

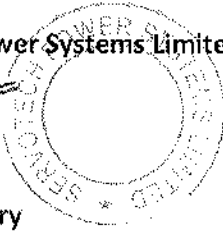

Date: 5th June, 2017

Dear Member's/ Director's/Auditors,

You are cordially invited to attend 13th Annual General Meeting of the Members of Servotech Power Systems Limited to be held on Monday, the 10th day of July, 2017 at its registered office at 806, 8th Floor, Crown Heights, Hotel Crowne Plaza, Rohini, New Delhi-110085 at 11:30 A.M.

The Notice of the meeting containing the business to be transacted is enclosed.

For Servotech Power Systems Limited



Pallavi Sahni

Company Secretary

ACS 46035

Address: 126, Lal Jyoti Apartment,
Sector-9, Rohini, Delhi-110085

Enclosures:-

1. Notice of Annual General Meeting
2. Proxy Form (MGT-11)
3. Attendance Slip
4. Route Map

Servotech Power Systems Limited

(Formerly Known as Servotech Power Systems Private Limited)

CIN : U31200DL2004PLC129379

REGISTERED OFFICE : 806, 8th Floor, Crown Height, Hotel Crowne Plaza, Sector-10, Rohini, New Delhi -110085

PLANT AND R&D : 357, Sector-56, Phase-V, EHTP, HSIIDC Industrial Estate, Kundli, Sonapat 131028, Haryana

Tel No : 011-41117657-58-59-60 • Sales: +91 9717691800 • Email:servotech@servotechindia.com • Website: www.servotech.in

Notice

NOTICE IS HEREBY GIVEN THAT THE 13th ANNUAL GENERAL MEETING ("AGM") OF THE MEMBERS OF SERVOTECH POWER SYSTEMS LIMITED WILL BE HELD AT 11:30 A.M. ON MONDAY 10th JULY, 2017 AT THE REGISTERED OFFICE OF THE COMPANY AT 806, 8th FLOOR, CROWN HEIGHTS, HOTEL CROWNE PLAZA, ROHINI, NEW DELHI-110085

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017, the Reports of the Directors and Auditors thereon.

Consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution**:

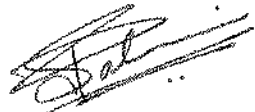

"RESOLVED THAT the audited financial statements of the Company including the Balance Sheet as at March 31, 2017, the statement of Profit and Loss for the year ended on that date, Report of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."

2. To ratify the appointment of Statutory Auditors and in this regard to consider and if thought fit, to pass with or without modification, the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act 2013 (the "Act") and the Companies (Audit and Auditors Rules, 2014 ("Rules") (including any statutory modification or re-enactment thereof, for the time being in force), the Company hereby ratifies the appointment of M/s Gupta Jalan and Associates, Chartered Accountants, Firm Registration No. 03721N), as the Statutory Auditor of the Company, to hold office from conclusion of this meeting till the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company, in addition to the service tax and actual out of pocket expenses incurred in Connection with the audit of the accounts of the Company to be reimbursed for the financial year ending March 31, 2018."

Date: 5.6.2017
Place: New Delhi

For Servotech Power Systems Limited



Pallavi Sahni
Company Secretary
ACS 46035

Address: 126, Lal Jyoti Apartment,
Sector-9, Rohini, Delhi-110085

Servotech Power Systems Limited

(Formerly Known as Servotech Power Systems Private Limited)

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REGISTERED OFFICE : 806, 8th Floor, Crown Height, Hotel Crowne Plaza, Sector-10, Rohini, New Delhi -110085

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Annexure to the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following statement sets out all material facts relating to Certain Ordinary Business mentioned in the accompanying Notice:

Item No. 2

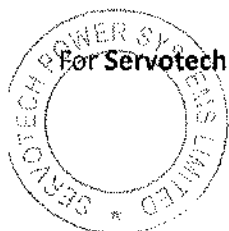
M/s Gupta Jalan and Associates, Chartered Accountants, were appointed as Statutory Auditors of the company in the 12th AGM held on September 30, 2016 to hold office till the conclusion of 17th Annual General Meeting to be held in the calendar year 2021. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditor shall be placed for ratification at every Annual General Meeting. The Board has approved his ratification in the Board Meeting held on 2nd June, 2017.

Accordingly, the appointment of M/s Gupta Jalan and Associates, Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

None of the Directors of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 2.

The Board recommends the resolution at term No. 2 for approval of the members.

Date: 5.6.2017
Place: New Delhi



For Servotech Power Systems Limited

A handwritten signature in black ink, appearing to read "Pallavi Sahni".

Pallavi Sahni
Company Secretary
ACS 46035

Address: 126, Lal Jyoti Apartment,
Sector-9, Rohini, Delhi-110085

Notes:-

The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

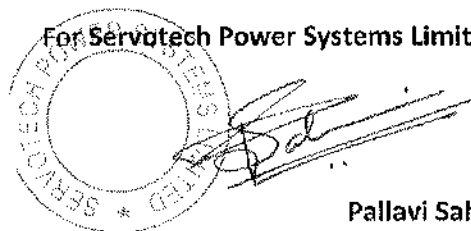
Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.

Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

Members are requested to notify immediately any change in their Address to the Company.

Date: 5.6.2017
Place: New Delhi

For Servotech Power Systems Limited


Pallavi Sahni
Company Secretary
ACS 46035

Address: 126, Lal Jyoti Apartment,
Sector-9, Rohini, Delhi-110085

Form No. MGT-11

Proxy form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U31200DL2004PLC129379
Name of the Company: Servotech Power Systems Limited
Registered office: 806, 8th Floor, Crown Heights, Hotel Crowne Plaza, Rohini, New Delhi-85

Name of the Member(s): Registered address: E-mail Id: Folio No:
--

I/ We being the member of Servotech Power Systems Limited, holding.....shares, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:

or falling hlm

2. Name:
Address:
E-mail Id:
Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 13th Annual General Meeting of members of the Company, to be held on Monday 10th July, 2017 at the registered office of the Company at 11:30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Affix Revenue Stamp

Resolution No.

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2017
2. To ratify the appointment of M/s Gupta Jalan & Associates, Chartered Accounts as Statutory Auditors for F.Y. 2017-18

Signed thisday of..... 2017

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.

ATTENDANCE SLIP

**SERVOTECH POWER SYSTEMS LIMITED
CIN: U31200DL2004PLC129379
R/o: 806, 8th FLOOR, CROWN HEIGHTS, HOTEL CROWNE PLAZA,
ROHINI, NEW DELHI-110085
13th ANNUAL GENERAL MEETING**

Name of Member/Proxy (In Block Letters): _____

Registered Folio No.: _____

No. of Shares held: _____

I/We certify that I am a Member/proxy for the member(s) of the Company.

I/We hereby record my presence at the 13th Annual General Meeting of the Company being held 806, 8th Floor, Crown Heights, Hotel Crowne Plaza, Rohini, New Delhi-110085 on Monday 10th July, 2017 at 11:30 A.M.

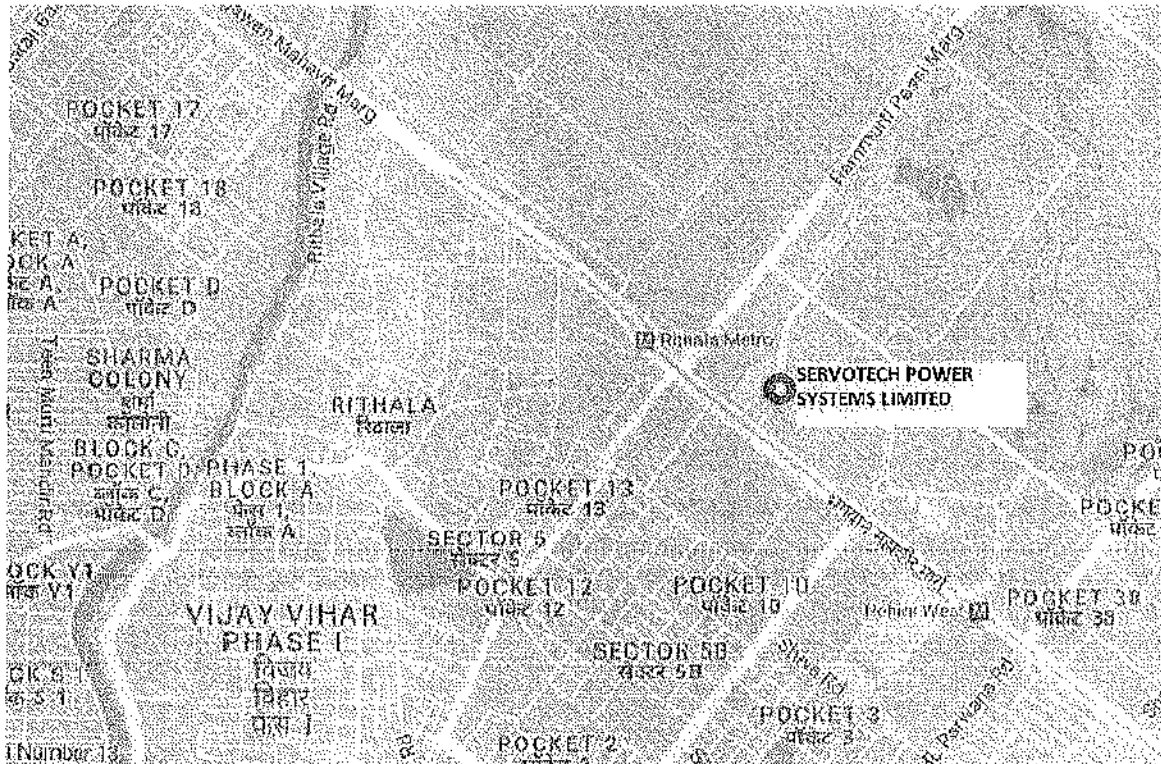
Signature of the Member/Proxy

NOTE:

Please fill up this Attendance Slip and hand it over at the entrance of the meeting hall.

Route Map

Venue: 806, 8th Floor, Crown Heights, Hotel Crowne Plaza, Rohini, New Delhi -85
Nearest Metro Station: Rithala
Landmark: Hotel Crown Plaza



DIRECTOR'S REPORT

To
The Members
Servotech Power Systems Private Limited

Your Directors have pleasure in submitting the Annual Report of the Company together with the Audited Financial Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year's figures is given here under:

Particulars	Financial Year ended 31 st March, 2017	Financial Year ended 31 st March, 2016
	(Amount in Rs.)	(Amount in Rs.)
Net Sales/Income from Business Operations	80,95,19,588	51,23,34,313
Other Income	2,25,75,629	48,10,529
Total Income	83,20,95,217	51,71,44,842
Less: Expenses	75,60,13,281	49,77,22,334
Profit / Loss before tax and Extraordinary / exceptional items	7,60,81,936	1,94,22,508
Less: Extraordinary / exceptional items	5,29,084	-
Profit before tax	7,55,52,852	1,94,22,508
Less: Current Income Tax	2,47,75,204	66,79,542
Less: Previous year adjustment of income tax	1,97,143	-
Less Deferred Tax	5,48,255	4,38,180
Net Profit after Tax	5,00,32,250	1,23,04,786
Earnings per share (Basic)	19.54	4.81
Earnings per Share(Diluted)	19.54	4.81

DIVIDEND

To plough back the profits into the business activities, no dividend is recommended.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

RESERVES

During the period under review Rs. 5,00,32,250/- amount is proposed to be carried to reserves.

RESULTS OF BUSINESS OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

During the year under review, the Company has achieved a turnover of Rs. 79,22,18,578/-. The net Profit after tax during the year has been Rs. 5,00,32,250/- as against the net profit of Rs. 1,23,04,786/- in the previous year.

DISCLOSURE ABOUT COST AUDIT

The provision of maintenance of cost audit records and filing the same is not applicable to the Company.

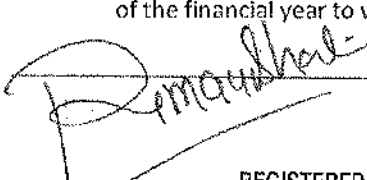
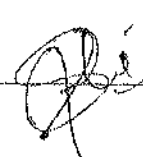
MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate and the date of this report.

Servotech Power Systems Pvt. Ltd.

REGISTERED OFFICE : 806, 8th Floor, Crown Height, Hotel Crowne Plaza, Sector-10, Rohini, New Delhi -110085

Tel No : 011-41117657-58-59-60 • Sales: +91 9717691800 • Email: servotech@servotechindia.com • Website: www.servotech.in
CIN: U31200DL2004PTC129379

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) CONSERVATION OF ENERGY	
The steps taken or impact on conservation of energy	1. Segregated Load and put Emergency Power Circuit on Solar Energy . 2. Set up APFC Panel for maintaining optimum Power quality and conservation of Energy. 3. Installed Automatic Timers for predefined usage of Air conditioning resulting in considerable Energy Saving.
The steps taken by the company for utilizing alternate sources of Energy	1. Installed 5KWp Solar Power plant to take care of Load of NPD and Accounts Department. 2. Installed Solar Street Lights on the Gates and periphery of factory. 3. Installing 5.5HP Solar Submersible pump to take care internal water requirement.
The capital investment on energy conservation equipments	Rs. 22,00,000/- in last 3 quarters
(B) TECHNOLOGY ABSORPTION	
The efforts made towards technology absorption	1. Absorbed Foreign Technology and Indigenized and Developed MPPT based pure Sine Wave High Freq. Solar Inverters for Home Light Systems. 2. Developed DC Solar Home Light Systems with customized LCD.
The benefits derived like product improvement, cost reduction, product development or import substitution	This development resulted in 1. Self sufficiency, no lead time and no quantity restrictions. 2. Total Quality control as per user / project requirement. 3. Cost Reduction and flexibility in design to cater to various segments.
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
The expenditure incurred on research and development	28151

(C) DETAILS OF FOREIGN CURRENCY TRANSACTIONS	Rs
The company has any income in Foreign Currency during the year	1,06,89,794.30
The company has incurred any expenditure in Foreign Currency	9,31,22,676.40

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any policy on Corporate Social Responsibility initiatives as the provisions of section 135 of Companies Act, 2013 are not applicable.

COMPANIES WHICH BECAME/CEASED TO BE COMPANY'S SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any Subsidiaries, Joint Ventures and Associate Companies.




EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure I and is attached to this Report.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

There were no loan, guarantees or Investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Company has not entered into any Contracts or arrangements with related party under the provisions of section 188 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable. (AOC-2 Annexure-II)

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no a qualification, reservations or adverse remarks made by the Auditors in their report. The provisions of section 204 of the Companies Act, 2013 relating to submission of Secretarial Audit Report is not applicable to the Company

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company after the year ended 31.3.2017 and hence the Company has devised policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

There was no employee who was in receipt of remuneration in excess of the amount prescribed in terms of Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:

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



DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

BOARD OF DIRECTORS OF THE COMPANY

During the year under review, there were 4 directors of the Company:-

1. Raman Bhatia
2. Sarika Bhatia
3. Arun Handa
4. Pankaj Malik

NUMBER OF BOARD MEETINGS

During the year, 11 Board Meetings were convened and on the following dates:-

S. No.	Particular	Date
1	Board Meeting	12.05.2016
2	Board Meeting	01.06.2016
3	Board Meeting	22.06.2016
4	Board Meeting	01.07.2016
5	Board Meeting	10.08.2016
6	Board Meeting	12.09.2016
7	Board Meeting	30.11.2016
8	Board Meeting	24.12.2016
9	Board Meeting	02.01.2017
10	Board Meeting	06.01.2017
11	Board Meeting	13.02.2017

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS

During the year under review, no changes occurred in the composition of Board of directors of the Company.



Declaration of Independent Directors

The provisions of Section 149 of the Companies Act, 2013 pertaining to the appointment of Independent Directors are not applicable in our Company for the year ended 31st March, 2017.

STATUTORY AUDITORS

M/s Gupta Jalan and Associates, Chartered Accountants, bearing ICAI Registration No. 03721N, who are the statutory auditors of your Company, hold office up to the conclusion of the AGM to be held in the year 2021 subject to ratification of their appointment at every AGM. The Members, year on year, will be requested, to ratify their appointment as Auditors and to authorise the Board of Directors to fix their remuneration. In this connection, the attention of the Members is invited in the Notice.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are not applicable to the Company during the period under review.

SHARES

- a) **Equity shares with differential rights:** The Company has not issued any equity share with differential rights during the year under review.
- b) **Buy Back of Securities:** The Company has not bought back any of its securities during the year under review.
- c) **Sweat Equity:** The Company has not issued any Sweat Equity Shares during the year under review.
- d) **Bonus Shares:** No Bonus Shares were issued during the year under review. But after the year under review the Company has issued Bonus Shares to its existing employees.
- e) **Employees Stock Option Plan:** The Company has not provided any Stock Option Scheme to the employees.
- f) **Preferential Allotment:** The Company has not issued any its securities on preferential basis during the year under review. But after the year under review the Company has issued Preferential Shares.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant or material orders were passed by the any Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

CHANGE IN NATURE OF BUSINESS

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

CHANGE IN REGISTERED OFFICE OF THE COMPANY

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

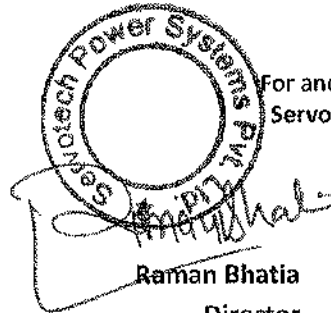
INTERNAL FINANCIAL CONTROLS

The Board has adopted the policies and processes for the efficient conduct of the Business including the safeguarding of company's assets, the prevention and detection of frauds and errors, the application of accounting standards and adopting high standards of professional integrity and ethical standards. Our Company is in process of implementing and designating internal financial control system according to the guidelines laid down by the Institute of Chartered Accountants of India in its guidance note on internal financial control reporting.



ACKNOWLEDGEMENTS

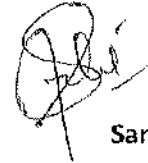
Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their support and confidence reposed on the Company.



Raman Bhatia
Director

DIN: 00153827

For and on behalf of the Board of Directors
Servotech Power Systems Private Limited



Sarika Bhatia
Director

DIN: 00155602

Place: New Delhi
Date: 12.5.2017

**FORM NO. MGT.9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.3.2017

[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: **U31200DL2004PTC129379**
- ii) Registration Date: **24-09-2004**
- iii) Name of the Company: **SERVOTECH POWER SYSTEMS PRIVATE LIMITED**
- iv) Category/Sub-Category of the Company: **PRIVATE LIMITED COMPANY**
- v) Address of the Registered office: **806, 8TH FLOOR, CROWN HEIGHTS, HOTEL
CROWN PLAZA, SECTOR 10, ROHINI, DELHI-85
011-41117657
servotech@servotechindia.com**
- vi) Whether listed company (Yes/No): **No**
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any: **N.A**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of LED, UPS	26105	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
-	-	-	-	-

D. Mayadhar

[Signature]

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
	DMAT	Physical	Total	% of Total Shares	DMAT	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	2449055	2449055	95.6%	-	2449055	2449055	95.6%	Nil
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks/ FI									
f) Any Other.									
Sub-total(A) (1):-		2449055	2449055	95.6%		2449055	2449055	95.6%	
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	Nil
b) Other/ Individuals									
c) Bodies Corp.	-	-	-	-	-	-	-	-	Nil
d) Banks / FI									
e) Any Other	-	-	-	-	-	-	-	-	Nil
Sub-total(A) (2):-	-	-	-	-	-	-	-	-	Nil
Total shareholding of Promoter(A)= (A)(1)+(A) (2)									
		2449055	2449055	95.6%		2449055	2449055	95.6%	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/ FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									

D. M. S. S. S.

Abi

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
	DMAT	Physical	Total	% of Total Shares	DMA T	Physical	Total	% of Total Shares	
C. Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	111595	111595	4.4	0	111595	111595	4.4	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-	0	111595	111595	4.4	0	111595	111595	4.4	-
Total Public Shareholding (B) = (B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	0	2560650	2560650	100	0	2560650	2560650	100	-

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Raman Bhatia	1314935	51.35	Nil	1314935	51.35	Nil	0

Ramayakal

Raman Bhatia

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
2	Sarika Bhatia	505135	19.72	Nil	505135	19.72	Nil	0
	Total	1820070	71.07	Nil	1820070	71.07	Nil	

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

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc):	No Change			
	At the End of the year				

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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	3654650	27.46	3654650	27.46
	Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	NIL	NIL	NIL	NIL
	At the End of the year (or on the date of separation, if separated during the year)	3654650	27.46	3654650	27.46

D. Manohar

[Signature]

(v) Shareholding of Directors and Key Managerial Personnel:

S. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Raman Bhatia	1314935	51.35%	1314935	51.35%
2	Sarika Bhatia	505135	19.72%	505135	19.72%
3	Arun Handa	8150	.31%	8150	.31%
4	Pankaj Malik	5000	.2366%	5000	.2366%
	Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year				
1	Raman Bhatia	1314935	51.35%	1314935	51.35%
2	Sarika Bhatia	505135	19.72%	505135	19.72%
3	Arun Handa	8150	.31%	8150	.31%
4	Pankaj Malik	5000	.2366%	5000	.2366%
	Total	1833220	71.6166%	1833220	71.6166%

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	5,06,90,571	2,39,47,165	-	7,46,37,736
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	5,06,90,571	2,39,47,165	-	7,46,37,736

Raman Bhatia

[Signature]

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
• Addition				
• Reduction	1,64,52,269	1,39,09,647	-	
Net Change	1,64,52,269	(1,39,09,647)	-	25,42,622
Indebtedness at the end of the financial year	6,71,42,840	1,00,37,518	-	7,71,80,358
i) Principal Amount	NIL	NIL		
ii) Interest due but not paid	NIL	NIL		
iii) Interest accrued but not due	NIL	NIL		
Total (i+ii+iii)	6,71,42,840	1,00,37,518	-	7,71,80,358

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Raman Bhatia	Sarika Bhatia	Arun Handa	Pankaj Malik	
						Rs. in Lacs
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,00,000	30,00,000	10,62,043	10,50,000	81,12,043
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil	-
2.	Stock Option	Nil	Nil	Nil	Nil	-
3.	Sweat Equity	Nil	Nil	Nil	Nil	-
4.	Commission					
	- as % of profit	Nil	Nil	Nil	Nil	-
	- others, specify...					
5.	Others, please specify	Nil	Nil	Nil	Nil	-
	Total (A)	30,00,000	30,00,000	10,62,043	10,50,000	81,12,043
	Ceiling as per the Act	-	-	-	-	-

Ramchandhak

[Signature]

B. Remuneration to other directors:

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Nil	Nil	Nil	Nil	
		Nil	Nil	Nil	Nil	Nil
	1. Independent Directors	Nil	Nil	Nil	Nil	Nil
	• Fee for attending board committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (1)	Nil	Nil	Nil	Nil	Nil
	2. Other Non-Executive Directors		Nil	Nil	Nil	Nil
	• Fee for attending board committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B) = (1 + 2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration	Nil	Nil	Nil	Nil	Nil
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil

C. Remuneration To Key Managerial Personnel Other than MD/MANAGER/WTD-NA

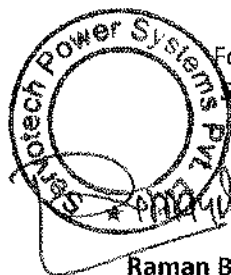
S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil

Damaushale

[Signature]

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/COU RT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil



For and on behalf of the Board of Directors
Servotech Power Systems Private Limited

Raman Bhatia
Director
DIN: 00153827

Sarika Bhatia
Director
DIN: 00155602

Place: New Delhi
Date: 12.5.2017

FORM NO. AOC -2

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

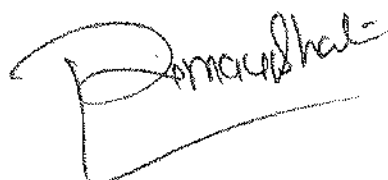
Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	-
b)	Nature of contracts/arrangements/transaction	-
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Justification for entering into such contracts or arrangements or transactions'	-
f)	Date of approval by the Board	-
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Raman Bhatia (Director) Sarika Bhatia (Director) Arun Handa (Director) Pankaj Malik (Director) Manoharlal Bhatia (Relative of Director) Vikas Bhatia (Relative of Director) Rishabh Bhatia (Relative of Director) Anjali Handa (Relative of Director) Service Solutions Bhatia Electronics Hertz and Pixels Raman Bhatia HUF
b)	Nature of contracts/arrangements/transaction	Salary to Director and Relative of Directors - Contracts Other - Transactions
c)	Duration of the contracts/arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	-
e)	Date of approval by the Board	12.5.2016
f)	Amount paid as advances, if any	-




Independent Auditor's Report

To the Members of SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SERVOTECH POWER SYSTEMS PRIVATE LIMITED** ('the Company'), which comprise the balance sheet as at 31st March 2017, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 there under.

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

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

audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2017 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 (1) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the 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 statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except non provision of retiring benefits of employees required as per accounting standard 15;
 - (e) on the basis of the written representations received from the directors as on 31st March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (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

GUPTA JALAN & ASSOCIATES

CHARTERED ACCOUNTANTS

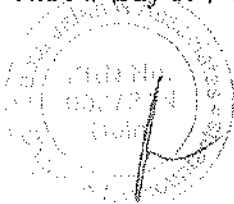
our opinion and to the best of our information and according to the explanations given to us:

- i.the Company does not have any pending litigations as at 31st March 2017 which would materially impact its financial position.
- ii.the Company did not have any long-term contracts including derivative contracts as at 31st March 2017.
- iii.there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended 31st March 2017.
- iv.the company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer note 24(III)(E) to the standalone financial statements.

for Gupta Jalan & Associates
Chartered Accountants

Walan
CA R.N.Jalan
Partner
M.No.-082389

Place: Delhi
The 12th Day of May 2017



CHARTERED ACCOUNTANTS

Annexure "A "to the Auditors' Report

The Annexure referred to in our report to the members of **SERVOTECH POWER SYSTEMS PRIVATE LIMITED** (the Company) for the year ended on 31st March 2017, we report that:


1. a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
b) All the fixed assets have been physically verified by the management at reasonable intervals having regard to the size of the company and the nature of its assets. No serious discrepancies have been noticed on such physical verification.
c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. a) The management has conducted the physical verification of inventory at reasonable intervals.
b) The discrepancies noticed on physical verification of the inventories as compared to books records which has been properly dealt with in the books of account were not material.
3. The Company had not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, paragraph 3(iii) of the order is not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has not made any loan or investment as required under the provision of section 185 and 186 of Companies Act 2013 with respect to the loans, investments, guarantees and security.
5. The Company had not accepted any deposits from the public.
6. Maintenance of cost records under section 148 (1) of the Companies Act, 2013 is not applicable to the company.
7. In respect of Statutory dues:-
 - i) According to the information and explanations given to us, the company has been regular in depositing undisputed statutory dues including income tax, service tax, sales tax, any other statutory dues to the appropriate authorities, however there have been delays in certain cases. Also, no undisputed amounts payable in respect of income tax, service tax, sales tax, any other statutory dues were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
 - ii) According to the information and explanations given to us, there is no disputed statutory liability as on 31st March 2017.

GUPTA JALAN & ASSOCIATES

CHARTERED ACCOUNTANTS

8. In our opinion and according to the information and explanation to us, the company had taken loan from financial Institution; the Company has not defaulted in the repayment of dues to banks.
9. (i) According to the information and explanations given to us, company had not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
(ii) According to the information and explanations given to us, the company had received term loan and had not defaulted in repayment of its installments during the year.
10. According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed during the course of our audit.
11. The provisions of section 197 of the Companies Act 2013 are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable.
12. The company is not a Nidhi Company; therefore the provisions of Nidhi companies are not applicable on the company.
13. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the provisions of section 177 of the Companies Act 2013 are not applicable to the Company, the transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required by the 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 registration with Reserve Bank of India under section 45-IA of the Reserve Bank of India Act 1934 is not applicable on the company.

for Gupta Jalan & Associates
Chartered Accountants


CA R.N. Jalan
Partner
M.No.-082389

Place: Delhi

The 17th Day of May 2017

CHARTERED ACCOUNTANTS

"Annexure B" to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **SERVOTECH POWER SYSTEMS PRIVATE LIMITED** ('the Company') as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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. The company is in process of designing internal financial control system as per guidance note on audit of internal financial control over financial reporting issued by ICAI.

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 of financial records and documents even though the company is in process of designing and implementation of internal control financial system to the extent applicable to an audit of internal financial control as prescribed in guidance note on audit of internal financial control over financial reporting and accounting standards as issued by ICAI. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls over Financial Reporting

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

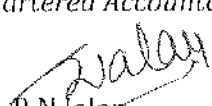
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control. We are of the opinion that after designing and implementation of internal control system as per guidance note on audit of internal financial controls over financial reporting issued by ICAI will not substantially impact on our opinion on internal financial control system presently implemented in the company. The present system of internal financial control is effectively prevailing in the company.

for Gupta Jalan & Associates
Chartered Accountants


CA R.N. Jalan
Partner
M.No.-082389

Place: Delhi
The 17th Day of May 2017



BALANCE SHEET AS AT 31ST MARCH 2017

PARTICULARS	Notes	AS AT 31st March 2017	AS AT 31st March 2016
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
i) Share Capital	1	2,56,06,500	2,56,06,500
ii) Reserves and surplus	2	10,81,19,600	5,80,87,350
		13,37,26,100	8,36,93,850
2 Non-Current Liabilities			
i) Long-term borrowings	3	7,71,80,358	7,46,37,736
ii) Securities received from customers		80,000	47,45,670
iii) Deferred tax liabilities		5,74,172	25,917
iv) Long term provisions	4	2,40,54,400	-
		10,18,88,930	7,94,09,323
3 Current Liabilities			
i) Short term borrowings	5	13,21,26,601	13,09,97,817
ii) Trade payables	6	16,66,75,370	12,64,96,871
Total outstanding dues of micro enterprises and small enterprises		7,91,43,094	-
Other payables		8,75,32,276	12,64,96,871
iii) Other current liabilities	7	3,45,90,487	1,26,58,645
iv) Short term provisions	8	3,37,66,500	82,07,841
		36,71,58,958	27,83,61,174
Total Rs.		60,27,73,988	44,14,64,347
B ASSETS			
1 Non Current Assets			
i) Fixed assets			
Tangible assets	9	6,55,97,862	6,61,13,616
Intangible assets	9	59,580	-
ii) Long term loans & advances	10	23,96,266	36,96,281
iii) Other non current assets	11	6,75,09,807	-
		13,55,63,515	6,98,09,897
2 Current Assets			
i) Inventories	12	12,24,52,612	12,95,27,597
ii) Trade receivables	13	27,47,12,202	19,07,40,740
iii) Short-term loans & advances	14	2,82,52,740	3,29,25,847
v) Cash and cash equivalents	15	4,17,92,919	1,84,60,266
		46,72,10,473	37,16,54,450
Total Rs.		60,27,73,988	44,14,64,347

The accompanying notes 1. to 24 are an integral part of the financial statements.

As per our report annexed
for GUPTA JALAN & ASSOCIATES
Chartered Accountants

CA R.N. Jalan
(Partner)
M.No.- 082389

Place: Delhi
The 12 day of April 2017



For and on behalf of board

For Servotech Power Systems Pvt. Ltd.

Raman Bhatia
Raman Bhatia
(Director)
DIN-00153827

For Servotech Power Systems Pvt. Ltd.

Sarika Bhatia
Sarika Bhatia
(Director)
DIN-00155602

Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

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

PARTICULARS	NOTES	FOR THE YEAR ENDED 31st March 2017	FOR THE YEAR ENDED 31st March 2016
I REVENUE FROM OPERATIONS			
i) Sales (Gross)	16	79,22,18,578	46,45,60,463
ii) Service charges received		1,73,01,010	4,77,73,849
ii) Other income	17	2,25,75,629	48,10,529
Total Rs.	(A)	83,20,95,217	51,71,44,842
II EXPENSES			
i) Cost of materials consumed	18	57,94,11,309	34,97,86,927
ii) Changes in inventories of finished goods, work-in-process, sub-assembled products	19	(60,87,110)	36,52,400
iii) Employee benefits expenses	20	6,46,47,488	3,38,53,283
iv) Finance costs	21	2,01,72,228	2,52,71,761
v) Other expenses	22	8,91,65,432	7,84,00,118
vi) Depreciation written off	9	87,03,934	67,57,845
Total Rs.	(B)	75,60,13,281	49,77,22,334
III Profit before exceptional and extra ordinary items and tax	(A-B)	7,60,81,936	1,94,22,508
IV Exceptional items	23	5,29,084	-
V Profit before taxation		7,55,52,852	1,94,22,508
VI Tax expenses			
Current tax		2,47,75,204	66,79,542
Deferred tax		5,48,255	4,38,180
Short/ (excess) taxation balance transfer from previous year		1,97,143	-
VII Profit for the year (V-VI)		5,00,32,250	1,23,04,786
VIII Earnings per equity share			
Basic		19.54	4.81
Diluted		19.54	4.81

The Accompanying notes 1 to 24 are an integral part of the financial statements.

As per our report annexed
for GUPTA JALAN & ASSOCIATES
Chartered Accountants

CA R.N. Jalan
(Partner)
M.No.- 082389

Place: Delhi

The 27th day of May 2017



For and on behalf of board

For Servotech Power Systems Pvt. Ltd.

Raman Bhatia
Director
(Director)
DIN-00153827

For Servotech Power Systems Pvt. Ltd.

Satika Bhatia
(Director)
DIN-00155602

Director

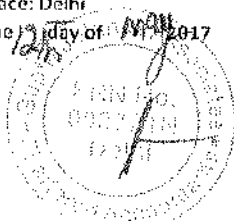
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

PARTICULARS	YEAR ENDED 31st March 2017	YEAR ENDED 31st March 2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	7,55,52,852	1,94,22,508
Adjustments For :		
Depreciation and amortisation expense	87,03,934	67,57,845
Interest expense	2,01,72,228	2,52,71,760
Interest income	(16,84,929)	(11,63,903)
Loss/ (profit) on sale of fixed assets	57,165	(3,00,673)
Operating Profit before working capital Changes	10,28,01,250	4,99,87,537
Adjustments For :		
(Increase)/ Decrease in sundry debtors	(8,39,71,462)	(70,07,524)
(Increase)/ Decrease in inventories	70,74,985	(5,02,86,939)
(Increase)/Decrease in loans & advances and other current assets	46,73,107	(2,31,21,323)
Increase/ (Decrease) in sundry creditors and other liabilities	8,76,69,001	4,88,04,175
Cash generated From operating activities	11,82,46,881	1,83,75,926
Less: Direct Tax Paid	2,49,72,347	66,79,542
Net cash generated from/ (used in) operating activities	9,32,74,534	1,16,96,384
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(85,44,927)	(3,85,57,169)
Proceeds from sales of fixed assets	2,40,000	32,13,000
Interest received	16,84,929	11,63,903
Decrease/ (Increase) in Long Term Loan & Advances	13,00,015	(50,41,482)
Decrease/ (Increase) in Other non current assets	(6,75,09,807)	
Net Cash Generated from (used in) investing activities	(7,28,29,790)	(3,92,21,748)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital / Share Application Money	-	44,82,500
Share Premium Account including reserves	-	80,68,500
Proceeds from Secured & Unsecured loans	11,28,783	(52,37,707)
Interest / Financial Charges	(2,01,72,228)	(2,52,71,760)
Increase/(Decrease) in Long Term Liabilities	2,19,31,352	4,52,04,937
Net Cash Generated from (used in) Financing Activities	28,87,907	2,72,46,470
I Total increase (decrease) in cash and cash equivalents during the year (A+B+C)	2,33,32,651	[2,78,895]
II Cash and cash equivalents at beginning of year	1,84,60,266	1,87,39,161
III Cash and cash equivalents as at end of the year (I+II)	4,17,92,917	1,84,60,266

As per our report annexed
for GUPTA JALAN & ASSOCIATES
Chartered Accountants

CA R.N. Jalan
(Partner)
M.No.- 082389

Place: Delhi
The 12th day of May 2017



for and on behalf of the Board

For Servotech Power Systems Pvt. Ltd.

Raman Bhatia
Director

Raman Bhatia
(Director)
DIN-00153827

For Servotech Power Systems Pvt. Ltd.

Sarika Bhatia
Director

Sarika Bhatia
(Director)
DIN-00155602

Director

Notes forming part of the financial statements

Note no. 1

(I) Particulars of shares capital authorised, issued and subscribed

PARTICULARS

	AS AT 31st March 2017	AS AT 31st March 2016
Share Capital		
Authorised		
35,00,000 Equity Shares of Rs. 10/- each	3,50,00,000	3,50,00,000
Issued, subscribed and paid up*		
25,60,650 Equity Shares of Rs. 10/- each fully paid up in cash	2,56,06,500	2,56,06,500
Total Rs.	2,56,06,500	2,56,06,500

* The company had issued 11,70,000 fully paid bonus shares on August 28, 2013 and 2,60,000 number of fully paid bonus shares on December 31, 2011 to its existing shareholders.

(ii) Reconciliation of shares outstanding at the beginning and at the end of the year

Equity shares issued, subscribed and paid up

	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	25,60,650	2,56,06,500	25,60,650	2,56,06,500
At the end of the year	<u>25,60,650</u>	<u>2,56,06,500</u>	<u>25,60,650</u>	<u>2,56,06,500</u>

(iii) Share holder holding more than 5% of the ordinary shares in the company	Number of shares	% of total shares held	Number of shares	% of total shares held
Raman Bhatia	13,14,935	51.35%	13,14,935	51.35%
Raman Bhatia HUF	6,15,835	24.05%	6,15,835	24.05%
Sarika Bhatia	5,05,135	19.73%	5,05,135	19.73%

(iv) Rights, preferences and restrictions attached to equity shares

The company has one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share and is entitled to dividend declared, if any. In the event of liquidation, the equity shareholders are entitled to receive remaining assets of the Company after distribution of all preferential amounts in proportion of equity shares held by the shareholders.

Note no: 2

RESERVES & SURPLUS**Profit & Loss Account**

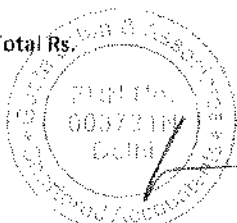
At the beginning of the year		4,62,68,650	3,39,63,864
Add: Profit for the year		5,00,32,250	1,23,04,786
At the end of the year	(A)	9,63,00,900	4,62,68,650

Share Premium Account

At the beginning of the year		1,18,18,700	1,18,18,700
At the end of the year	(B)	1,18,18,700	1,18,18,700

Total Rs.

(A+B)	<u>10,81,19,600</u>	<u>5,80,87,350</u>
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For Servotech Power Systems Pvt. Ltd.

Demareshale
Director

For Servotech Power Systems Pvt. Ltd.

[Signature]
Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS	AS AT 31st March 2017	AS AT 31st March 2016
Note no. 3		
<u>LONG TERM BORROWINGS</u>		
<u>A. Secured</u>		
Medium term loans from banks and NBFC's	3,69,71,017	3,91,47,927
Buyer's credit against fixed assets (Refer note no. 15)	1,10,86,104	1,15,42,644
Advance received against sale of fixed assets	1,90,85,719	-
	<u>6,71,42,840</u>	<u>5,06,90,571</u>
<u>B. Un-Secured Loan</u>		
From banks and NBFC's	1,00,37,518	2,39,47,165
	<u>1,00,37,518</u>	<u>2,39,47,165</u>
Total Rs.	<u><u>7,71,80,358</u></u>	<u><u>7,46,37,736</u></u>

1) Different banks and NBFC's had sanctioned medium term loans of Rs. 78.19 lacs against hypothecation of vehicles on different dates carrying different rate of interest and different amount of installments. The balance outstanding as on 31.03.2017 was Rs. 49.47 lacs. Those loan are secured against personal guarantees of director besides hypothecation of vehicles.

2) The Company had received housing loan of Rs 350 Lacs from Tata Capital Finance Services Limited on 10.03.2016 repayable in 240 monthly installments, secured against equitable mortgage of the property B-4 , Green Park Extension , New Delhi along with personal guarantees of directors.

Particulars	Repayable within 1 year	Repayable after 1 but within 5 years	Total
For the year ended 31/03/2017			
Medium term loans from banks and NBFC's	24,21,135	3,69,71,017	3,93,92,152
Unsecured loans from banks and NBFC's	1,43,43,016	1,00,37,518	2,43,80,534
Total Rs.	<u><u>1,67,64,151</u></u>	<u><u>4,70,08,535</u></u>	<u><u>6,37,72,686</u></u>
For the year ended 31/03/2016			
Medium term loans from banks and NBFC's	1,50,93,568	3,91,47,927	5,42,41,495
Unsecured loans from banks and NBFC's	1,39,18,214	2,39,47,165	3,78,65,379
Total Rs.	<u><u>2,90,11,782</u></u>	<u><u>6,30,95,092</u></u>	<u><u>9,21,06,874</u></u>

Note no. 4

LONG TERM PROVISIONS

Provision for warranty exceeding one year	2,40,54,400	-
Total Rs.	<u><u>2,40,54,400</u></u>	<u><u>-</u></u>



Servotech Power Systems Pvt. Ltd.
Dharmyashai
 Director

Servotech Power Systems Pvt. Ltd.
[Signature]
 Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS	AS AT 31st March 2017	AS AT 31st March 2016
Note no. 5		
<u>SHORT TERM BORROWINGS</u>		
Working capital loans from banks*	5,96,59,181	6,12,07,346
Current maturities of long - term debts	1,67,64,151	2,90,11,782
Buyer's credit loan against import of raw material (Refer note no. 15)	5,57,03,269	4,07,78,690
Total Rs.	<u>13,21,26,601</u>	<u>13,09,97,817</u>
*United bank of India had sanctioned working capital limit of Rs.626 Lakhs secured against hypothecation of inventories, books debts, other current assets (including lien on fixed deposit of Rs.7,88,750/- and recurring deposit of Rs.19,73,013/-), plant & machineries and other fixed assets of the company except land, besides equitable mortgage of properties of directors and their personal guarantees.		
Note no. 6		
<u>TRADE PAYABLES</u>		
Trade payables due to		
- micro and small enterprises	7,91,43,094	-
- others	8,75,32,276	12,64,96,871
Total Rs.	<u>16,66,75,370</u>	<u>12,64,96,871</u>
Note no. 7		
<u>OTHER CURRENT LIABILITIES</u>		
Advance from customers & others	1,73,85,979	92,66,200
Expenses payable	1,72,04,508	33,92,444
Total Rs.	<u>3,45,90,487</u>	<u>1,26,58,645</u>
Note no. 8		
<u>SHORT TERM PROVISIONS</u>		
Statutory liabilities	29,77,696	15,28,299
Provision for taxation	2,47,75,204	66,79,542
Provision for warranty	60,13,600	-
Total Rs.	<u>3,37,66,500</u>	<u>82,07,841</u>
Note no. 10		
<u>LONG TERM LOANS & ADVANCES</u>		
<i>(Unsecured and considered good)</i>		
Securities deposits	23,96,266	36,96,281
Total Rs.	<u>23,96,266</u>	<u>36,96,281</u>



Servotech Power Systems Pvt. Ltd.
Damaulhal
 Director

Servotech Power Systems Pvt. Ltd.

 Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Note no.9
Fixed Assets

ASSETS	GROSS BLOCK			ACCUMULATED DEPRECIATION / AMORTISATION			NET BLOCK			
	BALANCE AS AT 1ST APRIL 2016	ADDITIONS DURING THE YEAR	DELETION DURING THE YEAR	BALANCE AS AT 31ST MARCH 2017	BALANCE AS AT 1ST APRIL 2016	PROVIDED DURING THE YEAR	DELETION / ADJUSTMENTS DURING THE YEAR	BALANCE AS AT 31ST MARCH 2017	BALANCE AS AT 31ST MARCH 2016	
TANGIBLE ASSETS										
LAND	18,09,600	-	-	18,09,600	-	-	-	18,09,600	18,09,600	
BUILDING	4,83,04,552	1,77,685	-	4,84,82,237	23,69,663	22,64,262	-	46,13,904	4,59,34,999	
PLANT AND MACHINERY	1,12,01,672	59,58,496	6,97,315	1,74,52,843	39,20,355	22,68,455	4,00,150	57,88,561	72,81,217	
COMPUTERS AND DATA PROCESSING UNITS	35,23,677	9,68,627	-	44,92,304	27,46,026	6,91,139	-	34,37,165	10,55,139	
ELECTRIC EQUIPMENT	6,07,798	-	-	6,07,798	1,50,822	1,18,601	-	2,69,423	4,56,976	
FURNITURE	57,12,607	4,29,073	-	61,51,680	24,11,465	9,47,248	-	33,58,713	27,92,967	
OFFICE EQUIPMENT	29,31,316	5,74,818	-	35,06,134	21,71,177	5,17,703	-	26,56,890	8,17,254	
MOTOR VEHICLES	85,65,731	3,54,380	-	89,20,111	29,52,580	18,51,055	-	48,03,636	41,16,475	
MOTORCYCLE	3,50,312	-	-	3,50,312	1,81,672	43,213	-	2,46,885	1,25,427	
Total	8,30,17,375	84,63,069	6,97,315	9,07,83,129	1,69,03,759	86,81,656	4,00,150	2,51,85,266	6,55,97,862	
INTANGIBLE ASSETS										
Activex Software (3 years)	-	81,858	-	81,858	-	22,278	-	22,278	59,580	
Total	-	81,858	-	81,858	-	22,278	-	22,278	59,580	
Grand Total	8,30,17,375	85,44,927	6,97,315	9,08,64,987	1,69,03,759	87,03,934	4,00,150	2,52,07,543	6,56,57,442	6,61,13,616
Previous Year Figure's	5,03,83,042	3,69,85,661	43,51,328	8,30,17,375	1,16,29,571	67,57,845	14,83,656	1,69,03,759	6,61,13,616	3,87,53,471



Servotech Power Systems Pvt. Ltd.
[Signature]
Director


Servotech Power Systems Pvt. Ltd.
[Signature]
Director

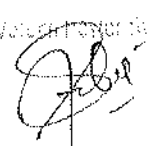
SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS	AS AT 31st March 2017	AS AT 31st March 2016
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Note no. 11		
<u>OTHER NON-CURRENT ASSETS</u>		
<i>(Unsecured and considered good)</i>		
Retention and performance guarantee money <i>(retained by customers receivable after one year)</i>	6,75,09,807	-
Total Rs.	<u><u>6,75,09,807</u></u>	<u><u>-</u></u>
Note no. 12		
<u>INVENTORIES</u>		
<i>(As taken, valued and certified by the management)</i>		
Raw Materials	7,63,24,096	8,94,86,191
Work-in-Process	79,03,321	1,00,86,712
Finished Goods	3,82,25,195	2,99,54,694
Total Rs.	<u><u>12,24,52,612</u></u>	<u><u>12,95,27,597</u></u>
Note no. 13		
<u>TRADE RECEIVABLES</u>		
<i>(Unsecured, considered good unless specified)</i>		
Outstanding for more than six months		
- good	4,54,80,091	2,68,65,497
- suit filed*	21,69,500	21,69,500
Others	22,70,62,611	16,17,05,743
Total Rs.	<u><u>27,47,12,202</u></u>	<u><u>19,07,40,740</u></u>
* The Company has filed suit for recovery against a customer in Rohini district court, Delhi.		
Note no. 14		
<u>SHORT TERM LOANS & ADVANCES</u>		
<i>(Unsecured and considered good. Advances recoverable in cash or in kind or for value to be received or adjusted)</i>		
Advance to suppliers and others	1,43,29,828	2,95,80,032
Security deposits	1,41,837	-
Prepaid expenses	26,83,499	30,18,805
Advance income tax	1,10,97,576	3,27,010
Total Rs.	<u><u>2,82,52,740</u></u>	<u><u>3,29,25,847</u></u>



For Servotech Power Systems Pvt. Ltd.

 Director

For Servotech Power Systems Pvt. Ltd.

 Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS	AS AT 31st March 2017	AS AT 31st March 2016
Note no. 15		
<u>CASH AND CASH EQUIVALENTS</u>		
Balance with scheduled banks		
-in current Account	1,125,023	459,463
-deposit accounts*	39,638,463	17,440,282
Cash in hand (As certified)	1,029,433	560,521
Total Rs.	<u>41,792,919</u>	<u>18,460,266</u>

*
Fixed deposits amounting to Rs.1,45,61,887/- are under lien with United Bank of India & Yes Bank as margin money against bank guarantee of Rs.5,49,62,591/- issued on behalf of company to various customers as counter performance guarantee and retention money.

Fixed deposits amounting to Rs.1,49,76,131/- are under lien with United Bank of India & Yes Bank as margin money against letter of credit of Rs.11,51,54,379/- issued on behalf of company to various creditors of company.

Fixed deposits amounting to Rs.37,79,427/- are under lien with United Bank of India & Yes Bank as margin money against foreign currency loans (buyer's credit) of Rs.6,67,89,373/- given by different banks to the company.

Fixed deposit of Rs.7,88,750/- and recurring deposit of Rs.19,73,013/- are under lien with United Bank of India as margin money against working capital facilities sanctioned by them and fixed deposits amounting to Rs.8,59,997/- have been given as securities to various government departments.

Note no. 16

REVENUE FROM OPERATIONS

Sales, including trading sales

Domestics Sale	787,400,804	446,064,908
Export Sale	13,135,662	22,416,115
	800,536,466	468,481,024
Less : Excise Duty	8,317,888	3,920,561
Total Rs.	<u>792,218,578</u>	<u>464,560,463</u>



For Servotech Power Systems Pvt. Ltd.

B. Mayasheel

Director

For Servotech Power Systems Pvt. Ltd.

[Signature]

Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS	FOR THE YEAR ENDED 31st March 2017	FOR THE YEAR ENDED 31st March 2016
Note no. 17		
<u>OTHER INCOME</u>		
Interest received	16,84,929	11,63,903
Export incentives	89,486	7,41,317
Rebate & discount	1,04,13,213	10,20,771
Other income	1,03,88,001	18,84,538
Total Rs.	2,25,75,629	48,10,529

Note no. 18

CONSUMPTION OF RAW MATERIALS

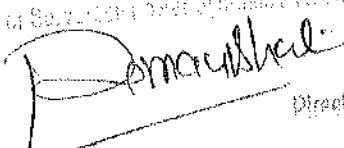
Opening Stock	8,94,86,191	3,55,46,852
Add: Purchased during the year	56,69,94,371	40,37,26,266
	65,64,80,562	43,92,73,118
Less: Closing Stock	7,63,24,096	8,94,86,191
Less: Material consumed under warranty	7,45,157	-
Net Raw materials consumed (Rs.)	57,94,11,309	34,97,86,927


Note no. 19

CHANGES IN INVENTORIES OF FINISHED GOODS/WORK-IN PROCESS

<u>Opening Stock</u>		
Finished Goods	2,99,54,694	3,71,31,576
Work-in-Process	1,00,86,712	65,62,230
Total (A)	4,00,41,406	4,36,93,806
<u>Closing Stock</u>		
Finished Goods	3,82,25,195	2,99,54,694
Work-in-Process	79,03,321	1,00,86,712
Total (B)	4,61,28,516	4,00,41,406
Net (Increase)/ decrease in Stock of Finished Goods /Work-in-Process (Rs)	(A-B) (60,87,110)	36,52,400



For Servotech Power Systems Private Limited.

 Director

For Servotech Power Systems Private Limited.

 Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS	FOR THE YEAR ENDED 31st March 2017	FOR THE YEAR ENDED 31st March 2016
Note no. 20		
<u>EMPLOYEE BENEFIT EXPENSES</u>		
Salary, Wages, & Reimbursement Including ESI, PF & Bonus	6,24,26,154	3,28,47,388
Labour & Staff Welfare Expenses	22,21,334	10,05,895
Total Rs.	<u>6,46,47,488</u>	<u>3,38,53,283</u>
Note no. 21		
<u>FINANCE COSTS</u>		
Interest on Medium Term Loan / Deferred Credit	1,25,60,598	93,14,130
Interest on Working Capital Loan	63,99,822	75,88,150
Bank Charges	41,61,925	32,56,493
Difference in Currency Fluctuation	(29,50,117)	51,12,987
Total Rs.	<u>2,01,72,228</u>	<u>2,52,71,761</u>
Note no. 22		
<u>OTHER EXPENSES</u>		
a) Direct Expenses		
Power & Fuel Expenses	10,21,703	3,14,554
Machineries Repair & Maintenance Expense	-	47,12,307
Repair & Installation Expenses	1,63,29,655	-
Job Work	20,60,283	27,40,472
Cartage Inward	12,61,594	3,93,039
Consumable Goods	9,61,817	1,66,322
Advertisement expenses against campaigning income	-	4,00,14,851
Total Rs.	<u>2,16,35,052</u>	<u>4,83,41,545</u>
b) Administrative Expenses		
Printing and stationery	2,78,638	2,64,912
Rent	32,31,103	21,17,834
Postage, telegram and telephone expenses	17,99,891	9,40,985
Computer and IT Expenses	8,99,997	2,43,484
Electricity expenses	2,97,100	7,58,614
Travelling and conveyance	35,98,948	32,27,899
Legal and professional charges	19,35,572	10,96,391
Fees and subscription	5,09,597	4,53,228
Insurance expenses	5,35,557	3,23,826
Repairs and maintenance	10,27,416	13,91,770
Vehicle hiring charges	72,999	65,000
Vehicle maintenance	5,90,019	6,39,895
WCT deducted	1,24,909	1,57,957
Interest on sales tax input reversal	1,52,000	-
Cenvat reversal and excise paid	14,75,123	77,597
Loss/ (profit) on sale of fixed assets	57,165	(3,00,673)
General expenses	31,03,660	26,77,386
<u>Auditors' Remuneration</u>		
- As Statutory & Tax auditors	2,30,000	30,000
Total Rs.	<u>1,99,19,694</u>	<u>1,41,66,105</u>



Dr. Suresh Chandra Sharma
S. Sharma
 Director

Dr. Suresh Chandra Sharma
S. Sharma
 Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

PARTICULARS	FOR THE YEAR ENDED 31st March 2017	FOR THE YEAR ENDED 31st March 2016
Note no. 22 contd.....		
c) Selling & Distribution Expenses		
Advertisement and publicity expenses	95,062	30,61,925
Freight & labour charges	1,05,49,259	26,47,446
Excise duty on sales	35,36,955	34,50,413
Commission paid	72,993	1,25,717
Designing charges	12,000	4,14,725
Business promotion	11,63,544	7,98,947
Discount on sale	4,74,384	51,72,445
Export expenses	1,54,526	2,20,850
Warranty expenses	3,15,51,963	-
Total Rs.	4,76,10,686	1,58,92,469
Total Rs. (a + b +c)	8,91,65,432.200	7,84,00,118

Note no. 23

EXCEPTIONAL ITEMS

Prior Period expenses	5,63,078	-
Less: Prior period income	(33,994)	-
Total Rs.	5,29,084	-

Note No. 24

ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

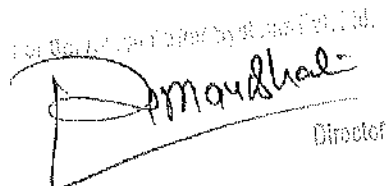
I. SIGNIFICANT ACCOUNTING POLICIES

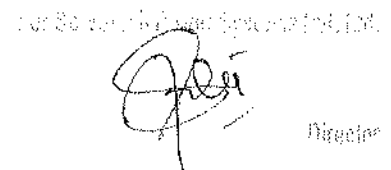
a) Accounting convention

The financial statements are prepared under the historical cost convention on the accrual basis of accounting, in accordance with the Generally Accepted Accounting Principles in India ('GAAP') and comply with the Accounting Standards as prescribed under section 133 of the Companies Act, 2013 ('Act') and read with Rule 7 of the Companies (Accounts), Rules, 2014, the provisions of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standard requires a change in accounting policy hitherto in use. The financial statements have been prepared in Indian rupees.

All income and expenditure having a material bearing on the financial statements are recognised on accrual basis. The financial statements have been presented based on Schedule III to the Act.




 Director


 Director

Notes forming part of the financial statements

Note No. 24 contd.....

ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

b) Current-non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period within 12 months for the purposes of classification of assets and liabilities as current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- i) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- ii) it is held primarily for the purpose of being traded;
- iii) it is expected to be realised within 12 months after the reporting date; or
- iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i) it is expected to be settled in the company's normal operating cycle;
- ii) it is held primarily for the purpose of being traded;
- iii) it is due to be settled within 12 months after the reporting date; or
- iv) the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

c) Use of estimates

The preparation of financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provision for doubtful debts, provision for future obligations under employee retirement benefit plans and estimated useful life of fixed assets. Actual results could differ from these estimates. Any change in the accounting estimates is adjusted prospectively in the current and future periods.

d) Inventory valuation

The company followed system of valuation of raw materials, packing materials at cost (FIFO) and finished goods at raw material cost plus 5% over head charges or market price whichever is lower, respectively whereas valuation of work in process are being taken on raw material cost or realisation value whichever is lower and is certified by the management.

e) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition is inclusive of freight inward, duties, taxes and other directly attributable expenses incurred to bring the assets to their working condition for intended use.



For Secretary (Finance) Servotech Pvt. Ltd.
D. Manu Shal
Director

For Secretary (Operations) Servotech Pvt. Ltd.
[Signature]
Director

Notes forming part of the financial statements

Note No. 24 contd.....

ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

f) **Intangible fixed assets**

Intangible fixed assets are recognised only if acquired and it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of assets can be measured reliably. The intangible fixed assets are recorded at cost of acquisition including incidental costs related to acquisition and installation and are carried at cost less accumulated amortisation and impairment losses, if any.

g) **Depreciation and amortisation expense**

Depreciation on tangible fixed assets is provided on written down value method at the rates and in the manner in Schedule II of the Companies Act, 2013.

Intangible fixed assets are amortised on a straight line basis over their estimated useful life of 3 years.

The estimated useful lives of the fixed assets are as follows:

Asset class	Useful life
Building	60 years
Plant & Machinery	15 years
Electrical equipments	10 years
Furniture and fixtures	10 years
Office equipments	5 years
Computer hardware	3 years
Motor Cycles	10 years
Motor Vehicles	8 years

The above rates and methods of depreciation are also in line with the estimated useful lives, as determined by management. The residual value of the assets is estimated to be 5% of cost of the assets.

Depreciation is calculated on a pro-rata basis for assets purchased/sold during the year.

The appropriateness of useful life of assets and depreciation method is reviewed by the management each financial year.

h) **Revenue recognition**

Sales are net of sales return and discount on sales.

Revenue from services is recognised as per the terms of the contract to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income

Interest on the deployment of surplus funds is recognised using the time-proportion method, based on interest rates contracted in the transaction.

i) **Foreign exchange transactions**

Foreign exchange transactions are recorded using the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of Profit and Loss for the period.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are translated at the exchange rates on that date, the resultant exchange differences are recognised in the Statement of Profit and Loss.



For Servotech Power Systems Pvt. Ltd.
Prakash
 Director

For Servotech Power Systems Pvt. Ltd.

 Director

Notes forming part of the financial statements

Note No. 24 contd.,...

ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

j) Earnings per share

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

k) Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax laws) and deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liability and/ or deferred tax asset are recognised using the tax rates that have been enacted or substantially enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in the future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at the Balance Sheet date and are written down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

l) Impairment of assets

The carrying values of assets are reviewed at each reporting date to determine if there is indication of any impairment, using external and internal sources. If any indication exists, the assets recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. Impairment occurs where the carrying value of the asset or its cash generating unit exceeds the present value of future cash flows expected to arise from the continuing use of the asset or its cash generating unit and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

m) Provisions, contingent liabilities and contingent assets

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognise assets which are of contingent nature. However, if it has become virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the financial statements of the period in which the change occurs.

n) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

o) Retirement benefits to employees

The company is not making any provisions of gratuity or other retiring benefits to its employees. The same will be accounted as and when paid.



For Servotech Power Systems Pvt. Ltd.
D. Prakash
Director

For Servotech Power Systems Pvt. Ltd.
[Signature]
Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

Note No. 24 contd....

ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

II. CONTINGENT LIABILITIES

A. Claim against the company not acknowledged as debt

Bank Guarantee (Performance Guarantee)

(Margin of Rs. 1,45,61,887/- previous year Rs. 86,23,278/-)

As at 31st
March 2017 As at 31st
March 2016

54,962,591 51,149,279

Two outside parties had filed claim for recovery of Rs.2,39,087/- before district court/ consumer court. The matter is pending before the respective courts.

B. Estimate amount of Outstanding Capital Commitment.

11,542,644


III. NOTES TO THE ACCOUNTS

A. RELATED PARTY TRANSACTIONS

Name of related party	Nature of relationship	Nature of transaction	For the year ended 31st March 2017	Balance as at 31st March 2017	
				Debit	Credit
Raman Bhatia	Key management personnel	Revenue from operations (Sales)	14,766	108,674	114,122
		Managerial remuneration	3,000,000		
Sarika Bhatia	Key management personnel	Revenue from operations (Sales)	19,115	-	184,108
		Managerial remuneration	3,000,000		
Arun Handa	Key management personnel	Managerial remuneration	1,062,043	1,208	87,661
Pankaj Malik	Key management personnel	Managerial remuneration	1,050,000	-	-
Manohar Lal Bhatia	Relative of director	Salary	504,000	-	35,607
Rishabh Bhatia	Relative of director	Salary	315,097	-	33,661
Vikas Bhatia	Relative of director	Salary	623,353	1,208	31,476
Anjali Handa	Relative of director	Salary	360,320	-	42,165
Service Solution	Entity in which director(s) or their relatives are	Revenue from operations (Sales)	1,807,406	-	5,080,079
		Purchases	18,208,044		
Bhatia Electronics	Entity in which director(s) or their relatives are	Revenue from operations (Sales)	4,422,268	-	-
		Purchases	16,289,025		
Hertz and Pixelz	Entity in which director(s) or their relatives are	Revenue from operations (Sales)	2,881	-	28,131
		Rent income	240,000		
		Business Promotion Expenses	100,012		
Naman Bhatia HUF	Entity in which director(s) or their relatives are	Security deposit received back	129,420	-	-




 Director


 Director

SERVOTECH POWER SYSTEMS PRIVATE LIMITED

Notes forming part of the financial statements

Note No. 24 contd....

ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

- H. The outstanding balances of Sundry Debtors and Creditors are as per the the books of accounts of the Company and are subject to confirmation.
- I. Previous year figures have been regrouped/rearranged wherever found necessary.
- J. Notes 1 to 24 are forming part of Balance Sheet & Statement of Profit & Loss and have been duly authenticated .

As per our report annexed
for GUPTA JALAN & ASSOCIATES
Chartered Accountants

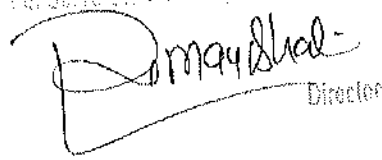


CA R.N. Jalan
(Partner)
M.No. - 082389

Place: Delhi
The 15th day of May 2017



For and on behalf of board

Servotech Power Systems Pvt. Ltd.

Director

Raman Bhatia
(Director)
DIN-00153827

Servotech Power Systems Pvt. Ltd.

Director

Sarika Bhatia
(Director)
DIN-00155602