



Engineered Differently



To Seize Opportunity.
To be Evolutionary.
To Deliver Consistently.

15-16 Annual Report
Techno Electric & Engineering Company Limited

Forward-Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

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₹ **220** Crores

EBIDTA

₹ **24.62**

EPS

₹ **141** Crores

PAT

₹ **1,015** Crores

Networth

250%

Dividend

₹ **300** Crores

Free Cash

As of 31 March, 2016

We are a unique participant in India's energy sector, with a differentiated business model.

We are leaders in EPC contracting in the power sector without the need to invest in manufacturing capacities. This gives us the opportunity to partner with leading manufacturers of state-of-the-art technology to remain above the value chain.

We have expertise. We have experience. Together, these help us not just to meet standards, but consistently exceed them. And this includes the ones set by us.

We have always seen an opportunity coming from far. And our track record is proof of our ability to leverage it.

We have it in us to expand our business. Armed with the knowledge of our EPC business, we were able to register a presence in the BOOM and BOOT space.

We see deadlines as something that must be beaten. We have done this consistently. And our clients love that about us. Not surprisingly, we have been able to deliver 325+ projects since inception.

We are Engineered

Differently.

We are Techno Electric.



COMPANY AT A GLANCE

Established in 1963, Techno Electric & Engineering Company Limited is a recognised company in the power sector. We provide engineering, procurement and construction services to the three segments of power sector including generation, transmission, and distribution. We are recognised for our expertise in the domains of light construction and heavy engineering segments across the country's power sector.

Along with our subsidiary, Simran Wind Project Ltd. (Simran) we own 162.9 MW of wind energy assets in the country, as part of our renewable energy foray. We own 49% stake in Jhaffar KT Transco, a joint venture with Kalpataru Power Transmission Limited. The transmission asset was commissioned in 2012. We also own 49% stake in Patran Transmission. The ₹ 2 billion project shall be commissioned by June 2016.

Mission and vision

Techno Electric & Engineering Company Limited was established with a mission to provide comprehensive engineering procurement and construction services to core sector industries in India.

The Company has assumed a leadership position on the back of association with state-of-the-art technology manufacturers and high standards of quality management, competent human resources, and resourceful financing.

Stock details

₹ 3,100 Crores
Market capitalisation

₹ 536.25
Bombay Stock Exchange
(BSE)

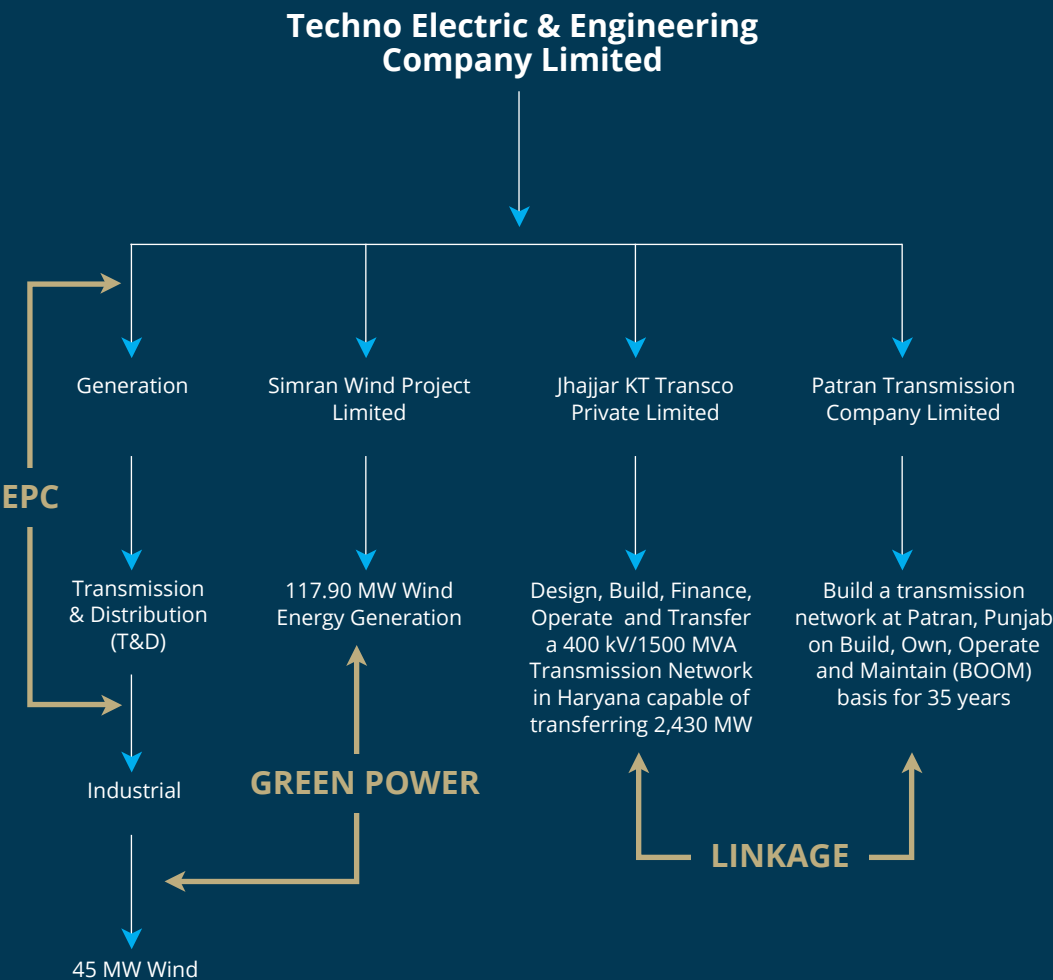
₹ 544.55
National Stock Exchange
(NSE)

₹ 5 per share
Dividend including
proposed & interim
dividend (Face value ₹ 2)

57.98%
Promoter Holding



Engineered Differently



108%
ROCE – EPC

₹ 100 Crores
Annual cash surplus
from EPC

₹ 2,600 Crores
Order book

As of 31 March, 2016

Sectoral Presence

We have widespread presence across three business segments.

EPC	Generation	Transmission Linkages
<p>Providing engineering, procurement and construction services to all three sectors of India's power industry. In addition, we also serve the metallurgical and petrochemical sectors, among many others.</p> <p>We offer solutions for a wide range of projects - right from complete power generation plants to plant packages customised and complement larger systems supplied by others.</p> <p>We also provide complete solutions for EHV Substations and Distribution System.</p>	<p>We are an independent renewable energy producer with 162.9 MW wind energy capacity.</p>	<p>We are associated with building transmission linkages.</p> <p>The business includes:</p> <p>A 25-year concession in consortium with Kalpataru Power for a transmission link at Jhajjar, Haryana.</p> <p>A 35 year concession for transmission network at Patran, Punjab.</p>

Strengths Enhance Possibilities

RICH EXPERIENCE

We possess over three decades of experience in engineering, procurement, and construction services. This helps us in executing benchmark projects both in terms of quality and completion.

TIMELY EXECUTION

We have earned respect for timely execution of complex comprehensive engineering and construction projects. This quality has helped us generate quicker investment returns for customers and retain clients.

STRONG PORTFOLIO

We have successfully executed over 325 pan-India projects; associated in some capacity or other in more than 50% of India's National Power Grid and over 50% of National Thermal Power Corporation's projects.

SKILLED WORKFORCE

Our success is built on the foundation of a competent team comprising 150+ engineers with 25 years of average experience. This team strengthens the Company's competence in diverse areas including design, construction, project management, procurement, quality assurance, business development and marketing and financial management.

MANIFOLD REVENUE STREAMS

We have widened our revenue base over the years, by generating sizeable surpluses in the profit and loss account. Subsequently, we channelled them into the balance sheet. Therefore, we derived substantial incomes from EPC contracts, leased ownership of transmission assets, and complete ownership of renewable energy assets.

Business Segment Wise Revenue (%)



● EPC (92.44) ● Green power (7.56)

BEST-IN-CLASS TECHNOLOGY

Our business model gives us the flexibility to partner with the best vendors from around the world and source state-of-the-art technology not available in India. We enjoy enduring relationships with 1,500+ vendors, facilitating timely execution of projects.

In 2013, we received a concession from PFC Consulting Limited to build a transmission network in Patran, Punjab. Strong vendor relationship enabled the Company to execute the project on supplier credit till commissioning of the project.

EFFICIENT WORKING CAPITAL MANAGEMENT

Techno typically never has more than 20 open sites and is unlikely to undertake more than one distribution contract. This enables strong managerial and supervisory control over the execution pace, working capital management and cost control. Moreover, the Company tends to take projects in hard-to-operate regions like Bihar to protect its margins. The Company's exemplary track record in terms of working capital and margins demonstrates this. We have maintained an unmatched working capital cycle of 35 days (5 years average) vs 66-182 for peers.

COST COMPETITIVENESS

Our asset light, lean organisation structure has aided us to control our overheads. We do not subcontract our projects unlike peers. Our fixed overhead structure has enabled us to have a margin advantage over our peers.

HIGH BIDDING DISCIPLINE

Our sensible bidding enables us to compete in relatively high margin, low competition segments. Our strong growth over the last 20 years with limited balance sheet risk and consistent profitability indicate high bidding discipline. We are selective in our pursuit of projects and stick around to our core-area of expertise, bidding aggressively only if we are familiar with the package or region. We are constantly looking for newer technology and avenues that would enable us to participate in less crowded projects. For instance, we were amongst the first few standalone T&D contractors, to partner with Chinese manufacturer, Rongxin to participate in the STATCOM projects.

ADAPTABILITY

Although transmission has always been the main driver of revenues, the Company has been opportunistic enough to leverage on distribution and captive power plant demand

if it arose in the past. Due to limited number of active sites (20 at most), we have the agility to target newer segments. The same is also witnessed within the substation EPC category. The Company has always focused on identifying upcoming trends within our core area of expertise.

COMPLIANCE

Our quality commitment is accredited with ISO 9001:2008, ISO 14001:2004 and BS OHSAS 18001:2007. Our quality management system ensures timely execution of high-quality projects to our clients. Our health and safety management system in place is well equipped to manage hazards and mitigate risk for better performance and we are OHSAS compliant.

MANAGING DIRECTOR'S INSIGHT

Dear Shareholders,

I am indeed delighted to report that we had an encouraging FY 2015-16. We registered 38.21% growth in revenue, from ₹ 793.89 Crores in FY 2014-15 to ₹ 1,097.2 Crores in FY 2015-16. The operating profit grew to ₹ 220.32 Crores, compared to ₹ 211.42 Crores in the previous year, while the PAT touched ₹ 140.57 Crores vis-à-vis ₹ 105.08 Crores in the last year. Our core business contributed 92.44% of the overall revenue.

India's power sector is witnessing a significant change with the growing demand for power. The industry is characterised by increase in generation, increased capacity, and lower peak demand deficit largely due to rising coal stock availability at majority of the power stations and increase in the installed power capacity. The Government of India has adopted an all-round approach to resolve the power sector problems in the country. Initiatives have been taken right from improving coal production and linkages, reviving the T&D segment and pushing renewables.

With the Central Government focused on resolving T&D issues through funding and legislative intent, state resources could be freed up to invest in upgrading state-level transmission systems to increase capacity and improve quality of power. The execution cycles in the industry have declined significantly over the last one year mainly driven by a capitalisation focused PGCIL. Moreover, competitive intensity in the industry has also declined (vs two-three years ago) as financially stressed companies have exited.

These developments augur well for our business as we aim to leverage the evolving opportunities to bolster our position.

TECHNO'S POSITIONING

Techno Electric is very well positioned as transmission EPC is amongst the better plays



Using our expertise and experience of EPC, we are strengthening our position in BOOT & BOOM segments. We aim to execute at least one or two projects annually. We expect to have five projects in our portfolio by 2020.

in the push to build out infrastructure in the country. Compared to the other segments, it has the natural advantages of limited land acquisition problems, improving competitive environment and Government intent.

Techno has operated across the generation, transmission and distribution space. Although transmission has always been the main driver of revenues, the Company has been opportunistic enough to leverage on distribution and captive power plant demand if it arose in the past. Due to limited number of active sites (20 at most), we have been agile enough to target newer segments. The same is also witnessed within the substation EPC category. The Company has always focused on



identifying upcoming trends within core area of expertise. Our relatively early foray into high KV segments and STATCOM exemplifies that we were amongst the few Indian contractors vying for market share in this category.

OPPORTUNITIES

The 12th Five Year Plan proposed substantial investments in transmission. India intends to double its transmission sector investment to USD 35 billion during the 12th Five Year Plan period. This significant step has steered the growth of transmission network density, aligned with the power generation capacity. This growing network density would require

best-in-class design capabilities in shrinking timelines. Being one of the most prominent players in this industry, we are well poised to cater to the emerging needs.

The Ministry of Power has planned to provide electricity to 18,500 villages in three years under the Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY). Moreover, the Central Government has accordingly taken the initiative for facilitating the development of a few Ultra Mega Power Projects of about 4,000 MW capacity each under tariff based competitive bidding route using super critical technology on build, own and operate basis. Power Grid Corporation of India has been given a mandate to build sub transmission system of 220/132kV in 6 North East States at an estimated investment of ₹ 150 billion over a period of 3 years. All of these offer enormous opportunities to us.

As inter-state transmission projects will continue to be bid out under the competitive model the Company expects to increase its own transmission BOOT assets and win orders from private sector players.

BANKING ON OUR STRENGTHS

Techno's strength lies in being a service player and not as a utility. As a utility, our strength lies in T&D. We divested our 44.45 MW of wind power assets in the FY 2015-16. We intend to divest the balance portfolio of 162.9 MW wind assets to improve the strength of bidding more PPP projects in transmission sector and focus on EPC. With the increased Government's focus in the segment we aim to bank the opportunity as an EPC and not as a generator.

KEY PROJECTS

We are among the first few companies to get an order worth ₹ 6,000 million for substation package at Chittorgarh, Tuticorn, Ajmer and Bikaner associated with Green Energy Corridors: Inter-state Transmission Scheme (ISTS) – part A. Besides, Germany

MANAGING DIRECTOR'S INSIGHT (CONTD.)

has committed developmental and technical assistance of €1 billion for the project. ADB shall also provide USD 1 billion loan for Green Energy Corridor for transmission lines dedicated to carry electricity from renewable energy projects. We are hopeful of getting more such projects in the future.

We won the first STATCOM installation at 400 kV substitution at Solapur, Satna and Aurangabad in joint bidding with RONGXIN, a Chinese company. Being a pioneer in the installation of STATCOM, we will have the first-mover advantage.

We are also reviving opportunities in the North Eastern region of the country as Power Grid Corporation of India has been given a mandate to build sub transmission system of 220/132kV. We have already bagged order to the tune of ₹ 170 Crores to build 400 kV GIS substation at Assam under World Bank funded NER Power System Improvement Project.

Using our expertise and experience of EPC, we are strengthening our position in BOOT & BOOM segments. With already two projects in this segment, we aim to execute at least one or two projects annually. We expect to have five projects in our portfolio by 2020.

HEALTHY ORDER BOOK

As on 31st March, 2016, our order book stood at ₹ 26,000 million, which has grown 2.6 times from ₹ 10,000 million, as on 31st March 2013. Further, the Power Grid is likely to increase its capex from FY18 as the 13th plan is implemented. This boost in industry growth will benefit Techno given that a bulk of order book (69% as of FY16) is derived from PGCIL. As the state spending are likely to increase with improved health of DISCOM's, it is expected to be the key driver for the order book growth for Techno Electric.

CREATING SHAREHOLDERS VALUE

With the growing changes and challenges in this sector, the Company is adapting to every



We are among the first few companies to get an order worth ₹ 6,000 million for substation package at Chittorgarh, Tuticorn, Ajmer and Bikaner, associated with Green Energy Corridors: Inter-state Transmission Scheme (ISTS) – part A.

bit of it. In transmission segment, we are the frontrunners and are trying to be leading solution provider in the market as need and complexity of the grid is growing.

As we move forward we expect the margins to remain steady. We expect the working capital to unwind henceforth led by sale of the wind power business; settlement of the Company's outstanding receivable from Patran project after commissioning of the project and reduction in loans and advances.

Techno Electric is at a very bright spot as we are able to competently manage our resources. We have displayed a remarkable history of adapting to new technology faster than peers. All this put together, we expect to continue creating value for our shareholders.

P. P. Gupta
Managing Director

BOARD OF DIRECTORS

Mr. P. P. Gupta

Managing Director

Mr. Gupta is a Bachelor in Engineering and a Post Graduate in Business Management from the Indian Institute of Management, Ahmedabad. He was associated with the Planning Commission, Government of India as a Financial Analyst, Management Consultant deputed to Bharat Heavy Electricals Limited (BHEL) and as an Advisor in the merchant banking division of the erstwhile ANZ Grindlays Bank, Kolkata. He was also the Vice President of Indian Electricals and Electronics Manufacturers Association (IEEMA). With more than 30 years of experience in the current field he continues to complement the Company with extensive experience in the space.

Mr. V. D. Mohile

Director

Aged about 82 years is a B.E. (Electrical & Mechanical), Post Graduate Diploma in Industrial Management. He is an Ex-General Manager, Bharat Heavy Electricals Limited. He has got more than 50 years of varied experience.

Mr. K. M. Poddar

Director

Aged about 69 years is a Commerce Graduate. He is a renowned Industrialist and has more than 45 years of vast experience.

Mr. K. Vasudevan

Director

Aged about 75 years is a Bachelor of Engineering (Electrical) and a Fellow member of the Institute of Engineers and Institute of Standard Engineers and is associated with as Chairman of Green Business Centre for the Southern region. He is a member of the National Committee on Power of CII and was the past President of Indian Electrical and Electronics Manufacturers Association.

Mr. K. K. Rai

Director

Aged about 70 years is a Bachelor of Arts and member of C.A.I.I.B. He is a retired banking professional having 40 years banking experience and had held important portfolios. He was the Executive Director of Allahabad Bank from 2001 to 2004.

Mr. S. N. Roy

Director

Aged about 71 years is a Bachelor of Engineering (Electrical) from Indian Institute of Technology (IIT), Kharagpur. He started his career with Indian Oil Corporation (IOC) as management trainee and thereafter joined Bharat Heavy Electricals Limited (BHEL) in 1978 and retired as Executive Director in the year 2003.

Mr. Ankit Saraiya

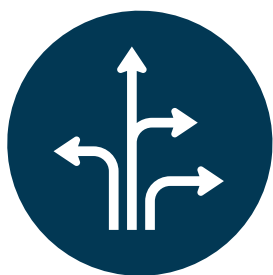
Director

Aged about 29 years is a Bachelor of Science (Corporate Finance & Accounting) with Minor in Computer Information Systems from Bentley University in Waltham, Massachusetts, U.S.A with sound financial and commercial knowledge and experience of more than 5 years in the related field.

Ms. Avantika Gupta

Director

Aged about 25 years is a Bachelor of Science (Economics & Finance) with Minor in Accountancy and Creative Writing from Bentley University in Waltham, Massachusetts, U.S.A with financial and commercial knowledge and experience of more than 2 years.



TO SEIZE **OPPORTU**

**WE HAVE ALWAYS
SEEN OPPORTUNITIES
COMING FROM FAR
AND HAVE LEVERAGED
ON IT TO BOLSTER OUR
POSITION.**





NITY

GROWING OPPORTUNITIES IN THE POWER SECTOR

Indian power sector is undergoing a significant change. Sustained economic growth and the growing urbanisation continue to drive electricity demand in India. The Government and the industry have set itself the target of providing electricity access to all households over the next few years, which has accelerated capacity addition in the country.



The Central Government seems to have a multi-level approach to resolve the power sector problems in the country. These include pushing Coal India to increase production, improving coal linkages and pushing renewables. A bulk of the Government's T&D programme is aimed for resolving the distribution side problems. These include Ujwal DISCOM Assurance Yojna (UDAY) - to reduce interest costs for state owned distribution companies and Integrated Power Development Scheme (IPDS) and Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) – both aimed at providing infrastructure build-out support. In order to meet the T&D gap in renewable energy projects, the Government had announced a green energy corridor project to handle 33 GW and 22 GW of renewable energy in two phase of development. This 765 kV corridor traverses all the leading states with renewable capacity and is being equipped with appropriate mechanisms for the integration of large-scale renewable energy.

Moreover, regulatory changes to encourage private sector participation in inter-state transmission have been/will be implemented. These include separation of Central Transmission Utility (CTU) from Power Grid, ensuring a majority of projects are open for competitive bidding and reduction of concept to commissioning of transmission projects. The Electricity Act amendments aim to separate a distribution licensee from a supply licensee which should result in more competitive power tariff pricing.

12TH FIVE YEAR PLAN (2012-17) CAPACITY ADDITION:

The Government targets capacity addition of 89 GW under the 12th Five Year Plan (2012-17), and around 100 GW under the 13th Five Year Plan (2017-22). The Planning Commission's 12th Five Year Plan estimates total domestic energy production to reach 669.6 million tonnes of oil equivalent (MTOE) by 2016-17 and 844 MTOE by 2021-22. The capacity addition during the first three years of 12th plan stood at 61 GW which has not only exceeded the capacity addition of the entire 11th plan, but also constitutes 68.9% of the total 12th plan target of 89 GW. Hence, sufficient capacity is being built to meet the demand requirements.

USD 35 BILLION INVESTMENT PLANNED IN THE POWER TRANSMISSION SECTOR

The Indian power sector investments have been largely focused on increasing the power generation capacity, which has resulted in under investment in the Transmission and Distribution (T&D) space. There has been only 33% of power spends over FY 08-14 as compared to the ideal 50%. This has led to high power merchant rates, power stations backing down, low PLFs at power plants due to unavailability of transmission lines and high T&D losses. According to FICCI, overall an addition of 90,000 circuit kilometres (CKM) of 765-220 kV lines, 154,000 Megavolt Ampere (MVA) of substation capacity and 27,350 MW of national grid capacity is required in order to meet the 12th Five Year Plan targets.

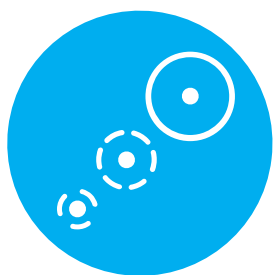
An investment of USD 35 billion is planned in the power transmission sector in order to meet the 12th Five Year Plan targets. Investments to the tune of ₹ 1,080 billion is proposed to be incurred by the State Transmission Utilities (STUs) during 2014-17. During this period, ₹ 625 billion or 58% of the cumulative investment by the STUs is expected to come from six states – Uttar Pradesh, Tamil Nadu, Rajasthan, Gujarat, Maharashtra and Andhra Pradesh.

An investment of USD 35 billion is planned in the power transmission sector in order to meet the 12th Five Year Plan targets. Investments to the tune of ₹ 1,080 billion is proposed to be incurred by the State Transmission Utilities (STUs) during 2014-17.

Integration of renewable energy has become a key focus area in transmission. This is to create room for the evacuation of power expected to be generated by the Government's plans of installing 100 GW of solar power capacity by 2022 and 10 GW of wind power every year.

Several cross-border interconnections with neighbouring countries are planned for construction, to boost power trade. The most recent cross-border transmission line constructed was the 400 kV Baharampur (India) – Bheramara (Bangladesh) line in September 2013. Four more interconnections with Bhutan and Sri Lanka and two with Nepal are also expected.

The investment plans in the Transmission and Distribution, is expected to improve the future of the power distribution space. Privatisation is further expected to contribute to the growth by bringing in cost effectiveness, improving efficiencies, and reducing Government burden. We are attractively poised to bid for transmission and distribution projects.



TO BE

EVOLUTION

**ESTABLISHED
TO PROVIDE
COMPREHENSIVE EPC
SERVICES TO CORE
SECTOR INDUSTRIES IN
INDIA, OVER THE YEARS
WE HAVE ACQUIRED AN
ASSET-MANAGEMENT
PERSONALITY FROM A
PURE CONTRACTOR.**





ONARY

ROAD TO PROGRESS

We forayed into business as a contractor for large transmission and power generation companies. We have progressed over the years and have invested in the ownership of annuity-income generating assets. We generate operations and maintenance revenues from BOOT Projects in Transmission.

1963

Incorporated to provide EPC services to India's core sector

1980

Announced IPO of ₹ 20 Lakhs

1990

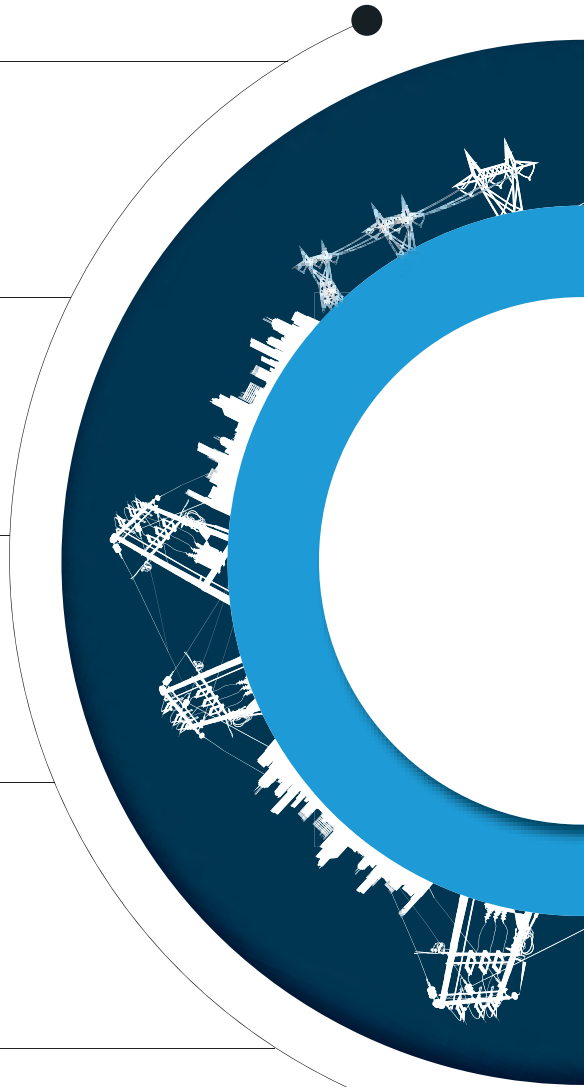
Extended into the transmission and distribution segments

2006

- Extended into the captive power plant segment
- Investment by Citigroup Venture Capital in the Company

2009

Acquired a 95.45 MW capacity wind power company (with Tamil Nadu and Karnataka installations)



2010

Entered the transmission network management space via a PPP contract for a 400/220 kV, 2,400 mVA (105 kilometres long) transmission link at Jhajjar for the Haryana Vidyut Prasaran Nigam Limited

2011

Completed installation of a 111.9 MW wind power farm (Tamil Nadu)

2012

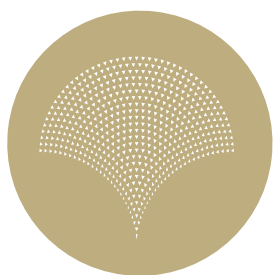
Entered the 765 kV substation segment

2013

Bagged a concession from PFC Consulting Limited for a 400 kV, 1,000 mVA GIS transmission network at Patran (Punjab) on BOOM basis for 35 years

2015

Bagged a STATCOM order in collaboration with Rongxin
Sold 45MW of wind power capacity



TO DELIVER **CONSISTE**

OUR CONTINUOUS
ENDEAVOUR HAS
BEEN TO PERFORM
CONSISTENTLY AND
WE HAVE BEEN ABLE
TO DO SO BACKED BY
OUR DIFFERENTIATED
BUSINESS MODEL.





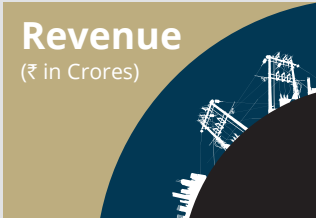
NTLY

ENCOURAGING FINANCIAL PERFORMANCE

Our performance exemplifies our execution competence. Our strong control over fixed costs has helped us minimise overheads and maintain consistent profitability. We have registered growth over the last five years with limited balance sheet risk. We registered 38.21% growth in revenue, from ₹ 793.89 Crores in FY 2014-15 to ₹ 1,097.2 Crores in FY 2015-16. The operating profit grew to ₹ 220.32 Crores, compared to ₹ 211.42 Crores in the previous year, while the PAT touched ₹ 140.57 Crores vis-à-vis ₹ 105.08 Crores in the last year.

Revenue

(₹ in Crores)



2015-16	1097.21
2014-15	793.89
2013-14	708.49
2012-13	700.13
2011-12	819.86

EBIDTA

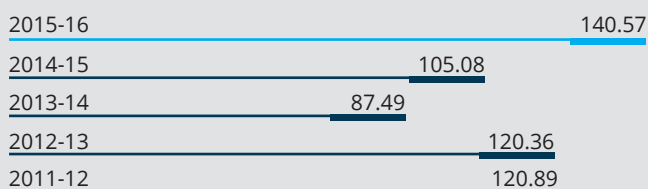
(₹ in Crores)



2015-16	220.32
2014-15	211.42
2013-14	192.53
2012-13	234.62
2011-12	219.64

PAT

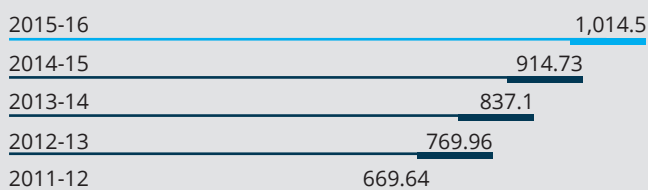
(₹ in Crores)



2015-16	140.57
2014-15	105.08
2013-14	87.49
2012-13	120.36
2011-12	120.89

Networth

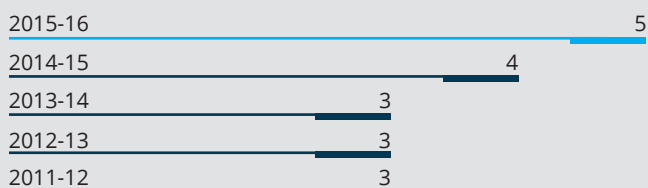
(₹ in Crores)



2015-16	1,014.5
2014-15	914.73
2013-14	837.1
2012-13	769.96
2011-12	669.64

Dividend per share

(in ₹)



2015-16	5
2014-15	4
2013-14	3
2012-13	3
2011-12	3

BUSINESS SEGMENT OVERVIEW

BUSINESS SEGMENT 1

EPC

Our engineering, procurement and construction (EPC) business have provided solutions to a large number of India’s installed thermal and interregional transmission capacity. We follow a cash-accretive business model that has helped us generate surpluses that have been progressively deployed in building capital assets.


Power Generation	Transmission and Distribution	Industrial Sector
Building captive power plants up to 100 MW on a turnkey basis	Building substations and switchyards	Firefighting systems
Parts of the BOP contracts such as fuel oil handling system, comprehensive electrical systems, piping, power evacuation systems and others	Services largely PGCIL and multi-laterally funded state projects	Fuel oil systems
Serves both Government/PSU and private customers	Rural electrification and distribution management systems under Central Government programmes	Offsite piping systems
	Primarily works with state distribution companies	AC/DC substation for aluminium plants
		Power distribution systems
		Plant electrical
		Illumination systems
		High intensity power system for aluminium smelter pots (360 kA)

EPC services for Transmission and Distribution Sector represents our key strength and is the primary source of revenue generation. Over the years, we have retained our customer base through on-time project delivery and effectively managing contractual obligations. Through our effective handling of projects, we have been able to gain the confidence of our clients. Our order book increased by 160% from ₹ 1,000 Crores in 2012-13 to ₹ 2,600 Crores in 2015-16.

Techno Electric operates specifically in the substation segment of transmission EPC. The competitive intensity in the substation space has declined significantly over the past few years. The reasons being higher technology projects requiring partnerships with equipment manufacturers and increased focus on execution by Power Grid Corporation of India (PGCIL) which has led to higher blacklisting of smaller vendors.

Order Book

31 st March, 2015	31 st March, 2016
₹ 2,025 Crores	₹ 2,600 Crores

29% Y-O-Y 

COMPETITIVE EDGE

- Quicker project completion than industry standards
- We own 60% share of 765 kV EhV substation segment
- We have the most efficient working capital management in the industry

OPERATING PHILOSOPHY

- We do not focus on the size of the order book and select projects that are rewarding for the Company and provides value to our shareholders
- We have de-risked our operations by bidding with our own cash. We work for Community and Public Sector Union or bilaterally/multi-laterally funded SEB projects
- We follow a conservative approach and maintain high liquidity
- Our project execution is synchronised with project cash cycle. We have maintained a zero penalty record and our structure enables us to realise retention money within 6 months of project completion

01

Power Generation

Our power generation segment provides complete solutions for captive power plants, balance of plant (BOP) for thermal and hydro power projects. Our services are primarily related to basic engineering, design, detailed engineering, civil and structural works, commissioning, and stabilisation, among others.

Captive Waste Heat Recovery

In 2006, we entered into the business of captive waste heat recovery systems through the delivery of turnkey solutions. In this segment, we have executed four projects for single units up to 40 MW.

BUSINESS SEGMENT OVERVIEW (CONTD.)

Key Projects

Client	MITSUBISHI CHEMICALS CORPORATION PTA INDIA CORP. (P) LTD. HALDIA, WEST BENGAL
Project	Coal fired Hot Oil Heater Project at Sutahata, Haldia, WB
Scope	Design, Engineering, Supply, Erection, Testing and Commissioning of Balance of Plant comprising of Cooling Water System, Compressed Air System, Fire Fighting, Coal /Bed Material/Limestone Handling, Ash Handling, Chimney, Silos, Air Conditioning and Ventilation System, PA System, 6.6 kV/415V Power Distribution System, Illumination, Cabling, Earthing, Instrumentation with PLC etc., Civil Works including piling along with Erection & Commissioning of Coal fired Hot Thermic Fluid Heaters for Chemical Process Plant
Project value	₹ 106 Crores
Date of completion	Under execution

02

Transmission and Distribution

We have executed over 280 projects under transmission and distribution segment. With our core strengths, this segment enjoys a positive outlook.

EHV SUBSTATIONS

In this segment, our services include EPC construction of air and gas insulated substations. We are specialised in building substations ranging between 132 kV and 765 kV. In gas-insulated segment, we have built substations up to 400 kV.

Distribution and Rural Electrification

In 2004, we forayed into the distribution and rural electrification sector. We have executed rural electrification projects under the Rajiv Gandhi Grameen Vidyutikaran Yojana and ARDRP scheme. Besides, we have carried out large rural and urban distribution packages across three districts in Assam and six districts in Bihar and Maharashtra.

Key Projects

Client	POWER GRID CORPORATION OF INDIA LTD., GURGAON
Project	STATCOM installation at Solapur, Satna & Aurangabad substations
Scope	Substation Package for STATCOM Installations of 400 kV at Solapur, Satna & Aurangabad substations under Global Competitive Bidding
Project value	₹ 345.75 Crores
Date of completion	Under execution

Client	POWER GRID CORPORATION OF INDIA LTD., GURGAON
Project	Green Energy Corridor: Inter State Transmission Scheme (ISTS) – Part A
Scope	765/400 kV Substation Package Extension of & 400 kV substation at Chittorgarh substation associated with KFW, Germany funded Green Energy Corridor: Inter State Transmission Scheme (ISTS) – Part A under International Competitive Bidding
Project value	₹ 115.33 Crores
Date of completion	Under execution

Client	POWER GRID CORPORATION OF INDIA LTD., GURGAON
Project	Green Energy Corridor: Inter State Transmission Scheme (ISTS) – Part D
Scope	Construction of 765/400 kV Substation at Bikaner & Extension of 765 kV substation at Ajmer & Moga substation associated with ADB funded Green Energy Corridor: Inter State Transmission Scheme (ISTS) – Part A under KFW, Germany funded International Competitive Bidding
Project value	₹ 227.2 Crores
Date of completion	Under execution

Client	POWER GRID CORPORATION OF INDIA LTD., GURGAON
Project	NER Power System Improvement Project
Scope	400 kV GIS Substation Package at Assam under World Bank funded NER Power System Improvement Project
Project value	₹ 169.65 Crores
Date of completion	Under execution

Client	NORTH BIHAR POWER DISTRIBUTION CO. LTD., PATNA, BIHAR
Project	Rajiv Gandhi Grameen Vidyutikaran Yojana
Scope	Execution of Rural Electricity Infrastructure & Household Electrification including associated Civil Works in Gopalganj Dist. of Bihar including 2 Nos. 33/11 KV S/S, 37 KM of 33 KV Line, 2,000 KM of 11 KV Line, 4,462 Nos. of DTR, 2,14,000 Consumers on EPC basis
Project value	₹ 387.26 Crores
Date of completion	Under execution

BUSINESS SEGMENT OVERVIEW (CONTD.)

03

Industrial Sector

We have executed a number of successful EPC projects in the industrial sector for power intensive industries, aluminium smelters and refineries. Few significant projects in the sector are,

Key Projects

Client	HINDALCO INDUSTRIES LTD., SINGRAULI
Project	Mahan Smelter Project, Bargawan, Dist. Singrauli
Scope	360 kA DC Power Distribution System with Technology from M/s. Rio Tinto Alcan (Aluminium Pechiney, France) for pot lines. The job calls for high precision fabrication and machining involving 16,000 MT of EC Grade Aluminium Busbar work, 30,000 Nos. Bi-metallic Clad welding at Mahan, for 360 Pots
Project value	₹ 57.03 Crores
Date of completion	2014

Client	INDIAN OIL CORPORATION LIMITED
Project	Paradip Oil Refinery Project
Scope	Development and construction of Power Distribution Infrastructure at Paradip Refinery
Project value	₹ 49 Crores
Date of completion	2011

BUSINESS SEGMENT 2

Green Power

In 2009, we forayed into the 'Green Power' segment

We forayed into renewable energy generation space through the acquisition of two wind power generating companies in 2009 – Simran Wind Project Private Limited (Simran) and Super Wind Project Limited (Techno Electric) with existing capacities of 50.45 MW and 45 MW respectively.

We had set-up a 111.9 MW wind farm in Tamil Nadu through our IFC-funded subsidiary – Simran Wind Project Ltd. We bought back 3.38% stake held by IFC in Simran in 2015. The project is located in a high-wind density area with a projected average CUF of 27.5%. The project signed a 20-year PPA with the Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in order to supply power at an average power purchase cost (APPC) tariff of ₹ 2.37 per kWh which was revised to ₹ 3.12

per kWh. The project is eligible for RECs and is registered with the GBI scheme. It has also registered itself with the Clean Development Mechanism (CDM) of the United Nations Framework Convention on Climate Change (UNFCCC).

We used our knowledge and experience of engineering and project management in conducting detailed asset inspection following acquisition. This not only improved asset

utilisation but helped match capital-cum-operating cost of wind energy with that of thermal power generation.

During FY 2014-15, we sold 44.45 MW of wind power assets at an effective valuation of ₹ 215 Crores. The wind assets were located in Tamil Nadu and belonged to Simran Wind Project Ltd. (SWPL). This was in line with our strategy of focusing on transmission and distribution.

BUSINESS SEGMENT 3

BOOT and BOOM Projects

In 2010, we ventured into BOOT and BOOM segments to create transmission assets on our books. Besides, we also aimed to generate one-off EPC revenues during project commissioning, while delivering annuity income from project maintenance.

BUSINESS DRIVERS

- With rich knowhow of the EPC space, we forayed into the BOOT and BOOM segment to provide transmission network solutions
- We are the country's first company to enter into a PPP agreement with state government for setting up a transmission network

PRESENT PROJECTS

Jhajjar Kalpataru, Haryana (operational)

Jhajjar KT Transco is a joint venture between TEECL (49%) and Kalpataru Power Transmission Limited (51%). It commissioned a 400 kV intra-state power transmission project in Haryana in 2012. It became the first transmission project to receive a viability gap funding support from the Government of India.

The transmission network includes two substations of 400/200 kV of 24 bays each at Rohtak and Sonapat. It comprises a double circuit quad moose line that extends from Jharli to Rohtak (35 kilometres) and extending to Sonapat (64 kilometres).

The project is designed to evacuate 2,400 MW of power from the Jhajjar Power Plant. The project generates annual revenues worth ₹ 540 million with the DBFOT arrangement spanning 25 years (extendable by 10 years). If the contract is not extended, the terminal value to be derived from this project will be 60 months of revenue (following 25 years of concession period).

Patran, Punjab (under construction)

In 2013, we received a concession from PFC Consulting Limited to build a transmission network at Patran, Punjab. The ₹ 2 billion project under the BOOM transmission network possesses an evacuation capacity of 1,000 mVA. This project's total revenue is estimated at ₹ 10 billion over the entire concession period of 35 years. The project will be commissioned by June 2016.

MAKING A DIFFERENCE TO SOCIETY

We have high value for social and environmental well-being and believe in showcasing integrated responsible behaviour.

We are committed to operate in efficient and sustainable manner.

In FY 2015-16 we contributed ₹ 2 Crores to Indian Institute of Management, Ahmedabad for construction and protection of the building. We believe it is our responsibility to restore and protect buildings of historical importance and works, as it contributes to the national progress.

We have a Corporate Social Responsibility Committee which formulates and recommends CSR policies and monitor the CSR Policy of the Company from time to time.

AWARDS AND ACCOLADES

Received national award for meritorious performance in the power sector from the Ministry of Power in 2014	Won best performance award for three consecutive years (2013, 2014 & 2015) from Power Grid Corporation
Honoured as 'Best Under a Billion' among 200 small and mid-cap companies, by Forbes	Named 'Best Vendor in Eastern India' by Bharat Heavy Electricals Limited in 2010-11
Received certificate of appreciation from North Bihar Power Distribution Co. Ltd.	

OUR ESTEEMED CLIENTS

- ABB Limited
- Alstom T&D Limited
- Transmission Corporation of Andhra Pradesh Limited (APTRANSCO)
- Transmission Corporation of Telangana Limited (TSTRANSCO)
- Assam State Electricity Board
- Bengal Energy Limited
- Bharat Aluminium Company Limited
- Bharat Heavy Electricals Limited
- Bihar State Electricity Board
- Bihar State Power Transmission Company Limited
- North Bihar Power Distribution Company Limited
- Calcutta Electricity Supply Corporation
- Damodar Valley Corporation
- Delhi Vidyut Board
- Eastern Central Railway
- Electrosteel Castings Limited
- General Electric Technical Services, USA
- Haldia Petrochemicals Limited
- Himachal Pradesh State Electricity Board Limited
- Haryana Vidyut Power Nigam Limited
- Hindalco Industries Limited
- Indian Oil Corporation Limited
- Indian Petrochemicals Limited
- Madhya Pradesh Power Transmission Company Limited
- Maharashtra State Electricity Board
- National Aluminium Company Limited
- National Hydro Electric Power Corporation Limited
- National Thermal Power Corporation Limited
- NTPC Tamilnadu Energy Limited
- North Eastern Electric Power Corporation Limited
- Orissa Power Generation Corporation
- Power Grid Corporation of India Limited
- Rajasthan Rajya Vidyut Prasaran Nigam Limited
- Reliance Infrastructures Limited
- TBEA Shenyang Transformers Group Company Limited
- Tamil Nadu Electricity Board
- Tata Chemicals Limited
- Thermax Limited
- Uganda Electricity Transmission Company Limited
- Uttar Pradesh State Electricity Board
- Vedanta Aluminium Limited and West Bengal State Electricity Transmission Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Section



Indian Economy

01

India's GDP grew by 7.6 per cent in 2015-16, making it one of the fastest growing major economies in the world. Despite of the subsiding global demand, falling commodity prices and weakening growth in emerging economies, Indian Economy has been able to maintain its growth. Indian economy's domestic economic parameters like inflation, fiscal and current account deficits continued to be moderate in 2015-16. The Reserve Bank of India (RBI) cut interest rates four times this year as inflation eased sharply. The consumer price index rose to 5.4 per cent in November year on year, with the price of pulses up by 46.1 per cent. Continuing fiscal consolidation has reduced the central government's fiscal deficit to close to 4 per cent of GDP (on a 12-month

rolling basis), down from a peak of 7.6 per cent in 2009. Benefitting from softer oil prices, India's current account deficit has continued to narrow.

The Government of India (GoI) has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of GDP by 2025, from 16 per cent through the 'Make in India' initiative. Interestingly, FDI into the country increased by 37 per cent after the launch of 'Make in India' programme until February 2016. (Source: Government of India Report).

Indian GDP growth

(%)

Sectors	2013-14	2014-15	2015-16*
Agriculture, forestry & fishing	3.7	1.1	1.1
Industry	4.5	5.9	6.1
Services	9.1	10.6	10.9
GDP at market prices	6.9	7.4	7.6

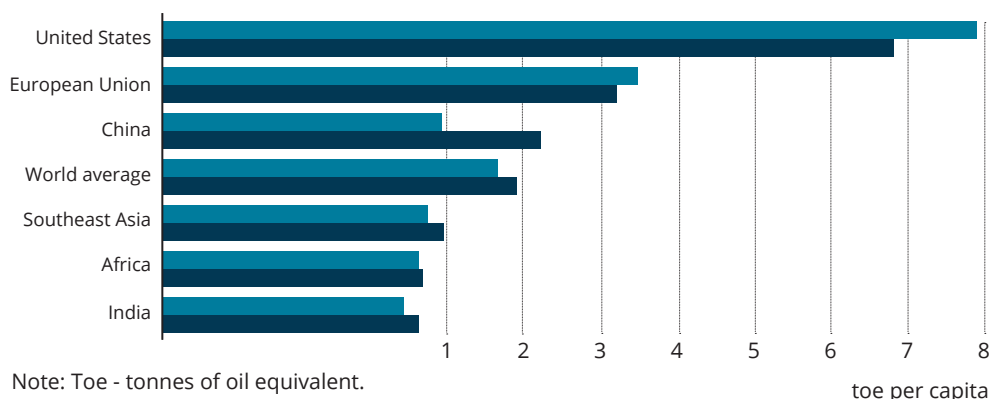
(Source: Advance CSO Estimates)

Indian Power Sector**02**

Indian power sector is undergoing a significant change. Sustained economic growth and the growing urbanisation continue to drive electricity demand in India. Power is one of the most critical components for economic progress. India's power sector is one of the most diversified in the world. Demand for power in the country has increased rapidly and is expected to rise further in the years to come.

India's energy consumption has almost doubled since 2000 and there is enormous potential for further rapid growth. India has contributed almost 10 per cent to the increase in global energy demand since 2000. Its energy demand in this period has almost doubled, pushing the country's share in global demand up to 5.7% in 2013 from 4.4% in 2000.

However, this proportion is still well below as India constitutes of nearly 18 per cent current share of global population, a strong indicator of the potential for further growth. In terms of per-capita, energy demand in India has grown by a modest 46% since 2000 and remains only around one-third of the world average, slightly lower than the average for the African continent. (Source: Indian Energy Outlook, by International Energy Agency)

Per-capite energy consumption in India and selected regions

POWER GENERATION

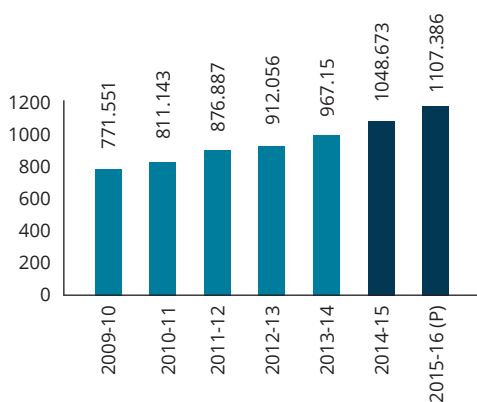
The government and the power industry have set itself the target of providing electricity access to all households over the next few years, which has accelerated capacity addition in the country. The overall generation in the country has been increased from 1048.67 BU

during 2014-15 to 1107.39 BU during the year 2015-16, leading to an overall growth rate of 5.64 per cent. There was an addition of 23.98 GW to the all-India generation capacity in 2015-16, which increased by 6 per cent from last year's addition of 22.57 GW.

(Source: Government of India, Ministry of Power)

Electricity Generation During April 2014 to Mar 2015 & April 2015 & Mar 2016 (BU)

Type	Apr' 14 – Mar' 15	Apr' 15 – Mar' 16	% Change
Thermal	878.32	943.407	7.41
Hydro	129.244	121.341	-6.11
Nuclear	36.101	37.392	3.58
Bhutan Import	5.007	5.245	4.75
All India	1048.672	1107.385	5.60

Per-capite energy consumption in India and selected regions

INSTALLED CAPACITY

As of March 2016, total thermal installed capacity stood at 210.68 GW, while hydro installed capacity totalled 42.78 GW. At 5.78 GW, nuclear energy capacity remained broadly constant compared with the previous year. Other Renewable Energy Sources including Small Hydro Project, Biomass Gasifier, Biomass Power, Urban & Industrial Waste Power and Wind Energy stood at 42.85 GW. (Source: Government of India, Ministry of Power) As of November 2015, India's rooftop solar capacity addition grew 66 per cent from last year to reach 525 MW, and has the potential to grow up to 6.5 GW by 2020. (Source: Sector Report Indian Brand Equity Foundation)

Total installed capacity (Sector Wise)

Sector	MW
State Sector	101,790
Central Sector	76,297
Private Sector	120,003

As on 31.03.2016

(Source: Government of India, Ministry of Power)

Total installed capacity (Region Wise)

Region	MW
Northern	79009.45
Western	105954.07
Southern	73924.85
Eastern	35571.53
North-East	3548.92
Islands	51.15

As on 31.03.2016

(Source: Government of India, Ministry of Power)

Total installed capacity (Region Wise)

Sector	MW
Thermal	210675.04
Nuclear	5780.00
Hydro	42783.42
RES	38821.51

As on 31.03.2016

(Source: Government of India, Ministry of Power)



DEMAND-SUPPLY SCENARIO

2015-16 was a good year for the Indian power sector where the peak deficit was down to 2.1 per cent in 2015-16, from 3.6 per cent in 2014-15. This was largely due to rising coal stock availability at majority of the power stations and increase in the installed power capacity. Peak power requirement in 2015-16 stood at 153 GW of which, a demand of 148 GW was met. (Source: Government of India, Ministry of Power)

The power supply position in the country during 2009-10 to 2015-16

Year	Energy				Peak			
	Requirement	Availability	Surplus(+)/ Deficits(-)	Peak Demand	Peak Met	Surplus(+)/ Deficits(-)	Requirement	Availability
	(MU)	(MU)	(MU)	(%)	(MW)	(MW)	(MW)	(%)
2009-10	8,30,594	7,46,644	-83,950	-10.1	1,19,166	1,04,009	-15,157	-12.7
2010-11	8,61,591	7,88,355	-73,236	-8.5	1,22,287	1,10,256	-12,031	-9.8
2011-12	9,37,199	8,57,886	-79,313	-8.5	1,30,006	1,16,191	-13,815	-10.6
2012-13	9,95,557	9,08,652	-86,905	-8.7	1,35,453	1,23,294	-12,159	-9.0
2013-14	10,02,257	9,59,829	-42,428	-4.2	1,35,918	1,29,815	-6,103	-4.5
2014-15	10,68,923	10,30,785	-38,138	-3.6	1,48,166	1,41,160	-7,006	-4.7
2015-16*	11,14,235	10,90,713	-23,522	-2.1	1,53,366	1,48,463	-4,903	-3.2

Indian demand for power is expected to soar from around 120 GW at present to 315 to 335 GW by 2017. Major drivers for this increase in demand will be:

- Fast growing manufacturing sector of India
- Residential consumption growing at 14 per cent over the next 10 years
- The connection of 1,25,000 villages to the grid through several programmes that aspire to provide power for all by 2019
- Realisation of demand suppressed due to load shedding

(Source: Powering India The Road to 2017, McKinsey & Company)

In addition, energy demand in India is projected to be the highest among all countries by 2030-35, according to the 2014 energy outlook report by British oil giant, BP.

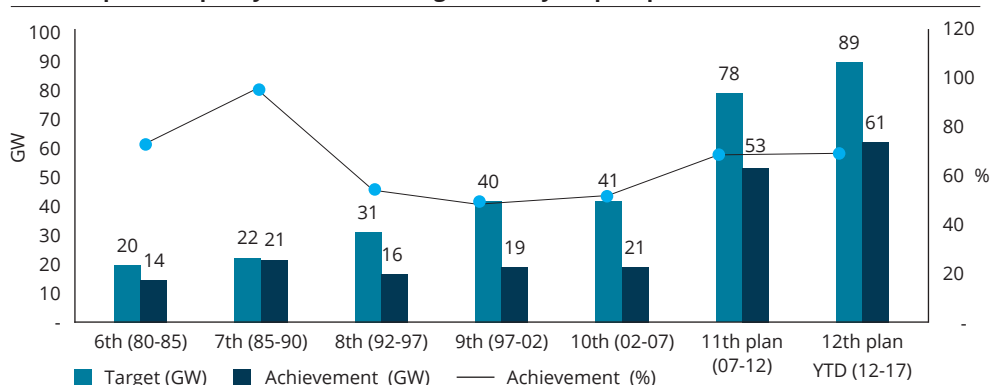
The Government targets capacity addition of 89 GW under the 12th Five-Year Plan (2012-17), and around 100 GW under the 13th Five-Year Plan (2017-22). The Planning Commission's 12th Five-Year Plan estimates total domestic energy production to reach 669.6 million tonnes of oil equivalent (MTOE) by 2016-17 and 844 MTOE by 2021-22. (Source: Sector Report Indian Brand Equity Foundation).

The capacity addition during the first three years of 12th plan stood at 61 GW which has not only exceeded the capacity addition of the entire 11th plan, but also constitutes 68.9 per cent of the total 12th plan target of 89 GW. Hence, sufficient capacity is being built to meet the demand requirements. However, a significant amount of capacity is stranded owing to the non-availability of gas. Recently government has taken steps to revive the stranded gas based power projects. Rising demand and falling domestic production has pushed the share of imported gas to 40 per cent of the current consumption in India. The US has turned into a net energy exporter on the back of huge quantities of shale gas and oil becoming available commercially.

(Source: Equitymaster.com)

The capacity addition during the first three years of 12th plan stood at 61 GW which has not only exceeded the capacity addition of the entire 11th plan, but also constitutes 68.9 per cent of the total 12th plan target of 89 GW.

Trend in power capacity additions during the Five year plan periods:



Source: Central Electricity Authority, GW: Gigawatt

India's power demand is growing enormously, calling for a rapid increase in the space of capacity addition. The planned capacities will also need to be suitably modified to fulfil peak demand, keep emissions under check, reduce dependence on imported fuels, and provide affordable power.

GOVERNMENT INITIATIVES

The Government of India has identified power sector as a key sector of focus and aims to promote a sustained industrial growth. In the past years, government has signed different agreement with various countries such as Bhutan and Nepal. Further, the output of domestic coal is likely to rise in coming financial year, driven by the fast-track e-auction of cancelled coal mines. The government among various initiatives has also introduced several schemes to boost the growth of the sector and address the challenges faced.

- The Government of India has resolved the issues regarding transfer of mining leases and grant of forest clearances to the winning bidders of coal blocks. Operations are expected to start in about 10 more mines by March 2016, easing coal availability to the projects attached to these mines

- The government's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019. This means doubling the current production capacity to provide 24x7 electricity for residential, industrial, commercial and agriculture use
- The government has approved a plan to supply fuel to electricity generation plants in an efficient manner to ensure better coal utilisation by India's power sector. Long-term coal linkages of power projects (central, state and private), will be clubbed and assigned at a group level for the entities to manage their fuel. The proposal is expected to reduce the cost of electricity, and also reduce emission and ease congestion on the country's railway network

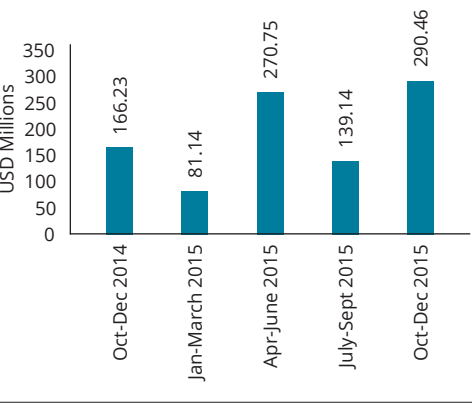
INVESTMENTS

Total FDI inflows in the power sector touched \$9.7 billion during April 2000 to May 2015, accounting for 4 per cent of total FDI inflow in India. (Source: Sector Report Indian Brand Equity Foundation)

As the investment climate is becoming positive due to policy of liberalisation, the power sector has witnessed higher investment flows than envisaged. The industry has attracted FDI

worth \$290.46 million during the October-December 2015 as compared to 166.23 million in corresponding quarter previous year. (Source: LiveMint)

FDI in Power Sector



Moreover, the government is expecting an investment of about US\$ 250 billion by 2020. Renewables are set to get US\$ 100 billion, while the transmission and distribution segment will get US\$ 50 billion, each. Another US\$ 60-70 billion will be for power generation, including for restarting stalled projects and for new ones while US\$ 5-6 billion is set aside for energy efficiency projects. Besides, US\$ 20-25 billion investments would come for associated infrastructure required in replacement of old and out-dated equipments, among others. (Source: Business Standard)

ULTRA MEGA POWER PROJECTS

Development of Ultra Mega Power Projects (UMPPs) is an important step to increase the generation capacity of the country and meet the growing needs. These very large sized projects, approximately 4000 MW each, are expected to substantially reduce power shortages in the country. The Central Government has accordingly taken the initiative for facilitating the development of a few Ultra Mega Power Projects of about 4,000 MW capacity each under tariff based



competitive bidding route using super critical technology on build, own and operate basis. Some UMPP's in the pipeline are as follows:

- A site at Husainabad, Deoghar District has been identified for setting up of 2nd UMPP in Jharkhand
- A site at Bijoypatna in Chandbali Tehsil of Bhadrak District for coastal location and another site at Narla & Kasinga sub division of Kalahandi District for inland location have been identified for setting up of additional UMPPs in Odisha
- A site at Kakwara in Banka Distt has been identified for setting up of UMPP in Bihar
- A site at Niddodi village in Karnataka has been identified for UMPP by CEA and Government of Karnataka
- The sites in Tamil Nadu and Gujarat for their second UMPPs and site in Uttar Pradesh are being examined by CEA/PFC

OUTLOOK

According to the Government of India, the Indian power sector has an investment

potential of ₹ 15 trillion (US\$ 237 billion) in the next 4–5 years, thereby providing immense opportunities in power generation, distribution, transmission, and equipment. (Source: IBEF)

The long-term growth of the sector looks positive due to ever-growing power demand in the country, large capacity addition plans, rising availability of fuel resources and falling

pricing of the same globally. Improvement in the financial health of State Electricity Boards and the Government's focus on the manufacturing sector should also boost demand.

Power Transmission

04

During 2015-16, around 28,114 circuit kilometers (ckm) of transmission lines have been commissioned against 22,101 ckm commissioned during the same period last year, thus having a growth of 27.21%. This is 118.56 per cent of the annual target of 23,712 ckm fixed for 2015-16 and also the highest ever during a single year. Similarly, the overall increase in the transformation capacity has been 62,849 MVA during 2015-16 constitutes 124.35 per cent of the target of 50,542 fixed for 2015-16. (Source: Government of India, Ministry of Power)

The capacity of transmission system of 220 kV and above voltage levels, in the country as on March 31, 2016 was 3,41,551 ckm of transmission lines and 6,58,949 MVA of transformation capacity of substations. The total transmission capacity of the inter-regional links was 57,450 MW, which is expected to be increased to 68,050 MW by the end of 12th plan in 2017. (Source: Government of India, Ministry of Power)

According to FICCI, overall an addition of 90,000 circuit kilometers (CKM) of 765-220 kV lines, 154,000 Megavolt Ampere (MVA) of substation capacity and 27,350 MW of national grid capacity is required in order to meet the 12th Five-Year Plan targets. An

The overall increase in the transformation capacity has been 62,849 MVA during 2015-16 constitutes 124.35 per cent of the target of 50,542 fixed for 2015-16.

investment of \$35 billion is planned in the power transmission sector for this purpose. Investments to the tune of ₹ 1,080 billion is proposed to be incurred by the State Transmission Utilities (STUs) during 2014-17. During this period, ₹ 625 billion or 58 per cent of the cumulative investment by the STUs is expected to come from six states – Uttar Pradesh, Tamil Nadu, Rajasthan, Gujarat, Maharashtra and Andhra Pradesh. (Source: Sector Update from HDFC Bank Investment Advisory Group)

MAJOR TRENDS

Integration of renewable energy has become a key focus area in transmission. This is to create room for the evacuation of power expected to be generated by the government's plans of installing 100 GW of solar power capacity by 2022 and 10 GW of wind power every year. (Source: 8th Annual Conference on Power Transmission in India Brochure)

Several cross-border interconnections with neighbouring countries are planned for construction, to boost power trade. The most recent cross-border transmission line constructed was the 400 kV Baharampur (India) – Bheramara (Bangladesh) line in September 2013. Four more interconnections with Bhutan and Sri Lanka and two with Nepal are also expected. (Source: 8th Annual Conference on Power Transmission in India Brochure).

The changing requirements of the transmission system are driving technology developments in the area. High performance conductors are already being used, while R&D is being carried out on superconducting cables. FACTS and HVDC transmission technologies are offering increased flexibility in meeting transmission challenges.

The investment plans in the Transmission and Distribution, is expected to improve the future of the power distribution space, which has been a loss-making business in India for a long time.

The Indian power sector investments have been largely focused on increasing the power generation capacity, which has resulted in under investment in the Transmission and Distribution (T&D) space. This has led to high power merchant rates, power stations backing down, low PLFs at power plants due to unavailability of transmission lines and high T&D losses.

The Government of India has planned an investment of USD45.2 billion in power transmission and distribution business to achieve its targets under the Power for All initiative. (Source: The Financial express, 28 December 2015).

Distribution

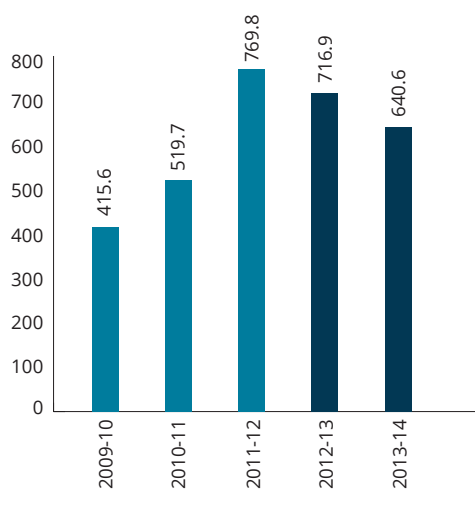
05

Distribution is the most important link in the entire power sector value chain. As the only interface between utilities and consumers, it is the cash register for the entire sector. However, the weakest link in the value chain is distribution, wherein Distribution Companies (DISCOMs) in the country have accumulated losses of approximately ₹ 3.8 lakh crores and outstanding debt of approximately ₹ 4.4 lakh crores (as on March, 2015). This is hampering the attainment of the government's target of 24*7 power for all. Factors that have led to these losses are delay/no tariff hike in line with the rising power procurement cost, elevated Aggregate Technical & Commercial Losses (AT&C), inefficient billing and collection process.



Trends in DISCOM losses

(₹ Bn)

**UJWAL DISCOM ASSURANCE YOJNA (UDAY)**

The Union Cabinet has approved the UDAY scheme for financial turnaround and revival of power distribution companies (DISCOMs), which aims to ensure accessible, affordable, and available power for all. Beneath the scheme, 75 per cent of the loans on the DISCOMs books will be transferred in the books of their respective state governments. Transferring such huge quantum of loans will provide some relief in terms of finance costs.

UDAY provides a permanent resolution to the key issues faced by the power sector through 4 key initiatives:

- Reduction in interest cost of DISCOMs, primarily through a phase-wise takeover of the DISCOMs' debt by the state governments
- Reducing the cost of power purchase
- Enhancing operational efficiencies of DISCOMs
- Enforcing financial discipline on DISCOMs through an alignment with state finances

State to take Over Future Losses of DISCOM in a Phased Manner

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Previous Year's DISCOM losses to be taken over by States	0% of the loss of 2014-15	0% of the loss of 2015-16	5% of the loss of 2016-17	10% of the loss of 2017-18	25% of the loss of 2018-19	50% of the loss of 2019-20

Source: Ministry of Power

The scheme would also provide access to additional/priority funding for implementation of capital expenditure schemes. Cheaper linkage coal in substantial quantity and low cost power from central public sector would also be available.

RURAL ELECTRIFICATION

Government of India has launched the scheme - Deendayal Upadhyaya Gram Jyoti Yojana for

rural electrification (DDUGJY-RE). The erstwhile Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) scheme for village electrification and providing electricity distribution infrastructure in the rural areas has been subsumed in the DDUGJY scheme. The centre's Deendayal Upadhyaya Grameen Jyoti Yojana (DDUGJY) aims to achieve electrification of all the un-electrified villages by 31 March 2017.

Under DDUGJY-RE, Ministry of Power has sanctioned 921 projects to electrify 1,21,225 un-electrified villages, intensive electrification of 5,92,979 partially electrified villages and provide free electricity connections to 397.45 lakh BPL rural households. As on 30th June 2015, works in 1,10,146 un-electrified villages and intensive electrification of 3,20,185 partially

electrified villages have been completed and 220.63 lakh free electricity connections have been released to BPL households. (Source: Ministry of Power)

The government had set a target of electrifying all villages in India in 1000 days in August 2015.

Renewable Energy

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The power sector in India is experiencing a phase of significant growth and change. The Centre's focus is on universal access and 24X7 supply, with a defined thrust on renewables. Efforts are being made to address energy efficiency across sectors and transform the energy mix.

The renewable energy sector in India has made remarkable progress growing from 3.3 per cent (2002) of the total generation capacity to 13.4 per cent (2015). Production rose from 0.4 per cent to 5.6 per cent in this period. Of this, about two-third is from wind, and the balance is from small hydro, solar, biomass and waste to energy, and other sources. (Source: Renewable energy's transformation of the Indian electricity landscape, Report by Mytrah Energy Limited and PwC India)

Renewable energy capacity additions of 30 GW are planned until 2017 to meet the growing energy demand. The installed capacity reached 35.78 GW as on March 2015. Wind energy is estimated to contribute at 15 GW, followed by solar power at 10 GW. Favourable policy environment like 100 per cent FDI under the automatic route in the power segment and renewable energy is expected to boost the growth of the industry. (Source: Indian Brand Equity Foundation)

As of 2015, total power installed capacity from renewable energy sources (excluding hydro power) was 35.8 GW. This accounts for 12.4 per

cent of the total installed power capacity and forms 6.5 per cent of the total electricity mix. (Source: Indian Brand Equity Foundation)

MAJOR TRENDS

The cost competitiveness of wind and solar PV has improved dramatically in recent years, which are expected to play a major role in expanding electricity supply in India. The government programmes and market opportunities in renewable energy have attracted several manufacturing tie-ups and number of investments to India. Renewable energy tariffs have significantly declined over the years.

The wind power sector has undergone a major shift in India, from tax-credit driven investment to mainstream Independent Power Producers. This has led to the setting up of large wind farms that deploy the latest technology and practices, larger MW class wind turbines, inclusive operations & maintenance practices for plant life, use of logistics tools for construction & maintenance, and seamless grid integration. Further, the industry has gained from improvements in drive-train technology, tower structure and use of advance power electronics, which add to overall cost effectiveness.

In solar, the vast majority of Indian projects have adopted crystalline silicon technology, with an average efficiency of 16-17 per cent. The thin-film technologies of cadmium-telluride

and copper-indium-gallium-selenide, with 14-15 per cent efficiency, have been used selectively. Efforts are continuously being made to increase the efficiency further in the coming years. (Source: Renewable energy's transformation of the Indian electricity landscape, November 2015)

GOVERNMENT INITIATIVES

The government has put its thrust on renewable sources of energy and has set a target of 175 GW by 2022, comprising 100 GW of solar, 60 GW of wind, 10 GW biomass and 5 GW small hydro power capacity, supported by a significant budgetary allocation. Coal-fired thermal power dominates the existing generation capacity (192 GW, or 70 per cent of total capacity). (Source: Renewable energy's transformation of the Indian electricity landscape, November 2015)

Green energy corridor project

A major challenge lies in the transmission and distribution segment, more so for renewable energy projects due to low capacity and congestion on existing networks. The government had announced a green energy corridor project to handle 33 GW and 22 GW of renewable energy in two phase of development. This 765 KV corridor traverses all the leading states with renewable capacity and is being equipped with appropriate mechanisms for the integration of large-scale renewable energy. (Source: Renewable energy's transformation of the Indian electricity landscape, November 2015)

Latest Proposals

- To enhance the flow of international finance, the government is planning to introduce US-dollar denominated bidding in solar power project tenders
- APTEL has increased pressure on the state governments to comply with the RPO regulations. These actions are improving

the regulatory environment and would eventually support the development of renewable energy

- Renewable energy has been declared as priority sector for bank lending by the central bank from this year
- The Supreme Court of India ruled that renewable obligations are in larger public interest and can be imposed on captive users and open access consumers
- The government conducted a market outreach programme, the first Renewable Energy Global Investors Meet and Expo (RE Invest 2015), to attract investment
- Ministry of Power approved amendments to the tariff policy in January 2016, with promotion of renewable power being added as a key objective
- The cess on coal was increased by ~200/t in the 2016 budget, to reduce the cost of generation of renewable energy in comparison to thermal power and make it more competitive

INVESTMENTS

The renewable sector has become highly attractive for investments. Around 2 GW of solar projects were commissioned during the FY 2015-16 translating into \$0.2 billion worth of investment. Total wind power projects commissioned were 3.6 GW, the highest in the past two financial years totalling an investment of \$2.1 billion. Moreover, international private equity investors poured \$1.5 billion in renewable energy companies in India in 2015.

Forty banks and non-banking financial companies have sanctioned finances worth ₹ 71,202 Crores for various renewable energy projects. The amount of ₹ 29,530 Crores has been disbursed against the sanctioned amount between February 2015 and March 2016. (Source: Business Standards)

OUTLOOK

The abundance of renewable energy resources across India and its ability to contribute to the country's energy goals has created large scope for expansion. However, a major challenge lies in the transmission and distribution of renewable energy due to low capacity and congestion on existing networks. Integration of renewable energy has become a key focus area in transmission. Renewable energy requires

diverse transmission competencies. Moreover, the management of a significant amount of this energy is also essential. This would require efficient and systematic design, best-in-class electronic solutions, and active load management capabilities, thus posing many opportunities.

About Techno Electric & Engineering Co. Ltd.

Strengths

CLIENT TRUST

The Company has demonstrated capabilities by delivering projects across shrinking timelines that have now become industry benchmarks in terms of project delivery. This has helped commission more projects on schedule and generate quicker investment returns for the customers

ENTRENCHED EXPERIENCE

The Company possesses a rich experience of more than three decades in India's challenging EPC space, strengthening competencies across regions, markets and customers

COMPETENT TEAM

The Company's 150 member engineering team possesses an average industry experience of more than 25 years. The Company's areas of competence comprise design, construction, project management, procurement, quality assurance, business development and marketing and financial management

ROBUST PORTFOLIO

The Company possesses proven competencies in the light construction and heavy engineering segments within the power sector. It not only provides turnkey solutions for entire power plants across all segments, but is an independent transmission asset owner (through a leased arrangement) and an independent power producer (through wind energy generation) as well

ENDURING RELATIONSHIPS

The Company forged longstanding relationships with a family of 1,500+ vendors, resulting in timely project completion

STRONG FINANCIALS

The Company's robust Balance Sheet possessed ₹ 300 Crores in free cash and net worth of ₹ 1,014.5 Crores at the close of 2015-16

FINANCIAL PERFORMANCE

During the year, Techno Electric's consolidated gross revenue stood at ₹ 1,097.2 Crores as compared to ₹ 793.89 Crores in 2014-15. The Company's consolidated net profit stood at ₹ 140.57 Crores in 2015-16 as compared to ₹ 105.08 Crores in 2014-15.

Risk Management

We have an integrated risk-management framework to reduce the impact of business risks on our key business objectives that can potentially undermine our competitive position.

INDUSTRY RISK

Slowdown in the industry could impact the company's business sustainability.

MITIGATION

The Power Ministry has set a target for adding 76,000 MW of capacity during the 12th Five Year Plan (2012-17) and 93,000 MW the 13th Five Year Plan (2017-2022). The International Energy Agency estimates USD 6.1 trillion of investments in T&D sectors during 2005-30. The Ministry for Renewable Energy in the 12th Five Year Plan period 2012-17 has fixed a capacity addition of 15,000 MW for wind power alone.

SEGMENT RISK

A presence in a single business segment may hamper the growth of the company.

MITIGATION

The Company widened its presence – EPC contracting services and development, operations and maintenance of transmission network to de-risk itself from an excessive dependence on one business segment.

LIQUIDITY RISK

Any delay in receivables could affect the company's viability.

MITIGATION

Techno Electric works with financially robust clients with comfortable liquidity. Majority of the Company's clients comprise of reputed Indian companies. The Company works with clients on projects that have achieved financial closure. Techno selects to work with clients that have been favourably appraised by rating agencies. Besides, Techno Electric enjoys an attractive gearing of 0.3, has been consistently cash-positive, and employs a modest working capital of less than 10% of its employed capital.

TIMELY COMPLETION RISK

Any delay in the completion of project could affect the company's profitability.

MITIGATION

The Company has completed more than 325 projects and has completed every single one of them in time. As per the Company's track record and experience in execution and completion of the projects undertaken, the Company expects to deliver its future projects on time.

WORKING CAPITAL RISK

Working capital requirement may increase in an event of delayed payments by the company's clients.

MITIGATION

Techno has cherry picked orders reinforced by multilateral funding, thus mitigating the risk to a large extent.

PRICE-BASED COMPETITION RISK

Inability to remain cost-competitive could mean the company losing out on contracts to its sectoral peers.

MITIGATION

Techno's competitive bidding strategy ensures that the Company is preferred by the clients above its sectoral peers.



HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

Over the years, Techno Electric has prudently invested in bolstering its competencies through recruitment, training and retention. The Company had an employee base of 403 as on March 31, 2016.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Techno Electric has an adequate internal control system, commensurate with the size and nature of business, with regard to purchases of inventory and fixed assets and for sale of goods and services. The system is being upgraded continuously in order to meet and adapt to statutory requirements and changing business conditions.

CAUTIONARY STATEMENT

Statements in the management discussion and analysis describing the Company's objectives, projections, estimates, expectations may be forward-looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Factors that could make a difference to the Company's operations, inter alia, include the economic conditions, government policies and their related/incidental factors.

DIRECTORS' REPORT

To,
The members of
Techno Electric & Engineering Company Limited

Your Directors take pleasure in presenting the 11th Annual Report, along with the audited accounts of the Company, for the year ended 31st March, 2016.

FINANCIAL PERFORMANCE

Your Company has registered comparatively a better financial performance for the year ended 31st March, 2016. Brief financial details of its EPC business and Power Generation business are provided below:

	Year ended 31st March, 2016	₹ In Lakhs Year ended 31st March, 2015
Profit before finance cost and depreciation	18,627.83	13,692.03
Less : Finance Cost	2,081.10	2,021.60
Depreciation	1,363.11	1,350.27
Profit before tax	15,183.62	10,320.16
Provision for taxation	2,715.86	1,852.95
Profit after taxation	12,467.76	8,467.21
Balance brought forward from previous year	211.00	65.09
	12,678.76	8,532.30
Appropriations		
Depreciation of Assets on expiry of useful life	-	16.65
Interim dividend paid during the year	1,712.74	1,427.28
Proposed final dividend	1,141.82	856.37
Provision for tax on proposed dividend	236.64	21.00
Transfer to Debenture Redemption Reserve	1,000.00	500.00
Transfer to general reserve	8,000.00	5,500.00
Surplus carried to balance sheet	587.56	211.00
	12,678.76	8,532.30

DIVIDEND

Your Directors recommended a final dividend of ₹ 2 per equity share of nominal value of ₹ 2 each for the financial year ended 31st March, 2016 in addition to the interim dividend of ₹ 3 per equity share paid for the year under review making the total dividend for the year at ₹ 5 per equity share.

RESERVES

Your Directors have proposed to transfer ₹ 8,000 Lakhs to General Reserve and ₹ 1,000 Lakhs to Debenture Redemption Reserve for the year under review.

OPERATIONAL PERFORMANCE

EPC Business:

Your Company has significantly improved its performance during the year under review and registered significant increase in turnover and profit. The turnover stood at ₹ 1,03,283.78 Lakhs and profit after tax at ₹ 12,467.76 Lakhs from EPC Business. During the year, the Company had taken calculative decisions while participating in the bidding process to have quality jobs with better margins. Your Company has successfully participated and bagged many quality orders in the financial year under review which has improved its Order book to all time high. Most of the projects are funded

by World Bank, ADB & KFW (Germany). Your Company has capitalised the opportunities to the fullest extent possible depending upon its capabilities during the year. The reflection of its better performance during the year is once again linked to the timely completion of projects and commitments to deliver quality. Overall, the power sector in the Country is in a much better position now and is also expected to continue in the coming years. Your Company is all set to face the positive challenges and will move ahead in the growth path. As seen in the last part of the financial year, the Wind power sector is also in the process of revival and the policies of the Central Govt. will play a key role in that direction.

During the year 2015-16 the following projects were completed successfully:

1. Turnkey contract for supply, civil, erection, testing and commissioning of 400/220 kV sub-station at Urvakonda in Ananthpur District of Andharapradesh from APTRANSCO.
2. Turnkey contract for sub-station Package S1 for extension of 765 kV Solapur sub-station and extension of 765 kV Aurangabad sub-station under Transmission System associated with Inter-regional System Strengthening Scheme for WR & NR-Part A, extension of 765 kV Raichur sub-station and extension of 765 kV Kurnool sub-station under system strengthening in Southern Region-XXII.
3. Contract for supply of equipment for 400/220 kV GIS sub-station and associated 400 kV LIL0 at Patran in the state of Punjab.
4. Turnkey contract for construction of (2x160+2x50) MVA, 220/132/33 kV Grid Sub-station Sonenagar (new) with 2 nos. 132 kV bays extension at remote end with SAS under BRGF Phase-III of Bihar State Power Transmission Co. Ltd.
5. Supply, erection, testing and commissioning of fuel oil handling system package for Prayagraj Thermal Power

Your Directors recommended a final dividend of ₹ 2 per equity share of nominal value of ₹ 2 each for the financial year ended 31st March, 2016 in addition to the interim dividend of ₹ 3 per equity share paid for the year under review

Project (3x660 MW) at Tehsil-Bara, Dist. Allahabad, Uttar Pradesh.

6. Turnkey contract for procurement and construction of 132/33 kV sub-station at Dhanaha, Construction of 132 kV bays one each at Bettia, Sasaram, Mohania, Dinara, Lakhisarai and Sheikpura and Construction of four 33 kV bays at remote end 33/11 kV PSS for downlinking of 132/33 kV GSS at Dhanaha, ICB No. 5/Package-G-BSEB/ADB/2010 from BSEB. (ADB funded);
7. Turnkey Contract for Construction of New 132/33KV Substation at Fort Portal, Extn. of New 132/33KV Substation at Fort Portal and Extn. of 132/33KV Substation at Mbarara North 2, Nkenda & Opuyo for Uganda Electricity Transmission Company Ltd., Uganda.

The following projects are on-going and are in advance stage of completion and are expected to be completed as per schedule:

1. Turnkey execution of 400/132 kV switchyard for Kameng Hydroelectric Project (Package-VI), Arunachal Pradesh for NEEPCO Ltd., Shillong.
2. Turnkey contract for construction of 400/220/66 kV Switchyard at 2x660 MW Kudgi TPS in Bijapur district of Karnataka from NTPC.
3. Turnkey contract for supply, erection, testing, commissioning works of 400/220/132 kV sub-station at Jammalamadugu (Kondapuram) with

- 2x400 kV bay extensions at Narnoor (Kurnool) from APTRANSCO.
4. Contract for supply, inland transportation, insurance, installation, testing, commissioning of switchyard package for Meja TPP (2x660 MW) of Meja Urga Nigam Pvt. Ltd.
 5. Turnkey contract for substation package for - i) Extension of 765 kV Angul sub-station, 765 kV Jharsuguda sub-station and 765 kV Dharamjaigarh sub-station under transmission system associated with East Coast and NCC power projects in Srikakulam area, Andhra Pradesh – Part-B (Under Project ID 159), ii) Construction of 400 kV Srikakulam (New) sub-station and extension of 765 kV Angul sub-station under transmission system associated with East Coast and NCC power projects in Srikakulam area, Andhra Pradesh – Part-C (under Project ID 160), iii) Extension of 400 kV Srikakulam pooling station under consultancy to East Coast Energy Pvt. Ltd. (Under project ID 353), iv) Extension of 400/220 kV (AIS) Melakottaiyur sub-station under SRSS-XVIII (under Project ID278), v) Extension of Kota sub-station under RAPP 7&8, Part A (under Project ID 295) for PGCIL.
 6. Turnkey contract for supply, erection, testing and commissioning of 400/220 kV sub-station at Asupaka and extension of 400 kV & 220 kV power supply to Indira Sagar Rudramkota Lift Irrigation Project at Asupaka, Khammam District for Transmission Corporation of Andhra Pradesh Ltd.
 7. Turnkey contract for construction of (2x160+2x50) MVA, 220/132/33 kV Grid sub-station Samastipur (new) with 2 nos. 132 kV bays extension at remote end with SAS under BRGF Phase-III of Bihar State Power Transmission Co. Ltd.
 8. Design, manufacture, testing at manufacturer's works and delivery of equipments required for work of construction of (2x160+3x50) MVA, 220/132/33 kV Grid sub-station, Musahari (Muzaffarpur) complete with (SAS) under Special Plan/BRGF, Phase-III against NIT No. -477/PR/BSPTCL/2013 on turnkey basis on firm prices.
 9. Supply relating to Balance of Plant (BOP) and construction package for Coal Fired Thermic Fluid Heaters (CHH) Project for Mitsubishi Chemicals Corporation PTA India Corp. (P) Ltd. at Haldia, West Bengal.
 10. Turnkey contract for portion of work of sub-station package S1 for extension of 765/400 kV Raigarh (Tamnar) sub-station under transmission system associated with Bus Reactor & ICT in WRTS.
 11. Turnkey construction of (2x160+2x50) MVA, 220/132/33 kV Grid sub-station, Kishanganj (New), 2 Nos. 220 kV line bay extension at existing 220/132/33 kV Madhepura GSS, 4 Nos. 220 kV line bay extension at 220/132/33 kV Supaul (New) GSS and 2 Nos. 132 kV line bay extension at existing 132/33 kV GSS at Kishanganj & Forbisganj on turnkey basis with (SAS) under Special Plan (BRGF) Phase-III -Part-II.
 12. Turnkey execution of distribution package for Village electrification works in Gopalganj district of Bihar on turnkey basis under 12th Plan of Rajiv Gandhi Grameen Vidyutikaran Yojana.
 13. Construction of 400 kV / 220 kV GSS at Ramgarh (Jaisalmer) and Augmentation work at existing 400 / 220 kV GSS Akal (Jaisalmer) on turnkey basis (ADB funded).
 14. Turnkey construction of 400/220 kV Mathura new sub-station (including Transformer and Reactor) (for Element-I) associated with transmission system for evacuation of Power from Lalitpur TPP, UPPTCL under consultancy services to PGCIL.

15. Turnkey contract for sub-station Package S2: 1) Under installation of Bus Reactor and ICT in WR a) 400/220 kV Damoh sub-station extn. including 500 MVA, 400/220 kV ICT, b) 2 x 63 MVAR, 400 kV Switchable Line Reactors at Rajgarh sub-station for Rajgarh-Sardar Sarovar 400 kV D/C line. 2) Under Solapur STPP Part-A, a) 400 kV Solapur sub-station extn. 3) Under RAPP 7 & 8 a) extension of 400 kV Sujalpur sub-station with 2x50 MVAR Line Reactors.
16. Turnkey contract for installation of Green Energy Corridors-ISTS-Part-A in SR i) 400/220 kV Tirunelveli GIS sub-station along with 2 x 125 MVAR, 400 kV Bus Reactor & 2 x 500 MVA, 400/220 kV 3 Phase Auto Transformer ii) extension of 400 kV Tuticorin pooling station.
17. Turnkey contract for sub-station package SS02 for 765/400 kV Ajmer (New) sub-station and extension of 400 kV Ajmer (RVPN) sub-station associated with Green Energy Corridors-ISTS-Part-A in North Region.
18. Turnkey contract for substation package SS01 for 765/400kV Chittorgarh (New) substation and extension of 400kV Chittorgarh (RVPN) substation associated with Green Energy Corridors-ISTS-Part-A in North Region.
3. Contract for Ex-works (India) & CIF (Indian Port-of-Entry) supply and providing all services of Switchyard Package for Tanda Thermal Power Project, Stage-II (2x660 MW) of NTPC Ltd.
4. Contract for Supply and Service of Substation Package-SS01 for (a) Extension of 400kV Bachau S/s under Transmission system strengthening associated with Mundra UMPP (Part-A) & (b) Extension of 400kV & Construction of 220kV (New) Indore Substation [including 2x500 MVA, 400/220/33kV auto transformer] and (c) Extension of 400kV & 220kV Itarsi Substation [including 1x500 MVA, 400/220/33kV auto transformer] under WRSS-XIV of PGCIL.
5. Contract for Supply and Service of Substation Package-SS02 for (i) 765kV Vindhychal Pooling Station Extension & 765kV Jabalpur Pooling Station extension under Vindhychal-V Project; (ii) 765kV Jabalpur Pooling Station extension under Part-A of TS forGadarwara STPS of NTPC & (iii) 765kV Solarpur Substation Extension & 400kV Parli (PG) Switching station extension under WRSS-XV of PGCIL.
6. On-Shore Supply, Service and Off-Shore contract for GIS Substation package ASM-SS04 under NER Power System Improvement Project – World Bank Funded: Intra-State-Assam of PGCIL.

During the year, the Company was successful in bagging many prestigious orders, the major amongst them are:

1. On-Shore Supply, Service and Off-Shore contract for substation package for STATCOM Installations at 400kV Solarpur, 400kV Satna & 400kV Aurangabad in Western Region.
2. Construction of 4 Nos. 400kV feeder bays for terminating 400kV PGCIL lines at existing IEC:61850 compliant 400kV GSS Chittorgarh including supply, erection, testing & commissioning of equipments / material and associated civil works of RRVNPL.
7. Contract for Supply and Service of Substation Package-SS02 (AIS) for (i) Extension of 400kV Tuticorin substation under connectivity with Kundankulam 3 & 4 (2x1000 MW) with Inter-state Transmission System (ii) Extension of 400/220kV NP Kunta Substation (with 4 nos. of 220kV line bays) under Transmission system for Ultra Mega Solar Park in Anantpur Distt, AP-Part-B and (iii) Extension of 400/220kV NP Kunta Substation including supply of 1x500MVA, 400/220kV Autotransformer under Transmission system for Ultra Mega Solar Park in Anantpur Distt, AP-Part-C.

Energy Sale Business:

The difficult time for the Company's renewable energy generation business is still continuing. Even though the sign of revival is seen recently, much more need to be done by the policy making Authorities to encourage the renewable energy sector. The Company sold 55.24 million units of energy (power) during 2015-16, earning revenue of ₹ 1,856.22 Lakhs.

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

MATERIAL CHANGES AND COMMITMENTS

No material changes have occurred subsequent to the close of the financial year of the Company to which the Balance Sheet relates and the date of this report that have any effect on the financial position of the Company.

SIGNIFICANT AND MATERIAL ORDERS BY REGULATORS

No significant and material orders have been passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

INTERNAL FINANCIAL CONTROL

The Company has adequate internal financial controls in place to manage its affairs. Proper policies and procedures are adopted by the Company 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 and the same is reviewed at regular intervals depending upon the situation of the business of the Company.

SUBSIDIARIES & ASSOCIATES

Material Subsidiary:

Your Company has one material non-listed subsidiary namely Simran Wind Project Limited (SWPL). SWPL is engaged in the business of green power generation with a capacity of 117.9 MW spreading across Tamilnadu and

Karnataka and has generated 132.90 million units during the year under review and earned revenue of ₹ 6,436.69 Lakhs.

Pursuant to provisions of section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is attached to the financial statements of the Company.

Non-material Subsidiary:

Your company has the following non-material non-listed subsidiaries namely: Techno Infra Developers Private Limited, Techno Green Energy Private Limited, Techno Clean Energy Private Limited and Techno Wind Power Private Limited and one Associate Company namely, Patran Transmission Company Ltd. (PTCL). PTCL which was awarded as a concession from PFC Consulting as a BOOM project to the Company to build the transmission network in Punjab shall be commissioned by mid-June, 2016.

The Annual Reports of the subsidiary companies are not attached to the Annual report, however, the same shall be made available to any member for inspection at the Registered Office / Corporate Office of the Company during working hours. Relevant financial information of the Subsidiary/s have been disclosed in this Annual Report in compliance with the general circular.

OUTLOOK & OPPORTUNITIES

The power sector in the Country is undergoing transformational changes due to policy-level changes supported by effectiveness in implementing directives which has created enormous opportunities for various stakeholders. However, deep introspection on various aspects of the policy and regulatory interventions and their implication in the long run may be helpful in informed decision making and growth in the sector. Energy sector and secure energy are the key to economic growth, human developmental aspects like poverty reduction, employment generation etc., which is dependent on the certainty in policy-level interventions. The policymakers have

initiated multiple steps in the recent past for the improvement in power sector and benefit of consumers that includes, amendment to the Electricity Act, uninterrupted power supply, Coal Mines Special provision Ordinance, Coal auction and allocation, Natural Gas auction, Integrated power Development Scheme, Deendayal Upadhyaya Gram Jyoti Yojna, renewable energy generation targets and massive transmission connectivity plans etc. which may have positive impact on secure fuel for power generation, bringing in efficiency and competition, enhancing renewable energy generation, increasing power supply to households, strengthening the Grid and generating business and employment opportunities.

The aggressive approach by the Central Govt. to provide reliable, sustainable, secure and affordable power for all has brought remarkable change in the approach of the various players and stakeholders in the sector. Techno has positioned itself more favourably with its calculative and cautious approach and fared well in the year and expected to do much better in the coming years.

MEETINGS OF DIRECTORS

Board Meeting

During the year 2015-16, four meetings of the board were held. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

Independent Directors Meeting

The Independent Directors had met on 6th February, 2016 to review the performance of non-independent directors and the Chairperson of the Company including overall assessment on the effectiveness of the Board in performing its duties and responsibilities. The Board comprises Members having expertise in Technical, Banking and Finance.

The Directors evaluate their performance and contribution at every Board and Committee Meetings based on their knowledge, experience and expertise on relevant fields vis-à-vis the business of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

At present, the Board has Five Independent (Non-Executive) Directors, One Managing Director (Executive) and Two Non-Independent Non-Executive Directors.

None of the Independent Directors are due for re-appointment.

Re-appointments

The official term of Mr. Padam Prakash Gupta (holding DIN: 00055954) as Managing Director expires on 30th June, 2016. The Board of Directors at the meeting held on 28th May, 2016 have re-appointed him as Managing Director of the Company for a period of Three (3) years effective from 1st July, 2016, subject to the approval of the shareholders in the ensuing Annual General Meeting, on the terms and conditions as set out in the Agreement to be entered into between the Company on the one part and Mr. Padam Prakash Gupta on the other part.

Director retiring by rotation

Ms. Avantika Gupta, Non-Independent Non-Executive Director is liable to retire by rotation at the ensuing Annual General Meeting and seeking re-appointment be re-appointed by the shareholders. A brief profile of Ms. Avantika Gupta is given below:

Ms. Avantika Gupta, aged about 26 years residing at 2B, Hastings Park Road, Block – C, Alipore, Kolkata – 700027 is a Bachelor of Science (Economics & Finance) with Minor in Accountancy and Creative Writing from Bentley University in Waltham, Massachusetts, U.S.A with financial and commercial knowledge and experience of more than 3 years.

Statement on declaration by independent Directors

The Company has received Statement on declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached with the report as a separate annexure.

Board Evaluation

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

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

Policy on directors' appointment and remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act is available on our website (http://www.techno.co.in/Content/SEBI_CODE/Nomination_and_

[Remuneration_Policy.pdf](#)). There has been no change in the policy since the last fiscal year in the corporate governance report, which forms part of this report.

LISTING AGREEMENT

The Securities and Exchange Board of India (SEBI), on 2nd September, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective 1st December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company has entered into the new Listing Agreement with BSE Limited and the National Stock Exchange of India Limited during December 2015.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm:

- a) That in the preparation of the annual accounts, the applicable Accounting Standards were followed, along with proper explanation relating to material departures;
- b) That the selected accounting policies are reasonable and prudent so as to give a true and fair view of the Company's state of affairs and profit at the end of the financial year, and applied them consistently;
- c) That proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities;
- d) That the accounts for the period ended 31st March, 2016 are on a going-concern basis.
- e) That proper internal financial control has been laid down and followed by the

Company and that such internal financial controls are adequate and are operating effectively.

- f) That proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY

The Nomination and Remuneration Committee of the Board comprising three independent directors has formulated the policy for appointment of Directors and Key Managerial Personnel and determination of remuneration including the criteria for determining qualification, positive attributes independence of a director and other matters as provided under sub-section (3) of section 178 of the Companies Act, 2013. In terms of the Policy, the non-executive directors and the independent directors shall not receive any remuneration, except the sitting fees for attending meetings of the Board and its Committees. During the year under review, the Committee had not recommended appointment or remuneration of any Directors or Managerial Personnel.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Committee constituted by the Board has formulated the CSR Policy. In adherence to the CSR Policy, the Company has contributed ₹ 2.00 Crores to Indian Institute of Management, Ahmedabad which contribution is coming under item (v) of Schedule VII (i.e. protection of National heritage, including restoration of buildings of historical importance and works etc. A detail report on the CSR activities and expenditures is annexed to this report.

RISK MANAGEMENT COMMITTEE AND POLICY

The Company has a Risk Management Committee comprising of three directors. The purpose of risk management committee of the Board of Directors shall be to assist the Board in fulfilling its corporate governance oversight responsibilities with regard to the

identification, evaluation and mitigation of operational, strategic and external environment risks. The committee has overall responsibility for monitoring and approving the risk policies and associated practices of the Company. The risk management committee is also responsible for reviewing and approving risk disclosure statements in any public documents or disclosures. The role and responsibility of the Risk Management Committee has been briefly mentioned in the Corporate Governance Report.

VIGIL MECHANISM

The Company has established the vigil mechanism and formulated the Whistleblower policy which intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

AUDIT COMMITTEE

The Company has duly constituted Audit Committee in place with 4 independent directors as its members. The Audit Committee had met four times during the year under review. The details of the committee including its role and responsibilities are given in the Corporate Governance Report.

DEPOSITS

The Company has not accepted any deposits from public or others during the year under review.

AUDITORS

The present Auditors, M/s. S. S. Kothari & Co., Chartered Accountants, hold office till the conclusion of the 14th Annual General Meeting subject to ratification at every Annual General Meeting. Therefore, the appointment of the Auditors of the Company shall be ratified at the ensuing Annual General Meeting. The Auditors have conveyed their eligibility to continue with the appointment.

AUDITORS' REPORT

The Directors believe that there is no qualification, reservation or adverse remarks or disclaimer made by the Statutory Auditors on the Annual Financial Statements of the Company for the year ended 31st March, 2016.

SECRETARIAL AUDIT REPORT

The Secretarial Auditor, Babulal Patni, Company Secretary have carried out the Secretarial Audit for the year ended 31st March, 2016 as required under the Companies Act, 2013 and the audit report is attached to this Directors Report. There is no qualification, reservation, adverse remark or disclaimer by the Secretarial Auditor in its report that requires explanation or comments by the Board.

COST AUDIT

The Cost Auditor, Mr. Saibal Sekhar Kundu, Cost Accountant had conducted the audit of Cost records maintained by the Company to the extent applicable under law and had submitted his report for the year 2014-15 to the Board during the year under review.

The Cost Audit for the year under review is conducted on time and the Report for the year ended 31st March, 2016 will be forwarded to the Central Government within the statutory time limit.

The Board of Directors had reappointed Mr. Saibal Sekhar Kundu, Cost Accountant, of E7/7 Karunamoyee Housing Estate, Salt Lake City, Kolkata - 700 091 bearing Membership No. 9379, as the cost auditors of the Company under section 148 of the Companies Act, 2013 for 2016-17.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, (as amended) an extract of the annual return in the prescribed format is attached to this report.

SHARE CAPITAL

There was no change in the share capital of the Company during the year under review. The Company has not issued any shares with differential voting rights, sweat equity, shares

under stock option schemes etc. and also has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee had met once to look after the Grievances of Stakeholders. One grievance was received in the year under review that required the attention of the Committee for resolution. The grievance was examined by the Committee and necessary direction was issued to resolve the same. Subsequently, the grievance was resolved. However, no complaints / grievances were received through SCORES during the year under review.

INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred a sum of ₹1,14,162/-, being the unpaid / unclaimed dividend for the year ended 31st March, 2008, to the Investor Education and Protection Fund on 1st September, 2015 after giving prior intimation to the claimants well before time of transfer. The dividend for the year ended 31st March, 2009 that remains unpaid / unclaimed is due for transfer in the current year which can be claimed by 30th September, 2016.

PARTICULARS OF EMPLOYEES

The relation between the employees and the management continued to be cordial and stable at all levels. Your Directors wish to place on record their appreciation for the devoted services of all the Company's executives and staff.

During the year, no employee was in receipt of remuneration of or in excess of the amount prescribed under the Companies Act, 2013. The particulars of employees pursuant to Section 134(3)(g) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report.

DISCLOSURE REQUIREMENTS

As per SEBI Listing Regulations, corporate governance report with certificate thereon and management discussion and analysis are attached, which form part of this report.

With reference to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015 read with Circular No. SEBI/LAD-NRO/GN/2015- 16/27 dated 22nd December, 2015, the Company shall provide the Business Responsibility Report (BRR) as part of the Annual Report. In compliance with the regulation, we will provide the BRR as part of our Annual Report in the next financial year.

CORPORATE GOVERNANCE

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a report on Corporate Governance and a Certificate from Mr. Murari Pasayat, Company Secretary in Whole-time Practice (Membership No. 32664, C.P. NO: 12963), Partner, M/s. DS & Associates LLP, confirming compliance with the requirements of the Corporate Governance is attached to this report.

PARTICULARS OF LOANS AND GUARANTEES

The Company has not given any loans or guarantee for loans taken by others under Section 186 of the Companies Act, 2013 and also not made any investments beyond the limits prescribed under the aforesaid section during the year.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The Company has not entered into any contract or arrangement with related parties during the year under review. However, some minor business transactions entered into with related parties have been disclosed in the notes to the annual accounts which form part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A management discussion and analysis report is annexed and forms an integral part of the annual report.

ACKNOWLEDGEMENTS

Your Directors wish to express their gratitude to the shareholders, various customers and their consultants, different government departments and the Company's bankers for their continued support to the Company. The Directors look forward to their support in future.

For and on behalf of the Board of Directors

Place : Kolkata,
Date : 28th May, 2016

P. P. Gupta
Chairman

ANNEXURES TO THE DIRECTORS REPORT

Annexure I

Particulars pursuant to Section 134(3) of the Companies Act, 2013

A. CONSERVATION OF ENERGY

As the Company's activities do not involve, by and large, any significant level of energy consumption, no comments are necessary in respect of energy conservation and reduction of energy consumption. In any event, continuous efforts are made to conserve energy to the extent possible.

B. TECHNOLOGY ABSORPTION

As per Form B given as hereafter

FORM – B

Disclosure of particulars with respect to technology absorption forming part of the Directors' Report for the year ended 31st March, 2016

Technologies absorbed:

Research & development (R & D)

- | | | |
|---|---|---|
| 1. Specific areas in which R&D was carried out by the Company | : | NIL |
| 2. Benefit derived as a result of the above R&D | : | N.A. |
| 3. Future plan of action | : | None |
| 4. Expenditure on R & D | : | N.A. |
| 5. Technology absorption, adaptation | : | Constant efforts are made by the Company to develop cost- effective new systems/technologies. |

C. FOREIGN EXCHANGE EARNING AND OUTGO

Foreign exchange earning	-	₹ 1,753.45 Lakhs
Foreign exchange outgo	-	₹ 137.76 Lakhs
CIF Value of Imports	-	₹ 2,090.33 Lakhs

For and on behalf of the Board of Directors

Place : Kolkata,
Date : 28th May, 2016

P. P. Gupta
Chairman

Annexure II

Statement on declaration given by the independent director under sub-section (6) of section 149 of the Companies Act, 2013

The Board comprises five Independent Directors who have submitted declaration in individual capacity as follows:

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

Annexure III

Babu Lal Patni
Company Secretary

51, Nalini Sett Road
5th Floor, Room No 19
Kolkata – 700 007
Tel No: 2259-7715/6
Mail id: patnibl@yahoo.com

FORM No MR-3
Secretarial Audit Report
For the Financial Year ended 31st March, 2016

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

To,
The Members,
Techno Electric & Engineering Company Limited
P-46A, Radha Bazaar Lane, 4th Floor
Kolkata-700001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Techno Electric & Engineering Company Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Techno Electric & Engineering Company 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Techno Electric & Engineering Company Limited ("the Company")

for the financial year ended on 31st March, 2016 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not applicable during the year.
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 – Not applicable during the year.
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not applicable during the year.
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – Not applicable during the year.
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – Not applicable during the year.
- vi) I have been informed that no other sector / industry specific law is applicable to the Company.
- I have also examined compliance with the applicable clauses of the following:
- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - ii) The Listing Agreements entered into by the Company with National Stock Exchange and Bombay Stock Exchange.

- iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations: -NIL-

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of Board of Directors during the year.

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, if any, are captured and recorded as part of the minutes.

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

I further report that during the Audit period there was no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., referred to above.

Place : Kolkata,
Date : 22nd April, 2016

Sd/-
Babu Lal Patni
Company Secretary in practice
FCS No : 2304
C.P. No. : 1321

Note:

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

Babu Lal Patni
Company Secretary

51, Nalini Sett Road
5th Floor, Room No 19
Kolkata – 700 007
Tel No: 2259-7715/6
Mail id: patnibl@yahoo.com

'Annexure A'

To,
The Members,
Techno Electric & Engineering Company Limited
P-46A, Radha Bazaar Lane, 4th Floor
Kolkata-700001

My 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. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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.

Place : Kolkata,
Date : 22nd April, 2016

Sd/-
Babu Lal Patni
Practicing Company Secretary
FCS No : 2304
C.P. No. : 1321

Form No. MGT-9**Annexure IV****Extract of Annual Return**

As on the financial year ended on 31/03/2016 of

TECHNO ELECTRIC & ENGINEERING COMPANY LIMITED

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

I. REGISTRATION AND OTHER DETAILS:

i) CIN:-	L40108WB2005PLC139595
ii) Registration Date:	26/10/2005
iii) Name of the Company	Techno Electric & Engineering Company Limited
iv) Category/Sub-Category of the Company:-	Public Limited Company
v) Address of the Registered office and contact details	P-46A, Radha Bazar Lane, Kolkata - 700001 Ph: (033) 4051 3000
vi) Whether listed company (Yes/No)	Yes - BSE & NSE
vii) Name, Address and Contact details of Registrar and Transfer Agent	Niche Technologies Pvt. Ltd. D-511, Bagree Market, 5th Floor, 71, B.R.B. Basu Road, Kolkata-700001, Ph.-2235-7270

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	EPC (Construction)	45204	95.61
2	ENERGY (Power)	40108	1.75

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	Simran Wind Project Ltd.	U40108WB2005PLC166026	Subsidiary	100.00%	2(87)
2	Patran Transmission Company Ltd.	U40101DL2012GOI246421	Subsidiary (upto 26/05/2015)	100.00%	2(87)
3	Patran Transmission Company Ltd.	U40101DL2012GOI246421	Associate(from 27/05/2015)	49.00%	2(87)
4	Techno Power Grid Co.Ltd.	U40300WB2014PLC200362	Subsidiary (upto 24/05/2015)	99.99%	2(87)

Sl. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
5	Techno Infra Developers Private Limited	U45400WB2014PTC201760	Subsidiary	99.99%	2(87)
6	Techno Clean Energy Private Limited	U40300WB2015PTC206293	Subsidiary	99.96%	2(87)
7	Techno Green Energy Private Limited	U40300WB2015PTC206298	Subsidiary	99.96%	2(87)
8	Techno Wind Power Private Limited	U40300WB2015PTC206294	Subsidiary	99.96%	2(87)

IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTER & PROMOTER GROUP									
(1) Indian									
a) Individual/ HUF	942620	0	942620	1.651	942620	0	942620	1.651	0.000
b) Central Govt	0	0	0	0.000	0	0	0	0.000	0.000
c) State Govt(s)	0	0	0	0.000	0	0	0	0.000	0.000
d) Bodies Corp.	32158018	0	32158018	56.327	32158018	0	32158018	56.327	0.000
e) Banks / FI	0	0	0	0.000	0	0	0	0.000	0.000
f) Any other	0	0	0	0.000	0	0	0	0.000	0.000
Sub Total of (A)(1)	33100638	0	33100638	57.979	33100638	0	33100638	57.979	0.000
(2) Foreign									
a) NRIs - Individual	0	0	0	0.000	0	0	0	0.000	0.000
b) Other Individuals	0	0	0	0.000	0	0	0	0.000	0.000
c) Bodies Corp.	0	0	0	0.000	0	0	0	0.000	0.000
d) Banks / FI	0	0	0	0.000	0	0	0	0.000	0.000
e) Any other	0	0	0	0.000	0	0	0	0.000	0.000
Sub Total of (A)(2)	0	0	0	0.000	0	0	0	0.000	0.000
Total Shareholding of Promoter & Promoter Group (A)=(A)(1)+(A)(2)	33100638	0	33100638	57.979	33100638	0	33100638	57.979	0.000

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
1. Institutions									
a) Mutual Funds	8573472	0	8573472	15.017	9850403	0	9850403	17.254	2.237
b) Banks / FI	65587	0	65587	0.115	65528	0	65528	0.115	0.000
c) Central Govt.	0	0	0	0.000	0	0	0	0.000	0.000
d) State Govt.	0	0	0	0.000	0	0	0	0.000	0.000
e) Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
f) Insurance Companies	0	0	0	0.000	0	0	0	0.000	0.000
g) FIs	2911217	0	2911217	5.099	3095986	0	3095986	5.423	0.324
h) Foreign Venture Capital Funds	0	0	0	0.000	0	0	0	0.000	0.000
i) Others (specify)	0	0	0	0.000	0	0	0	0.000	0.000
FPI-Corporate Cat-I	0	0	0	0.000	4872	0	4872	0.009	0.009
FPI-Corporate Cat-II	0	0	0	0.000	1325352	0	1325352	2.321	2.321
FPI-Corporate Cat-III	0	0	0	0.000	50000	0	50000	0.088	0.088
Sub-total (B)(1):-	11550276	0	11550276	20.231	14392141	0	14392141	25.209	4.978
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0.000	0	0	0	0.000	0.000
i) Indian	9779880	7200	9787080	17.143	7248576	7200	7255776	12.709	-4.434
ii) Overseas	0	0	0	0.000	0	0	0	0.000	0.000
b) Individuals	0	0	0	0.000	0	0	0	0.000	0.000
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1772698	186053	1958751	3.431	1527540	169003	1696543	2.972	-0.459
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	411000	56195	467195	0.818	387263	56195	443458	0.777	-0.042
c) Any Others				0.000				0.000	0.000
NRI / OCBs	24166	0	24166	0.042	31866	0	31866	0.056	0.013
Clrng Memb / Clg. Cor	203094	0	203094	0.356	170778	0	170778	0.299	-0.057
Sub-total (B)(2):-	12190838	249448	12440286	21.790	9366023	232398	9598421	16.812	-4.978
Total Public Shareholding (B)=(B)(1)+ (B)(2)	23741114	249448	23990562	42.021	23758164	232398	23990562	42.021	0.000
Total (A)+(B)	56841752	249448	57091200	100.000	56858802	232398	57091200	100.000	0.000
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS									
Grand Total (A+B+C)	56841752	249448	57091200	100.000	56858802	232398	57091200	100.000	0.000

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares	% of Shares Pledged / of the encumbered to total shares	No. of Shares	% of total Shares	% of Shares Pledged / of the encumbered to total shares	
1	Checons Limited	1064403	1.864	0	1064403	1.864	0	0.00
2	Kusum Industrial Gases Ltd.	7083000	12.406	0	7083000	12.406	0	0.00
3	Pragya Commerce Pvt. Ltd.	717753	1.257	0	717753	1.257	0	0.00
4	Techno Leasing & Finance Co.Pvt. Ltd.	6894000	12.075	0	6894000	12.075	0	0.00
5	Techno Power Projects Ltd.	3204000	5.612	0	3204000	5.612	0	0.00
6	Trimurti Associates Pvt. Ltd.	999962	1.752	0	999962	1.752	0	0.00
7	Varanasi Commercial Ltd.	12194900	21.360	0	12194900	21.360	0	0.00
8	Ankit Saraiya	108000	0.189	0	108000	0.189	0	0.00
9	Avantika Gupta	36000	0.063	0	36000	0.063	0	0.00
10	P.P. Gupta (HUF)	599400	1.050	0	599400	1.050	0	0.00
11	Padam Prakash Gupta	153000	0.268	0	153000	0.268	0	0.00
12	Raj Prabha Gupta	46220	0.081	0	46220	0.081	0	0.00
	Total	33100638	57.979		33100638	57.979		0.000

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

Sl No.	Shareholder's Name	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	Checons Ltd.				
	At the beginning of the year	1064403	1.864		
	Changes during the year		No Change during the year		
	At the End of the year			1064403	1.864
2	Kusum Industrial Gases Ltd.				
	At the beginning of the year	7083000	12.406		
	Changes during the year		No Change during the year		
	At the End of the year			7083000	12.406
3	Pragya Commerce Pvt. Ltd.				
	At the beginning of the year	717753	1.257		
	Changes during the year				
	At the End of the year			717753	1.257

Sl No.	Shareholder's Name	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
4	Techno Leasing & Finance Co.Pvt. Ltd.				
	At the beginning of the year	6894000	12.075		
	Changes during the year		No Change during the year		
	At the End of the year			6894000	12.075
5	Techno Power Projects Ltd.				
	At the beginning of the year	3204000	5.612		
	Changes during the year		No Change during the year		
	At the End of the year			3204000	5.612
6	Trimurti Associates Pvt. Ltd.				
	At the beginning of the year	999962	1.752		
	Changes during the year		No Change during the year		
	At the End of the year			999962	1.752
7	Varanasi Commercial Ltd.				
	At the beginning of the year	12194900	21.360		
	Changes during the year		No Change during the year		
	At the End of the year			12194900	21.360
8	Ankit Saraiya				
	At the beginning of the year	108000	0.189		
	Changes during the year		No Change during the year		
	At the End of the year			108000	0.189
9	Avantika Gupta				
	At the beginning of the year	36000	0.063		
	Changes during the year		No Change during the year		
	At the End of the year			36000	0.063
10	P P Gupta (HUF)				
	At the beginning of the year	599400	1.050		
	Changes during the year		No Change during the year		
	At the End of the year			599400	1.050
11	Padam Prakash Gupta				
	At the beginning of the year	153000	0.268		
	Changes during the year		No Change during the year		
	At the End of the year			153000	0.268
12	Raj Prabha Gupta				
	At the beginning of the year	46220	0.081		
	Changes during the year		No Change during the year		
	At the End of the year			46220	0.081

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

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Aarkay Investments Pvt. Ltd.				
	At the beginning of the year	1486709	2.604		
	Changes during the year				
	Date Reason				
	19-Jun-15 Sell	500000	0.876	986709	1.728
	03-Jul-15 Sell	300000	0.525	686709	1.203
	17-Jul-15 Sell	200000	0.350	486709	0.853
	24-Jul-15 Sell	486709	0.853	0	0.000

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the End of the year (or on the date of separation, if separated during the year)			0	0.000
2	DSP Blackrock 3 years close ended equity				
	At the beginning of the year	2277830	3.990		
	Changes during the year				
	Date Reason				
	17-Apr-15 Sell	16333	0.029	2261497	3.961
	22-May-15 Buy	6279	0.011	2267776	3.972
	29-May-15 Buy	200000	0.350	2467776	4.323
	24-Jul-15 Buy	197005	0.345	2664781	4.668
	30-Oct-15 Buy	5837	0.010	2670618	4.678
	06-Nov-15 Buy	570769	1.000	3241387	5.678
	20-Nov-15 Buy	32894	0.058	3274281	5.735
	25-Dec-15 Buy	10190	0.018	3284471	5.753
	31-Dec-15 Buy	89559	0.157	3374030	5.910
	22-Jan-16 Buy	5996	0.011	3380026	5.920
	19-Feb-16 Buy	2890	0.005	3382916	5.925
	04-Mar-16 Buy	233	0.000	3383149	5.926
	18-Mar-16 Buy	65000	0.114	3448149	6.040
	At the End of the year (or on the date of separation, if separated during the year)			3448149	6.040
3	GMO Emerging Domestic Opportunities Fund				
	At the beginning of the year				
	Changes during the year	940374	1.647		
	Date Reason				
	24-Apr-15 Sell	24200	0.042	916174	1.605
	29-May-15 Buy	535442	0.938	1451616	2.543
	10-Jul-15 Buy	353696	0.620	1805312	3.162
	04-Sep-15 Buy	40056	0.070	1845368	3.232
	11-Sep-15 Buy	3050	0.005	1848418	3.238
	18-Sep-15 Sell	754	0.001	1847664	3.236
	25-Sep-15 Sell	350000	0.613	1497664	2.623
	30-Sep-15 Sell	1699	0.003	1495965	2.620
	09-Oct-15 Sell	3899	0.007	1492066	2.613
	16-Oct-15 Sell	465	0.001	1491601	2.613
	23-Oct-15 Sell	22311	0.039	1469290	2.574
	30-Oct-15 Sell	289472	0.507	1179818	2.067
	At the End of the year (or on the date of separation, if separated during the year)			1179818	2.067
4	Government Pension Fund Global				
	At the beginning of the year	0	0.000		
	Changes during the year				
	Date Reason				
	29-May-15 Buy	285799	0.501	285799	0.501
	26-Jun-15 Buy	488264	0.855	774063	1.356

Sl No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	14-Aug-15	Buy	99508	0.174	873571	1.530
	21-Aug-15	Buy	200000	0.350	1073571	1.880
	At the End of the year (or on the date of separation, if separated during the year)				1073571	1.880
5	ICICI Prudential Life Insurance Company		1143628	2.003		
	At the beginning of the year					
	Changes during the year					
	Date	Reason				
	30-Jun-15	Sell	14328	0.025	1129300	1.978
	3-Jul-15	Sell	36852	0.065	1092448	1.914
	3-Jul-15	Sell	300000	0.525	792448	1.388
	31-Jul-15	Sell			792448	1.388
6	J.P. Financial Services Pvt. Ltd.					
	At the beginning of the year		2954489	5.175		
	Changes during the year					
	Date	Reason				
	20-Nov-15	Sell	49778	0.087	2904711	5.088
	At the End of the year (or on the date of separation, if separated during the year)				2904711	5.088
7	Kotak Midcap					
	At the beginning of the year		486993	0.853		
	Changes during the year					
	Date	Reason				
	10-Apr-15	Buy	17182	0.030	504175	0.883
	17-Apr-15	Buy	3000	0.005	507175	0.888
	1-May-15	Buy	8000	0.014	515175	0.902
	8-May-15	Buy	3667	0.006	518842	0.909
	15-May-15	Buy	4644	0.008	523486	0.917
	22-May-15	Buy	2000	0.004	525486	0.920
	29-May-15	Buy	90044	0.158	615530	1.078
	5-Jun-15	Buy	3994	0.007	619524	1.085
	26-Jun-15	Sell	3607	0.006	615917	1.079
	30-Jun-15	Sell	41464	0.073	574453	1.006
	24-Jul-15	Buy	368095	0.645	942548	1.651
	31-Jul-15	Buy	103706	0.182	1046254	1.833
	7-Aug-15	Buy	9144	0.016	1055398	1.849
	28-Aug-15	Buy	10213	0.018	1065611	1.867
	4-Sep-15	Sell	125000	0.219	940611	1.648
	25-Sep-15	Buy	2387	0.004	942998	1.652
	30-Sep-15	Buy	47783	0.084	990781	1.735
	23-Oct-15	Buy	129665	0.227	1120446	1.963
	30-Oct-15	Buy	20109	0.035	1140555	1.998
	6-Nov-15	Buy	57891	0.101	1198446	2.099
	4-Dec-15	Sell	69892	0.122	1128554	1.977
	8-Jan-16	Buy	3608	0.006	1132162	1.983
	15-Jan-16	Buy	14392	0.025	1146554	2.008
	29-Jan-16	Sell	1473	0.003	1145081	2.006

Sl No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	12-Feb-16	Buy	5574	0.010	1150655	2.015
	19-Feb-16	Buy	4653	0.008	1155308	2.024
	26-Feb-16	Buy	2071	0.004	1157379	2.027
	4-Mar-16	Buy	1208	0.002	1158587	2.029
	11-Mar-16	Buy	3627	0.006	1162214	2.036
	At the End of the year (or on the date of separation, if separated during the year)					
8	L AND T Mutual Fund Trustee Ltd -L AND T					
	At the beginning of the year		1519461	2.661		
	Changes during the year					
	Date	Reason				
	10-Apr-15	Buy	55000	0.096	1574461	2.758
	24-Apr-15	Buy	61386	0.108	1635847	2.865
	1-May-15	Buy	5000	0.009	1640847	2.874
	8-May-15	Buy	19431	0.034	1660278	2.908
	15-May-15	Buy	1500	0.003	1661778	2.911
	22-May-15	Buy	85139	0.149	1746917	3.060
	29-May-15	Buy	60000	0.105	1806917	3.165
	5-Jun-15	Buy	5000	0.009	1811917	3.174
	12-Jun-15	Buy	8806	0.015	1820723	3.189
	26-Jun-15	Buy	5000	0.009	1825723	3.198
	3-Jul-15	Buy	1840	0.003	1827563	3.201
	10-Jul-15	Buy	227637	0.399	2055200	3.600
	24-Jul-15	Buy	5000	0.009	2060200	3.609
	31-Jul-15	Buy	13500	0.024	2073700	3.632
	7-Aug-15	Buy	572	0.001	2074272	3.633
	14-Aug-15	Buy	4000	0.007	2078272	3.640
	28-Aug-15	Buy	2000	0.004	2080272	3.644
	4-Sep-15	Buy	2000	0.004	2082272	3.647
	11-Sep-15	Buy	2000	0.004	2084272	3.651
	18-Sep-15	Buy	2000	0.004	2086272	3.654
	25-Sep-15	Buy	5000	0.009	2091272	3.663
	30-Sep-15	Buy	2500	0.004	2093772	3.667
	9-Oct-15	Buy	2000	0.004	2095772	3.671
	16-Oct-15	Buy	5000	0.009	2100772	3.680
	23-Oct-15	Buy	7000	0.012	2107772	3.692
	6-Nov-15	Buy	2000	0.004	2109772	3.695
	13-Nov-15	Buy	1000	0.002	2110772	3.697
	27-Nov-15	Buy	3000	0.005	2113772	3.702
	4-Dec-15	Buy	2000	0.004	2115772	3.706
	18-Dec-15	Buy	4775	0.008	2120547	3.714
	8-Jan-16	Buy	2042	0.004	2122589	3.718
	15-Jan-16	Buy	22082	0.039	2144671	3.757
	5-Feb-16	Sell	27100	0.047	2117571	3.709
	19-Feb-16	Buy	2000	0.004	2119571	3.713
	26-Feb-16	Buy	2000	0.004	2121571	3.716

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the End of the year (or on the date of separation, if separated during the year)			2121571	3.716
9	MAX Life Insurance Co. Ltd. A/C Participat				
	At the beginning of the year	1568859	2.748		
	Changes during the year				
	Date Reason				
	10-Apr-15 Buy	1500	0.003	1570359	2.751
	24-Apr-15 Buy	476	0.001	1570835	2.751
	22-May-15 Sell	907	0.002	1569928	2.750
	5-Jun-15 Buy	40000	0.070	1609928	2.820
	17-Jul-15 Buy	197700	0.346	1807628	3.166
	7-Aug-15 Buy	5000	0.009	1812628	3.175
	21-Aug-15 Buy	100000	0.175	1912628	3.350
	28-Aug-15 Buy	22263	0.039	1934891	3.389
	4-Sep-15 Buy	14526	0.025	1949417	3.415
	9-Oct-15 Buy	50000	0.088	1999417	3.502
	6-Nov-15 Sell	230802	0.404	1768615	3.098
	4-Dec-15 Buy	70000	0.123	1838615	3.220
	31-Dec-15 Buy	100000	0.175	1938615	3.396
	8-Jan-16 Buy	1500	0.003	1940115	3.398
	15-Jan-16 Buy	1056	0.002	1941171	3.400
	29-Jan-16 Buy	1500	0.003	1942671	3.403
	5-Feb-16 Buy	27100	0.047	1969771	3.450
	12-Feb-16 Buy	802	0.001	1970573	3.452
	18-Mar-16 Buy	13740	0.024	1984313	3.476
	25-Mar-16 Buy	16900	0.030	2001213	3.505
	31-Mar-16 Buy	37512	0.066	2038725	3.571
	At the End of the year (or on the date of separation, if separated during the year)			2038725	3.571
10	Noble Communications Pvt. Ltd.				
	At the beginning of the year	2141014	3.750		
	Changes during the year				
	Date Reason				
	3-Jul-15 Sell	427000	0.748	1714014	3.002
	10-Jul-15 Buy	141	0.000	1714155	3.002
	24-Jul-15 Sell	86291	0.151	1627864	2.851
	21-Aug-15 Sell	293952	0.515	1333912	2.336
	18-Dec-15 Sell	15000	0.026	1318912	2.310
	25-Dec-15 Sell	20000	0.035	1298912	2.275
	At the End of the year (or on the date of separation, if separated during the year)			1298912	2.275
11	SBI Emerging Businesses Fund				
	At the beginning of the year	2070000	3.626		
	Changes during the year				

SI No.	For Each of the Top 10 Shareholders		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Date	Reason				
	22-May-15	Sell	50000	0.088	2020000	3.538
	29-May-15	Sell	1050000	1.839	970000	1.699
	9-Oct-15	Sell	20000	0.035	950000	1.664
	30-Oct-15	Sell	40000	0.070	910000	1.594
	6-Nov-15	Sell	25000	0.044	885000	1.550
	11-Dec-15	Sell	15481	0.027	869519	1.523
	25-Dec-15	Sell	139870	0.245	729649	1.278
	31-Dec-15	Sell	134649	0.236	595000	1.042
	At the End of the year (or on the date of separation, if separated during the year)				595000	1.042
12	TATA Balanced Fund					
	At the beginning of the year		1500000	2.627		
	Changes during the year					
	Date	Reason				
	14-Aug-15	Sell	100000	0.175	1400000	2.452
	12-Feb-16	Sell	65000	0.114	1335000	2.338
	At the End of the year (or on the date of separation, if separated during the year)				1335000	2.338

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.	For Each of the Directors and KMP		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Padam Prakash Gupta, MD cum KMP					
	At the beginning of the year		153000	0.268		
	Changes during the year			No Change		
	At the End of the year				153000	0.268
2	Mr. V D Mohile, Director					
	At the beginning of the year		9302	0.016		
	Changes during the year			No Change		
	At the End of the year				9302	0.016
3	Mr. K K Rai, Director					
	At the beginning of the year		1000	0.002		
	Changes during the year			No Change		
	At the End of the year				1000	0.002
4	Mr. Ankit Saraiya, Director					
	At the beginning of the year		108000	0.189		
	Changes during the year			No Change		
	At the End of the year				108000	0.189
5	Ms. Avantika Gupta, Director					
	At the beginning of the year		36000	0.063		

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Changes during the year	No Change During the year			
	At the End of the year			36000	0.063
6	Mr.K Vasudevan, Director				
	At the beginning of the year	0	0.000		
	Changes during the year	No Change During the year			
	At the End of the year			0	0.000
7	Mr. K. M. Poddar, Director				
	At the beginning of the year	0	0.000		
	Changes during the year	No Change During the year			
	At the End of the year			0	0.000
8	Mr. S. N. Roy, Director				
	At the beginning of the year	0	0.000		
	Changes during the year	No Change During the year			
	At the End of the year			0	0.000
9	Mr. P. K. Lohia, CFO cum KMP				
	At the beginning of the year	1000	0.002		
	Changes during the year				
	Date Reason				
	29-May-15 Sell	1000	0.002		
	At the End of the year			0	0.000
10	Mr. Niranjan Brahma, CS cum KMP				
	At the beginning of the year	0	0.000		
	Changes during the year	No Change During the year			
	At the End of the year			0	0.000

V. INDEBTEDNESS

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

	In ₹			
Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	1,71,54,81,666	0	0	1,71,54,81,666
ii) Interest due but not paid				
iii) Interest accrued but not due	1,25,96,283	0	0	12596283
Total (i+ii+iii)	1,72,80,77,949	0	0	1,72,80,77,949
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change	(4,98,81,828)	0	0	(4,98,81,828)
Indebtedness at the end of the financial year				
i) Principal Amount	1,71,54,81,666	0	0	1,71,54,81,666
ii) Interest due but not paid				
iii) Interest accrued but not due	1,25,96,283	0	0	1,25,96,283
Total (i+ii+iii)	1,72,80,77,949	0	0	1,72,80,77,949

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				In ₹ Total Amount
		P P Gupta (MD)				
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	35,10,000				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	2,80,800				
	(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	1,53,86,968				
5	Others, please specify					
	Total (A)	1,91,77,768				1,91,77,768
	Ceiling as per the Act					7,69,34,840

B. Remuneration to other directors:

Sl. no.	Particulars of Remuneration	Name of Directors					In ₹
		K Vasudevan	V D Mohile	K K Rai	S N Roy	K M Poddar	
1	Independent Directors						
	Fee for attending board committee meetings	90,000	70,000	60,000	70,000	40,000	
	Commission	0	0	0	0	0	
	Others, please specify	0	0	0	0	0	
	Total	90,000	70,000	60,000	70,000	40,000	
	Total (1)						3,30,000
2	Other Non-Executive Directors	Ankit Saraiya	Avantika Gupta				
	Fee for attending board committee meetings	40,000	40,000				
	Commission	0	0				
	Others, please specify	0	0				
	Total	40,000	40,000				
	Total (2)						80,000
	Total (B)=(1+2)						4,10,000
	Total Managerial Remuneration						4,10,000
	Overall Ceiling as per the Act						41,00,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			In ₹ Total
		CEO	Company Secretary	CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	12,40,400	18,31,460	30,71,860
	(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	-	-	-	-
	Total (A)	-	12,40,400	18,31,460	30,71,860

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			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

Annexure V

Particulars of Employees pursuant to Section 134(3)(q) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Requirement	Details																
(i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;	Director :- <table> <tr> <td>Mr. P. P. Gupta, MD</td><td>- 40.03 : 1</td></tr> <tr> <td>Mr. K. Vasudevan</td><td>- 0.19 : 1</td></tr> <tr> <td>Mr. V D Mohile</td><td>- 0.15 : 1</td></tr> <tr> <td>Mr. K. K. Rai</td><td>- 0.13 : 1</td></tr> <tr> <td>Mr. S. N. Roy</td><td>- 0.15 : 1</td></tr> <tr> <td>Mr. K. M. Poddar</td><td>- 0.08 : 1</td></tr> <tr> <td>Mr. Ankit Saraiya</td><td>- 0.08 : 1</td></tr> <tr> <td>Ms. Avantika Gupta</td><td>- 0.08 : 1</td></tr> </table>	Mr. P. P. Gupta, MD	- 40.03 : 1	Mr. K. Vasudevan	- 0.19 : 1	Mr. V D Mohile	- 0.15 : 1	Mr. K. K. Rai	- 0.13 : 1	Mr. S. N. Roy	- 0.15 : 1	Mr. K. M. Poddar	- 0.08 : 1	Mr. Ankit Saraiya	- 0.08 : 1	Ms. Avantika Gupta	- 0.08 : 1
Mr. P. P. Gupta, MD	- 40.03 : 1																
Mr. K. Vasudevan	- 0.19 : 1																
Mr. V D Mohile	- 0.15 : 1																
Mr. K. K. Rai	- 0.13 : 1																
Mr. S. N. Roy	- 0.15 : 1																
Mr. K. M. Poddar	- 0.08 : 1																
Mr. Ankit Saraiya	- 0.08 : 1																
Ms. Avantika Gupta	- 0.08 : 1																
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Directors:- <table> <tr> <td>Mr. P. P. Gupta, MD</td><td>- 34.51% (including commission)</td></tr> </table> Key Managerial Personnel :- <table> <tr> <td>Mr. P. K. Lohia, CFO</td><td>- 8%</td></tr> <tr> <td>Mr. N. Brahma, Company Secretary</td><td>- 10%</td></tr> </table>	Mr. P. P. Gupta, MD	- 34.51% (including commission)	Mr. P. K. Lohia, CFO	- 8%	Mr. N. Brahma, Company Secretary	- 10%										
Mr. P. P. Gupta, MD	- 34.51% (including commission)																
Mr. P. K. Lohia, CFO	- 8%																
Mr. N. Brahma, Company Secretary	- 10%																
(iii) the percentage increase in the median remuneration of employees in the financial year;	7.74%																
(iv) the number of permanent employees on the rolls of company;	403																
(v) the explanation on the relationship between average increase in remuneration and company performance;	Average increase in remuneration of all employees was 5% for the year 2015-16 on the basis of individual performance of the employee with the performance of the Company. Total Turnover/PAT of the Company increased by 50% and 47% for Standalone and 38% and 32% for Consolidated.																
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	The increase in remuneration of the CFO and Company Secretary is around 8% to 10% whereas the remuneration of the MD is increased by 34% due to increase in the commission on profit which has been increased by 47% as compared to last year.																

	As on 31.03.2015	As on 31.03.2016	% Change
(vii) variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;	Market Capitalisation: Increase (₹ In Crores) :- BSE - ₹ 2218.56 ₹ 3062.68 38.02% NSE - ₹ 2228.84 ₹ 3108.90 39.48% Price Earnings Ratio: BSE 21.11 21.79 NSE 21.21 22.12 Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer – Not Applicable		
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average Salary increase of non-managerial employees is around 5%, whereas the average increase of managerial employee (Managing Director) is around 34% this is due to increase in the commission which is 1% of the profit of the Company which has been increased by 47% as compared to last year. There are no exceptional circumstances for increase in managerial remuneration.		
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company;	Same as in sl. No. (iv) above		
(x) the key parameters for any variable component of remuneration availed by the directors;	There is no such key parameters for any variable component of remuneration availed by the directors.		
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	There is no such employee who received more than the highest remuneration paid to Managing Director.		
(xii) affirmation that the remuneration is as per the remuneration policy of the Company.	The remuneration paid during the year is as per the Remuneration policy of the Company.		

CSR EXPENDITURE FOR THE FINANCIAL YEAR 2015-16:

Annexure VI

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Address of Registered Office	Main Business Activity of the Company	Prescribed CSR Budget (2% of Average Net Profit for FY, 2012-13, 2013-14 & 2014-15)	Allocated CSR Budget	Actual CSR spent in FY, 2014-15	Administrative Overhead Expenditure	Reasons for under spending/ not spending (if any)	Details of CSR Programmes/ Projects/ Activities	Project Description	Sector(s) covered within Schedule VII	Geographical areas where project was implemented	States where undertaken	Districts where under-taken	Outlay (Programme/ project)	Expenditure on Programme or Project	Mode of Implementation (Direct or through implementing agencies)	Details Implementing agencies
P-46A, Radha Bazar Lane, Kolkata-700001	EPC & Power Generation	₹ 1.44 Crores	₹ 2.00 Crores	₹ 2.00 Crores	Nil	Nil	Preservation and Restoration of Heritage Building	IIIM Ahmedabad for construction and preservation of building	Protection of Heritage Building Item No. v of Schedule VII	Ahmedabad Gujarat	Ahmedabad	Gandhinagar	N.A.	₹ 2.00 Crores	Self by the Company	Self by the Company

**List of Policies available in the Website of the Company
i.e. www.techno.co.in>Investors>Codes&Policies**

1. Nomination and Remuneration Policy;
2. CSR Policy;
3. Whistle Blower Policy;
4. Policy on Related Party Transactions;
5. Policy for Material Subsidiary

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance is based on the principles of equity, fairness, transparency, spirit of law and honest communication. Timely disclosures, transparent accounting policies, independent Board, right and equitable treatment of shareholders, protecting the interest of stakeholders goes a long way in preserving shareholders trust along and ensuring efficient working and proper conduct of the business of the Company. The Company believes in true implementation of the same to achieve proper governance for the benefit of all stakeholders.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company had executed fresh Listing Agreements with the Stock Exchanges.

The Company is in full compliance with the provisions regarding Corporate Governance as entailed in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures are as follows:

BOARD OF DIRECTORS:

The Board of Directors is constituted in compliance with Clause 49 of Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board functions either as a full Board and / or through various committees constituted in terms of the requirements of the Code of Corporate Governance to oversee various operational areas. There are eight members on the Board, out of which five members are Non-Executive Independent, two members are Non-Executive Non-independent and one is Executive i.e. the Managing Director.

The number of other directorships and positions held in other Board Committee as at 31st March, 2016 are listed below:

Name of the Director	Director Identification Number (DIN)	Category	No. of other Directorships*	No. of other Committee Positions held	
				Member	Chairman
Mr. P. P. Gupta Managing Director	00055954	Executive	2	-	-
Mr. K. M. Poddar Director	00028012	Independent, Non-Executive	1	-	-
Mr. V. D. Mohile Director	00060785	Independent, Non-Executive	-	-	-
Mr. K. Vasudevan Director	00018023	Independent, Non-Executive	1	-	1
Mr. K. K. Rai Director	00629937	Independent, Non-Executive	-	-	-
Mr. S. N. Roy Director	00408742	Independent, Non-Executive	8	2	3
Mr. Ankit Saraiya Director	02771647	Non-Independent, Non-Executive	4	2	1
Ms. Avantika Gupta Director	03149138	Non-Independent, Non-Executive	5	1	-

* This does not include Directorship in Private Companies.

The number of Committees (Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Share Transfer and Transmission Committee and Risk Management Committee) of public limited companies in which a Director is a member/chairman were within the limits prescribed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, for all the Directors of the Company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT

Ms. Avantika Gupta, Non-Independent Non-Executive Director is liable to retire by rotation at the ensuing Annual General Meeting and seeking re-appointment. She shall be re-appointed by the shareholders. A brief profile of Ms. Avantika Gupta is given below:

Ms. Avantika Gupta, aged about 26 years residing at 2B, Hastings Park Road, Block – C, Alipore, Kolkata – 700027 is a Bachelor of Science (Economics & Finance) with Minor in Accountancy and Creative Writing from Bentley University in Waltham, Massachusetts, U.S.A with financial and commercial knowledge and experience of more than 3 years.

Mr. Padam Prakash Gupta (holding DIN: 00055954), Managing Director of the Company whose tenure is going to expire on 30th of June, 2016 was re-appointed on recommendation of the Nomination and Remuneration Committee and in compliance with the provisions of Companies Act, 2013 on the Board Meeting held on 28th May, 2016 for further tenure of 3 years w.e.f. 1st July, 2016. He is seeking approval / confirmation of his re-appointment at the ensuing Annual General Meeting. A brief profile of Mr. Padam Prakash Gupta is given below:

Mr. P. P. Gupta, Managing Director, aged about 66 years is a Bachelor in Engineering and a Post Graduate in Business Management from the Indian Institute of Management, Ahmedabad. He was associated with the Planning Commission, Govt. of India as a Financial Analyst and Management Consultant, deputed to Bharat Heavy Electricals Limited and as an Advisor in the Merchant Banking Division of the erstwhile ANZ Grindlays Bank, Kolkata.

DIRECTOR'S MEETINGS, ANNUAL GENERAL MEETING, ATTENDANCE AND REMUNERATION

During the financial year ended 31st March, 2016, four Board meetings were held on 22nd May, 2015; 8th August, 2015; 7th November, 2015 and 6th February, 2016 and one separate Meeting of the Independent Directors was held on 6th February, 2016. The Annual General Meeting was held on 7th August, 2015.

The Attendance of the Directors at the meetings and the Annual General Meeting and remuneration paid to them for attending the meetings are given below:

Name of the Director	DIN	No. of Board Meetings		Fees Paid (₹)	Attendance at AGM held on 07/08/2015
		Held	Attended		
Mr. P.P. Gupta, Managing Director	00055954	4	4	-	Yes
Mr. K. M. Poddar, Director	00028012	4	3	30,000	No
Mr. V.D. Mohile, Director	00060785	4	3	30,000	Yes
Mr. K. Vasudevan, Director	00018023	4	4	40,000	Yes
Mr. K. K. Rai, Director	00629937	4	3	30,000	Yes
Mr. S. N. Roy, Director	00408742	4	3	30,000	No
Mr. Ankit Saraiya, Director	02771647	4	4	40,000	Yes
Ms. Avantika Gupta, Director	03149138	4	4	40,000	Yes

The separate Meeting of Independent Directors was attended by the Directors namely, Mr. K. Vasudevan, Mr. K. M. Poddar, Mr. V. D. Mohile and Mr. S. N. Roy. Leave of absence was granted to Mr. K. K. Rai as informed by the Chairman of the meeting. In the meeting, Independent Directors had reviewed the performance of other Non-Executive Directors including the executive Chairman. The Directors were also paid fees for attending the meeting.

The performance of the Independent Directors was also reviewed by the Non-Executive Directors during the year under review.

DISCLOSURE ON RELATIONSHIP BETWEEN DIRECTORS

The Directors have no relationship between themselves except as Board colleagues. However, Mr. Ankit Saraiya and Ms. Avantika Gupta who are Non-Independent Non-Executive Directors are relative of Mr. P. P. Gupta, Managing Director.

SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on 31st March, 2016, the shareholding of Directors and Key Managerial Personnel are given below:

Name	Designation	No. of Shares
Mr. P. P. Gupta	Managing Director cum KMP	1,53,000
Mr. Ankit Saraiya	Non-Executive Non-Independent Director	1,08,000
Ms. Avantika Gupta	Non-Executive Non-Independent Director	36,000
Mr. V. D. Mohile	Independent Director	9,302
Mr. K. K. Rai	Independent Director	1000
Mr. K Vasudevan	Independent Director	Nil
Mr. S. N. Roy	Independent Director	Nil
Mr. P. K. Lohia	Chief Financial Officer & KMP	Nil
Mr. N. Brahma	Company Secretary & KMP	Nil

CODE OF FAIR DISCLOSURE AND CONDUCT

All Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of conduct for the year ended 31st March, 2016. The Code of Conduct is available at the official website of the Company at www.techno.co.in. The Code of Fair Disclosure relating to disclosure of Unpublished Price Sensitive Information (UPSI) as prescribed by SEBI in terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015 is also available at the Company's above-mentioned Website.

AUDIT COMMITTEE

Composition

The Audit Committee has four independent directors as its Members, Mr. K. Vasudevan, is the Chairman of the Committee and other Members are Mr. S. N. Roy, Mr. V. D. Mohile and Mr. K. K. Rai. Mr. N. Brahma, Company Secretary acts as the secretary to the committee.

Terms of Reference

The Audit Committee acts in accordance with the terms of reference specified in writing by the Board which shall, inter alia, includes -

- The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;

- iii. Examination of the financial statement and the auditors' report thereon;
- iv. Approval or any subsequent modification of transactions of the company with related parties;
- v. Scrutiny of inter-corporate loans and investments;
- vi. Valuation of undertakings or assets of the company, wherever it is necessary;
- vii. Evaluation of internal financial controls and risk management systems;
- viii. Monitoring the end use of funds raised through public offers and related matters.

Powers of Audit Committee

The Audit committee shall have the authority –

- i. To call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board.
- ii. To discuss any related issues with the internal and statutory auditors and the management of the company.
- iii. To investigate into any matter in relation to the items or referred to it by the Board.
- iv. To obtain professional advice from external sources.
- v. To have full access to information contained in the records of the company.

Right to be heard

The auditors of a company and the Key Managerial Personnel (KMP) shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.

Attendance and Remuneration:

As on 31st March, 2016 four meetings of the Audit Committee were held on 22nd May, 2015; 8th August, 2015; 7th November, 2015 and 6th February, 2016. The attendance of the Directors at these committee meetings and remuneration paid to them is given below:

Name	No. of Meetings		Fees Paid (₹)
	Held	Attended	
Mr. K. Vasudevan, Chairman	4	4	40,000
Mr. S. N. Roy, Member	4	3	30,000
Mr. V. D. Mohile, Member	4	3	30,000
Mr. K. K. Rai, Member	4	3	30,000

Mr. P. P. Gupta, Managing Director, Mr. P. K. Lohia, CFO, Mr. N. Brahma, Company Secretary, representatives of the Statutory Auditors and Internal Auditors of the Company also attended the meetings.

Vigil Mechanism

The Company has established the Vigil Mechanism and implemented the Whistle Blower Policy within the Organisation. The vigil mechanism provides adequate safeguards against victimisation of employees and directors who avail of the mechanism and also provide for direct access to

the Chairperson of the Audit Committee. In case of repeated frivolous complaints being filed by a director or an employee, the audit committee may take suitable action against the concerned director or employee.

The role of the Audit committee has been defined by the Board, which includes the matters prescribed in Part A of Schedule II of Corporate Governance of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee is also empowered to review the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions submitted by the management;
- iii. Management letters/letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the internal auditor.

Internal Audit:

The Company has appointed M/s KSMN & Co., Chartered Accountant as Internal Auditor of the Company who has conducted the audit and submits their report on time to time before the Audit Committee including action taken reports on the findings and discrepancies, if any.

NOMINATION AND REMUNERATION COMMITTEE

Composition:

The Nomination and Remuneration Committee has three independent directors as its Members. Mr. S. N Roy, is the Chairman of the Committee and other Members are Mr. K. K. Rai and Mr. K. M. Poddar.

The Key Objectives of the Committee are:

- i. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- iii. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

Meeting & Attendance:

During the year 2015-16, no new appointment and removal of Directors, Key Managerial Personnel took place.

Responsibilities:

The Committee shall -

- i. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down,
- ii. Recommend to the Board their appointment and removal,
- iii. Carry out evaluation of every director's performance.
- iv. Formulate the criteria for determining qualifications, positive attributes and independence of a director and

- v. Recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Details of Remuneration to all the Directors:

Total remuneration paid to Mr. P. P. Gupta, Managing Director, for the year ended 31st March, 2016 is given below:

			₹ In Lakhs
Name	Salary	Commission	Total
Mr. P. P. Gupta, Managing Director	37.91	153.87	191.78

Total remuneration paid to Non-Executive Directors for attending meetings of the Board and Committee during the year ended 31st March, 2016 is given below:

Name	Sitting Fees	Commission	Total
Mr. K. M. Poddar, Director	40,000	Nil	40,000
Mr. V. D. Mohile, Director	70,000	Nil	70,000
Mr. K. Vasudevan, Director	90,000	Nil	90,000
Mr. K. K. Rai Director	60,000	Nil	60,000
Mr. S. N. Roy, Director	70,000	Nil	70,000
Mr. Ankit Saraiya, Director	40,000	Nil	40,000
Ms. Avantika Gupta, Director	40,000	Nil	40,000

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Composition:

The Stakeholders Relationship Committee has three directors as its Members. Mr. K. Vasudevan, is the Chairman of the Committee and other Members are Mr. V.D. Mohile and Mr. Ankit Saraiya.

Key Objectives

The primary function of the Stakeholders Relationship Committee ("the Committee") is inter-alia to consider and resolve the grievances of Stakeholders of the Company like –

- To monitor redressal of stakeholder's complaints/grievances including and relating to non-receipt of allotment / refund, transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.
- To authorise to maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including the blank forms of share certificates.
- To oversee the performance of the Registrar and Transfer Agents and to recommend measures for overall improvement in the quality of investor services.
- To perform all functions relating to the interests of security holders of the Company and as assigned by the Board, as may be required by the provisions of the Companies Act, 2013 and Rules made thereunder and in Part D of the Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other regulatory authority.

One meeting of the stakeholders' relationship committee was held during the year on 6th February, 2016. The meeting was attended by Mr. K. Vasudevan, Mr. Ankit Saraiya and Mr. V. D. Mohile.

Mr. N. Brahma, Company Secretary acts as the Secretary of the Committee.

There was no complaint at the beginning of the year, however one complaint was received during the year and it was resolved to the satisfaction of shareholders and therefore there is no pending complaints at the end of the year against the company. However, no complaints were received through SCORES.

RISK MANAGEMENT COMMITTEE:

The risk management committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations. The Committee has been assigned the job to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

One meeting of the risk management committee was held during the year on 23rd March, 2016. The meeting was attended by Mr. Padam Prakash Gupta, Mr. S. N. Roy and Mr. Ankit Saraiya.

SHARE TRANSFER AND TRANSMISSION COMMITTEE:

The Share Transfer and Transmission Committee have three directors as its Members. Ms. Avantika Gupta, as the Chairman of the Committee and other Members are Mr. S. N. Roy and Mr. Ankit Saraiya.

The key objectives of the committee are to consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

Four meetings of the Committee were held during the year on 9th July, 2015, 30th July, 2015, 18th February, 2016 and 10th March, 2016. The meetings were attended by Ms. Avantika Gupta, Mr. S. N. Roy and Mr. Ankit Saraiya.

CORPORATE SOCIAL RESPONSIBILITY ("CSR") COMMITTEE:

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Act.

The Corporate social responsibility ("CSR") Committee have three directors as its Members. Mr. K. M. Poddar, as the Chairman of the Committee and other Members are Mr. S. N. Roy and Ms. Avantika Gupta.

The broad terms of reference CSR committee is as follows:

- Formulate and recommend to the board, a CSR policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities referred to above;
- Monitor the CSR Policy of the Company from time to time;

One meeting of the Committee was held during the year on 6th February, 2016. The meeting was attended by Mr. K. M. Poddar, Mr. S. N. Roy and Ms. Avantika Gupta.

Mr. N. Brahma, Company Secretary acts as the Secretary of the Committee

GENERAL BODY MEETINGS:

Particulars of general body meetings for the last three years:

Financial year Ended	Day & date of AGM	Venue	Time	No. of special resolutions passed
31st March, 2013	Saturday, 3rd August, 2013	Bhartiya Bhasha Parisad, 36, Shakespeare Sarani, Kolkata-17	10.30 a.m.	1
31st March, 2014	Saturday, 26th July, 2014	Bhartiya Bhasha Parisad, 36, Shakespeare Sarani, Kolkata-17	10.30 a.m.	2
31st March, 2015	Friday, 7th August, 2015	Bhartiya Bhasha Parisad, 36, Shakespeare Sarani, Kolkata-17	02.30 p.m.	2

None of the resolutions that passed last year were required to be passed through postal ballot. However, the Company had provided e-voting facility and voting through ballot to Shareholders for all the resolutions that was mentioned in the Notice of Annual General Meeting and the same was carried with requisite majority.

Mr. Sushil Tiwari, Practicing Company Secretary (Membership No.6199 & CP No.1903) was appointed as Scrutiniser to conduct the e-voting/physical ballot/postal ballot process in a fair and transparent manner. The e-voting process was conducted through the e-voting platform of National Securities Depositories Ltd. (NSDL).

No resolution is intended to be passed through postal ballot at the ensuing Annual General Meeting.

SUBSIDIARY COMPANIES:

The Company has a material non-listed Indian subsidiary company, and an Independent Director of the Company is also a Director of the subsidiary. The financial statement of the subsidiary was reviewed by the Audit Committee on a quarterly basis. The minutes of the subsidiary company was placed before the Board of Directors at Quarterly meetings on regular basis. Further a statement of all significant transactions entered into by the unlisted subsidiary company is placed before the Company's Board as and when applicable.

DISCLOSURES:

1. There were no materially significant related party transactions i.e. transactions of material nature, with its promoters, directors or the management or their relatives etc (except the payment of remuneration to the Managing Director and sitting fees to a relative of Managing Director), during the year, that may have potential conflict with the interest of the Company at large.
2. There was no non-compliance by the Company during the last year on any matter related to the capital markets and no penalties or strictures imposed on the Company by stock exchanges or SEBI or any other statutory authority.
3. No treatment different from the prescribed Accounting Standard have been followed in the preparation of the financial statements.

4. The Board assesses the risk on a regular basis and advises the steps and procedures for its minimisation. Now onwards the Risk Management Committee shall assess the risks involved in the business of the Company and shall report to the Board on regular basis.
5. The Company has not raised any amount through public issues, rights issues, preferential issue etc. during the year.
6. The non-executive Directors have not been paid any remuneration other than sitting fees.
7. Management discussion and analysis report forms part of this Annual Report.

MEANS OF COMMUNICATION:

The Company has established systems and procedures to enable its stakeholders to have access to the complete information about the company. Maximum information is available at the website of the Company (www.techno.co.in). The investors can send their complaints through "SCORES", a platform provided by SEBI or may send through email to desk.investors@techno.co.in.

All information which could have a material bearing on the Company's share price is disseminated to the National Stock Exchange of India Limited (NSE), the BSE Limited (BSE). All official news releases and presentations are posted on the Company's website www.techno.co.in.

Quarterly and annual results of the Company are published in widely circulated national newspapers - "The Hindu Business Line" and "Business Standard" and the local vernacular daily "Arthik Lipi". The quarterly compliance report on Corporate Governance as prescribed under Regulation 27(2)(a), the shareholding pattern of the Company as prescribed under Regulation 31(1)(b), the Statement Grievance Redressal Mechanism Report under Regulation 13(3), the Reconciliation of Share Capital Audit Report of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Financial Results are also filed through NSE Electronic Application Processing (NEAP) System and BSE Listing Center.

General Shareholder Information:

1. 11th Annual General Meeting is scheduled to be held on 6th August, 2016 and the notice convening the same shall be sent to the shareholders within the time prescribed by the Companies Act.
2. Financial Year : April to March
3. Financial Calendar :

Financial Year 2016-2017		
1	First Quarter Results	Within 45 days from 30th June
2	Second Quarter and Half-Yearly Results	Within 45 days from 30th September
3	Third Quarter Results	Within 45 days from 31st December
4	Fourth Quarter and Annual Audited Results	Within 60 days from financial year ending

4. Date of Book closure : From 1st August, 2016 to 6th August, 2016 (Both days inclusive). The Book closure dates be intimated through stock exchanges, newspaper and with the notice convening the Annual General Meeting.
5. Dividend payment date : Within 15 days from the date of declaration at the AGM.

6. Listing on Stock Exchanges :

Stock Exchange	Stock Code / Symbol
BSE Limited	533281
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.	
National Stock Exchange of India Limited	TECHNO
Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.	

Note: Annual Listing Fees for the year 2016-17 have been paid to all the Stock Exchanges as mentioned above.

7. Market Price Data:

Stock Exchange	BSE			NSE		
	High	Low	Volume	High	Low	Volume
Month	(₹)	(₹)	(nos.)	(₹)	(₹)	(nos.)
April, 2015	418.00	366.50	112,650	430.00	351.95	385,822
May, 2015	469.00	376.70	585,029	471.00	378.00	1,742,688
June, 2015	497.20	410.00	392,353	499.00	401.00	535,311
July, 2015	560.00	478.80	546,431	555.00	471.00	1,531,455
August, 2015	570.00	486.55	169,302	590.00	486.00	612,414
September, 2015	579.85	474.65	195,119	577.95	478.25	642,948
October, 2015	534.60	477.00	269,966	544.00	483.00	574,129
November, 2015	570.00	485.70	40,745	571.90	483.00	549,496
December, 2015	570.95	510.00	90,025	576.85	505.50	351,447
January, 2016	556.55	448.05	25,044	559.00	445.50	122,867
February, 2016	501.00	418.10	39,113	519.95	420.00	196,129
March, 2016	543.00	433.20	81,061	570.00	431.60	169,884

8(i). Comparison of Stock Performance with **BSE Sensex**:

Month	Price at BSE			BSE Sensex		
	Opening	Closing	Change(%)	Opening	Closing	Change(%)
April, 2015	385.40	390.40	1.30	27,955	27,011	-3.38
May, 2015	390.10	446.00	14.33	27,205	27,828	2.29
June, 2015	451.10	478.60	6.10	27,771	27,781	0.04
July, 2015	483.00	532.55	10.26	27,824	28,115	1.05
August, 2015	531.00	560.60	5.57	28,089	26,283	-6.43
September, 2015	560.00	526.30	-6.02	26,127	26,155	0.11
October, 2015	530.00	488.45	-7.84	26,344	26,657	1.19
November, 2015	495.00	560.70	13.27	26,642	26,146	-1.86
December, 2015	565.00	535.00	-5.31	26,201	26,118	-0.32
January, 2016	530.00	491.60	-7.25	26,102	24,871	-4.72
February, 2016	497.00	434.35	-12.61	24,982	23,002	-7.93
March, 2016	433.20	536.35	23.81	23,153	25,342	9.45

(ii). Comparison of Stock Performance with **NSE Nifty**:

Month	Price at NSE			Nifty		
	Opening	Closing	Change(%)	Opening	Closing	Change(%)
April, 2015	389.00	389.90	0.23	8,484	8,182	-3.56
May, 2015	387.00	452.85	17.02	8,230	8,434	2.47
June, 2015	452.85	479.95	5.98	8,417	8,369	-0.58
July, 2015	489.40	533.75	9.06	8,376	8,533	1.87
August, 2015	532.15	565.40	6.25	8,511	7,971	-6.34
September, 2015	560.65	533.50	-4.84	7,908	7,949	0.52
October, 2015	540.00	488.95	-9.45	7,992	8,066	0.92
November, 2015	483.00	564.80	16.94	8,055	7,935	-1.48
December, 2015	564.75	536.25	-5.05	7,958	7,946	-0.15
January, 2016	539.85	488.50	-9.51	7,938	7,564	-4.72
February, 2016	500.00	438.85	-12.23	7,590	6,987	-7.94
March, 2016	435.00	544.55	25.18	7,038	7,738	9.95

9. Registrar and Transfer Agents: Niche Technologies Pvt. Limited
D-511, Bagree Market, 71, B.R.B.B. Road
Kolkata – 700001.
Tel : (033) 22357270 / 22357271
Fax : (033) 22156823
Email : nichetechpl@nichetechpl.com

10. Share Transfer & Transmission System:

The share transfers / transmissions in physical form are normally processed within 15 days from the date of receipt of the valid documents complete in all respect. The Company had received 3 (Three) transfer and 1 (One) transmission requests during the year ended 31st March, 2016 and the same were processed within the prescribed time.

11(i). Distribution of Shareholding as on 31st March, 2016:

Slab	No. of Shareholders		No. of Shareholders	
	Number	Percentage (%)	Number	Percentage (%)
1 - 500	3083	81.217	3,14,785	0.551
501 - 1000	298	7.850	2,39,467	0.419
1001 - 5000	292	7.692	6,93,347	1.214
5001 - 10000	43	1.133	3,21,382	0.563
10001 - 50000	38	1.001	8,51,128	1.491
50001 - 100000	10	0.263	5,95,766	1.044
100001 & Above	32	0.843	5,40,75,325	94.717
	3796	100.00	5,70,91,200	100.00

(ii) Shareholding Pattern as on 31st March, 2016:

Shareholders (Category)	No. of Shares held	% of Total Shares
Promoters	3,31,00,638	57.98
Bodies Corporate	72,55,776	12.71
Financial Institution / Banks	65,528	0.11
Indian Public	21,40,001	3.75
Foreign Institutional Investors (FIIs) and Foreign Portfolio Investors (FPIs)	44,76,210	7.84
Mutual Funds	98,50,403	17.25
Non-Resident Indians (NRIs)	31,866	0.06
Other (Clearing Member)	1,70,778	0.30
	5,70,91,200	100.00

12. The Shares of the Company are compulsorily traded in dematerialised form and tradable with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The ISIN of the Company's Shares is INE286K01024.

Details of dematerialisation of shares as on 31st March, 2016 are given below:-

Name of the Depository	No. of Shares	% of Total Share Capital
National Securities Depository Limited	5,60,28,953	98.139
Central Depository Services (India) Limited	8,29,849	1.453

13. The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments during the financial year.
14. Plant Locations : The Company has 22 wind turbine generator in Tamil - Nadu and 8 wind turbine generator in Karnataka with aggregating generating capacity of 45MW.
15. Company Details:
- Address for Correspondence : Techno Electric & Engineering Company Ltd.
1B, Park Plaza, South Block,
71, Park Street, Kolkata – 700016.
Tel : (033) 40513000, Fax : (033) 40513326
E-mail : desk.investors@techno.co.in
Website : <http://www.techno.co.in>
- Corporate Identity Number : L40108WB2005PLC139595

CERTIFICATE

To the Members of
Techno Electric & Engineering Company Limited

We have examined the compliance of conditions of code of Corporate Governance by Techno Electric & Engineering Company Limited (the Company), for the year ended 31st March, 2016 as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the Stock Exchanges and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

The compliance of the conditions of Corporate Governance is the responsibility of the company's management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an express of an 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 and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforementioned Listing Agreements/Listing Regulations, as applicable.

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.

Central Plaza
41, B.B. Ganguly Street,
5th Floor, Room No- 5L
Kolkata – 700012.

Place : Kolkata,
Date : 28th May, 2016

For DS & ASSOCIATES LLP

Sd/-
(MURARI PASAYAT)
Partner

Company Secretary in Whole-time Practice
Membership No. 32664, C.P. NO: 12963

COMPLIANCE CERTIFICATE FROM MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER PURSUANT TO REGULATION 17(8) OF PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, P. P. Gupta, Managing Director and P. K. Lohia, Chief Financial Officer of Techno Electric & Engineering Company Limited hereby certify that:

- (a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2016 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) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the 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 internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that :
 - i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year; and
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Kolkata,
Date : 28th May, 2016

P. P. Gupta
Managing Director

P. K. Lohia
Chief Financial Officer

DECLARATION UNDER REGULATION 26(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby declared that all the Board Members and senior management personnel of Techno Electric & Engineering Company Limited have affirmed compliance with the Code of Conduct for the year ended 31st March, 2016.

Place : Kolkata,
Date : 28th May, 2016

P. P. Gupta
Managing Director

INDEPENDENT AUDITORS' REPORT

To the Members of
Techno Electric and Engineering Company Limited

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying Standalone Financial Statements of **Techno Electric and Engineering Company Limited** ("the Company"), which comprise the balance sheet as at 31st March 2016, and the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

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

OPINION

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

Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016 and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure- A**, a statement on the matters specified in paragraphs 3 and 4 of the said Order to the extent applicable to the company.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statement complies 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 written representations received from the directors as at 31st March 2016 taken on record by the Board of Directors, none of the directors as on 31st March 2016 are disqualified from being appointed as a director in terms of Section 164(2) of the Act; and
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure- B**"; 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 Company does not have any pending litigations which would impact the financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

ANNEXURE- A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Techno Electric and Engineering Company Limited on the Standalone Financial Statements for the year ended 31st March, 2016)

1. a) The Company has maintained proper records of Fixed Assets showing full particulars including quantitative details and situation of fixed assets.
b) The Company has a phased program of physical verification of its fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its business in accordance with such program, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.
c) The title deeds of immovable properties are held in the name of the Company.
2. As explained to us, inventories have been physically verified by the management during the year at reasonable intervals. In our opinion and according to the information and explanations given to us the discrepancies noticed on such verifications of inventories as compared to book records were not material and have been properly dealt with in the books of account.
3. The company has not granted any loans secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act 2013, with respect to the loans, investments, guarantees and securities made.
5. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and rules framed there under, is not applicable. Accordingly, clause (v) of Paragraph 3 of the order is not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013 in respect of Energy (Power) division of the Company and are of the opinion that, prima-facie, the prescribed accounts and records have been made and maintained. However, we have not made any detailed examination of cost records, to ascertain the accuracy and completeness thereof.
7. a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, custom duty, service tax, value added tax, cess and any other material statutory dues applicable to it and there is no outstanding as on 31st March, 2016 for a period of more than six months from the date they became payable.
b) According to the information and explanations given to us, there are no dues in respect of Income-tax, sales-tax, service-tax, custom duty, excise duty, value added tax, and

cess that have not been deposited with the appropriate authorities on account of any dispute.

8. The Company has not defaulted in repayment of dues to financial institution or bank or debenture holders as may be ascertained from the examination of the books of account and other records of the Company.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration paid or provided by the Company is in accordance with the provisions of section 197 read with Schedule V to the Act, during the year.
12. In our opinion and according to the information and explanations given to

us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

ANNEXURE- B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Techno Electric and Engineering Company Limited on the Standalone Financial Statements for the year ended 31st March, 2016)

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 Techno Electric and Engineering Company Limited ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013,

to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 Standalone 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 Standalone 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting,

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

BALANCE SHEET

as at 31st March, 2016

Particulars	Note No.	₹ In Lakhs	
		As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	1,141.82	1,141.82
(b) Reserve and surplus	3	76,719.74	67,343.18
2 Non-current liabilities			
(a) Long-term borrowings	4	3,000.00	7,000.00
(b) Deferred tax liabilities (Net)	5	76.80	68.68
(c) Other Long term liabilities	6	834.44	3,411.85
(d) Long-term provisions	7	137.44	136.64
3 Current Liabilities			
(a) Short-term borrowings	8	10,154.82	7,573.49
(b) Trade payables	9	27,433.56	12,237.98
(c) Other current liabilities	10	4,390.90	3,319.31
(d) Short-term provisions	11	1,822.55	1,140.39
Total		1,25,712.07	1,03,373.34
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
Tangible assets	12	18,808.41	19,297.77
Intangible assets		48.16	61.74
(b) Non-current investments	13	44,757.51	41,348.76
(c) Long-term loans and advances	14	217.69	172.11
2 Current assets			
(a) Current investments	15	1,311.72	2,000.00
(b) Inventories	16	3,793.17	628.04
(c) Trade receivables	17	45,511.69	30,987.57
(d) Cash and cash equivalents	18	4,843.46	1,949.61
(e) Short-term loans and advances	19	6,310.92	6,689.46
(f) Other Current Assets	20	109.34	238.28
Total		1,25,712.07	1,03,373.34
Significant Accounting Policies	1		
Other Explanatory Information	29 to 38		

The Notes referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our Report of even date.

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. K. Lohia
Chief Financial Officer

P. P. Gupta
Managing Director
DIN : 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

N. Brahma
Company Secretary
Membership No. A-11652

S. N. Roy
Director
DIN: 00408742

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2016

Particulars	Note No.	₹ In Lakhs	
		Year ended 31st March, 2016	Year ended 31st March, 2015
I. Revenue From Operation	21	1,03,283.78	68,912.20
II. Other income	22	2,795.78	2,402.27
III. Total Revenue (I + II)		1,06,079.56	71,314.47
IV. Expenses:			
Materials and Stores	23	81,321.07	49,659.88
(Increase)/Decrease in Inventories	24	(3,165.13)	555.65
Employee benefit expenses	25	2,937.43	2,645.91
Finance cost	26	2,081.10	2,021.60
Depreciation and amortization expense	12	1,363.11	1,350.27
Other expenses	27	6,358.36	4,761.00
Total expenses		90,895.94	60,994.31
V. Profit before tax (III - IV)		15,183.62	10,320.16
VI. Tax expense:			
Current tax		2,707.74	1,876.20
Deferred Tax		8.12	(23.25)
		2,715.86	1,852.95
VII. Profit for the period (V - VI)		12,467.76	8,467.21
Earnings per equity share:			
Basic and Diluted	28	21.84	14.83
Significant Accounting Policies	1		
Other Explanatory Information	29 to 38		

The notes referred to above form an integral part of the Statement of Profit & Loss.

This is the Statement of Profit & Loss referred to in our Report of even date.

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. K. Lohia
Chief Financial Officer

P. P. Gupta
Managing Director
DIN : 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

N. Brahma
Company Secretary
Membership No. A-11652

S. N. Roy
Director
DIN: 00408742

CASH FLOW STATEMENT

For the year ended 31st March, 2016

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	15,183.62	10,320.16
Adjustments for :		
Depreciation	1,363.12	1,350.27
(Profit)/Loss on Sale of fixed assets	14.37	(0.03)
Interest/Dividend Income	(2,661.94)	(1,550.43)
(Profit) /Loss on Sale of Investments (Net)	(130.21)	(334.41)
Wealth Tax	-	0.44
Interest Paid	2,081.09	2,021.60
Operating Profit before Working Capital Changes	15,850.05	11,807.60
Adjustments for :		
Trade and other receivables	(14,057.80)	(12,189.83)
Inventories	(3,165.13)	555.65
Trade Payables	12,823.44	(748.51)
Cash generated from operations	11,450.56	(575.10)
Direct taxes paid (net of refunds)	(2,587.98)	(1,704.40)
Cash Flow before Extraordinary items	8,862.58	(2,279.50)
Extraordinary Items		
Net Cash flow from Operating Activities	8,862.58	(2,279.50)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(888.93)	(35.04)
Sale of Fixed Assets	14.40	39.19
(Increase)/Decrease in Investments	(2,590.24)	877.65
Refund of Loan	(62.82)	-
Interest Income	224.35	105.23
Dividend Income	2,496.01	1,369.50
Net Cash (Used in)/from Investing Activities	(807.23)	2,356.53

CASH FLOW STATEMENT

For the year ended 31st March, 2016

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
Redemption of Debentures	(3,000.00)	-
Proceeds from Borrowings	2,581.33	1,437.44
Interest Paid	(2,161.24)	(2,016.38)
Dividend paid	(2,581.57)	(1,769.17)
Net Cash used in Financing activities	(5,161.48)	(2,348.11)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	2,893.85	(2,271.09)
Opening Balance of Cash & Cash Equivalents	1,949.61	4,220.70
Closing Balance of Cash & Cash Equivalents	4,843.46	1,949.61

Previous Year's figures have been re-grouped and re-arranged wherever considered necessary

This Cash Flow Statement has been prepared under the indirect method prescribed under Accounting Standard 3 notified under the Companies Accounting Standard Rules 2006.

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. K. Lohia
Chief Financial Officer

P. P. Gupta
Managing Director
DIN : 00055954

Centre Point
21, Old Court House Street
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The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

N. Brahma
Company Secretary
Membership No. A-11652

S. N. Roy
Director
DIN: 00408742

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

a) Accounting Concept

The Financial Statements are prepared under the historical cost convention. Accounting Policies not referred to otherwise are consistent with Generally Accepted Accounting Principles and comply with the applicable Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act and guidelines issued by the SEBI.

b) Recognition of Income & Expenditure

The Company follows Mercantile System of Accounting and recognises Income and Expenditure on accrual basis.

c) Revenue Recognition

The Company recognises Revenue for Supply Contracts on the basis of Bills raised and delivery of materials against Supplies.

Erection and works contract revenue for work completed is recognised on percentage completion method based on completion of physical proportion of contract work. When it is probable that contract cost will exceed the total contract revenue the expected loss is recognised immediately.

Revenue from Sale of Energy (Power) is recognised on the basis of electrical units generated, net of wheeling and transmission loss as applicable, as stated in the Power Purchase agreement entered into between the Company and the respective State Utilities.

d) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying

assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

e) Earning Per Share

Basic earning per share is calculated by dividing the net profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

f) Fixed Assets

Tangible and Intangible Fixed Assets are stated at their original cost, less accumulated depreciation. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.

Capital Work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the Balance Sheet date.

- (i) Depreciation (except as stated in Note (ii) below) is calculated on the basis of useful life prescribed in Schedule II to the Companies Act, 2013 and is provided for on Straight Line Method on all assets except Office Equipments, Furniture & Fixtures which is provided for on Written Down Value Method.
- (ii) Depreciation on assets of overseas projects is provided at the rates as per the requirement of laws of respective foreign countries.
- (iii) Lease hold Land is amortised over the period of lease and the amortisation amount included under Depreciation.

NOTES

on Financial Statements for the Year ended 31st March, 2016

- (iv) Depreciation on Wind Mills is calculated on the basis of useful life of 20 years as per Power Purchase Agreement with the respective government Authorities as against 22 years in Schedule II to the Companies Act, 2013.

g) Impairment of Assets

Impairment loss is recognized, where applicable, when the carrying value of the Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher.

h) Investments

Long Term Investments are carried at cost less provision for diminution other than temporary, in value of such investments determined individually. Current investments are carried at cost or fair market value, whichever is lower, determined individually.

i) Inventories

Contract Work-in-Progress is stated at cost or market value whichever is lower. Components and Materials are stated at lower of cost and estimated realisable value.

j) Foreign Currency Transactions

Foreign Currency transactions are accounted at the exchange rates prevailing on the date of the transactions.

Foreign currency monetary items remaining unsettled at the reporting date are translated at the rates prevailing on the reporting date. Exchange difference arising on translation of unsettled foreign currency monetary items, which were initially recorded at different rates, are recognized in the Statement of Profit and Loss, except in respect of long term foreign

currency monetary items relating to borrowings for acquisition of fixed assets, for which the company has availed the option to adjust such difference to the cost of the depreciable asset and depreciating the same over the balance life of asset.

In case of transactions covered by forward exchange contracts, which are not intended for trading or speculation purpose, premium or discount are amortised as expense or income over the life of the contract.

Any profit or loss arising on settlement or cancellation of foreign currency forward contracts or options are recognised in the Statement of Profit and Loss for the year in which settlement or cancellation takes place.

Translation of overseas jobs/ projects are done as under

- A) Assets and liabilities at the rates prevailing at the reporting date.
- B) Income and expenses at the exchange rate prevailing for the month of transaction.

k) Employee Benefits

Contributions to defined contribution scheme in the form of Provident and other funds are charged to the Statement of Profit and Loss. In respect of certain employees, Provident Fund contributions are made to Trust administered by the Trustees. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and short fall, if any, shall be made good by the Company.

NOTES

on Financial Statements for the Year ended 31st March, 2016

The remaining contributions are made to a Government-administered Provident Fund towards which the Company has no further obligations beyond its monthly contribution.

The Company has defined benefit plan for post-employment benefit in the form of gratuity for all employees, which are controlled by a Trust, administered by the Trustees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent Actuary. The actuarial method used for measuring the liability is the projected unit credit method.

In respect of compensated absences benefits to employees, liability is provided for on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent Actuary. The actuarial method used for measuring the liability is the projected unit credit method.

l) Taxation

Current tax is determined on the basis of the amount payable for the year under Income Tax Act. Deferred tax is calculated at current/ substantively enacted Income Tax rate and is recognised on timing differences between taxable income and accounting income. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company's business units, engaged in generation of electricity from Wind Mills at various locations, are eligible for 100% tax holiday for a period of 10 consecutive years out of 15 years, from

the year in which the generation of power is started. Timing difference between the tax basis and the carrying values of assets and liabilities of the Units, which originate during the year but reverse during the tax holiday period are not recognised in the year in accordance with the requirements of Accounting Standard - 22: Accounting for Taxes of Income.

m) Segment Reporting

The Accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenues and expenses are directly attributed to the related segment. Revenues and expenses like dividend, interest, profit/loss on sale of assets and investments etc., which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have not been included therein.

All segment assets and liabilities are directly attributed to the related segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances and operating cash and bank balances. Segment assets and liabilities do not include investments, miscellaneous expenditure not written off, share capital, reserves and surplus, unpaid dividend, deferred tax liability, provision for tax and proposed dividend.

n) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can

NOTES

on Financial Statements for the Year ended 31st March, 2016

be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed by way of notes to the Financial Statements.

Contingent assets are not recognised.

NOTE 2. SHARE CAPITAL

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Authorised Share Capital		
5,50,20,000 Preference shares of ₹ 10 each	5,502.00	5,502.00
42,49,00,000 Equity Shares of ₹ 2 each	8,498.00	8,498.00
	14,000.00	14,000.00
Issued, Subscribed & Paid up		
57,091,200 Equity Shares of ₹ 2 each fully paid up	1,141.82	1,141.82
Total	1,141.82	1,141.82

NOTE 2a. THE RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING IS SET OUT BELOW

Particulars	Equity Shares	
	As at 31st March, 2016	As at 31st March, 2015
	Nos	Nos
Shares at the beginning of the year	5,70,91,200	5,70,91,200
Shares Issued during the year	-	-
Shares at the end of the year	5,70,91,200	5,70,91,200

NOTE 2b. LIST OF SHARE HOLDERS IN EXCESS OF 5%

Name of Shareholder	Equity Shares			
	As at 31st March, 2016		As at 31st March, 2015	
	No.	% of Holding	No.	% of Holding
Varanasi Commercial Ltd.	1,21,94,900	21.36	1,21,94,900	21.36
Kusum Industrial Gases Ltd.	70,83,000	12.41	70,83,000	12.41
Techno Leasing & Finance Co. Pvt. Ltd.	68,94,000	12.08	68,94,000	12.08
DSP Blackrock 3 Years Close Ended Equity	34,48,149	6.04	-	-
J.P.Financial Services Pvt. Ltd.	29,04,711	5.09	29,54,489	5.18
Techno Power Projects Ltd.	32,04,000	5.61	32,04,000	5.61

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 2c. RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO THE SHARES

The equity shares of the Company of nominal value of ₹ 2 per share rank pari passu in all respects including voting rights and entitlement to dividend and repayment of share capital.

NOTE 3. RESERVE & SURPLUS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
a. Capital Reserve		
As per last Balance Sheet	1,572.66	1,572.66
b. Securities Premium Account		
As per last Balance Sheet	9,642.50	9,642.50
c. Debenture Redemption Reserve		
As per last Balance Sheet	3,000.00	2,500.00
Add: Transfer from Surplus	1,000.00	500.00
Closing Balance	4,000.00	3,000.00
d. General Reserve		
As per last Balance Sheet	52,917.02	47,417.02
Add: Transfer from Surplus	8,000.00	5,500.00
Closing Balance	60,917.02	52,917.02
e. Surplus		
As per last Balance Sheet	211.00	65.09
Net Profit For the current year	12,467.76	8,467.21
Less: Depreciation of Assets on expiry of useful life	-	16.65
Less: Interim Dividend paid	1,712.74	1,427.28
Less: Proposed Dividend	1,141.82	856.37
Less: Tax on Dividend	236.64	21.00
Less: Transfer to Debenture Redemption Reserve	1,000.00	500.00
Less: Transfer to General Reserve	8,000.00	5,500.00
Closing Balance	587.56	211.00
Total	76,719.74	67,343.18

NOTE 4. LONG TERM BORROWINGS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Secured		
Debentures	3,000.00	7,000.00
700 (Previous year 1000) Non-Convertible Debentures of ₹ 10.00 Lakhs each		
(Secured by way of exclusive mortgage and creation of charge in favour of the trustees (IDBI Trusteeship Services Ltd) on the immovable properties and hypothecation of movable properties of 33 MW of Operational Wind Power Plant at Tamil Nadu)		
The outstanding 700 Non-Convertible Debentures are redeemable as follows:		
On 28/01/2017 #	400	
On 28/01/2018	300	
	3,000.00	7,000.00

Amount disclosed under the head "Other Current Liabilities" Note 10

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 5. DEFERRED TAX LIABILITIES (NET)

		₹ In Lakhs	
Particulars	As at 31st March, 2015	Charge/ (Reversal) during the period	As at 31st March, 2016
Deferred Tax Liabilities			
In respect of Fixed Assets	68.68	8.12	76.80
Net Deferred Tax Liabilities/(Assets)	68.68	8.12	76.80

NOTE 6. OTHER LONG TERM LIABILITIES

		₹ In Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Advance received from customers	834.44	3,411.85	
Total	834.44	3,411.85	

NOTE 7. LONG TERM PROVISIONS

		₹ In Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Provision for employee benefits			
Leave Encashment (unfunded)	137.44	136.64	
Total	137.44	136.64	

NOTE 8. SHORT TERM BORROWINGS

		₹ In Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Secured			
Working Capital facilities from Banks			
a) In Foreign Currency	7,654.82	7,573.49	
Above Loans are secured against hypothecation of Components, Raw-Materials, Work-in-Progress, Plant & Machinery, Book Debts of EPC division, ranking pari-pasu. The Company also enjoys financing facilities with certain other Banks against hypothecation of Components, Raw-Materials, Work-in-Progress, Plant & Machinery, Book Debts of EPC division, equitable mortgage of Land at Rajpur, West Bengal and personal guarantee of the Managing Director of the Company			
	7,654.82	7,573.49	
Unsecured			
From Body Corporate			
a) In Indian Rupees	2,500.00	-	
	2,500.00	-	
Total	10,154.82	7,573.49	

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 9. TRADE PAYABLES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Sundry Creditors	27,226.19	12,105.79
Expenses payable	207.37	132.19
Total	27,433.56	12,237.98

Note : To the extent identified from available information, there is no amount due to Micro, Small and Medium size enterprises as on 31st March, 2016

NOTE 10. OTHER CURRENT LIABILITIES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Current Maturity of Long Term Loan (Refer Note no. 4)	4,000.00	3,000.00
Advance from Customers against Contract Work in Progress	-	45.29
Interest accrued but not due on borrowings	125.96	206.11
Unclaimed Dividend*	21.90	19.48
Statutory Dues	241.67	47.56
Employee Benefits payable	1.37	0.87
Total	4,390.90	3,319.31

* No amount is due for payment to Investor Protection and Education Fund.

NOTE 11. SHORT TERM PROVISIONS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Provision for Employee Benefits	83.86	66.24
Provision for Leave Encashment	17.45	-
Provision for Gratuity	62.60	42.49
Provision for Dividend	1,141.82	856.37
Tax on Dividend	232.45	10.69
Provision for Wealth Tax	-	0.44
Provision for Income Tax (Net of Advance Tax & TDS)	284.37	164.16
Total	1,822.55	1,140.39

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 12. FIXED ASSETS

Particulars	Gross Block			Accumulated Depreciation			Net Block			
	Balance as at 1st April, 2015	Additions	Deductions/ Adjustments	Balance as at 31st March, 2016	Balance as at 1st April, 2015	Depreciation charge for the year	On disposals	Adjustments	Balance as at 31st March, 2016	Balance as at 31st March, 2015
Tangible Assets										
Freehold Land	1.23	-	-	1.23	-	-	-	-	1.23	1.23
Freehold Land - Wind Division Land	562.00	-	-	562.00	-	-	-	-	562.00	562.00
Leasehold Land	116.55	-	-	116.55	18.38	3.88	-	-	94.29	98.17
Buildings	84.02	-	-	84.02	25.31	1.52	-	-	57.19	58.71
Plant and Machinery	491.33	11.95	-	503.28	146.52	36.96	-	-	319.80	344.81
Plant and Machinery - Wind Mills	26,960.53	-	-	26,960.53	8,894.79	1,222.80	-	-	16,842.94	18,065.74
Furniture and Fixtures	38.16	584.59	-	622.75	31.78	15.27	-	-	575.70	6.38
Vehicles	289.36	19.12	63.85	244.63	183.41	26.88	35.09	-	69.43	105.95
Office equipment	311.36	273.27	-	584.63	256.58	42.22	-	-	285.83	54.78
Intangible Assets										
Software	85.45	-	-	85.45	23.71	13.58	-	-	48.16	61.74
Total (i)	28,939.99	888.93	63.85	29,765.07	9,580.48	1,363.11	35.09	-	18,856.57	19,359.51
Previous Year	29,272.30	35.04	367.35	28,939.99	8,541.76	1,350.27	328.19	16.64	19,359.51	

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 13. NON CURRENT INVESTMENTS

No. of Shares / Units	No. of Shares		₹ In Lakhs	
	As at	As at	As at	As at
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
Trade Investments (at cost)				
Investment in Equity Instruments				
a. (i) Unquoted in Subsidiary Companies				
Simran Wind Project Limited (Face value of ₹ 2 each)	83,20,02,000	80,38,77,000	38,495.30	35,401.55
Patran Transmission Company Limited (Face value of ₹ 10 each)	-	2,15,00,000	-	2,150.00
Techno Power Grid Company Limited (Face value of ₹ 10 each)	50,000	50,000	-	5.00
Techno Infra Developers Private Limited (Face value of ₹ 10 each)	50,000	50,000	5.00	5.00
Techno Clean Energy Pvt. Limited (Face value of ₹ 10 each)	49,980	-	5.00	-
Techno Green Energy Pvt. Limited (Face value of ₹ 10 each)	49,980	-	5.00	-
Techno Wind Power Pvt. Limited (Face value of ₹ 10 each)	49,980	-	5.00	-
			38,515.30	37,561.55
a. (ii) Unquoted in Associate Companies (fully paidup of ₹ 10/- each)				
Patran Transmission Company Limited	2,45,00,000	-	2,450.00	-
			2,450.00	-
Non Trade Investments (at cost)				
Investment in Equity Instruments				
b. (i) Unquoted equities shares of other Companies (fully paidup of ₹ 10/- each)				
Tega India Limited (₹ 70, Previous Year ₹ 70)	7	7	-	-
Techno Leasing & Finance Co Pvt Ltd (₹ 100, Previous Year ₹100)	10	10	-	-
Techno International Limited	1,70,060	1,70,060	17.01	17.01
North Dinajpur Power Limited	20,000	20,000	2.00	2.00
Rajgarh Bio Power Limited	20,000	20,000	2.00	2.00
Techno Ganga Nagar Green Power Generating Co. Limited	20,994	20,994	2.10	2.10
Techno Birbhum Green Power Generating Co. Limited	20,994	20,994	2.10	2.10
Jhajjar KT Transco Pvt Limited	1,10,92,857	1,10,92,857	3,760.00	3,760.00
Bargarh Green Power Generating Co. Limited	19,994	19,994	2.00	2.00
Techno Power Grid Company Limited	50,000	-	5.00	-
			3,792.21	3,787.21
Total			44,757.51	41,348.76

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 14. LONG TERM LOANS & ADVANCES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Unsecured, considered good		
Security Deposit	217.69	172.11
Total	217.69	172.11

NOTE 15. CURRENT INVESTMENTS

No. of Shares / Units	No. of Units		Amount	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Investment in Mutual Funds				
Unquoted (Fully paid up): at Cost				
Reliance Liquid Fund	-	44,007.008	-	1,500.00
Reliance Money Manager Fund	-	25,898.894	-	500.00
IDFC Cash Fund	32,857.100	-	601.48	-
Birla Sunlife Cash Plus Fund	2,94,536.090	-	710.24	-
Total			1,311.72	2,000.00

NOTE 16. INVENTORIES (As certified by management)

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Contract Work-in-progress	27.55	628.04
Material & Components	3,765.62	-
Total	3,793.17	628.04

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 17. TRADE RECEIVABLES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Trade Receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months	5,143.74	3,969.60
Other Debts	24,060.17	15,601.08
	29,203.91	19,570.68
Retention Money Receivables		
Unsecured, considered good (Receivable on fulfillment of certain conditions as per terms of the contracts)	16,307.78	11,416.89
	16,307.78	11,416.89
Total	45,511.69	30,987.57

NOTE 18. CASH AND CASH EQUIVALENTS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
a. Balances with banks		
Unpaid Dividend accounts	21.90	19.48
Margin money	0.29	0.29
b. Bank Fixed Deposits		
Having maturity of more than twelve months	741.47	321.70
Having maturity between three months and twelve months	321.70	25.21
Having maturity of less than three months	-	573.15
c. Balance with Bank on Current Account	3,663.60	953.75
d. Cash in hand	94.50	56.03
Total	4,843.46	1,949.61

a) Fixed deposit receipts of ₹ 974.77 Lakhs (Previous Year ₹ 833.84 Lakhs) are lodged with the Bankers of the Company as Margin against Bank Guarantees issued /to be issued in favour of the company

b) Fixed deposit receipts of ₹ 1.40 Lakhs (Previous Year ₹ 1.22 Lakhs) are lodged with a client/Sales Tax authorities as Security/Registration Deposits.

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 19. SHORT-TERM LOANS AND ADVANCES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Unsecured, considered good		
Loans and advances to Others		
Loans	797.57	734.75
Other Advances	4,889.12	5,556.69
Prepaid Expenses	555.95	375.65
Security Deposit	68.28	22.37
Total	6,310.92	6,689.46

NOTE 20. OTHER CURRENT ASSETS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Interest Receivable	109.34	167.75
Income Receivable	-	70.53
Total	109.34	238.28

NOTE 21. REVENUE FROM OPERATION

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Sales		
EPC (Construction)	1,01,427.56	66,808.72
Energy (Power)	1,856.22	2,103.48
Total	1,03,283.78	68,912.20

NOTE 22. OTHER INCOME

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest Income	165.94	180.93
Dividend from Long term Investment #	2,496.01	1,369.50
Net gain on sale of Current Investments	130.21	250.89
Net gain on sale of Non Current Investments	-	83.52
Profit on Sale of Investment F & O	0.02	507.87
Profit on Sale of Fixed Assets	-	0.03
Miscellaneous receipts	3.60	9.53
Total	2,795.78	2,402.27

Dividend include Dividend recieved from Subsidiary Company amounting to ₹ 2,496.01 Lakhs (Previous Year ₹ 1,366.59 Lakhs)

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 23. MATERIAL AND STORES

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Material & Stores	81,321.07	49,659.88
Total	81,321.07	49,659.88

Materials and Stores purchased during the year include Stores ₹ 2,522.67 Lakhs (Previous Year ₹ 1,858.44 Lakhs). The consumption of such materials included in outlay and contract work-in-progress have been taken by the Auditors as certified.

NOTE 24. (INCREASE)/DECREASE IN INVENTORIES

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Opening Contract Work-in-progress	628.04	1,183.69
Closing Contract Work-in-progress	27.55	628.04
(Increase) /Decrease in Contract Work-in-Progress	600.49	555.65
Opening of Materials & Components	-	-
Closing of Materials & Components	3,765.62	-
(Increase) /Decrease of Material & Components	(3,765.62)	-
(Increase) /Decrease in Inventories	(3,165.13)	555.65

NOTE 25. EMPLOYEES BENEFIT EXPENSES

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Salary & Reimbursements	2,454.55	2,222.92
Contributions to Provident and other Funds	184.39	167.95
Staff Welfare Expenses	298.49	255.04
Total	2,937.43	2,645.91

NOTE 26. FINANCE COST

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest expense		
- Debenture	973.78	1,045.78
- Banks and others	288.19	630.63
Bank Guarantee Commission	413.88	327.81
Exchange rate variation	400.71	12.90
Other Borrowing Costs	4.54	4.48
Total	2,081.10	2,021.60

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 27. OTHER EXPENSES

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Travelling & Conveyance	797.48	709.23
Rent	326.47	317.72
Rates & Taxes	8.15	10.74
Insurance	261.23	282.21
Sales Tax (Net)	1,396.69	683.95
Service Tax (Net)	537.09	383.80
Power & Fuel	234.25	212.13
Repairs to Plant & Machinery	404.36	510.16
Remuneration to Managing Director	191.78	142.58
Directors' Fee	4.10	3.90
Auditors' Remuneration		
Audit Fees	2.15	2.08
Tax Audit	0.47	0.45
Cost Audit Fees	0.10	0.10
Other Services	1.31	0.51
Loss on Sale of Fixed Assets	14.37	-
Bank Charges	152.29	83.19
Exchange Rate difference	95.92	11.73
Miscellaneous expenses	1,930.15	1,406.52
Total	6,358.36	4,761.00

Details of Remuneration to Managing Director

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Salary	35.10	35.10
Contribution to Provident Fund	2.81	2.81
Commission	153.87	104.67
Total	191.78	142.58

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 28. EARNINGS PER SHARE

(Amount in ₹ in Lakhs Except No. of Shares)		
Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
(a) Net Profit / (Loss) after tax	12,467.76	8,467.21
(b) Weighted average number of equity shares of face value of ₹ 2 each	5,70,91,200	5,70,91,200
Basic and diluted earnings per share in ₹ (a) / (b)	21.84	14.83

NOTE 29. INFORMATION IN ACCORDANCE WITH THE REQUIREMENT OF THE ACCOUNTING STANDARD 7 : CONSTRUCTION CONTRACTS

Particulars	₹ In Lakhs Year ended 31st March, 2016
i) Amount of contract revenue recognised	25,647.85
ii) Disclosures in respect of contract in progress at the reporting date	
a) contract cost incurred and recognised profit less recognised loss	35,436.41
b) Advance received and outstanding as on reporting date	206.71
c) Retentions	3,426.66
d) Due to Customers	2,543.40

NOTE 30. DISCLOSURES IN ACCORDANCE WITH REVISED AS-15 ON "EMPLOYEE BENEFITS"

Particulars	₹ In Lakhs Year ended 31st March, 2016	Year ended 31st March, 2015
a) Defined Contribution Plans		
The company has recognised the following amount in the Statement of Profit & Loss for the year :		
Employer's contribution to Provident & Other Funds	186.12	169.51
b) Defined Benefit Plans		
The following figures are as per actuarial valuation as at the Balance Sheet date carried out by an independent actuary:		
i) Present Value of defined benefit obligation		
Present Value of obligations at beginning of the year	282.73	263.19
Service Cost	29.35	25.38
Interest Cost	21.50	19.45
Benefit Settled	(27.86)	(40.14)
Actuarial(gain)/loss	26.38	14.85
Present Value of obligations at the end of the year	332.10	282.73
ii) Change in fair value of plan assets		
Fair Value of Plan assets at beginning of the year	240.24	248.71

NOTES

on Financial Statements for the Year ended 31st March, 2016

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Contribution	42.49	14.48
Expected return on plan assets	19.22	19.90
Acturial(gain)/loss	(4.58)	(2.71)
Benefit Settled	(27.86)	(40.14)
Fair Value of plan assets at the end of the year	269.51	240.24
iii) Reconciliation of Present Value of the defined obligation plan and the fair value of the plan assets		
Fair Value of plan assets at the end of the year	269.51	240.24
Present Value of the defined benefit obligations at the end of the year	332.10	282.73
Assets/(Liability)	(62.59)	(42.49)
iv) Net Gratuity and other cost		
Service Cost	29.35	25.38
Interest Cost	21.50	19.45
Expected return on plan assets	(19.22)	(19.90)
Acturial(gain)/loss	30.96	17.56
Net Gratuity Cost	62.59	42.49
v) Acturial Assumptions		
Discount Rate	8.00%	8.00%
Inflation Rate(Salary escalation rate)	6.00%	6.00%
Return on Assets	8.00%	8.00%
vi) For each major category of plan assets following is the percentage that each major category constitute of the fair value of the plan assets		
Central Government Securities	22.36%	25.90%
State Government Securities	3.09%	3.46%
PSU Bonds	20.06%	26.83%
Investment with Bank in Special Deposit Scheme	10.53%	11.81%
Administered by Birla Sun Life Insurance Company Limited	43.96%	32.00%
	100.00%	100.00%

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 31. SEGMENT REPORTING

a) Based on the guiding principles given in Accounting Standards on "Segment Reporting" (AS-17) notified under the Companies (Accounting Standard) Rules 2006, the Company's primary business segments are EPC (Construction) and Energy (Power). Financial information about the primary business segments are presented in table given below:

	For the year ended 31st March, 2016				For the year ended 31st March, 2015			
	EPC (Construction)	Energy (Power)	Corporate	Total	EPC (Construction)	Energy (Power)	Corporate	Total
A. Revenue								
1 Sales	1,01,427.56	1,856.22	-	1,03,283.78	66,808.72	2,103.48	-	68,912.20
2 Others	-	-	2,795.78	2,795.78	-	-	2,402.27	2,402.27
3 Total Revenue	1,01,427.56	1,856.22	2,795.78	1,06,079.56	66,808.72	2,103.48	2,402.27	71,314.47
B. Result								
1. Segment Result/ Operating Profit before Tax and Interest	14,255.27	213.67	2,795.78	17,264.72	9,582.96	356.54	2,402.26	12,341.76
2. Finance Cost	2,076.56	4.54	-	2,081.10	2,017.12	4.48	-	2,021.60
3. Provision for Taxation	-	-	2,715.86	2,715.86	-	-	1,852.95	1,852.95
4. Net Profit	12,178.71	209.13	79.92	12,467.76	7,565.84	352.06	549.31	8,467.21
C. Other Information								
1. Segment Assets	57,146.48	18,686.15	49,879.41	1,25,712.04	42,568.74	19,419.41	41,385.19	1,03,373.34
2. Segment Liabilities	46,014.26	78.87	79,618.91	1,25,712.04	33,491.48	277.04	69,604.82	1,03,373.34
3. Capital Expenditure	888.93	-	-	888.93	35.04	-	-	35.04
4. Depreciation	140.31	1,222.80	-	1,363.11	128.00	1,222.26	-	1,350.26

b) As the revenues from overseas sites does not exceed the minimum threshold limit for such disclosure, no separate disclosure for Geographical segment (Secondary Segment) is applicable.

NOTE 32. RELATED PARTY TRANSACTIONS

A. List of related parties and nature of relationships, where control exists :

S. No.	Name of the party	Nature of relationship
1	Simran Wind Project Limited	Subsidiary Company
2	Patran Transmission Company Limited (upto 26/05/2015)	Subsidiary Company
3	Patran Transmission Company Limited (from 27/05/2015)	Associate Company
4	Techno Power Grid Company Limited (upto 24/05/2015)	Subsidiary Company
5	Techno Infra Developers Private Limited	Subsidiary Company
6	Techno Clean Energy Pvt. Limited	Subsidiary Company
7	Techno Green Energy Pvt. Limited	Subsidiary Company
8	Techno Wind Power Pvt. Limited	Subsidiary Company
9	Shri Padam Prakash Gupta	Key Managerial Personnel
10	Shri Ankit Saraiya	Director & Relative of Key Managerial Personnel
11	Ms Avantika Gupta	Director & Relative of Key Managerial Personnel

NOTES

on Financial Statements for the Year ended 31st March, 2016

B. Disclosure of significant transactions with related parties and the status of outstanding balances as on March 31, 2016:

Transactions during the year

Particulars	Year ended 31st March, 2016	₹ In Lakhs Year ended
		31st March, 2015
Patran Transmission Company Limited		
Investment in Shares	300.00	-
Advance received against contract	1,750.00	-
Supply of materials as per EPC contract	15,149.77	-
Techno Power Grid Company Limited		
Investment in Shares	-	5.00
Techno Infra Developers Private Limited		
Investment in Shares	-	5.00
Techno Clean Energy Pvt. Limited		
Investment in Shares	5.00	-
Techno Green Energy Pvt. Limited		
Investment in Shares	5.00	-
Techno Wind Power Pvt. Limited		
Investment in Shares	5.00	-
Shri Padam Prakash Gupta (Key Managerial Personnel)		
Remuneration to Managing Director	191.78	142.57

Outstanding Balances

Particulars	Year ended 31st March, 2016	₹ In Lakhs Year ended
		31st March, 2015
Patran Transmission Company Limited		
Advance received against contract	220.05	1,750.00
Receivable against supply of materials including retention	11,869.82	-
Shri Padam Prakash Gupta (Key Managerial Personnel)		
Remuneration Payable to Managing Director	153.87	104.67

NOTE 33. DETAIL OF MATERIALS CONSUMED

Particulars	Year ended 31st March, 2016	₹ In Lakhs Year ended
		31st March, 2015
Indigenous	63,993.01	37,110.57
Imported	2,090.33	1,672.06
Total	66,083.34	38,782.63

NOTES

on Financial Statements for the Year ended 31st March, 2016

Particulars	Year ended 31st March, 2016	₹ In Lakhs Year ended 31st March, 2015
Indigenous	96.84%	95.69%
Imported	3.16%	4.31%
Total	100.00%	100.00%

NOTE 34. CIF VALUE OF IMPORTS

Particulars	Year ended 31st March, 2016	₹ In Lakhs Year ended 31st March, 2015
Materials	2,090.33	1,672.06
Total	2,090.33	1,672.06

NOTE 35. EXPENDITURE IN FOREIGN CURRENCY

Particulars	Year ended 31st March, 2016	₹ In Lakhs Year ended 31st March, 2015
Travelling	40.85	40.39
Interest on short Term Borrowing	96.15	122.00
Tender Expenses	0.76	0.00
Total	137.76	162.39

NOTE 36. EARNING IN FOREIGN EXCHANGE

Particulars	Year ended 31st March, 2016	₹ In Lakhs Year ended 31st March, 2015
Export of Goods (FOB Value)	1,753.45	6,198.96
Total	1,753.45	6,198.96

NOTES

on Financial Statements for the Year ended 31st March, 2016

NOTE 37. DEEMED EXPORT

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Deemed Export Under Global Tender at Ex- works value	12,477.40	17,131.38
Total	12,477.40	17,131.38

NOTE 38. The previous year's figures have been regrouped, rearranged and re-classified to confirm to the current year's classification.

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. K. Lohia
Chief Financial Officer

P. P. Gupta
Managing Director
DIN : 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

N. Brahma
Company Secretary
Membership No. A-11652

S. N. Roy
Director
DIN: 00408742

INDEPENDENT AUDITORS' REPORT

To The Board of Directors of
Techno Electric & Engineering Company Limited

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENT

We have audited the accompanying consolidated financial statements of Techno Electric & Engineering Company Limited ("the Holding Company") and its subsidiaries and associates (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

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

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

We believe that the audit evidence, obtained by us is sufficient and appropriate to provide a

basis for our audit opinion on the consolidated financial statements.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group as at 31st March, 2016, and their consolidated profit and consolidated cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated 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.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in Agreement with the 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 31st March, 2016 taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its subsidiary companies and associates, none of the directors of the Group companies is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigations with would impact the consolidated financial position of the Group.
 - ii. The Group, did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

R.N. Bardhan
Partner
Membership No. 17270

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

ANNEXURE- A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 (f) under the heading "Report on Other Legal and Regulatory Requirements of our report of even date to the members of Techno Electric and Engineering Company Limited on the Consolidated Financial Statements for the year ended 31st March, 2016)

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

In conjunction with our audit of the consolidated financial statements of the Company as of end for the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of Techno Electric and Engineering Company Limited (the Holding Company) and its subsidiary companies and associates.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the holding companies and its subsidiary companies and associates are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 Consolidated Financial Statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

The internal financial control of the group over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting,

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

OPINION

In our opinion, the Holding Company, its subsidiaries and associates have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S. S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

R.N. Bardhan
Partner
Membership No. 17270

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

CONSOLIDATED BALANCE SHEET

as at 31st March, 2016

Particulars	Note No.	₹ In Lakhs	
		As at 31st March, 2016	As at 31st March, 2015
I. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	1,141.82	1,141.82
(b) Reserve and surplus	3	100,308.09	90,331.07
2 Minority Interest		-	1,988.86
3 Non-current liabilities			
(a) Long-term borrowings	4	30,681.55	39,673.90
(b) Deferred tax liabilities	5	76.80	68.68
(c) Other Long term liabilities	6	834.44	1,661.85
(d) Long-term provisions	7	145.25	145.08
4 Current Liabilities			
(a) Short-term borrowings	8	10,154.82	7,573.49
(b) Trade payables	9	28,752.25	13,671.93
(c) Other current liabilities	10	11,607.27	10,483.80
(d) Short-term provisions	11	1,662.86	1,408.77
Total		185,365.15	168,149.25
II. ASSETS			
1 Non-current assets			
(a) Fixed assets			
Goodwill on Consolidation		1,998.39	1,571.51
Tangible assets	12	80,411.30	100,456.86
Intangible assets	12	48.16	61.74
Capital work-in-progress		-	384.72
(b) Non-current investments	13	6,226.21	3,797.21
(c) Long-term loans and advances	14	1,712.62	3,673.93
2 Current assets			
(a) Current investments	15	9,241.91	9,676.59
(b) Inventories	16	3,793.17	628.04
(c) Trade receivables	17	49,625.72	34,493.50
(d) Cash and cash equivalents	18	11,158.54	2,472.51
(e) Short-term loans and advances	19	9,341.33	6,726.32
(f) Other Current Assets	20	11,807.80	4,206.32
Total		185,365.15	168,149.25
Significant Accounting Policies	1		
Other Explanatory Information	29 to 38		

The Notes referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our Report of even date.

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. K. Lohia
Chief Financial Officer

P. P. Gupta
Managing Director
DIN : 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

N. Brahma
Company Secretary
Membership No. A-11652

S. N. Roy
Director
DIN: 00408742

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

for the year ended 31st March, 2016

Particulars	Note No.	₹ In Lakhs	
		Year ended 31st March, 2016	Year ended 31st March, 2015
I. Revenue From Operation	21	109,720.48	79,389.32
II. Other income	22	6,285.66	2,023.64
III. Total Revenue (I + II)		116,006.14	81,412.96
IV. Expenses:			
Materials and Stores	23	81,321.07	49,659.88
(Increase)/Decrease in Inventories	24	(3,165.13)	555.65
Employee benefits expense	25	3,016.18	2,737.86
Finance cost	26	4,428.80	4,653.94
Depreciation and amortization expense	12	4,945.12	6,032.10
Other expenses	27	6,516.64	5,293.16
Total expenses		97,062.68	68,932.59
V. Profit before tax (III - IV)		18,943.46	12,480.37
VI. Tax expense:			
Current tax		4,862.13	2,576.00
MAT credit entitlement		-	(699.80)
Deferred Tax		8.12	(23.25)
		4,870.25	1,852.95
VII. Profit for the period (V - VI)		14,073.21	10,627.42
VIII. Less: Share of Profit transferred to Minority Interest		-	119.22
Add: Share of Profit/(Loss) in the Associate for the Year		(16.00)	-
IX. Profit for the year after adjustment for minority interest (VII - VIII)		14,057.21	10,508.20
Earnings per equity share:			
Basic and Diluted	28	24.62	18.41
Significant Accounting Policies	1		
Other Explanatory Informations	29 - 38		

The notes referred to above form an integral part of the Statement of Profit & Loss.
This is the Statement of Profit & Loss referred to in our Report of even date.

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. K. Lohia
Chief Financial Officer

P. P. Gupta
Managing Director
DIN : 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

N. Brahma
Company Secretary
Membership No. A-11652

S. N. Roy
Director
DIN: 00408742

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2016

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extraordinary items	18,943.46	13,846.95
Adjustments for:		
Depreciation	4,945.13	6,032.10
(Profit)/Loss on Sale of fixed assets	(2,526.01)	(0.03)
Interest/Dividend Income	(669.22)	(422.47)
(Profit) /Loss on Sale of Investments (Net)	(3,072.43)	(1,083.74)
Wealth Tax	-	0.44
Interest Paid	4,428.79	4,313.23
Operating Profit before Working Capital Changes	22,049.72	22,686.48
Adjustments for:		
Trade and other receivables	(25,369.09)	(15,314.08)
Inventories	(3,165.13)	555.65
Trade Payables	12,703.77	(1,125.19)
Cash generated from operations	6,219.27	6,802.86
Direct taxes paid (net of refunds)	(2,966.05)	(2,418.82)
Cash Flow before Extraordinary items	3,253.22	4,384.04
Extraordinary Items	-	-
Net Cash flow from Operating Activities	3,253.22	4,384.04
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,013.11)	(107.24)
Sale of Fixed Assets	20,214.40	39.19
(Increase)/Decrease in Investments	113.38	6,506.37
Refund of Loan	(62.82)	-
Interest Income	705.53	137.18
Dividend Income	-	2.91
Cash on consolidation of New subsidiaries	4.68	-
Cash of erstwhile subsidiary	(14.68)	-
Net Cash from Investing Activities	19,947.38	6,578.41

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31st March, 2016

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Debentures	(3,000.00)	-
Proceeds from Borrowings	(3,834.50)	(5,437.88)
Interest Paid	(4,590.38)	(4,436.27)
Dividend paid	(3,089.69)	(3,423.95)
Net Cash used in Financing activities	(14,514.57)	(13,298.10)
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	8,686.03	(2,335.65)
Opening Balance of Cash & Cash Equivalents	2,472.51	4,808.16
Closing Balance of Cash & Cash Equivalents	11,158.54	2,472.51

Previous Year's figures have been re-grouped and re-arranged wherever considered necessary.

This Cash Flow Statement has been prepared under the indirect method prescribed under Accounting Standard 3 notified under the Companies Accounting Standard Rules 2006.

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. K. Lohia
Chief Financial Officer

P. P. Gupta
Managing Director
DIN : 00055954

Centre Point
21, Old Court House Street
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The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

N. Brahma
Company Secretary
Membership No. A-11652

S. N. Roy
Director
DIN: 00408742

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 1. SIGNIFICANT ACCOUNTING POLICIES

A Principles of Consolidation

The Consolidated Financial Statements relate to the Company Techno Electric & Engineering Company Limited (TEECL) and its subsidiaries - Simran Wind Project Limited, Techno Clean Energy Private Limited, Techno Green Energy Private Limited, Techno Wind Power Private Limited and its associate Patran Transimssion Company Limited.

The Proportion of Ownership Interest in each Subsidiary and associate is as follow:

Name of the Company	Relation with TEECL	Proportion of ownership Interest as at 31st March, 2016
Simran Wind Project Limited	Subsidiary	100.00%
Techno Infra Developers Private Limited	Subsidiary	100.00%
Techno Clean Energy Private Limited	Subsidiary	99.96%
Techno Green Energy Private Limited	Subsidiary	99.96%
Techno Wind Power Private Limited	Subsidiary	99.96%
Patran Transimssion Company Limited	Associate	49.00%

The Consolidated Financial Statements have been prepared on the following basis:

The Financial Statements of the Company and its Subsidiary Companies are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard 21; 'Consolidated Financial Statements'

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions except in cases stated in Accounting Policies and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements except as otherwise stated in Notes to the Accounts.

The difference between the cost of investment in the Subsidiary companies, over the net assets at the time of

acquisition of shares in the Subsidiary Companies are recognized in the Financial Statements as Goodwill.

Minority Interest's share of net assets of consolidated subsidiaries are identified and presented in the consolidated balance sheet separate from liabilities and equity of the Company's shareholders.

Investment in Associate has been accounted for using Equity Method in accordance with Accounting Standard 23 "Accounting for Investement in Associates in Consolidated Financial Statements".

Any excess/short of the amount of Investment in an Associate over the parent's portion of Equity of the Associate, at the date of Investment is considered as Goodwill/Capital Reserve and has been included in carrying amount of Investment and disclosed seperately. The carrying amount of Investment is adjusted thereafter for the post acquisition changes in the share of net Asset of Associates.

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

B Other Accounting Policies

a) Accounting Concept

The Financial Statements are prepared under the historical cost convention. Accounting Policies not referred to otherwise are consistent with Generally Accepted Accounting Principles and comply with the applicable Accounting Standards, prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule 2014, the provisions of the Companies Act and guidelines issued by the SEBI.

b) Recognition of Income & Expenditure

The Company follows Mercantile System of Accounting and recognises Income and Expenditure on accrual basis.

c) Revenue Recognition

The Company recognises Revenue for Supply Contracts on the basis of Bills raised and delivery of materials against Supplies.

Erection and work contract revenue for work completed is recognised on percentage completion method based on completion of physical proportion of contract work. When it is probable that contract cost will exceed the total contract revenue the expected loss is recognised immediately.

Revenue from Sale of Energy (Power) is recognised on the basis of electrical units generated, net of wheeling and transmission loss as applicable, as stated in the Power Purchase agreement entered into between the Company and the respective State Utilities.

REC Income is accounted on accrual basis at the rate sold at the Power Exchanges. At the period end REC Income is recognised at the minimum floor price

specified by the Central Regulator of CERC.

Generation based incentive is recognized on accrual basis i.e. on the basis of units of power generated, as referred above for which necessary claims have been lodged / is in the process of being lodged with the concerned authorities.

d) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

e) Earning Per Share

Basic earning per share is calculated by dividing the net profit/(loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

f) Fixed Assets

Fixed Assets are stated at their original cost, less accumulated depreciation. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use.

Capital Work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at the Balance Sheet date.

(i) Depreciation (except as stated in Note (ii) & (iii) below) is calculated on the basis of useful life prescribed in schedule II of the Companies Act, 2013 and is provided for on

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

- Straight Line Method on all assets except Office Equipments, Furniture & Fixtures which is provided for on Written Down Value Method.
- (ii) Depreciation on assets of overseas projects is provided at the rates as per the requirement of laws of respective foreign countries.
- (iii) In respect of Subsidiary Companies depreciation on office equipments including computers is provided on Straight Line Method.
- (iv) Lease hold Land is ammortised over the period of lease and the amortisation amount included under Depreciation.
- (v) Depreciation on Wind Mills are calculated on the basis of useful life of 20 years as per Power Purchase Agreement with the respective government Authorities as against 22 years in Schedule II to the Companies Act, 2013.
- g) Impairment of Assets**
Impairment loss is recognized, where applicable, when the carrying value of the Fixed Assets of a cash generating unit exceeds its market value or value in use, whichever is higher.
- h) Investments**
Long Term Investments are carried at cost less provision for diminution other than temporary, in value of such investments determined individually. Current investments are carried at lower of cost or fair value determined individually.
- i) Inventories**
Contract Work-in-Progress is stated at cost or market value whichever is lower. Components and materials are stated at lower of cost and estimated realisable value.
- j) Foreign Currency Transactions**
Foreign Currency Transactions are accounted at the exchange rates prevailing on the date of the transactions.
- Foreign currency monetary items remaining unsettled at the reporting date are translated at the rates prevailing on the reporting date. Exchange difference arising on translation of unsettled foreign currency monetary items, which were initially recorded at different rates, are recognized in the Statement of Profit and Loss, except in respect of long term foreign currency monetary items relating to borrowings for acquisition of fixed assets, for which the company has availed the option to adjust such difference to the cost of the depreciable asset and depreciating the same over the balance life of asset.
- In case of transactions covered by forward exchange contracts, which are not intended for trading or speculation purpose, premium or discount are amortised as expense or income over the life of the contract.
- Any profit or loss arising on settlement or cancellation of foreign currency forward contracts or options are recognised in the Statement of Profit and Loss for the year in which settlement or cancellation takes place.

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

Translation of overseas jobs/ projects are done as under:

- a) Assets and liabilities at the rates prevailing at the reporting date.
- b) Income and expenses at the exchange rate prevailing for the month of transaction.

k) Employee Benefits

Contributions to defined contribution scheme in the form of Provident and other funds are charged to the Statement of Profit and Loss. In respect of certain employees, Provident Fund contributions are made to Trust administered by the trustees. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and short fall, if any, shall be made good by the Company. The remaining contributions are made to a Government-administered Provident Fund towards which the Company has no further obligations beyond its monthly contribution.

The Company has defined benefit plan for post-employment benefit in the form of gratuity for all employees. Liability for above defined benefit plan is provided on the basis of actuarial valuation as at the Balance Sheet date, carried out by an independent Actuary. The actuarial method used for measuring the liability is the projected unit credit method. The gratuity as mentioned above is controlled by a Trust, administered by the Trustees, except in case of its subsidiary which is unfunded.

In respect of compensated absences benefits to employees, liability is provided for on the basis of actuarial valuation as at the the Balance Sheet date, carried out by an independent actuary. The actuarial method used for measuring the liability is the projected unit credit method.

l) Taxation

Current tax is determined on the basis of the amount payable for the year under Income Tax Act. Deferred tax is calculated at current/ substantively enacted Income Tax rate and is recognised on timing differences between taxable income and accounting income. Deferred tax assets, subject to consideration of prudence, are recognised and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company's business units, engaged in generation of electricity from Wind Mills at various locations, are eligible for 100% tax holiday for a period of 10 consecutive years out of 15 years, from the year in which the generation of power is started. Timing difference between the tax basis and the carrying values of assets and liabilities of the Units, which originate during the year but reverse during the tax holiday period are not recognised in the year in accordance with the requirements of Accounting Standard - 22: Accounting for Taxes of Income.

m) MAT Credit Entitlement

In respect of Simran Wind Project Ltd (Subsidiary Company), the Minimum Alternate Tax (MAT) paid in accordance

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

with the tax laws give rise to future economic benefits in the form of adjustment of future income tax liability is considered and recognised as an asset in the Balance Sheet when it is probable that such benefits will flow to the Company in future years and the same can be measured reliably.

n) Segment Reporting

The Accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenues and expenses are directly attributed to the related segment. Revenues and expenses like dividend, interest, profit/loss on sale of assets and investments etc., which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have not been included therein.

All segment assets and liabilities are directly attributed to the related segment. Segment assets include all operating assets used by the segment and consist principally of fixed assets, inventories, sundry debtors, loans and advances

and operating cash and bank balances. Segment assets and liabilities do not include investments, miscellaneous expenditure not written off, share capital, reserves and surplus, unpaid dividend, deferred tax liability, provision for tax and proposed dividend.

o) Provisions, Contingent Liabilities and Contingent Assets

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

Contingent liabilities are disclosed by way of notes to the Financial Statements.

Contingent assets are not recognised.

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 2. SHARE CAPITAL

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Authorised Share Capital		
5,50,20,000 Preference shares of ₹ 10/- each	5,502.00	5,502.00
42,49,00,000 Equity Shares of ₹ 2/- each	8,498.00	8,498.00
	14,000.00	14,000.00
Issued, Subscribed & Paid up		
5,70,91,200 Equity Shares of ₹ 2/- each fully paid up	1,141.82	1,141.82
Total	1,141.82	1,141.82

NOTE 2a. THE RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING IS SET OUT BELOW

Particulars	Equity Shares	
	As at 31st March, 2016 Nos	As at 31st March, 2015 Nos
Shares at the beginning of the year	5,70,91,200	5,70,91,200
Shares Issued during the year	-	-
Shares at the end of the year	5,70,91,200	5,70,91,200

NOTE 2b. LIST OF SHARE HOLDERS IN EXCESS OF 5%

Name of Shareholder	Equity Shares			
	As at 31st March, 2016		As at 31st March, 2015	
	Nos	% of Holding	Nos	% of Holding
Varanasi Commercial Ltd.	1,21,94,900	21.36	1,21,94,900	21.36
Kusum Industrial Gases Ltd.	70,83,000	12.41	70,83,000	12.41
Techno Leasing & Finance Co. Pvt. Ltd.	68,94,000	12.08	68,94,000	12.08
DSP Blackrock 3 Years Close Ended Equity	34,48,149	6.04	-	-
J.P.Financial Services Pvt. Ltd.	29,04,711	5.09	29,54,489	5.18
Techno Power Project Ltd.	32,04,000	5.61	32,04,000	5.61

NOTE 2c. RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO THE SHARES

The equity shares of the Company of nominal value of ₹ 2/- per share rank pari passu in all respects including voting rights and entitlement to dividend and repayment of share capital.

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 3. RESERVE & SURPLUS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
a. Capital Reserve		
As per last Balance Sheet	1,572.66	2,222.90
Additions during the year	-	-
	1,572.66	2,222.90
b. Securities Premium Account		
As per last Balance Sheet	18,758.19	18,758.19
c. Debenture Redemption Reserve		
As per last Balance Sheet	3,000.00	2,500.00
Add: Transfer from Surplus	1,000.00	500.00
	4,000.00	3,000.00
d. General Reserve		
As per last Balance Sheet	56,917.02	51,417.02
Add: Transfer from Profit & Loss	8,000.00	5,500.00
Closing Balance	64,917.02	56,917.02
e. Surplus		
As per last Balance Sheet	9,432.96	7,670.07
Net Profit For the current year	14,057.21	10,508.20
Less: Depreciation of Assets on expiry of useful life	-	16.64
Less: Interim Dividend paid	1,712.74	1,427.28
Less: Proposed Dividend	1,141.82	884.49
Less: Tax on Dividend	575.39	416.90
Less: Transfer to Debenture Redemption Reserve	1,000.00	500.00
Less: Transfer to General Reserve	8,000.00	5,500.00
Closing Balance	11,060.22	9,432.96
Total	1,00,308.09	90,331.07

NOTE 4. LONG TERM BORROWINGS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Secured		
Car Loan (in INR)	45.27	-
HDFC Bank Ltd		
Repayment	9.85%	
Schedule/ Rate of interest		
2016-17 #	32.42	
2017-18	35.76	
2018-19	9.50	
Secured by hypothecation of the vehicle of Subsidiary Company		

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

Particulars	₹ In Lakhs		
	As at 31st March, 2016	As at 31st March, 2015	
Debentures	3,000.00	7,000.00	
700 (Previous year 1000) Non-Convertible Debentures of ₹ 10,00,000 each (secured by way of exclusive mortgage and creation of charge in favour of the trustees (IDBI Trusteeship Services Ltd) on the immovable properties and hypothecation of movable properties of 33 MW of Operational Wind Power Plant at Tamil Nadu)			
The Debentures as mentioned above presently carries interest rate of 10.24% p.a.			
The outstanding 700 Non-Convertible Debentures are redeemable as follows:			
On 28/01/2017 #	400		
On 28/01/2018	300		
External Commercial Borrowings			
In Indian Rupee			
From International Finance Corp.	9,607.00	10,685.75	
Repayment Schedule/ Rate of interest	8.38%	8.51%	9.40%
2016-17 #	438.75	438.75	201.25
2017-18	411.75	411.75	345.00
2018-19	776.25	776.25	333.50
2019-20	1,113.75	1,113.75	299.00
2020-21	1,181.25	1,181.25	241.50
2021-22	607.50	607.50	207.00
In Foreign Currency			
DBS Bank Ltd (US\$ 15 million)	5,969.96	9,388.62	
Repayment Schedule/ Rate of interest	4.55%	4.60%	₹ In Lakhs
2016-17 #	US \$ 4.80 Million	US \$ 1.20 Million	3,979.97
2017-18	US \$ 4.80 Million	US \$ 1.20 Million	3,979.97
2018-19	US \$ 2.40 Million	US \$ 0.60 Million	1,989.99
Standard Chartered Bank (US\$ 20.13 million)	12,059.32	12,599.53	
Repayment Schedule/ Rate of interest	5.05%		₹ In Lakhs
2016-17 #	US \$ 1.95 Million		1,293.49
2017-18	US \$ 1.83 Million		1,213.89
2018-19	US \$ 3.45 Million		2,288.49
2019-20	US \$ 4.95 Million		3,283.48
2020-21	US \$ 5.25 Million		3,482.48
2021-22	US \$ 2.70 Million		1,790.99
The above referred External Commercial Borrowings are secured by first ranking pari passu charge / mortgage inter-se all lenders and hedge counterparties on the assets of the Company in relation to the construction and operation of 111.9 MW of wind assets, located in the State of Tamil Nadu, India and spread across three locations in Mutthianpatti, Amudhapuram and Rasta.			
Total	30,681.55	39,673.90	

Amount disclosed under the head "Other Current Liabilities" Note 10

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 5. DEFERRED TAX LIABILITIES (NET)

Particulars	As at 31st March, 2015	Charge/ (Reversal) during the year	₹ In Lakhs
			As at 31st March, 2016
Deferred Tax Liabilities			
In respect of Fixed Assets	68.68	8.12	76.80
Net Deferred Tax Liabilities/ (Assets)	68.68	8.12	76.80

NOTE 6. OTHER LONG TERM LIABILITIES

Particulars	As at 31st March, 2016	₹ In Lakhs
		As at 31st March, 2015
Advance received from customers	834.44	1,661.85
Total	834.44	1,661.85

NOTE 7. LONG TERM PROVISIONS

Particulars	As at 31st March, 2016	₹ In Lakhs
		As at 31st March, 2015
Provision for employee benefits		
Leave Encashment (unfunded)	140.88	139.55
Gratuity	4.37	5.53
Total	145.25	145.08

NOTE 8. SHORT TERM BORROWINGS

Particulars	As at 31st March, 2016	₹ In Lakhs
		As at 31st March, 2015
Secured		
Working Capital facilities from Banks		
a) In Foreign Currency	7,654.82	7,573.49
Above Loans are secured against hypothecation of Components, Raw-Materials, Work-in-Progress, Plant & Machinery, Book Debts of EPC division, ranking pari-pasu. The Company also enjoys financing facilities with certain other Banks against hypothecation of Components, Raw-Materials, Work-in-Progress, Plant & Machinery, Book Debts of EPC division, equitable mortgage of Land at Rajpur, West Bengal and personal guarantee of the Managing Director of the Company.		
	7,654.82	7,573.49
Unsecured		
From Body Corporate		
a) In Indian Rupees	2,500.00	-
	2,500.00	-
Total	10,154.82	7,573.49

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 9. TRADE PAYABLES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Sundry Creditors	28,543.38	13,537.37
Expenses payable	208.87	134.56
Total	28,752.25	13,671.93

Note : To the extent identified from available information, there is no amount due to Micro, Small and Medium size enterprises as on 31st March, 2016.

NOTE 10. OTHER CURRENT LIABILITIES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Advance received from Customers against Contract Work in Progress	-	45.29
Current maturities of long-term debt (Refer Note No 4)	10,384.64	9,247.24
Interest accrued but not due on borrowings	953.23	1,114.81
Unclaimed Dividend *	21.90	19.48
Statutory Dues	244.18	53.90
Employee Benefits Payable	3.32	3.08
Total	11,607.27	10,483.80

* No amount is due for payment to Investor Protection and Education Fund.

NOTE 11. SHORT TERM PROVISIONS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Provision for employee benefits	83.86	66.24
Provision for Leave Encashment	17.45	-
Provision for Gratuity	62.60	42.49
Provision for Dividend	1,141.82	884.49
Tax on Dividend	232.45	180.06
Provision for Income Tax	124.68	235.05
Provision for Wealth Tax	-	0.44
Total	1,662.86	1,408.77

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 12. FIXED ASSETS

Particulars	Gross Block		Accumulated Depreciation		Net Block	
	Balance as at 1st April, 2015	Balance as at 31st March, 2016	Balance as at 1st April, 2015	Balance as at 31st March, 2016	Balance as at 31st March, 2015	Balance as at 31st March, 2016
Tangible Assets						
Freehold Land	1.23	1.23	-	-	1.23	1.23
Freehold Land - Wind Division Land	3,317.56	2,744.46	-	-	2,744.46	3,317.56
Leasehold Land	116.55	116.55	-	-	-	-
Buildings	84.02	84.02	152	-	26.83	57.19
Plant and Machinery	491.32	503.27	36.96	-	183.47	319.80
Plant and Machinery - Wind Mills	1,28,609.28	1,03,947.94	4,792.81	9,135.70	27,799.89	76,148.05
Furniture and Fixtures	38.98	748.14	26.67	-	59.03	689.11
Vehicles	290.93	246.20	26.88	35.09	176.68	69.52
Office equipment	314.58	587.85	42.82	-	300.19	287.66
Intangible Assets						
Software	85.45	85.45	13.58	-	37.29	48.16
Total (i)	1,33,349.90	2,574.38	26,859.17	9,170.79	28,605.65	80,459.46
Previous Year	1,32,469.03	1,248.21	367.35	16.64	32,831.32	1,00,518.59

a) Additions in plant and machinery includes ₹ 1,560.88 Lakhs (Previous year ₹ 1,166.58 Lakhs) on account of exchange difference during the year.

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 13. NON CURRENT INVESTMENTS

No. of Shares / Units	No. of Shares		₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2016	As at 31st March, 2015
Trade Investments				
a. (i) Unquoted in Associate Companies (fully paidup of ₹ 10/- each)				
Patran Transmission Company Limited (at cost)	2,45,00,000	-	2,450.00	-
Add/ (Less): Share of profit/(loss) for the year		-	(16.00)	-
		-	2,434.00	-
Non Trade Investments (at cost)				
Investment in Equity Instruments				
b. (i) Unquoted equities shares of other Companies (fully paidup of ₹ 10/- each)				
Tega India Limited (₹ 70, Previous Year ₹ 70)	7	7	-	-
Techno Leasing & Finance Co Pvt Ltd (₹ 100, Previous Year ₹ 100)	10	10	-	-
Techno International Limited	1,70,060	1,70,060	17.01	17.01
North Dinajpur Power Limited	20,000	20,000	2.00	2.00
Rajgarh Bio Power Limited	20,000	20,000	2.00	2.00
Techno Ganga Nagar Green Power Generating Co. Limited	20,994	20,994	2.10	2.10
Techno Birbhum Green Power Generating Co. Limited	20,994	20,994	2.10	2.10
Techno Power Grid Company Limited	50,000	50,000	5.00	5.00
Jhajjar KT Transco Pvt Limited	1,10,92,857	1,10,92,857	3,760.00	3,760.00
Bargarh Green Power Generating Co. Limited	19,994	19,994	2.00	2.00
Techno Infra Developers Private Limited	-	50,000	-	5.00
			3,792.21	3,797.21
Total			6,226.21	3,797.21

NOTE 14. LONG TERM LOANS & ADVANCES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Unsecured, considered good		
Security Deposit	217.69	172.11
MAT Credit Entitlement	1,494.93	3,501.82
Total	1,712.62	3,673.93

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 15. DETAILS OF CURRENT INVESTMENTS

No. of Shares / Units	No. of Units		₹ In Lakhs	
	As at	As at	As at	As at
	31st March, 2016	31st March, 2015	31st March, 2016	31st March, 2015
Investments in Mutual Funds				
Unquoted (Fully paid up) : at Cost				
Mutual Fund				
Reliance Liq. Fund -Treas'y Plan -D. Plan Gr. Plan-Gr. Opt	-	61,928.534	-	2,094.00
Reliance Liq. Fund -Cash Plan -D. Plan Gr. Plan-Gr. Opt	86,960.011	-	2,122.75	-
Kotak Floater Short Term - Direct - Growth	81,960.052	-	2,035.17	-
ICICI Prudential Liquid Fund	-	12,03,574.940	-	2,488.50
ICICI Prudential Money Market Plan	1,12,246.803	-	234.98	-
IDFC Cash Fund - Growth - Direct Plan	32,857.100	-	601.48	-
Principal Cash Management Fund - Direct Plan - Growth	-	29,804.121	-	405.00
Axis Banking Debt Fund - Direct - Growth	-	26,567.946	-	340.00
Birla Sunlife Cash Plus - Growth - Direct Plan	3,52,872.386	41,921.672	852.18	94.00
HDFC Cash Management Saving - Direct - Growth	14,507.095	17,65,325.632	458.53	514.94
Reliance Money Manager - Direct - Growth	-	25,898.894	-	500.00
Religare Liquid Fund - Regular Growth	267.036	-	5.49	-
Kotak Liquid Scheme Plan A - Direct - Growth	-	95,927.307	-	2,721.91
HDFC Liquid Fund - Direct - Growth	-	9,46,564.443	-	261.00
SBI Premier Liquid Fund - Direct - Growth	-	5,687.440	-	125.00
JM High Liquidity Fund - Growth Option (13)	-	3,46,571.541	-	132.24
			6,310.58	9,676.59
Other Investments				
Edelweiss Assets Reconstruction Co Ltd (Maturity value ₹ 3000.00 Lakhs on 29/06/2016) (Commercial Paper)	-	-	2,931.33	-
Aggregate amount of unquoted Investments			9,241.91	9,676.59

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 16. INVENTORIES (As certified by management)

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Contract Work-in-progress	27.55	628.04
Materials & Components	3,765.62	-
Total	3,793.17	628.04

NOTE 17. TRADE RECEIVABLES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Trade Receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months	7,549.28	5,581.29
Other Debts	25,768.66	17,495.32
	33,317.94	23,076.61
Unsecured, considered good		
Retention Money Receivables (Receivable on fulfillment of certain conditions as per terms of the contracts)	16,307.78	11,416.89
	16,307.78	11,416.89
Total	49,625.72	34,493.50

NOTE 18. CASH AND CASH EQUIVALENTS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
a. Balances with banks		
Unpaid Dividend accounts	21.90	19.48
Margin money	0.29	0.29
b. Bank Fixed deposits		
Having maturity of more than twelve months	741.47	321.70
Having maturity between three months and twelve months	321.70	25.21
Having maturity of less than three months	5,690.00	1,070.15
c. Balance with Bank on Current Account	4,286.35	978.26
d. Cash in hand	96.83	57.42
Total	4,843.46	1,949.61

a) Fixed deposit receipts of ₹ 974.77 Lakhs (Previous Year ₹ 833.84 Lakhs) are lodged with the Bankers of the Company as Margin against Bank Guarantees issued /to be issued in favour of the company.

b) Fixed deposit receipts of ₹ 1.40 Lakhs (Previous Year ₹ 1.22 Lakhs) are lodged with a client/Sales Tax authorities as Security/Registration Deposits.

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 19. SHORT-TERM LOANS AND ADVANCES

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Loans and advances to Other than Related Parties		
Unsecured considered good		
Loans	797.57	734.75
Other Advances	7,910.80	5,579.69
Prepaid Expenses	562.01	385.59
Security Deposit	70.95	26.29
Total	9,341.33	6,726.32

NOTE 20. OTHER CURRENT ASSETS

Particulars	₹ In Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Interest Receivable	110.18	167.75
Income Receivable	4,744.67	4,038.57
Receivables from redemption of Mutual Funds & other investments	6,952.95	-
Total	11,807.80	4,206.32

NOTE 21. REVENUE FROM OPERATION

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Sales		
EPC (Construction)	1,01,427.56	66,808.72
Energy (Power)	7,675.11	11,722.37
	1,09,102.67	78,531.09
Other Operating Revenue		
GBI - Incentive	617.81	858.23
	617.81	858.23
Total	1,09,720.48	79,389.32

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 22. OTHER INCOME

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest Income on short term Investment	10.13	39.31
Other Interest Income	659.10	180.93
Dividend from Long term Investment	-	202.23
Net gain on sale of Current investments #	3,072.43	1,000.22
Net gain on sale of Non Current investments	-	83.52
Profit on Sale of Investment F & O	0.02	507.87
Profit on Sale of Fixed Assets	2,540.38	0.03
Miscellaneous receipts	3.60	9.53
Total	6,285.66	2,023.64

Includes dividend income of ₹ 5579.97 Lakhs (previous year ₹ 199.33 Lakhs).

NOTE 23. MATERIALS AND STORES

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Materials and Stores	81,321.07	49,659.88
Total	81,321.07	49,659.88

Materials and Stores purchased during the year include Stores ₹ 2522.67 Lakhs (Previous Year ₹ 1858.44 Lakhs). The consumption of such materials included in outlay and contract work-in-progress have been taken by the Auditors as certified.

NOTE 24. (INCREASE)/DECREASE IN INVENTORIES

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Opening Contract Work -in-progress	628.04	1,183.69
Closing Contract Work -in-progress	27.55	628.04
(Increase) /Decrease in Contract Work in Progress	600.49	555.65
Opening of Materials & Components	-	-
Closing of Materials & Components	3,765.62	-
(Increase) /Decrease of Material & Components	(3,765.62)	-
(Increase) /Decrease in Inventories	(3,165.13)	555.65

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 25. EMPLOYEES BENEFIT EXPENSES

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Salary & Reimbursements	2,527.36	2,307.79
Contributions to Provident and other Funds	185.99	170.26
Staff Welfare expenses	302.83	259.81
Total	3,016.18	2,737.86

NOTE 26. FINANCE COST

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Interest expense		
- Debenture	973.78	1,045.78
- Banks and Others	2,621.57	3,238.71
Bank Gurantee Commission	413.88	327.82
Exchange rate variation	400.71	12.89
Other Borrowing Costs	18.86	28.74
Total	4,428.80	4,653.94

NOTE 27. OTHER EXPENSES

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Travelling & Conveyance	824.20	737.31
Rent	333.35	324.96
Rates & Taxes	9.03	13.32
Insurance	291.33	325.76
Sales Tax (Net)	1,396.69	683.95
Service Tax (Net)	540.88	400.71
Power & Fuel	234.25	212.13
Repairs to Plant & Machinery	404.36	510.16
Remuneration to Managing Director	191.78	142.58
Directors' Fee	4.10	3.90
Auditors' Remuneration	-	-
Audit Fees	3.31	2.98
Tax Audit	0.70	0.67
Cost Audit	0.20	0.20
Other Services	2.16	0.81
Loss on Sale of Fixed Assets	14.37	-
Bank Charges	153.16	83.78
Exchange Rate difference	95.92	11.74
Miscellaneous expenses	2,016.85	1,838.20
Total	6,516.64	5,293.16

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

Details of Remuneration to Managing Director

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Salary	35.10	35.10
Contribution to Provident Fund	2.81	2.81
Commission	153.87	104.67
Total	191.78	142.58

NOTE 28. EARNINGS PER SHARE

(Amount in ₹ in Lakhs Except No. of Shares)

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Net Profit / (Loss) after tax (a)	14,057.21	10,508.20
Weighted average number of equity shares of face value of ₹ 2/- each (b)	5,70,91,200	5,70,91,200
Basic and diluted earnings per share in ₹ (a) / (b)	24.62	18.41

NOTE 29. INFORMATION IN ACCORDANCE WITH THE REQUIREMENT OF THE ACCOUNTING STANDARD 7 : CONSTRUCTION CONTRACTS

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	
i) Amount of contract revenue recognised	25,647.85	
ii) Disclosures in respect of contract in progress at the reporting date:		
a) contract cost incurred and recognised profit less recognised loss	35,436.41	
b) Advance received and outstanding as on reporting date	206.71	
c) Retentions	3,426.66	
d) Due to Customers	2,543.40	

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 30. DISCLOSURES IN ACCORDANCE WITH REVISED AS-15 ON "EMPLOYEE BENEFITS"

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
a) Defined Contribution Plans		
The company has recognised the following amount in the Statement of Profit & Loss for the year		
Employer's contribution to Provident & Other Funds	187.73	171.83
b) Defined Benefit Plans		
The following figures are as per actuarial valuation as at the Balance Sheet date carried out by an independent actuary		
i) Present Value of defined benefit obligation		
Present Value of obligations at beginning of the year	288.26	267.49
Service Cost	29.96	26.24
Interest Cost	21.88	19.79
Benefit Settled	(29.54)	(40.14)
Actuarial(gain)/loss	25.91	14.88
Present Value of obligations at the end of the year	336.47	288.26
ii) Change in fair value of plan assets		
Fair Value of Plan assets at beginning of the year	240.24	248.71
Contribution	42.49	14.48
Expected return on Plan Assets	19.22	19.90
Actuarial(gain)/loss	(4.58)	(2.71)
Benefit Settled	(27.86)	(40.14)
Fair Value of Plan assets at the end of the year	269.51	240.24
iii) Reconciliation of Present Value of the defined obligation plan and the fair value of the plan assets		
Fair Value of Plan assets at the end of the year	269.51	240.24
Present Value of the defined benefit obligations at the end of the year	336.47	288.26
Assets/(Liability)	(66.97)	(48.02)
iv) Net Gratuity and other cost		
Service Cost	29.96	26.24
Interest Cost	21.88	19.79
Expected return on Plan Assets	(19.22)	(19.90)
Actuarial(gain)/loss	30.49	17.59
Net Gratuity Cost	63.11	43.73
v) Actuarial Assumptions		
Discount Rate	8.00%	8.00%
Inflation Rate(Salary escalation rate)	6.00%	6.00%
Return on Assets	8.00%	8.00%

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
vi) For each major category of plan assets following is the percentage that each major category constitute of the fair value of the plan assets		
Central Government Securities	22.36%	25.90%
State Government Securities	3.09%	3.46%
PSU Bonds	20.06%	26.83%
Investment with Bank in Special Deposit Scheme	10.53%	11.81%
Administered by Birla Sun Life Insurance Company Limited	43.96%	32.00%
	100.00%	100.00%

NOTE 31. SEGMENT REPORTING

a) Based on the guiding principles given in Accounting Standards on "Segment Reporting" (AS-17) notified under the Companies (Accounting Standard) Rules 2006, the Company's primary business segments are EPC (Construction) and Energy (Power). Financial information about the primary business segments are presented in table given below:

	For the year ended 31st March, 2016				For the year ended 31st March, 2015			
	EPC (Construction)	Energy (Power)	Corporate	Total	EPC (Construction)	Energy (Power)	Corporate	Total
A. Revenue								
1 Sales	101,427.56	8,292.91	-	109,720.47	66,808.72	12,580.61	-	79,389.33
2 Others	-	-	6,285.66	6,285.66	-	-	2,023.63	2,023.63
3 Total Revenue	101,427.56	8,292.91	6,285.66	116,006.13	66,808.72	12,580.61	2,023.63	81,412.96
B. Result								
1. Segment result/ operating Profit before Tax and Interest	14,255.27	2,831.33	6,285.66	23,372.26	9,582.96	5,527.72	2,023.63	17,134.31
2. Finance Cost	2,076.56	2,352.24	-	4,428.80	2,017.12	2,636.83	-	4,653.95
3. Provision for Taxation	-	-	4,870.25	4,870.25	-	-	2,552.76	2,552.76
4. MAT Credit Entitlement	-	-	-	-	-	-	(699.80)	(699.80)
5. Net Profit (before adjustment for minority interest)	12,178.71	479.09	1,415.41	14,073.21	7,565.84	2,890.89	170.67	10,627.40
6. Share of Profit transferred to minority	-	-	-	-	-	-	119.22	119.22
7. Share of Profit/ (loss) of associates	-	-	(16.00)	(16.00)	-	-	-	-
8. Profit after tax (after adjustment for minority interest & profit/ (loss) of associates)	12,178.71	479.09	1,399.41	14,057.21	7,565.84	2,890.89	51.45	10,508.18

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

	For the year ended 31st March, 2016				For the year ended 31st March, 2015			
	EPC (Construction)	Energy (Power)	Corporate	Total	EPC (Construction)	Energy (Power)	Corporate	Total
C. Other Information								
1. Segment Assets	57,146.48	113,377.21	14,841.44	185,365.13	42,969.46	116,272.80	8,906.97	168,149.23
2. Segment Liabilities	46,014.26	36,303.09	103,047.78	185,365.13	31,742.19	41,557.09	94,849.95	168,149.23
3. Capital Expenditure	888.93	124.57	-	1,013.50	35.05	-	-	35.05
4. Depreciation	140.32	4,804.81	-	4,945.13	128.00	5,904.10	-	6,032.10

b) As the revenues from overseas sites does not exceed the minimum threshold limit for such disclosure, no separate disclosure for Geographical segment (Secondary Segment) is applicable.

NOTE 32. RELATED PARTY TRANSACTIONS

A. List of related parties and nature of relationships, where control exists

S. No.	Name of the party	Nature of relationship
1	Mr Padam Prakash Gupta	Key Managerial Personnel
2	Mr Ankit Saraiya	Relative of Key Managerial Personnel
3	Ms Avantika Gupta	Relative of Key Managerial Personnel

B. Disclosure of significant transactions with related parties and the status of outstanding balances as on March 31, 2016

Transactions during the year

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Shri Padam Prakash Gupta (Key Managerial Personnel)		
Remuneration to Managing Director	191.78	142.57
Shri Ankit Saraiya (Relative of Key Managerial Personnel)		
Remuneration Paid	23.24	16.62

Outstanding Balances

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Mr. Padam Prakash Gupta (Key Management Personnel)		
Remuneration Payable to Managing Director	153.87	104.67

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 33. DETAIL OF MATERIALS CONSUMED

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Indigenous	63,993.01	37,110.57
Imported	2,090.33	1,672.06
Total	66,083.34	38,782.63

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Indigenous	96.84%	95.69%
Imported	3.16%	4.31%
Total	100.00%	100.00%

NOTE 34. CIF VALUE OF IMPORTS

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Materials	2,090.33	1,672.06
Total	2,090.33	1,672.06

NOTE 35. EXPENDITURE IN FOREIGN CURRENCY

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Travelling	40.85	40.39
Interest	1,402.63	1,579.91
Tender Expenses	0.76	-
Professional Fees	-	1.00
Loan Payment	5,065.77	4,943.63
Total	6,510.01	6,564.93

NOTE 36. EARNING IN FOREIGN EXCHANGE

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Export of Goods (FOB Value)	1,753.45	6,198.96
Total	1,753.45	6,198.96

NOTES

on Consolidated Financial Statements for the Year ended 31st March, 2016

NOTE 37. DEEMED EXPORT

Particulars	₹ In Lakhs	
	Year ended 31st March, 2016	Year ended 31st March, 2015
Deemed Export Under Global Tender at Ex- works value	12,477.40	17,131.38
Total	12,477.40	17,131.38

NOTE 38. The previous year's figures have been regrouped, rearranged and re-classified to confirm to the current year's classification.

For S . S. Kothari & Co.
Chartered Accountants
Firm's Registration No. 302034E

P. K. Lohia
Chief Financial Officer

P. P. Gupta
Managing Director
DIN : 00055954

Centre Point
21, Old Court House Street
Kolkata - 700 001
The 28th day of May, 2016

R.N. Bardhan
Partner
Membership No. 17270

N. Brahma
Company Secretary
Membership No. A-11652

S. N. Roy
Director
DIN: 00408742

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES.

(Pursuant to first proviso to sub-section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Account) Rules, 2014 - AOC-1)

Particulars	Simran Wind Project Limited	Techno Infra Developers Private Limited	Techno Clean Energy Private Limited	Techno Green Energy Private Limited	Techno Wind Power Private Limited
a) Capital	16,640.04	5.00	5.00	5.00	5.00
b) Reserves	43,469.75	(0.61)	(2.65)	(2.65)	(2.65)
c) Total Assets	96,334.00	4.44	2.41	2.41	2.41
d) Total Liabilities	96,334.00	4.44	2.41	2.41	2.41
e) Details of Investment	7,930.19	-	-	-	-
f) Turnover	6,436.69	-	-	-	-
g) Profit Before Taxation	6,264.03	(0.25)	(2.65)	(2.65)	(2.65)
h) Provision for Taxation	2,154.38	-	-	-	-
i) Profit after Taxation	4,109.65	(0.25)	2.65	2.65	2.65
j) Interim Dividend Paid	1,664.00	-	-	-	-
k) Tax on Interim Dividend Paid	338.75	-	-	-	-

NOTES

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NOTES

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. P. P. Gupta, Managing Director
Mr. V. D. Mohile, Independent Director
Mr. K. M. Poddar, Independent Director
Mr. K. Vasudevan, Independent Director
Mr. K. K. Rai, Independent Director
Mr. S. N. Roy, Independent Director
Mr. A. Saraiya, Non-Executive Director
Ms. A. Gupta, Non-Executive Director

COMPANY SECRETARY

N. Brahma

BANKERS

Vijaya Bank
State Bank of India
ICICI Bank
Standard Chartered Bank
Citibank N.A.
IndusInd Bank
DBS Bank
HSBC
YES Bank
IDBI Bank

AUDITORS

S. S. Kothari & Co. Centre Point
21, Old Court House Street Kolkata- 700 001
Phone: 22482758
E: sskotharico@gmail.com

REGISTERED OFFICE

P-46A, Radha Bazar Lane, Kolkata- 700001
Phone: (033) 40513000
Fax: (033) 40513326
E: desk.investors@techno.co.in
W: www.techno.co.in

CORPORATE OFFICE

1B Park Plaza, 71 Park Street, Kolkata- 700016
Phone: (033) 40513000
Fax: (033) 40513326

REGISTRAR AND SHARE TRANSFER AGENT

Niche Technologies Private Ltd. D-5 I I,
Bagree Market,
5th Floor 71, B. R. B. Basu Road,
Kolkata-700001
Phone: 2234-2318/3576, 2235-7270/7271/3070
Fax: 2215-6823



**Techno Electric & Engineering
Company Limited**

Corporate office
1B Park Plaza, 71 Park Street,
Kolkata 700 016