



Power Solutions Redefined

ANNUAL REPORT

2016-2017



Chairman's Address

Dear Members,

I am elated to present before you the 31st Annual Report of your Company. The Company has had a long and momentous journey. The financial year 2016-17 has been yet another outstanding year and I am proud of the progress the company has made. It is the continued support and unwavering trust of all the stakeholders in the Company that has enabled us to deliver sustained performance and growth over the years.

The continued commitment and passion of employees helped your Company exhibit strong leadership, against the sphere of immense volatility in the markets and the world economy due to Demonetization and US President elections. Your Company too was not kept apart from these happenings and has faced margin pressures. It has been a challenging year for the market.

Looking to the trust being reposed by the stakeholders, your company decided to approach the public for financing its working capital needs. The company decided to go public and come out with initial public offering of its shares. The company converted itself into public limited company vide resolution passed by the shareholder at the Extra Ordinary General Meeting held on 14.12.2016. The Registrar of Companies issued fresh certificate of incorporation on 03.01.2017. The company filed draft prospectus on 18.01.2017 with NSE Emerge. The Initial Public offering of the shares was opened from 25.05.2017 to 30.05.2017. The company received tremendous response from the market for its IPO and the issue got oversubscribed by around 70 times. It was all possible with co operation of all the associates of our company, dedicated employees, bankers, customers, officials at NSE Emerge and the stakeholders.

We are extremely happy to inform that the shares of the company got listed on NSE Emerge Platform on 07.06.2017. The glimpse of the listing ceremony are attached at the last page of annual report.

The total turnover of for Financial Year 2015-16 was Rs. 45.65 crore and in Financial Year 2016-17 it was Rs. 70.93 crores with the growth of 55.38%. Your company recorded the

excellent growth in Financial Year 2016-17. There was a major increase in project turnover from Rs. 21.94 Crores in 2015 – 16 to Rs. 51.09 Crores in 2016 – 17. The project turnover was increased by more than two times as compared to previous year. The project work consists of integrated work of supply, erection and commissioning and maintenance of multiple products under one contract to the customer.

The improvement in India's economic fundamentals is expected to accelerate due to the combined impact of strong government reforms and RBI's rigorous focus on keeping inflation under check. The steps taken by the Government and unique initiatives such as 'Make in India', 'Digital India', 'Housing for All' and 'Skill India' have given the economy a major boost.

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF), also Corporate earnings in India are expected to grow by over 20 per cent in FY 2017-18 supported by normalization of profits, while GDP is expected to grow by 7.5 per cent during the same period, according to Bloomberg consensus.

Indian economy grew at the rate of 7 per cent in 2016-17, and the World Bank anticipated that, it will further accelerate to 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19. Demonetisation is expected to have a positive impact on the Indian economy, which will help foster a clean and digitised economy in the long run, according to Ms Kristalina Georgieva, Chief Executive Officer, The World Bank.

The implementation of a unified GST is viewed as one of the most far-reaching indirect tax reforms, as it is likely to create a common Indian market, improve tax compliance and governance. Financial services in India have come out of a volatile cycle and with government initiatives to devise various fiscal reforms, the future opportunity scenario looks quite attractive. Hence these are truly exciting times for all of us and as an organization we must fully leverage the opportunity to the maximum.

The Economy is currently at a stage where a slight pickup in demand can lead to a significant improvement in growth. The opportunity is out there in the open, one just

needs to focus and choose the right path for success. As an organization, we have set ambitious yet realistic plans for each of our businesses.

The tag line and the motto of your company is “Power Solutions Redefined.” The company is keeping with its tag line and is always trying to come out with best solution for every power need. The power needs of urban and rural area are extremely diversified. In addition to urban market, the emphasis of the company has always been the rural market. The company embraces the rural market with more zeal than the urban market. As the real India lies in villages and agriculture is the stem of our economy, the company always believes that the development of rural sector is the development of entire India.

At Shri Ram Group, our corporate credo has been to ‘Trade with Confidence’ and hence we deliver utmost satisfaction to our customers consistently. With over three decades of expertise and experience, we have emerged as a front-runner in our field. We have come this far solely based on our core values serving as a moral compass in all our dealings. Our team’s experience and expertise, diversified product offerings, disciplined approach, product quality, post sale services have enabled us to win the trust of distinguished investors, customers, and a wide fraternity of stakeholders.

Our strength emanates from the trust of people that we have earned over the years by providing customized solutions to our customers. Today, we are known for our diversified product portfolio and prominent position in all our business area. The recognition we have earned through several accolades is a manifestation to our excellence. We are ready with optimism to leverage future opportunities. Flexibility and reinvention while staying true to our ethos by helping every customer meet their requirements will set our foundation of growth for the forthcoming financial year and beyond. We are all set to enter new business transactions with local as well as overseas customers.

Your company is involved in engineering and manufacturing of Electrical products. We manufacture Transformers (EHV, Power, Distribution, and Special Application) upto 5 mVA - 33 kV Class as well as Oil Type Compact Sub-Stations. We manufacture full range of HT & LT switchgears from Distribution boards to Distribution Boxes, Control and Relay Panel, Feeder Pillars, ACB Boxes, Single Phase Boxes, MCB & MCCB panels, Junction Boxes, A.C./D.C. Boards and other related products. Recently the Company has developed VPI Dry Type Transformer.

A dry type transformer is used where there is space constraint and higher chances of occurrences of fire. These are mostly used by industrial and corporate clients at software parks, hotels, hospitals, high rise buildings, etc. These transformers are categorized as distribution transformers due to their nature of operation, i.e. at end user's locations.

For our manufacturing facility, we do not need a Water or Air Treatment plant as we are proud to say that our plant is a **zero pollution emission plant** and received certificate dated November 23, 2015 for the same from District Trade & Industries Centre, Ratlam. We recently got elected as member in general category by Confederation of Indian Industry (CII) for its State Council of Madhya Pradesh for the year 2017-18. The Company also Partners with Govt. Industrial Training Institute Ratlam & Alot as a social responsibility and has received 2nd Skill Champions of India Award by FICCI and Leapvault The Company has also received Best dedicated Entrepreneur award by Zee.

Our vision is that we believe "Customer is the core of all the endeavors". Thus the primary objective of the company is up-holding the value of the "customer". Our Company strives to provide "solutions" rather than "selling of products." Our Objectives are to establish the organization leadership in the area of electrical engineering both in the field of manufacturing and marketing and to develop high level of satisfied customer profile with dedicated service and high grade of products and quality as well as to maintain the growth patterns consistently both in terms of sales volume and return from sales.

Our customers are majorly the Power DISCOMs (Distribution Companies). We cover the states of Maharashtra, Rajasthan, Gujarat, Madhya Pradesh, Delhi, Odisha, Uttar Pradesh for supply of our products and services. From engineers to skilled labours, everyone is motivated to manufacture the highest quality products in Our Company. Our Company has put a lot of systems in place for quality check and control. We have been accredited with "ISO:9001-2008" certification for design and development, production, installation & marketing of electrical switchgear & transformers. We have always been a frontrunner in adapting technology ahead of its times.

In current financial year the company has already reached execution of around 75% of orders as mentioned in the prospectus. Further the order base of the company has been expanded by Rs. 40 Corers till now. The company is exploring the opportunities for entering into overseas market. Various steps are being taken in this direction. The

company is in talks with Government of Vietnam and Israel for business tie ups. The Company has deputed its marketing personnel to Vietnam for preliminary talks with the concerned department.

The company has always committed to super most quality for its products. The government of India has recently prescribed for BEEE Rating for transformers. Although the rating has not been accepted by the industry, we feel pleasure to announce that your company has already upgraded the quality of its products to BEEE Equivalent.

The company believes that the support of shareholders have played indispensable role in improved performance of the company.

Your Company believes in serving its own people first by providing the right workplace facilities and atmosphere for every staff members with highly subsidized and quality canteen facilities; employee health provisions for all the Employees. To connect with the employees on a personal level the company initiates outings on regular basis.

With your continued support, we will think bigger. Indeed not just bigger but better, creating ever greater value for all our stakeholders. Don't hide – engage. Take a risk, get outside your comfort zone and challenge yourself to try something new, with this belief the company will continue its journey towards advancement. I would like to end by expressing my gratitude to all our clients, employees, investors, bankers and shareholders – for the trust they have reposed in us. I would especially like to thank our Board members for their guidance throughout our journey. We look forward to your continued support in our journey to create long term value for all our stakeholders. Last but not the least, I would like to extend my sincere thanks to officials and entire staff at NSE Emerge for their co operation and support for completion of listing procedures of the company.

With Warm Regards

Sd/-

Nilesh Jhalani

(Managing Director)

SHRI RAM SWITCHGEARS LIMITED

Registered Office : Shri Ram Bhawan, Goushala Road, Ratlam, M.P.

CIN: U31200MP1985PLC003026

website : www.shriramswitchgears.com email: info@shriramswitchgears.com

Phone No. 07412 235554, 231660, 233660

NOTICE

Notice is hereby given that the 31st Annual General Meeting of Shri Ram Switchgears Limited will be held on Saturday, 30th Day of September, 2017 at 01.00 P.M. at Hotel Balaji Central, Sailana Road, Opposite GTB Academy, Ratlam, M. P., to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements including Balance Sheet as at 31st March, 2017, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and report of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Rohit Kumar Jhalani (DIN : 00666443), who retires by rotation and being eligible, offers himself, for re-appointment.
3. To appoint the Statutory Auditors and fix their remuneration and if thought fit to pass the following resolution with or without modification(s) the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and their corresponding rules M/s KVNG & Associates, Chartered Accountants (Firm Registration No. 002628C), who have offered themselves for appointment and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby appointed as Statutory Auditors of the Company, to hold office for a period of 5 years from the conclusion of the 31st Annual General Meeting up to the conclusion of the 36th consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM) at a remuneration as may be decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution”.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY, DULY COMPLETED AND SIGNED, MUST BE DEPOSITED AT THE

REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

Pursuant to Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The instrument appointing proxy in order to be effective should be duly stamped, completed and signed and should be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting. A Proxy Form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.

2. Members holding shares in dematerialized form are requested to intimate all particulars of bank mandates, nominations, power of attorney, change in address, change of name, e – mail address, contact numbers, etc. to their depository participants (DP). Members holding shares in physical form are requested to intimate such details to the company.

3. The Securities Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their DP's. Members holding shares in physical forms are requested to submit their PAN to the Company.

4. Register of Directors and Key Managerial Personnel and their shareholding and Register of contracts or Arrangements in which Directors are interested, maintained under Sections 170 and 189 respectively of the Act, will be available for inspection by the members at the AGM.

5. The Company's Register of members and Share Transfer Books will be closed from 23rd September, 2017 to 30th September, 2017 (both days inclusive) for the purpose of Annual General Meeting of the company.

6. Pursuant to the provisions of sections 101 and 136 of the Act read with relevant Rules made there under, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their email addresses either with their DP or the company. Notice of the AGM along with Annual Report for the year ended March 31, 2017 is being sent by electronic mode to those members whose email addresses are registered with the Company/Depositories, unless a member has requested for a physical copy of the same. Physical copies of the Annual Report are being sent by the permitted mode to those Members who have not registered their email addresses. Members desirous of receiving physical copies of the Annual Report are requested to write to the Investors' Services Department at the Registered Office of the Company. Annual Report for the year ended March 31, 2017 circulated to Members is also available on the website of the company www.shriramswitchgears.com.

7. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

8. Members are requested to:-

a. Quote ledger folio numbers/DP ID and Client ID Numbers in all their correspondence;

- b. Approach the Company for consolidation of multiple ledger folios into one;
- c. To avoid inconvenience, get shares transferred in joint names, If they are held in a single name and/or appoint a nominee; and
- d. Bring with them at the AGM, their copy of the Annual Report and Attendance slip.

9. NRI Members are requested to inform the Investors Services Department of the Company immediately of:-

- a. Particulars of their bank account maintained in India with complete name, branch, account type, account number, and address of the bank with pin code number, if not furnished earlier; and
- b. Change in their residential status and address in India on their return to India for permanent settlement.

10. Members desirous of obtaining any information concerning accounts and operations of the company are requested to address their communications at the registered Office of the company, so as to reach at least seven days before the date of the meeting, so that the required information can be made available at the meeting, to the extent possible.

11. Members, who hold shares in electronic form, are requested to notify their DP and Client ID Number at the AGM for easier identification.

By order of the Board of Directors

Ratlam
30/08/2017

Sd/-
Garima Mahalaha
Company Secretary
ACS 37073

Annexure to Notice of AGM

Details of Directors seeking Re-Appointment as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

In terms of the provisions of Section 152 of the Companies Act, 2013 Mr. Rohit Kumar Jhalani, being longest in the office will retire by rotation and would be eligible for re-appointment in the forthcoming Annual General Meeting. In terms of the provisions of Section 196 of the Companies Act, 2013 Mr. Rohit Kumar Jhalani (*Whole Time Director*), is seeking reappointment in the ensuing Annual General Meeting. In accordance to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the details of Directors retiring by rotation/seeking re-appointment at the forthcoming Annual General Meeting are as under:-

<i>Particulars</i>	Mr. Rohit Jhalani
<i>Date of Birth</i>	11.02.1980 (37 Years)
<i>Date of First Appointment on Board</i>	01.04.1998
<i>DIN</i>	00666443
<i>Qualifications</i>	Bachelor of Commerce from Vikram University, Ujjain
<i>Expertise in specific functional areas</i>	Production / Operations and Human Resource department
<i>Terms and Conditions of Appointment/Re-Appointment</i>	As per the resolution at item no. 2 of the Notice convening Annual General Meeting September 29, 2017, Mr. Rohit Kumar Jhalani is proposed to be re-appointed as a Whole Time Director.
<i>Directorships held in other public companies (excluding foreign companies and section 8 companies)</i>	Nil
<i>Memberships/ Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholder's Committee)</i>	NIL
<i>Number of shares held in Company</i>	423750
<i>Inter-se relationships between Directors</i>	None

**Status as on March 31, 2017*

By order of the Board of Directors

Ratlam
30/08/2017

Sd/-
Garima Mahalaha
Company Secretary
ACS 37073

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Phone No. 07412 235554, 231660, 233660

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting venue)

31st Annual General Meeting, Saturday 30th day of September, 2017 at 1.00 P. M.

Regd. Folio No. _____/DP ID _____ Client ID/Ben. A/C _____ No. of shares held _____

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 31st Annual General Meeting of the Company on Saturday the 30th day of September, 2017 at 1.00 P. M. at the registered office of the company.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the hall

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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]*

Name of the member (s): -----

Registered address: -----

E-mail Id: -----

Folio No. : ----- Client Id: -----

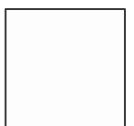
DP ID: -----

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name: -----
Address: -----
E-mail Id: -----
Signature:----- or failing him
2. Name: -----
Address: -----
E-mail Id: -----
Signature:----- or failing him
3. Name: -----
Address: -----
E-mail Id: -----
Signature:----- or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual general meeting of the company, to be held on the Saturday 30th day of September, 2017 At 1.00 p.m. at Hotel Balaji Central, Sailana Road, Opposite GTB Academy, Ratlam, M. P. and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of audited financial statements including Balance Sheet as at 31st March, 2017, Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and report of the Board of Directors and Auditors thereon.
2. Appointment of director in place of Mr. Rohit Kumar Jhalani (DIN : 00666443), who retires by rotation and being eligible, offers himself, for re-appointment.
3. Appointment of KVNG & Associates as Statutory Auditors to hold office for a period of 5 years from the conclusion of the 31st Annual General Meeting up to the conclusion of the 36th consecutive Annual General Meeting and fix their remuneration.



Signed this..... day of..... 20....

Affix
revenue
stamp of
Re 1

Signature of shareholder ----- Signature of Proxy holder(s) -----

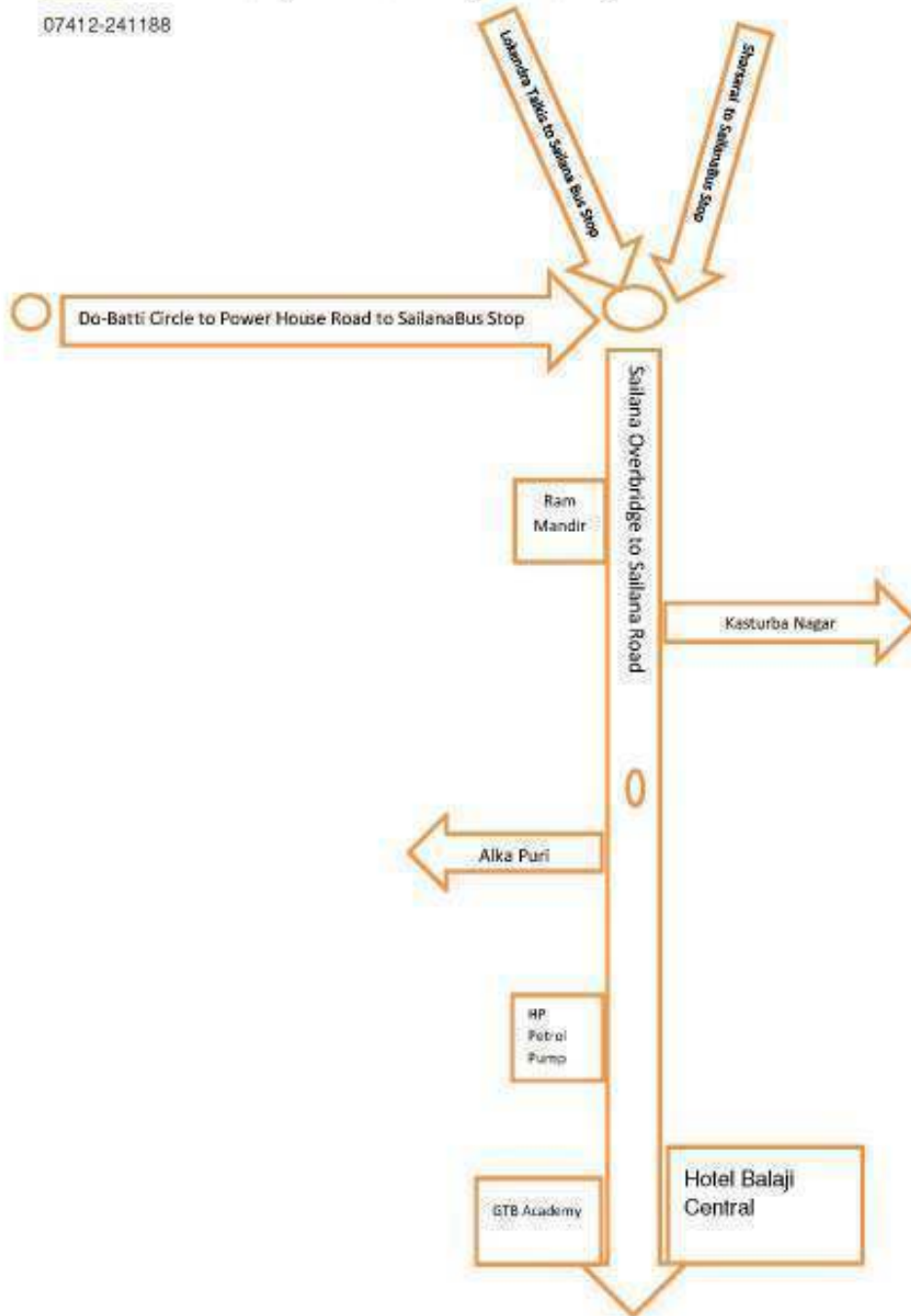
Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Directions for 31st Annual General Meeting of Shri Ram Switchgears Limited, Shri Ram Bhawan, Goushala Road, Ratlam, M. P.

Hotel Balaji Central

Address: Sailana Road, Opposite GTB Academy, Ratlam, Madhya Pradesh 457001

07412-241188



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BOARD'S REPORT

To,
The Members,

Your directors have pleasure in presenting their 31st Annual Report on the business and operations of the company and the accounts for the financial year ended March 31, 2017.

1. Extract of Annual Return:

Pursuant to the provisions of Section 92 (3) and Section 134 (3) (a) of the Companies Act, 2013 read with rule 12 (1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT 9 is attached herewith as **Annexure I** and forms part of this report.

2. State of Company's Affairs/Financial summary or highlights/Performance of the Company (Standalone)

The details regarding state of Company's affairs in term of Section 134 (3) (i) of the Companies Act, 2013 and Financial Summary or highlights in terms of Rule 8 (5) (i) of the Companies (Accounts) Rules, 2014 are as follows:

Particulars	Standalone (Rs. In Lacs)	
	Year Ended March 31, 2017	Year Ended March 31, 2016
Revenue from Operations	7090.54	4565.00
Other Income	56.09	25.80
Total Income	7146.62	4823.04
Total Expenditure	6831.23	4705.63
Extraordinary/Exceptional Items	15.00	10.28
Profit Before Tax ('PBT')	327.86	127.68
Provision for Income Tax	116.95	42.41
Profit After Income Tax (including Deferred taxes)	210.91	85.28
Surplus Brought Forward from Previous Year	354.37	269.08
Amount Available for Appropriations	565.28	354.37
Proposed Dividend	Nil	Nil
Earnings Per Share (Amount in Rs.)	Rs. 3.85	Rs. 1.74

3. Overview of the company and Performance Review and

Your company is involved in engineering and manufacturing of Electrical products. We manufacture Transformers (EHV, Power, Distribution, and Special Application) upto 5 mVA - 33 kV Class as well as Oil Type Compact Sub-Stations. We manufacture full range of HT & LT switchgears from Distribution boards to Distribution Boxes, Control and Relay Panel, Feeder Pillars, ACB Boxes, Single Phase Boxes, MCB & MCCB panels, Junction Boxes, A.C./D.C. Boards and other related products. The Company has developed VPI Dry Type Transformer. A dry type transformer is used where there is space constraint and higher chances of occurrences of fire. These are mostly used by industrial and corporate clients at software parks, hotels, hospitals, high rise buildings, etc. These transformers are categorized as distribution transformers due to their nature of operation, i.e. at end user's locations.

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The board feels pleasure in reporting that the company touched new heights in term of sales and profit for the year ended March 31, 2017. Sales clocked at Rs. 7090.53 Lacs as against Rs. 4565.00 Lacs in the previous year, higher by 55.32%. Profit before Interest, depreciation and tax was higher at Rs. 975.88 Lacs as against Rs. 529.22 Lacs in the previous year. Profit before tax was 325.87 Lacs and Net profit after tax was Rs. 209.58 Lacs as compared to Rs. 85.28 Lacs in the previous year. Earnings per share for the year was Rs. 2.85/-.

4. Reserves

The amount of surplus of Rs. 2,10,91,406/- (Rupees Two Crores Ten Lacs Ninety One Thousand Four Hundred and Six Only) of Profit and Loss account has been transferred to Reserve and Surplus account in the Balance Sheet and the final amount of reserve and surplus account as on 31.03.2017 is Rs. 3,82,16,355/-. Reserves of Rs. 2,44,68,550/- were utilized towards issue of bonus shares during the year.

5. Cash Flow Statement

As required under Regulation 34(2) and Regulation 53(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Cash Flow Statement is attached to the Balance Sheet along with Auditor's Report.

6. Dividend

In order to plough back the profits for the activities of the company, your directors do not recommend any dividend for the financial year.

7. Change in Status of the company & filing of draft prospectus

The company has been converted from private limited to public limited vide special resolution passed by the members at the Extra Ordinary General Meeting held on 14.12.2016 and fresh certificate of incorporation was issued by the Registrar of Companies on 03.01.2017. Further, as the company intends to go for listing of NSE EMERGE Platform, it has filed a draft prospectus with the stock exchange on 18.01.2017.

8. Number of Meetings of the Board of directors:

During the financial year total 15 (22.04.2016, 02.05.2016, 02.06.2016, 13.06.2016, 01.07.2016, 12.07.2016, 26.07.2016, 02.09.2016, 16.09.2016, 07.10.2016, 07.12.2016, 04.01.2017, 09.01.2017, 30.01.2017, 27.03.2017) Board Meetings were held and particulars of meeting held and attendance thereof is given in the Corporate Governance Report which forms part of Annual Report.

9. Directors' Responsibility Statement

Pursuant to the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your directors state that—

- (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.

10. Board's Evaluation

In compliances with the provisions of Section 134(3)(p) of the Act read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the board carried out annual evaluation of its own performance, that of its Committees and individual directors.

The performance of board and its committees was evaluated by the board after seeking input from all the directors on the basis of the criteria, such as composition and structure of the Board, quality of deliberations, effectiveness of the procedures adopted by the Board, participation at the Board and committee meetings, governance reviews etc. Performance of individual directors was evaluated on the basis of criteria like transparency, analytical abilities, qualifications, leadership qualities, experience, participation in the long-term strategic planning and responsibilities shouldered.

11. Particulars of loans, guarantees or investments under section 186

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 and rules made thereunder are shown under Note No. 12 & 17 in the notes to the Financial Statements.

12. Related Party Transaction:

All related party transactions entered into by the company during the year were on an arm's length basis and in the ordinary course of business. During the year no transaction was entered into by the company with key managerial personnel. The company did not enter into any related party transactions which was in conflict with its interest. Statement of transaction with related parties in summary form are periodically placed before the audit committee and are approved by committee, in compliance with Section 134 (3) (h) of the Act and rule 8 (2) of companies (Accounts) Rules, 2014, particulars of Related Party transactions are given form of AOC-2 as **Annexure II** to this report.

13. Directors and Key Managerial Personnel

During the year following changes have occurred in directors and key managerial personnel:

1. Mr. Nilesh Jhalani was appointed as Managing Director of the company at the Board Meeting held on 07/12/2016 and consent of the members has been taken at the Extra-ordinary Meeting held on 14/12/2016.
2. Mr. Devraj Jhalani and Mr. Rohit Kumar Jhalani were appointed as Whole-Time Directors of the company at the Extra-ordinary Meeting held on 14/12/2016.
3. Mr. Naresh jhalani was appointed as Chief Financial Officer (CFO) of the company and CS Garima Mahalaha is appointed as Company Secretary & Compliance Officer of the company at the Board meeting held on 04/01/2017.
4. Ms. Amita Premswaroop Patel and Mr. Atul Krishna Khandelwal were appointed as Independent directors at Extra-ordinary Meeting held on 06/01/2017.
5. Ms. Sapna Jhalani was appointed as Non-Executive Director of the company at Extra-ordinary Meeting held on 06/01/2017

In accordance with the provisions of Section 152 of the Companies Act, 2013 and in terms of the Articles of Association of the Company Mr. Rohit Jhalani (Whole Time Director) (DIN: 00666443) is liable to retire by rotation and being eligible, seeks re-appointment at the ensuing Annual General Meeting. The Board of Directors recommends his re-appointment. Mr. Rohit Jhalani is not disqualified under Section 164(2) of the Companies Act, 2013.

Brief resume of the Director proposed to be reappointed, nature of his experience in specific functions and area and number of public companies in which he holds membership/chairmanship of Board and Committees, Shareholdings and inter-se relationships with other directors as stipulated under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are provided in the ‘**Annexure to the Notice of AGM**’ forming part of the Annual Report.

14. Commission from holding or subsidiary company:

As the company is not having any holding or subsidiary company, details as required regarding receipt of commission by Managing or whole time director of the company from holding or subsidiary of the company in accordance with the provisions of Section 197 (14) are not applicable.

15. Particulars Of Employee and Related Disclosures

The ratio of remuneration of each Director to the median of employees’ remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Board’s Report under “**Annexure – III**” as **Median Remuneration**.

The company was not having any employee, who was in receipt of remuneration as specified under Rule 5 (2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, hence the details.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, the list of the top 10 employees in terms of remuneration forms part of the Board’s Report under “**Annexure-IV**”

16. Audit Committee

The company constituted an Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013 at the board meeting held on 09.01.2017. The following persons are members of the Audit committee:

1. Mr. Atul Krishna Khandelwal (DIN : 00094242) – Independent Director (Chairman of committee)
2. Ms. Amita Premswaroop Patel (DIN : 07687442) – Independent Director (Member)
3. Mr. Nilesh Kumar Jhalani (DIN : 01462299) – Managing Director (Member)

The function performed by the Audit Committee, particulars of meeting held and attendance thereafter given in the Corporate Governance Report which form part of Annual Report..

17. Nomination and Remuneration Committee

The company constituted and Nomination & Remuneration Committee pursuant to the provisions of Section 178 of the Companies Act, 2013 at the board meeting held on 09.01.2017. The following persons are members of the Nomination and Remuneration committee:

1. Mr. Atul Krishna Khandelwal (DIN : 00094242) – Independent Director (Chairman of committee)
2. Ms. Amita Premswaroop Patel (DIN : 07687442) – Independent Director (Member)
3. Ms. Sapna Jhalani (DIN : 07685341) – Non Executive Director (Member)

The Function performed by the Nomination and Remuneration, particulars of meeting held and attendance thereafter given in the Corporate Governance Report which part of Annual Report. All recommendation made by the Audit Committee were accepted by the Board.

18. Stakeholders' Relationship Committee

The company constituted a Stakeholders' Relationship Committee pursuant to the provisions of Section 178 (6) of the Companies Act, 2013 at the board meeting held on 09.01.2017. The following persons are members of the Stakeholders' relationship committee:

1. Ms. Sapna Jhalani (DIN : 07685341) – Non Executive Director (Chairperson)
2. Mr. Atul Krishna Khandelwal (DIN : 00094242) – Independent Director (Member)
3. Ms. Amita Premswaroop Patel (DIN : 07687442) – Independent Director (Member)

The function performed by the Nomination and Remuneration, particulars of meeting held and attendance thereafter given in the Corporate Governance Report which form part of Annual Report.

19. Vigil Mechanism/whistleblower Policy

In Compliance with the provision of section 177(9) of the Act read with Rule 7 of Companies (Meeting of Board and its Power) Rules, 2014, the company formulated a Vigil Mechanism for directors and employees to report concerns detail of which are covered in the Corporate Governance Report which form part of Annual Report.

20. Corporate Governance

Although provisions of Regulation 17 to 27 related with Corporate Governance read with Schedule V (c) of SEBI (LODR) 2015 are not applicable on the company, the company, as good governance practice, has attached a report on Corporate Governance as **Annexure V** to this report and forms part of Annual Report.

21. Corporate Social Responsibility (CSR)

As the company does not fall into any of the category mentioned thereunder, the provisions of Section 134 (3) (o) read with Section 135 and Rule 9 of Companies (Accounts) Rules, 2014 related with **Corporate Social Responsibility** are not applicable on the company.

22. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There were following material changes that took place between the date of balance sheet and the date of Board's report.

1. Company came out with an Initial Public Offer comprising of 26,70,000 equity shares of Rs. 10/- each at a premium of Rs. 9/- per share on. The offer was open from 25.05.2017 to 30.05.2017. The company received tremendous response from the market for its IPO and the issue got oversubscribed by 70 times.
2. The company allotted 26,70,000 equity shares of Rs. 10/- each to the selected applicants vide resolution passed by circulation by the board on 02.06.2017.
3. Equity Shares of the company were successfully listed with SME platform of National Stock Exchange - EMERGE w. e. f. 07.06.2017.

23. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo in terms of Section 134 (3) (m) read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are given in **Annexure VI** which is part of this Report.

24. Details of Subsidiary/Joint Ventures/Associate Companies

As the company is not having any subsidiary/joint venture/Associate Companies, the details in terms of Section 134 (3) (q) read with Rule 8 (5) (iv) of the Companies (Accounts) Rules, 2014 are nil.

25. Deposits

As the company has not accepted any deposits covered under Chapter V of the Act, the details in terms of Section 134 (3) (q) of the Companies Act, 2013 read with Rule 8 (5) (v) and (vi) of the Companies (Account) Rules, 2014 are nil. The unsecured loan as are appearing in the balance sheet are the amount which are brought in by the promoters and their relatives in pursuant to the stipulation imposed by the financing banks and the same shall not be treated as deposits in terms of provisions of Rule 2 (c) (XIII) of Companies (Deposit) Rules, 2014.

26. Details of 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 are passed during the financial year by the regulators or courts or tribunals which might impact the going concern status and company's operation in future.

27. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

Your Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below:

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7

of the Companies (Accounts) Rules, 2014 and relevant provisions of the Companies Act, 1956, to the extent applicable.

A system of strict internal control, including suitable monitoring procedures has always believed that transparency, systems and controls are important factors in the success and growth of any organization.

The Company has an adequate system of internal control supported by an extensive programme of internal control; and systems are established to ensure that financial and other records are reliable for preparing financial statements.

Internal Audit Reports and significant Audit observations are brought to the attention of the Audit Committee of the company. The internal controls existing in the Company are considered to be adequate vis-a-vis the business requirements.

Your Company ensures adequacy with its current size and business, to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws and regulations. It is supported by the internal audit process and will be enlarged to be adequate with the growth in the business activity.

28. Internal Auditors

In accordance with the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of Companies (Accounts) Rules, 2014, the company has appointed CA Neha Jain, Chartered Accountant, Ratlam as internal auditor of the company at the board meeting held on 31.07.2017. The purpose of this Internal Audit will be to examine that the company is carrying out its operations effectively and performing the processes, procedures and functions as per the prescribed norms. The Internal Auditors will review the adequacy and efficiency of the key internal controls guided by the Audit Committee.

29. Explanation or comments on Auditor's Report:

Auditor's report being self explanatory, no comments are required to be given in terms of Section 134 (3) (f) (i).

30. Secretarial Audit

Pursuant the provision of the Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial personal) Rules, 2014, the board appointed CS Shweta Garg, Practicing Company Secretary, Indore to conduct Secretarial Audit of the Company for the financial year 2016 - 2017. The Secretarial Audit report in Form MR 3 is attached as **Annexure VII** and forms part of this report. The Secretarial Audit Report is self explanatory and no comments are required to be given on the same.

31. Management Discussion and Analysis

Management Discussion and Analysis Report for the year 2016-17, as stipulated under Regulation 34(2)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as **Annexure VIII** forming part of this

Annual Report, and gives detail of overall industry structure, developments performance and state of affairs of the Company's operations during the year.

32. Risk Management Policy

The risk management framework of the company defines roles and responsibilities for arriving at risk rating criteria for assessing risk impact, likelihood of risks and effectiveness of mitigations plans. The process includes identifications of risks involved in various areas, zeroing on 'risk that matter', assessing mitigation plan and preparedness to face 'risk that matter'

33. Disclosure in respect of loan to employees for purchase of own shares

The company has not given any loan to any of the employees for purchasing its shares, hence the information pursuant of Section 67 of the Act read with Rule 16 of Companies (Share Capital & Debentures) Regulations, 2014 are nil.

34. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal), Act, 2013

No case was filed during the financial year under the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal), Act, 2013.

35. Issue of Equity shares with differential voting rights, Sweat Equity, ESOP etc.

The company has not issued any equity shares with differential voting rights, Sweat Equity Shares or Shares to its employees under "Employee Stock Option Scheme" during the financial year.

36. Changes in Share Capital

1. The company has increased its authorize share capital from Rs. 5,50,00,000/- divided into 5500000 Equity share of Rs. 10/- each to Rs. 12,00,00,000/- divided into 12000000 Equity share of Rs. 10/- each vide resolution passed at Extra-ordinary Meeting held on 14.12.2016.
2. The company issued 2,446,855 Equity Shares of Rs. 10/- each as fully paid bonus shares vide resolution passed by the board of director at their meeting held on 04.01.2017 in pursuance of authority granted by the members vide resolution passed at the Extra-Ordinary Meeting held on 14.12.2016.

37. Auditors:

M/s Parth Jhalani & Company, Chartered Accountants, Ratlam who were appointed as statutory auditors for a period of 5 years from the conclusion of 28th Annual General Meeting till the conclusion of 33rd Annual General Meeting, resigned as statutory auditor due to pre-occupation w. e. f. 07.12.2016. The members at the Extra Ordinary General Meeting held on 14.12.2016, appointed M/s KVNG & ASSOCIATES, Chartered Accountants, Indore, as statutory auditor to fill the casual vacancy caused in the office of statutory auditor to hold office till conclusion of ensuing Annual General Meeting. The Auditors, M/s KVNG & ASSOCIATES, Chartered Accountants, Indore, are retiring at the conclusion of the ensuing Annual General Meeting of the company and being eligible offer themselves for appointment as Auditors. The auditors have

given a declaration to the company to the effect that the firm is not disqualified to continue as auditor in terms of the provisions of Section 141 of the Companies Act, 2013 read with Rule 4 and Rule 10 of the Companies (Audit & Auditors) Rules, 2013.

38. Acknowledgements

Your Directors convey a sense of high appreciations to all the employees of the company for their hard work, dedication continued commitment and significant contributions. Your Directors are grateful to acknowledge the support and cooperation's received from various departments of the Central and State Governments, Members, Business Associates, Analysts, Banks, Financial Institutions, Customers, Distributors and Suppliers.

For & on behalf of the Board of Directors

Place : Ratlam
Date : 30.08.2017

Sd/-
Rohit Kumar Jhalani
Whole Time Director (DIN : 00666443)

Shri Ram Bhawan,
Goshala Road, Ratlam,
457001, M. P., India

Sd/-
Nilesh Kumar Jhalani
Managing Director (DIN:
01462299)
Shri Ram Bhawan,
Goshala Road, Ratlam
457001, M.P., India

ANNEXURE I TO BOARD'S REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

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

I REGISTRATION & OTHER DETAILS:

i	CIN	U31200MP1985PTC003026
ii	Registration Date	06.09.1985
iii	Name of the Company	SHRI RAM SWITCHGEARS LIMITED
iv	Category/Sub-category of the Company	Company Limited by Shares/Indian Non-Government Company
v	Address of the Registered office & contact details	Shri Ram Bhawan, Goushala Road, Ratlam, M.P. Indore, 457001 Website : www.shriramswitchgears.com E mail : info@shriramswitchgears.com Ph. No. 07412 235554, 231660, 233660
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited, E23, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai 40072, India. Ph. No. 022 2847 5207 Email Id: investor@bigshareonline.com Website: www.bigshareonline.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Manufacture of electric power distribution transformers, arc-welding transformers, fluorescent ballasts, transmission and distribution voltage regulators	27102	86.08%
2	Other Electrical Items	27104	10.31%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARE S HELD	APPLICABLE SECTION
.....Nil.....					

Place : Ratlam
Date : 30.08.2017

For SHRI RAM SWITCHGEARS LIMITED
Sd/-
Rohit Kumar Jhalani
Whole Time Director (DIN : 00666443)

Shri Ram Bhawan, Goshala Road, Ratlam,
457001, Madhya Pradesh, India

Sd/-
Nilesh Kumar
Managing
Director (DIN :
01462299)

Shri Ram
Bhawan, Goshala
Road, Ratlam,
457001, Madhya
Pradesh, India

[illegible]

b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	41450	41450	0.85%	5175	0	5175	0.07%	-36275	-0.78%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	3567200	3567200	72.89%	5257800	0	5257800	71.63%	1690600	-1.27%
c) Others (specify)	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	0	3608650	3608650	73.74%	5262975	0	5262975	71.70%	1654325	-2.04%
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	3608650	3608650	73.74%	7340565	0	5262975	71.70%	1654325	-2.04%
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	4893710	4893710	100%	7340565	0	7340565	100%	2410580	-0.78%

Place : Ratlam
Date : 30.08.2017

For SHRI RAM SWITCHGEARS LIMITED

Sd/-

Rohit Kumar Jhalani
Whole Time Director (DIN : 00666443)

Shri Ram Bhawan, Goshala Road,
Ratlam, 457001, Madhya Pradesh,
India

Sd/-

Nilesh Kumar Jhalani
Managing Director (DIN : 01462299)

Shri Ram Bhawan, Goshala
Road, Ratlam, 457001,
Madhya Pradesh, India

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding
		NO of shares	% of total shares of the	% of shares pledged	NO of shares	% of total shares of the	% of shares pledged	
1	Nilesh Kumar Jhalani	1000	0.02%	0	137250	1.87%	0	1.85%
2	Rohit Kumar Jhalani	273000	5.58%	0	423750	5.77%	0	0.19%
3	Devraj Jhalani	1011060	20.66%	0	1516590	20.66%	0	0.00%
	Total	1285060	26.26%	0	2077590	28.30%	0	2.04%

(iii) **CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)**

Sl. No.	Name of Shareholders (Promoters)	No. of shares held at the beginign of the year as in 01.04.2016			No. of shares held at the end of the year as in 31.03.2017			% change in sharehol ding 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 encumb ered to total	
1	Nilesh Kumar Jhalani	1000	0.02%	0	137250	1.87%	0	1.85%
2	Rohit Kumar Jhalani	273000	5.58%	0	423750	5.77%	0	0.19%
3	Devraj Jhalani	1011060	20.66%	0	1516590	20.66%	0	0.00%
	Total		26.26%	0	2077590	28.30%	0	2.04%

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

Sl. No	Name of the Shareholders			Shareholding at the beginning of the year as on 01.04.2016		Cumulative Shareholding during the year	
		Date	Increase/decrease and reason for the same	No of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Umesh Kumar Jhalani	01.04.2016	-	1001970	20.47%	-	-
		04.01.2017	500985 Bonus Allotment	-	-	1502955	20.47%
		31.03.2017	-	-	-	1502955	20.47%
2	Santosh Devi Jhalani	01.04.2016	-	151960	3.11%		
		04.01.2017	75980 Bonus Allotment	-	-	227940	3.11%
		31.03.2017	-	-	-	227940	3.11%

3	Chetanya Kumar Jhalani	01.04.2016		106010	2.17%		
		28.08.2016	-64000 Transfer	-	-	42010	0.57%
		04.01.2017	21005 Bonus Allotment	-	-	127015	1.73%
		31.03.2017	-	-	-	169025	2.30%
4	Meghna Jhalani	01.04.2016		106700	2.18%		
		04.01.2017	53350 Bonus Allotment	-	-	160050	2.18%
		31.03.2017	-	-	-	160050	2.18%
5	Diwik Jhalani	01.04.2016	-	51100	1.04%		
		04.01.2017	25550 Bonus Allotment	-	-	76650	1.04%
		31.03.2017	-	-	-	76650	1.04%
6	Kaushika Naresh Kumar Jhalani	01.04.2016		151000	3.09%		
		04.01.2017	75500 Bonus Allotment	-	-	226500	3.09%
		31.03.2017	-	-	-	226500	3.09%
7	Premalata Devi Jhalani	01.04.2016		505360	10.33%		
		04.01.2017	252680 Bonus Allotment	-	-	758040	10.33%
		31.03.2017	-	-	-	758040	10.33%
8	Shobha Devi Jhalani	01.04.2016	-	351150	7.18%	-	
		04.01.2017	175575 Bonus Allotment	-	-	526725	7.18%
		31.03.2017	-	-	-	526725	7.18%
9	Sapna Devi Jhalani	01.04.2016	-	752850	15.38%		
		04.01.2017	376425 Bonus Allotment	-	-	1129275	15.38%
		31.03.2017		-	-	1129275	15.38%
10	Manuraj Jhalani	01.04.2016	-	370000	7.56%	-	-
		04.01.2017	185000 Bonus Allotment	-	-	555000	7.56%
		31.03.2017	-	-	-	555000	7.56%

(v) Shareholding of Directors & KMP

Sl. No	Name of the Shareholders			Shareholding at the end of the year as on		Cumulative Shareholding during the year	
		Date	Increase/decrease and reason for the same	No of shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Nilesh Kumar Jhalani	01.04.2016	-	1000	0.02%		-
		28.08.16	500	-	-	1500	0.02%
			Transfer				
		28.08.16	500	-	-	2000	0.03%
			Transfer				
		28.08.16	500	-	-	2500	0.03%
			Transfer				
		28.08.16	500	-	-	3000	0.04%
			Transfer				
		28.08.16	100	-	-	3100	0.04%
			Transfer				
		28.08.16	100	-	-	3200	0.04%
			Transfer				
		28.08.16	100	-	-	3300	0.04%
			Transfer				
		28.08.16	1100	-	-	4400	0.06%
			Transfer				
		28.08.16	1000	-	-	5400	0.07%
			Transfer				
		28.08.16	800	-	-	6200	0.08%
			Transfer				
		28.08.16	950	-	-	7150	0.10%
			Transfer				
		28.08.16	1500	-	-	8650	0.12%
			Transfer				
		28.08.16	2500	-	-	11150	0.15%
			Transfer				
		28.08.16	2500	-	-	13650	0.19%
			Transfer				
		28.08.16	850	-	-	14500	0.20%
			Transfer				
		28.08.16	1000	-	-	15500	0.21%
			Transfer				
		28.08.16	1000	-	-	16500	0.22%
			Transfer				
		28.08.16	500	-	-	17000	0.23%
			Transfer				
		28.08.16	500	-	-	17500	0.24%
			Transfer				
		28.08.16	2000	-	-	19500	0.27%
			Transfer				
		28.08.16	1500	-	-	21000	0.29%
			Transfer				
		28.08.16	1500	-	-	22500	0.31%
			Transfer				

		28.08.16	1500	-	-	24000	0.33%
			Transfer				
		28.08.16	2500	-	-	26500	0.36%
			Transfer				
		28.08.16	1000	-	-	27500	0.37%
			Transfer				
		28.08.16	64000	-	-	91500	1.25%
			Transfer				
		04.01.2017	45750	-	-	137250	1.87%
			Bonus Allotment				
		31.03.2017		-	-	137250	1.87%
2	Rohit Kumar Jhalani	01.04.2016	-	273000	5.58%	-	-
		28.08.16	1500	-	-	274500	3.74%
			Transfer				
		28.08.16	2500	-	-	277000	3.77%
			Transfer				
		28.08.16	2500	-	-	279500	3.81%
			Transfer				
		28.08.16	1500	-	-	281000	3.83%
			Transfer				
		28.08.16	1500	-	-	282500	3.85%
			Transfer				
		04.01.2017	141250	-	-	423750	5.77%
			Bonus Allotment				
		31.03.2017	-	-	-	423750	5.77%
3	Devraj Jhalani	01.04.2016	-	1011060	20.66%	-	-
		04.01.2017	505530	-	-	1516590	20.66%
			Bonus Allotment				
		31.03.2017				1516590	20.66%
4	Amita Premswarop Patel	01.04.2016	-	-	-	-	-
		31.03.2017	-	-	-	-	-
5	Atul Krishan Khandelwal	01.04.2016	-	-	-	-	-
		31.03.2017	-	-	-	-	-
6	Sapna Jhalani	01.04.2016	-	752850	15.38%	-	-
		04.01.2017	376425	-	-	1129275	15.38%
			Bonus Allotment				
		31.03.2017	-			1129275	15.38%
7	CS Garima Mahalaha	01.04.2016	-	-	-	-	-
		31.03.2017					
8	Naresh Jhalani	01.04.2016	-	-	-	-	-
		31.03.2017	-	-	-	-	-

Place : Ratlam
Date : 02.09.2016

For SHRI RAM SWITCHGEARS LIMITED

Sd/-
Rohit Kumar Jhalani
Whole time Director (DIN : 00666443)
Shri Ram Bhawan, Goshala Road,
Ratlam, 457001, Madhya Pradesh,
India

Sd/-
Nilesh Kumar Jhalani
Managing Director (DIN : 01462299)
Shri Ram Bhawan, Goshala Road,
Ratlam, 457001, Madhya Pradesh,
India

V INDEBTEDNESS

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

	Secured Loans excluding	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	138775989	51731634	0	190507623
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
	138775989	51731634	0	190507623
Total (i+ii+iii)	138775989	51731634	0	190507623
Change in Indebtedness during the financial year				
Additions	36312705	15683128	0	51995833
Reduction	10837431	20539889	0	31377320
Net Change	25475274	-4856761	0	20618513
Indebtedness at the end of the financial year				
i) Principal Amount	164251263	46874873	0	211126136
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	164251263	46874873	0	211126136

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl.No	Particulars of Remuneration	Name of the			Total Amount
1	Gross salary	Mr. Nilesh Kumar Jhalani	Mr. Rohit Kumar Jhalani	Mr. Devraj Jhalani	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	600000	480000	480000	1560000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others (specify)	0	0	0	0
5	Others, please specify	0	0	0	0
	Total (A)	600000	480000	480000	1560000
	Ceiling as per the Act				

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors		Total Amount
		Mrs. Amita Premswaroop Patel	Mr. Atul Krishan Khandelwal	
1	Name of Independent Directors			
	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c) Others, please specify	0	0	0
	Total (1)	0	0	0
2	Other Non Executive Directors	0	0	0
	(a) Fee for attending board committee meetings	0	0	0
	(b) Commission	0	0	0
	(c) Others, please specify.	0	0	0
	Total (2)	0	0	0
	Total (B)=(1+2)	0	0	0
	Total Managerial Remuneration	0	0	0
	Overall Cieling as per the Act.			

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

Sl. No	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	Mrs. Sapna Jhalani (NED)	CS Garima Mahalaha	Naresh Jhalani (CFO)	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	0	63000	120000	183000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit	0	0	0	0
	others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	Total		63000	120000	183000

Place : Ratlam

Date : 30.08.2017

For SHRI RAM SWITCHGEARS LIMITED

Sd/-

Rohit Kumar Jhalani**Whole time Director (DIN : 00666443)**Shri Ram Bhawan, Goshala Road,
Ratlam, 457001, Madhya Pradesh, India

Sd/-

Nilesh Kumar Jhalani**Managing Director (DIN : 01462299)**Shri Ram Bhawan, Goshala Road, Ratlam,
457001, Madhya Pradesh, India

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
	<div>Nil</div>				
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
	<div>Nil</div>				
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
	<div>Nil</div>				
Penalty					
Punishment					
Compounding					

Place : Ratlam **For SHRI RAM SWITCHGEARS LIMITED**
Date : 30.08.2017

Sd/-
Rohit Kumar Jhalani
Whole Time Director (DIN : 00666443)
Shri Ram Bhawan, Goshala Road, Ratlam,
457001, Madhya Pradesh, India

Sd/-
Nilesh Kumar Jhalani
Managing Director (DIN : 01462299)
Shri Ram Bhawan, Goshala Road, Ratlam,
457001, Madhya Pradesh, India

SHRI RAM SWITCHGEARS LIMITED

Registered Office : Shri Ram Bhawan, Goushala Road, Ratlam, M.P.

CIN: U31200MP1985PLC003026

website : www.shriramswitchgears.com email: info@shriramswitchgears.com

Phone No. 07412 235554, 231660, 233660

Annexure II to Board's Report

FORM NO. AOC -2

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

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

1. 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	Nil
b)	Nature of contracts/arrangements/transaction	Nil
c)	Duration of the contracts/arrangements/transaction	Nil
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	Date of approval by the Board	Nil
g)	Amount paid as advances, if any	Nil
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

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

S. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Ratlam Electric Stores Prop. Mr. Chaitanya Kumar Jhalani (Father of Mr. Nilesh Kumar Jhalani - MD)
b.	Nature of contracts/ arrangements/ transaction	Purchase of goods
c.	Duration of the contracts/ arrangements/transaction	Ongoing
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 5,63,597/-
e.	Date of approval by the Board	22.04.16
f.	Amount paid as advances, if any	Nil

For & on behalf of the Board of Directors

Sd/-

Rohit Kumar Jhalani

Whole Time Director (DIN : 00666443)

Shri Ram Bhawan,
Goshala Road, Ratlam,
457001, M. P., India

Sd/-

Nilesh Kumar Jhalani

Managing Director (DIN:

01462299)

Shri Ram Bhawan,
Goshala Road, Ratlam
457001, M.P., India

Place : Ratlam

Date : 30.08.2017

II Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The names of top 10 employees in terms of Remuneration drawn during the year are given as follows:

Sr. No.	Name of the Employee	Remuneration received
1	Dharmendra Saktawat	480000
2	Nitin Bhatt	360000
3	Manish Pandey	360000
4	Meghna W/O Jayesh	360000
5	Deepak Sharma	306000
6	Jitendra Kumar Singh	306000
7	Dharmendra Barotia	300000
8	Jyotsana sethi	294000
9	Mohsin Khan	288000
10	Juber Khan	288000

There was no employee during the year, who:

i	If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, one crore and two lakh rupees ;
ii	If employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less eight lakh and fifty thousand rupees per month;
iii	If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company

For SHRI RAM SWITCHGEARS LIMITED

Sd/-

Rohit Kumar Jhalani

Whole Time Director (DIN : 00666443)

Shri Ram Bhawan, Goshala Road, Ratlam, 457001, Madhya Pradesh, India

Sd/-

Nilesh Kumar Jhalani

Managing Director (DIN : 01462299)

Shri Ram Bhawan, Goshala Road, Ratlam, 457001, Madhya Pradesh, India

"Annexure-III"

Disclosure in Board's Report as per provisions of Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

I Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirements	Disclosure		
		Name of Director	Category	Ratio
1	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:	Nilesh Jhalani	Managing Director	2.20
		Devraj Jhalani	Whole-time Director	1.76
		Rohit Kumar jhalani	Whole-time Director	1.76
2	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2016-17 are as follows:			
3	Percentage increase in the median remuneration of employees in the financial year 2016-17 :			
4	Number of permanent employees on the rolls of company:			
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	Average percentile increase in the salaries of employees other than the Managerial Personnel is 45.18%. Whereas, Average percentile increase in the salaries of Managerial Personnel is 44.19%. It proves that the Company always works for the betterment of its employees and its efforts are concentrated towards the growth of the Company along with the employees.		
6	Key parameters for the variable component of remuneration availed by the Directors:	The key parameters for the variable component of remuneration to the Directors are decided by the Nomination and Remuneration Committee in accordance with the principles laid down in the Nomination and Remuneration Policy.		
7	Affirmation that the remuneration is as per the remuneration policy of the company:	Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company during the year.		
8	Disclosure pursuant to Section 197 (14) of the Companies Act, 2013:	There is no Director who receives any commission from the Company, even the Managing Director of the Company does not receive any Remuneration or Commission from the Subsidiaries Companies.		

NOTE:-

- 1 The Non Executive Independent Directors are not being paid any remuneration during the financial year . They are not entitled to receive any other remuneration. Details are given in the Corporate Governance Report.
- 2 In computation of Median Remuneration, Provident Fund is not included.

For SHRI RAM SWITCHGEARS LIMITED

Sd/-

Rohit Kumar Jhalani

Whole Time Director (DIN : 00666443)

Shri Ram Bhawan, Goshala Road, Ratlam, 457001, Madhya Pradesh, India

Sd/-

Nilesh Kumar Jhalani

Managing Director (DIN : 01462299)

Shri Ram Bhawan, Goshala Road, Ratlam, 457001, Madhya Pradesh, India

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Corporate Governance broadly refers to the mechanisms, processes and relations by which corporations are controlled and directed. Governance structures identify the distribution of rights and responsibilities among different participants in the corporation (such as the Board of Directors, Managers, Shareholders, Creditors, Auditors, Regulators and other Stakeholders) and include the rules and procedures for making decisions in corporate affairs. Corporate Governance includes the processes through which corporations' objectives are set and pursued in the context of the social, regulatory and market environment. Governance mechanisms include monitoring the actions, policies and decisions of corporations and their agents. Corporate Governance practices are affected by attempts to align the interests of stakeholders on these aspects.

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Shri Ram Switchgears Limited believes Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. Company's multiple initiatives towards maintaining the highest standards of governance are detailed in the report.

The corporate vision is to become a highly efficient, competent and qualitative manufacturing, trading and exporting house by utilizing best resources both in the domestic market as well as in the overseas market. Your Company has always adhered to good corporate governance practices and maintained the highest levels of fairness, transparency, accountability, ethics and values in all facets of its operations. The Company, through its Board and Committees, endeavors to strike and deliver the highest governing standards for the benefit of its stakeholders.

2. INTERNAL CONTROL SYSTEMS

The company has both external and internal audit systems in place. The Board and the management periodically review the findings and recommendations of the auditors and take necessary actions whenever required.

3. BOARD OF DIRECTORS

The Board of Directors (the 'Board'), consisting persons with considerable professional expertise and experience, provides leadership and guidance to the management, thereby enhancing stakeholders' value.

The Board believes that sound corporate governance is a key element for enhancing and retaining the trust of investors and various other stakeholders. As a responsible corporate citizen

your Company has evolved best practices which are structured to institutionalize policies and procedures that enhance the efficiency of the Board and inculcate a culture of accountability, transparency and integrity across the Company. The board critically evaluates the company's strategic direction, management policies and their effectiveness.

3.1 Composition of board

The company is having an appropriate size of the board for real strategic discussion and avails the benefits of diverse experience and viewpoints. The Board consists of 6 Directors, 1 Managing Director, 2 Executive Directors, 2 Independent Directors and 1 Non-Executive Woman Director.

None of the Directors on the Board is a Member of more than ten Committees or Chairperson of more than five committees across all companies in which they are Directors.

3.2 Board Meetings held during the year

During the year 2016-17, 15 Meetings of the Board of Directors were held and the gap between two meetings did not exceed 120 days. The details of meetings are as follows-

Sr. No.	Date	Venue
1.	April 22, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
2.	May 2, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
3.	June 2, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
4.	June 13, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
5.	July 1, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
6.	July 12, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
7.	July 26, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
8.	September 2, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
9.	September 16, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
10.	October 7, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
11.	December 7, 2016	Shri Ram Bhawan, Goushala Road, Ratlam
12.	January 4, 2017	Shri Ram Bhawan, Goushala Road, Ratlam
13.	January 9, 2017	Shri Ram Bhawan, Goushala Road, Ratlam
14.	January 30, 2017	Shri Ram Bhawan, Goushala Road, Ratlam
15.	March 27, 2017	Shri Ram Bhawan, Goushala Road, Ratlam

3.3 Attendance of Directors; and details of other Boards or Committees where Director/s is a Member or Chairperson

None of the Directors on the Board is a Member of more than ten Committees or Chairperson of more than five committees across all companies in which they are Directors.

The details of attendance of the Directors at the Board Meetings during the financial year 2016-17 and at the last Annual General Meeting held on 30th September, 2016 and also the number of other Directorships, and Committee Memberships/Chairmanships as on 31st March 2017 are as follows:

S. No.	Name & Designation of Director	Category	Director Identification Number	Date of Joining The Board	No. of Board Meetings attended during the financial year 2016-17	Attendance at the last AGM	*No. of other directorships in other companies as on 31.03.2017	*No. of Chairmanship in other companies as on 31.03.2017	No. of Committee Membership and Chairmanship in other Companies as on 31.03.2017		No. of Committee Membership and Chairmanship in SRSL as on 31.03.2017		Inter-relationship between Directors	Number of Shares held by Directors
									As Member	As Chairman	As Member	As Chairman		
1.	Mr. Nilesh Jhalani (Managing Director)	Promoter, Executive Director	01462299	01/04/2007	15	Present	Nil	Nil	Nil	Nil	1	Nil	Nil	137250
2.	Mr. Rohit Jhalani (Whole Time Director)	Promoter, Executive Director	00666443	01/04/1998	15	Present	Nil	Nil	Nil	Nil	Nil	Nil	Nil	423750
3.	Mr. Devraj Jhalani (Whole Time Director)	Promoter, Executive Director	01462323	19/01/1995	15	Present	Nil	Nil	Nil	Nil	Nil	Nil	Nil	1516590
4.	Ms. Sapna Jhalani	Non-Executive Director	07685341	06/01/2017	3	Present	Nil	Nil	Nil	Nil	2	1	Nil	1129275
5.	Mr. Atul Krishna Khandelwal	Independent Director	00094242	06/01/2017	1	Absent	3	Nil	Nil	Nil	3	2	Nil	Nil
6.	Ms. Amita Premswaroop Patel	Independent Director	07687442	06/01/2017	1	Absent	Nil	Nil	Nil	Nil	3	Nil	Nil	Nil

**The above includes the Directorship & Chairmanship in Private Limited Companies also.*

The Board of Directors and the Management of the Company strive to attain and uphold a high standard of Corporate Governance and to maintain sound and well-established corporate governance practices for the interest sake of Shareholders and other Stakeholders including Clients, Customers, Suppliers, Employees and the General Public. The Company abides strictly by the governing laws and regulations of the jurisdictions where it operates and observes the

applicable guidelines and rules issued by regulatory authorities. It regularly undertakes review of its corporate governance system to ensure it is in line with the best corporate practices.

3.4 Board's support

The Company Secretary of the company attends all the meetings of board and advises / assures the Board on Compliance and Governance principles.

3.5 Access to Information and Updation to Board

The Company, in consultation with the Directors, prepares and circulates a tentative annual calendar for the meetings of the Committees/Board in order to facilitate and assist the Directors for planning their schedules well in advance to participate in the meetings. The Company regularly places, before the Board for its review, the information as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circulars issued by SEBI & Exchanges from time to time like minutes of meetings of Audit Committee and other committees of the Board, risk management and mitigation measures. Comprehensively drafted notes for each agenda item along with background materials, wherever necessary, are circulated well in advance to the Board/Committee Members, to enable them for making value addition as well as exercising their business judgment in the Board/Committee Meetings. The Board maintains an Action Taken Report to record the actions taken on the matters since last board meeting of the company and the matters forming part of Action Taken Report are considered in the Board Meeting itself.

3.6 Code of Conduct

The Company has in place the Code of Conduct for Business and Ethics for members of the Board and Senior Management Personnel, Officers & Employees approved by the Board. The Code has been communicated to Directors and the Senior Management Personnel, Officers & Employees. The Code has also been displayed on the Company's website www.shriramswitchgears.com. All the Board Members and Senior Management Personnel, Officers & Employees have confirmed compliance with the Code for the year ended 31st March, 2017. This Annual Report contains a declaration to this effect signed by the Managing Director of the Company.

The Company has also placed the Code of Conduct for Independent Directors, this Code is a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

3.7 Appointment of Directors

In terms of Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, a brief resume of Director, proposed to be appointed / re-appointed, nature of his expertise in specific functional

areas, his other Directorships and Committee Memberships, his shareholdings and inter-se relationship with other Directors are provided in the Annexure to Notice convening the ensuing Annual General Meeting of the Company.

4. COMMITTEES OF THE BOARD

4.1 Audit Committee

The terms of reference of Audit Committee covers the matters specified for Audit Committee in Section 177 of the Companies Act, 2013 read with Rule No. 6 of the Companies (Meetings of Board and its Power) Rules, 2014. The Role of the Audit Committee is as prescribed under Section 177 of the Companies Act, 2013.

The chairman of the Audit Committee is Mr. Atul Krishna Khandelwal. During the year 2016 - 17, One Audit Committee meeting was held on 27th March, 2017.

The composition of the Audit Committee and number of meetings attended by the members are given below:

Name of Director	Position held in committee	No. of meetings attended
Mr. Atul Krishna Khandelwal	Chairman	1/1
Mrs. Amita Premswaroop Patel	Member	1/1
Mr. Nilesh Kumar Jhalani	Member	1/1

4.2 Stakeholders Relationship Committee

Composition of the committee, its meetings and attendance

The chairperson of the Stakeholders Relationship Committee is Ms. Sapna Jhalani. During the year 2016-17, one meeting of the committee was held on 27.03.2017. The composition of the Stakeholders Relationship Committee and number of meetings attended by the members are given below:

Name of Director	Position held in committee	No. of meetings attended
Ms. Sapna Jhalani	Chairperson	1/1
Ms. Amita Premswaroop Patel	Member	1/1
Mr. Atul Krishna Khandelwal	Member	1/1

4.3 Nomination And Remuneration Committee

While deciding on the remuneration of the Directors, the Committee considers the performance

of the Company, the current trends in the industry, their experience, past performance and other relevant factors. The Committee regularly keeps track of the market trends in terms of compensation levels and practices in relevant industries. This information is used to review remuneration policies. The Company pays remuneration by way of salary, perquisites and allowances to its Managing Director/ Whole-Time Director. No remuneration by way of commission was given to any Executive Director.

Composition of the committee, its meetings and attendance

The chairman of the nomination and remuneration committee is Mr. Atul Krishna Khandelwal. During the year 2016-17 one meeting of the Committee was held on 27th March, 2017.

The compositions of the nomination and Remuneration committee and Number of Meetings attended by the members are given below:

Name of Director	Position held in committee	No. of meetings attended
Mr. Atul Krishna Khandelwal	Chairman	1/1
Ms. Sapna Jhalani	Member	1/1
Ms. Amita Premswaroop Patel	Member	1/1

5. GENERAL BODY MEETING

5.1 Location and time where last three Annual General Meetings were held

Financial Year	Location	Date and Time	Special Resolutions Passed
2015-16	Shri Ram Bhawan, Goushala Road, Ratlam	Friday, 30 th September, 2016 1.00 P. M.	-
2014-15	Shri Ram Bhawan, Goushala Road, Ratlam	Monday, 28 th September, 2015 1.00 P. M.	-
2013-14	Shri Ram Bhawan, Goushala Road, Ratlam	Tuesday, 30 th September, 2014 12.30 P. M.	- Authority to borrow u/s 180 (1) (c) - Authority for loan, guarantee, investment and security u/s 186 - Adoption of new set of Articles of Association u/s 14

6 MEANS OF COMMUNICATION

The Board believes that effective communication of information is an essential component of Corporate Governance. The Company regularly interacts with shareholders through multiple

channels of communication such as Company's Website and stipulated communications to Stock Exchanges where the company's shares are listed for announcement of financial results, Annual Report, Notices and outcome of meetings, Company's Policies etc.

6.1 Half Yearly/Annual Results

The half yearly/Annual Unaudited/Audited financial results of the Company will be submitted to the stock exchanges. The same will be sent via e mail to the shareholders whose mail ids are registered with the Registrar and Transfer Agent and via post/courier to rest of the shareholders.

6.2 Website

The Company has a website addressed as www.shriramswitchgears.com. Website contains the basic information about the Company - details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated official of the Company, who is responsible for assisting and handling investor grievances, such other details as may be required under sub regulation (2) of Regulation 46 of the Listing Regulations 2015. The Company ensures that the contents of this website are periodically updated.

6.3 NEAPS

For the advantage of shareholders and public at large, periodic compliances covering Notices of Board and General Meetings, Half yearly/Annual Results, Shareholding Pattern, Corporate Governance Report, Reconciliation of Share Capital Audit Report, Certificate under Regulation 7(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Agreement between Company & RTA, and other essential information relating to the Company are uploaded on Company's Website www.shriramswitchgears.com; and electronically filed to NSE through their web based application NSE Electronic Application Processing System (NEAPS).

6.4 SCORES

SEBI introduced SEBI Complaints Redress System (SCORES) where upon the Investor complaints are processed in centralized web based complaints redress system. There is no complaint lodged by any shareholders since listing of shares of the company, through SCORES or in any other way.

7. GENERAL SHAREHOLDER INFORMATION

7.1	<i>Annual General Meeting, Date, Time and Venue</i>	31 st Annual General Meeting Saturday, September 30, 2017 01:00 P.M. Hotel Balaji Central, Sailana Road, Opposite GTB Academy, Ratlam (M.P.) - 457001
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7.2	<i>Financial Year</i>	1 st April 2017 to 31 st March 2018 Financial Calendar (Tentatively) for Half Yearly Results <ul style="list-style-type: none"> • H1(30.09.2017) - 2nd Week of October, 2017 • H2 (31.03.2018) - 2nd Week of April, 2018 Annual General Meeting (Tentatively) – September 2018
7.3	<i>Date of Book closure</i>	23 rd September, 2017 to 30 th September, 2017
7.4	<i>Listing on Stock Exchanges</i>	Company's Shares were listed on 07.06.2017 at NSE Emerge
7.5	<i>Stock Code / Symbol ISIN</i>	NSE : SRIRAM ISIN : INE634W01012
7.6	<i>Registrar & Share Transfer Agent</i>	Bigshare Services Private Limited E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400 072, India Ph. No. 022 2847 5207 Email Id: investor@bigshareonline.com Website: www.bigshareonline.com

7.7 Share Transfer System

Shares lodged for transfers are normally processed within seven days from the date of lodgment, if the documents are valid in all respects. Grievances received from shareholders and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Share Transfer Agent of the Company within three days. The entire shareholding of existing shareholders was dematerialized before 31.03.2017.

The Company as required under Regulation 85(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, has designated the e-mail ID, namely compliance@shriramswitchgears.com for investor's grievance purpose.

7.8 Shareholding Pattern of the Company as on March 31, 2017

Category	No. of Shares held	% of holding
Promoters		
- Indian	2077590	28.30
- Foreign	Nil	Nil
Sub-Total (A)	2077590	28.30
Public		
- Banks and Financial Institutions	Nil	Nil
- Corporate Bodies	Nil	Nil
- Clearing Members	Nil	Nil

- Indian Individuals	5262975	71.70
- NRIs/OCBs/ FIIs	Nil	Nil
Sub-Total (B)	5262975	71.70
Grand Total (A+B)	7340565	100.00

7.9 Dematerialization of shares and liquidity

Sr. No.	Particulars	Total Folios	No. of Shares	Holding %
1	In Dematerialized form with CDSL	Nil	Nil	Nil
2	In Dematerialized form with NSDL	17	7340565	100
3	In Physical form	Nil	Nil	Nil
	TOTAL	17	7340565	100.00

As on 31st March 2017, 100% of the total equity share capital was held in dematerialized form with the NSDL and CDSL.

7.10 Plant Locations

The Company's plants are located at the following addresses :

Ratlam Factory:-

14/15, Industrial Estate,
Ratlam - 457001(Madhya Pradesh), India.
Ph: (+91-7412) 260164, (+91-7412) 260045
Fax: (+91-7412) 260225
srspl@shriramindustries.in

7.11 Address for Correspondence:

Company:

Head Office:-

Shri Ram Bhavan, Goushala Road,
Ratlam - 457 001 Madhya Pradesh, India
Ph. : (+91-7412) 235554, 231660, 233660
Fax : (+91-7412) 231095
E Mail : info@shriramswitchgears.com
Website: www.shriramswitchgears.com

Compliance Officer:

Ms. Garima Mahalaha

Company Secretary cum Compliance Officer
Shri Ram Switchgears Limited
Shri Ram Bhawan, Goushala Road, Ratlam,
457001, Madhya Pradesh
Phone: 0731-235554
Email: compliance@shriramwitchgears.com

Registrar & Share Transfer Agent:

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai –
400 072, India
Ph. No. 022 2847 5207
Email Id: investor@bigshareonline.com
Website: www.bigshareonline.com

8. DISCLOSURES

8.1 Accounting Treatment in Preparation Of Financial Statements

The Company has followed the guidelines of Accounting Standard laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its Financial Statements.

8.2 Materially Significant Related Party Transactions

All the related party transactions are strictly done on arm's length basis. The Company presents a statement of all related party transactions before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. Transactions with related parties are conducted in a transparent manner with the interest of the Company as utmost priority. There are no significant related party transactions, monetary transactions or relationships between the company and directors, the management, subsidiaries or relatives except as disclosed in the Note No. 31 of financial statements of this report for the year ended 31 March 2017.

8.3 Management And Discussion And Analysis Report

The management and Discussion and Analysis Report is prepared in accordance with the requirement of the SEBI Listing Regulation, 2015 and shall form part of the Annual Report to the Shareholders.

9. COMPLIANCE

9.1 Mandatory Requirements

The company has fully complied with the applicable mandatory requirements of Schedule V of the SEBI, (Listing Regulations and Disclosure Requirements) Regulation, 2015.

9.2 Scores

SEBI introduced SEBI Complaints Redress System (**SCORES**) where upon the Investor complaints are processed in centralized web based complaints redress system. After being listed on NSE Emerge platform on 07.06.2017, the company applied for SCORES ID and has received it. The company is tracking and redressing the investor's complaints using the SCORE ID.

9.3 Compliance On Corporate Governance

The company, being a company listed on SME platform only, is not required to submit quarterly compliance report on corporate governance.

9.4 Website

The Company has a website addressed as www.shriramswitchgears.com. The Website contains the basic information about the Company - details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated official of the Company, who is responsible for assisting and handling investor grievances, such other details as may be required under sub regulation (2) of Regulation 46 of the Listing Regulations 2015. The Company ensures that the contents of this website are periodically updated.

9.5 Auditors Qualification on Financial Statements

There is no qualification in the Auditor's report on financial statements for financial year 2016-17.

9.6 Reporting Of Internal Auditors

The company has appointed Ms. Neha Jain, Chartered Accountant, Ratlam, as Internal Auditor of the company. The Internal Auditor has direct access to the Audit Committee and presents their Internal Audit observations to the Audit Committee.

For & on behalf of the Board of Directors

Place : Ratlam
Date : 30.08.2017

Sd/-
Rohit Kumar Jhalani
Whole Time Director (DIN : 00666443)

Shri Ram Bhawan,
Goshala Road, Ratlam,
457001, M. P., India

Sd/-
Nilesh Kumar Jhalani
Managing Director (DIN:
01462299)

Shri Ram Bhawan,
Goshala Road, Ratlam
457001, M.P., India

Annexure – VI to Board's report

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

a) Conservation of energy

(i)	The steps taken or impact on conservation of energy	The company is taking all possible steps to conserve the energy to the maximum extent. Further, the company is always installing such plant & machinery and such electrical devices which minimize the power consumption.
(ii)	The steps taken by the company for utilizing alternate sources of energy	Nil
(iii)	The capital investment on energy conservation equipments	Nil

(B) Technology absorption

(i)	The efforts made towards technology absorption	During the year the company has invested Rs. 3,17,408/- towards the purchase of computer and office equipments.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Purchase of machinery from Salvagini Italia
	(a) the details of technology imported	Plant & Machinery purchased of Rs. 37,75,217/-.
	(b) the year of import;	2014
	(c) whether the technology been fully absorbed	Yes
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Nil
(iv)	the expenditure incurred on Research and Development	Nil

(C) Foreign exchange earnings and Outgo

Earnings	Rs. 257897/- (Gain due to fluctuation on exchange rate)
Outgo	Nil

For & on behalf of the Board of Directors

Place : Ratlam
Date : 30.08.2017

Rohit Kumar Jhalani
WTD (DIN : 00666443)
Shri Ram Bhawan,
Goshala Road, Ratlam,
457001, M. P., India

Nilesh Kumar Jhalani
MD (DIN: 01462299)
Shri Ram Bhawan,
Goshala Road, Ratlam
457001, M.P., India

FORM NO. MR 3
SECRETARIAL AUDIT REPORT

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

FOR FINANCIAL YEAR ENDED 31st MARCH 2017

To,
The Members,
Shri Ram Switchgears Limited,
Shri Ram Bhawan, Goushala Road,
Ratlam , M. P.

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

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Shri Ram Switchgears Limited ("The Company") for the financial year ended on 31st March 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing.
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are **not applicable** on the company for the period from 01.04.2016 to 31.03.2017 as the shares of the company got listed on 07.06.2017 :-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Other specifically applicable laws to the company :

i. Industrial Disputes Act, 1947

- ii. The Minimum Wages Act, 1948
- iii. Employee State Insurance Act, 1948
- iv. The Employee Provident Fund and Miscellaneous Provisions Act, 1952
- v. The Contract Labour (Regulation and Abolition) Act, 1970
- vi. The Income Tax Act, 1961.
- vii. Indian Micro Small & Medium Scale Industries Development Act 2006
- viii. Factories Act, 1948.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable – Not applicable for financial year ended on 31.03.2017 as the shares of the company were listed on 07.06.2017

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

I further report that :

- a. the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c. All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

I further report that

- a. there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- b. there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

Place : Indore
Date : 30.08.2017

Signature

Sd/-

CS SHWETA GARG

FCS : 5501

CP NO : 4984

Note: This report is to be read with our letter of even date which is annexed as “ANNEXURE A” and forms an integral part of this report.

Annexure A to Secretarial Audit Report

To,
The Members,
Shri Ram Switchgears Limited,
Shri Ram Bhawan, Goushala Road,
Ratlam , M. P.

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Indore
Date : 30.08.2017

Signature Sd/-
CS SHWETA GARG
FCS : 5501
CP NO : 4984



KVNG & ASSOCIATES
Chartered Accountants

Branch Office:
308-310, Sapna Chamber, 12/1 South
Tukoganj, Indore 452001 (MP)
Phone: (O) 0713-2511196, 4050494
Mob: +91-98932 84638
Email : tejsinghkothari@gmail.com

INDEPENDENT AUDITOR'S REPORT

**THE MEMBERS OF
SHRI RAM SWITCHGEARS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **SHRI RAM SWITCHGEARS LIMITED** ("the company"), which comprise the Balance Sheet as at March 31, 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 Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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.

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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-Section (11) of Section 143 of The Companies Act 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us :
- I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - II. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
 - III. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 31st December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company – Refer **Schedule 30**.

For **KVNG & Associates**
Chartered Accountants
(F. R. No. 002628C)

Sd/-
CAT.S.Kothari
Partner
M No. 075877

Place : Ratlam
Date : 30/08/2017

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

In terms of Companies (Auditor's Report) Order 2016, issued by Central Government of India, in terms of Section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that:-

1. (i) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (ii) The Fixed assets have been physically verified by the management at reasonable intervals. As informed to us no material discrepancies were noticed on such verification.
- (iii) Based on our verification and according to information and explanations given to us, the title deeds of immovable properties shown in the financial statements are held in the name of the Company.
2. Physical verification of inventory has been conducted at reasonable intervals by management. The discrepancies noticed were properly dealt with in the books of account of the Company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, LLPs, or other parties covered in register maintained under Section 189 of The Companies Act, 2013.
4. The Company has not given any loans or guarantees/made any investments within the meaning of Section 185 & 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits.
6. The Company has not fall under the purview of the Companies as specified in sub-Section (1) of Section 148 of The Companies Act, 2013 and thus aforesaid Rules regarding Cost Audit is not applicable.
7. (i) The Company is regular in depositing undisputed statutory dues with appropriate authorities.
- (ii) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with appropriate authorities on account of any dispute except the following:

NAME OF THE STATUTE	SECTION	RELATING PERIOD	PENDING WITH JURISDICTION	O/S DEMAND AMOUNT
INCOME TAX ACT, 1961	220(2)	A.Y. 2010 - 11	CPC	1046
INCOME TAX ACT, 1961	143(3)	A.Y. 2014 - 15	ASSESSING OFFICER	43300
INCOME TAX ACT, 1961	201	A.Y. 2017 - 18	CPC	708
INCOME TAX ACT, 1961	201	A.Y. 2016 – 17	CPC	131
INCOME TAX ACT. 1961	201	A.Y. 2015 – 16	CPC	121
INCOME TAX ACT. 1961	201	A.Y. 2014 – 15	CPC	1049
INCOME TAX ACT. 1961	201	Prior Years	CPC	202045

8. In our opinion and according to the information and explanation given to us, the Company has not defaulted in any repayment of dues to any financial institution or bank.
9. According to the information and explanation given to us, the term loans has been utilized for the purposes for which they were obtained.
10. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers/employees have been noticed or reported during the course of our audit.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided Managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The transactions entered into with related parties are in compliance with Section 177 & 188 of The Companies Act 2013 and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
13. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
14. The Company has not entered into any non-cash transactions with directors or persons connected with him, during the year.
15. The company has not entered into any non-cash transactions with the directors or persons connected with him as covered under section 192 of the Companies Act, 2013.
16. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of The Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the Order is not applicable to the Company.

For **KVNG & Associates**
Chartered Accountants
(F. R. No. 002628C)

Sd/-
CAT.S. Kothari
Partner
M No. 075877

Place : Ratlam
Date : 30/08/2017

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

We have audited the internal financial controls over financial reporting of **SHRI RAM SWITCHGEARS LTD.** (“the company”), as of March 31, 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.

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For **KVNG & Associates**
Chartered Accountants
(F. R. No. 002628C)

CA T.S. Kothari
Partner
M No. 075877

Place : Ratlam
Date : 30/08/2017

SHRI RAM SWITCHGEARS LIMITED
BALANCE SHEET AS AT 31st MARCH 2017

In ₹ (Rupees)

	Particulars	Notes	AS AT 31.03.2017	AS AT 31.03.2016
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a) Share Capital	1	7,34,05,650	4,89,37,100
	(b) Reserves and Surplus	2	3,82,16,355	4,15,93,499
	(c) Foreign Currency fluctuation Reserve	3	0	11,15,456
2	Share Application Money Pending Allotment			
3	Non-Current Liabilities			
	(a) Long-Term Borrowings	4	19,16,47,067	19,05,07,623
	(b) Other Long-Term Liabilities	5	2,00,000	4,55,69,237
4	Current Liabilities			
	(a) Short-Term Borrowings	6	19,22,36,378	12,63,00,002
	(b) Trade Payables	7	20,17,75,972	21,55,48,013
	(c) Other Current Liabilities	8	9,56,29,858	3,03,71,856
	(d) Short-Term Provisions	9	2,66,58,903	1,02,68,583
	Total		81,97,70,183	71,02,11,369
II.	ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	10	4,11,83,950	4,70,60,249
	(b) Deferred Tax Assets (Net)	11	8,82,866	3,81,339
	(c) Long-Term Loans and Advances	12	55,33,010	83,59,948
	(d) Other Non-current Assets	13	0	2,72,650
2	Current Assets			
	(a) Inventories	14	25,01,82,915	19,65,54,134
	(b) Trade receivables	15	42,14,20,215	34,88,60,523
	(c) Cash and Cash Equivalents	16	6,33,84,168	7,00,16,751
	(d) Short-Term Loans and Advances	17	3,71,83,059	3,87,05,775
	Total		81,97,70,183	71,02,11,369

The Notes referred to above form an integral part of the financial statements.

As Per Our report of even date

For KVNG & Associates

Chartered Accountants

For and On behalf of the Board

Sd/-
T. S. Kothari
 Partner
 M No. 075877

Sd/-
Ms. Garima Mahalaha
 Company Secretary
 M No. A37073

Sd/-
Naresh Jhalani
 Chief Financial Officer

Sd/-
Nilesh Jhalani
 Managing Director
 DIN - 01462299

Sd/-
Rohit Jhalani
 Whole Time Director
 DIN - 00666443

Place : Ratlam
 Date : 30/08/2017

SHRI RAM SWITCHGEARS LIMITED

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

In ₹ (Rupees)

	Particulars	Notes	31.03.2017	31.03.2016
I	Revenue from Operations	18	70,90,53,804	45,65,00,757
II	Other Income	19	56,08,659	2,58,03,510
III	TOTAL REVENUE (I + II)		71,46,62,463	48,23,04,267
IV	EXPENSES			
	Cost of Materials Consumed	20	53,63,57,290	37,08,57,403
	Changes in Inventories	21	(7,66,17,873)	(1,46,36,339)
	Employee Benefit Expenses	22	2,05,02,464	1,51,07,677
	Finance Costs	23	7,13,72,302	3,97,81,668
	Depreciation and Amortization Expenses	24	85,01,286	1,03,09,392
	Other Expenses	25	12,30,07,297	4,91,43,520
	TOTAL EXPENSES		68,31,22,766	47,05,63,321
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		3,15,39,697	1,17,40,946
VI	Exceptional Items	26	13,73,353	10,27,622
VII	Profit before Extraordinary Items and Tax		3,29,13,050	1,27,68,568
VIII	Extraordinary Items	27	1,27,000	0
IX	Profit Before Tax		3,27,86,050	1,27,68,568
X	Tax Expense		(1,16,94,649)	(42,40,210)
	Current Tax		1,21,96,176	50,00,000
	Deferred Tax	28	(5,01,527)	(7,59,790)
XI	Profit/(Loss) for the period from Continuing Operations(IX-X)		2,10,91,401	85,28,358
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	-
XV	Profit(Loss) for the Period(XI+XIV)		2,10,91,401	85,28,358
XVI	Earnings per Equity Share			
	-Basic		3.85	1.74
	-Diluted		3.85	1.74

The Notes referred to above form an integral part of the financial statements.

As Per Our report of even date

For KVNG & Associates

Chartered Accountants

For and On behalf of the Board

Sd/-
T. S. Kothari
Partner
M No. 075877

Sd/-
Ms. Garima Mahalaha
Company Secretary
M No. A37073

Sd/-
Naresh Jhalani
Chief Financial Officer

Sd/-
Nilesh Jhalani
Managing Director
DIN - 01462299

Sd/-
Rohit Jhalani
Whole Time Director
DIN - 00666443

Place : Ratlam

Date : 30/08/2017

CASH FLOW STATEMENT FOR YEAR ENDED MAR 31st, 2017

In ₹ (Rupees)

PARTICULARS		FY 2016 - 17	FY 2015 - 16
A	<u>CASH FLOW FROM OPERATING ACTIVITIES :</u>		
	NET PROFIT AFTER TAX & EXTRA ORDINARY ITEMS	2,10,91,401	85,28,358
ADD :	PROVISION FOR TAXES MADE DURING THE YEAR	1,16,94,649	42,40,210
ADD :	EXTRA ORDINARY ITEM DEBITED TO PROFIT & LOSS A/C	1,27,000	0
LESS :	EXCEPTIONAL ITEM CREDITED TO PROFIT & LOSS A/C	(2,57,897)	16,31,922
LESS :	TRF FROM FOREIGN CURRENCY FLUCTUATION RESERVE	(11,15,456)	(10,27,622)
	NET CASH BEFORE TAX & EXTRA ORDINARY ITEM	3,15,39,697	1,33,72,868
	<u>ADJUSTMENT FOR NON CASH & NON OPERATING ITEMS :</u>		
ADD :	DEPRECIATION	85,01,286	1,03,09,392
ADD :	INTEREST ON BORROWINGS	5,74,84,493	3,08,72,538
LESS :	RENT EARNED DURING THE YEAR	(3,52,350)	(3,35,665)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	9,71,73,126	5,42,19,133
ADD :	DECREASE IN CURRENT ASSETS	0	0
ADD :	INCREASE IN CURRENT LIABILITIES	12,63,86,841	5,21,79,454
LESS :	INCREASE IN CURRENT ASSETS	12,43,93,107	9,89,88,432
LESS :	DECREASE IN CURRENT LIABILITIES	0	0
	CASH GENERATED FROM OPERATIONS	9,91,66,860	74,10,155
LESS :	INCOME TAX PAID	47,70,360	54,63,000
LESS :	EXTRA ORDINARY ITEMS	1,27,000	0
A	NET CASH FROM OPERATING ACTIVITIES	9,42,69,500	19,47,155
B	<u>CASH FLOW FROM INVESTING ACTIVITIES :</u>		
ADD :	DECREASE IN LOANS & ADVANCES (ASSETS)	28,26,938	1,29,26,052
ADD :	RENT EARNED DURING THE YEAR	3,52,350	3,35,665
ADD :	SALE OF FIXED ASSETS	0	5,23,608
LESS :	PURCHASE OF FIXED ASSETS	26,24,987	0
B	NET CASH FROM INVESTING ACTIVITIES	5,54,301	1,37,85,325
C	<u>CASH FLOW FROM FINANCING ACTIVITIES :</u>		
	FOREIGN EXCHANGE GAIN / (LOSS)	2,57,897	(30,72,051)
	REPAYMENT OF LONG TERM BORROWINGS	(4,42,29,788)	2,99,15,860
	INTEREST ON BORROWINGS	(5,74,84,493)	(3,08,72,538)

C			
	NET CASH USED IN FINANCING ACTIVITIES :	(10,14,56,389)	(40,28,729)
	NET INCREASE / DECREASE IN CASH & CASH EQUIVALENTS	(66,32,583)	1,17,03,751
	ADD : CASH & CASH EQUIVALENTS IN THE BEGINNING CASH IN HAND / BANK	7,00,16,751	5,83,13,000
	CASH AND CASH EQUIVALENTS AT THE END OF YEAR	6,33,84,168	7,00,16,751

Comparative Figures have been regrouped, wherever necessary.

As Per Our report of even date

For KVNG & Associates

Chartered Accountants

For and On behalf of the Board

Sd/-

T. S. Kothari

Partner

M No. 075877

Sd/-

Ms. Garima Mahalaha

Company Secretary

M No. A37073

Sd/-

Naresh Jhalani

Chief Financial Officer

Sd/-

Nilesh Jhalani

Managing Director

DIN - 01462299

Sd/-

Rohit Jhalani

Whole Time Director

DIN - 00666443

Place : Ratlam

Date : 30/08/2017

Shri Ram Switchgears Limited (Consolidated)

Notes to and forming part of Balance Sheet as at 31-Mar-2017

d) Share Capital

- Authorized, Issued, Subscribed and Paid-up share capital

In ₹ (Rupees)

Particulars	As At 31-Mar-2017		As At 31-Mar-2016	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital				
Equity Shares of ₹ 10.00 each (1,20,00,000 Equity Shares Of Rs 10 each) (Previous year 55,00,000 Equity Shares of Rs 10 each)	1,20,00,000	12,00,00,000	55,00,000	5,50,00,000
Total	1,20,00,000	12,00,00,000	55,00,000	5,50,00,000
Subscribed and fully paid				
Equity Shares of ₹ 10.00 each (73,40,565 Equity Shares Of Rs 10 each) (Previous year 48,93,710 Equity Shares of Rs 10 each)	73,40,565	7,34,05,650	48,93,710	4,89,37,100
Total	73,40,565	7,34,05,650	48,93,710	4,89,37,100

- Reconciliation of share capital & Equity Shares

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares (Face Value ₹ 10.00)				
Shares outstanding at the beginning of the year	48,93,710	4,89,37,100	48,82,610	4,88,26,100
Shares Issued during the year	24,46,855	2,44,68,550	11,100	1,11,000
Shares bought back during the year	0	0	0	0
Shares outstanding at the end of the year	73,40,565	7,34,05,650	48,93,710	4,89,37,100

Note : The Company has issued 2,446,855 Equity Shares of Rs. 10 /- Each as fully paid bonus shares vide Resolution passed by the board of Directors at their meeting held on 04.01.2017 in pursuance of authority granted by the members vide resolution passed at the Extra General Meeting held on 14.12.2016

- Shareholders holding more than 5% of Share

Particulars	as at 31-Mar-2017	
	Number of Shares	% of Holding
Shri Umesh Kumar Jhalani	15,02,955	20
Smt. Premlata Devi Jhalani	7,58,040	10
Shri Devraj Jhalani	15,16,590	21
Smt Shobha Devi Jhalani	5,26,725	7
Shri Manuraj Jhalani	5,55,000	8
Smt. Sapna Devi Jhalani	11,29,275	15
Shri Rohit Kumar Jhalani	4,23,750	6

2. Reserves and Surplus

In ₹

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Capital Reserve				
Opening balance	16,34,217	16,34,217	16,34,217	16,34,217
Add : Current year transfer	0		0	
Less : Transfer To reserves	0		0	
Closing balance				
Security Premium on Share				
Opening Balance	77,700	0	0	77,700
Add : Premium received on share issued in current year	0		77,700	
Less : Premium Utilized during the year for Issue of Bonus Shares	77,700			
Closing Balance				
General Reserves				
Opening balance	44,40,000	0	44,40,000	44,40,000
Add : Current year transfer	0		0	
Less : Reserve Utilized during the year for Issue of Bonus Shares	44,40,000		0	
Closing balance				
Surplus				
Opening Balance	3,54,41,582	3,65,82,138	2,69,13,224	3,54,41,582
Add : Net profit/(Net loss) for the Current Year	2,10,91,406		85,28,358	
Add : Retained Earnings	0		0	
Less : Surplus Utilized during the year for Issue of Bonus Shares	1,99,50,850		0	
Closing balance				
Total (Rs)		3,82,16,355		4,15,93,499

3. Foreign Currency Fluctuation Reserve

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Foreign Currency Fluctuation Reserve		0		11,15,456
Opening Balance	11,15,457	0	37,75,217	21,43,079
Add : Additions / (Deletion) during the year	2,57,895		(16,32,138)	
Total	13,73,352		21,43,079	
Less : Transfer to Foreign Currency Fluctuation Gain	(13,73,352)		(10,27,622)	
Closing Balance	0		11,15,456	
Total (Rs)		0		11,15,456

Note : During the year, Balance of Foreign Currency Fluctuation Reserve has been transferred to Exceptional Items since Contract Matured

4. Long Term

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Secured :				
Term Loans & Financial Institutions		14,47,72,194		13,87,75,989
UCO Bank Term Loan (Against hyp of plant & machinery)	2,14,70,123		1,76,11,674	
Vehicle Loan - SBI I (Against hyp of Vehicle)	2,36,446		3,76,230	
Vehicle Loan - SBI II (Against hyp of Vehicle)	6,41,967		7,42,749	
Vehicle Loan ICICI I (Against hyp of Vehicle)	10,98,714		0	
Au financiers (I) Ltd I (Against mortgage of Immovable Property)	2,07,59,782		2,21,53,897	
Au financiers (I) Ltd II(Against mortgage of Immovable Property)	41,82,999		44,57,112	
Au Financiers (I) Ltd III Car loan (Against hyp of Vehicle)	13,55,542		0	
SIDBI Term Loan (Second charge by way of hyp of all immovable property of the borrower including plant & machinery, equipment's & furniture)	3,00,00,000		0	
Religare Finvest Ltd (Against mortgage of Immovable Property)	6,73,40,609		7,30,00,000	
Shriram city union finance ltd (Against mortgage of Immovable Property)	1,68,40,441		1,99,71,883	
Sundaram Finance Ltd (Against hyp of Vehicle)	3,24,640		4,62,444	
LESS : CURRENT MATURITY OF LONG TERM DEBTS	(1,94,79,069)		0	
Unsecured :		4,68,74,873		5,17,31,634
Loans from Related Parties	4,28,38,873		5,17,21,634	
Loans from Others	40,36,000		10,000	
Total (Rs)		19,16,47,067		19,05,07,623

Terms for Repayment of Long Term Loan :

UCO Bank Term Loan, Repayable in 20 Quarterly EMI of Rs. 17,40,000/- from June 2015 to May 2020.

Vehicle Loan - SBI I, Repayable in 60 EMI of Rs. 14,400/- from Sep 2013 to Aug 2018.

Vehicle Loan - SBI II, Repayable in 78 EMI of Rs. 14,000/- from May 2015 to Dec 2021.

Vehicle Loan ICICI Bank I, Repayable in 36 EMI of Rs. 50,000/- from Nov 2016 to Oct 2019, 12 EMI of Rs. 42,000/- & Rs. 31,300/- each, starting from Nov 2016.

AU Financers (I) Ltd. - I. Repayable in 116 EMI of Rs. 3,76,609/- from Apr 2016 to Nov 2025.

AU Financers (I) Ltd - Car loan - I. Repayable in 18 EMI of Rs. 22,000/- from Aug 2016 to Jan 2018.

AU Financers (I) Ltd - Car loan - II. Repayable in 18 EMI of Rs. 28,300/- from Aug 2016 to Jan 2018.

AU Financers (I) Ltd - Car loan - III. Repayable in 36 EMI of Rs. 10,583/- from Aug 2016 to Jul 2019.

AU Financers (I) Ltd - Car loan - IV. Repayable in 18 EMI of Rs. 56,595/- from Aug 2016 to Jan 2018.

AU Financers (I) Ltd - I. Repayable in 120 EMI of Rs. 75,381/- from Jan 2016 to Dec 2025.

SIDBI Term Loan. Repayable in 48 EMI of Rs. 6,25,000/- starts from Sep 2019 till Aug 2023.

Religare Finvest Ltd - Repayable in 97 EMI of Rs. 12,47,436/- from Apr 2016 - Apr 2024.

Shriram City Union Finance Ltd. Repayable in 60 EMI of Rs. 4,86,361/- from Mar 2016 to Mar 2021.

5. Other Long-Term

In ₹

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Other Long-term liabilities				
Others	0		4,53,69,237	
Rent Deposit	2,00,000		2,00,000	
Total		2,00,000		4,55,69,237

6. Short-Term Borrowings

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Secured Loan				
Loans repayable on Demand		19,22,36,378		12,63,00,002
Cash Credit (Consortium)				
UCO Bank (LEAD BANK)	11,54,76,392		11,92,73,566	
Bank Of Maharashtra (Member Bank)	1,24,38,895		0	
IDBI Bank (Member Bank)	1,23,71,376		0	
Oriental Bank Of Commerce (Member Bank)	3,24,70,646		0	
UCO Bank - I	0		70,26,436	
Current Maturity of Long Term Debts	1,94,79,069		0	
Total		19,22,36,378		12,63,00,002

Loans repayable on demand from banks are secured by way of hypothecation of Raw Material, Stores & Spares, Stock in Progress, Finished Goods, Book Debts & 1st Equitable Mortgage Charge over Immovable properties for both term loan & working capital requirements & ranking Pari Passu with other members of consortium.

7. Trade Payables

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Trade Payables		20,17,75,972		21,55,48,013
Total		20,17,75,972		21,55,48,013

8. Other Current Liabilities

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Other Short Term Liabilities		9,56,29,858		3,03,71,856
Total		9,56,29,858		3,03,71,856

9. Short-Term Provisions

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Employee Benefits	8,08,850		7,57,491	
Provision For Income Tax	1,24,25,816		50,00,000	
Service Tax Payable	56,65,363		15,93,921	
Payable VAT	48,88,906		0	
Provision For Entry Tax	7,06,247		8,76,030	
Others	21,63,721		20,41,141	
Total		2,66,58,903		1,02,68,583

Shri Ram Switchgears Limited
FOR THE YEAR 2016-17
Depreciation Schedule : 10 As Per Companies Act 2013

		<u>GROSS BLOCK</u>					<u>DEPRECIATION</u>				<u>NET BLOCK</u>	
S.N.	Asset	01-04-2016	WDV W/O	Additions during the year	Disposal	31-03-2017	01-04-2016	Current Year	Disposal	31-03-2017	31-03-2017	31-03-2016
1	Computer	7,36,295	0	1,79,615	0	9,15,910	6,51,021	76,372	0	7,27,393	1,88,517	85,274
2	Furniture	2,84,797		2,23,679	0	5,08,476	1,82,665	41,946	0	2,24,611	2,83,865	1,02,132
3	Office Equipment	16,89,258	0	1,37,793	0	18,27,051	12,94,946	2,11,154	0	15,06,100	3,20,951	3,94,312
4	Vehicles	97,97,393	0	13,58,200	0	1,11,55,593	72,98,889	10,95,222	0	83,94,111	27,61,482	24,98,504
5	Office Building	30,30,501	0		0	30,30,501	9,19,662	1,11,665	0	10,31,327	19,99,174	21,10,839
6	Factory Building	72,00,042	0		0	72,00,042	27,95,095	4,44,925	0	32,40,020	39,60,022	44,04,947
7	Plant & Machinery	4,44,54,085	0	0	0	4,44,54,085	84,97,334	65,20,002	0	1,50,17,336	2,94,36,749	3,59,56,751
8	Land Lease hold	1,90,830	0		0	1,90,830	0	0	0	0	1,90,830	1,90,830
9	Land Free hold	13,16,660	0	7,25,700	0	20,42,360	0	0	0	0	20,42,360	13,16,660
	TOTAL	6,86,99,861	0	26,24,987	0	7,13,24,848	2,16,39,612	85,01,286	0	3,01,40,898	4,11,83,950	4,70,60,249

11. Deferred Tax Assets

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Differed Tax (Assets)	8,82,866		3,81,339	
Total		8,82,866		3,81,339

12. Long-Term Loans and Advances

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Unsecured, considered good				
Security Deposits	42,12,307		37,82,226	
Balances with Government Authorities	13,20,703		45,77,722	
Total		55,33,010		83,59,948

13. Current Investments

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Investment in Equity Shares (Quoted)		0		2,72,650
Total		0		2,72,650

14. Inventories

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
(at cost or net realisable value, whichever is lower)				
Raw Materials	5,48,03,115		7,77,92,207	
Work-in-progress	18,95,50,455		9,95,52,972	
Finished goods	58,29,345		1,92,08,955	
Total		25,01,82,915		19,65,54,134

15. Trade receivables

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
<u>Outstanding for less than 6 months</u>				
<u>Unsecured, considered good</u>	28,62,77,776		28,73,73,566	
<u>Outstanding for more than 6 months</u>				
<u>Unsecured, considered good</u>	13,51,42,439		6,14,86,957	
Total		42,14,20,215		34,88,60,523

16. Cash and Cash Equivalents

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
Cash in Hand	12,12,570		96,79,579	
Balances with Banks :				
- In Current Accounts	14,00,644		1,59,94,054	
Other Bank Balances :				
Fixed Deposit held as Margin Money	6,07,70,954		4,43,43,118	
Total		6,33,84,168		7,00,16,751

17. Short-Term Loans and Advances

In ₹ (Rupees)

Particulars	as at 31-Mar-2017		as at 31-Mar-2016	
<u>Other Loans and Advances</u>				
<u>Unsecured, considered good</u>				
17.1. Balances with Government Authorities	1,07,78,263		1,57,13,037	
17.2. Advances to Staff / Others	1,14,25,063		1,81,65,013	
17.3. Sundry Advances	1,49,79,733		48,27,725	
Total		3,71,83,059		3,87,05,775

Shri Ram Switchgears Limited (Consolidated)

Notes to and forming part of Statement of Profit and Loss for the year ended 31st March 2017

18 . Revenue from Operations

In ₹

Particulars	As on 31.03.2017	As on 31.03.2016
Sale of Products (Manufacturing)	17,68,98,817	25,42,15,032
Sale of Products (project)	51,09,53,643	21,94,05,608
Sale of Products (Resale)	4,08,57,943	79,42,045
Less : Excise Duty	1,96,56,599	2,50,61,928
Total	70,90,53,804	45,65,00,757

19 . Other Income

In ₹ (Rupees)

Particulars	As on 31.03.2017	As on 31.03.2016
Interest Income	45,05,517	54,37,551
Other Operating Income	0	1,95,26,891
Other income	0	1,53,400
Other Non-Operating Income	11,03,142	6,85,668
Total	56,08,659	2,58,03,510

20. Cost of Materials Consumed

In ₹ (Rupees)

Particulars	As on 31.03.2017	As on 31.03.2016
Purchase of Raw Material (Manufacturing)	25,72,85,883	18,79,53,642
Purchase of Raw Material (Project)	21,69,26,468	16,46,91,367
Purchase of Raw Material (Resale)	3,91,55,847	54,10,236
Opening Balance of Raw Materials	7,77,92,207	9,05,94,365
Less : Closing Balance of Raw Materials	5,48,03,115	7,77,92,207
Total	53,63,57,290	37,08,57,403

21. Changes in Inventories of Finished Goods, WIP & Others

In ₹ (Rupees)

Particulars	As on 31.03.2017	As on 31.03.2016
Finished goods	1,33,79,610	59,06,725
-Opening Balance	1,92,08,955	2,51,15,680
Less : Closing Balance	58,29,345	1,92,08,955
Work-in-Progress	(8,99,97,483)	(2,05,43,064)
-Opening Balance	9,95,52,972	7,90,09,908
Less : Closing Balance	18,95,50,455	9,95,52,972
Total	(7,66,17,873)	(1,46,36,339)

22. Employee Benefit Expenses

In ₹ (Rupees)

Particulars	As on 31.03.2017	As on 31.03.2016
Salaries and Wages	1,08,13,700	1,28,53,390
Contribution to Provident Fund and Other Funds	12,41,102	12,65,882
Staff Welfare Expenses	84,47,662	9,88,405
Total	2,05,02,464	1,51,07,677

Shri Ram Switchgears Limited (Consolidated)

Notes to and forming part of Statement of Profit and Loss for the year ended 31st March 2017

23. Finance Costs

In ₹

Particulars	As on 31.03.2017	As on 31.03.2016
Interest Expense	5,74,84,493	3,08,72,538
Other Borrowing Costs	1,38,87,809	89,09,130
Total	7,13,72,302	3,97,81,668

24. Depreciation and Amortization Expenses

In ₹ (Rupees)

Particulars	As on 31.03.2017	As on 31.03.2016
Depreciation	85,01,286	1,03,09,392
Total	85,01,286	1,03,09,392

25. Other Expenses

In ₹ (Rupees)

Particulars	As on 31.03.2017	As on 31.03.2016
Administrative Expenses :		
Power and fuel	23,72,241	22,79,285
Rent	3,60,589	2,60,525
Rates and taxes (excluding taxes on income)	2,09,42,669	32,32,395
Insurance	23,41,331	6,74,983
Payment to Auditors		
Statutory Audit Fees	80,900	30,000
Fees on Tax Matters	3,71,200	0
Peer Review Fees	17,250	0
Director Remuneration & Other Allowances	15,65,545	18,51,334
Travelling Expense	20,66,547	11,08,959
Legal & Professional Expense	1,09,24,907	22,71,647
Job Work Expense	2,84,68,034	1,86,04,257
Conveyance Expense	36,73,953	26,54,216
Stationery & Printing Expense	3,28,299	1,93,679
Purchase Expense	92,10,654	49,45,591
Repairs to buildings	6,71,148	5,43,851
Repairs to machinery	9,57,457	12,41,695
Miscellaneous expenses	1,06,47,149	54,22,573
Selling Expenses :		
Commission Expense	9,62,783	39,000
Discount on Sales	2,28,51,165	27,77,502
Freight & Insurance	17,08,246	5,21,070
Loading/ Unloading Expenses	13,95,824	0
Sales Promotion Expense	10,89,406	4,90,958
Total	12,30,07,297	4,91,43,520

Shri Ram Switchgears Limited (Consolidated)

Notes to and forming part of Statement of Profit and Loss for the year ended 31st March 2017

26. Exceptional Item

In ₹

Particulars	As on 31.03.2017	As on 31.03.2016
Foreign Currency Fluctuation Gain	13,73,353	10,27,622
Total	13,73,353	10,27,622

27. Extraordinary Item

In ₹ (Rupees)

Particulars	As on 31.03.2017	As on 31.03.2016
Investment in Shares Written Off	1,27,000	0
Total	1,27,000	0

28. Deferred Tax

In ₹ (Rupees)

Particulars	As on 31.03.2017	As on 31.03.2016
Provision For Deferred Tax	(5,01,527)	(7,59,790)
Total	(5,01,527)	(7,59,790)

NOTES TO THE FINANCIAL STATEMENTS

NOTE NO. 1 Change in Status of the company & filing of draft prospectus

The company has been converted from private limited to public limited vide special resolution passed by the members at the Extra Ordinary General Meeting held on 14.12.2016 and fresh certificate of incorporation was issued by the Registrar of Companies on 03 Jan 2017. Further, as the company intends to go for listing of NSE EMERGE Platform, it has filed a draft prospectus with the stock exchange on 18.01.2017.

NOTE NO. 2 Significant Accounting Policies

A. Basis of Preparation of Financial Statements / use of Estimates

- (i) These financial statements have been prepared in compliance with the generally Accepted Accounting principles in India including the Accounting standards notified under the provisions of the Companies Act, 2013. The Financial Statements are prepared on accrual basis under the historical cost convention and are presented in Indian Rupees, rounded off to the nearest Rupees.
- (ii) The preparation of financial statements requires judgements, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialised. Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent.

B. Valuation of Inventories (AS-2)

Raw Material at Cost or net realizable value whichever is less, whereas WIP and finished goods are valued at cost. The cost being the latest applicable purchase price since the closing stocks mostly represents items out of the latest purchases. Traded goods are valued at cost.

C. Cash Flow (AS-3)

Cash Flow statement has been prepared adopting the 'Indirect method' as prescribed under Para 18 the Accounting Standard - 3 on 'Cash Flow Statement'.

D. Revenue Recognition (AS-9)

Revenue (Income) is recognized on accrual basis when no significant uncertainty as to measurability or collectability exists. Revenues are reported net of discounts. Dividends are recorded when the right to receive payable is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

E. Fixed Assets (AS-10)

Fixed Assets are stated at cost net of duty credit availed less accumulated depreciation and impairments, if any. The cost includes cost of acquisition/construction, installation and preoperative expenditure including trial run expenses (net of revenue) and borrowing costs incurred during pre-operation period. Expenses incurred on capital assets are carried forward as capital work in progress at cost till the same are ready for use.

F. Foreign currency transactions (AS-11)

- (I) Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction.
- (II) Assets and liabilities denominated in foreign currency are converted at the exchange rates prevailing as at the Balance sheet date.
- (III) Exchange differences other than those relating to acquisition of fixed assets are recognized in the statement of profit and loss. Exchange differences relating to purchase of fixed assets are adjusted to the carrying cost of fixed assets

G. Accounting for Investments (AS-13)

Long-term investments and current maturities of long-term investments are stated at cost, less provision for other than temporary diminution in value. Current investments, except for current maturities of long-term investments, comprising investments in mutual funds are stated at the lower of cost and fair value.

H. Employee Benefits (AS-15)

- (i) Short term employee benefits are recognized as an expense at undiscounted amount in the Statement of profit and loss for the year in which the related service is rendered.
- (ii) Post employment benefits: These comprise of defined contribute plans (provident Fund). The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques.

I. Borrowing Cost (AS-16)

Borrowing costs that are attributable to the acquisition of fixed assets is capitalized as part of the cost of fixed assets till the date it is put to use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

J. Related Party Transactions (AS-18)

Disclosure is being made separately for all the transactions with related parties as specified under Accounting Standard 18, issued by the Institute Chartered Accountants of India.

K. Earnings per share (AS-20)

The company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 (AS-20) issued by the Institute of Chartered Accountants of India. The basic EPS is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding, during the accounting period. Diluted earnings per equity share are computed by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

L. Taxes on Income (AS-22)

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax after the tax holiday period. Accordingly, MAT is recognized as an asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will fructify. Deferred tax expenses or benefit is recognized on timing differences beings the difference between taxable income and accounting income tax originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to release such assets. In other situation s, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction for relevant taxpaying units and where the Company is able to and intends to settle the asset and liability on a net basis.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

M. Impairment of Assets (AS-28)

At each balance sheet date, the management reviews the carrying amounts of its assets included in each case generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

N. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognized in the current and future periods.

O. Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets have been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 effective from April 01, 2014 and depreciation on tangible fixed assets up to March 31, 2014 was provided at the rates and manner prescribed in schedule in Schedule XIV of the Companies Act, 1956.

P. Provisions, Contingent liabilities and Contingent assets

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

Q. Micro, Small & Medium Enterprises Development Act, 2006

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently the amount paid/ payable to these parties during the year is not ascertainable. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act. This has been relied upon by the auditors.

R. Except where stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

29. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	31.03.2017	31.03.2016
Contingent Liabilities		
Letter of Credits	5,96,84,915	60,38,466
Bank Guarantees Issued & Outstanding	38,98,47,763	21,55,88,838
Total	44,95,32,678	22,16,27,304

30. No Specified Bank Notes(SBN) - held and transacted during the period from 8th November, 2016 to December 31th, 2016. However, Details of other Denominations are as under :

	Specified Bank Notes	Other Denominations	Total
Closing Cash in Hand as on 08/11/2016	0	44,91,969	44,91,969
(+) Permitted Receipts	0	7,20,480	7,20,480
(-) Permitted Payments	0	21,73,077	21,73,077
(-) Amount Deposited to Banks	0		0
Closing Cash in Hand as on 31/12/2016	0	30,39,372	30,39,372

31. RELATED PARTY DISCLOSURES :

1. NAME OF RELATED PARTY

A. ENTERPRISES OVER WHICH KEY MANAGEMENT PERSONNEL & THEIR RELATIVES HAS SIGNIFICANT INFLUENCE

MAHALAXMI INVESTMENT & TRADING PVT. LTD.
 URBAN DEVELOPMENT TRUST PVT. LTD.
 SHRI RAM SWITCHGEARS, RATLAM
 SHRI RAM SWITCHGEARS, MAHARASHTRA
 RATLAM ELECTRIC STORES

B. KEY MANAGEMENT PERSONNEL

NILESH KUMAR JHALANI	MANAGING DIRECTOR
ROHIT KUMAR JHALANI	WHOLE TIME DIRECTOR
DEVRAJ KUMAR JHALANI	WHOLE TIME DIRECTOR
NARESH JHALANI	CHIEF FINANCIAL OFFICER
GARIMA MAHALAHA	COMPANY SECRETARY

C. RELATIVES OF KEY MANAGMENT PERSONNEL

JAYESH KUMAR JHALANI
 PREMRAJ JHALANI
 SAPNA JHALANI
 SHOBHA DEVI JHALANI

Note: Related Party relationship is as identified by the Company and relied upon by the Auditors.

2. TRANSACTIONS WITH RELATED PARTIES AS PER THE BOOKS OF ACCOUNTS DURING THE YEAR

(Amount in Rs. Lacs)

Payment of Expenses	Related Parties					
	Referred in A Above		Referred in B Above		Referred in C Above	
	2016 - 2017	2015 - 2016	2016 - 2017	2015 - 2016	2016 - 2017	2015 - 2016
SALES	856.29	3.50	NIL	NIL	NIL	NIL

PURCHASE	1245.31	1690.35	NIL	NIL	NIL	NIL
INTEREST ON LOAN	NIL	NIL	45.31	28.20	15.23	NIL
AMOUNT PAYABLE	1097.76	890.80	258.91	320.99	46.28	99.70
REMUNERATION	NIL	NIL	16.80	10.81	NIL	NIL
OTHER ALLOWANCES	NIL	NIL	0.06	NIL	NIL	NIL

32. Basic and Diluted Earnings Per Share (EPS), of face value ₹ 10/-

Numerator

Net Profit for the Year

Denominator

Weighted average number of equity shares outstanding during the year

Net Worth (Rs. In lacs)

Earnings per Share (annualised)

Basic

Diluted

Return on Net Worth (in %)

Net Asset Value Per Share

Nominal Value Per Equity Share

31.03.2017	31.03.2016
2,10,91,401	85,28,358
54,76,933	48,93,710
11,16,22,005	9,05,30,599
3.85	1.74
3.85	1.74
18.90	9.42
20.38	18.50
10.00	10.00





External Bank loan Rating by



ISO Certification by



Members

