



BIL ENERGY SYSTEMS LIMITED

ANNUAL REPORT 2016-17

Board of Directors

Mr. Sureshkumar Anandilal Choudhary
Mr. Chandrashekhar Trivedi
Mr. Suresh Sakharam More
Ms. Kiren Shrivastav
Mr. Lalit Laxiram Agarwal

Registrars & Share Transfer Agents

M/s. Link Intime India Private Limited
C 101, 247 Park, L.B.S. Marg,
Vikhroli- West, Mumbai - 400083
Phone - 022 49186000/6260
Email: rnt.helpdesk@linkintime.co.in

Company Secretary & Compliance Officer

Ms. Astha Rathi

Chief Financial Officer

Mr. Rajendra Kumar Choudhary

Registered Office

2nd Floor, Vikas Chambers, Link & Marve Road
Malad (West), Mumbai - 400 064
Tel - 022 49173809
Fax - 022 28811225

Bankers

State Bank of India
Industrial Finance Branch
Natraj Building, 201, 1st Floor, 194,
Sir M.V. Road, W.Exp. Highway,
Andheri (East), Mumbai - 400 069

Manufacturing Unit

Gut No. 52, Manor wada Road,
Village - Kanchad, Taluka -
Wada, Dist - Palghar-421312
Phone - + 2526 645947
Fax - + 2526 235622

Statutory Auditors

M/s. Bansal Bansal & Co.,
Chartered Accountants
6 / 120, Sanjay Building,
Mittal Estate, Andheri
Kurla Road, Andheri (East),
Mumbai - 400 059

CORPORATE IDENTITY NUMBER

L28995MH2010PLC199691

Website

www.bilenergy.com

Investor Relations Email ID

investors@bilenergy.com

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to update their email address with the Company or M/s. Link Intime India Private Limited (RTA), to enable us to send all the documents through electronic mode in future.

NOTICE

NOTICE is hereby given that the 8th Annual General Meeting of the Members of **BIL ENERGY SYSTEMS LIMITED** will be held at Landmark Residency, Banquet Hall, B.J. Patel Road (Liberty Garden Raod) Opp. S.N.D.T. College & Vodafone Store, Malad - West, Mumbai - 400 064 **Monday, 25th September, 2017** at 3.00 p.m. to transact with or without modification(s), as may be permissible, the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended 31st March 2017 including Audited Balance Sheet as at 31st March, 2017 and the Statement of Profit & Loss Account and Statement of Cash Flow, for the year ended as on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Mr. Lalit Laxiram Agarwal (DIN: 06427436) as Director of the Company, who retires by rotation and being eligible offers himself for re- appointment.
3. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 & 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Dalal & Kala Associates, Chartered Accountant, Mumbai having firm registration number 102017W be and is hereby appointed as the Statutory Auditor of the Company in place of M/s. Bansal Bansal & Co., Chartered Accountants, Mumbai having firm registration number 100986W to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of Thirteenth Annual General Meeting (AGM) of the Company and subject to ratification of appointment at every Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary to implement this resolution".

SPECIAL BUSINESS:

4. To appoint Mr. Lalit Laxiram Agarwal (DIN: 06427436) as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of 196, 197, 203 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the said act and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any statutory modification(s) or re-enactment(s) thereof and subject to such consent(s), approval(s) and permission(s) as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consent(s), approval(s) and permission(s) and as agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall unless repugnant to the context or meaning thereof, be deemed to include any Committee thereof or any person authorized by the Board in this behalf), the approval of the members be and is hereby accorded for the appointment of Mr. Lalit Laxiram Agarwal (DIN: 06427436) as Managing Director of the Company to hold office for 5 (five) years Starting from 14th February, 2017 upto 13th February, 2022.

NOTES:

- a. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY/ PROXIES SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
- b. A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in the aggregate not more than 10% of the total share Capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- c. The Company has notified closure of register of members and transfer books from Tuesday, September 19, 2017 to Monday, September 25, 2017 (both days inclusive).
- d. Members holding shares in Physical form are requested to notify change of address, if any, to Registrar and Share Transfer Agents and those who hold shares in dematerialized form are requested to notify to their Depository participants their change in address.

- e. As per the provisions of the Companies Act, 2013, facility for making nomination is available to the shareholders in respect of the Shares held by them. Nomination Forms can be obtained from the registrar and share transfer agents of the Company.
- f. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their respective copy of the Annual Report to the Meeting and affix their signature at the place provided on the attendance slip annexed to the Proxy form and hand over the slip at the entrance to the place of the Meeting.
- g. Non – Resident Indian Members are requested to inform the Company’s registrar and share transfer agents M/s. Link Intime India Private Limited immediately of -
 - a. The change in the residential status on return to India for permanent settlement.
 - b. The particulars of the 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.
- h. The Register of Director and Key Managerial Personnel and their Shareholding maintained, under section 170 of the Companies Act, 2013 will be available for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 a.m. and 1.00 p.m. up to the date of the 8th Annual General Meeting.
- i. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
- j. To support the ‘Green Initiative’, the Members holding shares in physical form and who have not registered their email IDs, are requested to register the same with the Company’s registrar and share transfer agents M/s. Link Intime India Pvt. Ltd.
- k. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 8th AGM by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- l. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- m. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- n. The remote e-voting period commences on 22nd September, 2017 (09:00 am IST) and ends on 24th September, 2017 (5:00 pm IST). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 18th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently
- o. Instructions for Members for e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
 - (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/ PIN noted in step (i) above. Click Login.
NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com.
In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).
In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).
 - (v) After successful login, you can change the password with new password of your choice.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select “EVEN” of “BIL ENERGY SYSTEMS LIMITED”.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csbbansal@gmail.com with a copy marked to evoting@nsdl.co.in

- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- p. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- q. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- r. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 18th September, 2017.
- s. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 18th September, 2017 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- t. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- u. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- v. M/s. Bhuwadesh Bansal & Associates, Practicing Company Secretary (Membership No. FCS 6526 & COP 9089), has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- w. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- x. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- y. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.bilenergy.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, the details of Directors seeking appointment / re-appointment in the Annual General Meeting to be held on Monday, 25th September, 2017 are provided hereunder. The Directors have furnished consent/ declaration for appointment/ reappointment as required under the Companies Act, 2013 and the Rules made thereunder.

Name of Director	Mr. Lalit Laxiram Agarwal
Date of Birth	04-08-1965
Date of appointment	14-02-2017
Qualification	B.Com
List of Directorship held in other Companies	Bilpower Limited Tarapur Transformers Limited
*Chairman/ Member of the Committees of the Board of Directors of the Company	Nil
*Chairman/ Member of the committees of Directors of other Company	Chairman - 5 Member - 1
No of Shares held	3000
Relationship with existing Directors of the Company	Not related

*Chairmanship/membership of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Grievance Relationship Committee has been considered.

**By Order of the Board of Directors,
For Bil Energy
Systems Limited**

Astha Rathi

Company Secretary

Registered Office:

2nd Floor, Vikas Chambers, Junction of Link & Marve Road, Malad (West), Mumbai - 400 064

Tel.: +91 22 49173809 Website: www.bilenergy.com, E-mail: investors@bilenergy.com

CIN- L28995MH2010PLC199691

Mumbai, 14th August, 2017

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

The following Explanatory Statement sets out the material facts relating to the business under Item No. 3 & 4 of the accompanying Notice:

Item No. 3:

As per the provisions of Companies Act, 2013 read with rules made there under no listed Company shall appoint an audit firm as auditor for more than two consecutive terms of five years and an audit firm which has completed its term shall not be eligible for reappointment as auditor in the same company.

Every listed Company existing on or before the commencement of Companies Act, 2013 (i.e 01st April, 2014) shall comply with the provisions of Companies Act, 2013 within three years. Accordingly, the term of the existing Statutory Auditors, Bansal Bansal & Co, is coming to end. The Board of Directors have recommended appointment of M/s. Dalal & Kala Associates, Chartered Accountants as the Statutory Auditors of the Company in place of Bansal Bansal & Co, Chartered Accountants, Mumbai, existing Statutory Auditors of the Company, to hold Office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Thirteenth Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed item no. 3.

Item No. 4:

The Board recommends the appointment of Mr. Lalit Laxiram Agarwal (DIN: 06427436) as Managing Director of the Company, to hold office for a term up to five consecutive years on the Board of Directors of the Company with effect from the date of 14th February, 2017.

The Board of Directors is confident that his vast knowledge and experience will be of great value to the Company and hence commends the resolution set out at item no. 4 of the notice as a special resolution for your approval.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed item no. 4.

**By Order of the Board of Directors,
For Bil Energy
Systems Limited**

**Astha Rathi
Company Secretary**

Registered Office:

2nd Floor, Vikas Chambers, Junction of Link & Marve Road, Malad (West), Mumbai - 400 064

Tel.: +91 22 49173809, Website: www.bilenergy.com, E-mail: investors@bilenergy.com

CIN- L28995MH2010PLC199691

Mumbai, 14th August, 2017

DIRECTORS' REPORT

Dear Members,

The Directors of your Company have pleasure in presenting Eighth Annual Report and the Company's Audited Financial Statement for the Financial Year ended March 31, 2017.

1. **Financial summary or highlights/ Performance of the Company (Standalone):** The financial performance of the Company for the Year ended 31st March, 2017 is as summarized below:
(Rs. In Lacs)

Particulars	2016-17	2015-16
Gross Turnover & Other Income	3555.61	3221.20
Profit / (Loss) before Exceptional Item Interest, Depreciation & Taxation	487.74	456.32
Less : Exceptional Item	12.52	60.72
Profit / (Loss) before Interest, Depreciation & Taxation	475.22	395.60
Less - Interest	51.75	47.98
Profit / (Loss) before Depreciation & Taxation	423.47	347.62
Less - Depreciation	423.11	427.91
Profit / (Loss) before tax	0.36	(80.29)
Less- Provision for Taxation (Incl. Deferred Tax)	1.57	0.25
Net Profit / (Loss) for the year	(1.21)	(80.54)
Add/ (less) - Balance brought forward from previous Year	(3 061.67)	(2981.13)
Add/ (less) - Retain Value of Assets	-	-
Balance Carried to Balance Sheet	(3 062.88)	(3061.67)

2. **Performance Review:**

For the year 2016-17, the Turnover of the Company increased and stood at Rs. 3172.56 Lakhs and loss incurred was Rs. 1.21 Lakhs, which is mainly due to exceptional item and lower capacity utilization coupled with falling margins.

3. **Extract of Annual Return:** Extract of Annual Return as provided under sub-section (3) of section 92 in Form No. MGT - 9. (**Annexure 1**).
4. **Number of meetings of the Board of Directors:** During the year 2016-17, 5 meeting of the Board of Directors held.
5. **Directors' Responsibility Statement:** The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that:
- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
 - 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;
 - 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;
 - the directors had prepared the annual accounts on a going concern basis; and
 - 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.
6. **Auditors' Report:** As regards Auditors remarks in the Audit report, comments of the Board of Directors are as under:

As regards Auditors remarks in the Audit report, comments of the Board of Directors are as under:

- Auditor Remark:** The Company has sent letters to customers in respect of trade receivables for confirming balances outstanding as at March 31, 2017, but in most of the cases the customers have not sent written confirmation confirming the balance outstanding as at March 31, 2017. In the absence of confirmation any provision to be made for adverse variation in the carrying amounts of trade receivable is not quantified.
Boards Comments on the same: The Board considers all outstanding balance of customers as on 31st March, 2017 as good and recoverable excepting those considered doubtful and provided for during the financial year 2016-17.
- Auditor Remark:** The lender Bank of Bilpower Limited has pursuant to certain corporate guarantees given by the company demanded from the company their dues from Bilpower Limited amounting to Rs.215.82 crores. No provision has been made in the accounts for the probable loss that may arise on account of above demand of Rs.215.82 crores.
Boards Comments on the same: Bilpower Limited, the Borrower in whose favor the Company has given Corporate Guarantee to State Bank of India, has informed the Company that they are in negotiation with the Lender Bank for settlement/ Re-schedulement of dues and hence no provision has been made in the account.
- Auditor Remark:** The Company has not provided for interest payable to State Bank of India amounting to Rs 1321.55 Lakhs for the year ended 31st March, 2017. The Company has not made any provision for penal interest claimed by the bank. As a result the loss for the year ended 31st March

2017 is understated by Rs. 1321.55 Lakhs & current liabilities as at 31st March 2017 are also understated by Rs. 1321.55 Lakhs and also reserves are overstated by Rs.1321.55 Lakhs. The amount of penal interest cannot be quantified as the details have not been received from the bank. Also the company has not provided for interest amounting to Rs.1179.58 for the financial year 2015-16 and Rs. 1045.12 Lakhs for the financial year 2014-15, as a result the accumulated losses as on 31st March, 2017 are understated by Rs. 3546.23 lakhs and also current liabilities are understated by Rs.3546.25 lakhs. The amount of penal interest cannot be quantified as the details have not been received from the bank.

Boards Comments on the same: Based on the Legal advice received by the Company, it has been decided not to provide any interest on liability of State Bank of India.

- d) **Auditor Remark:** Loan given includes Six interest free loan of Rs. 191.08 Lacs
- e) **Boards Comments on the same:** The Company is trying to ensure that interest will be provided in subsequent year
- f) As regards Auditors' remarks in Annexure to their report under Item No. 7 a) & 7 b) with respect to nonpayment of Maharashtra vat, Professional Tax, Excise, the same is self-explanatory.
7. **Loan and Investment by Company:** Particulars of loans, guarantees or investments under section 186. (Annexure 2)
8. **Particulars of contracts or arrangements with related parties:** The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is given in Form No. AOC-2. (Annexure 3)
9. **Reserves:** In the financial year 2016-17 reserve maintained with the Company is Rs. 1302.73 lacs while in year 2015-16, reserve was Rs. 1303.94. This amount is decreased due to loss for the year 2016-17 of Rs.1.21 lacs.
10. **Dividend:** Your Directors do not recommend any dividend for the year under review in view of losses incurred.
11. **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:** No such Material changes occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report.
12. **Conservation of energy, technology absorption and foreign exchange earnings and outgo:** The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:
- A. **Conservation of energy:**
- the steps taken or impact on conservation of energy: NIL;
 - the steps taken by the company for utilising alternate sources of energy: NIL;
 - the capital investment on energy conservation equipments: NIL.
- B. **Technology absorption:**
- the efforts made towards technology absorption: NIL;
 - the benefits derived like product improvement, cost reduction, product development or import substitution: NIL;
 - in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - the details of technology imported: NIL;
 - the year of import: NIL;
 - whether the technology been fully absorbed: NIL;
 - if not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NIL; and
 - the expenditure incurred on Research and Development: NIL.
- C. **Foreign exchange earnings and Outgo:** The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows: Inflow: Nil and Outflow: Nil
13. **Risk management policy:** Our Company maintains conducive work environment and provides adequate motivation to perform. However senior management team members or key personnel may choose to leave the organization in which case operations of our Company may be affected. However in such eventuality we will promptly fill the vacancy through either fresh recruitment or internal promotion.
14. Change in the nature of business, if any: No
15. **Directors:**
- A) **Changes in Directors and Key Managerial Personnel:**
Detail is given in corporate governance report annexed and forming part of the Director report.
- B) **Declaration by an Independent Director(s) and re- appointment, if any:**
A declaration by an Independent Director that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been disclosed by the Independent Director to the Company.
- C) **Formal Annual Evaluation:**
The Board has formulated a code of conduct policy for formal annual evaluation purpose which has been made by the Board of its own performance and that of its committees and individual directors.
16. **Audit Committee:**
The Audit Committee has three director i.e. one Chairman and Two members, as per The Companies Act, 2013, 2/3rd of the members should be Independent Director and Chairman should be Independent Director. The Chairman of Audit Committee is Ms. Kiren Shrivastav and members of the committee are Mr. Sureshkumar Anandilal Choudhary and Mr. Suresh Sakharam More.

17. **Details of establishment of vigil mechanism for directors and employees:**
The Whistle blower policy of the Company was formulated and policy is available in the company's website i.e. www.bilenergy.com.
18. **Nomination and Remuneration Committee:**
The Company has adopted policy formulated by nomination and remuneration committee for appointment of Key Managerial personal.
19. Disclosure under the sexual harassment of women: Your Company is committed to provide and promote safe and healthy environment to all its employees without any discrimination. During the year under review, there was no case filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
20. **Managerial Remuneration:**
- A) There is no employee covered pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
 - B) There is no director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report.
 - C) There is no such events occurs which require disclosures in the Board of Director's report under the heading "Corporate Governance", relating to the financial statement:
 - i. all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;
 - ii. details of fixed component and performance linked incentives along with the performance criteria;
 - iii. service contracts, notice period, severance fees;
 - iv. stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.
21. **Details of Subsidiary/ JV/ Associate Companies:** The Company has no Subsidiary/ JV/ Associate Companies during the year.
22. **Deposits:**
- A. The details relating to deposits, covered under Chapter V of the Act,-
 - a) accepted during the year: NIL;
 - b) remained unpaid or unclaimed as at the end of the year: NIL;
 - c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
 - i. at the beginning of the year: NIL;
 - ii. maximum during the year: NIL;
 - iii. at the end of the year: Nil;
 - B. The details of deposits which are not in compliance with the requirements of Chapter V of the Act:: NIL;
23. **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:** NIL
24. **Auditors:** M/s. Bansal Bansal & Co, Chartered Accountants, who are the Statutory Auditors of the Company, hold office till the conclusion of the forthcoming AGM and are not eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed there under, it is proposed to appoint M/s. Dalal & Kala Associates as statutory auditors of the Company from the conclusion of the Eighth Annual General Meeting (AGM) till the conclusion of Thirteenth Annual General Meeting (AGM).
The Company has received a Certificate from them that their appointment, if made, would be within the limits and that they are not disqualified for such an appointment under the Companies Act, 2013. Their appointment is recommended by the board.
25. **Brief description of the Company's working during the year:** The Company has only one Manufacturing unit at wada.
26. **Details in respect of adequacy of internal financial controls with reference to the Financial Statements: :**
The Company has adequate internal financial control with reference to the financial statement as all the works relating to financial statement is done from the corporate office of the Company. If any, deviation noticed related to sales and purchase it would be rectified immediately.
27. **Share Capital**
- A) **Issue of equity shares with differential rights:**
No Equity Shares with differential rights were issued during the financial year 2015-16 as provided in rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014.
 - B) **Issue of sweat equity shares:**
No Sweat Equity Shares were issued during the financial year 2015-16, as provided in rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014.
 - C) **Issue of employee stock options:**
No employee stock options were issued during the financial year 2015-16, as provided in rule 12 (9) of Companies (Share Capital and Debentures) Rules, 2014.
 - D) **Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:**
There is no such provision is made for the relevant financial year as provided in rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014.
28. **Secretarial Audit Report:** A Secretarial Audit Report given by M/s. Bhuvnesh Bansal & Associates, a company secretary in practice shall be annexed with the report. **(Annexure 4)**

29. **Management's Discussion and Analysis Report:**

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management's Discussion and Analysis Report, which forms part of this Report. (Annexure 5)

30. **Corporate Governance:**

We adhere to the principal of Corporate Governance mandated by the Securities and Exchange Board of India (SEBI) and have implemented all the prescribed stipulations. As required by Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance forms part of this Report. The Auditors' Certificate on compliance with Corporate Governance requirements by the Company is attached with the Corporate Governance Report. (Annexure 6).

31. **Tax Provisions:**

The Company has made adequate provisions as required under the provisions of Income Tax Act, 1961, as well as other relevant laws governing taxation on the company.

Acknowledgement:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**By order of the Board of Directors,
For Bil Energy Systems Limited**

**Lalit Laxiram Agarwal
DIN: 06427436
Chairman**

Mumbai, 30th May, 2017

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2017**

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

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L28995MH2010PLC199691
2	Registration Date	04/02/2010
3	Name of the Company	BIL ENERGY SYSTEMS LIMITED
4	Category/ Sub-Category of the Company	Company Limited by shares/ Indian Non-Government Company
5	Address of the Registered office and contact details	2nd Floor, Vikas Chamber, Link & Marve Road, Malad (West), Mumbai- 400064, Maharashtra
6	Whether listed company	Yes
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. Link Intime India Private Limited C 101, 247 Park, L.B.S. Marg, Vikhroli- West, Mumbai - 400083 Phone - 022 49186000/6260 Email: rnt.helpdesk@linkintime.co.in

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:

Sr No	Name and Des. of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Electrical Lamination	3110	21.91
2	Iron and Steel	2711	68.46

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name & Address of The Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
	Nil				

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

a. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	35539510	0	35539510	33.62	35539510	0	35539510	33.62	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	13926110	0	13926110	13.17	13926110	0	13926110	13.17	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (1):	49465620	0	49465620	46.79	49465620	0	49465620	46.79	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other -Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+ (A)(2)	49465620	0	49465620	46.79	49465620	0	49465620	46.79	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/ FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0

e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	1748050	0	1748050	1.65	1748050	0	1748050	1.65	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Ven. Cap Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):	1748050	0	1748050	1.65	1748050	0	1748050	1.65	0
2. Non-Institutions	0	0	0	0	0	0	0	0	0
a) Bodies Corp.									
i) Indian	17292963	5000	17297963	16.36	19540947	5000	19545947	18.49	2.13
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lacs	9684375	416410	10100785	9.56	10716494	383410	11099904	10.50	0.94
ii) Individual shareholders holding nominal share capital > Rs 1 lacs	26957635	0	26957635	25.50	15875889	0	15875889	15.02	-10.48
c) Others (specify)	137947	0	137947	0.13	7972590	0	7972590	7.54	7.41
Sub-total (B)(2):	54072920	421410	54494330	51.55	54105920	388410	54494330	51.55	0.00
Total Public Shareholding (B)= (B)(1) + (B)(2)	55820970	421410	56242380	53.21	55853970	388410	56242380	53.21	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	10528659	421410	10570800	100	10531959	388410	10570800	100	0
	0		0		0		0		

b. Shareholding of Promoters:

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of year			% of change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/ Encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ Encumbered to total shares	
1	Abhishek Naresh Choudhary	3000	0.00	0.00	3000	0.00	0.00	0
2	Anandilal Choudhary	298000	0.28	100.00	298000	0.28	100.00	0
3	Anandilal Choudhary (HUF)	126000	0.12	0.00	126000	0.12	0.00	0
4	Bilpower Limited	5286770	5.00	12.29	5286770	5.00	12.29	0
5	Choudhary Global Ltd	8639340	8.17	100.00	8639340	8.17	100.00	0
6	Harsh Choudhary	1686000	1.59	11.03	1686000	1.59	11.03	0
7	Manjulata Rajendrakumar Choudhary	1671600	1.58	0.00	1671600	1.58	0.00	0
8	Naresh Kumar Choudhary (HUF)	5578120	5.28	89.64	5578120	5.28	89.64	0
9	Naresh Kumar Choudhary	1250000	1.18	0.00	1250000	1.18	0.00	0
10	Nirmaladevi Choudhary	200000	0.19	0.00	200000	0.19	0.00	0
11	Pooja Choudhary	88000	0.08	0.00	88000	0.08	0.00	0
12	Prabhadevi Choudhary	653830	0.62	0.00	653830	0.62	0.00	0
13	Rajendrakumar Choudhary(HUF)	13729000	12.99	99.27	13729000	12.99	99.27	0
14	Rajendrakumar Choudhary	3818660	3.61	98.14	3818660	3.61	98.14	0
15	Ravi Choudhary	200000	0.19	0.00	200000	0.19	0.00	0
16	Sureshkumar Choudhary (HUF)	471470	0.45	0.00	471470	0.45	0.00	0
17	Sureshkumar Choudhary	5576830	5.28	0.00	5576830	5.28	0.00	0
18	Varshadevi Choudhary	189000	0.18	0.00	189000	0.18	0.00	0

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

Change in Promoters' Shareholding	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Abhishek Naresh Choudhary	3000	0.00	3000	0.00
Anandilal Choudhary	298000	0.28	298000	0.28
Anandilal Choudhary (HUF)	126000	0.12	126000	0.12
Bilpower Limited	5286770	5.00	5286770	5.00
Choudhary Global Ltd	8639340	8.17	8639340	8.17
Harsh Choudhary	1686000	1.59	1686000	1.59
Manjulata Rajendrakumar Choudhary	1671600	1.58	1671600	1.58
Naresh Kumar Choudhary (HUF)	5578120	5.28	5578120	5.28
Naresh Kumar Choudhary	1250000	1.18	1250000	1.18
Nirmaladevi Choudhary	200000	0.19	200000	0.19
Pooja Choudhary	88000	0.08	88000	0.08
Prabhadevi Choudhary	653830	0.62	653830	0.62
Rajendrakumar Choudhary(HUF)	13729000	12.99	13729000	12.99
Rajendrakumar Choudhary	3818660	3.61	3818660	3.61
Ravi Choudhary	200000	0.19	200000	0.19
Sureshkumar Choudhary (HUF)	471470	0.45	471470	0.45
Sureshkumar Choudhary	5576830	5.28	5576830	5.28
Varshadevi Choudhary	189000	0.18	189000	0.18
Total	49465620	46.79	49465620	46.79
Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer/bonus/ sweat equity etc)	No changes during the year			
At the end of the year				
Abhishek Naresh Choudhary	3000	0.00	3000	0.00
Anandilal Choudhary	298000	0.28	298000	0.28
Anandilal Choudhary (HUF)	126000	0.12	126000	0.12
Bilpower Limited	5286770	5.00	5286770	5.00
Choudhary Global Ltd	8639340	8.17	8639340	8.17
Harsh Choudhary	1686000	1.59	1686000	1.59
Manjulata Rajendrakumar Choudhary	1671600	1.58	1671600	1.58
Naresh Kumar Choudhary (HUF)	5578120	5.28	5578120	5.28
Naresh Kumar Choudhary	1250000	1.18	1250000	1.18
Nirmaladevi Choudhary	200000	0.19	200000	0.19
Pooja Choudhary	88000	0.08	88000	0.08
Prabhadevi Choudhary	653830	0.62	653830	0.62
Rajendrakumar Choudhary(HUF)	13729000	12.99	13729000	12.99
Rajendrakumar Choudhary	3818660	3.61	3818660	3.61
Ravi Choudhary	200000	0.19	200000	0.19
Sureshkumar Choudhary (HUF)	471470	0.45	471470	0.45
Sureshkumar Choudhary	5576830	5.28	5576830	5.28
Varshadevi Choudhary	189000	0.18	189000	0.18
Total	49465620	46.79	49465620	46.79

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

Names of the Top Ten Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Anurag Gupta HUF	5057006	4.78	5952775	5.63
Aruna Agrawal	3250000	3.07	3250000	3.07
Nirshilp Securities Pvt. Ltd	3000430	2.84	3000430	2.84
Keshav Securities Pvt. Ltd.	2500000	2.37	2500000	2.37
Alken Management & Financial Services Pvt. Ltd.	2280000	2.16	2280000	2.16
Anurag Gupta	2273599	2.15	2275899	2.15

Clairant Trading Private Limited	2335364	2.91	2228774	2.11
Navneet Mittal	2775806	2.63	1278006	1.21
Jagdishchander Ramkumar Bansal	1997920	1.89	1997920	1.89
Abhivadan Properties Private Limited	2080534	1.97	2080534	1.97

Note: The Change in the Shareholding of the above shareholders was due to buying / selling of shares by them on various dates.

The Company has not allotted any shares, issued bonus/sweat equity shares during the year.

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

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	3100	0.00	3100	0.00
Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc)				
At the End of the year	3100	0.00	3100	0.00

V. INDEBTEDNESS:

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	7969.01	10	0	7979.01
ii) Interest due but not paid	574.20	0	0	574.20
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	8543.21	10	0	8553.21
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	0	10	0	10
Net Change	0	-10	0	-10
Indebtedness at the end of the financial year				
i) Principal Amount	7969.01	0	0	7979.01
ii) Interest due but not paid	574.20	0	0	574.20
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	8543.21	0	0	8543.21

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr No	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1	Gross salary	Chandrashekhar Trivedi	40000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		Nil
2	Stock Option		Nil
3	Sweat Equity		Nil
4	Commission -as % of profit - others, specify...		Nil
5	Others, please specify		Nil
	Total (A)		40000
	Ceiling as per the Act		NIL

B. Remuneration to other directors:

Sr no	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	Suresh More	195184
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		195184
	Overall Ceiling as per the Act		

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

(In Rs. Per Annum)

Sr no	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CS	CFO	
1	Gross salary	-	123079	240000	363079
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit others, specify...	-	-	-	-
5	Others, please specify (Professional fee)	-	-	-	-
	Total	-	123079	240000	363079

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

By order of the Board of Directors,
For Bil Energy Systems Limited

Lalit Laxiram Agarwal
DIN: 06427436
Chairman

Mumbai, 30th May, 2017

Annexure 2 to the Directors' Report

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Date	Particulars of inter-corporate loans, Investments etc	Name of the body corporate	Aggregate amount of loans, investments during the year (for each body corporate)	Relation with such body corporate (whether it is holding, subsidiary or associates)	Remarks
15-03-17	Loan given	Abhishek Agarwal	1000000		
24-01-17	Loan given	Dilip Agarwal	200000		
09-03-17	Loan given	Lata Agarwal	3500000		
14-03-17	Loan given	Supreme Pharma healthcare Limited	2800000		

**By order of the Board of Directors,
For Bil Energy Systems Limited**

**Lalit Laxiram Agarwal
DIN: 06427436
Chairman**

Mumbai, 30th May, 2017

Annexure 3 to the Directors' 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 arm's length transactions under third proviso thereto.

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

- (a) Name(s) of the related party and nature of relationship: **NIL**
- (b) Nature of contracts/ arrangements/ transactions: **NIL**
- (c) Duration of the contracts / arrangements/transactions: **NIL**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **NIL**
- (e) Justification for entering into such contracts or arrangements or transactions: **NIL**
- (f) date (s) 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 arrangement or transactions at arm's length basis:

- I. (a) Name(s) of the related party and nature of relationship: **TRC Power, Proprietary Concern of Relative of KMP**
- (b) Nature of contracts/arrangements/transactions: **Sale of goods**
- (c) Duration of the contracts/ arrangements/ transactions: **During the year 2016-17**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Rs.17.96 Lacs.**
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: **NIL**
- II. (a) Name(s) of the related party and nature of relationship: **Rajendrakumar Choudhary, KMP**
- (b) Nature of contracts/arrangements/transactions: **Receiving of Services & Loans & Advances Given**
- (c) Duration of the contracts/ arrangements/ transactions: **During the year 2016-17**

- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Rs.2.40 Lacs & 6.12 Lacs respectively**
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: **NIL**
- III. (a) Name(s) of the related party and nature of relationship: **Chandrashekhar Trivedi, KMP**
- (b) Nature of contracts/arrangements/transactions: **Receiving of Services**
- (c) Duration of the contracts/ arrangements/ transactions: **During the year 2016-17**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Rs.0.40 Lacs.**
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: **NIL**
- IV. (a) Name(s) of the related party and nature of relationship: **Suresh More, KMP**
- (b) Nature of contracts/arrangements/transactions: **Receiving of Services & Loans & Advance Given**
- (c) Duration of the contracts/ arrangements/ transactions: **During the year 2016-17**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Rs.1.95 Lacs & 1.10 Lacs Respectively**
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: **NIL**
- V.(a) Name(s) of the related party and nature of relationship: **Tarapur Transformers Ltd, Associate Company.**
- (b) Nature of contracts/arrangements/transactions: **Purchase of Goods & Loans & Advances taken & given**
- (c) Duration of the contracts/ arrangements/ transactions: **During the year 2016-17**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Rs. 134.23 Lacs and Rs. 65.79 Lacs & Rs. 0.11 Lacs respectively**
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: **NIL**
- VI. (a) Name(s) of the related party and nature of relationship: **Bilpower Limited, Associate Company**
- (b) Nature of contracts/arrangements/transactions: **Loan and Advance given**
- (c) Duration of the contracts / arrangements/transactions: **During the year 2016-17**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Rs. 3.00 Lacs**
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: **NIL**
- VII. (a) Name(s) of the related party and nature of relationship: **Choudhary Global Limited, Company of relative of KMP**
- (b) Nature of contracts/arrangements/transactions: **Loan and Advance given**
- (c) Duration of the contracts / arrangements/transactions: **During the year 2016-17**
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **Rs. 3.94 Lacs**
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any: **NIL**

By order of the Board of Directors,
For Bil Energy Systems Limited

Lalit Laxiram Agarwal
DIN: 06427436
Chairman

Mumbai, 30th May, 2017

**SECRETARIAL AUDIT REPORT
FORM NO. MR - 3**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

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

To,
The Members,
Bil Energy Systems Limited
Vikas Chamber, 2nd Floor,
Link & Marve Road, Malad (West),
Mumbai - 400064

I have conducted the secretarial audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by Bil Energy Systems Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/Statutory compliances and expressing my opinion thereon.

Based on my verification of Bil Energy Systems Limited's books, papers, minute books, form 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 March 31, 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, form and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (2) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (3) The Depository Act, 1996 and the Regulations and bye-laws framed thereunder;
- (4) Foreign Exchange Management Act 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (5) The following Regulation and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the Audit period)**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
 - f. The Securities and Exchange Board of India (Registration to an Issue and Share Transfer Agents) Regulation, 1993, regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period)** Factory Act, 1948
- (6) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- (7) Factories Act, 1948
- (8) Industrial Dispute Act, 1947
- (9) Payment of Wages Act, 1936 and other applicable labour laws
- (10) Minimum Wages 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

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

I further report that the Board of Directors of the Company is duly constituted with Proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that the Company has granted interest free unsecured loans and advances to parties covered in the register maintained under Section 189 of the Companies Act, 2013.

I further report that the Company have not been complied the provisions of Section 185 and Section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

I further report that as per the provisions of the Section 137 of the Companies Act, 2013 read with Rule 12(2) of the Companies (Accounts) Rules, 2014 the Company has failed to file financial Statement for financial year 2015-16 with the Registrar of Companies.

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

I further report that during the audit period, there were no instances of:

- (i) Public/Right/ preferential issue of shares/ debentures/ sweat equity.
- (ii) Redemption/ buy-back of securities.
- (iii) Merger/ amalgamation/ reconstruction etc.
- (iv) Foreign technical collaborations.

Place: Mumbai
Date: 30th May, 2017

For Bhuwadesh Bansal & Associates

Bhuwadesh Bansal
Proprietor
FCS No. - 6526
CP No.- 9089

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

'Annexure A'

To,
The Members
Bil Energy Systems Limited
Vikas Chamber, 2nd Floor,
Link & Marve Road, Malad (West),
Mumbai - 400064

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

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

Place: Mumbai
Date: 30th May, 2017

For Bhuwadesh Bansal & Associates

Bhuwadesh Bansal
Proprietor
FCS No. - 6526
CP No. - 9089

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

BACKGROUND

Bil Energy Systems Limited manufactures Stamping Rotating Machines and Transformer core and Laminations. It is specialized in tailor-made circular stampings up to 1400 mm diameter and segmental stampings of width up to 1250 mm with focused end products for Alternators (Domestic / Industrial), Motors (Micro/ HT/ LT), Wind Mill Generators, Hydro Generators, Turbo Generators, Compressors for Air conditioners and Refrigerators, AC / DC Motors for Agriculture Pumps, Fans, Computer transformer and Ballasts. The Company also has a wide range of IEC frame tools to manufacture circular stampings. As regards Transformer Cores and Lamination, the Company manufactures the same in various shapes and sizes up to 1000 mm width and also rectangular shaped cores with or without holes. The facility is in place to meet customer specific requirements. Rotors are supplied either loose wire tied, welded or aluminum die-casted. Further, stampings made out of semi-processed steel is decarbed, annealed and blued at the Company's unit itself. The Company is fully equipped with Continuous burn-off, decarb annealing and blueing furnace.

INDUSTRY STRUCTURE AND DEVELOPMENTS

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

India ranks third among 40 countries in EY's Renewable Energy Country Attractiveness Index, on back of strong focus by the government on promoting renewable energy and implementation of projects in a time bound manner.

Indian power sector is undergoing a significant change that has redefined the industry outlook. Sustained economic growth continues to drive electricity demand in India. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower).

Total installed capacity of power stations in India stood at 330,260.53 Megawatt (MW) as on May, 2017.

The Ministry of Power has set a target of 1,229.4 billion units (BU) of electricity to be generated in the financial year 2017-18, which is 50 BU's higher than the target for 2016-17. The annual growth rate in renewable energy generation has been estimated to be 27 per cent and 18 per cent for conventional energy.

The Government has added 10.2 Giga Watts (GW) of conventional energy generation capacity and 12.5 GW of renewable energy capacity in Financial Year 2017

Under the 12th Five Year Plan, the Government has added 93.5 GW of power generation capacity, thereby surpassing its target of 88.5 GW during the period.

India has become an associate member of the International Energy Agency (IEA), which makes the Paris-based body more significant, indicating India's growing prominence in playing an important role in the global energy dialogue, according to the IEA.

The Government of India plans to auction coal blocks for commercial mining by the end of December 2017, which would end the monopoly of state-run firms in coal mining and help in achieving the country's target of producing 1 billion tonnes of coal by 2020.

The Cabinet Committee on Economic Affairs (CCEA) has approved the enhancement of capacity of the Scheme for Development of Solar Parks and Ultra Mega Solar Power Projects from 20,000 megawatt (MW) to 40,000 MW, which will ensure setting up of at least 50 solar parks each with a capacity of 500 MW and above in various parts of the country.

OPERATING RESULTS OF THE COMPANY

The Financial Statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Accounting Standards (AS) notified by the Companies (Accounting Standard) Rules, 2006.

The salient features of the Company's performance are:

- Total Sales of Rs. 2751.68 Lacs
- Net Loss of Rs.80.54 Lacs

The Company has a net worth of about Rs. 2361.02 Lacs as on 31st March, 2016.

OUTLOOK FOR THE COMPANY

With the Central and State Governments promoting Renewable Energy and increased awareness for sustainable energy, the future outlook for the renewable industry is looking very positive. The Company's customers list, which includes well respected big companies and our product acceptability, give us hope to overcome the losses and post a decent top-line and bottom-line in the ensuing year.

HUMAN RESOURCES AND INDUSTRIAL RELATION:

Your Company strongly believes that employees are central to the Company's transformation agenda and that it is important to build capabilities of employees to handle both current and future needs. During the year, the Company worked extensively on identifying the needs of employees across all categories and level. The Company has built a young and vibrant team of qualified and competent professionals to meet the emerging business challenges and market competition.

RISK AND CONCERNS

The Company has to mainly depend on foreign suppliers for import of CRGO and CRNGO. Any delay in procurement of the same would impact the financials of the Company. However, the Company has tied up with major players and has developed a strong relationship with these suppliers. Further, increase in the prices of Electrical Steel would also have an impact on the bottom line of the company. However, it is an established pattern of the company that any escalation in the cost is passed on to the customers to ensure that margins are not affected. While this is the broad understanding with the customers, they may not absorb the increase in raw material cost to full extent at all times and it may not be with immediate effect in all situations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

In the Company, the Board of Directors is responsible for ensuring that internal financial controls have been laid down in the Company and that such controls are adequate and are functioning effectively. Bil Energy Systems Limited has policies, procedures, control frameworks and management systems in place that map into the definition of Internal Financial Controls as detailed in the Companies Act, 2013. These have been established at the entity and process levels and are designed to ensure compliance to internal control requirements, regulatory compliance and appropriate recording of financial and operational information.

Internal Financial Controls that encompass the policies, processes and monitoring systems for assessing and mitigating operational, financial and compliance risks and controls over related party transactions, substantially exist. The senior management reviews and certifies the effectiveness of the internal control mechanism over financial reporting, adherence to the code of conduct and Company's policies for which they are responsible and also the compliance to established procedures relating to financial or commercial transactions, where they have a personal interest or potential conflict of interest, if any.

CAUTIONARY STATEMENT

Statements in the Management's Discussion and Analysis report, describing the Company's objectives, projections and estimates, are forward-looking statements and progressive within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental/related factors.

**By order of the Board of Directors,
For Bil Energy Systems Limited**

**Lalit Laxiram Agarwal
DIN: 06427436
Chairman**

Mumbai, 30th May, 2017

COMPLIANCE REPORT ON CORPORATE GOVERNANCE

(As required under Regulation 34(3) of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015)

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of maximizing stakeholders' value and discharge of social responsibility. The Corporate Governance structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees etc.

In addition to these, the Company has also adopted the requirements of Corporate Governance under SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, the disclosure requirements of which are given below:

MANDATORY REQUIREMENTS:

1. **A brief statement on Company's Philosophy on Corporate Governance:** The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders.

2. **Board of Directors (Board):**

a) **Board Composition:**

The Board of the Company should consist of optimum combination of Executive, Non Executive – Independent Directors, which should be in conformity with the requirement of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015.

The present strength of the Board is Four (4) Directors, comprising of One Promoter Directors, One Executive Director and Two Independent Directors. The Board Members possess the skills, expertise & experience necessary to guide the Company.

Name of Director	Category of Directorship	Designation
(1) *Mr. Chandrashekhar Trivedi	Executive	Managing Director
(2) Mr. Sureshkumar Anandilal Choudhary	Promoter – Non-Executive	Director
(3) Ms. Kiren Shrivastav	Independent – Non Executive	Director
(4) Mr. Suresh Sakharan More	Independent – Non Executive	Director
(5) *Mr. Lalit Laxiram Agarwal	Executive	Managing Director

*(1) Mr. Chandrashekhar Trivedi resigned w.e.f. 30.05.16 *(5) Mr. Lalit Laxiram Agarwal appointed as Managing Director w.e.f. 14.02.17

b) **Board Meetings and attendance of Directors:**

During the financial year ended on 31st March, 2017, Four (5) Board Meetings were held on the following dates:

30th May, 2016, 12th August, 2016, 11th November, 2016, 09th December, 2016 and 14th February, 2017.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board members to discharge their responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as part of Agenda Papers, the same are tabled at the meeting or / and the presentations are made by the concerned managers to the Board. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings. The attendance at the Board Meetings held during the year and attendance at the last Annual General Meeting, number of directorships in other Public Limited companies and membership/ chairmanship in committees across various companies of which the Director is a Member / Chairman are given below: -

Name of Directors	No. of Board Meetings Attended	Attendance at last AGM held on 29.9.16	# Directorship held in other Companies	Committee Memberships	
				Chairmanships	
				Members	Chairman
* ⁽¹⁾ Mr. Suresh kumar Choudhary	Nil	Absent	- Bilpower Ltd - Choudhary Global Ltd	3	-
* ⁽²⁾ Mr. Chandrashekhar Trivedi	1	Absent	-Bilpower Ltd -Tarapur Transformers Ltd	-	-
* ⁽³⁾ Ms. Kiren Shrivastav	5	Absent	-Tarapur Transformers Ltd -Bilpower Ltd.	5	4
* ⁽⁴⁾ Mr. Suresh Sakharam More	5	Present	-Tarapur Transformers Ltd -Bilpower Ltd.	9	-
* ⁽⁵⁾ Lalit Laxiram Agarwal	Nil	Absent	-Tarapur Transformers Ltd -Bilpower Ltd.	1	5

Excluding Private Companies and Companies under Section 8 of the Companies Act, 2013.

*⁽²⁾ Resigned as Director w.e.f 30th May, 2016. *⁽⁵⁾ Appointed as Managing Director w.e.f. 14th February, 2017.

The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 27 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015), across all companies in which they are Director. As per Regulation 27 of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, for the purpose of reckoning the said limit, Chairmanship/membership of the Audit Committee and the Stakeholders Relationship Committee alone shall be considered.

None of the Directors of the Company are related to each other.

c) Information of Directors' Appointment/ Re-appointment:

Appointment as Independent Director:

The Board appointed Ms. Kiren Shrivastav (DIN: 01078946) and Mr. Suresh Sakharam More (DIN: 06873425) as an Independent Directors, in accordance with the Provisions of Section 149 read with Schedule IV of the Companies Act, 2013, to hold office for a term up to five consecutive years on the Board of Directors of the Company with effect from Annual General Meeting dated i.e. 30th September, 2015.

Director retires by rotation:

Mr. Lalit Laxiram Agarwal (DIN: 06427436) who retires by rotation and being eligible offers himself for re-appointment.

Committees of the Board of Directors of the Company:

3. Audit Committee:

a) Composition:

The Audit Committee comprises of experts specializing in accounting/ financial management. The Chairman of the Audit Committee is a "Non-executive Independent Director". The composition of audit Committee is at least three directors with a majority of independent directors is as follows:

Name of the Members	Position	Category
Ms. Kiren Shrivastav	Chairman	Independent & Non Executive Director
Mr. Suresh Sakharam More	Member	Independent & Non Executive Director
Mr. Suresh Kumar Choudhary	Member	Promoter – Non Executive

The terms of reference, role and scope of the Audit Committee are in line with those prescribed by Regulation 18 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The Company also complies with the provisions of Section 177 of the Companies Act, 2013 pertaining to Audit Committee and its functioning. All the members of Audit Committee possess knowledge of corporate finance and accounts.

The Board has delegated the following powers to the Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

During the year 2016-17, four (4) Audit Committee meetings were held on 30th May, 2016, 12th August, 2016, 11th November, 2016 and 14th February, 2017.

b) Power & Terms of Reference:

The Power and terms of reference of the Audit Committee are as mentioned in Regulation 18 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges and includes overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance issue and issues related to risk management and compliances.

4. Nomination and Remuneration Committee:

a) Composition:

In terms of Section 178(1) of the Companies Act, 2013, the Company reconstituted the Company's Remuneration Committee as Nomination and Remuneration Committee (NRC).

The Nomination and Remuneration Committee comprises of three (3) members. The composition of Nomination and Remuneration Committee is as follows:

Name of the Members	Position	Category
Ms. Kiren Shrivastav	Chairman	Independent & Non Executive Director
Mr. Suresh Sakhamore	Member	Independent & Non Executive Director
Mr. Suresh Kumar Choudhary	Member	Promoter - Non Executive

During the year 2016-17, One (1) Nomination and Remuneration Committee meeting was held on 12th February, 2017.

b) Terms of Reference:

The broad terms of reference of the committee are to identify persons who are qualified to become directors and senior management personnel, to appraise the performance of Chairman, Managing Director, Whole Time Directors and Key Managerial Personnel and to determine and recommend to the Board compensation payable to Chairman, Managing Director, Whole Time Directors and Key Managerial Personnel. The Remuneration policy of the Company is based on review of achievements. The remuneration policy is in consonance with the existing industry practice.

c) Remuneration Policy:

Subject to approval of the Board of Directors and subsequent approval by the members at the Annual General Meeting and such authorities as the case may be, remuneration of Chairman, Managing Director, Whole Time Directors and Key Managerial Personnel is fixed by the Nomination and Remuneration Committee. The remuneration is decided by the Nomination and Remuneration Committee taking into consideration various factors such as qualifications, experience, expertise, prevailing remuneration in the competitive industries, financial position of the company etc.

5. Stakeholders Relationship Committee:

a) Composition:

In terms of Section 178(5) of the Companies Act, 2013, the Company has rechristened the Shareholders' / Investors' Grievance Committee as Stakeholders Relationship Committee (SRC).

The Board has delegated the powers to approve transfer of shares etc. to this Committee of Three (3) Directors. The quorum for functioning of the committee is any two (2) Directors present. The composition of Stakeholders Relationship Committee is as follows:

Name of the Members	Position	Category
Ms. Kiren Shrivastav	Chairman	Independent & Non Executive Director
Mr. Suresh Sakhamore	Member	Independent & Non Executive Director
Mr. Suresh Kumar Choudhary	Member	Promoter - Non Executive

During the year 2016-17, no Stakeholders Relationship Committee meeting was held.

There were no pending Transfers/ Demats as on 31st March, 2017.

b) **Terms of Reference:**

The Committee looks into redressal of Investors Complaints and requests such as delay in transfer of shares, non-receipt of Dividend, Annual Report, revalidation of Dividend warrants etc.

The committee deals with various matters relating to -

- Transfer/ transmission of shares.
- Issue of share certificate in lieu of lost, sub-divided, consolidated, rematerialized or defaced certificates.
- Consolidation/ splitting of folios.
- Review of shares dematerialized and all other related matters.
- Investors' grievance and redressal mechanism and recommend measures to improve the level of investors' services.

The Secretarial Department of the Company and Registrar and Share Transfer Agents viz. Link Intime India Private Limited attend expeditiously to all grievances/ correspondences of the shareholders/ investors, received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies etc. The complaints are generally resolved within 15 days of receipt of letter, except in the cases that are constrained by disputes or legal impediment.

c) **Information on Investor Grievances for the period from 01st April, 2016 to 31st March, 2017:**

Brought Forward	Received Afresh	Disposed	Carried Over
Nil	0	0	Nil

d) **Compliance Officer:**

Ms. Astha Rathi, Company Secretary, is the compliance officer for complying various provision and requirement of the SEBI, the Listing Agreements with the BSE & NSE.

6. **Independent Directors Meeting:**

During the reporting financial year, a separate Meeting of the Independent Directors of the Company was held on 31st March, 2017 where at the following items as enumerated under Schedule IV to the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulation, 2015 were set out as the Agenda:

1. To Review the performance of the non-independent directors and the Board as a whole;
2. To Review the performance of the chairperson of the Company, taking in to account the views of executive directors and non-executive directors;
3. To assess the quality, quantity and timeliness of flow of information between the management of the Company and Board.

Code of Conduct and Ethics for Directors and Senior Management:

The Company has laid down a code of conduct for all Board members and senior management personnel of the Company. A copy of the Code of conduct is available on the Company's website www.bilenergy.com

The Code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director is given below:

"I hereby confirm that -

The Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management in respect of the Financial Year 2016-17."

Lalit Laxiram Agarwal
DIN: 06427436
Chairman

7. **General Body Meetings:**

a) **Details of the last three Annual General Meetings of the Company is given below:**

Financial Year	AGM	Date	Locations	Time	No. of Special Resolutions Passed
2013-14	5th	29.09.2014	IJMMA, 1036/37/38, 10th Floor, IJMIMA Complex, Raheja Metroplex, Link Road, Behind Goregaon Sports Club, Malad (W), Mumbai-400 064	3.00 p.m.	Nil
2014-15	6th	30.09.2015	2nd Floor, Vikas Chambers, Junction of Link & Marve Road, Malad (W), Mumbai-400 064	1.00 p.m.	3
2015-16	7th	29.09.2016	2nd Floor, Vikas Chambers, Junction of Link & Marve Road, Malad (W), Mumbai-400 064	1.00 p.m.	Nil

Details of Special Resolutions passed in the previous three AGMs

Date of AGM	Particulars of Special Resolutions passed thereat
29.09.2014	No Special Resolution was passed at this AGM
30.09.2015	1) Appointment of Ms. Kiren Shrivastav as an Independent Director of the Company for a period of five (5) years from 30 th September, 2015 to 29 th September, 2020 2) Appointment of Mr. Suresh More as an Independent Director of the Company for a period of five (5) years from 30 th September, 2015 to 29 th September, 2020 3) Appointment of Mr. Chandrashekhar Trivedi as an Managing Director of the Company for a period of five (5) years from 30 th September, 2015 to 29 th September, 2020
29.09.2016	No Special Resolution was passed at this AGM

- b) No resolution was put through Postal Ballot during the year under reference.
c) No Extra Ordinary General Meeting of the Company was held during the year.

8. **Subsidiary Company:**

The Company does not have any subsidiary company in term of Regulation 24 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and hence, it is not required to have an independent director of the Company on the board of such subsidiary company.

9. **Compliance with other mandatory requirements:**

1) **Disclosures:**

a) **Materially significant related party transactions:**

All transactions entered into with related parties as defined under the Companies Act, 2013 and Regulation 23 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 during the year were on an arm's length price basis and in the ordinary course of business. These have been approved by the Audit Committee. The Board of Directors have approved and adopted a policy on Related Party Transactions and the same has been uploaded on the website of the Company and can be accessed at www.bilenergy.com. There were no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, directors or the management, their subsidiary or relatives etc. during the year, that may have potential conflict with interest of the Company at large.

b) **Disclosure of accounting treatment:**

In the preparation of financial statements, the Company has followed the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India to the extent applicable.

c) **Disclosure of Risk Management:**

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedure. These would be periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.

d) **CEO/CFO Certification:**

In line with the requirements of Regulation 17 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Finance Officer of the Company has submitted the CEO/CFO Certification, certifying to the Board inter alia that the Financial Statements and the Cash Flow Statements for the financial year ended on 31st March, 2017 were reviewed to the best of his knowledge and belief, that they do

not contain any untrue statement, omit any material facts, are not misleading statements, together present a true and fair view and are in compliance with applicable laws and regulations.

e) **Statutory Compliance, Penalties and Strictures:**

The Company has complied with all requirements of the Listing Agreements entered with Stock Exchanges as well as applicable regulation and guidelines of SEBI. There were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any Statutory Authorities for non-compliance of any matter related to the capital markets during the last three years.

f) **Whistle Blower Policy:**

The Board of Directors of the Company has adopted a Whistle Blower Policy for establishing a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The said policy has been posted on the Company's website. The Company affirms that no employee has been denied access to the Audit Committee.

10. **Means of Communication:**

Quarterly / Half yearly financial results sent to each shareholder's residence.	No, but published in the newspapers
In Which Newspapers Quarterly, half yearly & annual results were normally Published.	English: Business Standard, Active Times Marathi: Mumbai Lakshadweep, Mahanayak
Any website, where results or official news are displayed.	www.bseindia.com, www.nseindia.com www.bilenergy.com

NSE Electronic Application Processing System (NEAPS) and BSE Online Portal: The Company also submits to NSE, all disclosures and communications through NSE's NEAPS portal. Similar filings are made to BSE on their Online Portal - BSE Corporate Compliance & Listing Centre.

Extensive Business Reporting Language (XBRL): The Company has filed Balance sheets and Profit and Loss statements on MCA through XBRL.

11. **General Shareholder Information:**

a) **8th Annual General Meeting:**

Date	25 th September, 2017
Venue	Landmark Residency, Banquet Hall, B.J. Patel Road (Liberty Garden Raod) Opp. S.N.D.T. College & Vodafone Store, Malad - West, Mumbai - 400 064.
Day and Time	Monday, 3.00 p.m.

b) **Financial Year:**

The Company follows the period of 01st April to 31st March, as the Financial Year. For the Financial Year 2017-18, Financial Results will be announced as per the following tentative schedule

1st Quarter ending June, 2017	By 14th August, 2017
2nd Quarter & Half Year ending September, 2017	By 14th November, 2017
3rd Quarter ending December, 2017	By 15th February, 2018
4th Quarter / year ending March, 2018	Within 60 days from 31 st March, 2018
Annual General Meeting for the Year 2017-18	By September, 2018

c) **Book Closure Date:**

Date of Book Closure	Tuesday, September 19, 2017 to Monday, September 25, 2017 (both days inclusive)
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d) **Listing on Stock Exchanges:**

The Shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE).

e) **Listing Fees to Stock Exchanges:**

The Company has not paid the Listing Fees for the year 2017-18 to both the above exchanges.

f) Custodial Fees to Depositories:

The Company has not paid the custodial fees for the year 2017-18 to National Securities Depository Limited (NSDL) as the bill for the financial year was not generated and provided by from the depository.

g) Stock Code / Symbol:

Bombay Stock Exchange Ltd. (BSE)	533321
National Stock Exchange of India Ltd. (NSE)	BILENERGY - EQ
International Securities Identification Number (ISIN)	INE607L01029
Corporate Identity Number (CIN) Allotted by the Ministry of Corporate Affairs (MCA)	L28995MH2010PLC199691

h) Stock Market Price Data for the year 2016-17

i) :

Month	BSE Share Price (Rs.)				NSE Share Price (Rs.)			
	Open	High	Low	Close	Open	High	Low	Close
Apr 16	0.97	1.10	0.86	0.99	1.00	1.15	0.90	1.00
May 16	1.08	1.13	0.94	0.97	1.00	1.00	0.80	0.90
June 16	0.97	1.19	0.74	1.10	0.85	1.20	0.75	1.10
July 16	1.06	1.15	0.95	0.96	1.05	1.15	0.90	0.95
Aug 16	0.99	1.19	0.84	0.90	0.90	1.10	0.85	0.90
Sep 16	0.85	1.08	0.58	0.78	0.85	1.00	0.65	0.75
Oct 16	0.71	0.96	0.70	0.80	0.75	0.85	0.70	0.80
Nov.16	0.96	0.96	0.75	0.85	0.95	1.00	0.70	0.80
Dec 16	0.80	0.95	0.61	0.66	0.80	0.90	0.65	0.70
Jan 17	0.65	0.90	0.61	0.67	0.65	0.80	0.65	0.70
Feb 17	0.70	0.81	0.66	0.75	0.70	0.80	0.65	0.75
Mar 17	0.75	0.78	0.65	0.67	0.70	0.70	0.60	0.65

- Source : www.bseindia.com & www.nseindia.com

j) Registrar and Share Transfer Agent:

Share transfers and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent viz. Link Intime India Private Limited.

M/s. Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg,

Vikhroli- West, Mumbai - 400083

Phone - 022 49186000/6260

Email: rnt.helpdesk@linkintime.co.in

k) Share Transfer System:

Presently, the share transfers received by the Registrar and Share Transfer Agent of the Company viz. Link Intime India Private Limited are processed and returned within a period of 15 days from the date of its receipt, subject to documents being valid and complete in all respect. The Board has delegated the authority for approving the transfers to the Registrar and Share Transfer Agent subject to approval by Stakeholders Relationship Committee. Shareholders' Grievances and other miscellaneous correspondence on change of address, mandates, etc. received from Members are generally processed by Registrar and Share Transfer Agent of the Company within 15 days. The Company obtains from a Company Secretary in practice half yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with BSE and NSE.

l) Distribution of Shareholding as on 31st March, 2017:

Range of Shareholding	Number of Shareholders	% of Total	Amount	% of Total
1 - 5000	4855	90.87	4937759	4.67
5001 - 10000	226	4.23	1877616	1.78
10001 - 20000	92	1.72	1390197	1.32
20001 - 30000	43	0.81	1094621	1.03
30001 - 40000	17	0.32	587629	0.56
40001 - 50000	23	0.43	1087651	1.03
50001 - 100000	28	0.52	2213253	2.09
100001 & above	59	1.10	92519274	87.52
Total	5343	100.00	105708000	100.00

m) **Shareholding pattern (category wise) as on 31st March, 2017:**

Category	Number of Shares held	% of Total Shareholding
Promoters (Incl. Person Acting in Concert)	49465620	46.79
Financial Institutions / Banks	0.00	0.00
Insurance Companies	1748050	1.65
NRI	337719	0.32
Bodies Corporate	19545947	18.50
Public & Others	34610664	32.74
Total	105708000	100.00

n) **Dematerialization of shares and liquidity:**

- About 99.63% of the shares have been dematerialized as on 31st March, 2017.
- Trading in the shares of the Company is permitted in dematerialized form only as per notification issued by SEBI.

o) **E-voting**

E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of companies. The Company will have the E-voting facility for the items to be transacted at this AGM. The MCA has authorized NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with NSDL for providing e-voting facilities to the shareholders.

p) **Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and its impact on equity:**

Nil

q) **Plant / Unit locations:**

The Company's manufacturing unit is situated at Village – Kanchad, Taluka – Wada, Dist – Thane.

r) **Address for correspondence:**

The Compliance Officer,
Bil Energy Systems Limited, 2nd Floor, Vikas Chambers, Link & Marve Road, Malad (West), Mumbai – 400 064
Tel: +91 22 42728080, Fax: +91 22 28811225, Website: www.bilenergy.com, Email – investors@bilenergy.com

NON-MANDATORY REQUIREMENTS:

a) **Nomination and Remuneration Committee:**

The Board has set up a Nomination and Remuneration Committee. Please see details in Para on Nomination and Remuneration Committee.

b) **Shareholder Rights:**

Company's quarterly financials are published in English newspaper having a wide circulation all over India and in a Marathi newspaper widely circulated in Mumbai. The quarterly results and limited review report thereon are also put on the Company's website www.bilenergy.com. The same are not sent to the shareholders of the Company individually.

c) **Whistle Blower Policy:**

The Company has adopted a Whistle Blower Policy. It is also uploaded on Company's website i.e. www.bilenergy.com.

**By Order of the Board of Directors,
For Bil Energy Systems Limited**

**Astha Rathi
Company Secretary**

Mumbai, 30th May, 2017

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE REPORT

To,
**The Members of
Bil Energy Systems Limited**

We have examined all the relevant records of Bil Energy Systems Limited ("the Company") for the purpose of certifying compliance of the conditions of the Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the period from April 01, 2016 to March 31, 2017. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the said Listing Regulations.

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

**Place: Mumbai
Date: 30th May, 2017**

**For Bansal Bansal & Co.
Chartered Accountants
FRN: 100986W**

**Partner
Membership No.: 107624**

CEO / CFO Certification

**The Board of Directors,
Bil Energy Systems Limited**

We, Lalit Laxiram Agarwal, Managing Director and Rajendrakumar Anandilal Choudhary, Chief Financial Officer of Bil Energy Systems Limited, hereby certify to the Board that:

- a) We have reviewed financial statements and the cash flow statement for the year ending 31st March, 2017 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We are responsible for establishing and maintaining internal controls and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) There have been no significant changes in internal control over financial reporting during the year;
 - ii) There have been no significant changes in Accounting Policies during the year and the same have been disclosed in the notes to the financial statements; and
- e) We certify that there have been no instances of significant fraud of which we have become aware and the involvement therein, of management or any employee having significant role in the Company's internal control systems
- f) We affirm that we have not denied any personnel, access to the Audit Committee of the Company (in respect of matters involving alleged misconduct).

**Lalit Laxiram Agarwal
Managing Director**

**Rajendrakumar Choudhary
Chief Financial Officer**

**Place: Mumbai
Dated: May 30, 2017**

To the Members of
BIL ENERGY SYSTEMS LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of Bil Energy Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and 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

Management is responsible for 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 Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of the Company (Accounts) Rules, 2014. This responsibility includes the design, implementation and maintenance of internal control 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 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 misstatements.

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

Basis for Qualified opinion

a) **With regard to pending confirmation of balances**

The company has sent letters to customers in respect of trade receivables for confirming balances outstanding as at March 31, 2017, but in most of the cases the customers have not sent written confirmation confirming the balance outstanding as at March 31, 2017. In the absence of confirmation any provision to be made for adverse variation in the carrying amounts of trade receivable is not quantified.

b) **Regarding non provision of demand of Rs.215.82 Crores received from State Bank of India in respect of Corporate Guarantee given by the company in respect of Loan Facilities availed by Bil Power Limited**

The lender Bank of Bilpower Limited has pursuant to certain corporate guarantees given by the company demanded from the company their dues from Bilpower Limited amounting to Rs.215.82 crores. No provision has been made in the accounts for the probable loss that may arise on account of above demand of Rs.215.82 crores.

c) **Regarding non provision of Interest on various loans availed from State Bank of India for the financial year 2016-17**

The Company has not provided for interest payable to State Bank of India amounting to Rs 1321.55 Lakhs for the year ended 31st March, 2017. The Company has not made any provision for penal interest claimed by the bank. As a result the loss for the year ended 31st March 2017 is understated by Rs. 1321.55 Lakhs & current liabilities as at 31st March 2017 are also understated by Rs. 1321.55 Lakhs and also reserves are overstated by Rs.1321.55 Lakhs. The amount of penal interest cannot be quantified as the details have not been received from the bank. Also the company has not provided for interest amounting to Rs.1179.58 for the financial year 2015-16 and Rs. 1045.12 Lakhs for the financial year 2014-15, as a result the accumulated losses as on 31st March, 2017 are understated by Rs. 3546.23 lakhs and also current liabilities are understated by Rs.3546.25 lakhs. The amount of penal interest cannot be quantified as the details have not been received from the bank.

d) **Regarding interest free loan given by the company.**

Loan and advances given includes 6 parties to whom interest free unsecured loans given of Rs. 191.08 Lakhs.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the basis for qualified opinion paragraph, the said 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; and
- b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.
- 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 ("the Order") issued by the Central Government of India in terms of Sub-Section (11) of Section 143 of the Act, we give in the Annexure a 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 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 appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d) *Except for the effects of the matters described in the basis for qualified opinion paragraph, in our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards Section 133 of the Companies Act, 2013, With Rule 7 of Companies (Accounts) Rules, 2014;*
 - e) On the basis of written representations received from the directors as on March 31, 2017, and 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 clause of Section 164(2) of the Companies Act, 2013;
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There are pending litigations against the company but the impact of such litigation on the financial position of the company is undetermined.
 - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
3. The Company has provided requisite disclosures in its standalone financial statement as to holdings as well as dealings in Specified Bank Notes during the Period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the Company – Refer Note 43 to the Standalone financial statements.

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

Manoj Agrawal
Partner
Membership No.: 107624

Place: Mumbai
Date: 30th May, 2017

Annexure A to Independent Auditor's Report

The annexure referred to in our report to the member of Bil Energy System Limited for the year ended 31st March 2017, we report that:

1. In respect of its Fixed Assets :
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b. As informed to us by the management, the Company has a policy of physically verifying fixed assets in a phased manner over a period which, in our opinion, is responsible having regard to the size of the Company and the nature of its assets. We are informed that there were no material discrepancies noticed on such verification and the same has been properly dealt in the books of account.
 - c. According to the information and explanations given to us, the title deeds of immovable properties of the Company are held in the name of Company.
2. In respect of its inventories:
 - a. As explained to us that inventory has been physically verified during the year by the management at regular intervals during the year.
 - b. In our opinion and according to the information given to us the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the entity and nature of their business.
 - c. In our opinion and according to the information given to us, proper record of inventories has been maintained and no material discrepancies were noticed on physical verification.
3. According to information and explanation given to us, the company has granted interest free unsecured loans and advances to four parties covered in the register maintained under section 189 of the Companies Act.
 - a. Except for the fact that these loans and advances are interest free, in our opinion and according to the information and explanation given to us, the other terms and conditions of loans given are not prima facies prejudicial to the interest of the company.
 - b. The principle amount is repayable over the period of two to three years.
 - c. In respect of the aforesaid loans, there is no overdue amount.
4. In our opinion, in respect of loans, investments, guarantees and security the provisions of section 185 & sec 186 have not been complied. The details of same are given below :

Name of the Party	Relationship	Amount of transaction during the Year	Nature of Transaction
Tarapur Transformers Limited	Associate	Rs. 0.11 Lakhs	Loans given
Choudhary Global Limited	Associate	Rs. 3.93 Lakhs	Loans given
Bilpower Limited	Associate	Rs. 3.02 Lakhs	Loan given

5. The company has not accepted any deposits from the public. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act 2013 and we are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. a. Undisputed amounts payable in respect of Sales Tax of Rs. 2,28,32,603/- (relating to Financial Year 2011-12- Rs. 29,01,565/- , relating to Financial Year 2012-13 Rs. 93,78,242/- , related to Financial Year 2013-14 Rs. 68,24,514/- & related to Financial Year 2014-15 Rs. 37,28,282/-), Interest on Sales Tax of Rs.1,41,74,216/- (relating to Financial Year 2010-11 Rs. 3,87,364/-, relating to Financial Year 2011-12 Rs. 23,21,958/-, relating to Financial Year 2012-13 Rs. 61,73,273/- , relating to Financial Year 2013-14 Rs. 37,00,851/- & relating to Financial Year 2014-15 Rs. 15,90,770/-), were outstanding for a period of more than six months from the date they became payable. The due dates for these amounts are as per the respective statutes.

b)The disputed statutory dues aggregating to Rs. 303.07 Lakhs that have not been deposited, on account of matters pending before appropriate authorities are as under :-

Sr. No.	Name of the Statute	Nature of dues	Period for which the amount relates	Forum where dispute is pending	Amt (in Lakhs)
1	Sales Tax	VAT	F.Y. 2010-11	Deputy/Joint Commissioner of Sales Tax (Appeal)	86.69
2	Sales Tax	CST	F.Y. 2010-11, 2011-12	Deputy/Joint Commissioner of Sales Tax (Appeal)	216.38

8. Based on our audit procedures and according to the information and explanation given to us by the management, the company has defaulted in repayment of loans and interest to bank. The company has defaulted in repayment of dues to State Bank of India, on its various fund facilities availed, outstanding at the yearend amounting to Rs.79.69 Crores. The estimated unpaid interest on the above loans amounts to Rs. 13.21 crores.
9. According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer and has not taken any term loan during the year.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of any such case by the Management.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required under Accounting Standard - 18 "Related Party Disclosure".
14. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
15. In our opinion and according to the information and explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
16. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W

Manoj Agrawal
Partner
Membership No.: 107624

Place : Mumbai
Date : 30th May, 2017

Annexure B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Bil Energy Systems Limited ('the Company') as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 auditors' 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 the 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 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Mumbai
Date : 30th May, 2017

For **Bansal Bansal & Co.**
Chartered Accountants
FRN: 100986W
Manoj Agrawal
Partner
Membership No.: 107624

BIL ENERGY SYSTEMS LIMITED

BALANCE SHEET AS AT - 31ST MARCH 2017

(₹ in Lacs)

NOTE NO

As at 31st March 2017

As at 31st March 2016

I EQUITY AND LIABILITIES

Shareholders' Funds

Share Capital	2	1 057.08	1 057.08
Reserves & Surplus	3	1 302.73	1 303.94
		<u>2 359.81</u>	<u>2 361.02</u>

Non-Current Liabilities

Long Term Provisions	4	4.34	4.34
		<u>4.34</u>	<u>4.34</u>

Current Liabilities

Short-Term Borrowings	5	7 969.01	7 979.01
Trade Payables	6	1 544.23	1 178.99
Other Current Liabilities	7	964.36	938.59
		<u>10 477.60</u>	<u>10 096.59</u>

12 841.75 12 461.95

II ASSETS

Non-Current Assets

Fixed Assets	8		
Tangible Assets		3 768.15	4 189.75
Capital Work In Progress		315.24	315.24
Long Term Loans and Advances	9	88.28	86.45
		<u>4 171.67</u>	<u>4 591.44</u>

Current Assets

Current Investment	10	161.95	163.00
Inventories	11	292.89	77.70
Trade Receivables	12	4 922.32	3 859.59
Cash and Cash Equivalents	13	162.28	38.18
Short Term Loans and Advances	14	3 130.64	3 732.04
Share Application Money Given	15	-	-
		<u>8 670.08</u>	<u>7 870.51</u>

12 841.75 12 461.95

Significant Accounting Policies

1

As per our attached report of even date.

For Bansal, Bansal & Co
Chartered Accountants
Firm Regn.No. 100986W

For and on behalf of the Board

Astha Rathi
Company Secretary

Suresh Kumar Choudhary
Director
Din No. 00494510

Kiren Shrivastav
Director
Din No. 01078946

Manoj Agrawal
Partner
Membership No. 107624
Mumbai: 30th May, 2017

R K Choudhary
Chief Finance Officer

Lalit Agarwal
Managing Director
Din No. 06427436
Mumbai: 30th May, 2017

Suresh More
Director
Din No. 06873425
Mumbai: 30th May, 2017

BIL ENERGY SYSTEMS LIMITED

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

(₹ in Lacs)

	NOTE NO	As at 31st March 2017	As at 31st March 2016
I INCOME			
Revenue From Operations (Net)	16	3 172.56	2 751.68
Other Income	17	383.05	469.52
Total Revenue		<u>3 555.61</u>	<u>3 221.20</u>
II EXPENSES			
Cost of Materials Consumed	18	605.07	897.98
Purchases of Stock-In-Trade	19	2 454.38	1 654.77
Changes In Inventories	20	(215.19)	(7.64)
Employee Benefits Expenses	21	125.32	140.25
Finance Costs	22	53.74	55.43
Depreciation and Amortisation Expense	8	423.11	427.91
Other Expenses	23	96.30	72.07
Total Expenses		<u>3 542.73</u>	<u>3 240.77</u>
Profit/(Loss) Before Exceptional and Extraordinary Items and Tax		<u>12.88</u>	<u>(19.57)</u>
Exceptional Items	24	12.52	60.72
Profit/ (Loss) Before Tax		<u>0.36</u>	<u>(80.29)</u>
PROFIT/(LOSS) BEFORE TAX		<u>0.36</u>	<u>(80.29)</u>
TAX EXPENSES			
EARLIER YEAR TAX		1.57	0.25
DEFERRED TAX		-	-
MAT CREDIT ENTITLEMENT		-	-
		<u>1.57</u>	<u>0.25</u>
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		<u>(1.21)</u>	<u>(80.54)</u>
PROFIT/(LOSS) FROM DISCONTINUING OPERATIONS(AFTER TAX)		<u>-</u>	<u>-</u>
Profit/ (Loss) for the Period		<u>(1.21)</u>	<u>(80.54)</u>
Nos of Equity Shares for Computing EPS			
Face Value ₹ 1/- Per Share			
Basic		105708000	105708000
Diluted		105708000	105708000
Earnings Per Equity Share			
Face Value ₹ 1/- Per Share			
Basic (₹)		(0.00)	(0.08)
Diluted (₹)		(0.00)	(0.08)

Significant Accounting Policies

1

As per our attached report of even date.

For Bansal, Bansal & Co

Chartered Accountants

Firm Regn.No. 100986W

For and on behalf of the Board

Astha Rathi
Company Secretary

Suresh Kumar Choudhary
Director
Din No. 00494510

Kiren Shrivastav
Director
Din No. 01078946

Manoj Agrawal
Partner
Membership No. 107624
Mumbai: 30th May, 2017

R K choudhary
Chief Finance Officer

Lalit Agarwal
Managing Director
Din No. 06427436
Mumbai: 30th May, 2017

Suresh More
Director
Din No. 06873425
Mumbai: 30th May, 2017

BIL ENERGY SYSTEMS LIMITED

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

(₹ in Lacs)

As at 31st March 2017

As at 31st March 2016

A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax & Extra Ordinary Items	12.88	(19.57)
Adjustment For -		
- Depreciation	423.11	427.91
- Sundry Balance Written Off	8.42	0.77
- (Gain)/Loss on Foreign Exchange Fluctuation	0.00	2.18
- Gratuity Expenses	.79	1.40
- Interest Income	(311.87)	(403.51)
- Interest Paid	51.75	47.98
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	185.08	57.16
Adjustment For -		
- Trade Receivables	(1074.21)	(809.01)
- Inventories	(215.19)	(7.64)
- Short Term Loans & Advances	76.54	6.91
- Trade and Other Payables	381.80	500.33
Cash Generated from Operations	(645.98)	(252.25)
Decrease in Provision for Taxation	(1.57)	(.25)
CASH FLOW FROM OPERATING ACTIVITIES	(647.55)	(252.50)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1.51)	(13.00)
Purchase of Investments	.01	(157.01)
Interest Income	311.87	403.51
Movement in Loans and Advances	523.03	104.21
NET CASH USED IN INVESTING ACTIVITIES	833.40	337.71
C. CASH FLOW FROM FINANCING ACTIVITIES		
Short Term Borrowing	(10.00)	(9.90)
Interest Paid	(51.75)	(47.98)
NET CASH FROM FINANCING ACTIVITIES	(61.75)	(57.88)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	124.10	27.33
CASH AND CASH EQUIVALENT AT BEGINNING OF THE YEAR	38.18	10.85
CASH AND CASH EQUIVALENT AT THE END OF THE YEAR	162.28	38.18

NOTES: 1. All figures in brackets are outflow
2. Cash and Cash Equivalent is Cash & Bank Balances as per Balance Sheet.

As per our attached report of even date.

For Bansal, Bansal & Co
Chartered Accountants
Firm Regn.No. 100986W

For and on behalf of the Board

Astha Rathi
Company Secretary

Suresh Kumar Choudhary
Director
Din No. 00494510

Kiren Shrivastav
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Manoj Agrawal
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Membership No. 107624
Mumbai: 30th May, 2017

R.K.Choudhary
Chief Finance Officer

Lalit Agarwal
Managing Director
Din No. 06427436
Mumbai: 30th May, 2017

Suresh More
Director
Din No. 06873425
Mumbai: 30th May, 2017

Notes to financial statements for the year ended 31st March 2017

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES :-**A BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared as per historical cost convention and in accordance with the generally accepted accounting principles in India, the provisions of the Companies Act, 2013 and the applicable accounting standards issued by the ICAI.

B USE OF ESTIMATES

The preparation of financial statements requires use of estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liability on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and the estimates are recognised in the period in which the same identified/materialised.

C FIXED ASSETS

- (a) Fixed Assets including Leasehold Land are recorded at cost. The Company capitalises all costs relating to Fixed Assets acquisition, installation and other financing cost till commencement of commercial production. The company has stated its fixed assets net of CENVAT / Value Added Tax.
- (b) Capital Work in Progress is stated at the amount expended upto the date of Balance Sheet including pre operative expenditures, which is subsequently allocated to the relevant fixed assets on a pro-rata basis depending on the prime cost of the assets for new units.

D BORROWING COSTS

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as part of cost of such assets till the asset is ready for its intended use. All other borrowing costs are charged to Revenue.

E DEPRECIATION / AMORTISATION

- (a) Depreciation on Fixed Assets is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II.
- (b) Depreciation on additions to Assets is calculated Pro-rata from the date of such additions and similarly on deletion from assets is calculated pro rata upto the date of deletion. Depreciation in the case of uninstalled Fixed Assets is not provided.
- (c) Cost of Leasehold Land is amortized over the periods of Lease.
- (d) Depreciation on assets, whose actual cost does not exceed Rupees Five Thousand each, is provided @ 100% p.a.

F INVENTORIES

- (a) Inventories are valued at lower of cost or net realisable value.
- (b) Excise duty is added in closing inventory of finished goods.
- (c) Cost includes the Purchase Cost, Customs Duty, Transportation and Clearing, Forwarding Charges and Exchange Rate Fluctuation arising on account of imports, if any, and in case of Work in Progress and Finished Goods, includes labour and other factory overheads absorbed at normal capacity level.
- (d) Waste & Scrap is valued at Net Realisable Value.
- (e) Packing materials and Stores & Spares purchased are written off as expense in the year of purchase.
- (f) NRV is the estimated selling price in the ordinary course of business.

G FOREIGN EXCHANGE TRANSACTIONS

Foreign Currency Transactions are expressed in Indian Currency at the rates prevailing on the date of transaction. All the Foreign Currency Liabilities / Assets as at the Balance Sheet date are restated at the applicable exchange rates prevailing at that date. However, in the cases where the Company had used foreign currency forward contract to hedge the risk associated with foreign currency fluctuations, the liabilities / assets as at the Balance Sheet are reinstated at the applicable forward contract rates.

H EMPLOYEE RETIREMENT BENEFITS

- (a) Provident Fund is a defined contribution scheme and the Company's contribution is charged to Profit & Loss account for the year to which the same relates.
- (b) Retirement benefits in the form of Gratuity and Leave encashment which are defined benefit plans are determined and accrued on the basis of an independent actuarial valuation and are recognised in Profit and Loss account of the year.
- (c) Short Term Employee Benefits are recognized as an expense in the Profit and Loss account of the year in which the related service is rendered.

I TAXATION

- (a) Tax expenses for the year comprise of current tax and deferred tax. Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961 and in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", issued by ICAI.
- (b) Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates. At each Balance Sheet date the company reassesses unrecognised deferred tax assets, to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

J IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. The recoverable amount is greater of the asset's net selling price and value in use, determined by discounting the estimated future cash flows expected from the continuous use of the asset to their present value. There is no impairment Profit/Loss for the year ending 31st March, 2017

K ACCOUNTING OF CENVAT TRANSACTIONS

CENVAT benefit is accounted for on accrual basis on purchase of material and assets and incurring of expenses and appropriated against payment of Excise Duty on Clearance of Finished Goods.

L EARNINGS PER SHARE

The earning considered in ascertaining the Company's EPS comprises the net profit after tax and includes the post tax effect of any extra ordinary items. The number of shares used in computing Basic EPS is weighted average number of shares outstanding during the year. The number of shares used in computing diluted EPS comprises of weighted average shares considered for deriving basic EPS and also the weighted average number of Equity shares which could have been issued on the conversion of all dilutive potential equity shares.

M RECOGNITION OF INCOME AND EXPENDITURE

- (a) Incomes & Expenditures are generally accounted on Accrual as they are earned or incurred.
- (b) Sales are recognised when significant risks and rewards of ownership of the goods have passed to buyer which generally coincides with delivery. Sales are net of sales return, discount, rebates, and also Excise Duty and Service Tax, Vat, Sales Tax etc.
- (c) Imports are recognised on presentation of Bill of Entry at the Customs or on retiring the Import Documents whichever is earlier.
- (d) Dividend income is recognized when the right to receive the dividend is unconditional.

N INVESTMENTS

Investments intended to be held for less than a year from the date of acquisition are classified as short term and are stated at cost of acquisition.

O TAX ON DIVIDEND

Tax on distributable Profits by way of Interim and Final Dividend is accounted for in the year to which the declared dividends relate.

P CONTINGENT LIABILITIES

Contingent Liabilities as defined in AS-29 "Provisions, Contingent Liabilities" are disclosed by way of notes to the accounts. Disclosure is not made if possibility of outflow of resources embodying economic benefit is remote.

2 SHARE CAPITAL

Authorised 110000000 Equity Shares of ₹1/- Each	1 100.00	1 100.00
Issued, Subscribed & Paid Up 105708000 Equity Shares of ₹ 1/- Each	1 057.08	1 057.08
	1 057.08	1 057.08

2.1 10570800 Equity Shares Of ₹ 10/- Each, Fully Paid, were allotted without payment in Cash Pursuant To Scheme Of Arrangement during the period of Five Years immediately preceding the reporting date.

2.2 Number of Equity Shares outstanding at the beginning and at the end of the year are same i.e.105708000 of ₹ 1/- each and hence no reconciliation is required.

2.3 Terms/Rights attached to equity shares

The company has issued only one class of equity shares having a par value of ₹ 1/- per share (Previous Year ₹ 1/- per Share). Each holder of equity shares is entitled to one vote per share.

During the year ended 31st March 2017 amount per share of dividend recognised as distributions to equity shareholders was ₹ Nil (P.Y.₹ Nil)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the numbers of equity shares held by shareholders.

2.4 Details of Equity Shares held by each shareholders holding more than 5%

Eq. shares of ₹1/-each fully paid(P.Y.₹ 1/-each fully paid up)	31st March 2017		31st March 2016	
Shares Held By	No.of Shares	% holding	No.of Shares	% holding
Bilpower Limited	5286770	5.00	5286770	5.00
Choudhary Global Limited	8639340	8.17	8639340	8.17
Nareshkumar Choudhary (HUF)	5578120	5.28	5578120	5.28
Rajendrakumar Choudhary (HUF)	13729000	12.99	13729000	12.99
Sureshkumar Choudhary	5576830	5.28	5576830	5.28
Anurag Gupta (HUF)	5952775	5.63	-	-

3 RESERVES & SURPLUS

I General Reserves	4 365.61	4365.61
II Deficit i.e. Balance in Statement of Profit & Loss	(3 061.67)	(2 981.13)
Retain Value of Assets	-	-
Profit / (Loss) for the year	(1.21)	(80.54)
As at end of the year	(3 062.88)	(3 061.67)
Total (I+II)	1 302.73	1 303.94

4 LONG TERM PROVISIONS

Provision for Gratuity	4.34	4.34
	4.34	4.34

5 SHORT TERM BORROWINGS**I Secured Loans**

Loans Repayable

Working Capital Loan Repayable on Demand from Bank #	4 496.31	4 496.31
-From Bank -Working Capital Term Loan #	1 435.80	1 435.80
-From Bank -Corporate Loan #	2 036.80	2 036.80
Federal Bank	0.10	0.10
#(Above Loans have been recalled by State Bank of India during the Financial Year 2013-2014)	7 969.01	7 969.01

II Unsecured Loans

Loans Repayable on Demand

From Others	-	10.00
	-	10.00

Total (I+II)	7 969.01	7 979.01
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5.1 Additional information**a Details of Security for Working Capital Loan and Working Capital Term Loan**

The above facility is secured by Hypothecation of entire Stock and Current Assets of the Company present and future. The facility is further collaterally secured by extension of Equitable Mortgage charge on Land admeasuring 3 Acres and Building admeasuring 87175 sq.foot constructed thereon at Wada Manor Road,Village Kanchad,Taluka Wada (Dist.Thane) owned by the Company and extension of hypothecation charge on Plant & Machinery and all other movable Fixed Assets of the Company situated at Wada Manor Road,Village Kanchad,Taluka Wada(Dist.Thane). This facility is further collaterally secured by Pledge of 15500000 equity shares of ₹ 1/- each of Bil Energy Systems Limited also Negative lien on 156.30 lakh promoter equity shares of ₹ 1/- each of Bil Energy Systems Ltd.. The above facility is also secured by Corporate Guarantee of Bilpower Ltd.

b Details of Security for Corporate Loan			
The above facility is secured by Equitable Mortgage charge on Land admeasuring 3 Acres and Building admeasuring 87175 sq.foot constructed thereon at Wada Manor Road,Village Kanchad,Taluka Wada (Dist.Thane) owned by the Company and hypothecation charge on Plant & Machinery and all other movable Fixed Assets of the Company situated at Wada Manor Road,Village Kanchad,Taluka Wada (Dist.Thane). The facility is further collaterally secured by extension of charge on entire current assets of the company. The above facility is secured by Corporate Guarantee of Bilpower Limited			
5.2	The company has defaulted in repayment of dues including interest and principal to State Bank of India, on its various fund facilities availed,outstanding amounting to ₹ 79.69 Crores. The unpaid interest provided for in the books of accounts on the said loans amounts to ₹ 5.31 Crores. Entire loans have been recalled by State Bank Of India during the financial year 2013-2014		
The Company has not provided for interest payable to State Bank of India amounting to ₹ 1321.55 Lacs for year ended 31st March, 2017. The company has also not made any provision for penal interest claimed by Bank. As a result the loss for the year ended 31st March, 2017 is understated by ₹ 1321.55 Lacs & Current liabilities as at 31st March,2017 are also understated by ₹ 1321.55 Lacs and also Reserves are overstated by ₹ 1321.55 Lacs. The amount of penal interest cannot be quantified as the details have not been received from the bank. Also for the financial year 2015-16 the company has not provided for interest payable to State Bank of India amounting to Rs. 1179.56 lacs and as a result the accumulated losses in the Balance Sheet are understated by Rs. 2501.11 lacs upto 31st March, 2017.			
6	<u>TRADE PAYABLES</u>		
	Trade Payables (Refer Note No. 29)	1 544.23	1 178.99
		<u>1 544.23</u>	<u>1 178.99</u>
6.1	Trade Payable includes related party payable to Rajendra Kumar Choudhary ₹ 0.36 Lacs (P.Y.₹ 0.18 Lacs)		
6.2	The Company has not received any intimation from the suppliers under the Micro, Small & Medium Enterprises Development Act 2006 & therefore disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said act have not been given.		
7	<u>OTHER CURRENT LIABILITIES</u>		
	I Interest Accrued and Due on Borrowings	574.20	574.20
	II Other Statutory Dues	344.52	326.06
	III Trade Advances	28.20	14.75
	IV Other Payables	17.44	23.58
		<u>964.36</u>	<u>938.59</u>
9	<u>LONG-TERM LOANS AND ADVANCES</u>		
	I Capital Advances	30.30	31.65
	(Unsecured, Considered Good)		
	II Security Deposit	12.35	9.17
	(Unsecured,Considered Good)		
	III Other Loans and Advance		
	(Unsecured,Considered Good)		
	Mat Credit Entitlement	26.86	26.86
	Balances with Statutory / Revenue Authorities	18.77	18.77
		<u>45.63</u>	<u>45.63</u>
	Total (I+II+III)	<u>88.28</u>	<u>86.45</u>
10	<u>CURRENT INVESTMENTS</u>		
		QTY	
		2017	2016
	Other Investment		
	Equity Shares, Quoted,Valued at Cost-Fully Paid Up		
	In Other		
	KDJ Holidayscapes & Resorts Limited. (F.V.₹ 2/-)	76425	76425
	In Associates		
	Bilpower Limited (F.V.₹ 10/-)	100	100
	Tarapur Transformers Limited (F.V.₹ 10/-)	100	100
	Shree Tradco Dessan Pvt. Ltd (F.V.₹ 10/-)	1570000	1570000
		<u>1570000</u>	<u>1570000</u>
	Less Diminution in Value of Quoted Shares	62.80	61.75
		<u>161.95</u>	<u>163.00</u>
	Aggregate Amount of Quoted Investments	67.75	67.75
	Market Value of Quoted Investments	4.95	6.24
11	<u>INVENTORIES</u>		
	(As taken valued & certified by the Management)		
	Raw Materials	-	-
	Work in Progress	71.71	72.39
	Finished Goods	5.94	1.42
	Stock in Trade	215.24	3.89
		<u>292.89</u>	<u>77.70</u>

12 TRADE RECEIVABLES

I Due for a Period Exceeding Six Months (Unsecured and Considered Good)	3 056.89	2 091.25
(Unsecured and Considered Doubtful)	194.25	182.77
	3 251.14	2 274.02
Less: Provision of Doubtful Debts	194.25	182.77
	3 056.89	2 091.25
II Other Receivables (Unsecured and Considered Good)	1 865.43	1 768.34
	4 922.32	3 859.59

12.1 Balance of Trade Receivables is subject to confirmation from the respective parties and resultant reconciliation, if any.

13 CASH AND CASH EQUIVALENTS

I Balances With Banks		
A) Current Accounts	152.79	27.54
B) Cash in Hand	5.28	7.39
	158.07	34.93
II Other Bank Balances		
A) Amount Held as Margin Money	0.98	0.26
B) Fixed Deposits with Banks	3.23	2.99
	4.21	3.25
Total (I+II)	162.28	38.18

13.1 Fixed Deposits held as margin money or security against guarantees, letter of credits and other commitments

* The details of Specified Bank Notes (SBNs) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the table below :-

Particulars	Specified Bank Note (SBNs)	Other Denomination note	Total
Closing cash inhand aason 8.11.2016		0.55	0.55
(+) Permitted receipts			
(-) Permitted payments		0.89	0.89
(+) Amount withdrawn from Bank		4.1	4.1
(-) Amount deposited in Bank			
Closing cash inhand aason 30.12.2016	0	3.76	3.76

14 SHORT-TERM LOANS AND ADVANCES

(Unsecured and Considered Good)		
I Loans and Advance Recoverable in Cash or Kind		
Dues from Related Party (Refer Note No. 29)	185.82	-
Dues From Others	2 867.72	3 578.40
II Balance With Statutory / Revenue Authorities	15.54	89.74
III Prepaid Expenses	4.63	.78
IV Advance Income Tax (Net of Provision)	56.93	63.12
	3 130.64	3 732.04

14.1 Loans and advances recoverable from related party from Kiren Shrivastav ₹ 0.50 Lacs (P.Y. ₹ 0.50 Lacs)

15 SHARE APPLICATION MONEY GIVEN

Share Application Money Given (Unsecured and Considered Good)	-	-
	-	-

16 REVENUE FROM OPERATIONS

I Sales of Manufactured Goods (Refer Note No. 33a)		
- Electrical Lamination	719.19	668.78
- Electrical Sheets	273.24	332.00
- Stampings (Stator & Motor)	-	35.62
- Other	-	84.22
	992.43	1 120.62
II Sales of Traded Goods (Refer Note No. 33b)		
- Iron & Steel (HR Sheet, CR Sheet / Coil, MS Plate)	2 247.43	1 657.80
- Other	-	-
	2 247.43	1 657.80
III Sales of Services		
- Labour Job	42.97	85.72
	42.97	85.72
IV Other Operating Revenues (Refer Note No. 33a)		
- Scrap Sales	-	13.85
	-	13.85
Sub Total (I +II+III+IV)	3 282.83	2 877.99
Less Excise Duty	110.27	126.31
Total	3 172.56	2 751.68

17	<u>OTHER INCOME</u>		
	I Interest Income		
	- Interest from Bank on Deposit	0.24	4.72
	- Interest on Loans and Advances	311.63	398.79
	- Interest On IT Refund	1.99	-
	II Other Non-Operating Income		
	Commission on Sales	30.00	30.00
	Rent Income	36.00	36.00
	- Sundry Balance Written Back	-	-
	Miscellaneous Income	0.34	0.01
	III Gain on Sale of Assets	-	-
	IV Gain on Exchange Rate Fluctuation	2.85	-
		<u>383.05</u>	<u>469.52</u>
18	<u>COST OF MATERIALS CONSUMED</u>		
	Raw Materials Consumed		
	- Opening Stock	-	-
	Add Purchases During The Year	605.07	897.98
	Less Closing Stock	-	-
		<u>605.07</u>	<u>897.98</u>
19	<u>PURCHASES OF STOCK-IN-TRADE</u>		
	- Iron & Steel (HR Sheet, CR Sheet / Coil, MS Plate) (Refer Note No. 32)	2 454.38	1654.77
	- Other (Refer Note No. 32)	-	-
		<u>2 454.38</u>	<u>1 654.77</u>
20	<u>CHANGES IN INVENTORIES</u>		
	At The End of the Period		
	Finished Goods	5.94	1.42
	Work-in-Progress	71.71	72.39
	Stock-in-Trade	215.24	3.89
		<u>292.89</u>	<u>77.70</u>
	At The Beginning of the Period		
	Finished Goods	1.42	2.39
	Work-in-Progress	72.39	63.78
	Stock-in-Trade	3.89	3.89
		<u>77.70</u>	<u>70.06</u>
	Total (B)-(A)	<u>(215.19)</u>	<u>(7.64)</u>
21	<u>EMPLOYEE BENEFITS EXPENSES</u>		
	I Salaries,Wages,Bonus & Allowances	119.53	132.57
	II Contribution to Provident & Other Funds	4.98	6.39
	III Staff Welfare Expenses	.81	1.29
		<u>125.32</u>	<u>140.25</u>
21.1	Salaries, Wages, Bonus & Allowances includes provision of Leave Encashment ₹ Nil (P.Y.₹ 0.72 Lacs)		
22	<u>FINANCE COSTS</u>		
	Interest Expenses		
	- Banks	17.56	14.23
	- Others	34.19	33.75
		<u>51.75</u>	<u>47.98</u>
	Other Borrowing Costs	1.99	7.45
		<u>53.74</u>	<u>55.43</u>
22.1	Interest others includes ₹ 34.19 Lacs (P.Y.₹ 34.19 Lacs) paid/ payable to Sales Tax Dep. on delayed payment of MVAT		
23	<u>OTHER EXPENSES</u>		
	Manufacturing Expenses		
	Store & Spares	0.75	0.41
	Power and Fuel	-	-
	Factory Expenses	-	0.04
	Labour Charges	0.62	0.58
	Testing, Inspection Charges	0.23	0.11
	Packing Expenses	-	1.63
	Increase / (Decrease) of Excise Duty on Inventory	0.50	(0.10)
	Repair and Maintenance		
	Repair and Maintenance-Plant & Machinery	0.12	0.64
	Repair and Maintenance-Others	0.62	1.17

Selling and Distribution Expenses		
Freight and Transport Charges	15.34	15.92
Commission and Brokerage	0.67	-
Bad Debts Written Off	-	-
Transportation charges Export	-	0.83
Clearing & forwarding Charges Export	-	0.29
Packing & Forwarding Exps.	-	-
Freight & Forwarding Charges Export	-	3.34
Advertisement and Publicity Expenses	0.31	0.38
Research & Development Exps.	-	-
Business Promotion Expenses	9.09	0.05
Administrative & Office Expenses		
Conveyance and Travelling	6.84	2.64
Insurance Charges	0.15	0.33
Loss On Foreign Exchange Fluctuation	.00	2.18
Postage & Telegram and Telephone	.74	1.20
Electricity Expenses	-	-
Payment to Auditors		
Audit Fees (Including Tax Audit)	2.00	4.00
FOR REIMBURSEMENT OF EXPENSES	-	-
Legal & Professional Fees-Other than Payment to Auditors		
Consultancy Fees	1.50	2.00
Legal & Professional Fees	9.64	21.11
Stamp Duty, Stamp Paper and Franking Charges	0.16	0.03
Office & General Expenses	6.02	4.49
Rates & Taxes	24.33	1.94
Listing, Registrar & Share Transfer Expenses	6.57	5.05
Loss on Sale of Investment	-	-
Sundry Balance Written off	8.42	0.77
Printing & Stationery	1.68	1.04
	<u>96.30</u>	<u>72.07</u>
23.1 Office and General Expenses includes ₹ 1.97 Lacs (P.Y. ₹ 1.45 Lacs) pertaining to prior period.		
24 EXCEPTIONAL ITEMS		
Provision for Doubtful Debts	11.48	54.67
Provision for Dimunition in Value of Quoted Shares	1.04	6.05
	<u>12.52</u>	<u>60.72</u>

NOTES

- 25 The lender Bank of Bilpower Limited has pursuant to certain corporate guarantees given by the company demanded from the company their dues from Bilpower Limited amounting to ₹ 215.80 crores. No provision has been made in the accounts for the probable loss that may arise on account of above demand of ₹ 215.80 crores.

26 CONTINGENT LIABILITIES

(₹ in Lacs)

Sr. No	Particulars	As at 31st March 2017	As at 31st March 2016
(a)	Excise Demand	0.00	1 545.11
(b)	Sales tax liability against non collection of various sales tax forms under relevant sales tax laws, not provided due to uncertainty in ascertainment of amount of liability, if any.	246.96	251.27
(c)	Custom duty on pending export obligation against import of machinery	847.33	847.33

27 C.I.F. VALUE OF IMPORTS, EXPENDITURES AND EARNINGS IN FOREIGN CURRENCY

(₹ in Lacs)

Sr.No	Particulars	As at 31st March 2017	As at 31st March 2016
(a)	C.I.F. Value of Imports		
	Raw Material & Trading Goods	50.83	100.49
	Capital Goods	-	-
(b)	Expenditure in Foreign Currency		
	Travelling Expenses	0.00	1.38
(c)	Earnings in Foreign Currency	Nil	Nil

28 SEGMENT REPORTING

The company primarily deals in the business of Electrical Steel Products and Other Steel Products as single segment hence Segment Reporting as defined in Accounting Standard 17 (AS-17) issued by The Institute of Chartered Accountants of India is not applicable to the company.

29 RELATED PARTY DISCLOSURES

(a) The Company had transactions with the following related parties

Sr.No	Name of the Related Party	Relationship
1	Bilpower Limited	Associate
2	Tarapur Transformers Limited	Associate
3	Chandrashekhar Trivedi	Key Management Personnel
4	Suresh kumr Choudhary	Key Management Personnel
5	Kiren Shrivastav	Key Management Personnel
6	Rajendra Kumar Choudhary	Relative of KMP
7	Harsh Choudhary	Relative of KMP
8	K2K Consultancy Services Pvt. Ltd	Company of relative of KMP
9	Choudhary Global Limited	Company of relative of KMP

(b) Related party transactions

(₹ in Lacs)

Sr.No	Nature of Transactions	Nature of Relationship			Total of Transaction
		Associates	Key Management Personnel (KMP)	Relative of KMP & their Proprietary/ Company Concern	
1	Sale of Goods	-	-	17.96	17.96
		-	-	(62.77)	(62.77)
2	Purchase of Goods	134.23	-	-	134.23
		-	-	-	-
3	Receiving of Services				
	A) Payment of Remuneration	-	2.35	2.40	4.75
		-	(2.20)	(2.40)	(4.60)
	B) Commission & Brokerage	-	-	-	-
		-	-	-	-
	C) Rent Expenses	-	-	-	-
		-	-	-	-
4	Finance (Including Loans & Equity Contributions on Cash or Kind)				
	A) Loans & Advances Received	65.79	-	-	65.79
		(13.29)	-	-	(13.29)
	B) Loans & Advances Given	3.12	1.10	10.06	14.28
		(243.98)	-	(386.12)	(630.10)

NOTES

5	Outstanding as at 31st March 2017				
	A) Trade Payable	-	-	-	-
	B) Trade Receivable	-	-	5.95	5.95
	C) Loans & Advances Given	30.48	5.08	(42.60)	(42.60)
		-	(4.04)	155.35	190.91
				(380.00)	(384.04)

Note:- Figures in Brackets Relate to Previous Year

Disclosure in respect of Material Related Party Transactions During the year :

- 1 Purchase of Goods/Fixed Assets/Expenses includes :- Tarapur Transformers Limited ₹ 134.23Lacs (P.Y Nil)
- 2 Sale of Goods includes :- TRC Power ₹. 17.96 (P.Y ₹.62.77)
- 3 Receiving of Services -
 - A) Payment of Remuneration includes :- Chandrashekhar Trivedi ₹ 0.40 Lacs (P.Y. ₹ 2.20 Lacs)
Rajendra Kumar Choudhary ₹ 2.40Lacs (P.Y. ₹ 2.40Lacs) Suresh More ₹ 1.95 Lacs (P.Y. Nil)
- 4 Finance (Including Loans & Equity Contributions on Cash or Kind)
 - A) Loans & Advances Received includes :- Tarapur Transformers Limited ₹ 65.79 Lacs (P.Y. ₹ 0.01Lacs),
Bilpower Limited ₹ Nil (P.Y. ₹ 13.28 Lacs)
 - B) Loans & Advances Given includes :- Tarapur Transformers Limited ₹ 0.11 Lacs (P.Y. ₹ 243.97 Lacs),
Bilpower Limited ₹ 3.00 Lacs (P.Y. ₹ 0.01 Lacs), Rajendra Kumar Choudhary
₹ 6.12 Lacs (P.Y. ₹ 6.12 Lacs), Suresh More ₹. 1.10 Lacs (P.Y. Nil)
Choudhary Global Limited ₹ 3.94 Lacs (P.Y. ₹ 380/- Lacs)
- 5 Outstanding as at 31st March 2017
 - A) Trade Receivable :- TRC Power ₹.5.95 Lacs (P.Y. ₹ 42.60 Lacs)
 - C) Loans & Advances Given :- Choudhary Global Limited ₹ 155.35 Lacs (P.Y ₹ 380 Lacs), Kiren Shrivastav ₹ 0.50 Lacs
(P.Y. ₹ 0.50 Lacs) Suresh More ₹ 4.58 Lacs (P.Y. ₹. 3.54 Lacs), Tarapur Transformers Ltd.
₹ 30.48 lacs(P.Y NIL)

30 DETAILS OF MATERIAL CONSUMED COMPRISES OF IMPORTED & INDIGENOUS ITEMS

(₹ in Lacs)

Particulars	As at 31st March 2017		As at 31st March 2016	
	Amount	%	Amount	%
Imported	335.42	55.70	100.49	11.19
Indigenous *	266.79	44.30	797.49	88.81
Total	602.21	100.00	897.98	100.00

* Indigenous consumption includes imported material purchased locally.

31 RAW MATERIAL CONSUMED

(₹ in Lacs)

Particulars	As at 31st March 2017	As at 31st March 2016
CRGO/CRNGO/HRGO/HRNGO/Elemental Steel Strips/Coils/Sheets	602.21	897.98

32 PURCHASE OF TRADED GOODS

(₹ in Lacs)

Sr No.	Category	As at 31st March 2017	As at 31st March 2016
1	C R Sheets	192.92	301.01
2	C.R.Sheets/ Coils	311.73	28.34
3	CRCA Sheets/ Coils	-	-
4	G.I.Sheets	486.78	175.89
5	G.P. Coils/Sheets	1 449.41	1 123.18
6	H.R.Plate	13.54	19.97
7	M.S.Plate	-	6.38
8	CRGO Coils	-	-
	Total	2 454.38	1 654.77

NOTES

33 SALE OF PRODUCTS COMPRISES

a) Manufactured goods (₹ in Lacs)

Sr No.	Category	As at 31st March 2017	As at 31st March 2016
1	Electrical / CRGO Lamination	719.19	668.78
2	Electrical Sheets	273.24	332.00
3	Motor Stampings	-	35.62
4	Waste & Scrap	-	13.85
5	CRGO Coils	-	82.79
6	Transformers	-	-
7	Other	-	1.43
Total		992.42	1 134.47

b) Traded Goods (₹ in Lacs)

Sr No.	Category	As at 31st March 2017	As at 31st March 2016
1	C R Sheets	161.00	301.47
2	C.R.Sheets/Coils	302.83	28.40
3	G.I. Sheets	445.45	176.23
5	G.P. Coils / Sheets	1 329.17	1 125.27
6	H.R.Plate	8.97	20.05
7	M.S.Plate	-	6.39
8	Other	-	-
Total		2 247.43	1 657.81

34 DETAILS OF CLOSING STOCK

a) Closing Stock of Finished Goods (₹ in Lacs)

Sr No.	Category	As at 31st March 2017	As at 31st March 2016
1	Waste & Scrap	5.94	1.42
Total		5.94	1.42

b) Closing Stock of Traded Goods (₹ in Lacs)

Sr No.	Category	As at 31st March 2017	As at 31st March 2016
1	C R Sheets	32.16	-
2	C.R.Sheets/Coils	9.56	-
4	G.I.Sheets	42.19	-
5	G.P. Coils / Sheets	122.85	-
6	H.R.Plate	4.60	-
7	M.S.Plate	-	-
1	Mosquito Killing Systems	3.89	3.89
Total		215.24	3.89

35 EARNINGS PER SHARE (EPS)

Particulars	As at 31st March 2017	As at 31st March 2016
Profit After Tax (₹ in Lacs)	(1.21)	(80.54)
Weighted average number of Equity Shares- Basic & Diluted	105708000	105708000
Earning Per Share (in ₹) - Basic & Diluted	(0.00)	(0.08)

36 DISCLOSURE PURSUANT TO ADOPTION OF ACCOUNTING STANDARD 15

Gratuity liability for the year is determined on actuarial valuation by The Life insurance company of India with whom the company has taken a policy for settlement of future gratuity liability.

37 In terms of the requirements of the Accounting Standards-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the amount recoverable against Fixed Assets has been estimated for the period by the management based on present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.

38 As per the best estimate of the management, no provision is required to be made as per Accounting Standard (AS) 29 "Provision, Contingent Liabilities & Contingent Assets" as notified by the companies (Accounting Standards) Rules 2006, in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources which would be required to settle the obligation.

39 Consumption of consumable stores is wholly indigenous in the current & previous year.

NOTES

- 40 Balances of the Creditors / Debtors / Loans / Advances are subject to Confirmations and resultant reconciliation, if any.
- 41 Sundry Debtors as on the date of Balance sheet are net of amounts received after discounting of Letter of Credits.
- 42 Previous Year Figures have been regrouped / recast / rearranged wherever necessary.
- 43 DISCLOURE ON SPECIFIED BANK NOTES (SBNS)
During the yaer, the company had specified noted or other denomination note as defined in the MCA notification G.S.R. 308 (E) dated March 31, 2017 on the details of Specified Bnak Notes (SBN) held and trasacted during the period from November 8, 2016 to December 30, 2016, the denomination wsie SBNs held and other notes as per the notification is given below:

Particulars	Specified Bank Notes	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016		0.55	0.55
(+) Permitted receipts			
(-) Permitted payments		0.89	0.89
(+) Amount withdrawn from Bank		4.1	4.1
(-) Amount deposited in Bank			
Closing cash in hand as on 30.12.2016	0	3.76	3.76

Signature to the Balance Sheet, Statement of Profit and Loss and Notes which form an integral part of accounts.

As per our attached report of even date.

For Bansal, Bansal & Co

Chartered Accountants

Firm Regn.No. 100986W

For and on behalf of the Board

Astha Rathi
Company Secretary

Suresh Kumar Choudhary
Director
Din No. 00494510

Kiren Shrivastav
Director
Din No. 01078946

Manoj Agrawal
Partner
Membership No. 107624
Mumbai: 30th May, 2017

R.K.Choudhary
Chief Finance Officer

Lalit Agarwal
Managing Director
Din No. 06427436
Mumbai: 30th May, 2017

Suresh More
Director
Din No. 06873425
Mumbai: 30th May, 2017

NOTE 8

FIXED ASSETS

(Amt in ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2016	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2017	As at 01.04.2016	Deductions/ Adjustments During the year	For the year year	As at 31.03.2017	As at 31.03.2017	As at 01.04.2016
A) TANGIBLE ASSETS										
1) Plant & Machinery	5093.76	0.00	0.00	5093.76	2046.84	0.00	374.72	2421.56	2672.20	3046.92
2) Land	36.68	0.00	0.00	36.68	0.00	0.00	0.00	0.00	36.68	36.68
3) Office Equipment	22.60	1.51	0.00	24.11	20.63	0.00	0.58	21.21	2.90	1.97
4)Furniture & Fixtures	17.26	0.00	0.00	17.26	10.49	0.00	2.06	12.55	4.71	6.77
5)Factory Building	1472.89	0.00	0.00	1472.89	375.48	0.00	45.75	421.23	1051.66	1097.41
Sub Total	6643.19	1.51	0.00	6644.70	2453.44	0.00	423.11	2876.55	3768.15	4189.75
B) INTANGIBLE ASSETS	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00
Sub Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A)+(B)	6643.19	1.51	0.00	6644.70	2453.44	0.00	423.11	2876.55	3768.15	4189.75
Previous Year	6630.19	13.00	0.00	6643.19	2025.53	0.00	427.91	2453.44	4189.75	4604.66
Capital Work In Progress	315.24	0.00	0.00	315.24	0.00	0.00	0.00	0.00	315.24	315.24

ATTENDANCE SLIP

(To be presented at the entrance)

8th ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 25, 2017 AT 3.00P.M.

At Landmark Residency, Banquet Hall, B.J. Patel Road (Liberty Garden Raod) Opp. S.N.D.T. College & Vodafone Store,
Malad - West, Mumbai - 400 064

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member _____ Signature _____

Name of the Proxy holder _____ Signature _____

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

~<

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 No. : DP ID No.

I / We, being the member(s) of Shares of Bil Energy Systems Limited, hereby appoint:

1. Name: E-mail Id:

Address:

..... Signature:

or failing him

2. Name: E-mail Id:

Address:

..... Signature:

or failing him

3. Name: E-mail Id:

Address:

..... 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 8th Annual general meeting of the company to be held on Monday 25th Day of September, 2017 at 3.00 P.M. at Landmark Residency, Banquet Hall, B.J. Patel Road (Liberty Garden Raod) Opp. S.N.D.T. College & Vodafone Store, Malad - West, Mumbai - 400064 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2017.
2. Appoint Mr. Lalit Laxiram Agarwal (DIN: 06427436) as Director of the Company, who retires by rotation and being eligible offers himself for re- appointment.
3. Appointment of Statutory Auditors
4. Appointment of Lalit Laxiram Agarwal (DIN: 06427436) as Managing Director of the Company.

Signed this day of 2017

Signature of shareholder

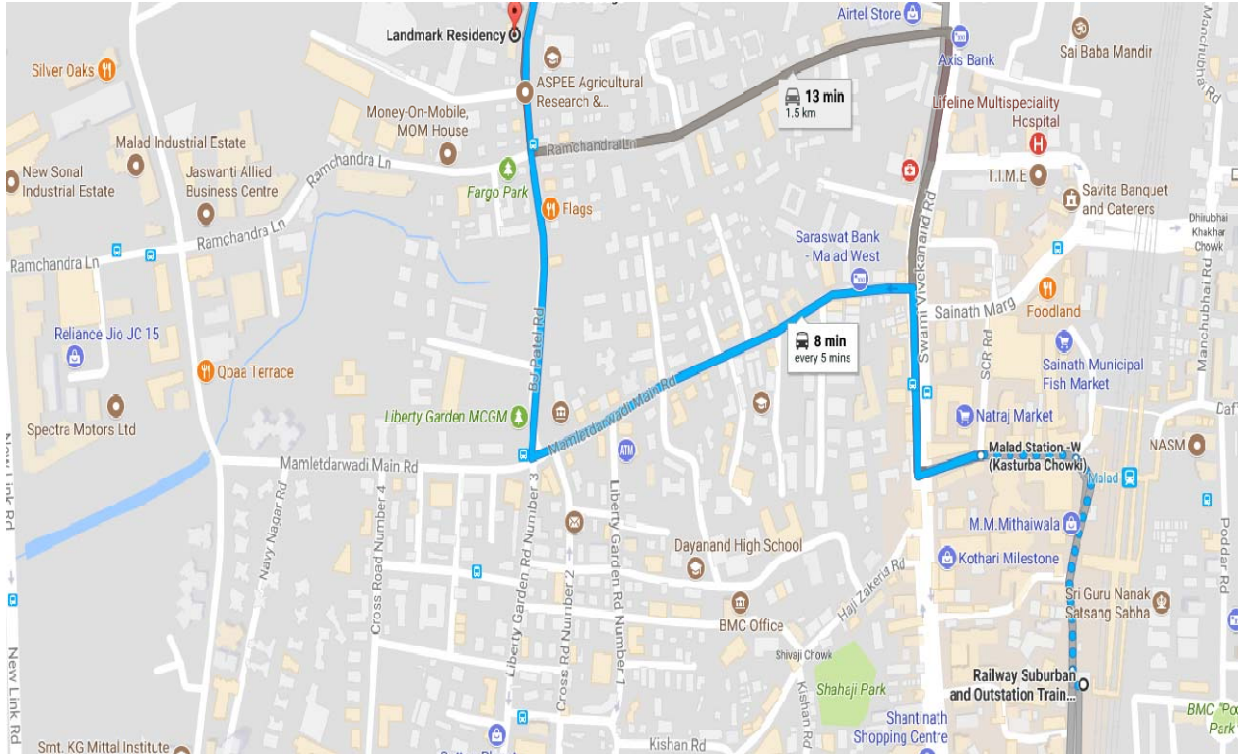
Signature of Proxy holder(s)



NOTES:

1. This Form in order to be effective should be duly completed and deposited at Unit No. 417, Neo Corporate Plaza, Cabin B, Ramchandra Lane extension, Off Kapolwadi, Malad - west, Mumbai - 400 064, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.

The Route Map for the venue of AGM is given below. The prominent land mark for the venue is Opposite S.N.D.T. College.



BOOK - POST

To,

BIL ENERGY SYSTEMS LIMITED
CIN - L28995MH2010PLC199691

Regd. Off.: 2nd Floor, Vikas Chambers, Link & Marve Road, Malad (W), Mumbai-400064
Tel: (91 22) 49173809, Email:investors@bilenergy.com, Website: www.bilenergy.com
