                 | March 31, 2017        | March 31, 2017                   |
| 3.    | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR                                    | INR                             | INR                            | 1 GBP = 79.34         | 1 GBP = 79.34                    |
| 4.    | Share capital   | 1,25,00,000                            | 5,94,50,500                     | 5,00,000                       | 67,36,601             | 24,17,78,812                     |
| 5.    | Reserves & Surplus  | 1,95,17,188                            | 97,79,033                       | 3,50,313                       | (8,00,81,274)         | (12,26,26,079)                   |
| 6.    | Total Assets  | 26,28,28,801                           | 29,60,59,208                    | 19,37,844                      | 31,58,47,383          | 19,83,51,587                     |
| 7.    | Total Liabilities   | 23,08,11,613                           | 22,68,29,675                    | 10,87,531                      | 22,90,29,508          | 7,91,98,854                      |
| 8.    | Investments   | 0                                      | 15,06,37,480                    | 0                              | 0                     | 19,83,50,000                     |
| 9.    | Turnover  | 31,38,16,625                           | 16,69,77,917                    | 0                              | 70,87,54,957          | 0                                |
| 10.   | Profit/(Loss) before taxation   | 62,58,645                              | (1,70,47,460)                   | (5,27,775)                     | 3,48,66,100           | (24,36,12,487)                   |
| 11.   | Provision for taxation  | 0                                      | 2,48,846                        | 0                              | 0                     | 0                                |
| 12.   | Profit/(Loss) after taxation  | 62,58,645                              | (1,72,96,306)                   | (5,27,775)                     | 3,48,66,100           | (24,36,12,487)                   |
| 13.   | Proposed Dividend   | 0                                      | 0                               | 0                              | 0                     | 0                                |
| 14.   | % of shareholding   | 51%                                    | 67%                             | 99.99%                         | 100%                  | 99.99%                           |

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

- Names of subsidiaries which are yet to commence operations - NIL
- Names of subsidiaries which have been liquidated or sold during the year. - NIL

## Part "B": Associates and Joint Ventures

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

|   |     |
|---|-----|
| Name of Associates/Joint Ventures   | NIL |
| 1. Latest audited Balance Sheet Date  |     |
| 2. Shares of Associate/Joint Ventures held by the company on the year end     |     |
| No.   |     |
| Amount of Investment in Associates/ Joint Venture                             |     |
| Extend of Holding %   |     |
| 3. Description of how there is significant influence                          |     |
| 4. Reason why the Associate/Joint Venture is not consolidated                 |     |
| 5. Net worth attributable to shareholding as per latest audited Balance Sheet |     |
| 6. Profit/Loss for the year   |     |
| i. Considered in Consolidation  | NIL |
| ii. Not Considered in Consolidation   |     |

- Names of Associates or Joint Ventures which are yet to commence operations - NIL
- Names of Associates or Joint Ventures which have been liquidated or sold during the year - NIL

**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

**For S&S Power Switchgear Limited**

**For GSV Associates**  
Chartered Accountants

**Ashish Sushil Jalan**  
Director  
DIN: 00031311

**Ashok Kumar Vishwakarma**  
Managing Director  
DIN: 05203223

**D Sadasivam**  
Company Secretary

**A Mahesh**  
Chief Financial Officer

**B Karthikeyan**  
Partner  
Membership No.: 224965  
Firm Registration No. 006179S

**Date:** 5 June, 2017  
**Place:** Chennai

## ANNEXURE-B

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH 2017**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1)  
of the Companies (Management & Administration) Rules, 2014

**I. REGISTRATION & OTHER DETAILS**

|    |  |  |
|----|--|--|
| 1. | CIN  | L31200TN1975PLC006966  |
| 2. | Registration Date  | 01/09/1975   |
| 3. | Name of the Company  | S&S POWER SWITCHGEAR LIMITED   |
| 4. | Category/ Sub-category of the Company                                      | COMPANY LIMITED BY SHARES<br>(INDIAN NON-GOVERNMENT COMPANY)   |
| 5. | Address of the Registered Office & Contact Details                         | LOT NO 14, CMDA INDUSTRIAL AREA PART-II,<br>CHITHAMANUR VILLAGE, MARAIMALAI NAGAR,<br>PIN – 603 209. KANCHEEPURAM DT. TAMILNADU<br>MOB : 9381747601   EMAIL : <a href="mailto:investor@ssppower.com">investor@ssppower.com</a> |
| 6. | Whether listed company   | YES  |
| 7. | Name, Address & Contact Details of the Registrar & Transfer Agent, if any. | GNSA INFOTECH LIMITED, STA DEPARTMENT,<br>NELSON CHAMBERS, FOURTH FLOOR, F-<br>BLOCK, NO 115, NELSON MANICKAM ROAD,<br>AMINJIKARAI, CHENNAI – 600029. TAMILNADU  |

**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)

| Sl. No. | Name and Description of Main Products / Services                             | NIC Code of the Product/ Service                                   | % to Total turnover of the Company |
|---------|--|--|------------------------------------|
| 1.      | MANUFACTURING OF CONTROL & RELAY PANEL AND PROVIDING OF ENGINEERING SERVICES | 3603 - MANUFACTURE OF ELECTRICITY DISTRIBUTION & CONTROL EQUIPMENT |                                    |
| 2.      | BUSINESS SUPPORT SERVICES  |  | NIL                                |

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

| Sl. No. | Name and Address of the Company        | CIN / GLN             | Holding / Subsidiary Company | % of Shares held | Applicable Section                    |
|---------|--|-----------------------|------------------------------|------------------|---------------------------------------|
| 1.      | S&S POWER SWITCHGEAR EQUIPMENT LIMITED | U29299TN2007PLC064927 | Subsidiary Company           | 51%              | Sec. 2(87) of the Companies Act, 2013 |
| 2.      | ACRASTYLE POWER (INDIA) LIMITED        | U65991TN1992PLC022760 | Subsidiary Company           | 66.67%           | Sec. 2(87) of the Companies Act, 2013 |

| Sl. No. | Name and Address of the Company   | CIN / GLN             | Holding / Subsidiary Company | % of Shares held | Applicable Section                    |
|---------|---|-----------------------|------------------------------|------------------|---------------------------------------|
| 3.      | ACRASTYLE EPS TECHNOLOGIES LIMITED  | U31400TN2010PLC074998 | Subsidiary Company           | 99.99%           | Sec. 2(87) of the Companies Act, 2013 |
| 4.      | ACRASTYLE SWITCHGEAR LIMITED, UNITED KINGDOM<br>(Subsidiary of Acrastyle Power (India) Ltd) | NOT APPLICABLE        | Subsidiary Company           | 100%             | Sec. 2(87) of the Companies Act, 2013 |
| 5.      | ACRASTYLE LIMITED, UNITED KINGDOM<br>(Subsidiary of Acrastyle Limited)                      | NOT APPLICABLE        | Subsidiary Company           | 99.99%           | Sec. 2(87) of the Companies Act, 2013 |

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

##### Category-wise Share Holding

| Category of Shareholders | No. of Shares held at the beginning of the year [as on 1st April 2016] |              |                |              | No. of Shares held at the end of the year [as on 31st March 2017] |              |                |              | % Change during the year |
|--------------------------|--|--------------|----------------|--------------|---|--------------|----------------|--------------|--------------------------|
|                          | Particulars  | Demat        | Physical       | Total        | % of Total Shares   | Demat        | Physical       | Total        | % of Total Shares        |
| <b>A. Promoters</b>      |  |              |                |              |   |              |                |              |                          |
| (1) Indian               |  |              |                |              |   |              |                |              |                          |
| a) Individual/ HUF       | 54582  | 23369        | 77951          | 1.26         | 72532   | 5419         | 77951          | 1.26         | -                        |
| b) Central Govt          | -  | -            | -              | -            | -   | -            | -              | -            | -                        |
| c) State Govt(s)         | -  | -            | -              | -            | -   | -            | -              | -            | -                        |
| d) Bodies Corporate      | 2977887  | 6150         | 2984037        | 48.13        | 3002887   | 6150         | 3009037        | 48.53        | 0.40                     |
| e) Banks / FI            | -  | -            | -              | -            | -   | -            | -              | -            | -                        |
| f) Any other             | -  | -            | -              | -            | -   | -            | -              | -            | -                        |
| <b>Sub Total</b>         | <b>3032469</b>   | <b>29519</b> | <b>3061988</b> | <b>49.39</b> | <b>3075419</b>  | <b>11569</b> | <b>3086988</b> | <b>49.79</b> | <b>0.40</b>              |
| <b>(A) (1)</b>           |  |              |                |              |   |              |                |              |                          |



| Category of Shareholders                            | No. of Shares held at the beginning of the year [as on 1st April 2016] |              |               |             | No. of Shares held at the end of the year [as on 31st March 2017] |              |               |             | % Change during the year |
|---|--|--------------|---------------|-------------|---|--------------|---------------|-------------|--------------------------|
|   | Particulars  | Demat        | Physical      | Total       | % of Total Shares   | Demat        | Physical      | Total       |                          |
| <b>(2) Foreign</b>                                  |  |              |               |             |   |              |               |             |                          |
| a) NRI-Individual                                   | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| b) Other – Individuals                              | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| c) Bodies Corp.                                     | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| d) Banks / FI                                       | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| e) Any other  | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| <b>Sub Total</b>                                    | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| <b>(A) (2)</b>                                      | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| <b>Total Shareholding of Promoter (A) = 3032469</b> | 3032469  | 29519        | 3061988       | 49.39       | 3075419   | 11569        | 3086988       | 49.79       | 0.40                     |
| <b>(A)(1) + (A)(2)</b>                              |  |              |               |             |   |              |               |             |                          |
| <b>B. Public Shareholding</b>                       |  |              |               |             |   |              |               |             |                          |
| <b>(1) Institutions</b>                             |  |              |               |             |   |              |               |             |                          |
| a) Mutual Funds                                     | -  | 26088        | 26088         | 0.42        | -   | 26088        | 26088         | 0.42        | -                        |
| b) Banks / FI                                       | 750  | 3300         | 4050          | 0.06        | 750   | 3300         | 4050          | 0.06        | -                        |
| c) Central Govt                                     | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| d) State Govt(s)                                    | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| e) Venture Capital Funds                            | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| f) Insurance Companies                              | 75726  | -            | 75726         | 1.22        | 75726   | -            | 75726         | 1.22        | -                        |
| g) FIs  | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| h) Foreign Venture Capital Funds                    | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| i) Others (specify)                                 | -  | -            | -             | -           | -   | -            | -             | -           | -                        |
| <b>Sub Total (B) (1)</b>                            | <b>76476</b>   | <b>29388</b> | <b>105864</b> | <b>1.70</b> | <b>76476</b>  | <b>29388</b> | <b>105864</b> | <b>1.70</b> |                          |

| Category of Shareholders   | No. of Shares held at the beginning of the year [as on 1st April 2016] |         |          |        | No. of Shares held at the end of the year [as on 31st March 2017] |         |          |        | % Change during the year |
|--|--|---------|----------|--------|---|---------|----------|--------|--------------------------|
|  | Particulars  | Demat   | Physical | Total  | % of Total Shares   | Demat   | Physical | Total  |                          |
| (2) Non-Institutions a)  |  |         |          |        |   |         |          |        |                          |
| Bodies Corp.   |  |         |          |        |   |         |          |        |                          |
| i) Indian  | 91541  | 16816   | 108357   | 1.75   | 60083   | 16816   | 76899    | 1.24   | (0.51)                   |
| ii) Overseas   | -  | -       | -        | -      | -   | -       | -        | -      | -                        |
| b) Individuals   |  |         |          |        |   |         |          |        |                          |
| i) Individual shareholders holding nominal share capital upto Rs.1 lakh          | 1330723  | 1417794 | 2748517  | 44.33  | 1372914   | 1402738 | 2775652  | 44.77  | (0.44)                   |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 171827   | -       | 171827   | 2.77   | 151150  | -       | 151150   | 2.44   | (0.33)                   |
| c) Others specify  | -  | 3447    | 3447     | 0.06   | -   | 3447    | 3447     | 0.06   | -                        |
| Non Resident Indians   |  |         |          |        |   |         |          |        |                          |
| Overseas   | -  | -       | -        | -      | -   | -       | -        | -      | -                        |
| Corporate  |  |         |          |        |   |         |          |        |                          |
| Bodies   |  |         |          |        |   |         |          |        |                          |
| Foreign  | -  | -       | -        | -      | -   | -       | -        | -      | -                        |
| Nationals  |  |         |          |        |   |         |          |        |                          |
| Clearing   |  |         |          |        |   |         |          |        |                          |
| Members  | -  | -       | -        | -      | -   | -       | -        | -      | -                        |
| Trusts   | -  | -       | -        | -      | -   | -       | -        | -      | -                        |
| Foreign Bodies   | -  | -       | -        | -      | -   | -       | -        | -      | -                        |
| Sub Total (B) (2)  | 1594091  | 1438057 | 3032148  | 48.91  | 1524064   | 1406185 | 2930249  | 47.27  | -                        |
| Total Shareholding of Promoter (B) = (B)(1) + (B)(2)                             | 1670567  | 1467445 | 3138012  | 50.61  | 1600540   | 1435573 | 3036113  | 48.97  | -                        |
| C. Shares held by Custodian for GDRs & ADRs                                      | -  | -       | -        | -      | -   | -       | -        | -      | -                        |
| Grand Total (A+B+C)  | 4703036  | 1496964 | 6200000  | 100.00 | 4703036   | 1496964 | 6200000  | 100.00 | -                        |

**b) Shareholding of Promoter**

| Sl. No. | Shareholder's Name | Share holding at the beginning of the year |                                  |  | Share holding at the end of the year |                                  |  | % of change in share holding 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 |  |

**PROMOTER - INDIVIDUAL**

|              |                              |              |             |     |              |             |     |     |
|--------------|------------------------------|--------------|-------------|-----|--------------|-------------|-----|-----|
| 1.           | Ashish Sushil Jalan          | 34297        | 0.55        | NIL | 34297        | 0.55        | NIL | NIL |
| 2.           | Sushil Kumar Keshavdeo Jalan | 13236        | 0.21        | NIL | 13236        | 0.21        | NIL | NIL |
| 3.           | Snehal Jalan                 | 16650        | 0.27        | NIL | 16650        | 0.27        | NIL | NIL |
| 4.           | Rekha Jalan                  | 13768        | 0.22        | NIL | 13768        | 0.22        | NIL | NIL |
| <b>TOTAL</b> |                              | <b>77951</b> | <b>1.26</b> |     | <b>77951</b> | <b>1.26</b> |     |     |

**PROMOTER – BODY CORPORATE**

|              |                                   |                |              |     |                |              |     |        |
|--------------|-----------------------------------|----------------|--------------|-----|----------------|--------------|-----|--------|
| 1.           | Hamilton and Company Ltd          | 1884113        | 30.39        | NIL | 2230030        | 35.97        | NIL | 5.58   |
| 2.           | Morvi Estates Ltd                 | 320917         | 5.18         | NIL | –              | –            | NIL | (5.18) |
| 3.           | Saurabh Industries Ltd            | 239282         | 3.86         | NIL | 247282         | 3.99         | NIL | (0.13) |
| 4.           | Bombay Gas Company Ltd            | 200000         | 3.23         | NIL | 200000         | 3.23         | NIL | NIL    |
| 5.           | Woodlands Associates Pvt Ltd      | 159400         | 2.57         | NIL | 159400         | 2.57         | NIL | NIL    |
| 6.           | Blue Chip Business Centre Pvt Ltd | 112175         | 1.81         | NIL | 104175         | 1.68         | NIL | (0.13) |
| 7.           | Boistur Commercial Ltd            | 62000          | 1.00         | NIL | 62000          | 1.00         | NIL | NIL    |
| 8.           | RJ Investment Pvt Ltd             | 6150           | 0.10         | NIL | 6150           | 0.10         | NIL | NIL    |
| <b>TOTAL</b> |                                   | <b>2984037</b> | <b>48.14</b> |     | <b>3009037</b> | <b>48.53</b> |     |        |

**c) Change in Promoters' Shareholding (please specify, if there is no change)**

| S. No. | Particulars   | Shareholding at the beginning of the year         |                                  | Cumulative Shareholding during the year |                                  |
|--------|---|---|----------------------------------|---|----------------------------------|
|        |   | No. of Shares                                     | % of total shares of the company | No. of Shares                           | % of total shares of the company |
|        | At the beginning of the year  | 3061988   | 49.39%                           | 3061988                                 | 49.39%                           |
|        | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | 25000   | 0.4%                             | Nil                                     | Nil                              |
|        |   | (Transfer pursuant to Merger of Promoter Company) |                                  |   |                                  |
|        | At the end of the year  | 3086988   | 49.79%                           | 3086988                                 | 49.79%                           |

**d) Shareholding Pattern of Top Ten Shareholders:**
**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

| S. No. | For Each of the Top 10 Shareholders   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|---|---|----------------------------------|---|----------------------------------|
|        |   | No. of Shares                             | % of total shares of the company | No. of Shares                           | % of total shares of the company |
| 1.     | PARESH AMRUTLAL TRIVEDI<br>At the beginning of the year<br>At the beginning of the year                 | 49307                                     | 0.79                             | 49307                                   | 0.79                             |
| 2.     | MADHUBALA P TRIVEDI<br>At the beginning of the year<br>At the beginning of the year                     | 49307                                     | 0.79                             | 49307                                   | 0.79                             |
| 3.     | LIFE INSURANCE CORPORATION OF INDIA<br>At the beginning of the year<br>At the beginning of the year     | 44952                                     | 0.73                             | 44952                                   | 0.73                             |
| 4.     | SUNDAR IYER<br>At the beginning of the year<br>At the beginning of the year                             | 43750                                     | 0.70                             | 43750                                   | 0.70                             |
| 5.     | THE NEW INDIA ASSURANCE COMPANY LIMITED<br>At the beginning of the year<br>At the beginning of the year | 36765                                     | 0.59                             | 36765                                   | 0.59                             |
| 6.     | P MUKESH<br>At the beginning of the year<br>At the beginning of the year                                | 30875                                     | 0.50                             | 30875                                   | 0.50                             |
| 7.     | G H SHAH<br>At the beginning of the year<br>At the beginning of the year                                | 20126                                     | 0.32                             | 20126                                   | 0.32                             |
| 8.     | UTKARSH BABUBHAI SHAH<br>At the beginning of the year<br>At the beginning of the year                   | 13377                                     | 0.22                             | 13377                                   | 0.22                             |
| 9.     | D DINESH KUMAR NAHAR<br>At the beginning of the year<br>At the beginning of the year                    | 13000                                     | 0.21                             | 13000                                   | 0.21                             |
| 10.    | BHAGWAN DAS SHARDA<br>At the beginning of the year<br>At the beginning of the year                      | 12791                                     | 0.20                             | 12791                                   | 0.20                             |
|        |   | 11601                                     | 0.18                             | 11601                                   | 0.18                             |
|        |   | 11601                                     | 0.18                             | 11601                                   | 0.18                             |

**e) Shareholding of Directors and Key Managerial Personnel:**

| S. No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|--|---|----------------------------------|---|----------------------------------|
|        |  | No. of Shares                             | % of total shares of the company | No. of Shares                           | % of total shares of the company |
| 1.     | <b>Mr Ashish Sushil Jalan – Promoter / Chairman</b>              |   |                                  |   |                                  |
|        | At the beginning of the year                                     | 34297                                     | 34297                            | 34297                                   | 34297                            |
|        | Changes during the year  | -   | -                                | -                                       | -                                |
|        | At the end of the year   | 34297                                     | 34297                            | 34297                                   | 34297                            |

**V) INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

|  |                                  |                     |          | Amount in Rs.       |
|--|----------------------------------|---------------------|----------|---------------------|
| Particulars  | Secured Loans excluding deposits | Unsecured Loans     | Deposits | Total Indebtedness  |
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                     |          |                     |
| i) Principal Amount  | -                                | 73,748,919          | -        | 73,748,919          |
| ii) Interest due but not paid                              | -                                | 9,752,878           | -        | 9,752,878           |
| iii) Interest accrued but not due                          | -                                | -                   | -        | -                   |
| <b>Total (i+ii+iii)</b>                                    | -                                | <b>83,501,797</b>   | -        | <b>83,501,797</b>   |
| <b>Change in Indebtedness during the financial year</b>    |                                  |                     |          |                     |
| * Addition   | -                                | 2,90,00,001         | -        | 2,90,00,000         |
| * Reduction  | -                                | 19,38,888           | -        | 19,38,888           |
| <b>Net Change</b>  | -                                | -                   | -        | -                   |
| <b>Indebtedness at the end of the financial year</b>       |                                  |                     |          |                     |
| i) Principal Amount  | -                                | 10,27,48,920        | -        | 10,27,48,920        |
| ii) Interest due but not paid                              | -                                | 78,13,990           | -        | 78,13,990           |
| iii) Interest accrued but not due                          | -                                | -                   | -        | -                   |
| <b>Total (i+ii+iii)</b>                                    | -                                | <b>11,05,62,910</b> | -        | <b>11,05,62,910</b> |



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

| S.No. | Particulars of Remuneration   | Ashok Kumar Vishwakarma,<br>Managing Director<br>(Amount in Rs.) | Total Amount<br>(in Rs.) |
|-------|---|--|--------------------------|
| 1.    | Gross salary  |  |                          |
|       | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 59,35,052  | 59,35,052                |
|       | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -  | -                        |
|       | (c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961            | -  | -                        |
| 2.    | Stock Option  | -  | -                        |
| 3.    | Sweat Equity  | -  | -                        |
| 4.    | Commission  | -  | -                        |
|       | - as % of profit  |  |                          |
|       | - others, specify   |  |                          |
| 5.    | Others, please specify  | -  | -                        |
|       | <b>Total (A)</b>  | <b>59,35,052</b>   | <b>59,35,052</b>         |
|       | <b>Ceiling as per the Act</b>   | <b>60,00,000</b>   | <b>60,00,000</b>         |

**b) Remuneration to other directors**

| S. No. | Particulars of Remuneration           | Name of Directors Amount (in Rs.)                                 |                           |                      | Total Amount<br>(in Rs.) |
|--------|---------------------------------------|---|---------------------------|----------------------|--------------------------|
|        |                                       | Deepak Jugal<br>Kishore<br>Chowdhary                              | Nandakumar<br>Sundarraman | Ajay Kumar<br>Dhagat |                          |
| 1.     | Independent Directors                 |   |                           |                      |                          |
|        | Fee for attending board               | 10,000  | 30,000                    | 30,000               | 70,000                   |
|        | committee meetings                    |   |                           |                      |                          |
|        | Commission                            | -   | -                         | -                    | -                        |
|        | Others, please specify                | -   | -                         | -                    | -                        |
|        | <b>Total (1)</b>                      | <b>10,000</b>   | <b>30,000</b>             | <b>30,000</b>        | <b>70,000</b>            |
| 2.     | Other Non-Executive Directors         | Ashish Sushil<br>Jalan  | Gayathri<br>Sundaram      |                      | Total Amount<br>(in Rs.) |
|        | Fee for attending board               | 40,000  | 40,000                    | -                    | 80,000                   |
|        | committee meetings                    |   |                           |                      |                          |
|        | Commission                            | -   | -                         | -                    | -                        |
|        | Others, please specify                | -   | -                         | -                    | -                        |
|        | <b>Total (2)</b>                      | <b>40,000</b>   | <b>40,000</b>             |                      | <b>80,000</b>            |
|        | <b>Total (B) = (1 + 2)</b>            | <b>50,000</b>   | <b>70,000</b>             | <b>30,000</b>        | <b>150,000</b>           |
|        | <b>Total Managerial Remuneration</b>  | <b>50,000</b>   | <b>70,000</b>             | <b>30,000</b>        | <b>150,000</b>           |
|        | <b>Overall Ceiling as per the Act</b> | It is in accordance with the provisions of the Companies Act 2013 |                           |                      |                          |

## c) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| S. No. | Particulars of Remuneration   | Sundaramurthi Kumar (CFO) | Sadasivam Deivanayagam (CS) | Total Amount (in Rs.) |
|--------|---|---------------------------|-----------------------------|-----------------------|
| 1.     | Gross salary  |                           |                             |                       |
|        | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 399,924                   | 166,548                     | 566,472               |
|        | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                         | -                           | -                     |
|        | (c) Profits in lieu of salary under section 17(3) Income - tax Act, 1961            | -                         | -                           | -                     |
| 2.     | Stock Option  | -                         | -                           | -                     |
| 3.     | Sweat Equity  | -                         | -                           | -                     |
| 4.     | Commission<br>- as % of profit<br>- others, specify                                 | -                         | -                           | -                     |
| 5.     | Others, please specify  | -                         | -                           | -                     |
|        | <b>Total (A)</b>  | <b>399,924</b>            | <b>166,548</b>              | <b>566,472</b>        |

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment / Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|------|------------------------------|-------------------|--|------------------------------|------------------------------------|
|------|------------------------------|-------------------|--|------------------------------|------------------------------------|

**A.COMPANY**

Penalty

Punishment

Compounding

- NIL -

**B.DIRECTORS**

Penalty

Punishment

Compounding

- NIL -

**C.OTHER OFFICERS IN DEFAULT**

Penalty

Punishment

Compounding

- NIL -

For S&amp;S POWER SWITCHGEAR LTD

Date: June 5, 2017

Place: Chennai

Ashish Sushil Jalan

DIN: 00031311

Director

Ashok Kumar Vishwakarma

DIN: 05203223

Managing Director

## ANNEXURE-C

### FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March 2017

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]**

To,  
The Members,  
S & S Power Switchgear Limited,  
Plot No 14, CMDA Industrial Area,  
Part-II Chithamanur Village,  
Maraimalai Nagar,  
Chennai – 603209.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by S & S Power Switchgear Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the S & S Power Switchgear Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by S & S Power Switchgear Limited for the financial year ended on 31st March, 2017 according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - c) 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
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (vii) Other laws applicable to the Company as per the representations made by the Management.

We have also examined compliance with the applicable clauses in Secretarial Standards issued by The Institute of Company Secretaries of India have been generally complied with.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above expect the following Observation:

1. The Company has advanced interest-free loan to its Subsidiary (S&S Power Switchgear Equipment Ltd) to the extent of Rs 5,82,00,000 which is not in accordance with Section 186(7) of the Companies Act 2013.

During the period under review there were no events which required specific compliance of the provisions of

- i. the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- ii. the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iii. the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors, expect Independent Directors not on Board of Directors for Short period. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For BP & Associates,**  
Company Secretaries  
S. Bhaskar  
Partner  
M No: 10798  
CP No: 8315

**Date:** June 5, 2017

**Place:** Chennai

## **Annexure To Secretarial Audit Report (Form No. MR-3)**

To,  
The Members,  
S & S Power Switchgear Limited,  
Plot No 14, CMDA Industrial Area,  
Part-II Chithamanur Village,  
Maraimalai Nagar, Chennai - 603209

Our report of even date 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes 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 Account of the company
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For BP & Associates,**  
Company Secretaries  
S. Bhaskar  
Partner  
M No: 10798  
CP No: 8315

**Date:** June 5, 2017  
**Place:** Chennai



**ANNEXURE-D****AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

**S&S Power Switchgear Limited**

We have examined the compliance of the conditions of Corporate Governance by S&S Power Switchgear Limited ('the Company') for the year ended March 31, 2017 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing regulations.

We further state that in respect of investor grievances received during the year ended March 31, 2017, no investor grievance is pending against the Company, as per the records maintained by the Company and presented to the Investor Grievance / Stakeholders Relationship Committee.

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

**For BP & Associates,**  
Company Secretaries,

**SBHASKAR** Partner  
Membership No:  
10798 CP No. 8315

Place : Chennai  
Date : June 5, 2017

## ANNEXURE-E

### MD/CFO CERTIFICATION

**(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)**

To  
The Board of Directors  
S&S POWER SWITCHGEAR LIMITED,

In terms of regulation 17(8) of SEBI (LODR) Regulations, 2015, Managing Director and Chief Financial officer of the Company has certified to the Board that:

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

Place : Chennai  
Date : June 5, 2017

**Ashok Kumar Vishwakarma**  
Managing Director

**A. Mahesh**  
Chief Financial Officer

## ANNEXURE-F

**Annual Declaration under Regulation 34(3) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### DECLARATION

As required under Regulation 34(3) read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all the Board members and senior executives of the Company have complied with Code of Ethics of the company for the year ended March 31, 2017.

Place : Chennai  
Date : June 5, 2017

**Ashok Kumar Vishwakarma**  
Managing Director

**ANNEXURE-G**
**FORM AOC-2**

**(Pursuant to clause (h) of sub-section(3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act,2013 including certain Arm's Length Transactions under third provision thereto.

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

| Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Justification for entering into such contracts or arrangements or transactions | Date of Approval by the Board | Amount paid as advances, if any | Date on which the special resolution was passed in General Meeting as required under first proviso to section 188 |
|---|---|---|--|-------------------------------|---------------------------------|---|
|---|---|---|--|-------------------------------|---------------------------------|---|

**NIL**

**2. Details of material contracts or arrangement or transactions at arm's length basis**

| (Amount in Rs)  |   |   |  |                               |                                 |
|---|---|---|--|-------------------------------|---------------------------------|
| Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date of Approval by the Board | Amount paid as advances, if any |
| Acrastyle Power (India) Limited                         | Corporate Shared Services                         | 1 Year  | 36,00,000  | -                             | Nil                             |
|   | Sales   | 1 Year  | 19,85,247  | -                             | Nil                             |
|   | Sale of Fixed Asset                               | Nil   | 26,00,000  | -                             | Nil                             |
| S&S Power Switchgear                                    | Corporate Services Charged                        | 1 Year  | 1,57,80,000  | -                             | Nil                             |
| Equipment Limited                                       | Purchases   | 1 Year  | 4,896  | -                             | Nil                             |
| Hamilton & Co Ltd                                       | Interest Charged                                  | 1 Year  | 39,53,612  | -                             | Nil                             |
| Sri Krishna Tiles & Potteries Private Limited           | Interest Charged                                  | 1 Year  | 7,50,000   | -                             | Nil                             |
| Hamilton & Co Ltd                                       | Interest Charged                                  | 1 Year  | 7,50,206   | -                             | Nil                             |

**Note:** All the above transactions are duly approved by the Board of Directors at regular intervals.

**For S&S Power Switchgear Limited**

**Ashish Sushil Jalan**  
Director  
DIN: 00031311

**D Sadasivam**  
Company Secretary

**Date:** 5 June, 2017  
**Place:** Chennai

**Ashok Kumar Vishwakarma**  
Managing Director  
DIN: 05203223

**A Mahesh**  
Chief Financial Officer

**For GSV Associates**  
Chartered Accountants

**B Karthikeyan**  
Partner  
Membership No.: 224965  
Firm Registration No. 006179S

## MANAGEMENT DISCUSSION ANALYSIS REPORT

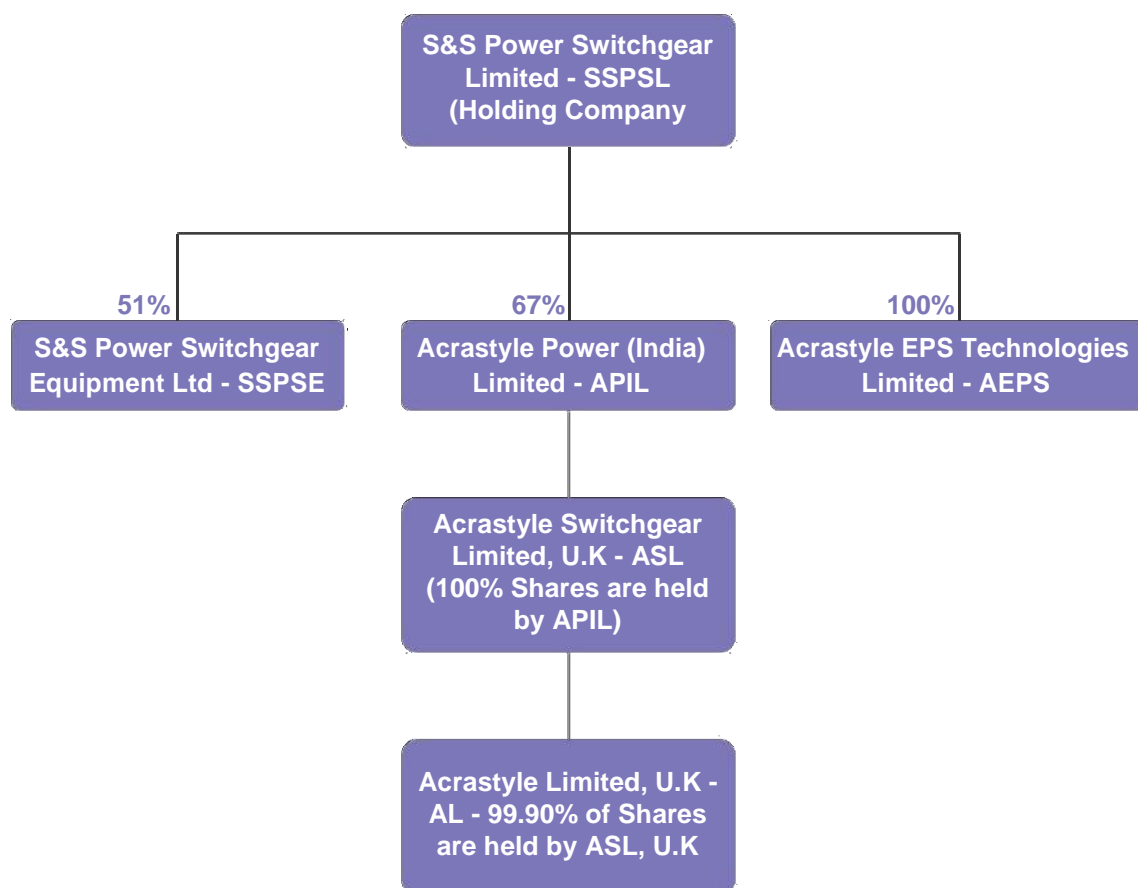
### S&S POWER GROUP TODAY AND ITS BUSINESS SEGMENT

S&S Power Switchgear Limited (S&S PSL) executes its businesses through its subsidiaries in India and UK. UK subsidiary (Acrastyle Limited) is primarily focused on Protection and Control Systems for UK distribution companies. They are also developing non-core business by promoting High Voltage Disconnectors manufactured in India, Engineering Services, and Battery Charger.

India Business is executed through three legal entities: S&S PSL, S&S PSE, and APIL. S&S PSL is the holding company and restarting its Spare part service, retrofit, replacement, and extension business for various Indoor and outdoor Circuit breakers supplied in past. It has also entered into a MoU with US company EATON for promotion of SF6 Ring Main Units for city distribution applications.

S&SPSE operations is the key business of the Group in India and is executed from its Pondicherry based facility. This business has undergone major transformation in the year 2016-17 by redesigning the value chain and extension of product range and applications. Our quest for geographical expansion yielded rich results with successful entry in Africa, Afghanistan, and Sri Lanka and Malaysia.

APIL business was largely catering to OEM segment as a tier one supplier. Recently significant breakthroughs have been achieved in this business by executing 220kV P&C systems with substation automation system (SAS) for Toshiba, for ultimate application by OPTCL and Sby securing approval and acceptance by a large company in the Middle East.



## GROUP OVERVIEW

Your Company is a part of Transmission & Distribution Equipment industry; power sector focused Switchgear, P & C Solutions and associated electrical systems, products and services.

Industry and Sector attractions:

- Renewable Energy
- Distribution Company reform
- 24x7 Power availability
- Rural Power development
- Increase in Greater capacity
- Re-electrification in developed markets
- Drive Growth in T&D Equipment business in India

As mentioned, your Company has five subsidiaries namely;

1. Acrastyle Limited, United Kingdom (UK) (AL)
2. S&S Power Switchgear Equipment Limited, Chennai (S&S PSE)
3. Acrastyle Power (India) Limited, Chennai (APIL)
4. Acrastyle Switchgear Limited, United Kingdom (UK) (ASL)
5. Acrastyle EPS Technologies Limited, Chennai (AEPS)

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 with the Stock Exchanges, a Consolidated Financial Statement of the Company and all its subsidiaries are appended to this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the relevant Accounting Standards.

## S&S POWER SWITCHGEAR LIMITED

### Business Model

Servicing of Old installed base of Circuit Breakers by supplying spares and services, retrofitting old technology Circuit Breakers with Vacuum Circuit Breakers and executing extension job for old projects.

Designing, manufacturing and selling new Circuit Breaker products for indoor and outdoor applications. Focusing on Assembly Plant in-house and managing supply chain to execute new projects.

Providing after sale service, managing refurbishment projects and bundling switchgear (Control and Relay Panel, Circuit Breaker and Disconnect Switch).

### Product lines and Service

- Spares and Services
- Retrofit Solutions
- New Circuit Breakers
- MV Switchgear Panels



## **S&S POWER SWITCHGEAR EQUIPMENT LIMITED**

### **Business Model**

Design, Manufacture, Supply and Service of Disconnector Switches and sale through select EPCs and customers in target markets in India, Africa, UK, Italy and ASEAN Countries.

### **Product lines and Service**

- Disconnector Switch centre break, double break and Pantograph from 36 KV to 420 KV.
- First erection certification, retrofitting and refurbishing of any make of Isolator in the field.

## **ACRASTYLE POWER INDIA LIMITED**

### **Business Model**

Design, Manufacture and supply of electrical control, relay panel and automation solutions such as Light Voltage Control Cubicle (LVCC), Control & Relay Panel (CRP), Cooler Control Cubical (CCC), Remote Tapchanger Control Cubicle (RTCC) & Gas Insulated Switchgear (GIS) Panel etc.

### **Product lines and Service**

- Secondary Engineering Services
- Control and Relay Panels
- GIS Control Panel
- Low Voltage Control Cabinets
- Drive Box for Disconnector Business
- Circuit Breaker Control Panel
- Medium Voltage Switchgear Panels

## **ACRASTYLE LIMITED, U.K**

### **Business Model**

Engineering, Manufacturing, Testing and Supply of Protection Systems and associated products to utilities.

### **Product lines and Service**

- Engineered Protection Systems
- Standard Protection and Control Panels
- Disconnector Switch
- Battery Charger
- NER Panels

## INDUSTRY OUTLOOK: IN INDIA AND FIVE CLUSTERS OF MARKET WHERE WE PLAY

The Principal Message that we wish to send out to our Stakeholders is that the future is bright for S&S Power Switchgear Limited and its subsidiaries. This can be inferred from the initiatives being taken by the Indian Government and other Governments in our target market (i.e. emerging economies) to address the challenges of the industry to make electricity available to all, improve network efficiency, integrate green power in grid, reduce carbon footprint, improve power quality and address the issue of availability. Strong presence of the Group's subsidiary Acrastyle Limited in UK is positioned as a leader of P&C Systems in UK market and looking forward to expanding portfolio and improve competitiveness, driving synergy between India and UK.

### India Market

Infrastructure projects undertaken in the country such as metro, roads, renewables, railways, port improvement, and Smart City initiatives are the key drivers for the future growth of Switchgear, protection and control system, and associated products and services.

The launch of UDAY scheme shall transform various DISCOMs in India and consequently drive demand in distribution.

Improvement in Indian National and State Grids to evacuate power and reach in all the villages, support urbanization will require products and services offered by the group.

**Indian Government is driving various initiatives listed in the areas mentioned hereunder which shall have a positive impact on demand for our Group:**

| Energy  | Railway  | Civil  |
|---|--|--|
| <ul style="list-style-type: none"> <li>Focus on energy infrastructure</li> <li>Upgradation of Technology</li> </ul>                 | <ul style="list-style-type: none"> <li>Connection to ports through strategic new Rail networks</li> <li>Modernization of technology</li> </ul> | <ul style="list-style-type: none"> <li>Pradhan Mantri Awas Yojana</li> <li>Prioritize affordable &amp; mass housing</li> </ul> |
| <ul style="list-style-type: none"> <li>Set up small hydro power projects</li> <li>Increase coal exploration &amp; mining</li> </ul> | <ul style="list-style-type: none"> <li>Agri Rail</li> <li>Invest in stressed infrastructure</li> </ul>   | <ul style="list-style-type: none"> <li>Smart Cities</li> <li>Industrial Corridors</li> </ul>                                   |
| <ul style="list-style-type: none"> <li>Bridge demand-supply gap</li> <li>Expedite Oil and Gas explorations</li> </ul>               | <ul style="list-style-type: none"> <li>Modernize stations</li> <li>Prioritize Safety and R&amp;D</li> </ul>                                    | <ul style="list-style-type: none"> <li>Infrastructure linked Real Estate development</li> </ul>                                |
| <ul style="list-style-type: none"> <li>Strengthen national solar mission</li> <li>Reduce T &amp; D losses</li> </ul>                | <ul style="list-style-type: none"> <li>Diamond Quadrilateral Project</li> <li>Tourist Rail</li> </ul>  |  |

## The Renewable Energy Generation

India has commissioned 310 GW of aggregate power generation capacity. Government of India is driving a significant growth in the field of renewable energy primarily solar, followed by wind and some hydroelectric projects to add ~ 150 GW by the year 2022. This is bringing a lot of new elements in the grid by non-uniform production and connection variabilities. Grid would require new solutions to overcome these challenges.

The very nature of renewable energy will need diverse transmission competencies. Besides, the management of large quantities of this energy in a sophisticated manner seems to be a different ball game. This sophistication will demand the reconciliation of efficient systemic design with cutting-edge electronic solutions and dynamic load management capabilities.

## Emerging Opportunities in India

Even as much of our optimism is derived from changes that have already transpired on ground, there is an expectation that once the impact of GST and other reforms process sets in and thereafter accelerates, new opportunities shall emerge faster in India.

For one, there is a growing recognition that every power consumer in the country should enjoy the right and flexibility to switch distribution vendors. This will be possible when the country segregates carriage from content. Besides, this scenario will attract a larger investment in the country's distribution infrastructure, which will moderate T&D losses and enhance revenue collection. S&S Power is much better placed as a solution provider with major transformations such as modernization of the distribution network and network privatization.

International expansion of our geography to five clusters continues to offer new opportunities. Massive electrification in Africa and Bangladesh will command a lion's share of our business.

Government of India is keen to accelerate the growth of the economy in the range of 8% to 9%. Power generation and T&D sectors are the key levers to achieve this accelerated GDP growth. India's per capita electricity consumption is at a very low level of 1048 kwh. Ministry of Power is keen to double the consumption level over the next 5 to 6 years. This would require strong investment growth in the Power and T&D domains.

Government of India's ambitious capacity ramp up in the solar sector is attracting investment from Private developers, NTPC Limited, and SECI. Several Renewable resource-rich states have launched ambitious projects for Solar Parks and solar evacuation transmission network. A need for matching transmission evacuation infrastructure arises for delivering the power from renewable generation centers across Rajasthan, Gujarat, Tamil Nadu, Karnataka to demand centers across the country. This would need introduction of new technologies to deal with the challenges of renewable grid integration to ensure the efficient and reliable dispatch ability of clean power.

The concept of Smart Cities and the first list of chosen 20 cities to be developed as smart cities is going to see augmentation of the energy infrastructure and automation of Grid in these 20 cities. Further, 40 cities are expected to be selected in Phase II of the Smart City program. Smart City ecosystem will demand the latest Grid efficiency and security technologies.

Expansion of this additional power generation capacity of India will create new opportunities for the Group in the form of additional T&D infrastructure in the central grid as well as in the state grid. Such initiatives are expected to be largely driven by super grid technologies like 500/800kV HVDC, FACTS/SVC and 765kV AC corridors. Power Grid is currently leading the process of developing such projects.

PowerGrid is also planning to introduce new technologies such as VSC based HVDC, Dynamic Reactive Compensation, Wide Area monitoring systems (WAMS), Phase shifting transformers, Energy Storage and Renewable control and asset management solutions in the national network.

The Government of India has notified the objective of “24x7 Power for All” to be achieved by the year 2019 to all states which are required to work in time-bound manner to achieve this goal. Separation of agricultural feeders under DDUGJY, Integrated Power Distribution Scheme (IPDS) have been initiated. State Electricity Boards are being encouraged to upgrade their transmission, sub-transmission grids to cope with the additional power generation capacity. This strengthening of Inter and intra state network (66kV – 765kV) is expected to increase business opportunities for your Group.

The scarcity of land is accelerating the transition of substation technology from AIS to GIS which could be built in 15% to 20% of AIS land foot print. This is expected to drive the growth of GIS technology in India.

All these initiatives by the SEBs and Power Grid offer growth opportunities for your Group in the 12th plan period and beyond under NitiAayog.

As part of South Asian Region energy challenge, Government of India is also supporting the development of inter-regional grid with neighboring countries like Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives to develop a strong SAARC grid network. Your Group is already present in these markets and would be able to participate in the future growth of these grids as and when it happens.

## Threats

Most of the companies in Indian corporate sector are highly leveraged, limiting their financial capacities for new investments. Banking Sector is also struggling with huge NPAs, mostly with the Indian corporates and are reluctant to lend more to corporates who have defaulted or are in CDR/SDR.

SEB, DISCOMs are also struggling with huge accumulated losses. Very few of them are capable of investing in T&D network infrastructure. There is a huge mismatch between revenues and costs at the Discom level making their ability to expand and improve their network very difficult. Also, the procurement process practiced by the Govt of buying lowest priced equipment without capturing life cycle cost is a big threat to network improvement.

## Business Projections

The overall business environment is expected to remain challenging in financial year 2017-18 on account of initial impact of introduction of tax reforms i.e. GST with effect from 1 July, 2017 and low industrial growth being witnessed in the past few quarters. Pricing pressure on margins is expected to continue due to low demand, excess supply environment. Your Group has achieved a good level of order book and therefore is equipped to sustain the market pressure.

## Internal Control Systems

The Company maintains adequate internal control systems commensurate with the nature of its business and size and complexity of its operations. The internal control systems have been designed to provide reasonable assurance about recording and providing reliable financial and operational information. The Internal Control process of the Company has been robust and provides reasonable assurance on - reliability of financial information, compliances with laws and regulations in force and realization and optimization of operations. It ensures documentation and evaluation of unit and entity level controls through existing policies and procedures, primarily to identify any significant gaps and define key actions for improvement.

These systems are regularly tested for their effectiveness by Statutory and Internal Auditors. The review also helps to evaluate adequacy of segregation of duties, access rights, delegation of authority, safeguarding assets, etc. The monitoring includes an annual exercise assessing in totality, how the entire internal control system addresses risks and how individual controls interface with each other to create the entire internal control environment. A formal system exists for periodic monitoring and reporting of the results of the internal control self-assessments.

The Internal control processes were audited by the statutory auditors as part of Internal Financial controls over Financial reporting audit and termed these controls as adequate and operating effectively. In the highly networked IT environment of the Company, validation of IT security receives focused attention from IT specialist and Statutory Auditors.

The Company has a strong and independent internal audit function consisting of professionally qualified accountants and internal audit being carried out by a firm of Chartered Accountants. Significant observations made by the internal auditors and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of internal audit recommendations. During the year, the Company has taken steps to review and document the adequacy and operating effectiveness of internal controls.

## UK Market

Your Group's presence in UK market for more than 53 years has provided very strong relationship and large installed base. Many DNOs have clear preference for Acrastyle quality and service and have long term frame contracts. Re-electrification, replacement, and refurbishment of old electrical network and substations, improvement in network efficiency and introduction of digital technology are the key drivers in the market. Expanding our base in transmission side, developing industrial market, participating in Wind energy development, and expanding portfolio like Disconnector and Engineering services are real opportunities in this market.

## Other Market

Make in India initiatives of the Government of India and introduction of GST shall make us more lucrative partners in international markets. Globalization of our business in five clusters of markets in UK, Africa, GCC, SAARC & ASEAN has provided several new opportunities which is demonstrated in our growth trend. Such an increase is anticipated and is driven by factors such as Increasing Private Sector Investments, Investments in inter-connection grids or projects, Replacement of existing aged networks, Increased frequency and intense blackouts, Commitment from the Government of India to increase access to Power to the remotest of places in India. Some of the drivers in the region where your Group has been operating are described below:



| Region      | Key Nations   | Key Demand Drivers  |
|-------------|---|---|
| South Asia  | India   | Energy, Rail and Roads are the priorities of the Government.                |
| Africa      | South Africa, Nigeria, Ethiopia, Kenya, Senegal, Malawi       | Low per capita electricity consumption. Interconnections are being planned. |
| Middle East | Saudi, Oman, UAE, Kuwait                                      | Upcoming large power generating plants, interconnection lines.              |
| SAARC       | Bangladesh, Sri Lanka, Nepal, Bhutan                          | Expansion of India's cross border interconnection.                          |
| ASEAN       | Indonesia, Malaysia, Cambodia, Myanmar, Thailand, Philippines | Increased investments in Power Projects.                                    |
| Europe      | United Kingdom  | Increase in interconnections.   |

## KEY EVENTS DURING THE YEAR ENDED MARCH 31, 2017

| Month           | Internal  | External  |
|-----------------|---|---|
| April, 2016     | Annual Leadership meeting on 13th April, 2016, MM Nagar factory transferred to MMF.                                     | L&T Malawi contract was secured (First order from Africa).  |
| June, 2016      |   | Qualification of new site by GE regional supplier quality team.   |
| July, 2016      |   | NEEPCO replacement order for OFVp36 was received.   |
| August, 2016    | Engineering of Disconnector got co-located to MMF, S&S PSL Registered Office moved to MMF.                              |   |
| September, 2016 | Foundation Day celebration, Hazard Hunt competition organized to improve awareness and kick-start QEHS IMS development. |   |
| October, 2016   | Fire Safety Training conducted, Ayudha Pooja celebration to support AROGYAM program.                                    |   |
| November, 2016  | Diwali celebration was held to support AROGYAM program.   | Charter of Demands was signed with Trade Union in Pondicherry, Quality celebration and Supplier meet.               |
| December, 2016  | Effective Crisis Management was made during Vardha cyclone.   |   |
| March, 2017     | Special Board meeting was held for the approval of budget for the year 2017-18 and the budget was approved thereat.     | Special Board meeting was held for the approval of budget for the year 2017-18 and the budget was approved thereat. |

## S&S POWER STRATEGY FOR THE YEAR 2017-18 - INDIA OPERATIONS

### 75 X 68 X 6 X 6 Business Strategy 2017-18

Align to customer & profitable growth

Commercial excellence • Productivity • Leadership

#### Disconnecter

##### Seize the Opportunity ...

- Bangladesh retain T & expand D
- Grow Africa with New Contractor
- Service Business P&L creation
- Operational Excellence - Twin focus: Global Supply Chain & Manufacturing Excellence
- ISO 14001 & OHSAS 18001 Certification

#### P&C Solutions

##### Become Profitable...

- Create APIL as a separate SBU
- Breakeven with Framed Order
- Market Engineering Services
- OEM Sales Development
- Direct CRP Focus - Selected Vertical
- Leverage Acrastyle Synergy
- ISO 14001 & OHSAS 18001 Certification

#### Circuit Breaker

##### Gain Size & Technology ...

- Service Old Projects - retrofit, spares ...
- Promote CB Type Test OFVP36 aggressively
- Implement EATON Venture Project
- Find out Proximity Trading Opportunity - e.g. Solar Skid Unit, LV Switchgear Panel etc.
- Integrate into MMF Mfg Organization
- ISO 14001 & OHSAS 18001 Certification

Build capabilities, Manage WC & Prioritize investments  
Enable the Strategy

## S&S POWER STRATEGY FOR THE YEAR 2017-18 – UK OPERATIONS

### Acrastyle UK Strategic Initiatives

#### P&C Core Business

- Expand business in Industrial, Renewable and Transmission Segment
- Improve Core Business Competitiveness by leveraging low cost engineering and manufacturing capabilities of India

#### Non Core Business

- Develop RD145 G & RD 36 G DS Business in UK & proximity countries.
- Improve Competitiveness of Battery Charger Solution.
- Intensify promotion of Engineering Services Business.
- Develop LV Switchgear Offerings from India from UK Market

#### Harness Synergy Between India & UK



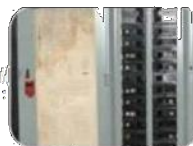
Joint Execution in  
Africa & Middle East



DS Distribution in UK  
through Acrastyle



Provide Engineering  
Services from India



Standard Panel  
Manufacturing &  
Supply from India

**Our Vision: Preferred Switchgear & P&C Solutions Company to our Partners**

## REPORT ON CORPORATE GOVERNANCE

The core principles of Corporate Governance practices are fairness, transparency, accountability and responsibility. Effective Corporate Governance emphasizes efficiency, accountability and adaptability to the changing environment. Corporate Governance is a process to manage the business affairs of the company towards enhancing business prosperity and accountability with the objective of realizing long term shareholder value.

Pursuant to the provisions of Regulation 34, Regulation 53, Schedule V and other applicable regulations (if any) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'], a report on Corporate Governance of the Company for the financial year ended 31st March 2017 is furnished below:

### 1. Company's Philosophy

Your Company's philosophy on Corporate Governance envisages attainment of the highest level of integrity, fairness, transparency, equity and accountability in all the facets of its functioning and in its interactions with shareholders, employees, government, regulatory bodies, listeners and the community at large. Your Company has been upholding fair and ethical business and corporate practices and transparency in its dealings.

Your Company reiterates its commitment to adhere to the highest standards of Corporate Governance. The Company recognizes that good Corporate Governance is a continuing exercise and is committed to pursue the highest standard of governance in the overall interest of the stakeholders.

### 2. Board of Directors

#### a. Composition and category of the Board of Directors and number of other board of directors or committees in which a director is a member or chairperson:

Your Company believes that an active, well- informed and independent Board of Directors is vital to achieve the apex standard of Corporate Governance. The Board of Directors of the Company comprises an optimal combination of executive, non-executive and independent directors so as to preserve and maintain the independence of the Board.

As on date, the Board of Directors comprises of 7 Directors, each being eminent persons with professional experience in varied fields. Brief profile of all the Directors of the Company has been furnished separately in the Annual Report.

The Board and Committees meet at regular intervals. Policy formulation, evaluation of performance and control functions vest with the Board, while the Committees oversee operational issues.

All statutory and other significant and material information(s) are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of stakeholders.

Comprehensively drafted notes for each agenda item along with back ground materials, wherever necessary, are circulated well in advance to the Committee / Board, to enable them for making value addition as well as exercising their business judgment in the Committee / Board meetings.

Presentations are also being made by the business heads on the Company's operations, marketing strategy, Financial Updates in Committees/ Board Meetings.

In line with the Nomination & Remuneration policy, the Directors are identified based on their qualifications, positive attributes, area of expertise, etc. Appointment of the Directors of the Company is approved by the members at their general meetings.

Also, none of the Independent Directors on the Board serve as an independent director in more than seven listed entities and none of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees as specified in SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, across all the Companies in which he/she is a Director. The Directors have made the necessary disclosures regarding Committee positions during the period under review.

Leave of absence was granted to the Director(s) for the Board Meeting(s), which they did not attend and sought the leave of absence from the meeting.

Details relating to the composition of the Board of Directors, number of directorships, memberships and chairmanships of the Directors of the Company in other public limited companies (as on the date of this report) are as follows:

| Name of the Director                                 | Category               | As on the date of the report  |                                  |          |
|--|------------------------|-------------------------------|----------------------------------|----------|
|  |                        | No of other Directorship (\$) | Committee Position (#)<br>Member | Chairman |
| Mr Ashish Sushil Jalan<br>(DIN: 00031311)            | Non-Executive Chairman | 6                             | 2                                | 2        |
| Mr Ashok Kumar Vishwakarma<br>(DIN: 05203223)        | Managing Director      | 2                             | 2                                | -        |
| Mr Deepak Jugal Kishore Chowdhary<br>(DIN: 00332918) | Independent Director   | 2                             | 2                                | -        |
| Mr Ajay Kumar Dhagat<br>(DIN: 00250792))             | Independent Director   | 1                             | 1                                | -        |
| Mr Nandakumar Sundarraman<br>(DIN: 02503998)         | Independent Director   | 1                             | 1                                | -        |
| Mrs Gayathri Sundaram<br>(DIN: 07342382)             | Non-Executive Director | -                             | -                                | -        |
| Mr Peter John Woolrich #<br>(DIN: 07808275)          | Additional Director    | -                             | -                                | -        |

# Mr Peter John Woolrich inducted into the Board as an Additional Director on June 5, 2017

\$ Excludes Directorships in Indian Private Limited Companies, Foreign Companies, Companies u/s 8 of the Companies Act, 2013 and memberships of Managing Committees of various Chambers/bodies and Alternate Directorships.

# Committees include only Audit Committee and Stakeholders Relationship Committee.

**b. Attendance of each directors at the meetings of the Board of Directors, and Board Committees held during the financial year under review and at the last Annual General Meeting (AGM) are as follows:**

| Name of the Director              | Designation       | No of Meetings held | No of Meetings attended |
|-----------------------------------|-------------------|---------------------|-------------------------|
| Mr Ashish Sushil Jalan            | Chairman          | 5                   | 5                       |
| Mr Ashok Kumar Vishwakarma        | Managing Director | 5                   | 5                       |
| Mr Nandakumar Sundarraman         | Member            | 5                   | 3                       |
| Mr Deepak Jugal Kishore Chowdhary | Member            | 5                   | 2                       |
| Mr Ajay Kumar Dhagat              | Member            | 5                   | 5 <sup>54</sup>         |
| Mrs Gayathri Sundaram             | Member            | 5                   | 5                       |

The company informs the Directors through the notice of the meeting regarding the options available to them to participate through video conferencing mode in the meetings except in respect of matters not to be dealt with through video conferencing.

Apart from receiving the director's remuneration, none of the above referred Independent Non-Executive Directors have any material pecuniary relationships or transactions with the Company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect their independence.

The Company has not entered into any materially significant transactions with its Promoters, Directors or their relatives or with the Management, etc. that may have potential conflict with the interest of the Company at large.

**c. Number of meetings of the Board of Directors held and dates on which held and date of the last AGM held :**

The Board met 5 times between 1st April, 2016 and 31st March, 2017 as given below:

26th May, 2016\*, 5th August, 2016, 8th November, 2016, 9th February, 2017 & 30th March, 2017.

(\*The Board Meeting held on 26th May, 2016 was an adjourned Board Meeting dated 18th May, 2016.

| Name of the Director              | Designation       | Attendance at previous Annual General Meeting held on 05.08.2016 |
|-----------------------------------|-------------------|--|
| Mr Ashish Sushil Jalan            | Chairman          | YES  |
| Mr Ashok Kumar Vishwakarma        | Managing Director | YES  |
| Mr Nandakumar Sundarraman         | Member            | YES  |
| Mr Deepak Jugal Kishore Chowdhary | Member            | NO   |
| Mr Ajay Kumar Dhagat              | Member            | NO   |
| Mrs Gayathri Sundaram             | Member            | YES  |

**d. Disclosure of relationships between directors inter-se:**

None of the Directors are related with each other or key managerial personnel (inter-se) within the meaning of the Listing Regulations.



**e. Number of shares and convertible instruments of the Company held by Non- Executive Directors:**

Mr Ashish Sushil Jalan, Chairman & Non-Executive Director of the Company holds 34,297 Equity shares as on 31st March 2017 and as on the date of this Report.

**f. Weblink where details of familiarization programmes imparted to independent directors is disclosed:**

[www.sspower.com](http://www.sspower.com)

**g. Independent Directors' Meeting:**

The Independent Directors (IDs) met on November 8, 2016 without the presence of Non-Independent Directors and members of the in compliance with the provisions of Schedule at this meeting, the IDs inter alia evaluated the performance of the Non-Independent Directors and the Board of Directors as a whole, evaluated the performance of the Chairman of the Board and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Company, the Management and the Board.

**Committees of the Board**

The Board Committees have been constituted to deal with specific areas / activities which need a closer review. The Board Committees are set up under the formal approval of the Board to carry out the clearly defined roles. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

### 3. Audit Committee

The Company recognizes that the Audit Committee is indispensable for ensuring accountability amongst the Board, the Management and the Auditors, who are responsible for sound and transparent financial reporting. The Audit Committee is responsible for overseeing the processes related to financial reporting and information dissemination. It assists the Board of Directors (Board) in its responsibility for overseeing the quality and integrity of accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The primary objective of the Audit Committee of the Company is to monitor and effectively supervise the financial reporting process of the Company with a view to ensure accurate, timely and proper disclosures and transparency and integrity of financial reporting.

The constitution, composition, frequency of meetings, terms of reference, role, powers, rights, authority and obligations of the Audit Committee are in conformity with the applicable provisions of the Companies Act, 2013 and Listing Regulations (including any statutory modification(s) or re-enactment or amendments thereof).

The Audit Committee comprises 4 (Four) members consist of Two Independent Non Executive, One Non-Executive Director and One Executive Director. All members are financially literate and possess sound knowledge of accounts, finance and audit matters. The Company Secretary of the Company acts as Secretary to the Audit Committee. The Internal Auditors of the Company attend the Meetings of the Audit Committee on invitation of the Chairman of the Committee.

The Statutory Auditors, Internal Auditors and other relevant Senior Management Persons of the Company are invited to attend the Meetings of Audit Committee.

Mr. Nandakumar Sundarraman (DIN: 02503998), Chairman of the Audit Committee was present at the last Annual General Meeting held on 5th August, 2016.

a. Brief description of terms of reference inter alia includes :

- To oversee the financial reporting process.
- To oversee the disclosures of financial information.
- To recommend appointment / removal of statutory auditors and fixation of their fees.
- To review the quarterly/half yearly financial results and annual financial statements with the management, internal auditor and the statutory auditor.
- To consider the reports of the internal auditors and to discuss their findings with the management and to suggest corrective actions wherever necessary.
- To Review with the management, statutory auditors and the internal auditors the nature and scope of audits and the adequacy of internal control systems.
- To Review major accounting policies and compliance with accounting standards and listing agreement entered into with the stock exchange and other legal requirements concerning financial statements.
- To Look into the reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividend) and creditors, if any.
- To Review related party transactions of material nature, with promoters or the management and their relatives that may have potential conflict with the interests of the Company at large.
- To investigate any matter covered under Section 177 of the Companies Act, 2013.
- To Review the financial and risk management policies.

b. Composition, names of members and chairperson:

The Audit Committee comprises of the following Directors as on date of the Report:

| Name of the Director              | Designation | No of Meetings held | No of Meetings attended |
|-----------------------------------|-------------|---------------------|-------------------------|
| Mr Nandakumar Sundarraman         | Chairman    | 4                   | 3*                      |
| Mr Deepak Jugal Kishore Chowdhary | Member      | 4                   | 1                       |
| Mrs Gayathri Sundaram             | Member      | 54                  | 54                      |
| Mr Ashish Sushil Jalan            | Member      | 54                  | 54                      |

\* In the place of Mr Nandakumar Sundarraman, Mrs Gayathri Sundaram chaired the Audit Committee meeting held on February 9, 2017.

All the Members of the Audit Committee are financially literate and have relevant accounting and financial management expertise as required under the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Company Secretary acts as the Secretary of the Audit Committee.

c. Meetings and attendance during the year :

During the financial year under review, the Audit Committee met four times, i.e. on May 26, 2016, August 5, 2016, November 8 2016 & February 9, 2017. Details of attendance are furnished at Para (2) (b) ('Board of Directors') of this report.

#### 4. Nomination and Remuneration Committee

The Nomination and Remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations 2015, read with section 178 of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

The Nomination and Remuneration Committee comprises 4 (Three) consist of Two Independent Non Executive Directors, One Non Executive Director and One Executive Director, the Chairman being Non-Executive and Independent. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee.

The members of Nomination and Remuneration committee are : Mr. Nandakumar Sundarraman - Chairman, Mr. Ashish Sushil Jalan - Member, Mr. Deepak Jugal Kishore Chowdhary - Member & Mr. Ajay Kumar Dhagat - Member.

The meeting for Nomination and Remuneration committee were held on 30th March, 2017 towards appointment of Chief Financial Officer (CFO) and the Committee Members were present at the meeting.

#### 5. Remuneration of Directors

##### a. Remuneration of Directors Pecuniary relationship or transactions of the non – executive directors vis-à-vis the Company:

There were no pecuniary relationships or transactions of Non-Executive vis-à-vis the Company.

##### b. Criteria for making payments to Non- Executive Directors:

Independent Directors of the Company have been paid as per the Companies policy.

##### c. Disclosures with respect to remuneration:

Detail disclosures related with respect to Remuneration given in Annexure 2 (MGT-9) of Board Report. Independent Directors are not liable to retire by rotation under the Companies Act, 2013.

During the financial year under review, the Company has not granted any stock option to any of its Directors.

#### 6. Stakeholders Relationship Committee

The Company has always valued its investors' and stakeholders' relationships. In order to ensure the proper and speedy redressal of stakeholders' grievances, the Stakeholders Relationship Committee is constituted. Its constitution, composition, quorum requirements, frequency of meetings, terms of reference, role, powers, rights, authority and obligations are in conformity with the applicable provisions of the Companies Act, 2013 and the Listing Regulations (including any statutory modification(s) or re- enactment or amendments thereof).

The functions of the Stakeholders Relationship Committee are to review and redress

Shareholders' / Investors' query / grievance / complaint on matters relating to transfer of shares, non-receipt of balance sheet / dividend warrants, etc., and to approve transfers, transmission, consolidation and splitting of share certificates and to authorise the officials to make necessary endorsements on the share certificates.

##### a. Name of the non – executive director heading the Committee:

The Committee is headed by the Independent Non- Executive Director and comprises of the following Directors as on the date of this Report:

| Name of the Director       | Designation | No of Meetings held | No of Meetings attended |
|----------------------------|-------------|---------------------|-------------------------|
| Mr Nandakumar Sundarraman  | Chairman    | 4                   | 3*                      |
| Mr Ashish Sushil Jalan     | Member      | 4                   | 1                       |
| Mr Ashok Kumar Vishwakarma | Member      | 4                   | 4                       |
| Mrs Gayathri Sundaram      | Member      | 4                   | 4                       |

\* In the place of Mr Nandakumar Sundarraman Chairman, Mrs Gayathri Sundaram chaired the Share Transfer Committee meeting held on February 9, 2017.

b. Name and designation of Compliance Officer:

Mr Sadasivam Deivanayagam - Company Secretary is the Compliance Officer of the Company (email: [secretarial@ssp-power.com](mailto:secretarial@ssp-power.com))

c. Details of the Shareholder's Compliants:

|   |     |
|---|-----|
| Number of shareholders' complaints/queries, etc. received during the financial year 2016-2017   | 2   |
| Number of complaints/ queries, etc. not resolved to the satisfaction of shareholders as on 31st March 2017  | NIL |
| No. of pending complaints/ queries, etc. (The complaints/ queries have been resolved in consonance with the applicable provisions of the relevant rules / regulations and acts for the time being in force) | 2   |

d. The brief description of terms of reference of the Committee inter alia includes:

- To consider and resolve the grievances of security holders of the Company
- To specifically look into the redressal of grievances of shareholders, debenture holders and other security holders
- To consider and resolve the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends, etc.
- To supervise the process relating to transfer, transmission, transposition, split, consolidation of securities
- To issue the duplicate share certificate(s) and supervise the process
- To supervise the process relating to consider re-materialization / dematerialization requests
- To oversee the performance of the Company's registrar & share transfer agents
- To implement and monitor the Company's Code of Conduct for Prohibition of Insider Trading in conformity with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
- To make recommendations to improve service levels for stakeholders
- To carry out any other functions as authorized by the Board of Directors from time to time or as enforced by statutory/ regulatory Authorities.

**e. Meetings during the year :**

During the financial year under review, the Committee met Four times i.e. on May 26, 2016, August 5, 2016, November 8 2016 & February 9, 2017. Details of attendance are furnished at Para (2) (b) ('Board of Directors') of this report.

**7. General Body Meetings****a. Annual General Meetings:**

Details of the location and time, where last three Annual General Meetings (AGMs) held and the special resolutions passed thereat are as follows:

As on date, the Board of Directors comprises of 7 Directors, each being eminent persons with professional experience in varied fields. Brief profile of all the Directors of the Company has been furnished separately in the Annual Report.

The Board and Committees meet at regular intervals. Policy formulation, evaluation of performance and control functions vest with the Board, while the Committees oversee operational issues.

All statutory and other significant and material information(s) are placed before the Board to enable it to discharge its responsibilities of strategic supervision of the Company as trustees of stakeholders.

Comprehensively drafted notes for each agenda item along with back ground materials, wherever necessary, are circulated well in advance to the Committee / Board, to enable them for making value addition as well as exercising their business judgment in the Committee / Board meetings.

Presentations are also being made by the business heads on the Company's operations, marketing strategy, Financial Updates in Committees/ Board Meetings.

In line with the Nomination & Remuneration policy, the Directors are identified based on their qualifications, positive attributes, area of expertise, etc. Appointment of the Directors of the Company is approved by the members at their general meetings.

| Financial Year, Date and Time   | Venue   | Whether any Special Resolution Passed (Purpose)                                    |
|---|---|--|
| 2015-2016, Thirty Eighth Annual General Meeting held on August 5, 2016    | Narada Gana Sabha Trust, Sadhguru Gnanananda Mini Hall, Alwarpet, Chennai - 600018. | YES (Shifting of Registered Office outside the local limits within the same state) |
| 2014-2015, Thirty Seventh Annual General Meeting held on August 14, 2015  | Narada Gana Sabha Trust, Sadhguru Gnanananda Mini Hall, Alwarpet, Chennai - 600018. | YES (Approval for Managerial Remuneration of Managing Director)                    |
| 2013-2014, Thirty Sixth Annual General Meeting held on September 29, 2014 | Bharatiya Vidya Bhavan (Mini Hall), Mylapore, Chennai – 600004                      | NO   |

- i) Special Resolutions passed through Postal Ballot: NIL
- ii) Person who conducted the aforesaid postal ballot exercise: N.A.
- iii) Whether any special resolution is proposed to be conducted through postal ballot: No

## 8. Means of Communication

- a. Quarterly/ Half yearly/ Annual results are regularly submitted to the Stock Exchanges where the securities of the Company are listed pursuant to the Listing Regulations requirements and are published in the newspapers. The financial results are displayed on the Company's website i.e. [www.sspower.com](http://www.sspower.com)
- b. Newspapers wherein results normally published : Financial Express ( English - all India Edition) & Maalai Sudar (Tamil , the regional language)
- c. Any website, where displayed : [www.sspower.com](http://www.sspower.com)
- d. Whether website also displays official news releases : NO
- e. The Company has maintained a functional website [[www.sspower.com](http://www.sspower.com)] containing basic information about the Company e.g. details of its business, financial information, shareholding pattern, codes, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc.
- f. Presentations made to institutional investors or to the analysts:  
No presentation to any institutional investors or analysts has been made during the financial year ended 31st March 2017.

## 9. General Shareholder Information:

|        |   |   |
|--------|---|---|
| (i)    | Annual General Meeting<br>Date and Time<br>Venue  | Tuesday August 29, 2017, 11:00 AM<br>Registered Office: Plot No 14, CMDA Industrial Area<br>Part-II, Chithamanur Village, Maraimalai Nagar –<br>603209. Kancheepuram District. Tamilnadu              |
| (ii)   | Financial Calendar (2017-18)  | April 1, 2017 to March 31, 2018   |
| (iii)  | Date of Book Closure  | Wednesday, August 23, 2017 to Tuesday August 29, 2017   |
| (iv)   | Dividend Payment Date   | No Dividend has been recommended by the Board<br>of Directors of the Company for the year.  |
| (v)    | Listing on Stock Exchanges and<br>Stock Code  | National Stock Exchange of India Limited (NSE)<br>– Scrip Name : S&SPOWER<br>BSE Limited (BSE) – Scrip Code : 517273  |
| (vi)   | Listing Fees  | Annual Listing Fees for the Financial Year 2017-2018<br>have been paid to the above Stock Exchanges.  |
| (vii)  | DEMAT ISIN No   | INE902B01017  |
| (viii) | Market Price Data   | Your Company's Trading of Shares in both the<br>exchanges has been suspended due to penal reasons.<br>Steps are already taken to revoke the suspension of<br>trading of shares in both the exchanges. |
| (ix)   | Performance in Comparison to<br>broad-based indices such as<br>BSE Sensex, CRISIL Index etc.    | Not Applicable  |
| (x)    | In case of Suspension of<br>Trading, the Director's report<br>shall explain the reasons thereof | The same has been duly reported in the<br>Director's Report.  |



## (xi) Registrar to an Issue and Share Transfer Agents

M/s. GNSA INFOTCH LIMITED,  
STA Department, Nelson Chambers, Fourth Floor,  
F-Block, No: 115, Nelson Manickam Road,  
Aminthakarai, Chennai - 600 029. Tamilnadu.

## (xii) Share Transfer System

Requests for Share transfers received in Physical form, are processed by the Share Transfer Agent, and the share certificates are returned within a period of fifteen days from the date of receipt, subject to the documents are being valid, complete and accurate in all respects.

Stakeholders' Relationship Committee has delegated powers to Registrar and Share Transfer Agents to effect transfer/transmission, name deletion, renewal of shares, duplicate, etc.

## (xiii) Distribution of Shareholding as on 31st March 2017

| Slab of Number of Shareholding | Shareholders |                | Shares          |                |
|--------------------------------|--------------|----------------|-----------------|----------------|
|                                | Number       | Percentage (%) | Number          | Percentage (%) |
| Upto 5000                      | 20158        | 96.45          | 17930260        | 28.92          |
| 5001-10000                     | 450          | 2.15           | 3506530         | 5.66           |
| 10001-20000                    | 165          | 0.79           | 2457590         | 3.96           |
| 20001-50000                    | 88           | 0.42           | 2747600         | 4.43           |
| 50001-100000                   | 24           | 0.11           | 1704210         | 2.75           |
| Above 100000                   | 15           | 0.07           | 33653810        | 54.28          |
| <b>Total</b>                   | <b>20900</b> | <b>100</b>     | <b>62000000</b> | <b>100</b>     |

## (xiv) Categories of Shareholding Pattern as on 31st March 2017

| Category                  | Shareholders |                | Shares         |                |
|---------------------------|--------------|----------------|----------------|----------------|
|                           | Number       | Percentage (%) | Number         | Percentage (%) |
| Promoters                 | 11           | 0.05           | 3086988        | 49.79          |
| Mutual Funds & UTI        | 12           | 0.06           | 101814         | 1.64           |
| Bank/Financial Ins./Govt. | 4            | 0.02           | 4050           | 0.07           |
| Foreign Ins. Investors    | 0            | 0              | 0              | 0              |
| Corporates                | 154          | 0.74           | 76899          | 1.24           |
| Individuals/HUF           | 20710        | 99.09          | 2926802        | 47.21          |
| NRIs / OCBs               | 9            | 0.04           | 3447           | 0.06           |
| Others                    | 0            | 0              | 0              | 0              |
| <b>Total</b>              | <b>20900</b> | <b>100</b>     | <b>6200000</b> | <b>100</b>     |

## (xv) Dematerialization of Shares

As on March 31, 2017 the details of the shares of the Company held in physical and demat form are given below:

## (xvi) Dematerialization of Shares

There are no outstanding GDRs / Warrants and Convertible Instruments as at March 31, 2017.

## (xvii) Commodity price risk or foreign exchange risk and hedging activities

There no such risk in the company. The Company does not have dealt with hedging activities. Hence the same is not applicable.

(xviii) **Plant Location:**

Plot No 14, CMDA Industrial Area Part-II, Chithamanur Village, Maraimalai Nagar – 603209. Kancheepuram District. Tamilnadu.

Tel: 044 4743 1625, Email : [investor@ssppower.com](mailto:investor@ssppower.com), [sales@ssppower.com](mailto:sales@ssppower.com)

(xix) **Address for Correspondence**

Shareholder correspondence should be addressed to the Company's Registrar and Transfer Agents:

M/s. GNSA INFOTCH LIMITED, STA Department,

Nelson Chambers, Fourth Floor, F-Block,

No: 115, Nelson Manickam Road, Aminthakarai, Chennai – 600 029. Tamilnadu.

Ph : 044 4296 2025, Email : [sta@gnsaindia.com](mailto:sta@gnsaindia.com)

Investors may also write or contact Company Secretary and Compliance officer at:

Plot No 14, CMDA Industrial Area Part-II, Chithamanur Village, Maraimalai Nagar – 603209. Kancheepuram District. Tamilnadu.

CIN: L31200TN1975PLC006966

Tel: 044 4743 1625, Email: [investor@ssppower.com](mailto:investor@ssppower.com), [sales@ssppower.com](mailto:sales@ssppower.com)

## 10. Other Disclosures

- a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

During the financial year under review, there were no materially significant related party transactions with the Promoters, Directors, etc. that may have potential conflict with the interests of the Company at large. The related party transactions are entered into based on business exigencies such as synergy in operations, profitability, market share enhancement etc. and are intended to further the Company's interests.

- b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties, strictures have been imposed on the Company by Stock Exchanges or Securities and Exchange Board of India or any other statutory authority.

- c. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee:

The Company has a 'Whistle Blower Policy'/'Vigil Mechanism' in place, details of which have been furnished in the Board of Directors' Report. The Board of Directors affirms and confirms that no personnel has been denied access to the Audit Committee.

- d. Details of compliance with mandatory requirements and adoption of the non mandatory requirements:

The Company has complied with all the mandatory requirements of the Schedule V of the Listing Regulations. The status of compliance with the non-mandatory requirements of this clause has been detailed herein.

- e. Web link where policy for determining 'material' subsidiaries is disclosed: [http:// www.sspower.com](http://www.sspower.com)

- f. Web link where policy on dealing with related party transactions: [http:// www.sspower.com](http://www.sspower.com)

- g. Disclosure of commodity price risks and commodity hedging activities: Not applicable.

**11. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed.**

The Company has complied with the requirement of corporate governance report of sub paras (2) to (10) of the Schedule V of the Listing Regulations.

**12. Adoption of the discretionary requirements as specified in Part E of the Schedule II of the Listing Regulations**

**a. The Board:**

The Company does not defray any expenses of the Chairman's Office.

**b. Shareholder Rights:**

The Company's quarterly and half-yearly results are furnished to the Stock Exchanges and are also published in the newspapers and on the website of the Company and therefore results were not separately sent to the Members. Quarterly/ Half yearly/ Annual results of the Company are displayed on the website of the Company i.e. [www.sspower.com](http://www.sspower.com)

**c. Audit qualifications:**

The details of Audit Qualifications and the respective Management Comments are briefed in the Director's Report.

**d. Separate posts of Chairman and CEO:**

The Board of Directors of the Company comprises of the Non-Executive Chairman. The Company does not have any designated CEO as on the date of report.

**e. Reporting of Internal Auditor:**

The Internal Auditor reports directly to the Audit Committee.

**13. Disclosures of the compliance with corporate governance requirements specified in Regulation 17 to 27 and clauses(b) to (i) of sub - regulation (2) of regulation 46**

The Company has complied with the corporate governance requirements specified in regulation of 27 and clauses (b) to (i) of sub - regulation (2) of regulation 46.

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT UNDER SCHEDULE V (F) OF THE LISTING REGULATIONS**

As confirmed by the R & TA, M/s. GNSA Infotech Ltd., the Company does not have any Demat Suspense Account/Unclaimed Suspense Account.

**DECLARATION BY THE MANAGING DIRECTOR UNDER SCHEDULE V (D) OF THE LISTING REGULATIONS REGARDING ADHERENCE TO THE CODE OF CONDUCT**

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub-clause (II) E of Clause 49 of the Listing Agreement and Regulation 26(3) of Listing Regulations with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the year ended 31st March 2017.

For and on behalf of the Board of Directors and  
Senior Management Personnel

**Ashok Kumar Vishwakarma**

Managing Director

DIN: 05203223

Date : June 5, 2017

Place : Chennai

## INDEPENDENT AUDITOR'S REPORT

### To the Members of S&S Power Switchgear Limited

#### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of S&S Power Switchgear Ltd ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### Auditor's Responsibility

4. 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.
5. 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.
6. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. 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.

#### Basis of Disclaimer of Opinion

8. **We are unable to form any opinion on the following items in the financial statements.**

8.1 The company has not fulfilled its export obligation as disclosed in sub-note 5.1 of financial statements in respect of advance license availed during 1997-98. We were informed that there has been no progress in the writ petition filed in Madras High Court against the order of Director General of Foreign Trade in this regard. We are unable to express any opinion on the possible additional levy against the company.

8.2 Included in Investments (Note 11), Short term advances (Note 16) and Other current assets (Note 17) are sums of Rs 24,10,20,217 invested and advanced to its subsidiary M/s Acrastyle Power India Ltd against which provisions amounting to Rs 7,21,76,837 have been made. In our opinion, the quantum of provisioning could be understated considering the consolidated net worth of M/s Acrastyle Power India Ltd. We are not able to comment on the adequacy of provisioning with respect to the same.

## Opinion

9. In our opinion, **subject to our disclaimer of opinion expressed above on which we could not form any opinion**, 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, of the state of affairs of the Company as at 31 March 2017 and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
11. As required by Section 143 (3) of the Act, we report that
- 11.1. **Subject to our disclaimer above**, 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.
- 11.2 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;
- 11.3. 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;
- 11.4. 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.
- 11.5. On the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- 11.6. 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.
- 11.7. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- 11.7.1. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – refer Note 26& 29.
- 11.7.2. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts. There were no long term derivative contracts.
- 11.7.3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 11.7.4. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 in Sub-note 15.1 of Note 15. However we are unable to obtain sufficient and appropriate audit evidence with respect to classification between specified bank notes and other notes.

**For GSV Associates**

Chartered Accountants  
FRN: 006179S

**Karthikeyan B**

Partner  
MNO: 224965  
Date: June 5, 2017



## ANNEXURE - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report the following, based on the audit conducted by us and explanation and information provided to us:

- (i) (a) We have audited the accompanying standalone financial statements of S&S Power Switchgear Ltd ('the Company'), which comprise the balance sheet as at 31 March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.
- (b) The fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) The title deeds of the immovable properties are held in the name of the company.
- (ii) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and that no material discrepancies were noticed.
- (iii) The company has granted advances to parties covered in the register maintained under section 189 of the Companies Act, 2013, the outstanding balances on 31st March 2017 of which are provided below:

| Party Name  | Amount outstanding on 31.03.2017 |
|---|----------------------------------|
| Acrastyle Power India Ltd (Principal)                         | 4,09,74,275                      |
| Acrastyle Power India Ltd (Interest accrued and due)          | 2,83,91,742                      |
| S&S Power Switchgear Equipment Ltd (Principal)                | 6,02,00,000                      |
| S&S Power Switchgear Equipment Ltd (Interest accrued and due) | 2,69,852                         |

In our opinion,

1. Considering the interest rate charged by the company and the fact that the said advances are unsecured, in our opinion, the terms and conditions are prejudicial to the interest of the company.
  2. No interest / principal repayment schedule has been stipulated with respect to these loans and the repayments of the same are not regular.
  3. In absence of any specified repayment schedule, we are not able to comment to the extent of | loan which is overdue. In our opinion, the company is in process of recovering loans by way of greater scrutiny of the company's operation.
- (iv) During the year the company has not advanced any loans in contravention of section 185 of the Companies Act 2013.

**With respect to Rs 5,82,00,000 advanced to M/s S&S Power Switchgear Equipment Ltd no interest is charged which is violation of sub-section (7) of section 186 of the Companies Act 2013**

- (v) The company has not accepted any deposits and consequently, the directives issued by Reserve Bank of India and provisions of section 73 to 76 of the Companies Act 2013 does not apply to the company.
- (vi) In our opinion the company is not required to maintain cost records under sub-section 1 of section 148 of the Companies Act 2013.

- (vii) (a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no arrears of statutory dues as on date which remain arrear for more than 6 months.
- (b) The Company has disputed the claim on account of statutory enactments at the various forums as set out below:

| S.No. | Nature of Statute        | Nature of Dues   | Amount as at 31st March 2016 (Rs.) | Period to which the amount relates | Forum where the dispute is pending | Remarks   |
|-------|--------------------------|--|------------------------------------|------------------------------------|------------------------------------|---|
| 1.    | Central Excise Act, 1944 | Excise Duty  | 3,91,89,657                        | 1993 to 1997                       | CESTAT – Chennai                   | Company preferring an appeal before Madras High Court. The Company has Pre-Deposit of Rs. 50.00 Lacs. |
| 2.    | Foreign Trade Policy     | Differential Custom Duty                               | 1,72,47,439                        | 1998 to 1999                       | DGFT – Delhi                       | Matter pending before DGFT – Delhi.   |
| 3.    | Income Tax Act, 1961     | Tax on waiver of principal portion of loans by Bankers | 92,98,960                          | A.Y 2007-08                        | ITAT – Chennai                     | Department filed an appeal against order of CIT (A).  |

- (viii) The company has not defaulted in repayment of any loans or borrowing to financial institutions / banks / government or debenture holders.
- (ix) The company has not raised any money by way of initial public offer or further public offer during the financial year.
- (x) No fraud has been noticed by the company or by the officers or employees against the company during the financial year.
- (xi) The company has paid managerial remuneration in compliance with the necessary approvals as provided by section 197 of the Companies Act 2013.
- (xii) The company is not a Nidhi Company.

- (xiii) In as much as the transactions with the related parties of the company are at arms' length, we are of the opinion that the company has complied with provisions of section 177 and 188 of the Companies Act 2013. The company has made adequate disclosures with respect to the transactions with related parties as required under the applicable Accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of any shares during the financial year.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with them.
- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**For GSV Associates**

Chartered Accountants

FRN: 006179S

**Karthikeyan B**

Partner

MNO: 224965

Date: June 5, 2017

## ANNEXURE - B

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

We have audited the internal financial controls over financial reporting of S&S Power Switchgear Ltd ("the Company") as of 31 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

### Auditors' Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### **Opinion**

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

#### **For GSV Associates**

Chartered Accountants

FRN: 006179S

#### **Karthikeyan B**

Partner

MNO: 224965

Date: June 5, 2017

# **S&S POWER SWITCHGEAR LIMITED**

## **BALANCE SHEET AS AT 31st MARCH 2017**

(Amount in Rupees)

| Sl.No.    | Particulars                       | Note No. | As at 31st March 2017 | As at 31st March 2016 |
|-----------|-----------------------------------|----------|-----------------------|-----------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITY</b>       |          |                       |                       |
| <b>1</b>  | <b>Shareholder's Funds</b>        |          |                       |                       |
|           | (a) Share Capital                 | 2        | 62,000,000            | 62,000,000            |
|           | (b) Reserves and Surplus          | 3        | 141,522,830           | 155,902,676           |
| <b>2</b>  | <b>Non-current liabilities</b>    |          |                       |                       |
|           | (a) Long term liabilities         | 4        | 6,450,000             | 6,450,000             |
|           | (b) Long-term provisions          | 5        | 19,974,945            | 18,744,996            |
| <b>3</b>  | <b>Current Liabilities</b>        |          |                       |                       |
|           | (a) Short-term borrowings         | 6        | 102,819,600           | 73,748,869            |
|           | (b) Trade Payables                | 7        | 14,318,065            | 15,801,564            |
|           | (c) Other Current Liabilities     | 8        | 13,624,792            | 16,453,505            |
|           | (d) Short-term provisions         | 9        | -                     | 1,313,938             |
|           | <b>TOTAL</b>                      |          | <b>360,710,232</b>    | <b>350,415,548</b>    |
| <b>II</b> | <b>ASSETS</b>                     |          |                       |                       |
| <b>1</b>  | <b>Non-current assets</b>         |          |                       |                       |
|           | (a) Fixed Assets                  |          |                       |                       |
|           | (i) Tangible assets               | 10       | 25,842,179            | 31,416,241            |
|           | (ii) Intangible assets            | 10       | 10,545                | 15,818                |
|           | (b) Non-current Investments       | 11       | 169,468,970           | 169,468,970           |
|           | (c) Long-term loans and advances  | 12       | 2,903,604             | 5,588,467             |
| <b>2</b>  | <b>CURRENT ASSETS</b>             |          |                       |                       |
|           | (a) Inventories                   | 13       | 3,695,940             | 5,904,581             |
|           | (b) Trade Receivables             | 14, 29   | 29,524,975            | 28,722,597            |
|           | (c) Cash and bank balances        | 15       | 922,599               | 569,136               |
|           | (d) Short-term loans and advances | 16       | 106,082,261           | 90,372,373            |
|           | (e) Other current assets          | 17       | 22,259,159            | 18,357,365            |
|           | <b>TOTAL</b>                      |          | <b>360,710,232</b>    | <b>350,415,548</b>    |

Significant Accounting Policies 1

Notes on accounts are an integral part of these financial statements

**For S&S Power Switchgear Limited**

As per our report of even date

**For GSV Associates**

Chartered Accountants

**Ashish Sushil Jalan**

Director

DIN: 00031311

**Ashok Kumar Vishwakarma**

Managing Director

DIN: 05203223

**B Karthikeyan**

Partner

Membership No.: 224965

Firm Registration No. 006179S

**D Sadasivam**

Company Secretary

**A Mahesh**

Chief Financial Officer

**Date:** 5 June, 2017

**Place:** Chennai



**S&S POWER SWITCHGEAR LIMITED****PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2017**

(Amount in Rupees)

| Sl.No. | Particulars   | Note No. | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|--------|---|----------|---------------------------------------|---------------------------------------|
| I.     | Revenue from Operations   | 18       | 16,585,669                            | 25,900,604                            |
| II.    | Other income  | 19       | 11,680,642                            | 13,077,164                            |
| III.   | Total Revenue (I+II)  |          | <b>28,266,311</b>                     | <b>38,977,768</b>                     |
| IV.    | Expenses:   |          |                                       |                                       |
|        | Consumption of Materials  | 20       | 3,788,432                             | 11,782,611                            |
|        | Changes in Inventory of Stock in Trade and WIP                              | 21       | (297,470)                             | -                                     |
|        | Employee benefit expenses   | 22       | 14,162,974                            | 12,844,817                            |
|        | Finance costs   | 23       | 6,186,598                             | 4,556,374                             |
|        | Depreciation and amortization expense                                       | 10       | 1,450,748                             | 1,687,069                             |
|        | Other expenses  | 24       | 14,167,716                            | 8,927,276                             |
|        | Total expenses  |          | <b>39,458,998</b>                     | <b>39,798,147</b>                     |
| V.     | Profit / (Loss) before exceptional and extraordinary items and tax (III-IV) |          | <b>(11,192,687)</b>                   | <b>(820,379)</b>                      |
| VI.    | Exceptional items   | 32       | -                                     | 641,035                               |
| VII.   | Profit / (Loss) before extraordinary items and tax (V-VI)                   |          | <b>(11,192,687)</b>                   | <b>(179,344)</b>                      |
| VIII.  | Extraordinary items   |          | -                                     | -                                     |
| IX.    | Profit / (Loss) before tax (VII-VIII)                                       |          | <b>(11,192,687)</b>                   | <b>(179,344)</b>                      |
| X.     | Tax expense:  |          |                                       |                                       |
|        | (1) Prior year taxes written off  |          | 27,892                                | -                                     |
|        | (2) Deferred tax  | 27       | -                                     | -                                     |
| XI.    | Profit / (Loss) for the period from continuing operations (IX-X)            |          | <b>(11,220,579)</b>                   | <b>(179,344)</b>                      |
| XII.   | Profit / (Loss) from discontinued operations                                |          | -                                     | -                                     |
| XIII.  | Tax expense of discontinued operations                                      |          | -                                     | -                                     |
| XIV.   | Profit / (Loss) from discontinuing operations (after tax) (XII-XIII)        |          | -                                     | -                                     |
| XV.    | Profit / (Loss) for the period (XI+XIV)                                     |          | <b>(11,220,579)</b>                   | <b>(179,344)</b>                      |
| XVI.   | Earnings per equity share after Extraordinary items:                        |          |                                       |                                       |
|        | (1) Basic   | 31       | <b>(1.81)</b>                         | <b>0.43</b>                           |
|        | (2) Diluted   | 31       | <b>(1.81)</b>                         | <b>0.43</b>                           |

Significant Accounting Policies

1

Notes on accounts are an integral part of these financial statements

**For S&S Power Switchgear Limited**

As per our report of even date

**For GSV Associates**

Chartered Accountants

**Ashish Sushil Jalan**

Director

DIN: 00031311

**Ashok Kumar Vishwakarma**

Managing Director

DIN: 05203223

**B Karthikeyan**

Partner

Membership No.: 224965

Firm Registration No. 006179S

**D Sadasivam**

Company Secretary

**A Mahesh**

Chief Financial Officer

Date: 5 June, 2017

Place: Chennai

# S&S POWER SWITCHGEAR LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

(Amount in Rupees)

| Particulars  | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|--|---------------------------------------|---------------------------------------|
| <b>Cash Flow from Operating Activities:</b>                          |                                       |                                       |
| <b>Net profit for the financial year</b>                             | (11,220,579)                          | (179,344)                             |
| Add: Depreciation for the year (Non cash item)                       | 1,450,748                             | 1,687,069                             |
| Add: Other Reserves (Non cash item)                                  | (3,159,266)                           | 791,417                               |
| Add: Long Term Provisions (Non cash item)                            | 1,229,949                             |                                       |
| Add: Short Term Provisions (Non cash item)                           | (1,313,938)                           |                                       |
| Less: Interest received  | (4,371,811)                           | (4,438,566)                           |
| Add: Interest paid   | 6,186,598                             | 4,556,374                             |
| <b>Operating Profit before working capital changes</b>               | <b>(11,198,299)</b>                   | <b>2,416,950</b>                      |
| <b>Adjustments for Working Capital Changes</b>                       |                                       |                                       |
| Less: (Increase)/Decrease in inventories                             | 2,208,642                             | (1,294,830)                           |
| Add: (Increase)/Decrease in trade receivables                        | (802,378)                             | (7,625,818)                           |
| Add: Increase / (Decrease) in trade payables                         | (1,483,499)                           | 1,662,093                             |
| Add: Increase / (Decrease) in Other current liabilities              | (2,828,713)                           | 4,210,500                             |
| Less: (Increase)/Decrease in Short term<br>Loans & Advances          | 4,990,111                             | (2,795,963)                           |
| Add: (Increase)/Decrease in Other Current Assets                     | (3,908,910)                           | 4,620,065                             |
| <b>Cash Generated from operations before<br/>Extraordinary items</b> | <b>(13,023,045)</b>                   | <b>1,192,997</b>                      |
| <b>Sub-total (A)</b>   | <b>(13,023,045)</b>                   | <b>1,192,997</b>                      |
| <b>Cash Flow from Investing Activities:</b>                          |                                       |                                       |
| Sale of Fixed Assets including revaluation of assets                 | 4,128,587                             | (403,372)                             |
| Interest Received  | 4,371,811                             | 4,438,566                             |
| (Increase) /Decrease in Loans and Advances                           | 2,684,863                             | (1,728,920)                           |
| Advance to Subsidiary  | (20,700,000)                          | -                                     |
| <b>Sub-total (B)</b>   | <b>(9,514,739)</b>                    | <b>2,306,274</b>                      |
| <b>Cash Flow from Financing Activities:</b>                          |                                       |                                       |
| Change in Short Term Borrowings                                      | 29,070,731                            | (50)                                  |
| Interest cost  | (6,186,598)                           | (4,556,374)                           |
| <b>Subtotal (C)</b>  | <b>22,884,132</b>                     | <b>(4,556,424)</b>                    |
| <b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>           | <b>346,348</b>                        | <b>(1,057,153)</b>                    |
| Cash & Cash equivalent at the beginning of the financial year        | 270,606                               | 1,327,759                             |
| <b>Cash &amp; Cash equivalent at the end of the financial year</b>   | <b>616,955</b>                        | <b>270,606</b>                        |
| Add: Deposits with maturity more than 6 months                       | 305,644                               | 298,530                               |
| <b>Cash and bank balance at the end of the year</b>                  | <b>922,599</b>                        | <b>569,136</b>                        |

For S&amp;S Power Switchgear Limited

As per our report of even date

**For GSV Associates**

Chartered Accountants

**Ashish Sushil Jalan**  
Director  
DIN: 00031311

**Ashok Kumar Vishwakarma**  
Managing Director  
DIN: 05203223

**B Karthikeyan**

Partner

Membership No.: 224965

Firm Registration No. 006179S

**D Sadasivam**  
Company Secretary

**A Mahesh**  
Chief Financial Officer

Date: 5 June, 2017

Place: Chennai

## **Note-1: Statement on Significant Accounting Policies forming part of the Financial Statements for the year ended March 31, 2017**

### **1.1 Board of Directors**

- a) The financial statements have been prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), and the relevant provisions of Companies Act, 2013.
- b) All income and expenditure having material bearing are recognised on accrual basis except where otherwise stated.

### **1.2 Revenue Recognition**

- a) Sales (includes Exports) are recognised when products are dispatched and are recorded at invoice value inclusive of excise duty but exclusive of sales tax. Recoveries of freight is not considered as revenue but are adjusted.
- b) Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.
- c) Income from service is recognized based on proportionate completion method, proportionately by reference to performance of each act.
- d) Export incentives like DEPB are recognized in the year of export provided that there exists no uncertainty.

### **1.3 Inventories**

- a) Raw materials are valued at cost on First in First out (FIFO). Cost includes all taxes and duties, but excludes taxes and duties that are subsequently recoverable from the taxing authorities. Imported products in transit are valued at CIF cost. However when the cost of finished products exceeds its net realisable value, the raw materials are written down to net realisable value. The replacement cost is taken as the net realisable value.
- b) Stock-in-process is valued at raw material cost plus cost of conversion, or net realizable value, whichever is lower.
- c) Finished products are valued at cost (on FIFO basis) or net realizable value, whichever is lower.
- d) Scrap is valued at net realizable value.

### **1.4 Use of accounting Estimates**

- a) The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles requires the company's management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.
- b) Examples of such estimates include provisions for bad and doubtful debts, future obligations under employee retirement benefit plans, income taxes, post sales customer support and useful life of fixed assets and intangible assets. Actual results could differ from those estimates and any such differences are dealt with in the period in which the results are known/materialize.

### **1.5 Fixed Assets and Depreciation**

- a) The Fixed assets have been stated at their acquisition cost, which comprises of freight, installation cost, duties, taxes and other directly attributable costs of bringing the assets to its working condition for the intended use.

- b) For the assets acquired during the year, depreciation has been charged on a prorated time basis and individual assets costing Rs.5,000 or less are depreciated in full in the year of acquisition.
- c) The assets as at the balance sheet date are assessed to ascertain for any impairment or loss of value over the values stated in the books and if there be any impairment the Profit & Loss Account is debited/credited for any impairment/excess provision for impairment created. This is in line with AS 28 – Impairment of Assets.
- d) The company capitalizes all costs paid to external agencies for validating/certifying its products. This intangible assets thus created are amortized over a period of five years. This is in line with AS 26 – Accounting for Intangible Assets.
- e) Depreciation / amortization are provided on a pro-rata basis from the month the assets are put to use during the financial year. In respect of assets sold or disposed off during the year, depreciation / amortization are providing up to the month of sale or disposal of the assets.

## 1.6 Foreign Currency Transactions

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction.
- b) At the balance sheet date, monetary items denominated in foreign currency (such as cash, receivables, payables etc.) are translated at the exchange rate prevailing on the last day of the accounting year.
- c) Non-monetary items denominated in foreign currency (such as investments, fixed assets, etc) are translated at the exchange rate ruling at the date of the transaction.
- d) The income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit & Loss Account except those relating to acquisition of fixed assets which are adjusted to the cost of such assets.

## 1.7 Employee Benefits

- a) Company contributes to employees Provident Fund scheme which is a Defined Contribution Plan. Company has no further obligation under the plan beyond its monthly contributions to the Provident Fund Organization.
- b) Company has Defined Benefit Plan namely, Gratuity and leave encashment.
- c) Liability for gratuity is provided based on actuarial valuation determined under projected unit credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India in accordance with the terms of policy under their group gratuity scheme. Shortfall in contributions over the liability determined under an actuarial valuation is expensed to the Profit & Loss Account.

## 1.8 Borrowing Costs

- a) Borrowing costs that are attributable to the acquisition or construction of qualifying assets, up to the date when they are ready for their intended use or sale, are capitalized as part of the cost of such assets.
- b) Other borrowing costs are charged to Profit & Loss Account.

## 1.9 Accounting for Leases

Costs of assets taken on lease are amortized over the lease tenure as per the Accounting Standard- 19 “Leases” issued by ICAI.

### 1.10 Taxation

- a) Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
- b) Deferred tax resulting from timing difference between accounting and taxable income is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.
- c) Deferred tax asset pertaining to unabsorbed depreciation and carry forward of losses are recognized only to the extent there is a virtual certainty of its realization.
- d) Deferred tax assets/liabilities are reviewed at each balance sheet date.

### 1.11 R & D and Deferred Revenue Expenditure

Subsequent to the introduction of AS 26 on intangible assets, the company does not defer expenses incurred on creating intangible assets such expenditures beyond the year in which they are incurred, except those relating to testing charges paid to testing laboratories and are amortized over a period of five years.

### 1.12 Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- b) Contingent liabilities are not recognised but are disclosed in the notes.
- c) Show cause notices issued by various Government authorities are not considered as contingent liabilities. However, when the demand are raised against such show cause notices after considering the company's views, these demands are either paid or treated as liabilities, if accepted by the company, and are treated as contingent liability, if disputed by the company.
- d) Contingent assets are neither recognised nor disclosed in the financial statements.

## S&S POWER SWITCHGEAR LIMITED

### Note 2.1 - Share Capital

(Amount in Rupees)

| Particulars                      | As at 31st March 2017 |                   | As at 31st March 2016 |                   |
|----------------------------------|-----------------------|-------------------|-----------------------|-------------------|
|                                  | Number                | Rs.               | Number                | Rs.               |
| <b>Authorised</b>                |                       |                   |                       |                   |
| Equity Shares of Rs 10 each      | 10,000,000            | 100,000,000       | 10,000,000            | 100,000,000       |
| Preference Shares of Rs 100 each | 1,000,000             | 100,000,000       | 1,000,000             | 100,000,000       |
| <b>Issued</b>                    |                       |                   |                       |                   |
| Equity Shares of Rs 10 each      | 6,200,108             | 62,001,080        | 6,200,108             | 62,001,080        |
| <b>Subscribed &amp; Paid up</b>  |                       |                   |                       |                   |
| Equity Shares of Rs 10 each      | 6,200,000             | 62,000,000        | 6,200,000             | 62,000,000        |
| <b>Total</b>                     | <b>6,200,000</b>      | <b>62,000,000</b> | <b>6,200,000</b>      | <b>62,000,000</b> |

**Sub-note 2.2: Rights, Preferences and Restrictions:** The Company has only one class of equity shares having a par value Rs.10 per share. Each share holder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

### Sub-note 2.3 Movement of Share Capital

| Particulars                                     | As at 31st March 2017 |                   | As at 31st March 2016 |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | Number                | Rs.               | Number                | Rs.               |
| Shares outstanding at the beginning of the year | 6,200,000             | 62,000,000        | 6,200,000             | 62,000,000        |
| Shares Issued during the year                   | -                     | -                 | -                     | -                 |
| Shares bought back during the year              | -                     | -                 | -                     | -                 |
| Shares outstanding at the end of the year       | <b>6,200,000</b>      | <b>62,000,000</b> | <b>6,200,000</b>      | <b>62,000,000</b> |

### Sub-note 2.4 List of shareholders with more than 5% of Share holding

| Name of Shareholder          | As at 31st March 2017 |              | As at 31st March 2016 |              |
|------------------------------|-----------------------|--------------|-----------------------|--------------|
|                              | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding |
| Hamilton and Company Limited | 2,230,030             | 35.97%       | 1,884,113             | 30.39%       |
| Morvi Industries Limited     | -                     | Nil          | 320,917               | 5.18%        |

**Note:** During the financial year pursuant to Merger, the Shares of M/s Morvi Estates Ltd (320,917 Equity Shares) & the Shares of M/s Exclusive Investments Private Ltd (25,000 Equity Shares) got merged with M/s Hamilton & Co Ltd pursuant to the Order of Hon'ble High Court of Mumbai dated 5th May, 2016.

### Sub-note 2.5 Share allotment movement

| Particulars  | Year (Aggregate No. of Shares) |         |         |         |
|--|--------------------------------|---------|---------|---------|
|  | 2012-13                        | 2013-14 | 2015-16 | 2016-17 |
| Equity Shares:   |                                |         |         |         |
| Fully paid up pursuant to contract(s) without payment being received in cash |                                |         | Nil     |         |
| Fully paid up by way of bonus shares   |                                |         |         |         |
| Shares bought back   |                                |         |         |         |



**Note 3 : Reserves and Surplus**
**(Amount in Rupees)**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b>I. Reserves</b>   |                       |                       |
| <b>Securities Premium Reserve</b>  |                       |                       |
| Opening Balance  | 184,000,000           | 184,000,000           |
| Add : Securities premium credited on Share issue                             | -                     | -                     |
| Closing Balance  | <b>184,000,000</b>    | <b>184,000,000</b>    |
| <b>Revaluation Reserve</b>   |                       |                       |
| Opening Balance  | 3,159,265             | 3,159,265             |
| (+) Current Year Transfer  | -                     | -                     |
| (-) Written Back in Current Year   | -                     | -                     |
| (-) Reserve adjusted with the fixed assets<br>(Refer Note 10 & Sub-note 3.1) | (3,159,265)           | -                     |
| Closing Balance  | <b>-</b>              | <b>3,159,265</b>      |
| <b>General Reserves</b>  |                       |                       |
| Opening Balance  | 47,811,693            | 47,811,693            |
| (+) Current Year Transfer  | -                     | -                     |
| (-) Written Back in Current Year   | -                     | -                     |
| Closing Balance  | <b>47,811,693</b>     | <b>47,811,693</b>     |
| <b>II. Surplus</b>   |                       |                       |
| Opening balance  | (79,068,283)          | (78,888,939)          |
| (+) Net Profit/(Net Loss) For the current year                               | (11,220,579)          | (179,344)             |
| Closing Balance  | (90,288,863)          | (79,068,283)          |
| <b>Total</b>   | <b>141,522,830</b>    | <b>155,902,675</b>    |

**Subnote 3.1** The company has reversed the revaluation reserve on assets revalued earlier pursuant to adoption of cost method as provided in Para 91 of AS 10 (Revised)

**Note 4 : Long Term Liabilities**

| Particulars                            | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b>Refundable Rental Deposits</b>      |                       |                       |
| Lease Rental Deposit (From Subsidiary) | 6,300,000             | 6,300,000             |
| Lease Rental Deposit -Cooper           | 150,000               | 150,000               |
| <b>Total</b>                           | <b>6,450,000</b>      | <b>6,450,000</b>      |

**Note 5 : Long Term Provisions**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| <b>(a) Provision for employee benefits</b>          |                       |                       |
| (i) Gratuity Liability                              | 2,184,438             | 1,136,606             |
| (ii) Leave Encashment                               | 543,068               | 360,951               |
| <b>(b) Others</b>                                   |                       |                       |
| (i) Provision for customs duty (Refer sub-note 5.1) | 17,247,439            | 17,247,439            |
| <b>Total</b>  | <b>19,974,945</b>     | <b>18,744,996</b>     |

**Sub-note 5.1:**

The Company, following the principle of prudence, holds Rs.1,72,47,439 as provision for liability towards non-redemption of advance licence pursuant to orders from Directorate General of Foreign Trade. The company has challenged the said orders by way of writ petition in High Court of Madras. Also, the application for merit based redemption of the obligations under the Advance Licences is under the active consideration with the Grievance Redressal committee of the JDGFT.

**Note 6: Short Term Borrowings**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b>Unsecured - Loans Repayable on Demand</b>   |                       |                       |
| (a) Loans from related parties<br>(of the above, Rs. Nil is guaranteed by Directors and / or others) | 102,748,920           | 73,748,869            |
| <b>Total</b>   | <b>102,819,600</b>    | <b>73,748,869</b>     |

**Note 7: Disclosure pursuant to Micro, Small and Medium Enterprises Development Act 2006**

The company does not have any amount due to Micro, Small and medium enterprises as defined under Micro, Small and Medium Enterprises Development Act 2006

**Note 8: Other Current Liabilities**

| Particulars                                  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| (i) Statutory Dues Payable                   | 1,054,212             | 624,380               |
| (ii) Employee Dues Payable                   | 3,545,925             | 2,073,186             |
| (iii) Interest Accrued and due on borrowings | 7,813,990             | 9,752,878             |
| (iv) Advance from customers                  | 89,196                | 1,805,091             |
| (v) Gratuity                                 | -                     | -                     |
| (vi) Other Payables                          | 1,121,469             | 2,197,970             |
| <b>Total</b>                                 | <b>13,624,792</b>     | <b>16,453,505</b>     |

**Note 9 : Short Term Provisions**

| Particulars                | As at 31st March 2017 | As at 31st March 2016 |
|----------------------------|-----------------------|-----------------------|
| (a) Others                 |                       |                       |
| (i) Provision for taxation | -                     | 1,313,938             |
| <b>Total</b>               | <b>-</b>              | <b>1,313,938</b>      |

**Note 11: Non current Investments**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Investment in Equity instruments                           |                       |                       |
| (i) S&S Power Switchgear Equipment Ltd                     | 48,811,000            | 48,811,000            |
| (ii) Acrastyle Power India Ltd                             | 171,654,200           | 171,654,200           |
| (iii) Acrastyle EPS Technology Ltd                         | 500,000               | 500,000               |
| <b>Subtotal (Refer Sub-note 11.1)</b>                      | <b>220,965,200</b>    | <b>220,965,200</b>    |
| Less: Provision for dimunition in the value of Investments | (51,496,230)          | (51,496,230)          |
| <b>Total</b>   | <b>169,468,970</b>    | <b>169,468,970</b>    |

**Note 11: Non current Investments**

| Name of the Investee and percentage of shares held in Investee Company   | Number of Shares | Cost of Investments |
|--|------------------|---------------------|
| <b>Non Trade Equity Investments in Subsidiaries</b>  |                  |                     |
| S&S Power Switchgear Equipment Limited<br>- 51% Stake - Fully Paid up  | 637,497          | 48,811,000          |
| Acrastyle Power India Limited -<br>67% Stake - Fully Paid up   | 3,974,950        | 171,654,200         |
| Acrastyle EPS Technologies Limited<br>99.98% Stake Directly and 0.02% held by<br>nominees on behalf of S&S Power<br>Switchgear Limited - Fully Paid up | 50,000           | 500,000             |
| <b>Grand Total</b>   | <b>4,662,447</b> | <b>220,965,200</b>  |

**Note 12: Long-term loans and advances**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b>a. Security Deposits</b> (Unsecured, considered good) |                       |                       |
| - Rent Deposit   | 2,651,900             | 3,586,500             |
| - Security Deposit-Customers                             | 793,814               | 793,814               |
| - Security Deposit-MES new installation                  | 20,415                | 20,415                |
| - Security Deposit-Others                                | 20,500                | 20,500                |
| - Earnest Money Deposit                                  | 2,090,999             | 1,891,630             |
| - Telephone Deposit                                      | 217,342               | 217,342               |
| - Telex Deposit  | 21,900                | 21,900                |
| - Earnest Money Deposit Breaker                          | 31,920                | 31,920                |
| Less: Provision for doubtful deposits                    | (2,945,186)           | (995,554)             |
| <b>Total</b>   | <b>2,903,604</b>      | <b>5,588,467</b>      |

**Note 13: Inventories**

| Particulars                            | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b>a. Raw Materials and components</b> | 2,004,345             | 4,510,456             |
| <b>b. Work-in-progress</b>             | 1,691,595             | 1,394,125             |
| <b>Total</b>                           | <b>3,695,940</b>      | <b>5,904,581</b>      |

**Note 14: Trade Receivables**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b>a. Trade receivables outstanding for a period less than six months</b>  |                       |                       |
| Unsecured, considered good   | 29,524,975            | 9,708,652             |
| Less: Provision for doubtful debts   | -                     | -                     |
|  | <b>29,524,975</b>     | <b>9,708,652</b>      |
| <b>b. Trade receivables outstanding for a period exceeding six months.</b> |                       |                       |
| Unsecured, considered good   | -                     | 19,013,945            |
| Unsecured, considered doubtful   | 81,080,127            | 81,080,127            |
| Less: Provision for doubtful debts   | (81,080,127)          | 81,080,127            |
|  | -                     | 19,013,945            |
| <b>Total</b>   | <b>29,524,975</b>     | <b>28,722,597</b>     |

**Note 15: Cash and bank balances**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| <b>a. Balances with banks</b>                             |                       |                       |
| Current Account   | 87,670                | 165,677               |
| <b>b. Bank Deposits with more than 12 months maturity</b> |                       |                       |
| Fixed Deposits with Banks                                 | 305,644               | 298,530               |
| <b>c. Cash on hand (Also refer Sub-note 15.1)</b>         | 529,285               | 104,929               |
| <b>Total</b>  | <b>922,599</b>        | <b>569,136</b>        |

**Sub-Note 15.1: Disclosure Requirements relating to Specified Bank Notes(SBN) pursuant to MCA notification no. G.S.R. 308 E dated 30.03.2017**

| Particulars                        | SBN       | Other notes    | Total          |
|------------------------------------|-----------|----------------|----------------|
| Closing balance on 08.11.16        | 218,500   | 196,156        | 414,656        |
| Add: Permitted receipts            | -         | 664,193        | 664,193        |
| Add: Withdrawals from bank         | -         | 41,000         | 41,000         |
| Less: Permitted payments           | -         | (177,574)      | (177,574)      |
| Less: Deposits in bank             | (218,500) | -              | (218,500)      |
| <b>Closing balance on 30.12.16</b> | <b>-</b>  | <b>723,775</b> | <b>723,775</b> |

**Note 16: Short term loans and Advances**

| Particulars                              | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Unsecured, considered good               |                       |                       |
| a. Loans and advances to related parties | 101,336,587           | 80,474,275            |
| b. Advance to Suppliers                  | 2,586,353             | 4,801,347             |
| c. Loans and advances to employees       | 468,554               | 765,230               |
| d. Advance tax                           | 8,013,445             | 7,174,974             |
| e. Others                                | 7,955,494             | 11,434,717            |
| Less: Provision for doubtful Loan        | (14,278,171)          | (14,278,171)          |
| <b>Total</b>                             | <b>106,082,261</b>    | <b>90,372,373</b>     |

**Note 17: Other Current Assets**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| Unsecured, considered good                                    |                       |                       |
| Interest accrued and due - Acrastyle Power (India) Limited    | 28,391,742            | 24,705,948            |
| Interest accrued and due - S&S Power Switchgear Equipment Ltd | 269,852               | 53,852                |
| Less: Provision for doubtful Loan                             | (6,402,435)           | (6,402,436)           |
| <b>Total</b>  | <b>22,259,159</b>     | <b>18,357,364</b>     |

**Note 18: Revenue from Operations**

| Particulars                           | As at 31st March 2017 | As at 31st March 2016 |
|---------------------------------------|-----------------------|-----------------------|
| (a) Sale of Products                  | 4,131,310             | 16,680,703            |
| (b) Income from rendering of services | 13,200,000            | 11,072,510            |
| Less: Excise Duty                     | (745,641)             | (1,852,609)           |
| <b>Total</b>                          | <b>16,585,669</b>     | <b>25,900,604</b>     |

**Note 19: Other Income**

| Particulars                    | As at 31st March 2017 | As at 31st March 2016 |
|--------------------------------|-----------------------|-----------------------|
| Interest Income                | 4,371,811             | 4,438,566             |
| Exchange Gain /(Loss)          | (16,621)              | -                     |
| Other operating income         | 6,444,029             | 8,638,598             |
| Profit on sale of Fixed Assets | 881,423               |                       |
| <b>Total</b>                   | <b>11,680,641</b>     | <b>13,077,164</b>     |

**Note 20: Cost of materials consumed**

| Particulars                          | As at 31st March 2017 | As at 31st March 2016 |
|--------------------------------------|-----------------------|-----------------------|
| Opening stock of raw materials       | 2,818,861             | 3,215,626             |
| Add: Purchase of Raw materials       | 2,973,916             | 13,077,441            |
| Less: Closing stock of raw materials | (2,004,345)           | (4,510,456)           |
| <b>Materials consumed</b>            | <b>3,788,432</b>      | <b>11,782,611</b>     |

**Note 21: Change in Work - in - Progress**

| Particulars           | As at 31st March 2017 | As at 31st March 2016 |
|-----------------------|-----------------------|-----------------------|
| Opening stock of WIP  | 1,394,125             | 1,394,125             |
| Closing stock of WIP  | (1,691,595)           | (1,394,125)           |
| <b>Changes in WIP</b> | <b>(297,470)</b>      | <b>-</b>              |

**Note 22: Employee benefit expenses**

| Particulars                               | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| (a) Salaries and incentives               | 11,857,385            | 11,070,201            |
| (b) Contributions to - (i) Provident Fund | 683,329               | 624,015               |
| (ii) Employee State Insurance             | 17,711                | 21,391                |
| (iii) Gratuity fund contributions         | 1,047,838             | 719,921               |
| (c) Staff welfare expenses                | 556,711               | 409,289               |
| <b>Total</b>                              | <b>14,162,974</b>     | <b>12,844,817</b>     |

**Note 23: Finance Costs**

| Particulars          | As at 31st March 2017 | As at 31st March 2016 |
|----------------------|-----------------------|-----------------------|
| (a) Interest expense | 6,186,598             | 4,556,374             |
| <b>Total</b>         | <b>6,186,598</b>      | <b>4,556,374</b>      |

**Note 24: Other Expenses**

| Particulars                      | As at 31st March 2017 | As at 31st March 2016 |
|----------------------------------|-----------------------|-----------------------|
| Postage , Telegram and Telephone | 278,658               | 256,766               |
| Travelling and Conveyance        | 1,440,844             | 828,433               |
| Printing & Stationery            | 736,935               | 89,274                |
| Consultancy Charges              | 2,840,817             | 2,005,701             |
| Guest House Expenses             | 280,416               | 240,512               |
| Car Hire Charges                 | 361,615               | 112,384               |
| Legal fees                       | 354,300               | 10,800                |
| Listing Fees                     | 593,535               | 534,365               |

| Particulars                                 | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| Payments to Auditor towards:                |                       |                       |
| a) Statutory Audit                          | 100,000               | 100,000               |
| b) Taxation matters                         | 40,000                | 40,000                |
| c) other services                           | 21,000                | 60,000                |
| Provision for doubtful advances             | 1,949,632             | -                     |
| Miscellaneous expenses - also refer note 25 | 5,169,965             | 4,649,041             |
| <b>Total</b>                                | <b>14,167,716</b>     | <b>8,927,276</b>      |

**Note 25 : Other disclosures pursuant to clause Note No 5 of Part II of schedule III to the Companies Act, 2013**

| Particulars                                | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Rent                                       | 2,372,518             | 1,773,290             |
| Repairs & Maintenance                      | 339,196               | 364,990               |
| Insurance                                  | 3,028                 | 2,799                 |
| Rates and Taxes, excluding taxes on income | 740,051               | 86,242                |

**Sub-Note 25.1 - Other Additional Disclosures pursuant to Clause (ii) to Note 5 of Part II of Schedule III to Companies Act, 2013**

| Particulars      | Broad Head         | Broad Head         |
|------------------|--------------------|--------------------|
| Raw Materials    | CRCA Sheets        | CRCA Sheets        |
| Goods Purchased  | Vacuum Interrupter | Vacuum Interrupter |
| Work in Progress | Sub Assemblies     | Sub Assemblies     |

**Note 25.2 - Earnings in Foreign Exchange**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Compensation for cost of interest -<br>Earnings is 30000 Euros | -                     | 2,196,000             |

**Note 26: Contingent Liabilities and Pending Litigations Not Provided for:**
**The company is contingently liable for the following sums**

- Statutory Claims against Company not acknowledged as debts towards Excise duty liability of Rs.3,91,89,657 (Rs.3,91,89,657) disputed in an appeal lying with CESTAT. The CESTAT had directed for a pre-deposit of Rs.1,00,00,000. The company has against the directions of the CESTAT filed a writ petition with the Madras High Court which had in-turn directed CESTAT to dispose the matter on merits. The company had filed a petition before the Madras High Court for the waiver of the pre-deposit of Rs.1,00,00,000. In deciding on the petition the high court had ordered for a pre-deposit of Rs.50,00,000 and disposal of the case on merits. The company has made the pre-deposit and the matter is pending before the CESTAT for disposal.
- For the non-redemption of the advance licences, consequent interest and penalty in the event of the appeals of the company by way of writ petitions being decided against the company or the application made with the Grievance Redressal Committee being turned down, the quantum of which is indeterminate. Further the company has represented before the Ministry of Commerce for redressal of grievance through appropriate directions to Director General of Foreign Trade.
- For Assessment Year 2007-08, Department has filed an appeal against the CIT(A)'s order directing the deletion of addition made representing waiver of principal portion of loans from banks and financial institutions and the consequential tax demand is Rs.92,98,960.. The said appeal is pending as at the reporting date. The consequential Income Tax liabilities are indeterminate.



**Note 27: Deferred Taxation**

The deferred tax asset arising out of the accumulated income tax losses and timing differences has not been recognised considering the prolonged uncertainty in the company earning taxable income in the foreseeable future. This is in line with the policy of prudence recommended in the appropriate accounting standard issued by the ICAI.

**Note 28: Disclosure under Accounting Standard 15 (Revised 2005) 'Employee Benefits'**

The company has recognized as expenses for retirement benefits as follows for the year ended 31st March 2016.

**Defined Contribution Scheme:**

| Name of Contribution scheme | 2016-17 | 2015-16 |
|-----------------------------|---------|---------|
| Provident Fund              | 683,329 | 624,015 |

**Defined Contribution Scheme:**

| Name of Contribution scheme | 2016-17   | 2015-16 |
|-----------------------------|-----------|---------|
| Gratuity                    | 1,047,838 | 719,921 |

**Sub Note 28.1 - Description of Plan**

The company's defined benefit plans comprises of Gratuity, which are payable to eligible employees as per Gratuity Act. The said amounts are provided based on number of years worked.

**Sub Note 28.2- Reconciliation of balances of defined benefit obligation.**

| Particulars   | Gratuity         |                  |
|---|------------------|------------------|
|   | 31st March 2017  | 31st March 2016  |
| <b>Movement of Actuarial Value of Gratuity</b>                            |                  |                  |
| Balance at the beginning of the year                                      | 1,459,801        | 1,222,102        |
| Add: Provision made   | 1,098,962        | 237,699          |
| Less: Benefits paid   | (238,413)        | -                |
| <b>Balance at the end of the year (A)</b>                                 | <b>2,320,350</b> | <b>1,459,801</b> |
| <b>Movement of Fund with LIC</b>  |                  |                  |
| Balance at the beginning of the year                                      | 323,195          | 755,417          |
| Add: Investment made  | 50,000           | 50,000           |
| Add: Return from the fund assets  | 1,130            | -                |
| Less: Prior year gratuity liability paid                                  | -                | (482,222)        |
| Less: Benefits paid   | (238,413)        | -                |
| Less: Other fund movements  | -                | -                |
| <b>Balance at the end of the year (B)</b>                                 | <b>135,912</b>   | <b>323,195</b>   |
| <b>Net gratuity liability at the end of the year (A-B) - Refer Note 5</b> | <b>2,184,438</b> | <b>1,136,606</b> |

| Particulars   | Gratuity         |                 |
|---|------------------|-----------------|
|   | 31st March 2017  | 31st March 2016 |
| <b>Expenses recognized in Income Statement</b>                |                  |                 |
| Interest cost   | 113,195          | 94,989          |
| Current service cost  | 419,717          | 431,217         |
| Actuarial loss / (gains)                                      | 566,056          | (288,507)       |
| Returns from fund   | (1,130)          | -               |
| Excess / shortfall in provision of previous years             | (50,000)         | 482,222         |
| <b>Total Expense recognised in income statement - Note 21</b> | <b>1,047,838</b> | <b>719,921</b>  |

The principal assumptions used in determining gratuity for the Company's plans are shown below:

|                        |       |       |
|------------------------|-------|-------|
| Discount Rate          | 7.80% | 7.80% |
| Salary Escalation rate | 8%    | 8%    |
| Attrition Rate         | 5%    | 5%    |

#### Note 29 : Trade Receivables

Trade receivables includes an amount of Rs.5,50,62,076, which had been fully provided for during the prior years from S&S Power Corporation, Malaysia for supplies effected in the year 1995 (FY 1994-1995). S&S Power Corporation, Malaysia had been wound up and as a consequence the debt is irrecoverable. The company has made applications to the Reserve Bank of India through the authorized dealers for the write off of the amounts outstanding. The company is yet to obtain the necessary permission from Reserve Bank of India.

The Trade Receivables includes amount receivables from Top Rank Corporation, Malaysia Rs.2,58,47,033 which had been fully provided for during the prior years for supplies effected in the past upto the year 1995. The amount represents outstanding amounts after a settlement made and payments received against the settlement. Provisions to the extent of amounts received are reversed. The company has made applications to the Reserve Bank of India through the authorized dealers for the write off the amounts outstanding. The company is yet to obtain the necessary permission from Reserve Bank of India.

#### Note 30 : Disclosures pursuant to Accounting Standard AS 18 : Related Party

##### Relationship A.Name of the Related Parties

| Particulars                           | Nature of Relationship |
|---------------------------------------|------------------------|
| Mr. Ashish Jalan                      | Director               |
| Mr. Anupam Arunkumar Vaid             | Director               |
| Mr. Deepak Jugal Kishore Chowdhary    | Director               |
| Mr. Nandakumar Sundarram              | Director               |
| Mr. Rangapathy Jayaraman              | Director               |
| Mr. Ajay Kumar Dhagat                 | Director               |
| Ms. Gayathri Sundaram                 | Director               |
| Mrs. Rekha Jalan M/o Mr. Ashish Jalan | Relative of directors  |
| Mr. Ashok Kumar Vishwa Karma          | KMP - MD               |
| Mr. D. Sadasivam CS                   | KMP - CS               |
| Mr. K. Sundaramurthi CFO              | KMP - CFO              |

| Particulars   | Nature of Relationship   |
|---|--|
| Chemetals (Firm)                                    | Firms in which director is partner                             |
| Ambarati (Firm)                                     | Firms in which director is partner                             |
| Bombay Gas Holdings and Investments Private Limited | Private company in which the APIL's directors is member        |
| Hamilton Research and Technology Private Limited    | Private company in which the APIL's directors is member        |
| Excel Telesonic India Private Limited               | Private company in which the APIL's directors is member        |
| Amba Agencies Private Limited                       | Private company in which the APIL's directors is member        |
| MPM Private Limited                                 | Private company in which the APIL's directors is member        |
| Ambarati Automation Private Limited                 | Private company in which the APIL's directors is member        |
| MPM - Durrans Refracoat Private Limited             | Private company in which the APIL's directors is member        |
| MPM - Foundry Solutions Private Limited             | Private company in which the APIL's directors is member        |
| MPM Infosoft Private Limited                        | Private company in which the APIL's directors is member        |
| Leansoft Solutions Private Limited                  | Private company in which the APIL's directors is member        |
| MPM- GTP Foundry Technologies Pvt. Ltd              | Private company in which the APIL's directors is member        |
| Bombay Gas Company Limited                          | Public Company in which the APIL's director is also a director |
| RPIL Signaling Systems Limited                      | Public Company in which the APIL's director is also a director |
| Rukmani Metals and Gaseous Ltd                      | Public Company in which the APIL's director is also a director |
| Indo Tech Transformers Limited                      | Public Company in which the APIL's director is also a director |
| Amara Raja Power Systems Limited                    | Public Company in which the APIL's director is also a director |
| Hamilton & Company Limited                          | Public company in which director holds > 2%                    |
| SS Power Switchgear Equipment Ltd                   | Subsidiary   |
| Acrastyle Power (India) Ltd                         | Subsidiary   |
| Acrastyle EPS Technologies Ltd - AEPS               | Subsidiary   |
| Acrastyle Switchgear Limited, U.K                   | Subsidiary   |
| Acrastyle Limited, U.K                              | Subsidiary   |

**B. Summary of Related Party Transactions**

| Particulars  | Transactions During the<br>year 2016-17<br>Rs. | Transactions During the<br>year 2015-16<br>Rs. |
|--|--|--|
| <b>i. Acrastyle Power (India) Limited</b>                        |  |  |
| Corporate services Rendered during the year                      | 3,600,000                                      | 3,600,000                                      |
| Interest Income  | 4,097,427                                      | 4,097,427                                      |
| Sales during the year  | 1,985,247                                      | 12,949,673                                     |
| Sales of Fixed Assets during the year                            | 2,600,000                                      | -  |
| Amount outstanding receivable / (Payable) at the end of the year | <b>71,956,919</b>                              | <b>67,353,581</b>                              |
| <b>ii. S &amp; S Power Switchgear Equipment Limited</b>          |  |  |
| Corporate Shared Services and Lease Rental Services rendered     | 15,780,000                                     | 13,380,000                                     |
| Interest charged on loans given                                  | 240,000  | 240,658  |
| Loans given during the year                                      | 20,700,000                                     | -  |
| Sales during the year  | -  | 892,045  |
| Purchases during the year  | 4,896  | -  |
| Amount outstanding receivable / (Payable) at the end of the year | <b>80,541,202</b>                              | <b>64,589,151</b>                              |
| <b>iii. Acrastyle EPS Technologies Limited</b>                   |  |  |
| Sales for the year   | -  | 248,063  |
| Advances receivable / (payable) at the end of the year           | 253,263  | 749,313  |
| <b>iv. Hamilton &amp; Co. Ltd.</b>                               |  |  |
| Interest Charged by the related party                            | 3,953,612                                      | 238,150  |
| Amount outstanding receivable/(Payable) at the end of the year   | <b>(62,925,561)</b>                            | <b>(2,870,695)</b>                             |
| <b>v. Hamilton Research and Technology Private Limited</b>       |  |  |
| Interest Charged on the company                                  | -  | 2,792,630                                      |
| Amount outstanding receivable/(Payable) at the end of the year   | -  | <b>(34,343,755)</b>                            |
| <b>vi. RPIL Signalling Systems Limited</b>                       |  |  |
| Amount outstanding receivable/(Payable) at the end of the year   | <b>(33,080,407)</b>                            | <b>(33,248,919)</b>                            |
| <b>vii. Sri Krishna Tiles &amp; Potteries Limited</b>            |  |  |
| Interest charged on the company                                  | 750,000  | 750,206  |
| Amount outstanding receivable/(Payable) at the end of the year   | <b>(6,688,426)</b>                             | <b>(6,013,426)</b>                             |
| <b>viii. Ashish Sushil Jalan</b>                                 |  |  |
| Reimbursement of Expenses  | 840,803  | 527,747  |
| Director Sitting Fees  | 40,000   | 40,000   |
| Amount outstanding receivable/(Payable) at the end of the year   | <b>(824,010)</b>                               | <b>(705,870)</b>                               |
| <b>ix. A K R Finance Limited</b>                                 |  |  |
| Interest charged on the company                                  | 750,000  | 750,206  |
| Amount outstanding receivable/(Payable) at the end of the year   | <b>(7,700,003)</b>                             | <b>(7,025,002)</b>                             |

| Particulars   | Transactions During the<br>year 2016-17<br>Rs. | Transactions During the<br>year 2015-16<br>Rs. |
|---|--|--|
| x. Ashok Viswakarma<br>Remuneration to Director                   | 5,935,052                                      | 4,443,048                                      |
| xii. Gayathri Sundaram<br>Director Sitting Fees                   | 40,000   | 30,000   |
| xiii. Ajay Kumar Dhagat<br>Director Sitting Fees                  | 30,000   | 40,000   |
| xiv. Nandakumar Sundarram<br>Director Sitting Fees                | 30,000   | 40,000   |
| xv. Deepak Jugal Kishore Chowdhary<br>Director Sitting Fees       | 10,000   | 20,000   |
| Amount outstanding receivable/(Payable) at<br>the end of the year | (55,312)                                       | (55,312)                                       |
| xvi. K. Sundarmurthi<br>Remuneration                              | 399,924  | 267,826  |
| xvii. D. Sadasivam<br>Remuneration                                | 166,548  | 134,400  |

**Note 31 : Earnings Per share**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| Weighted Average Number of equity shares                            | 6,200,000             | 6,200,000             |
| Net Profit for the period before considering<br>extraordinary items | (11,192,687)          | 2,651,269             |
| Net Profit for the period after considering<br>extraordinary items  | (11,220,579)          | 2,651,269             |
| EPS before considering extraordinary items                          | (1.81)                | 0.43                  |
| EPS after considering extraordinary items                           | (1.81)                | 0.43                  |

\* The Company does not have any potential equity shares.

**Note 32:** Exceptional items of Rs.-6,41,035 represents sales tax refund of earlier years.

**Note 33:** The previous year figures have been reclassified / regrouped wherever necessary to bring it in line with the current year financial presentation and grouping.

As per our report of even date

**For GSV Associates**

Chartered Accountants

For and on behalf of the Board

S&S Power Switchgear Limited

**Ashish Sushil Jalan**

Director

DIN: 00031311

**Ashok Kumar**

**Vishwakarma** Managing

Director DIN: 05203223

**B Karthikeyan**

Partner

Membership No.: 224965

**Firm Registration No. 006179S**

**D Sadasivam**

Company Secretary

**A Mahesh**

Chief Financial Officer

**Date:** June 5, 2017

**Place:** Chennai

(Amount in Rs.)

| NOTE 10 : FIXED ASSETS            |                     |                                 |                                 |                     |                     |                                 |                                 |                     |                     |                     |
|-----------------------------------|---------------------|---------------------------------|---------------------------------|---------------------|---------------------|---------------------------------|---------------------------------|---------------------|---------------------|---------------------|
| Asset                             | Gross Block         |                                 |                                 |                     | Depreciation        |                                 |                                 |                     | Net Block           |                     |
|                                   | As on<br>01/04/2016 | Additions<br>during<br>the year | Deletions<br>during<br>the year | As on<br>31/03/2017 | As on<br>01/04/2016 | Additions<br>during<br>the year | Deletions<br>during<br>the year | As on<br>31/03/2017 | As on<br>31/03/2016 | As on<br>31/03/2017 |
| <b>Tangible Assets</b>            |                     |                                 |                                 |                     |                     |                                 |                                 |                     |                     |                     |
| Land (Refer Note 3 for deletions) | 14,997,650          | -                               | 3,159,265                       | 11,838,385          | -                   | -                               | -                               | -                   | 14,997,650          | 11,838,385          |
| Building                          | 38,209,957          | -                               | -                               | 38,209,957          | 23,546,214          | 1,275,957                       | -                               | 24,822,171          | 14,663,743          | 13,387,786          |
| Electrical Installations          | 14,000              | -                               | -                               | 14,000              | 14,000              | -                               | -                               | 14,000              | -                   | -                   |
| Furniture & Fittings              | 58,000              | -                               | -                               | 58,000              | 58,000              | -                               | -                               | 58,000              | -                   | -                   |
| Equipment & Appliances            | 112,481             | 18,390                          | -                               | 130,871             | 23,154              | 15,864                          | -                               | 39,018              | 89,327              | 91,853              |
| Plant & Machinery                 | 2,200,659           | 688,432                         | 2,255,952                       | 633,139             | 793,661             | 102,632                         | 537,375                         | 358,918             | 1,406,997           | 274,221             |
| Computers & Softwares             | 314,642             | 42,432                          | -                               | 357,074             | 56,118              | 51,022                          | -                               | 107,140             | 258,524             | 249,934             |
| <b>Tangible Assets</b>            | <b>55,907,389</b>   | <b>749,254</b>                  | <b>5,415,217</b>                | <b>51,241,426</b>   | <b>24,491,147</b>   | <b>1,445,475</b>                | <b>537,375</b>                  | <b>25,399,247</b>   | <b>31,416,242</b>   | <b>25,842,179</b>   |
| <b>Intangible Assets</b>          |                     |                                 |                                 |                     |                     |                                 |                                 |                     |                     |                     |
| <b>Softwares</b>                  | <b>26,363</b>       | <b>-</b>                        | <b>-</b>                        | <b>26,363</b>       | <b>10,545</b>       | <b>5,273</b>                    | <b>-</b>                        | <b>15,818</b>       | <b>15,818</b>       | <b>10,545</b>       |
| <b>Total</b>                      | <b>55,933,752</b>   | <b>749,254</b>                  | <b>5,415,217</b>                | <b>51,267,789</b>   | <b>24,501,693</b>   | <b>1,450,747</b>                | <b>537,375</b>                  | <b>25,415,065</b>   | <b>31,432,059</b>   | <b>25,852,724</b>   |
| <b>Previous Year Figures</b>      | <b>55,530,380</b>   | <b>403,372</b>                  | <b>-</b>                        | <b>55,933,752</b>   | <b>1,687,069</b>    | <b>-</b>                        | <b>24,501,693</b>               | <b>32,715,756</b>   | <b>32,715,756</b>   | <b>31,432,059</b>   |

#### Disclosure pursuant to provision to clause (i) of para 3 of part A of Schedule II of Companies Act, 2013

The company depreciates the Tangible and Intangible Assets based on the estimates of average of useful life. The useful lives considered by the management are given below.

| Nature of Assets         | Estimated Useful lives considered by company |
|--------------------------|--|
| Building                 | 30 Years                                     |
| Electrical Installations | 3 Years                                      |
| Furniture & Fittings     | 3 Years                                      |
| Equipment & Appliances   | 7 Years                                      |
| Plant & Machinery        | 6 Years                                      |
| Computers                | 6 Years                                      |
| Softwares                | 5 Years                                      |



## INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS To the Members of S&S Power Switchgear Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of S&S Power Switchgear Limited ("the Holding Company") and its subsidiaries (collectively referred to as "the Company" or "the Group"), comprising of the consolidated balance sheet as at 31 March 2017, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

The Holding Company's Board of Directors is responsible for the preparation of the consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

## Disclaimer of Opinion

**We are not able to comment on the adequacy of provision with respect to the following:**

- The company has not carried out the impairment analysis of the goodwill arising on the consolidation.
- The company has not fulfilled its export obligation in respect of advance license availed in earlier years. We were informed that there has been no progress in the writ petition filed in Madras High Court against the order of Director General of Foreign Trade in this regard. We are unable to express any opinion on the possible additional levy against the company

## Opinion

Subject to our disclaimer above, In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Company, as at 31 March 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- © The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) 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.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 taken on record by the Board of Directors of the Holding Company and the subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2017 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) 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
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses. There were no long term derivative contracts that requires any provision.
- 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 subsidiary companies incorporated in India.
- iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings of the company and its Indian subsidiaries in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 in Note 25 and these are in accordance with the books of accounts maintained by the company.

**For GSV Associates**  
**Chartered Accountants**

FRN: 006179S

**Karthikeyan B**  
**Partner**

MNO: 224965

Date: June 5, 2017

# S&S POWER SWITCHGEAR LIMITED

## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2017

(Amount in Rupees)

| Sl.No.    | Particulars                        | Note No. | As at 31st March 2017 | As at 31st March 2016 |
|-----------|------------------------------------|----------|-----------------------|-----------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITY</b>        |          |                       |                       |
| <b>1</b>  | <b>Shareholder's funds</b>         |          |                       |                       |
|           | (a) Share Capital                  | 2        | 62,000,000            | 62,000,000            |
|           | (b) Reserves and Surplus           | 3        | 238,937,360           | 368,160,231           |
|           | <b>Minority Interest</b>           |          | 78,212,235            | 122,343,810           |
| <b>2</b>  | <b>Non-current liabilities</b>     |          |                       |                       |
|           | (a) Long-term borrowings           |          | -                     | -                     |
|           | (b) Deferred tax liabilities (Net) | 4        | 4,861,888             | 4,613,042             |
|           | (c) Other Long term liabilities    | 5        | 150,000               | 150,000               |
|           | (d) Long-term provisions           | 6        | 206,274,026           | 188,615,439           |
| <b>3</b>  | <b>Current Liabilities</b>         |          |                       |                       |
|           | (a) Short-term borrowings          | 7        | 231,712,901           | 164,878,896           |
|           | (b) Trade Payables                 | 8        | 342,453,847           | 339,905,725           |
|           | (c) Other Current Liabilities      | 9        | 48,127,989            | 45,630,636            |
|           | (d) Short-term provisions          | 10       | 4,909,401             | 1,313,938             |
|           | <b>TOTAL</b>                       |          | <b>1,217,639,647</b>  | <b>1,297,611,717</b>  |
| <b>II</b> | <b>ASSETS</b>                      |          |                       |                       |
| <b>1</b>  | <b>Non-current assets</b>          |          |                       |                       |
|           | (a) Fixed Assets                   |          |                       |                       |
|           | (i) Tangible & Intangible assets   | 11       | 70,574,076            | 120,532,502           |
|           | (ii) Goodwill on Consolidation     |          | 567,631,193           | 655,158,367           |
|           | (b) Non-current Investments        |          | -                     | -                     |
|           | (c) Long-term loans and advances   | 12       | 9,476,327             | 12,485,534            |
| <b>2</b>  | <b>Current Assets</b>              |          |                       |                       |
|           | (a) Current Investments            | 13       | 289,719               | 274,198               |
|           | (b) Inventories                    | 14       | 127,578,756           | 146,949,225           |
|           | (c) Trade Receivables              | 15       | 347,003,018           | 242,083,499           |
|           | (d) Cash and bank balances         | 16       | 52,892,427            | 49,230,065            |
|           | (e) Short-term loans and advances  | 17       | 42,194,131            | 70,898,327            |
|           | <b>TOTAL</b>                       |          | <b>1,217,639,647</b>  | <b>1,297,611,717</b>  |

Significant Accounting Policies

1

Notes on accounts are an integral part of these financial statements

For S&amp;S Power Switchgear Limited

As per our report of even date

For GSV Associates

Chartered Accountants

Ashish Sushil Jalan

Director

DIN: 00031311

Ashok Kumar Vishwakarma

Managing Director

DIN: 05203223

B Karthikeyan

Partner

Membership No.: 224965

Firm Registration No. 006179S

D Sadasivam

Company Secretary

A Mahesh

Chief Financial Officer

Date: June 5, 2017

Place: Chennai

**S&S POWER SWITCHGEAR LIMITED****CONSOLIDATED PROFIT & LOSS STATEMENT  
FOR THE YEAR ENDED 31st MARCH 2017**

(Amount in Rupees)

| Sl.No. | Particulars  | Note No. | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|--------|--|----------|---------------------------------------|---------------------------------------|
| I.     | <b>Revenue from operations</b>                                     | 18       | 1,132,301,599                         | 1,142,758,606                         |
| II.    | Other income   | 19       | 5,800,868                             | 2,789,027                             |
| III.   | <b>Total Revenue (I+II)</b>  |          | <b>1,138,102,467</b>                  | <b>1,145,547,633</b>                  |
| IV.    | Expenses:  |          |                                       |                                       |
|        | (a) Cost of material consumed                                      | 19A      | 735,113,563                           | 671,317,594                           |
|        | (b) Purchases of Stock-in-Trade                                    |          | -                                     | -                                     |
|        | (c) Changes in Inventory of Stock in Trade & Work in Progress      | 19B      | (14,227,300)                          | 51,623,362                            |
|        | (d) Employee benefit expenses                                      | 20       | 260,354,540                           | 266,521,565                           |
|        | (e) Finance costs  | 21       | 28,183,026                            | 20,263,835                            |
|        | (f) Depreciation and amortization expense                          | 11       | 9,479,647                             | 11,902,713                            |
|        | (g) Other expenses   | 22       | 106,734,896                           | 82,148,510                            |
|        | <b>Total expenses</b>  |          | <b>1,125,638,372</b>                  | <b>1,103,777,578</b>                  |
| V.     | Profit before exceptional and extraordinary items and tax (III-IV) |          | 12,464,095                            | 41,770,055                            |
| VI.    | Exceptional items  | 22A      | 51,615,620                            | (18,620,106)                          |
| VII.   | Profit before extraordinary items and tax (V-VI)                   |          | (39,151,525)                          | 60,390,161                            |
| VIII.  | Extraordinary items  |          | -                                     | -                                     |
| IX.    | Profit before tax (VII-VIII)                                       |          | (39,151,525)                          | 60,390,161                            |
| X.     | Tax expense:   |          |                                       |                                       |
|        | (1) Current tax  |          | 27,892                                | 869,656                               |
|        | (2) Deferred tax   | 4        | 248,846                               | 1,149,678                             |
| XI.    | Profit (Loss) for the period from continuing operations (VII-VIII) |          | (39,428,263)                          | 58,370,827                            |
| XII.   | Profit (Loss) from discontinuing operations                        |          | -                                     | -                                     |
| XIII.  | Tax expense of discontinuing operations                            |          | -                                     | -                                     |
| XIV.   | Profit (Loss) from discontinuing operations (after tax) (XII-XIII) |          | -                                     | -                                     |
| XV.    | Profit (Loss) for the period (XI+XIV)                              |          | (39,428,263)                          | 58,370,827                            |
| XVI.   | Profits attributable to Minority Share Holders                     |          | (8,132,986)                           | 19,517,343                            |
| XVII.  | Profits carried to Consolidated Surplus (XVI - XVII)               |          | (31,295,277)                          | 38,853,484                            |
| XVIII. | Earnings per equity share  |          |                                       |                                       |
|        | (a) Basic & Diluted - before Extraordinary items                   | 23       | (6.36)                                | 9.41                                  |
|        | (b) Basic & Diluted - after Extraordinary items                    |          | (6.36)                                | 9.41                                  |

Significant Accounting Policies

1

Notes on accounts are an integral part of these financial statements

**For S&S Power Switchgear Limited**

As per our report of even date

**For GSV Associates**

Chartered Accountants

**Ashish Sushil Jalan**

Director

DIN: 00031311

**Ashok Kumar Vishwakarma**

Managing Director

DIN: 05203223

**B Karthikeyan**

Partner

Membership No.: 224965

Firm Registration No. 006179S

**D Sadasivam**

Company Secretary

**A Mahesh**

Chief Financial Officer

Date: June 5, 2017

Place: Chennai

## S&S POWER SWITCHGEAR LIMITED

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

(Amount in Rupees)

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| <b>A. Cash flow from Operating Activities</b>   |                       |                       |
| Changes in Equity attributable to profits and exchange fluctuations of foreign subsidiaries | -173,354,446          | 76,687,643            |
| <b>Adjustments of Non cash and non operating activities</b>                                 |                       |                       |
| Interest income   | (1,430,525)           | (232,422)             |
| Finance costs   | 28,183,026            | 20,263,835            |
| Depreciation  | 9,479,647             | 11,902,713            |
| <b>Adjustments for Working capital changes</b>  |                       |                       |
| Trade payables  | 2,548,122             | 2,417,090             |
| Current investments   | (15,521)              | (6,266)               |
| Inventories   | 19,370,470            | 1,657,537             |
| Trade receivables   | (104,919,519)         | (29,222,977)          |
| Short term loans and advances   | 28,704,196            | (12,415,383)          |
| Other working capital changes   | 167,105,612           | (23,988,407)          |
| <b>Subtotal A</b>   | <b>(24,328,939)</b>   | <b>47,063,363</b>     |
| <b>B. Cash flow from Investing Activities</b>   |                       |                       |
| Interest income   | 1,430,525             | 232,422               |
| Long term Loans and advances made / (liquidated)  | (1,059,575)           |                       |
| Addition to fixed assets  | (19,881,800)          | (9,273,902)           |
| <b>Subtotal B</b>   | <b>(19,510,850)</b>   | <b>(9,041,480)</b>    |
| <b>C. Cash flow from Financing Activities</b>   |                       |                       |
| Finance charges paid  | (28,183,026)          | (20,263,835)          |
| Net borrowings/(repayment) during the year  | 66,834,005            | (1,747,694)           |
| <b>Subtotal C</b>   | <b>38,650,979</b>     | <b>(22,011,529)</b>   |
| <b>Net Increase in Cash and Cash equivalents (A+B+C)</b>                                    | <b>(5,188,810)</b>    | <b>16,010,354</b>     |
| Add: Cash and Cash Equivalents at the beginning of the year                                 | 48,264,226            | 32,253,872            |
| <b>Cash and Cash equivalents at the end of the year</b>                                     | <b>43,075,416</b>     | <b>48,264,226</b>     |
| Add: Fixed deposits with the banks  | 9,817,011             | 965,839               |
| <b>Cash &amp; Bank balances at the end of the year</b>                                      | <b>52,892,427</b>     | <b>49,230,065</b>     |

For S&amp;S Power Switchgear Limited

As per our report of even date  
**For GSV Associates**  
Chartered Accountants

**Ashish Sushil Jalan**  
Director  
DIN: 00031311

**Ashok Kumar Vishwakarma**  
Managing Director  
DIN: 05203223

**B Karthikeyan**  
Partner  
Membership No.: 224965  
**Firm Registration No. 006179S**

**D Sadasivam**  
Company Secretary

**A Mahesh**  
Chief Financial Officer

**Date:** June 5, 2017  
**Place:** Chennai



## **Note-1: Statement on Significant Accounting Policies forming part of the Consolidated Financial Statements for the year ended March 31, 2017**

### **1.1 Principles of Consolidation**

The Consolidated financial statements relate to the S&S Power Switchgear Limited (the company) and its subsidiary companies. The consolidated financial statement has been prepared on the following basis:

- I. The financial statement of the company and its subsidiary companies are combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intragroup transactions and intra group balances in line with Accounting Standard (AS) 21- "Consolidated Financial Statements"
- II. In case of foreign subsidiaries being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any Exchange difference arising on consolidation is recognized as exchange fluctuation reserve.
- III. The difference between the cost of investment in subsidiaries and the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or capital reserve, as the case maybe.
- IV. Minority Interest's share of net profit of the consolidated subsidiaries is identified and adjusted against the income of the group to arrive at the net profit attributable to shareholders of the company.
- V. Minority interest's share of the net asset of the group is identified and presented in the consolidated balance sheet separate from the liabilities and the equity of the Company's shareholders.
- VI. As far as possible, the consolidated financial statements are prepared using the 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.

### **1.2 Basis of preparation of Financial Statements**

- a) The financial statements have been prepared under the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP), Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI), and the relevant provisions of Companies Act, 2013.
- b) All income and expenditure having material bearing are recognised on accrual basis except where otherwise stated.

### **1.3 Revenue Recognition**

- a) Sales (includes Exports) are recognised when products are dispatched and are recorded at invoice value inclusive of excise duty but exclusive of sales tax. Recoveries of freight is not considered as revenue but are adjusted.
- b) Interest income is recognised on a time proportion basis, taking into account the amount outstanding and the rate applicable.
- c) Income from service is recognized based on proportionate completion method, proportionately by reference to performance of each act.
- d) Export incentives like DEPB are recognized in the year of export provided that there exists no uncertainty.

## 1.4 Inventories

- a) Raw materials are valued at cost on First in First out (FIFO). Cost includes all taxes and duties, but excludes taxes and duties that are subsequently recoverable from the taxing authorities. Imported products in transit are valued at CIF cost. However when the cost of finished products exceeds its net realisable value, the raw materials are written down to net realisable value. The replacement cost is taken as the net realisable value.
- b) Stock-in-process is valued at raw material cost plus cost of conversion, or net realizable value, whichever is lower.
- c) Finished products are valued at cost (on FIFO basis) or net realizable value, whichever is lower.
- d) Scrap is valued at net realizable value.

## 1.5 Investment

Investments other than in subsidiaries have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments"

## 1.6 Use of accounting Estimates

- a) The preparation of the financial statements in conformity with the Generally Accepted Accounting Principles requires the company's management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.
- b) Examples of such estimates include provisions for bad and doubtful debts, future obligations under employee retirement benefit plans, income taxes, post sales customer support and useful life of fixed assets and intangible assets. Actual results could differ from those estimates and any such differences are dealt with in the period in which the results are known/materialize.

## 1.7 Fixed Assets and Depreciation

- a) The Fixed assets have been stated at their acquisition cost, which comprises of freight, installation cost, duties, taxes and other directly attributable costs of bringing the assets to its working condition for the intended use.
- b) For the assets acquired during the year, depreciation has been charged on a prorated time basis and individual assets costing Rs.5,000 or less are depreciated in full in the year of acquisition.
- c) The assets as at the balance sheet date are assessed to ascertain for any impairment or loss of value over the values stated in the books and if there be any impairment the Profit & Loss Account is debited/credited for any impairment/excess provision for impairment created. This is in line with AS 28 – Impairment of Assets.
- d) The company capitalizes all costs paid to external agencies for validating/certifying its products. This intangible assets thus created are amortized over a period of five years. This is in line with AS 26 - Accounting for Intangible Assets.
- e) Depreciation / amortization are provided on a pro-rata basis from the month the assets are put to use during the financial year. In respect of assets sold or disposed off during the year, depreciation / amortization are providing up to the month of sale or disposal of the assets.

### 1.8 Foreign Currency Transactions

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the date of the transaction.
- b) At the balance sheet date, monetary items denominated in foreign currency (such as cash, receivables, payables etc.) are translated at the exchange rate prevailing on the last day of the accounting year.
- c) Non-monetary items denominated in foreign currency (such as investments, fixed assets, etc) are translated at the exchange rate ruling at the date of the transaction.
- d) The income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit & Loss Account except those relating to acquisition of fixed assets which are adjusted to the cost of such assets.

### 1.9 Employee Benefits

- a) Company contributes to employees Provident Fund scheme which is a Defined Contribution Plan. Company has no further obligation under the plan beyond its monthly contributions to the Provident Fund Organization.
- b) Company has Defined Benefit Plan namely, Gratuity and leave encashment.
- c) Liability for gratuity is provided based on actuarial valuation determined under projected unit credit method. Contributions under gratuity scheme are made to Life Insurance Corporation of India in accordance with the terms of policy under their group gratuity scheme. Shortfall in contributions over the liability determined under an actuarial valuation is expensed to the Profit & Loss Account.

### 1.10 Borrowing Costs

- a) Borrowing costs that are attributable to the acquisition or construction of qualifying assets, up to the date when they are ready for their intended use or sale, are capitalized as part of the cost of such assets.
- b) Other borrowing costs are charged to Profit & Loss Account.

### 1.11 Accounting for Leases

Costs of assets taken on lease are amortized over the lease tenure as per the Accounting Standard- 19 "Leases" issued by ICAI.

### 1.12 Taxation

- a) Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.
- b) Deferred tax resulting from timing difference between accounting and taxable income is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date.
- c) Deferred tax asset pertaining to unabsorbed depreciation and carry forward of losses are recognized only to the extent there is a virtual certainty of its realization.
- d) Deferred tax assets/liabilities are reviewed at each balance sheet date.

### 1.13 R & D and Deferred Revenue Expenditure

Subsequent to the introduction of AS 26 on intangible assets, the company does not defer expenses incurred on creating intangible assets such expenditures beyond the year in which they are incurred, except those relating to testing charges paid to testing laboratories and are amortized over a period of five years.

### 1.14 Provisions, Contingent Liabilities and Contingent Assets

- a) Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- b) Contingent liabilities are not recognised but are disclosed in the notes.
- c) Show cause notices issued by various Government authorities are not considered as contingent liabilities. However, when the demand are raised against such show cause notices after considering the company's views, these demands are either paid or treated as liabilities, if accepted by the company, and are treated as contingent liability, if disputed by the company.
- d) Contingent assets are neither recognised nor disclosed in the financial statements.

## S&S POWER SWITCHGEAR LIMITED

### Notes to Consolidated Financial Statements for the FY 2016-17

#### Note 2.1 - Share Capital

(Amount in Rupees)

| Sub-note 2.1: Share Capital      | As at 31st March 2017 |                   | As at 31st March 2016 |                   |
|----------------------------------|-----------------------|-------------------|-----------------------|-------------------|
|                                  | Number                | Rs.               | Number                | Rs.               |
| <b>Authorised</b>                |                       |                   |                       |                   |
| Equity Shares of Rs 10 each      | 10,000,000            | 100,000,000       | 10,000,000            | 100,000,000       |
| Preference Shares of Rs 100 each | 1,000,000             | 100,000,000       | 1,000,000             | 100,000,000       |
| <b>Issued</b>                    |                       |                   |                       |                   |
| Equity Shares of Rs 10 each      | 6,200,108             | 62,001,080        | 6,200,108             | 62,001,080        |
| <b>Subscribed &amp; Paid up</b>  | 6,200,000             | 62,000,000        | 6,200,000             | 62,000,000        |
| Equity Shares of Rs 10 each      |                       |                   |                       |                   |
| <b>Total</b>                     | <b>6,200,000</b>      | <b>62,000,000</b> | <b>6,200,000</b>      | <b>62,000,000</b> |

**Sub-note 2.2: Rights, Preferences and Restrictions on Equity Shares:** The company has only one class of equity shares having a par value of Rs. 10 per share. Each share holder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

#### Sub-note 2.3 Movement of Share Capital

| Particulars                                     | As at 31st March 2017 |                   | As at 31st March 2016 |                   |
|---|-----------------------|-------------------|-----------------------|-------------------|
|   | Number                | Rs.               | Number                | Rs.               |
| Shares outstanding at the beginning of the year | 6,200,000             | 62,000,000        | 6,200,000             | 62,000,000        |
| Shares Issued during the year                   | -                     | -                 | -                     | -                 |
| Shares bought back during the year              | -                     | -                 | -                     | -                 |
| Shares outstanding at the end of the year       | <b>6,200,000</b>      | <b>62,000,000</b> | <b>6,200,000</b>      | <b>62,000,000</b> |

#### Sub-note 2.4 List of shareholders with more than 5% of Share holding

| Name of Shareholder          | As at 31st March 2017 |              | As at 31st March 2016 |              |
|------------------------------|-----------------------|--------------|-----------------------|--------------|
|                              | No. of Shares held    | % of Holding | No. of Shares held    | % of Holding |
| Hamilton and Company Limited | 2,230,030             | 35.97%       | 1,884,113             | 30.39%       |
| Morvi Industries Limited     | -                     | Nil          | 320,917               | 5.18%        |

**Note:** During the financial year pursuant to Merger, the Shares of M/s Morvi Estates Ltd (320,917 Equity Shares) & the Shares of M/s Exclusive Investments Private Ltd (25,000 Equity Shares) got merged with M/s Hamilton & Co Ltd pursuant to the Order of Hon'ble High Court of Mumbai dated 5th May, 2016.

#### Sub-note 2.5 Share allotment movement

| Particulars  | Year (Aggregate No. of Shares) |         |         |         |
|--|--------------------------------|---------|---------|---------|
|  | 2012-13                        | 2013-14 | 2015-16 | 2016-17 |
| Equity Shares:   |                                |         |         |         |
| Fully paid up pursuant to contract(s) without payment being received in cash |                                |         | Nil     |         |
| Fully paid up by way of bonus shares   |                                |         |         |         |
| Shares bought back   |                                |         |         |         |

**Note 3 : Reserves and Surplus**
**(Amount in Rupees)**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| <b>Reserves</b>   |                       |                       |
| <b>a. Securities Premium Account</b>                                |                       |                       |
| Opening Balance   | 184,000,000           | 184,000,000           |
| Add : Securities premium credited on Share issue                    | -                     | -                     |
| Closing Balance   | <b>184,000,000</b>    | <b>184,000,000</b>    |
| <b>b. Revaluation Reserve</b>                                       |                       |                       |
| Opening Balance   | 3,159,265             | 3,159,265             |
| (+) Current Year Transfer   | -                     | -                     |
| (-) Written Back in Current Year                                    | (3,159,265)           | - - -                 |
| Closing Balance   | <b>-</b>              | <b>3,159,265</b>      |
| <b>c. General Reserves</b>  |                       |                       |
| Opening Balance   | 47,811,693            | 47,811,693            |
| (+) Current Year Transfer   | -                     | -                     |
| (-) Written Back in Current Year                                    | -                     | -                     |
| Closing Balance   | <b>47,811,693</b>     | <b>47,811,693</b>     |
| <b>d. Surplus &amp; Forex Gain</b>                                  |                       |                       |
| Opening balance   | 133,189,273           | 81,730,518            |
| (+) Net Profit/(Net Loss) For the current year                      | (31,295,277)          | 38,853,481            |
| Additions/(Reductions) during the year due to exchange fluctuations | (94,768,329)          | 12,605,274            |
| Closing Balance   | <b>7,125,667</b>      | <b>133,189,273</b>    |
| <b>Total</b>  | <b>238,937,360</b>    | <b>368,160,231</b>    |

**Note 4 : Deferred Tax Liabilities**

Deferred tax liabilities represents timing difference on tax on interest income earned by the holding company which is taxable on receipt basis. The movement of the liability is provided as follows:

| Particulars                           | As at 31st March 2017 | As at 31st March 2016 |
|---------------------------------------|-----------------------|-----------------------|
| Balance at the beginning of the year  | 4,613,042             | 3,463,364             |
| Less : Amount written back            | -                     | -                     |
| Add: Provisions during the year       | 248,846               | 1,149,678             |
| <b>Balance at the end of the year</b> | <b>4,861,888</b>      | <b>4,613,042</b>      |

**Note 5 : Other Long Term Liabilities**

| Particulars          | As at 31st March 2017 | As at 31st March 2016 |
|----------------------|-----------------------|-----------------------|
| Lease Rental Deposit | 150,000               | 150,000               |
| <b>Total</b>         | <b>150,000</b>        | <b>150,000</b>        |



**Note 6 : Long Term Provisions**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| (a) Defined Benefit schemes for employees -<br>Refer Sub-note 25.2 | 187,489,527           | 169,977,694           |
| (b) Provision for customs duty (Refer Subnote 6.1)                 | 17,247,439            | 17,247,439            |
| (c) Other provisions   | 1,537,060             | 1,390,306             |
| <b>Total</b>   | <b>206,274,026</b>    | <b>188,615,439</b>    |

**Sub-note 6.1:**

The holding company, following the principle of prudence, holds Rs.1,72,47,439 as provision for liability towards non-redemption of advance licence pursuant to orders from Directorate General of Foreign Trade. The company has challenged the said orders by way of writ petition in High Court of Madras. Also, the application for merit based redemption of the obligations under the Advance Licences is under the active consideration with the Grievance Redressal committee of the JDGFT.

**Note 7: Short Term Borrowings**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b>Secured</b>   |                       |                       |
| (a) From Banks (Refer Sub-note 7.1)                      | 31,863,979            | 9,330,547             |
| <b>Unsecured - Loans Repayable on Demand</b>             |                       |                       |
| (a) Loans from related parties                           | 199,848,922           | 154,302,413           |
| (None of the above are guaranteed by Directors / others) |                       |                       |
| (b) Other Loans and Advances                             |                       | 1,245,936             |
| <b>Total</b>   | <b>231,712,901</b>    | <b>164,878,896</b>    |

**Note 8: Disclosure pursuant to Micro, Small and Medium Enterprises Development Act 2006**

The company does not have any amount due to Micro, Small and medium enterprises as defined under Micro, Small and Medium Enterprises Development Act 2006.

**Note 9: Other Current Liabilities**

| Particulars                   | As at 31st March 2017 | As at 31st March 2016 |
|-------------------------------|-----------------------|-----------------------|
| (i) Statutory Dues Payable    | 11,372,257            | 6,094,984             |
| (ii) Interest Accrued and due | 22,292,694            | 16,588,185            |
| (iii) Employee dues Payable   | 3,694,074             | 3,973,983             |
| (iv) Advance from customers   | 1,319,443             | 9,979,887             |
| (v) Other Payables            | 9,449,521             | 8,993,597             |
| <b>Total</b>                  | <b>48,127,989</b>     | <b>45,630,636</b>     |

**Note 10: Short term Provisions**

| Particulars            | As at 31st March 2017 | As at 31st March 2016 |
|------------------------|-----------------------|-----------------------|
| Provision for taxation | 4,909,401             | 1,313,938             |
| <b>Total</b>           | <b>4,909,401</b>      | <b>1,313,938</b>      |

**Note 12: Long-term loans and advances**

| Particulars                             | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| a. Security Deposits                    |                       |                       |
| - Rent Deposit                          | 8,289,192             | 9,614,502             |
| - Security Deposit -E.B.                | 84,000                | 56,000                |
| - Security Deposit -C.E.B.              | 377,493               | 377,493               |
| - Security Deposit (Customers)          | 793,814               | 793,814               |
| - Security Deposit-MES new installation | 20,415                | 20,415                |
| - Security Deposit-Others               | 20,500                | 20,500                |
| - Earnest Money Deposit                 | 2,561,937             | 2,324,202             |
| - Telephone Deposit                     | 220,342               | 220,342               |
| - Telex Deposit                         | 21,900                | 21,900                |
| - Earnest Money Deposit Breaker         | 31,920                | 31,920                |
| Less: Provision for doubtful deposits   | (2,945,186)           | (995,554)             |
| <b>Total</b>                            | <b>9,476,327</b>      | <b>12,485,534</b>     |

**Note 13: Current Investments**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| Investments in Mutual funds - Quoted<br>(Refer Sub-note 13.1) | 289,719               | 274,198               |
| <b>Total</b>  | <b>289,719</b>        | <b>274,198</b>        |

**Sub-note 13.1:** Current Investments represents investments in Mutual Funds valued at current market price.

**Note 14: Inventories**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| a. Raw Materials and components - refer sub-note below | 64,870,666            | 98,468,435            |
| b. Work-in-progress - refer sub-note below             | 62,708,090            | 48,480,790            |
| <b>Total</b>   | <b>127,578,756</b>    | <b>146,949,225</b>    |

**Sub-note:** Break up of major heads of inventories are provided below

| Particulars                                | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b><u>Break up of Raw materials</u></b>    |                       |                       |
| CRCA Sheets                                | 2,004,345             | 4,510,456             |
| Metal plates                               | 43,232,289            | 45,010,753            |
| Others                                     | 19,634,032            | 48,947,226            |
| <b>Total</b>                               | <b>64,870,666</b>     | <b>98,468,435</b>     |
| <b><u>Break up of Work in progress</u></b> |                       |                       |
| Sub-Assembly of Circuit Breakers           | 1,691,595             | 1,394,125             |
| Sub-Assembly of Disconnectors              | 16,575,612            | 12,446,425            |
| Sub-Assembly of Panels                     | 4,053,649             | 2,050,836             |
| Others                                     | 40,387,234            | 32,589,404            |
| <b>Total</b>                               | <b>62,708,090</b>     | <b>48,480,790</b>     |

**Note 15: Trade Receivables**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| a. Trade receivables outstanding for a period less than six months  |                       |                       |
| Unsecured, considered good  | 326,826,261           | 97,462,136            |
| Less: Provision for doubtful debts                                  | -                     | -                     |
|   | <b>326,826,261</b>    | <b>97,462,136</b>     |
| b. Trade receivables outstanding for a period exceeding six months. |                       |                       |
| Unsecured, considered good  | 101,684,255           | 144,621,363           |
| Unsecured, considered doubtful                                      | (427,371)             |                       |
| Less: Provision for doubtful debts                                  | 81,080,127            |                       |
|   | 20,176,757            | 144,621,363           |
| <b>Total</b>  | <b>347,003,018</b>    | <b>242,083,499</b>    |

**Note 16: Cash and cash equivalent**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| a. Balances with banks                             |                       |                       |
| Current Account                                    | 42,507,774            | 47,951,892            |
| b. Bank Deposits with more than 12 months maturity |                       |                       |
| Fixed Deposits with Banks                          | 9,817,011             | 965,839               |
| c. Cash on hand                                    | 567,642               | 312,334               |
| <b>Total</b>                                       | <b>52,892,427</b>     | <b>49,230,065</b>     |

**Sub-note 16.1: Disclosure Requirements relating to Specified Bank Notes(SBN) pursuant to MCA notification no. G.S.R. 308 E dated 30.03.2017**

| Particulars                          | SBN            | Other notes    | Total          |
|--------------------------------------|----------------|----------------|----------------|
| <b>Closing balance on 08.11.2016</b> | <b>543,500</b> | <b>213,246</b> | <b>756,746</b> |
| Add: Permitted receipts              | -              | 1,234,450      | 1,234,450      |
| Add: Other receipts                  | 124,000        | -              | 124,000        |
| Add: Bank withdrawals                | -              | 564,000        | 564,000        |
| Less: Permitted Payments             | -              | (1,178,501)    | (1,178,501)    |
| Less: Amount Deposited in bank       | (667,500)      | (2,000)        | (669,500)      |
| <b>Closing balance on 30.12.2016</b> | <b>-</b>       | <b>831,195</b> | <b>831,195</b> |

These disclosures have been provided with respect to Indian subsidiaries to which the said notification applies.

**Note 17: Short term loans and advances**

| Particulars                                  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| <b>Unsecured, considered good</b>            |                       |                       |
| a. Advance to Suppliers                      | 5,212,298             | 30,517,437            |
| b. Income Tax Paid in advance                | 8,013,445             | 7,849,072             |
| c. Loans and advances to employees           | 2,724,551             | 1,676,054             |
| d. Other Balances with Statutory authorities | 18,478,707            | 14,166,215            |
| e. Others                                    | 7,765,130             | 16,689,549            |
| <b>Total</b>                                 | <b>42,194,131</b>     | <b>70,898,327</b>     |

**Note 18: Revenue from Operations**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| (a) Sale of Products - Electric Panels (Refer Sub-note 18.1) | 1,168,318,348         | 1,169,380,141         |
| (b) Income from rendering of Services                        | 279,359               | 2,414,714             |
| (c) Sale of Scrap  |                       | 597,841               |
| Less: Excise Duty  | (36,296,108)          | (29,634,090)          |
| <b>Total</b>   | <b>1,132,301,599</b>  | <b>1,142,758,606</b>  |

**Sub-note 18.1**

Included in Sale of Products are application for Export Incentive Scrip for value of Rs. 19,38,854 (P.Y: Rs. 13,86,027) which are pending approval from the office of the Directorate General of Foreign Trade (DGFT).

**Note 19: Other Income**

| Particulars                                      | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Interest Income                                  | 1,430,525             | 232,422               |
| Dividend Income                                  | 14,865                | 6,266                 |
| Net gain / loss on foreign currency transactions | (3,588,122)           | 45,199                |
| Other non-operating income                       | 7,943,600             | 2,505,140             |
| <b>Total</b>                                     | <b>5,800,868</b>      | <b>2,789,027</b>      |

**Note 19A: Cost of Material Consumed**

| Particulars                                 | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| (i) Opening Stock of raw materials          | 98,468,435            | 48,502,610            |
| (ii) Add : Purchases during the year        | 701,515,794           | 721,283,419           |
| (iii) Less : Closing Stock of raw materials | 64,870,666            | 98,468,435            |
| <b>Total</b>                                | <b>735,113,563</b>    | <b>671,317,594</b>    |

**Note 19B: Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**

| Particulars                                       | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| Opening Stock of Finished Goods                   |                       | 1,524,031             |
| Less: Closing Stock of Finished Goods             | -                     | -                     |
| <b>Changes in Inventories of Finished Goods</b>   | <b>-</b>              | <b>1,524,031</b>      |
| Opening Stock of Work-In-Progress                 | 48,480,790            | 98,580,121            |
| Less: Closing Stock of Work-In-Progress           | 62,708,090            | 48,480,790            |
| <b>Changes in Inventories of Work-In-Progress</b> | <b>(14,227,300)</b>   | <b>50,099,331</b>     |
| <b>Total</b>                                      | <b>(14,227,300)</b>   | <b>51,623,362</b>     |

**Note 20: Employee benefit expenses**

| Particulars                                     | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| (a) Salaries and incentives                     | 225,808,163           | 231,990,874           |
| (b) Contributions to -                          |                       |                       |
| (i) Defined Contribution scheme - Sub-note 25.1 | 23,801,912            | 23,752,536            |
| (ii) Defined benefit scheme - Sub note 25.4     | 6,269,657             | 6,741,790             |
| (c) Staff welfare expenses                      | 4,474,808             | 4,036,365             |
| <b>Total</b>                                    | <b>260,354,540</b>    | <b>266,521,565</b>    |

**Note 21: Finance Costs**

| Particulars          | As at 31st March 2017 | As at 31st March 2016 |
|----------------------|-----------------------|-----------------------|
| (a) Interest expense | 28,183,026            | 20,263,835            |
| <b>Total</b>         | <b>28,183,026</b>     | <b>20,263,835</b>     |

**Note 22: Other Expenses**

| Particulars                      | As at 31st March 2017 | As at 31st March 2016 |
|----------------------------------|-----------------------|-----------------------|
| Postage , Telegram and Telephone | 2,710,320             | 3,095,356             |
| Travelling and Conveyance        | 13,573,462            | 12,370,295            |
| Professional fees                | 8,568,518             | 6,927,680             |
| Guest House Expenses             | 280,416               | 240,512               |
| Car Hire Charges                 | 361,615               | 112,384               |
| Packing Expenses                 | 6,940,339             | 4,906,370             |
| Freight & forwarding charges     | 6,757,580             | 2,803,456             |
| Security Expenses                | 514,457               | 313,184               |
| Lease Rental Charges             | 7,369,145             | 6,848,076             |
| Rates & Taxes                    | 4,965,360             | 3,597,935             |
| Insurance                        | 3,695,145             | 4,212,584             |
| Repairs & Maintenance            | 1,854,799             | 215,551               |
| Advertising                      | 374,222               | 644,047               |
| Listing Fees                     | 593,535               | 534,365               |
| <b>Payments to Auditor:</b>      |                       |                       |
| a) Statutory Audit               | 1,775,036             | 1,874,068             |
| b) Taxation matters              | 120,000               | 120,000               |
| c) Other services                | 21,000                | 60,000                |
| Miscellaneous expenses           | 46,259,948            | 33,272,647            |
| <b>Total</b>                     | <b>106,734,896</b>    | <b>82,148,510</b>     |

**Note 22A: Exceptional Items**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Employee's arrears settled   | 5,170,945             | -                     |
| Actuarial losses on pension funds to extent considered exceptional | 46,444,675            | -                     |
| Writeback of old dues  | -                     | (18,620,106)          |
| <b>Total</b>   | <b>51,615,620</b>     | <b>(18,620,106)</b>   |

**Note 25.2 - Earnings in Foreign Exchange**

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Weighted Average Number of Equity Shares outstanding during the year (A)             | 6,200,000             | 6,200,000             |
| Net profit available to Equity Shareholders before and after Extraordinary items (B) | (39,428,263)          | 58,370,827            |
| Basic & diluted Earning per share (B/A) *  | (6.36)                | 9.41                  |

\*The company does not have any Potential equity shares

**Note 26: Contingent Liabilities and Pending Litigations Not Provided for:**
**The company is contingently liable for the following sums**

- a) Statutory Claims against holding company not acknowledged as debts towards Excise duty liability of Rs.3,91,89,657 (Rs.3,91,89,657) disputed in an appeal lying with CESTAT. The CESTAT had directed for a pre-deposit of Rs.1,00,00,000. The holding company has against the directions of the CESTAT filed a writ petition with the Madras High Court which had in-turn directed CESTAT to dispose the matter on merits. The holding company had filed a petition before the Madras High Court for the waiver of the pre-deposit of Rs.1,00,00,000. In deciding on the petition the high court had ordered for a pre-deposit of Rs.50,00,000 and disposal of the case on merits. The holding company has made the pre-deposit and the matter is pending before the CESTAT for disposal.
- b) For the non-redemption of the advance licences, consequent interest and penalty in the event of the appeals of the holding company by way of writ petitions being decided against the holding company or the application made with the Grievance Redressal Committee being turned down, the quantum of which is indeterminate. Further the holding company has represented before the Ministry of Commerce for redressal of grievance through appropriate directions to Director General of Foreign Trade.
- c) For Assessment Year 2007-08, Department has filed an appeal against the CIT(A)'s order directing the deletion of addition made representing waiver of principal portion of loans from banks and financial institutions and the consequential tax demand is Rs.92,98,960. The said appeal is pending as at the reporting date. The consequential Income Tax liabilities are indeterminate.
- d) Other contingent liabilities

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Probable loss due to non realization of dues from customers    | 1,205,145             | -                     |
| Disputed demand of service tax on payment under reverse charge | 1,731,472             | -                     |
| Possible liability on workmen's compensation case              | 300,000               | -                     |

**Note 25: Disclosure under Accounting Standard 15 (Revised 2005) 'Employee Benefits'**
**Subnote 25.1: Defined Contribution Scheme:**

The company has recognized as expenses for retirement benefits as follows for the year ended 31st March 2017.

| Particulars  | As at 31st March 2017 | As at 31st March 2016 |
|--|-----------------------|-----------------------|
| Provident Fund & other similar funds (included in Note 20) | 23,801,912            | 23,752,536            |

**Subnote 25.2: Defined Benefit Scheme:**

The group has various defined benefit scheme in the nature of gratuity and pension funds. The consolidated break up of the same is provided below:

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| Present value of Scheme Liabilities - Refer Sub-note 25.3                     | 321,761,033           | 249,107,394           |
| Less: Fair value of Assets - Refer sub-note 25.4                              | 134,271,506           | 79,129,700            |
| <b>Net liabilities towards defined benefit obligations included in Note 6</b> | <b>187,489,527</b>    | <b>169,977,694</b>    |



**Subnote 25.3: Movement of Scheme Liabilities**

| Particulars                                 | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| <b>Balance at the beginning of the year</b> | <b>249,107,394</b>    | <b>226,764,396</b>    |
| Add: Interest cost                          | 19,372,166            | 24,334,970            |
| Add: Current service cost                   | 12,028,131            | 14,833,281            |
| Add: Actuarial loss /(gain)                 | 78,293,674            | (15,426,947)          |
| Add/Less: Other Adjustments                 | (20,018,828)          | -                     |
| Less: Benefits paid                         | (17,021,504)          | (1,398,306)           |
| <b>Balance at the end of the year</b>       | <b>321,761,033</b>    | <b>249,107,394</b>    |

**Subnote 25.4: Movement of funds related to defined benefit scheme**

| Particulars                                 | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| <b>Balance at the beginning of the year</b> | <b>79,129,700</b>     | <b>43,731,549</b>     |
| Add: Investment made                        | 15,221,480            | 18,796,943            |
| Add: Return on assets                       | 56,979,645            | 16,999,514            |
| Less: benefits paid                         | (17,021,504)          | (1,398,306)           |
| Less: Other adjustments in the fund         | (37,815)              | 1,000,000             |
| <b>Balance at the end of the year</b>       | <b>134,271,506</b>    | <b>79,129,700</b>     |

**Subnote 25.4: Amounts charged to Profit / Loss with respect to defined benefit schemes**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| Interest cost   | 19,372,166            | 24,334,970            |
| Current service cost  | 12,028,131            | 14,833,281            |
| Total Actuarial loss / (gain)   | 78,293,680            | (15,426,947)          |
| Less: Actuarial losses to the extent considered as exceptional item in Note 22A | (46,444,675)          | -                     |
| Less: Return on plan assets   | (56,979,645)          | (16,999,514)          |
| <b>Total amount charged to Profit / Loss included in Note 20</b>                | <b>6,269,657</b>      | <b>6,741,790</b>      |

**Subnote 25.5: Actuarial Assumptions\***

| Particulars             | As at 31st March 2017 | As at 31st March 2016 |
|-------------------------|-----------------------|-----------------------|
| Discount rate           | 7.80%                 | 7.80%                 |
| Salary escalation rate* | 5.00% - 8.00%         | 5.00% - 8.00%         |
| Attrition rate*         | 3.00% - 20.00%        | 3.00% - 20.00%        |
| Retirement age          | 58 years              | 58 years              |

\* Different assumptions are taken for different subsidiaries

**Note 26: Related Party Transactions**
**A. Name of the Related Parties with whom transactions have been entered**

| Particulars   | Nature of Relationship                        |
|---|---|
| Bombay Gas Co Limited                               | Common Key Managerial Personnel               |
| Hamilton & Co Limited                               | Shareholder having control                    |
| Hamilton Research and Technology Private Limited    | Common Key Managerial Personnel               |
| RPIL Signalling Systems Limited                     | Common Key Managerial Personnel               |
| Sri Krishna Tiles & Potteries Limited               | Common Key Managerial Personnel               |
| Ashish Sushil Jalan                                 | Key Managerial Personnel                      |
| Ajay Kumar Dhagat                                   | Key Managerial Personnel                      |
| Gayathri Sundaram                                   | Key Managerial Personnel                      |
| Rekha Jalan M/o Mr. Ashish Jalan                    | Relative of Key Managerial Personnel          |
| Ashok Kumar Vishwa Karma                            | Key Managerial Personnel - Managing Director  |
| D. Sadasivam  | Key Managerial Personnel - CS                 |
| K. Sundaramurthi                                    | Key Managerial Personnel - CFO                |
| Chemetals (Firm)                                    | Firms in which director is partner            |
| Ambarati (Firm)                                     | Firms in which director is partner            |
| Bombay Gas Holdings and Investments Private Limited | Common Key Managerial Personnel               |
| Excel Telesonic India Private Limited               | Common Key Managerial Personnel               |
| Amba Agencies Private Limited                       | Common Key Managerial Personnel               |
| MPM Private Limited                                 | Common Key Managerial Personnel               |
| Ambarati Automation Private Limited                 | Common Key Managerial Personnel               |
| MPM - Durrans Refracoat Private Limited             | Common Key Managerial Personnel               |
| MPM - Foundary Solutions Private Limited            | Common Key Managerial Personnel               |
| MPM Infosoft Private Limited                        | Common Key Managerial Personnel               |
| Leansoft Solutions Private Limited                  | Common Key Managerial Personnel               |
| MPM- GTP Foundary Technologies Pvt. Ltd             | Common Key Managerial Personnel               |
| Rukmani Metals and Gaseous Ltd                      | Common Key Managerial Personnel               |
| Indo Tech Transformers Limited                      | Common Key Managerial Personnel               |
| Amara Raja Power Systems Limited                    | Common Key Managerial Personnel               |
| Coelme Construzioni Elettromeccaniche SpA, Italy    | Company having control (Holding 49.00% Stake) |
| A.K.R.Finance Limited                               | Key Managerial Personnel                      |
| Deepak Jujal Kishore Choudhary                      | Key Managerial Personnel                      |
| Anupam Arun Kumar Vaid                              | Key Managerial Personnel                      |
| Nandakumar Sundarraman                              | Key Managerial Personnel                      |
| Francesco Basso                                     | Key Managerial Personnel                      |
| Pandu Ranga Rao                                     | Key Managerial Personnel                      |
| Rangapathy Jayaraman                                | Key Managerial Personnel                      |

**B. Summary of Related Party Transactions**

| Particulars   | Transactions During the<br>year 2016-17<br>Rs. | Transactions During the<br>year 2015-16<br>Rs. |
|---|--|--|
| <b>Hamilton &amp; Co. Ltd.</b>  |  |  |
| Interest charged by the related party   | 8,516,715                                      | 3,171,472                                      |
| Amount outstanding receivable/(payable) at the end of the year                          | (116,550,882)                                  | (26,432,718)                                   |
| <b>Hamilton Research and Technology Private Limited</b>                                 |  |  |
| Interest charged on the company   | -  | 4,092,182                                      |
| Amount outstanding receivable/(payable) at the end of the year                          | -  | (46,666,868)                                   |
| <b>RPIL Signalling Systems Limited</b>  |  |  |
| Amount outstanding receivable/(Payable) at the end of the year                          | (33,080,407)                                   | (33,248,919)                                   |
| <b>Sri Krishna Tiles &amp; Potteries Limited</b>  |  |  |
| Interest charged on the company   | 750,000  | 750,206  |
| Amount outstanding receivable/(Payable) at the end of the year                          | (6,688,426)                                    | (6,013,426)                                    |
| <b>Bombay Gas Co Ltd.</b>   |  |  |
| Interest charged on company   | 4,945,500                                      | 4,475,200                                      |
| Amount due from/(payable to) related party at the year end. (Including Int outstanding) | (51,550,949)                                   | (51,552,062)                                   |
| <b>Ashish Sushil Jalan</b>  |  |  |
| Reimbursement of Expenses   | 840,803  | 527,747  |
| Director Sitting fees   | 65,000   | 40,000   |
| Amount outstanding receivable/(Payable) at the end of the year                          | (824,010)                                      | (705,870)                                      |
| <b>A K R Finance Limited</b>  |  |  |
| Interest charged on the company   | 750,000  | 750,206  |
| Amount outstanding receivable/(Payable) at the end of the year                          | (7,700,003)                                    | (7,025,002)                                    |
| <b>Coelme Construzioni Electromeccaniche SpA, Italy</b>                                 |  |  |
| Sales during the year   | 13,925,623                                     | 22,093,809                                     |
| Services rendered during the year (excluding service tax)                               | 700,000  | 862,729  |
| Procurement of goods and services   | 198,492  | 2,094,772                                      |
| Amount due from / (payable) to related party at the end of the year                     | 2,896,160                                      | 7,345,297                                      |
| <b>Ashok Kumar Vishwakarma</b>  |  |  |
| Remuneration to Director  | 5,935,052                                      | 4,443,048                                      |
| <b>Rangapathy Jayaraman</b>   |  |  |
| Remuneration to Director  | -  | -  |
| Director Sitting fees   | -  | 10,000   |
| <b>Gayathri Sundaram</b>  |  |  |
| Director Sitting fees   | 40,000   | 30,000   |

| Particulars  | Transcations During the<br>year 2016-17<br>Rs. | Transcations During the<br>year 2015-16<br>Rs. |
|--|--|--|
| <b>Ajay Kumar Dhagat</b><br>Director Sitting fees              | 30,000   | 40,000   |
| <b>Nandakumar Sundarram</b><br>Director Sitting fees           | 55,000   | 40,000   |
| <b>Deepak Jugal Kishore Chowdhary</b><br>Director Sitting fees | 10,000   | 20,000   |
| <b>K Sundarmurthi</b><br>Remuneration                          | 399,924  | 267,826  |
| <b>D Sadasivam</b><br>Remuneration                             | 166,548  | 134,400  |

**Note 27: Impairment of Fixed Assets**

No impairment loss / gain has been considered for the fixed assets of the holding company as the Net Selling Value as assessed during the previous period has been considered to be significantly higher than the carrying amount in such assets and the holding company does not consider appropriate for a valuation as at the current Balance Sheet date. This is considered appropriate and on a conservative basis credit for Net Selling Value has not been recognized.

**Note 28 - Earnings in Foreign Currency**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---|-----------------------|-----------------------|
| Compensation for cost of interest -<br>Earnings is 30,000 Euros | 2,196,000             | 1,957,499             |
| Rendering of Engineering services                               | 4,219,334             | 7,246,232             |
| Export Sales  | 2,166,972             | 118,325               |
| Export of goods on F.O.B basis                                  | 118,688,956           | 134,906,813           |
| Interest Income   | 5,899,936             | 4,941,379             |

**Note 29 - Expenditure in Foreign Currency**

| Particulars         | As at 31st March 2017 | As at 31st March 2016 |
|---------------------|-----------------------|-----------------------|
| Travelling Expenses | 703,624               | 1,227,223             |
| Imports             | 4,810,040             | 9,236,823             |
| Commission          | 2,324,791             | 4,320,963             |
| Others              | 820,752               | 594,676               |

**Note 30 - Value of Imports on C.I.F basis**

| Particulars   | As at 31st March 2017 | As at 31st March 2016 |
|---------------|-----------------------|-----------------------|
| Raw Materials | 4,810,040             | 9,236,823             |

**Note 31 - Value of Imported and Indigenous Raw Materials, Components and spare parts consumed**

| Description             | As at 31st March 2017 |             | As at 31st March 2016 |             |
|-------------------------|-----------------------|-------------|-----------------------|-------------|
|                         | Value                 | %           | Value                 | %           |
| <b>a. Raw Materials</b> |                       |             |                       |             |
| - Imported              | 4,861,625             | 2.00%       | 9,236,823             | 5.27%       |
| - Indigenous            | 238,075,425           | 98.00%      | 165,941,959           | 94.73%      |
| <b>Total</b>            | <b>238,075,425</b>    | <b>100%</b> | <b>175,178,782</b>    | <b>100%</b> |

**Note 32:** Previous year figures have been reclassified / regrouped wherever necessary to bring it in line with the current year financial presentation and grouping.

For and on behalf of the Board  
**S&S Power Switchgear Limited**

As per our report of even date  
**For GSV Associates**  
Chartered Accountants

**Ashish Sushil Jalan**  
Director  
DIN: 00031311

**Ashok Kumar Vishwakarma**  
Managing Director  
DIN: 05203223

**B Karthikeyan**  
Partner  
Membership No.: 224965  
**Firm Registration No. 006179S**

**D Sadasivam**  
Company Secretary

**A Mahesh**  
Chief Financial Officer

**Date:** June 5, 2017  
**Place:** Chennai

(Amount in Rs.)

**Note 11: Fixed Assets to Consolidated Financial Statements**

| Asset  | Gross Block         |                                 |                                 |                     | Depreciation        |                                      |                                 |                     | Net Block           |                     |
|--|---------------------|---------------------------------|---------------------------------|---------------------|---------------------|--------------------------------------|---------------------------------|---------------------|---------------------|---------------------|
|  | As at<br>31.03.2016 | Additions<br>during<br>the year | Deletions<br>during<br>the year | As at<br>31.03.2017 | As at<br>31.03.2016 | Depreciation<br>for the<br>12 months | Deletions<br>during<br>the year | As on<br>31/03/2017 | As on<br>31/03/2017 | As on<br>31/03/2016 |
| Land and buildings   | 128,424,613         | 1,109,253                       | 48,514,690                      | 81,019,175          | 28,349,728          | 2,733,454                            | 2,632,819                       | 28,450,363          | 52,568,812          | 100,074,885         |
| Electrical Installations                                       | 3,853,200           | -                               | -                               | 3,853,200           | 3,462,054           | 293,683                              | -                               | 3,755,737           | 97,463              | 391,146             |
| Toolings & Fixtures  | 1,346,156           | 48,865                          | -                               | 1,395,021           | 980,841             | 117,060                              | -                               | 1,097,901           | 297,120             | 365,315             |
| Furniture & Fixtures   | 2,771,620           | 1,901,000                       | -                               | 4,672,620           | 909,000             | 217,060                              | -                               | 1,126,060           | 3,546,560           | 1,862,620           |
| Office Equipment   | 1,422,311           | 87,658                          | 17,990                          | 1,491,979           | 680,063             | 130,324                              | 7,196                           | 803,191             | 688,788             | 742,248             |
| Computers  | 4,990,089           | 651,560                         | -                               | 5,641,649           | 3,451,046           | 409,118                              | -                               | 3,860,164           | 1,781,485           | 1,539,043           |
| Plant and Equipment  | 64,168,467          | 9,500,794                       | 5,278,942                       | 68,390,320          | 52,120,695          | 4,615,222                            | 3,207,260                       | 53,528,657          | 14,861,662          | 12,047,772          |
| Lease hold premises  | 766,174             | 4,038,859                       | -                               | 4,805,033           | 750,568             | 515,441                              | -                               | 1,266,009           | 3,539,024           | 15,606              |
| <b>Sub Total</b>   | <b>207,742,630</b>  | <b>17,337,989</b>               | <b>53,811,622</b>               | <b>171,268,997</b>  | <b>90,703,995</b>   | <b>9,031,362</b>                     | <b>5,847,274</b>                | <b>93,888,083</b>   | <b>77,380,914</b>   | <b>117,038,635</b>  |
| <b>Tangible Assets</b>   |                     |                                 |                                 |                     |                     |                                      |                                 |                     |                     |                     |
| Product Validation Certification                               | 9,810,795           | 2,543,811                       | -                               | 12,354,606          | 9,493,432           | 448,285                              | -                               | 9,941,717           | 2,412,889           | 317,363             |
| <b>Sub Total</b>   | <b>217,553,425</b>  | <b>19,881,800</b>               | <b>53,811,622</b>               | <b>183,623,603</b>  | <b>100,197,427</b>  | <b>9,479,647</b>                     | <b>5,847,274</b>                | <b>103,829,799</b>  | <b>79,793,804</b>   | <b>117,355,998</b>  |
| Add: Forex fluctuations on translation of foreign subsidiaries | -                   | -                               | -                               | -                   | -                   | -                                    | -                               | -                   | (9,219,728)         | 3,176,504           |
| <b>Total</b>   | <b>217,553,425</b>  | <b>19,881,800</b>               | <b>53,811,622</b>               | <b>183,623,603</b>  | <b>100,197,427</b>  | <b>9,479,647</b>                     | <b>5,847,274</b>                | <b>103,829,799</b>  | <b>70,574,076</b>   | <b>120,532,502</b>  |
| <b>Previous Year Figures</b>                                   | <b>211,456,027</b>  | <b>6,097,398</b>                | <b>-</b>                        | <b>217,553,425</b>  | <b>88,294,714</b>   | <b>11,902,713</b>                    | <b>-</b>                        | <b>100,197,427</b>  | <b>120,532,502</b>  | <b>123,161,313</b>  |

**Disclosure pursuant to provision to clause (i) of para 3 of part A of Schedule II of Companies Act, 2013**

The company depreciates the Tangible and Intangible Assets based on the estimates of average of useful life. The useful lives considered by the management are given below.

| Nature of Assets         | Estimated Useful lives considered by company |
|--------------------------|--|
| Computers                | 6 Years                                      |
| Furniture & Fixtures     | 16 Years                                     |
| Office Equipment         | 21Years                                      |
| Plant & Machinery        | 21 Years                                     |
| Building Interiors       | 3 Years                                      |
| Electrical Installations | 3 Years                                      |
| Lease Hold Premises      | 5 Years                                      |



(Amount in Rs.)

| Note 11A - Additional Disclosures under Schedule III of Companies Act 2013 with respect to Consolidated Financials with respect to the components of Consolidated Net Assets & Net profits |                          |                                 |               |                                 |              |                                 |               |                                 |             |
|--|--------------------------|---------------------------------|---------------|---------------------------------|--------------|---------------------------------|---------------|---------------------------------|-------------|
| Name of the Entity   | Country of Incorporation | 2016-17                         |               |                                 |              | 2015-16                         |               |                                 |             |
|  |                          | Net Assets                      |               | Share of profits                |              | Net Assets                      |               | Share of profits                |             |
|  |                          | As % of Consolidated net assets | Amount        | As % of Consolidated net assets | Amount       | As % of Consolidated net assets | Amount        | As % of Consolidated net assets | Amount      |
| Parent company   |                          |                                 |               |                                 |              |                                 |               |                                 |             |
| S&S Power Switchgear Limited   | India                    | 53.68%                          | 203,522,830   | 28.46%                          | (11,220,580) | 43.36%                          | 239,583,282   | (0.31%)                         | (179,344)   |
| Subsidiaries   |                          |                                 |               |                                 |              |                                 |               |                                 |             |
| S&S Power Switchgear Equipment Limited   | India                    | 2.63%                           | 9,953,766     | (8.10%)                         | 3,191,910    | 1.22%                           | 6,761,856     | 0.61%                           | 353,879     |
| Acrastyle EPS Technologies Limited   | India                    | 0.09%                           | 350,313       | 1.34%                           | (527,775)    | 0.16%                           | 877,766       | (0.44%)                         | (256,867)   |
| Acrastyle Power India Limited  | India                    | 21.59%                          | 81,867,231    | 29.39%                          | (11,588,525) | 24.01%                          | 132,660,507   | (1.78%)                         | (1,037,102) |
| Acrastyle Switchgear Limited   | United Kingdom           | 37.74%                          | 143,081,873   | 8.60%                           | (3,392,663)  | 31.66%                          | 174,929,280   | 13.14%                          | 7,668,161   |
| Acrastyle Limited  | United Kingdom           | (36.35%)                        | (137,838,654) | 19.68%                          | (7,757,645)  | (22.56%)                        | (124,652,460) | 55.34%                          | 32,304,756  |
|  |                          |                                 |               |                                 |              |                                 |               |                                 |             |
| Minority Interest  |                          | 20.63%                          | 78,212,235    | 20.63%                          | (8,132,986)  | 22.14%                          | 122,343,810   | 33.44%                          | 19,517,343  |
|  |                          |                                 |               |                                 |              |                                 |               |                                 |             |
| Grand Total  |                          | 100.00%                         | 379,149,595   | 100.00%                         | (39,428,264) | 100.00%                         | 552,504,041   | 100.00%                         | 58,370,825  |

**Note 11B - Segment Reporting**

The group does not have different operating segments. However the group has different geographical segments - Viz - UK & of provided below

| Particulars                              | 31-03-2017         |                    |                      | 31-03-2016         |                    |                      |
|--|--------------------|--------------------|----------------------|--------------------|--------------------|----------------------|
|  | UK                 | India              | Total                | UK                 | India              | Total                |
| Revenue for Financial year               | 708,754,957        | 494,143,861        | 1,202,898,818        | 801,457,915        | 379,753,880        | 1,181,211,795        |
| Less: Inter segment revenue              |                    |                    | (70,597,219)         |                    |                    | (38,453,189)         |
| <b>Revenue for Financial year</b>        |                    |                    | <b>1,132,301,599</b> |                    |                    | <b>1,142,758,606</b> |
| Segment results                          |                    |                    |                      |                    |                    |                      |
| Less: Finance cost                       | (5,041,056)        | (7,357,968)        | (12,399,024)         | 65,381,766         | 15,039,808         | 80,421,574           |
| Add: Interest income                     |                    |                    | (28,183,026)         |                    |                    | (20,263,835)         |
| Less: Taxes                              |                    |                    | 1,430,525            |                    |                    | 232,422              |
|  |                    |                    | (276,738)            |                    |                    | (2,019,334)          |
| <b>Net profit for the Financial year</b> |                    |                    | <b>(39,428,263)</b>  |                    |                    | <b>58,370,827</b>    |
| <b>Segment Assets</b>                    | <b>717,754,546</b> | <b>436,337,474</b> | <b>1,154,092,020</b> | <b>869,194,613</b> | <b>365,136,497</b> | <b>1,234,331,110</b> |
| <b>Segment Liabilities</b>               | <b>394,354,583</b> | <b>380,986,757</b> | <b>775,341,340</b>   | <b>415,978,023</b> | <b>304,942,479</b> | <b>720,920,502</b>   |

# **S&S POWER SWITCHGEAR EQUIPMENT LIMITED**

## **BALANCE SHEET AS AT 31st MARCH 2017**

(Rs. in Thousands)

| Sl.No.    | Particulars                       | As at 31st March 2017 | As at 31st March 2016 |
|-----------|-----------------------------------|-----------------------|-----------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITIES</b>     |                       |                       |
| <b>1</b>  | <b>Shareholder's Funds</b>        |                       |                       |
|           | (a) Share Capital                 | 12,500                | 12,500                |
|           | (b) Reserves and Surplus          | 19,517                | 13,259                |
| <b>2</b>  | <b>Non-Current Liabilities</b>    |                       |                       |
|           | (a) Long-term Provisions          | 5,118                 | 5,168                 |
| <b>3</b>  | <b>Current Liabilities</b>        |                       |                       |
|           | (a) Short-term Borrowings         | 108,788               | 57,500                |
|           | (b) Trade Payables                | 101,290               | 73,364                |
|           | (c) Other Current Liabilities     | 15,615                | 15,392                |
|           | (d) Short-term Provisions         | -                     | -                     |
|           | <b>Total</b>                      | <b>262,828</b>        | <b>177,182</b>        |
| <b>II</b> | <b>ASSETS</b>                     |                       |                       |
| <b>1</b>  | <b>Non-Current Assets</b>         |                       |                       |
|           | (a) Fixed Assets                  |                       |                       |
|           | (i) Tangible assets               | 5,839                 | 8,115                 |
|           | (ii) Intangible assets            | 2,418                 | 317                   |
|           | (b) Long-term Loans and Advances  | 7,240                 | 7,168                 |
| <b>2</b>  | <b>Current Assets</b>             |                       |                       |
|           | (a) Inventories                   | 44,225                | 49,120                |
|           | (b) Trade Receivables             | 163,764               | 82,460                |
|           | (c) Cash and Bank Balances        | 12,974                | 1,031                 |
|           | (d) Short-term Loans and Advances | 26,368                | 28,970                |
|           | <b>Total</b>                      | <b>262,828</b>        | <b>177,182</b>        |

For S&amp;S Power Switchgear Equipment Limited

As per our report of even date  
**For GSV Associates**  
Chartered Accountants  
**Firm Registration No. 006179S**

**Ashish Sushil Jalan**  
Director  
DIN: 00031311

**Francesco Basso**  
Director  
DIN: 02981159

**B Karthikeyan**  
Partner  
Membership No.: 224965

**Place:** Chennai  
**Date :** May 25, 2017

\* Compiled from the Audited Financial Statements of the Company.

## S&S POWER SWITCHGEAR EQUIPMENT LIMITED

### PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

(Rs. in Thousands)

| Sl.No. | Particulars   | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|--------|---|---------------------------------------|---------------------------------------|
| I.     | Revenue from Operations   | 313,380                               | 213,783                               |
| II.    | Other Income  | 436                                   | (137)                                 |
|        | <b>Total Revenue (I+II)</b>   | <b>313,816</b>                        | <b>213,646</b>                        |
| III.   | <b>Expenses:</b>  |                                       |                                       |
|        | Cost of Material Consumed   | 213,770                               | 141,680                               |
|        | Changes in Inventories of<br>Finished Goods, Work in<br>progress and Stock-in-Trade | (4,129)                               | (4,866)                               |
|        | Employee Benefit  | 33,568                                | 32,712                                |
|        | Expense Finance Cost  | 4,066                                 | 3,808                                 |
|        | Depreciation and<br>Amortization Expense  | 2,639                                 | 5,299                                 |
|        | Other Expenses  | 53,232                                | 34,320                                |
|        | <b>Total Expenses</b>   | <b>303,146</b>                        | <b>212,953</b>                        |
| IV.    | <b>Profit before Exceptional and Extraordinary<br/>items and tax (I+II-III)</b>     | <b>10,670</b>                         | <b>693</b>                            |
| V.     | Exceptional items   | 4,412                                 | -                                     |
| VI.    | <b>Profit before Extraordinary items and<br/>Tax (IV-V)</b>                         | <b>6,258</b>                          | <b>693</b>                            |
| VII.   | Extraordinary items   | -                                     | -                                     |
| VIII.  | <b>Profit before Tax (VI-VII)</b>   | <b>6,258</b>                          | <b>693</b>                            |
| IX.    | Tax expense:  |                                       |                                       |
|        | (1) Current Tax   | -                                     | -                                     |
|        | (2) Deferred Tax  | -                                     | -                                     |
| X.     | <b>Profit (Loss) for the period from<br/>continuing operations (VIII-IX)</b>        | <b>6,258</b>                          | <b>693</b>                            |
| XI.    | Profit (Loss) from discontinuing operations   | -                                     | -                                     |
| XII.   | Tax expense of discontinuing operations   | -                                     | -                                     |
| XIII.  | Profit (Loss) from discontinuing<br>operations (after tax) (XII-XIII)               | -                                     | -                                     |
| XIV.   | <b>Profit (Loss) for the period (XI+XIV)</b>  | <b>6,258</b>                          | <b>693</b>                            |
| XV.    | Earnings per Equity Share:  |                                       |                                       |
|        | (1) Basic   | 0.01                                  | 0.00                                  |
|        | (2) Diluted   | 0.01                                  | 0.00                                  |

For S&amp;S Power Switchgear Equipment Limited

As per our report of even date  
**For GSV Associates** Chartered  
Accountants **Firm Registration**  
**No. 006179S**

**Ashish Sushil Jalan**  
Director  
DIN: 00031311

**Francesco Basso**  
Director  
DIN: 02981159

**B Karthikeyan**  
Partner  
Membership No.: 224965

**Place:** Chennai

**Date :** May 25, 2017

\* Compiled from the Audited Financial Statements of the Company.

## ACRASTYLE POWER (INDIA) LIMITED

## BALANCE SHEET AS AT 31st MARCH 2017

(Rs. in Thousands)

| Sl.No.    | Particulars                        | As at 31st March 2017 | As at 31st March 2016 |
|-----------|------------------------------------|-----------------------|-----------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITY</b>        |                       |                       |
| <b>1</b>  | <b>Shareholder's Funds</b>         |                       |                       |
|           | (a) Share Capital                  | 59,451                | 59,451                |
|           | (b) Reserves and Surplus           | 9,779                 | 38,887                |
| <b>2</b>  | <b>Non-Current Liabilities</b>     |                       |                       |
|           | (a) Deferred Tax Liabilities (Net) | 4,862                 | 4,613                 |
|           | (b) Long-term Provisions           | 402                   | 237                   |
| <b>3</b>  | <b>Current Liabilities</b>         |                       |                       |
|           | (a) Short-term Borrowings          | 121,279               | 103,574               |
|           | (b) Trade Payables                 | 59,085                | 37,069                |
|           | (c) Other Current Liabilities      | 40,884                | 39,049                |
|           | (d) Short Term Provisions          | 318                   | -                     |
|           | <b>Total</b>                       | <b>296,060</b>        | <b>282,880</b>        |
| <b>II</b> | <b>ASSETS</b>                      |                       |                       |
| <b>1</b>  | <b>Non-Current Assets</b>          |                       |                       |
|           | (a) Fixed Assets                   |                       |                       |
|           | (i) Tangible Assets                | 12,583                | 3,000                 |
|           | (ii) Intangible Assets             | -                     | -                     |
|           | (b) Deferred Tax Assets (Net)      |                       |                       |
|           | (c) Non-Current Investments        | 150,348               | 150,348               |
|           | (d) Long-term Loans and advances   | 38,610                | 50,611                |
| <b>2</b>  | <b>Current Assets</b>              |                       |                       |
|           | (a) Current investments            | 290                   | 274                   |
|           | (b) Inventories                    | 19,636                | 10,388                |
|           | (c) Trade Receivables              | 43,527                | 26,795                |
|           | (d) Cash and Bank Balances         | 347                   | 1,377                 |
|           | (e) Short-term Loans and Advances  | 30,719                | 40,087                |
|           | <b>Total</b>                       | <b>296,060</b>        | <b>282,880</b>        |

For Acrastyle Power (India) Limited

For GSV Associates  
Chartered Accountants  
Firm Registration No. 006179S

Ashish Sushil Jalan  
Director  
DIN: 00031311

Ashok Kumar Vishwakarma  
Director  
DIN: 05203223

B Karthikeyan  
Partner  
Membership No.: 224965

Place: Chennai  
Date : June 5, 2017

\* Compiled from the Audited Financial Statements of the Company.

## ACRASTYLE POWER (INDIA) LIMITED

### PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

(Rs. in Thousands)

| Sl.No. | Particulars  | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|--------|--|---------------------------------------|---------------------------------------|
| I.     | Revenue from Operations  | 164,178                               | 141,796                               |
| II.    | Other Income   | 2,800                                 | 6,233                                 |
| III.   | <b>Total Revenue (I+II)</b>  | <b>166,978</b>                        | <b>148,029</b>                        |
| IV.    | <b>Expenses:</b>   |                                       |                                       |
|        | Cost of Materials Consumed   | 127,822                               | 101,257                               |
|        | Changes in inventories of finished goods and work-in-progress                      | (2,003)                               | (1,337)                               |
|        | Employee benefits expense  | 14,505                                | 12,460                                |
|        | Finance costs  | 15,295                                | 16,265                                |
|        | Depreciation and amortization expense  | 1,232                                 | 465                                   |
|        | Other expenses   | 26,416                                | 17,581                                |
|        | <b>Total expenses</b>  | <b>183,267</b>                        | <b>146,690</b>                        |
| V.     | <b>Profit / (Loss) before exceptional and extraordinary items and tax (III-IV)</b> | <b>(16,289)</b>                       | <b>1,338</b>                          |
| VI.    | Exceptional items [losses/(gains)]   | 759                                   | -                                     |
| VII.   | <b>Profit / (Loss) before extraordinary items and tax (V-VI)</b>                   | <b>(17,048)</b>                       | <b>1,338</b>                          |
| VIII.  | Extra-ordinary items   | -                                     | -                                     |
| IX.    | <b>Profit / (Loss) before tax (VII-VIII)</b>                                       | <b>(17,048)</b>                       | <b>1,338</b>                          |
| X.     | Tax expense:   |                                       |                                       |
|        | (1) Current tax  | -                                     | -                                     |
|        | (2) Deferred tax   | 249                                   | 1,150                                 |
|        | (3) Shortfall in provision of taxes in prior years                                 | -                                     | 870                                   |
| XI.    | <b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>          | <b>(17,297)</b>                       | <b>(681)</b>                          |
| XII.   | Profit (Loss) from discontinuing operations  | -                                     | -                                     |
| XIII.  | Tax expense of discontinuing operations  | -                                     | -                                     |
| XIV.   | Profit (Loss) from discontinuing operations (after tax) (XII-XIII)                 | -                                     | -                                     |
| XV.    | <b>Profit (Loss) for the period (XI+XIV)</b>                                       | <b>(17,297)</b>                       | <b>(681)</b>                          |
| XVI.   | Earnings per equity share:   |                                       |                                       |
|        | (1) Basic  | (0.00)                                | (0.00)                                |
|        | (2) Diluted  | (0.00)                                | (0.00)                                |

**For Acrastyle Power (India) Limited**

As per our report of even date  
**For GSV Associates**  
Chartered Accountants  
Firm Registration No. 006179S

**Ashish Sushil Jalan**  
Director  
DIN: 00031311

**Ashok Kumar Vishwakarma**  
Director  
DIN: 05203223

**B Karthikeyan**  
Partner  
Membership No.: 224965

**Place:** Chennai

**Date :** June 5, 2017

\* Compiled from the Audited Financial Statements of the Company.



## ACRASTYLE EPS TECHNOLOGIES LIMITED

## BALANCE SHEET AS AT 31st MARCH 2017

(Rs. in Thousands)

| Sl.No.    | Particulars                        | As at 31st March 2017 | As at 31st March 2016 |
|-----------|------------------------------------|-----------------------|-----------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITY</b>        |                       |                       |
| <b>1</b>  | <b>Shareholder's funds</b>         |                       |                       |
|           | (a) Share Capital                  | 500                   | 500                   |
|           | (b) Reserves and Surplus           | 350                   | 878                   |
| <b>2</b>  | <b>Non-current liabilities</b>     |                       |                       |
|           | (a) Long-term borrowings           | -                     | -                     |
|           | (b) Deferred tax liabilities (Net) | -                     | -                     |
|           | (c) Other Long term liabilities    | -                     | -                     |
|           | (d) Long-term provisions           | -                     | -                     |
| <b>3</b>  | <b>Current Liabilities</b>         |                       |                       |
|           | (a) Short-term borrowings          | -                     | -                     |
|           | (b) Trade Payables                 | 281                   | 296                   |
|           | (c) Other Current Liabilities      | 807                   | 1,855                 |
|           | <b>Total</b>                       | <b>1,938</b>          | <b>3,529</b>          |
| <b>II</b> | <b>ASSETS</b>                      |                       |                       |
|           | <b>Non-current assets</b>          |                       |                       |
| <b>1</b>  | (a) Fixed Assets                   | -                     | -                     |
|           | (i) Tangible assets                | -                     | -                     |
|           | (ii) Intangible assets             | -                     | -                     |
|           | (b) Long-term loans and advances   | -                     | 207                   |
| <b>2</b>  | <b>Current Assets</b>              |                       |                       |
|           | (a) Inventories                    | -                     | -                     |
|           | (b) Trade Receivables              | 1,235                 | 1,513                 |
|           | (c) Cash and cash equivalents      | 11                    | 24                    |
|           | (d) Short-term loans and advances  | 692                   | 1,785                 |
|           | <b>Total</b>                       | <b>1,938</b>          | <b>3,529</b>          |

For Acrastyle EPS Technologies Limited

As per our report of even date

**For GSV Associates**

Chartered Accountants

Firm Registration No. 006179S

**Ashish Sushil Jalan**

Director

DIN: 00031311

**Ashok Kumar Vishwakarma**

Director

DIN: 05203223

**B Karthikeyan**

Partner

Membership No.: 224965

**Place:** Chennai**Date :** June 5, 2017

\* Compiled from the Audited Financial Statements of the Company.

## ACRASTYLE EPS TECHNOLOGIES LIMITED

### PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

(Rs. in Thousands)

| Sl.No. | Particulars  | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|--------|--|---------------------------------------|---------------------------------------|
| I.     | Revenue from operations  | -                                     | 441                                   |
| II.    | Other income   | -                                     | -                                     |
| III.   | <b>Total Revenue (I+II)</b>  | <b>-</b>                              | <b>441</b>                            |
| IV.    | <b>Expenses:</b>   |                                       |                                       |
|        | Cost of material consumed  | -                                     | -                                     |
|        | Purchases of Stock-in-Trade  | -                                     | 323                                   |
|        | Changes in inventories of finished goods work-in-progress and stock in trade | -                                     | -                                     |
|        | Employee benefits expense  | -                                     | -                                     |
|        | Finance costs  | -                                     | 118                                   |
|        | Depreciation and amortization expense  | -                                     | -                                     |
|        | Other expenses   | 528                                   | 257                                   |
|        | <b>Total expenses</b>  | <b>528</b>                            | <b>698</b>                            |
| V.     | <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>    | <b>(528)</b>                          | <b>(257)</b>                          |
| VI.    | Exceptional items  | -                                     | -                                     |
| VII.   | Profit before extraordinary items and tax (V-VI)                             | (528)                                 | (257)                                 |
| VIII.  | Extraordinary items  | -                                     | -                                     |
| IX.    | <b>Profit before tax (VII-VIII)</b>  | <b>(528)</b>                          | <b>(257)</b>                          |
| X.     | Tax expense:   |                                       |                                       |
|        | (1) Current tax  | -                                     | -                                     |
|        | (2) Deferred tax   | -                                     | -                                     |
| XI.    | <b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>    | <b>(528)</b>                          | <b>(257)</b>                          |
| XII.   | Profit (Loss) from discontinuing operations                                  | -                                     | -                                     |
| XIII.  | Tax expense of discontinuing operations                                      | -                                     | -                                     |
| XIV.   | Profit (Loss) from discontinuing operations (after tax) (XII-XIII)           | -                                     | -                                     |
| XV.    | <b>Profit (Loss) for the period (XI+XIV)</b>                                 | <b>(528)</b>                          | <b>(257)</b>                          |
| XVI.   | Earnings per equity share:   |                                       |                                       |
|        | (1) Basic  | (0)                                   | (0)                                   |
|        | (2) Diluted  | (0)                                   | (0)                                   |

For Acrastyle EPS Technologies Limited

As per our report of even date

**For GSV Associates**

Chartered Accountants

**Firm Registration No. 006179S**
**Ashish Sushil Jalan**

Director

DIN: 00031311

**Ashok Kumar Vishwakarma**

Director

DIN: 05203223

**B Karthikeyan**

Partner

Membership No.: 224965

**Place:** Chennai

**Date :** June 5, 2017

\* Compiled from the Audited Financial Statements of the Company.

## ACRASTYLE LIMITED

## BALANCE SHEET AS AT 31st MARCH 2017

(Rs. in Thousands)

| Sl.No.    | Particulars                             | As at 31st March 2017 | As at 31st March 2016 |
|-----------|---|-----------------------|-----------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITIES</b>           |                       |                       |
| <b>1</b>  | <b>Share Holders's Funds</b>            |                       |                       |
|           | (a) Paid up share capital               |                       |                       |
|           | (i) Equity                              | 6,737                 | 8,062                 |
|           | (ii) Preference                         |                       |                       |
|           | (b) Reserves and Surplus                |                       |                       |
|           | (i) Capital reserves                    | -                     | -                     |
|           | (including Revaluation Reserve, if any) |                       |                       |
|           | (ii) Revenue Reserves                   | (80,081)              | (86,808)              |
|           | (iii) Surplus                           | -                     | -                     |
| <b>2</b>  | <b>Non-Current Liabilities</b>          |                       |                       |
|           | (a) Long Term Borrowings                | -                     | -                     |
|           | (b) Deferred tax liabilities (Net)      | -                     | -                     |
|           | (c) Other Long -term liabilities        | -                     | -                     |
|           | (d) Long term provisions                | 180,461               |                       |
| <b>3</b>  | <b>Current Liabilities</b>              |                       |                       |
|           | (a) Short-term borrowings               | -                     | 9,331                 |
|           | (b) Trade Payables                      | 208,731               | 141,555               |
|           | (c) Other Current Liabilities           | -                     | 264,649               |
|           | (d) Short-term provisions               | -                     | -                     |
|           | <b>Total of (1) to (3)</b>              | <b>315,847</b>        | <b>336,789</b>        |
| <b>II</b> | <b>ASSETS</b>                           |                       |                       |
| <b>4</b>  | <b>Non Current Assets</b>               |                       |                       |
|           | (a) Fixed Assets                        |                       |                       |
|           | (i) Tangible assets                     | 66,603                | 77,668                |
|           | (original Cost Less Depreciation)       |                       |                       |
|           | (b) Non current Investments             |                       |                       |
|           | (c) Deferred tax assets                 |                       |                       |
|           | (d) Long term loans and advances        |                       |                       |
|           | (e) Other Non-Current Assets            |                       |                       |
| <b>5</b>  | <b>Current Assets</b>                   |                       |                       |
|           | (a) Current investments                 | -                     | -                     |
|           | (b) Inventories                         | 60,021                | 80,236                |
|           | (c) Trade Receivables                   | 150,587               | 132,666               |
|           | (d) Cash and Cash equivalents           | 38,636                | 46,219                |
|           | (e) Short-term loans and advances       | -                     | -                     |
|           | (f) Other Current Assets                | -                     | -                     |
|           | <b>Total of (4) to (5)</b>              | <b>315,847</b>        | <b>336,789</b>        |

For JL Winder & Co  
Chartered Accountants

For and on behalf of the Board  
Acrastyle Limited

Gillian Haythornthwaite FCA (Senior Statutory Auditor)  
Chartered Accountants  
Statutory Auditor

Peter John Woolrich  
Director

Date: May 23, 2017

\* Compiled from the Audited Financial Statements of the Company.

## ACRASTYLE LIMITED

### PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

(Rs. in Thousands)

| Sl.No.       | Particulars   | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|--------------|---|---------------------------------------|---------------------------------------|
| <b>I.</b>    | <b>Income</b>   |                                       |                                       |
|              | Revenue from Operations<br>(details given as per annexure)<br>Less: Excise Duty   | 708,755                               | 801,458                               |
|              | <b>Net Revenue from Operations</b>  | <b>708,755</b>                        | <b>801,458</b>                        |
| <b>II.</b>   | <b>Other Income</b>   | -                                     | -                                     |
| <b>III.</b>  | <b>Total Income (I + II)</b>  | <b>708,755</b>                        | <b>801,458</b>                        |
| <b>IV.</b>   | <b>Expenditure</b>  |                                       |                                       |
|              | (a) Cost of materials consumed  | 445,197                               | 476,831                               |
|              | (b) Purchase of Stock-in-trade  | -                                     | -                                     |
|              | (c) Changes in inventories of finished goods, work-in-progress and stock in trade | (14,451)                              | 22,765                                |
|              | (d) Employee benefit expenses   | 198,119                               | 208,505                               |
|              | (e) Finance costs   | 6972                                  |                                       |
|              | (f) Depreciation and amortization expense   | 4,159                                 | 4,452                                 |
|              | (g) Other expenses  | 33,893                                | 40,689                                |
|              | <b>Total Expenditure (a to g)</b>   | <b>673,888</b>                        | <b>753,242</b>                        |
| <b>V.</b>    | <b>Profit before exceptional and extraordinary items and tax (III - IV)</b>       | <b>34,866</b>                         | <b>48,216</b>                         |
| <b>VI.</b>   | Exceptional items   |                                       |                                       |
| <b>VII.</b>  | <b>Profit before extraordinary items and tax (V + VI)</b>                         | <b>34,866</b>                         | <b>48,216</b>                         |
| <b>VIII.</b> | Extraordinary Items   |                                       |                                       |
| <b>IX.</b>   | <b>Profit/(loss) before tax (VII + VIII)</b>                                      | <b>34,866</b>                         | <b>48,216</b>                         |
| <b>X.</b>    | (a) Tax Expense   | -                                     | -                                     |
|              | (b) Deferred tax  | -                                     | -                                     |
|              | (c) Short fall in provisions of taxes in prior years                              | -                                     | -                                     |
| <b>XI.</b>   | <b>Profit/(loss) after tax for the year from continuing operations (IX - X)</b>   | <b>34,866</b>                         | <b>48,216</b>                         |
| <b>XII.</b>  | Profit/(loss) after tax from discontinued operations                              | -                                     | -                                     |
| <b>XIII.</b> | Tax expenses of discontinued operations   | -                                     | -                                     |
| <b>XIV.</b>  | Profit/(loss) from discontinued operations (after tax) (XII-XIII)                 | -                                     | -                                     |
| <b>XV.</b>   | <b>Profit/(loss) for the year (XI + XIV)</b>                                      | <b>34,866</b>                         | <b>48,216</b>                         |
| <b>XVI.</b>  | Earning Per equity share  |                                       |                                       |
|              | (a) Basic   | -                                     | -                                     |
|              | (b) Diluted   | -                                     | -                                     |

**For JL Winder & Co**  
Chartered Accountants

**For and on behalf of the Board**  
Acrastyle Limited

**Gillian Haythornthwaite FCA (Senior Statutory Auditor)**  
Chartered Accountants  
Statutory Auditor

**Peter John Woolrich**  
Director

Date: May 23, 2017

\* Compiled from the Audited Financial Statements of the Company.

## ACRASTYLE SWITCHGEAR LIMITED

## BALANCE SHEET AS AT 31st MARCH 2017

(Rs. in Thousands)

| Sl.No.    | Particulars                             | As at 31st March 2017 | As at 31st March 2016 |
|-----------|---|-----------------------|-----------------------|
| <b>I</b>  | <b>EQUITY AND LIABILITIES</b>           |                       |                       |
| <b>1</b>  | <b>Share Holders's Funds</b>            |                       |                       |
|           | (a) Paid up share capital               |                       |                       |
|           | (i) Equity                              | 241,779               | 289,348               |
|           | (ii) Preference                         | -                     | -                     |
|           | (b) Reserves and Surplus                |                       |                       |
|           | (i) Capital reserves                    | -                     | -                     |
|           | (including Revaluation Reserve, if any) |                       |                       |
|           | (ii) Revenue Reserves                   | (122,626)             | 118,663               |
|           | (iii) Surplus                           | -                     | -                     |
| <b>2</b>  | <b>Non-Current Liabilities</b>          |                       |                       |
|           | (a) Long Term Borrowings                | -                     | -                     |
|           | (b) Deferred tax liabilities (Net)      | -                     | -                     |
|           | (c) Other Long-term liabilities         | -                     | -                     |
|           | (d) Long term provisions                | -                     | -                     |
| <b>3</b>  | <b>Current Liabilities</b>              |                       |                       |
|           | (a) Short-term borrowings               | -                     | -                     |
|           | (b) Trade Payables                      | 74,036                | 89,272                |
|           | (c) Other Current Liabilities           | 253                   | -                     |
|           | (d) Short-term provisions               | 4,909                 | -                     |
|           | <b>Total of (1) to (3)</b>              | <b>198,352</b>        | <b>497,283</b>        |
| <b>II</b> | <b>ASSETS</b>                           |                       |                       |
| <b>4</b>  | <b>Non Current Assets</b>               |                       |                       |
|           | (a) Fixed Assets                        |                       |                       |
|           | (i) Tangible assets                     | -                     | -                     |
|           | (original Cost Less Depreciation)       |                       |                       |
|           | (b) Non current Investments             | 198,350               | 497,274               |
|           | (c) Deferred tax assets                 | -                     | -                     |
|           | (d) Long term loans and advances        | -                     | -                     |
|           | (e) Other Non-Current Assets            | -                     | -                     |
| <b>5</b>  | <b>Current Assets</b>                   |                       |                       |
|           | (a) Current investments                 |                       |                       |
|           | (b) Inventories                         |                       |                       |
|           | (c) Trade Receivables                   |                       |                       |
|           | (d) Cash and Cash equivalents           | 2                     | 9                     |
|           | (e) Short-term loans and advances       |                       |                       |
|           | (f) Other current Assets                |                       |                       |
|           | <b>Total of (4) to (5)</b>              | <b>198,352</b>        | <b>497,283</b>        |

For JL Winder & Co  
Chartered Accountants

For and on behalf of the Board  
Acrastyle Switchgear Limited

Gillian Haythornthwaite FCA (Senior Statutory Auditor)  
Chartered Accountants  
Statutory Auditor

Ashish Sushil Jalan  
Director

Date: May 24, 2017

\* Compiled from the Audited Financial Statements of the Company.

## ACRASTYLE SWITCHGEAR LIMITED

### PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH 2017

(Rs. in Thousands)

| Sl.No. | Particulars  | For the year ended<br>31st March 2017 | For the year ended<br>31st March 2016 |
|--------|--|---------------------------------------|---------------------------------------|
| I.     | <b>Income</b>  |                                       |                                       |
|        | Revenue from Operations  | -                                     | -                                     |
|        | (details given as per annexure)  |                                       |                                       |
|        | Less: Excise Duty  | -                                     | -                                     |
|        | <b>Net Revenue from Operations</b>   | -                                     | -                                     |
| II.    | <b>Other Income</b>  | -                                     | -                                     |
| III.   | <b>Total Income (I +II)</b>  | <b>0</b>                              | <b>0</b>                              |
| IV.    | <b>Expenditure</b>   |                                       |                                       |
|        | (a) Cost of materials consumed   | -                                     | -                                     |
|        | (b) Purchase of Stock-in-trade   | -                                     | -                                     |
|        | (c) Changes in inventories of finished goods,<br>work-in-progress and stock in trade | -                                     | -                                     |
|        | (d) Employee benefit expenses  | -                                     | -                                     |
|        | (e) Finance costs  | 4,779                                 | 5,721                                 |
|        | (f) Depreciation and amortization expense  | -                                     | --                                    |
|        | (g) Amount written off investments   | -                                     | -                                     |
|        | (h) Other expenses   | 285                                   | 813                                   |
|        | <b>Total Expenditure (a to h)</b>  | <b>5,064</b>                          | <b>6,534</b>                          |
| V.     | <b>Profit before exceptional and extraordinary items and tax (III - IV)</b>          | <b>(5,064)</b>                        | <b>(6,534)</b>                        |
| VI.    | Exceptional items  | 238,549                               | (17,979)                              |
| VII.   | <b>Profit before extraordinary items and tax (V + VI)</b>                            | <b>(243,612)</b>                      | <b>11,445</b>                         |
| VIII.  | Extraordinary Items  | -                                     | -                                     |
| IX.    | <b>Profit /(loss) before tax (VII + VIII)</b>  | <b>(243,612)</b>                      | <b>11,445</b>                         |
| X.     | (a) Tax Expense  | -                                     | -                                     |
|        | (b) Deferred tax   | -                                     | -                                     |
|        | (c) Short fall in provisions of taxes in prior years                                 | -                                     | -                                     |
| XI.    | <b>Profit/(loss) after tax for the year from continuing operations (IX-X)</b>        | <b>(243,612)</b>                      | <b>11,445</b>                         |
| XII.   | Profit/(loss) after tax from discontinued operations                                 | -                                     | -                                     |
| XIII.  | Tax expenses of discontinued operations  | -                                     | -                                     |
| XIV.   | Profit/(loss) from discontinued operations (after tax) (XII-XIII)                    | -                                     | -                                     |
| XV.    | <b>Profit/(loss) for the year (XI + XIV)</b>   | <b>(243,612)</b>                      | <b>11,445</b>                         |
| XVI.   | Earning Per equity share   |                                       |                                       |
|        | (a) Basic  | -                                     | -                                     |
|        | (b) Diluted  | -                                     | -                                     |

For JL Winder & Co  
Chartered Accountants

For and on behalf of the Board  
Acrastyle Switchgear Limited

Gillian Haythornthwaite FCA (Senior Statutory Auditor)  
Chartered Accountants  
Statutory Auditor

Ashish Sushil Jalan  
Director

Date: May 24, 2017

\* Compiled from the Audited Financial Statements of the Company.



**FORM NO MGT-11 - PROXY FORM**

**(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)**

|  |                               |
|--|-------------------------------|
| <b>Name of the Member(s) :</b>             | <b>Folio No / Client ID :</b> |
| <b>Registered Address &amp; Email ID :</b> | <b>DP ID :</b>                |

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

1) Name :  
 Address :  
 Email ID :  
 Signature \_\_\_\_\_ or failing him/her

2) Name :  
 Address :  
 Email ID :  
 Signature \_\_\_\_\_ or failing him/her

3) Name :  
 Address:  
 Email ID :  
 Signature \_\_\_\_\_ or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at theThirty Ninth (39th) Annual General Meeting of the Company to be held on the **Tuesday, August 29, 2017 at 11.00 A.M at Registered Office of the Company situated at PLOT NO 14, CMDA INDUSTRIAL AREA PART-II, CHITHAMANUR VILLAGE, MARAIMALAI NAGAR – 603 209, KANCHEEPURAM DISTRICT, TAMILNADU, India** and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_
- 4) \_\_\_\_\_
- 5) \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of Shareholder \_\_\_\_\_

Signature of Proxy Holder(s) \_\_\_\_\_

**Notes:**

This form of this form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.

## ATTENDANCE SLIP

**39TH ANNUAL GENERAL MEETING ON AUGUST 29, 2017 AT 11:00 AM.**

(PLEASE COMPLETE THE ATTENDANCE SLIP AND HAND IT OVER AT THE VENUE OF MEETING)

|   |  |
|---|--|
| <b>DP ID &amp; CLIENT ID / FOLIO NUMBER</b>       |  |
| <b>NUMBER OF SHARES HELD</b>                      |  |
| <b>NAME AND ADDRESS OF THE REGISTERED MEMBERS</b> |  |

I certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the **THIRTY NINTH ANNUAL GENERAL MEETING** of the Company scheduled on **TUESDAY, AUGUST 29, 2017 at 11:00 A.M.** at Registered Office of the Company situated at PLOT NO 14, CMDA INDUSTRIAL AREA PART-II, CHITHAMANUR VILLAGE, MARAIMALAI NAGAR – 603 209, KANCHEEPURAM DISTRICT, TAMILNADU, India.

Full name of the Proxy, if attending the meeting: \_\_\_\_\_

Signature of the Member / Joint Member / Proxy attending the Meeting: \_\_\_\_\_

**Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

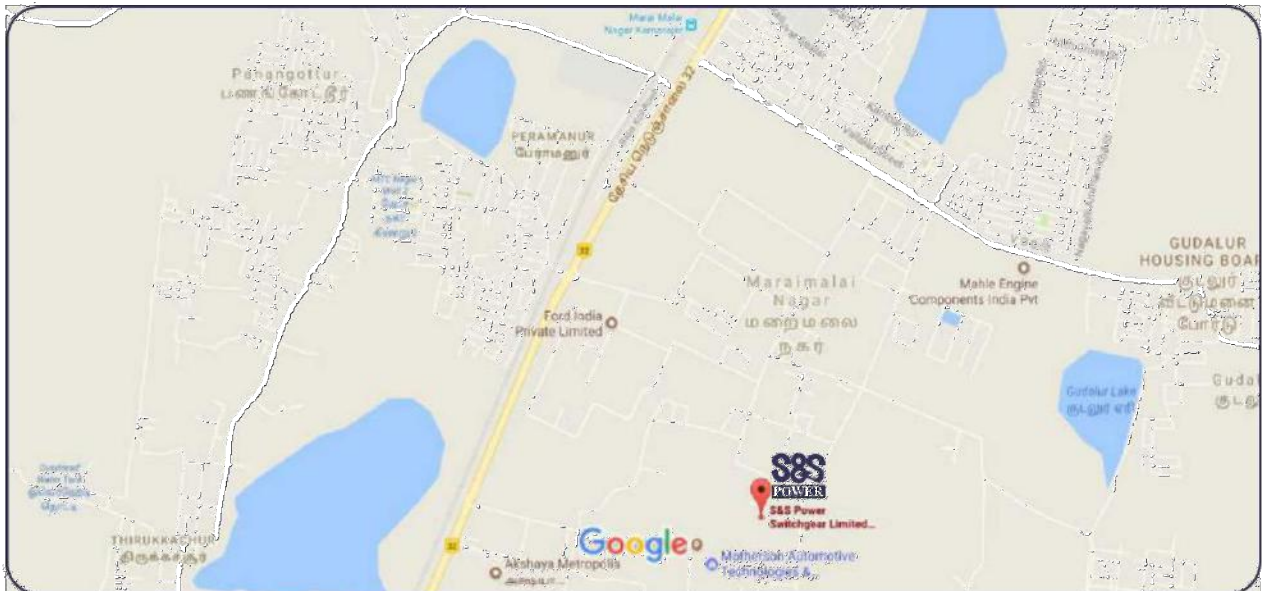
## Notes:

This image shows a full page of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page, typical of notebook paper. There are no margins, text, or other markings on the page.

## Notes:

This image shows a full page of blank, lined paper. It features approximately 20 evenly spaced horizontal grey lines running across the width of the page, providing a guide for handwriting or typing. The background is a solid off-white color.

## LOCATION MAP FOR AGM VENUE



Plot No 14, CMDA Industrial Area Part – II,  
 Chithamanur Village, Maraimalai Nagar –  
 603209. Kancheepuram District. Tamilnadu

+91-044 – 4743 1625, 4743

1626 investor@ssppower.com

[www.sspower.com](http://www.sspower.com)

## **BOOK-POST**



**If undelivered, please return to:**

**S&S POWER SWITCHGEAR LIMITED** Plot No  
14, CMDA Industrial Area Part – II, Chithamanur  
Village, Maraimalai Nagar – 603209.  
Kancheepuram District. Tamilnadu Tel : 044 –  
4743 1625, 4743 1626