

NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members the RMC Switchgears Limited will be held at 7 Km. From Chaksu, Khotkawda Road, Village Badodiya, Tehsil Chaksu, Tonk Road, Jaipur Rajasthan 303901 India on Thursday, the 8th day of September, 2016 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Twenty Second Annual Report of the board of directors and Audited Financial Statement of the company for the financial year ended on 31st March, 2016 together with Auditor's Report thereon.
2. To appoint Directors in place of Shri Ankit Agarwal (DIN: 00793035), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 , and being eligible, offer himself for re-appointment.
3. **Ratification of appointment of Statutory Auditors and fixing their remuneration To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-**

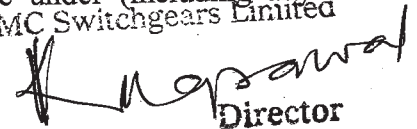
“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and all other applicable provision of Company Act 2013, if any and pursuant to the recommendations of the Audit Committee and the Board of Directors, appointment of SARASWAT & COMPANY, Chartered Accountants, Jaipur (Firm Reg. No. 004846C), as the Statutory Auditor of the Company, is hereby ratified to hold office from conclusion of Annual General meeting till the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company,

SPECIAL BUSINESSES

4. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for Regularization of Additional Director, Mrs. Neha Agarwal:-**

“RESOLVED THAT pursuant to the provisions of Section 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Rules made there under (including any statutory

For RMC Switchgears Limited


Director

(CIN NO. U27310RJ1994PLC008698)

Registered Office and Factory Premises: 7 K.M. From Chaksu, Khotkawada Road, Village Badodiya, Tehsil-Chaksu, Tonk Road, Tonk Road, Jaipur- 303901, Rajasthan, India

Corp. Office: B-11, (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India

Tel. No. +91-141-4031516, +91-141-2759678, **E-mail:** info@rmcindia.in | **Website:** www.rmcindia.in

modification(s) or re-enactments thereof for the time being in force), Mrs. Neha Agarwal, who was appointed as an Additional Non Executive Director with effect from June 28, 2016 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a Executive Director, be and is hereby appointed as a Executive Director of the company liable to retire by rotation”

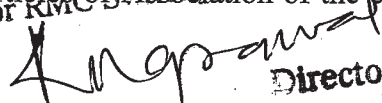
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution Fixing of Remuneration of Mrs. Neha Agrawal

“**RESOLVED THAT** pursuant to provisions of Articles of Association and pursuant to provisions of sections 188 & 197 read with Schedule V and other applicable provisions of if any, of the Companies Act, 2013 (“the Act”), The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014(including any statutory modifications or re-enactment(s) thereof for the time being) the consent and approval of the members be and hereby, accorded for fixing the remuneration of Mrs. Neha Agrawal Executive Director of the Company a remuneration upto Rs. 75,000 (Rupees Seventy Five Thousand only) per month including all the perquisites and benefits if any, except the perquisites falling outside the purview of the ceiling of remuneration as per applicable provisions of Schedule V of the Act be allowed to Mrs. Neha Agrawal and in the event of inadequacy of profits the Board shall be authorized to adjust the above remuneration in accordance with the provisions of Schedule V of the Act, subject however that in the event of inadequacy of profits the remuneration so paid shall be subject to review after the expiry of such period of 3 (three) years.

RESOLVED FURTHER THAT to give effect to this resolution the Board of Directors be and are hereby authorized to do all the acts, deeds, matters and things as he may in his absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. To Consider and if thought fit, to pass with or without modification the following resolution as Ordinary resolution for appointment of Mr. Devi Shankar Goyal as an Independent Director:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby given to the appointment of Mr. Devi Shankar Goyal (DIN 07559565), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company (and categorized as 'Independent Director') with effect from August 1, 2016 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company,

For RMC Switchgears Limited

Director

(CIN NO. U27310RJ1994PLC008698)

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Corp. Office: B-11, (B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India
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and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation.”

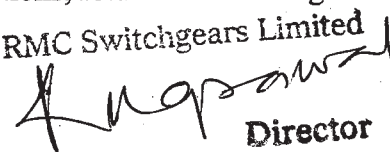
RESOLVED FURTHER THAT to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as he may in his absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

7. To Consider and if thought fit, to pass with or without modification the following resolution as Ordinary resolution for appointment of Mr. Suresh Kumar Jain as an Independent Director:-

“RESOLVED THAT pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby given to the appointment of Mr. Suresh Kumar Jain (DIN 07546087), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company (and categorized as 'Independent Director') with effect from August 1, 2016 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation.”

RESOLVED FURTHER THAT to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as he may in his absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

For RMC Switchgears Limited



Director

(CIN NO. U27310RJ1994PLC008698)

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8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for appointment of Mrs. Radhika Agarwal as an Independent Director:-

“RESOLVED THAT pursuant to the provisions of Sections 149,152 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby given to the appointment of Mrs. Radhika Agarwal (DIN 07579658), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company (and categorized as 'Independent Director') with effect from August 1, 2016 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to determination by retirement of Directors by rotation.”

RESOLVED FURTHER THAT to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as he may in his absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

By order of the board of directors
For RMC Switchgears Ltd

Director

Ashok Kumar Agarwal
Chairman & Managing Director
DIN:-00793152

Place: Jaipur
Date: 10th August, 2016

(CIN NO. U27310RJ1994PLC008698)

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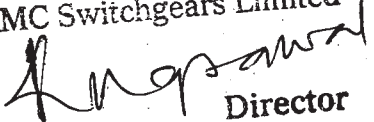
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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM DULY COMPLETED AND SIGNED SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.

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

2. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM, is annexed.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Members/proxies should bring the attendance slip duly filled in and signed for attending the Meeting and hand over the same at the entrance of the meeting place.
5. Members are requested to bring their copy of the Annual Report to the meeting.
6. The documents referred to in the notice are open for inspection at the registered office of the company on all working days up to the date of AGM.
7. With reference to SS-2 for the easy convenience of recipients of notice, Route Map to the venue of the Annual General Meeting of the company is as under:

For RMC Switchgears Limited

Director

(CIN NO. U27310RJ1994PLC008698)

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RMC SWITCHGEARS LIMITED

(Formerly known as RMC Switch Gears Limited)

Chandlai

52

Nimodiya

Narharpura

Kotkhawda

2

2

Chaksu

Ramniwas

Hirapura

52

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Map data ©2016 Google

For RMC Switchgears Limited

[Signature]

Director

(CIN NO. U27310RJ1994PLC008698)

Registered Office and Factory Premises: 7 K.M. From Chaksu, Khotkawada Road, Village Badodiya, Tehsil-Chaksu, Tonk Road, Tonk Road, Jaipur- 303901, Rajasthan, India

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 SETTING OUT ALL MATERIAL FACTS RELATING TO THE SPECIAL BUSINESS:

ITEM NO. 4

Mrs. Neha Agarwal was appointed as an Additional Non Executive Director w.e.f. 28, June, 2016 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing Mrs. Neha Agarwal candidature for appointment as Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mrs. Neha Agarwal on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption.

None of the Directors, except Mrs. Neha Agarwal and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution. The Board recommends resolutions under Item No. 4 to be passed as an Special resolution.

ITEM NO. 5

Mrs. Neha Agrawal is Executive Director of your Company. She is a BBA Graduate from Eastern Institute for Integrated learning in Management.

The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Mrs. Neha Agrawal is Executive Director and the remuneration upto Rs. 75,000 (Rupees Seventy Five Thousand only) per month payable to her.

In view of the provisions of Sections 197 and any other applicable provisions of the Companies Act, 2013, the Board recommends the Special Resolution set out at item no.-5 of the accompanying notice for the approval of the Members and contain the following information:

Name of the Related Party	Nature of Relationship	Nature, material terms, value and particulars of the contract or arrangement	Any other information relevant or important for the members to take a decision on the proposed resolution-
Ajay Kumar Jain	Father	-Job work by Synergy solar system proprior Mrs Neha Agrawal	NIL
Kusum Jain	Mother		
Ankit Agrawal	Spouse		
Prithiviraj Jain	Brother		
Yashaa Agrwal	Sister		
Aaryaman Agarwal	Son		
Shreya Agarwal	Daughter		
Ashok Kumar	Spouse's Father		

For RMC Switchgears Limited
Neha Agarwal
Director

(CIN NO. U27310RJ1994PLC008698)

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Agarwal			
Santosh Agarwal	Spouse's Mother		
--	Spouse's Brother		
Atika Agarwal	Spouse's Sister		
Synergy Solar System	Proprietorship		
Vitthal Das Agarwal HUF	Member		
Ashok Kumar Agarwal HUF	Member		
Ankit Agrawal HUF	Member		

However in the event of inadequacy of profits during the tenure of Mrs. Neha Agrawal referred remuneration shall be allowed in compliance of the provisions of Schedule V and the same shall in no event exceed the limits approved by way of resolution proposed under Item no.-5 and in the event of continuation of inadequacy of profits for a continuous period of 3 years, the same shall be subject to review by shareholders.

A detailed statement as per requirements of the provisions of Section II part II of schedule V has been annexed with the notice.

ITEM NO. 6, 7 & 8

Mr. Devi Shankar Goyal, Mr. Suresh Kumar Jain and Mrs. Radhika Agarwal were appointed as an Additional Non Executive Independent Director w.e.f. 1, August, 2016 in accordance with the provisions of Section 161 of the Companies Act, 2013. Pursuant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing **Mr. Devi Shankar Goyal, Mr. Suresh Kumar Jain and Mrs. Radhika Agarwal** candidature for appointment as Independent Non Executive Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

As the Members would be aware, the new Companies Act, 2013 (Act) has come into force (few provisions though yet to be notified), replacing the old Companies Act, 1956. Section 149 and Section 152 inter alia specifies that:

- (a) Independent Directors shall hold office for a term of upto five consecutive years, and shall be eligible for re-appointment for a further period of five years, subject to passing of Ordinary resolution by the Shareholders in General Meeting; and
- (b) An Independent Director shall not be liable to retire by rotation at the AGM.

For RMC Switchgears Limited
Radhika Agarwal
Director

(CIN NO. U27310RJ1994PLC008698)

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RMC SWITCHGEARS LIMITED

(Formerly known as RMC Switch Gears Limited)

In the opinion of the Board these individuals are persons of integrity, possess the relevant expertise and experience, fulfill the conditions specified in the said Act and the rules made there under and are independent of the management of the Company.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Corporate Office of the Company during normal business hours on any working day. Members may note that the requisite declarations under Section 149(7) of the Companies Act, 2013 have been furnished by the Independent Non Executive Directors confirming compliance with the provisions of Section 149 (6) of the Companies Act, 2013. Upon the confirmation of the appointment of these individuals as Independent Non Executive Directors by the Members of the Company, the appointment shall be formalized by the issue of a letter of appointment by the Company to the said Independent Non Executive Directors. The Board accordingly recommends the resolutions at Item Nos. 6, 7 & 8 of this Notice for the approval of the Members as Ordinary resolutions. None of the said Directors are related to each other.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than those mentioned in the respective resolutions and their relatives are in any way concerned or interested, financially or otherwise, in the resolutions at Item Nos. 6, 7 & 8 of this Notice.

By order of the board of directors
For RMC Switchgears Ltd
For RMC Switchgears Limited

Director
Ashok Kumar Agarwal
Chairman & Managing Director
DIN:- 00793152

Place: Jaipur

Date: 10th August, 2016

(CIN NO. U27310RJ1994PLC008698)

Registered Office and Factory Premises: 7 K.M. From Chaksu, Khotkawada Road, Village Badodiya, Tehsil-Chaksu, Tonk Road, Tonk Road, Jaipur- 303901, Rajasthan, India

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ANNEXURE TO NOTICE

STATEMENT CONTAINING REQUIRED INFORMATION AS PER PART II, POINT IV OF SECTION II OF SCHEDULE V OF THE COMPANIES ACT, 2013

I. General Information:-

- (1) Nature of Industry: - Manufacturing of Distribution boxes and related electrical accessories
- (2) Date or Excepted date of Commencement of Commercial Production: - Year 1995
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial Institution appearing in the prospectus:- Not Applicable
- (4) Financial Performance based on given indicators

The Company's Gross Income for the financial year ended March 31, 2016 increased to Rs. 6,074.76Lacs approximately from Rs. 4846.90 Lacs approximately in last year registering a growth.

The operating profit (PBT) of the Company increased to Rs. 115.29 Lacs approximately.

The brief statement indicating our profit related figures is given below:

(Amt. in Lacs.)

Particulars	2015-16	2014-15
Total Income	5585.34	4574.40
Less: Expenditure and Depreciation	5470.04	4528.13
Prior Period Items	NIL	NIL
Profit Before Tax (PBT)	115.30	46.28
Less: Tax	-	-
Deferred Tax Assets	(93.37)	-
Profit After Tax (PAT)	21.91	46.28

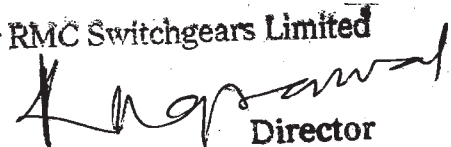
- (5) Export Performance and Net Foreign Exchange Collaborations:- NIL
- 6) Foreign Investments or Collaborations, if any-N.A.

II. Information about the appointee

Mrs. Neha Agrawal

1. Background Detail

For RMC Switchgears Limited



Director

(CIN NO. U27310RJ1994PLC008698)

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Age	Designation	Qualification
33 Years	Executive Director	BBA

Experience

She has overall experience of 2 Years Electrical industry. She looks after Operations of the Company. She is the person with core competence of Inventions, Quality and Commitments within and outside the organization

2. Past Remuneration:-

Year	Salary	Perquisites	Total
2014-15	-	-	-
2015-16	-	-	-

3. Recognition or awards:- Not Applicable

4. Job profile and her suitability:- **Mrs. Neha Agrawal** is a Executive Director of the Company. She looks after Operations of the Company. She is the person with core competence of Inventions, Quality and Commitments within and outside the organization

5. Remuneration proposed: - The terms of remuneration proposed are detailed in the Resolution.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):- For the responsibility shouldered by **Mrs. Neha Agrawal**, Director of the Company in driving the Company's growth plans, the remuneration paid to him is commensurate and compares favorably with the Compensations paid to the business heads of liked sized and similarly positioned businesses.

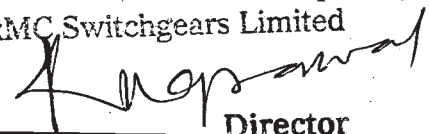
7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:- As explained in explanatory statement of Notice of AGM

III. Other Information:

1. Reasons of loss or inadequate profits

Due to change in technology or other governmental regulations or increasing cost of raw material we may have inadequate profits to meet the proposed remuneration out of profits, some times.

For RMC Switchgears Limited



Director

(CIN NO. U27310RJ1994PLC008698)

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2. Steps taken or proposed to be taken for improvement

We are in process of increasing our capacity to bring economies of scale to our business and will certainly boost our profitability.

3. Expected increase in productivity and profits in measurable terms

We as such cannot quantify the increase in profits in coming years.

IV. Disclosures:

The Remuneration package of the managerial personnel has been provided in the notice.

**Certifies True Copy
By Order of the Board of Directors**

 For RMC Switchgears Limited

**For RMC Switchgears Limited
Ashok Kumar Agarwal Director
Managing Director
DIN: - 00793152**

(CIN NO. U27310RJ1994PLC008698)

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RMC SWITCHGEARS LIMITED

(CIN: U27310RJ1994PLC008698)

Annual Report 2015-2016

Board of Directors

Shri Vitthal Das Agrawal	-Chairman
Shri Ashok Kumar Agarwal	-Managing Director
Shri Ankit Agrawal	-Whole Time Director
Shri Chandra Prakash Agarwal	-Director
Smt. Santosh Agarwal	-Director
Shri Purshottam Kumar Gupta*	-Director

* Shri Purshottam Kumar Gupta has resigned from the company wef 07.01.2016

Registered Office & Works:

7 Km. From Chaksu, Khotkawda Road, Village
Badodiya, Tehsil Chaksu, Tonk Road, Jaipur
RJ 303901 IN

Phone: +91-141-4031516

Fax: +91-141-2751377

E-mail: info@rmcindia.in

Website: www.rmcindia.in

Corporate Office:

B-11 (B&C), Malviya Industrial Area, Jaipur-
302017

State : Rajasthan(India)

Phone:+91-141-2754079

Auditors:

Saraswat & Company,
Chartered Accountants,
Jaipur Tower, B-5, Basement,
M I Road, Jaipur-302001
Rajasthan, India

Tel. No: +91-141-2363908

Email: indu123@hotmail.com

Firm Registration No.: 004846C

Banker:

The Federal Bank Ltd.,
C-98, Sanghi Upasana
Tower, Subhash Marg,
C-scheme, Jaipur

Tel No.:0141-2360279

Fax No.: 0141-2360925

Email:

rjap@federalbank.co.in

Website:

www.federalbank.co.in

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their 22nd Annual Report of the Company together with the audited financial statements of the company for the financial year ended 31st March, 2016.

Financial Results:

(Rs. in Lacs)

Revenue From Operations	6,074.76	4,846.90
Less: Excise Duty	531.20	324.03
Net Sales	5,543.56	4,522.87
Other Income	41.78	51.53
Total Revenue	5,585.34	4,574.41
Profit before Depreciation, Interest and Tax Expenses	710.65	531.37
Less: Finance Cost	461.48	368.93
Profit before Depreciation and Tax Expenses	249.17	162.44
Less: Provision for Depreciation	133.87	116.17
Net Profit before Tax	115.30	46.28
Less: Deferred Tax	93.38	Nil
Net Profit after Tax	21.92	46.28

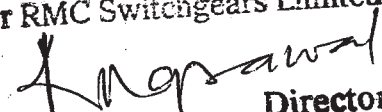
STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

Gross revenues increased to Rs. 6,074.76Lacs, a growth of around 25.33% against Rs. 4846.90 Lacs in the previous year. Profit before depreciation and taxation was Rs. 249.16 Lacs against Rs. 162.44 Lacs in the previous year. After providing for depreciation and taxation of Rs. 133.87 Lacs & Rs 116.17 Lacs respectively, the net profit of the Company before tax for the year under review has increased to Rs. 115.30 Lacs as against Rs. 46.28 Lacs in the previous year.

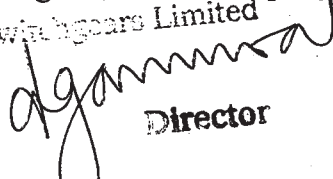
The year under review was a moderate one for the company. The turnover increased by around 25.33% as compared to that of 2014-2015. Company has initiated the execution of Turnkey Contracts in the FY 2015-16 and this business contributed 8.37% in total turnover of company.

SHARE CAPITAL

During the year under review, your Company's Authorised Share Capital has remain unchanged at Rs. 20,000,000 (Rupees Two Crore) comprising 20, 00,000 Equity Shares

For RMC Switchgears Limited

 Director

For RMC Switchgears Limited


 Director

of 10/- each. During the year under review, your Company's paid up equity share capital has also remained unchanged at Rs. 10,810,500 (Rupees One Crore Eight Lacs Ten Thousand Five Hundred only) comprising 10, 81,050 Equity Shares of 10/- each.

INVESTOR EDUCATION AND PROTECTION FUND

There is no such amount lying with the company and remained unclaimed will be transferred to the Investor Education and Protection Fund of the Central Government

CHANGES IN THE NATURE OF BUSINESS:

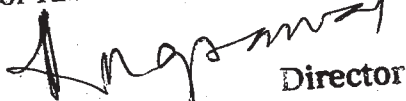
There has been no material change in the nature of business of the Company during the financial year 2015-16.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

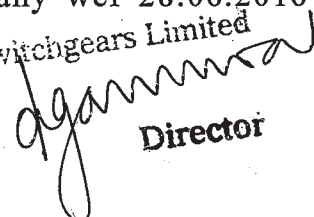
Some material changes took place after the end of financial year such are as follow:

1. The Books of accounts of the company has been kept at B-11(B&C), Malviya Industrial Area, Jaipur-302017, Rajasthan, India which is presently the corporate office of the Company w.e.f. 31st May, 2016
2. Bonus issue of 32,43,150 equity shares in ratio of 3:1 i.e. 3 Bonus Equity Shares for every 1 Equity Shares held, has been issued by Capitalization of Reserve & Surplus of the Company to shareholder of the company and such allotment approved at duly conveyed EGM dated June 08, 2016
3. New set of AOA as per the requirements of Table F of First Schedule in the Companies Act, 2013 has been adopted at duly conveyed EGM dated June 08, 2016
4. Amendments in Memorandum of Association of the Company has been made at duly conveyed EGM dated June 08, 2016
5. Authorized Share Capital and Alteration of the Capital Clause of the Memorandum of Association of the Company has been made at duly conveyed EGM dated June 08, 2016 as the existing authorized share capital of the company increased from Rs. 2,00,00,000/- to Rs.6,50,00,000/-
6. For Issue and Allotment of Equity Shares to the Public (Initial Public Offer) the Board be and is hereby authorized to create, offer, issue and allot upto 21 Lacs (Twenty One Lacs) equity shares of the Company of the face value of Rs 10/ - (Rupees Ten only) (the "Equity Shares") each at premium at duly convened EGM dated June 08, 2016
7. The directors namely Mr. Chandra Prakash Agarwal, Mrs. Santosh Agrawal, Mr. Vitthal Das Agrawal has resigned from the company wef 28.06.2016 and Neha

For RMC Switchgears Limited


Director

For RMC Switchgears Limited


Director

Agrawal has been appointed as Additional Non Executive Director wef 28.06.2016

8. Key Managerial personnel appointed has been made, Mr. Shiv Charan Maheshwari as a Chief Financial Officer and Miss Priyanka Gattani as a Company Secretary wef July 1, 2016
9. Name of company has been changes from RMC Switch Gears Limited to RMC Switchgears Limited at duly conveyed EGM dated July 16, 2016
10. Alteration in Clause III (related to object clause) of the Memorandum of Association has been made by inserting new sub clause 3 after sub clause 1 and 2 in clause III (A) at duly conveyed EGM dated July 16, 2016
11. Mr. Ashok Kumar Agarwal, Managing Director of the company, in addition to being the Managing Director appointed as the Chairman of the Board, to hold office till his continuance on the Board as a Director at duly conveyed EGM dated July 16, 2016
12. Mr. Devi Shankar Goyal, Mr. Suresh Kumar Jain and Mrs. Radhika Agarwal have been appointed as Additional Independent Non Executive Director wef August 1, 2016
13. Company has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee at its duly conveyed Board Meeting August 1, 2016
14. Offer for sale by certain selling shareholders of the Company namely, Mr. Ankit Agrawal, Mr. Ashok Kumar Agarwal, Mrs. Santosh Agarwal, Mrs. Parwati Bai Agarwal, M/s Vitthal Das Agarwal HUF, M/s Ashok Kumar Agarwal HUF and Argent Leasing and Finance Private Limited has been approved at duly conveyed Board Meeting August 10, 2016

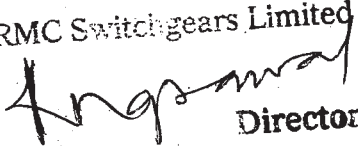
EXTRACT OF ANNUAL RETURN:

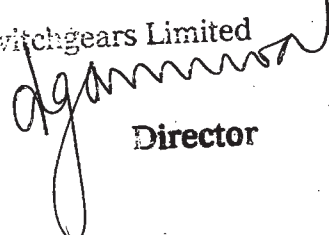
The Extract of Annual Return as provided under section 92(3) of the Companies Act, 2013 and as prescribed in Form No. MGT-9 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as "Annexure A" and forms an integral part of this Report.

DIRECTORS

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Shri Ankit Agrawal is liable to retire by rotation at the forthcoming Annual General Meeting of the company. Being eligible to offer himself for reappointment.

Shri Purshottam Kumar Gupta director of the company has resigned from the post of directorship wef 07.01.2016

For RMC Switchgears Limited

Director

For RMC Switchgears Limited

Director

DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

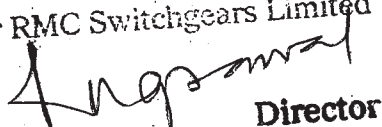
- i) In the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards have been followed;
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The directors have prepared the annual accounts on a going concern basis;
- v) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

MEETINGS OF THE BOARD:

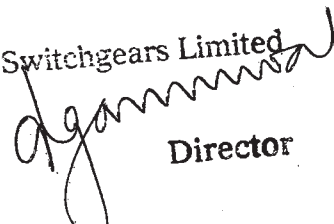
The Board meets at regular intervals to discuss and decide on business policy and strategy apart from other Board business. During the year, Thirteen (13) Board Meetings were convened and held as per following details:

S. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1	18.06.2015	6	6	100%
2	30.06.2015	6	4	66.66%
3	18.08.2015	6	4	66.66%
4	01.09.2015	6	6	100%
5	23.09.2015	6	4	66.66%
6	05.10.2015	6	3	50%
7	10.12.2015	6	3	50%
8	11.12.2015	6	4	66.66%
9	30.12.2015	6	3	50%
10	07.01.2016	5	3	60%
11	21.01.2016	5	3	60%

For RMC Switchgears Limited


Director

For RMC Switchgears Limited


Director

12	15.02.2016	5	3	60%
13	25.03.2016	5	3	60%

* Shri Purshottam Kumar Gupta has resigned from the company wef 07.01.2016

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

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

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company.

FRAUD REPORTING

There was no fraud reported by the Auditors of the Company to the Board of Directors during the year under review.

AUDITORS' REPORT

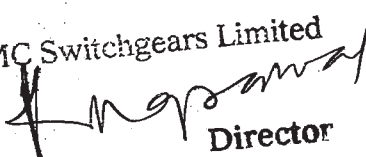
No adverse observation has been made in the Auditors' Report read together with relevant notes and hence, do not call for any further comments under Section 134(f) of the Companies Act, 2013.

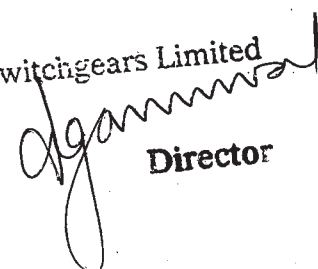
AUDITORS

The Chairman informed that M/s SARASWAT & COMPANY, Chartered Accountants, (FRN- 004846C) were appointed by the shareholders at the 21st Annual General Meeting to hold office until the conclusion of the Annual General Meeting of the Company to be held in the Year 2020 subject to ratification by shareholders at each Annual General Meeting. The Company has obtained from the Auditors, a certificate as required under Section 139 of the Companies Act, 2013 to the effect that they are eligible to continue as statutory auditor of the Company. The Board considered the matter and thereafter decided that the ratification of the above named Auditors be recommended to the shareholders at the forthcoming Annual General Meeting.

SECRETARIAL AUDITORS:

Provisions of Section 204 of the Companies Act, 2013 are not applicable on the company.

For RMC Switchgears Limited

 Director

For RMC Switchgears Limited

 Director

COST AUDITORS:

The provisions of Section 148 of the Companies Act, 2013 and the relevant rules made there-under are not applicable to your Company for this financial year under report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. Hence, the provisions of Section 188 of the Companies Act, 2013 are not attracted. The related party transaction made by the company at arm length basis required to be disclosed in Form AOC-2. Details of transactions with Related Parties are given in the notes to the Financial Statements and Annexure B to the Directors Report.

GENERAL RESERVES:

The company does not propose to transfer any amount to the General Reserves.

DIVIDEND:

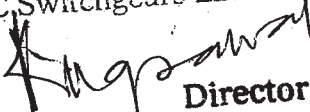
With a view to strengthen working capital base of company, Board of Directors is not declaring any dividend for the year.

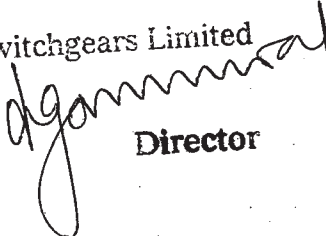
CONSERVATION OF ENERGY:

- a) Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilisation and maximum possible savings of energy is achieved.
- b) Company is exploring the alternate renewal source of energy such as Solar Energy.
- c) Company did not make any investment on energy conservation equipments during the financial year.

TECHNOLOGY ABSORPTION:

- a) Indigenous and traditional technology, up-gradation of machinery takes place from time to time

For RMC Switchgears Limited

Director

For RMC Switchgears Limited

Director

b) Company has derived a number of benefits in terms of product improvement, cost reduction, product development or import substitution.

c) Company has not imported any technology during the last three years prior to financial year under report.

FOREIGN EXCHANGE EARNINGS AND OUT-GO:

The details of earnings in foreign currency and outgo of foreign currency are as under:

	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
A) <i>Foreign Currency used for:</i>	Rs.	Rs.
a) Raw Materials	77,84,984.92	14,668,439.67
b) Capital Goods	-	7,702,857.74
c) For Expenses	133550.00	-
B) <i>Earnings in Foreign Currency</i>	-	-

BUSINESS RISK MANAGEMENT:

Risk is a probability or threats of damages, injury, liability, or any other negative occurrence that is caused by external or internal vulnerabilities and that may be avoided through pre-emptive action.

Risk Management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. Key business risks and their mitigation are considered in the annual/ strategic business plans and in periodic management reviews.

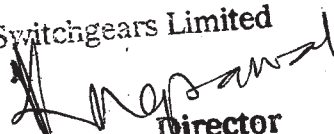
INFORMATION ABOUT SUBSIDIARY/JV/ASSOCIATE COMPANY:

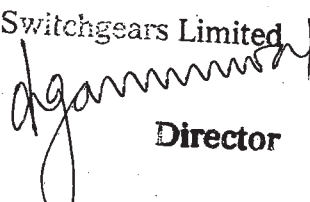
Company does not have any Subsidiary, Joint Venture or Associate company.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

For the year under review, the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the Company.

FIXED DEPOSITS:

For RMC Switchgears Limited

 Director

For RMC Switchgears Limited

 Director



Your Company has not accepted any deposits falling within the ambit of Section 73 and 74 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators/Courts which would impact the going concern status of the company and its future operations.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is not applicable on the company.

ACKNOWLEDGEMENTS:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

For And On Behalf of Board of Directors

For RMC Switchgears Limited

Director

(Ashok Kumar Agarwal)

Managing Director
DIN:-00793152

For RMC Switchgears Limited

Director

(Ankit Agrawal)

Whole-Time Director
DIN:- 00793035

Place:- Jaipur

Date:- 10.08.2016

Annexure A to Boards Report

Form MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2016

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

I. REGISTRATION AND OTHER DETAILS:

- i) CIN U27310RJ1994PLC008698
- ii) Registration Date 23/08/1994
- iii) Name of the company RMC SWITCH GEARS LIMITED
- iv) Category of the Company Private Company
- Sub Category of the Company Limited by shares
- v) Address of the Registered office and contact details
Khasra No.163 And 164, At 7 KM, Chaksu- Kotkhwada Road, Village Barodia, Tehsil Chaksu, JAIPUR, RAJASTHAN, INDIA, 303901
- vi) Whether listed company YES NO
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any NIL

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

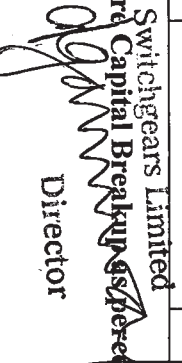
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

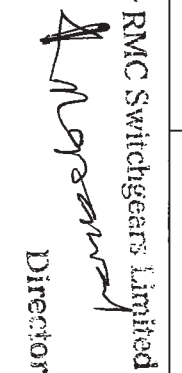
Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
Electrical equipment	2512	93.17

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

For RMC Switchgears Limited

 Director

For RMC Switchgears Limited

 Director

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year					No. of Shares held at the end of the year					% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares			
A. Promoters	-	-	-	-	-	-	-	-	-	-	-
(1) Indian	-	-	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	860160	860160	79.57	-	904710	904710	83.69	4.12	-	
b) Central Govt	-	-	-	-	-	-	-	-	-	-	
c) State Govt (s)	-	-	-	-	-	-	-	-	-	-	
d) Bodies Corp.	-	-	-	-	-	-	-	-	-	-	
e) Banks/ FI	-	-	-	-	-	-	-	-	-	-	
f) Any Other..	-	-	-	-	-	-	-	-	-	-	
Sub-total (A) (1):-	-	860160	860160.00	79.57	-	904710	904710.00	83.69	4.12	-	
(2) Foreign	-	-	-	-	-	-	-	-	-	-	
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-	-	
b) Other - Individuals	-	-	-	-	-	-	-	-	-	-	
c) Bodies Corp.	-	-	-	-	-	-	-	-	-	-	
d) Banks / FI	-	-	-	-	-	-	-	-	-	-	
e) Any Other....	-	-	-	-	-	-	-	-	-	-	
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-	-	
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	860160	860160.00	79.57	-	904710	904710.00	83.69	4.12	-	
B. Public Shareholding	-	-	-	-	-	-	-	-	-	-	
1. Institutions	-	-	-	-	-	-	-	-	-	-	
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-	
b) Banks/ FI	-	-	-	-	-	-	-	-	-	-	
c) Central Govt	-	-	-	-	-	-	-	-	-	-	
			For RMC Switchgears Limited				For RMC Switchgears Limited				

Director

Director

1	ASHOK KUMAR AGRAWAL		131250	12.14	-	131250	12.14	-
2	VITTHAL DAS AGRAWAL		13100	1.21	-	15800	1.46	-
3	PARWATI BAI		86780	8.03	-	97230	8.99	-
4	ASHOK KUMAR AGRAWAL HUF		70710	6.54	-	70710	6.54	-
5	SANTOSH AGRAWAL		177380	16.41	-	186380	17.24	-
6	VITTHAL DAS AGRAWAL HUF		157000	14.52	-	164400	15.21	-
7	ATIKA AGRAWAL		8670	0.80	-	8670	0.80	-
8	ANKIT AGARWAL		150220	13.90	-	160220	14.82	-
9	ANKIT AGARWAL HUF		26000	2.41	-	26000	2.41	-
10	NEHA AGRAWAL		24500	2.27	-	27500	2.54	-
11	RAJENDRA KUMAR AGRAWAL		8080	0.75	-	10080	0.93	-
12	SURAJ BAI AGRAWAL		6470	0.60	-	6470	0.60	-
	Total		860160	79.58	-	904710	83.68	-

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

YES

NO

Details of Change in Promoters' Shareholding

Sr No	Promoters Name	Shareholding at the beginning/end of the year			Changes during the year			Cumulative Shareholding during the year	
		Date	No. of Shares	% of total Shares of the company	Date	(+)Increase/(-)Decrease	Reason	No. of Shares	% of total Shares of the company
1	VITTHAL DAS AGRAWAL	01-Apr-2015	13100	1.21	25-Mar-2016	2700	Transfer	13100	1.21
		31-Mar-2016	15800	1.46		-		15800	1.46
2	PARWATI BAI	01-Apr-2015	86780	8.03	25-Mar-2016	10450	Transfer	86780	8.03
		31-Mar-2016	97230	8.99		-		97230	8.99
3	SANTOSH AGRAWAL	01-Apr-2015	For RMC Switchgears Limited	16.41		-	For RMC Switchgears Limited		16.41

Director

Director

				-	-	-	25-Mar-2016	9000	Transfer	186380	17.24
		31-Mar-2016	186380	17.24				-		-	-
4	VITTHAL DAS AGRAWAL HUF	01-Apr-2015	157000	14.52				-		157000	14.52
							25-Mar-2016	7400	Transfer	164400	15.21
		31-Mar-2016	164400	15.21				-		-	-
5	ANKIT AGARWAL	01-Apr-2015	150220	13.90				-		150220	13.90
							25-Mar-2016	10000	Transfer	160220	14.82
		31-Mar-2016	160220	14.82				-		-	-
6	NEHA AGRAWAL	01-Apr-2015	24500	2.27				-		24500	2.27
							25-Mar-2016	3000	Transfer	27500	2.54
		31-Mar-2016	27500	2.54				-		-	-
7	RAJENDRA KUMAR AGRAWAL	01-Apr-2015	8080	0.75				-		8080	0.75
							25-Mar-2016	2000	Transfer	10080	0.93
		31-Mar-2016	10080	0.93				-		-	-

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

Sr No	Top ten Shareholders Name	Date	Shareholding at the beginning/end of the year		Date	Changes during the year		Cumulative Shareholding during the year		
			No. of Shares	% of total Shares of the company		(+) Increase/ (-) Decrease	Reason	No. of Shares	% of total Shares of the company	
1	ARGENT LEASING FINANCE PRIVATE LIMITED	01-Apr-2015	137530	12.72			-		137530	12.72
		31-Mar-2016	137530	12.72			-		-	-
2	H J ASSOCIATES PRIVATE LIMITED	01-Apr-2015	3400	0.31			-		3400	0.31
		31-Mar-2016	3400	0.31			-		-	-
3	IP AGRAWAL and SONS	01-Apr-2015	27050	2.50			-		27050	2.50
							3200	Transfer	30250	2.80

FOR RMC Switchgears Limited

FOR RMC Switchgears Limited

Director

Director

	31-Mar-2016	30250	2.80	-	-	-	-	-
4 ISHWAR PRASAD AGRAWAL	01-Apr-2015	1760	0.16	-	-	-	1760	0.16
		-	-	-	25-Mar-2016	3400 Transfer	5160	0.48
	31-Mar-2016	5160	0.48	-	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel

Sr No	Directors and KMP Name	Date	Shareholding at the beginning/end of the year		Changes during the year			Cumulative Shareholding during the year	
			No. of Shares	% of total Shares of the company	(+)/Increase/(-)/Decrease	Reason	No. of Shares	% of total Shares of the company	
1	ASHOK KUMAR AGRAWAL	01-Apr-2015	131250	12.14	-	-	131250	12.14	
		31-Mar-2016	131250	12.14	-	-	-	-	
2	ANKIT AGARWAL	01-Apr-2015	150220	13.90	-	-	150220	13.90	
			-	-	-	10000 Transfer	160220	14.82	
		31-Mar-2016	160220	14.82	-	-	-	-	
3	VITTHAL DAS AGRAWAL	01-Apr-2015	13100	1.21	-	-	13100	1.21	
			-	-	-	13100 Transfer	26200	2.42	
		31-Mar-2016	26200	2.42	-	-	-	-	
4	SANTOSH AGRAWAL	01-Apr-2015	177380	16.41	-	-	177380	16.41	
			-	-	-	9000 Transfer	186380	17.24	
		31-Mar-2016	186380	17.24	-	-	-	-	

V. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount				
	For RMC Switchgears Limited 124462419.34	132252256.67	For RMC Switchgears Limited 25614676.01	
ii) Interest due but not paid				
	Director	Director	Director	Director

iii) Interest accrued but not due		271233								271233
Total (i+ii+iii)		124733652.34								256985909.01
Change in Indebtedness during the financial year										
• Addition		19696240.35								19696240.35
• Reduction		-				16033804.40				16033804.4
Net Change		19696240.35				-16033804.4				3662435.95
Indebtedness at the end of the financial year										
i) Principal Amount		144158659.69				116218452.27				260377111.96
ii) Interest due but not paid		-				-				-
iii) Interest accrued but not due		271233				-				271233
Total (i+ii+iii)		144429892.69				116218452.27				260648344.96

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Name of MD/ WTD/ Manager	Gross salary			Stock Option	Sweat Equity	Commission			Total	Ceiling as per the Act
	(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			as % of profit	others, specify...	Others, please specify		
ANKIT AGRAWAL	600000	-	-	-	-	-	-	-	600000	-
ASHOK KUMAR AGARWAL	900000	-	-	-	-	-	-	-	900000	-
Total	1500000	-	-	-	-	-	-	-	1500000	-

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

	Gross salary	Commission	Total

For RMC Switchgears Limited

Director

For RMC Switchgears Limited

Director

Key Managerial Personnel	Name	(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	Stock Option	Sweat Equity	as % of profit	others, specify...	Others, please specify	Total
CEO		-	-	-	-	-	-	-	-	-
Company Secretary		-	-	-	-	-	-	-	-	-
CFO		-	-	-	-	-	-	-	-	-
Total		-	-	-	-	-	-	-	-	-

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					
Compounding		For RMC Switchgears Limited			For RMC Switchgears Limited

[Signature]
Director

[Signature]
Director

ANNEXURE B

Form No. AOC-2

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

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

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

Name of Related Party	Nature of relationship	Nature of contracts/arrangements/ transactions	Duration of contracts/arrangements/ transactions	Date of Approval by the Board	Amount paid as Advances, if any
R K Steel Industries	Related Firm	Job Charges	Ongoing	18.06.2015	-
Synergy Solar System	Related Firm	Rent Received	Ongoing	18.06.2015	-
Ankit Agarwal	Director	Remuneration	Ongoing	18.06.2015	-
Ashok Kumar Agarwal	Director	Remuneration	Ongoing	18.06.2015	-
Ankit Agarwal	Director	Factory Rent Paid	Ongoing	18.06.2015	-
Ankit Agarwal	Director	Interest On Loan	Ongoing	18.06.2015	-
Ashok Kumar Agarwal	Director	Interest On Loan	Ongoing	18.06.2015	-
Neha Agarwal	Relative	Interest On Loan	Ongoing	18.06.2015	-
Santosh Agarwal	Director	Interest On Loan	Ongoing	18.06.2015	-
Vitthal Das Agarwal	Director	Interest On Loan	Ongoing	18.06.2015	-

For RMC Switchgears Limited


Director

For RMC Switchgears Limited


Director



Independent Auditors' Report

To the Members of *RMC SWITCH GEARS LTD.*

Report on the Financial Statements

We have audited the accompanying financial statements of "*RMC SWITCH GEARS LTD.*", which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and, Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under and the order u/s 143(11) of the Act.



SARASWAT & COMPANY
CHARTERED ACCOUNTANTS

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. 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 audit opinion.

Opinion

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

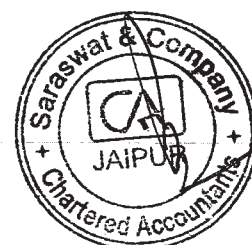
- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016; and
- (b) In the case of the Statement of Profit and Loss, of the **PROFIT** for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that 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, a statements on the matters specified in the paragraph 3 & 4 of the order.

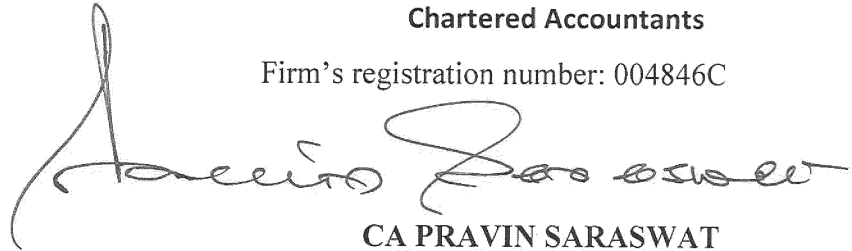


2. As required by Section 143(3) of the Act, we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss and Cash Flows Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Sub Section (2) of Section 164 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
 - iii. The Company is not required to transfer any amount to the Investors Education and Protection Fund.



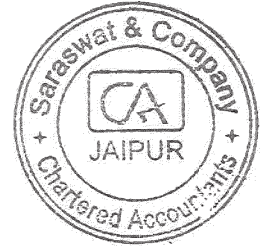
For SARASWAT & COMPANY
Chartered Accountants

Firm's registration number: 004846C


CA PRAVIN SARASWAT

Partner

Membership number: 072679



Jaipur

31st May, 2016

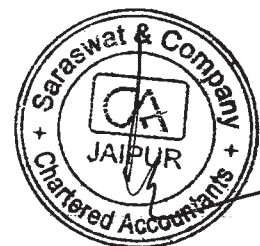
Annexure – A to the Auditor’s Report

The Annexure referred to in the Independent Auditors’ Report to the members of the company on the Financial Statements for the year ended 31st March 2016, we report that:

1. (a) The company is maintaining proper records showing full particulars, including quantitative details & situation of Fixed Assets;

(b) These fixed assets have been physically verified by the management at reasonable intervals; No such material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties are held in the name of the company except Leasehold and Freehold Lands which are in the old name of company i.e. RFH Metal Castings Private Ltd.
2. The Physical Verification of Inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed;
3. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In respect of loans, investments, guarantees, and security all the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
5. The company has not accepted deposits, the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are complied with.
6. The maintenance of Cost Records is specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and such accounts and records have been so made and maintained.



7. (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.

(b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, the following dues of Excise are under dispute:

Name of Statute	Nature of dues	Amount (in Rs.) (Net of Deposit)	Period to which amount relates	Forum where Dispute is pending
Central Excise Act, 1944	Excise Duty & Penalty	126629/-	March, 2011	Commissioner (Appeals), Jaipur

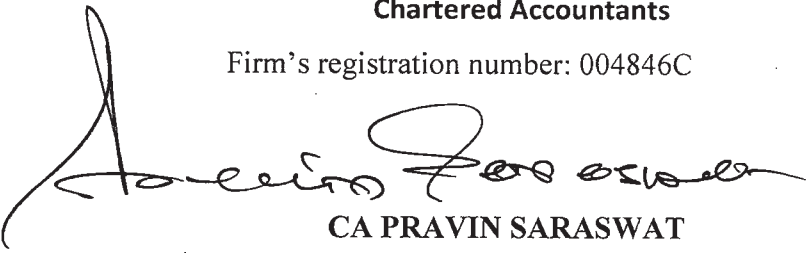
8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, government or dues to debenture holders.
9. No money is raised by way of Initial Public offer or further public offer (including Debt instruments) and term loans were applied for the purposes for which those are raised.
10. No Fraud by the Company or fraud on the company by its Officers or employees has been noticed or reported during the year.
11. The Managerial Remuneration has been paid and provided in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
12. All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the applicable accounting standards.
13. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.



14. The Company has not entered into any non cash transaction with the Directors or person connected with him under the provisions of section 192 of Companies Act, 2013.

For SARASWAT & COMPANY
Chartered Accountants

Firm's registration number: 004846C



CA PRAVIN SARASWAT

Partner

Membership number: 072679

Jaipur

31st May, 2016



Annexure – B to the Auditor’s Report

Report on the Internal Financial Control under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Control over Financial Reporting of RMC SWITCHGEARS LTD. (“the Company”) as on 31 March 2016 in conjunction with our audit of the financial statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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



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

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

Meaning of Internal Financial Control over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

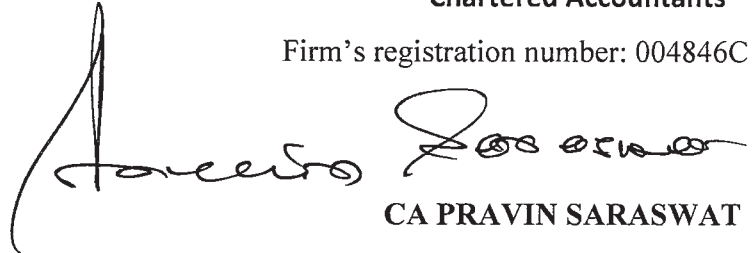


Opinion

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

For **SARASWAT & COMPANY**
Chartered Accountants

Firm's registration number: 004846C



CA PRAVIN SARASWAT

Partner

Membership number: 072679

Jaipur

31st May, 2016



RMC SWITCH GEARS LIMITED

BALANCE SHEET AS AT MARCH 31, 2016

(AMOUNT IN RS.)

		NOTES	AS AT March 31, 2016	AS AT March 31, 2015
I. EQUITY AND LIABILITIES				
1) Shareholders' Funds				
(a)	Share Capital	2	10,810,500.00	10,810,500.00
(b)	Reserves and Surplus	3	91,786,673.90	89,594,867.08
			102,597,173.90	100,405,367.08
2) Non-Current Liabilities				
(a)	Long Term Borrowings	4	166,219,293.68	167,717,350.13
(b)	Deferred Tax Liability	-	9,337,834.65	-
(c)	Other Long Term Liabilities	5	9,348,117.13	13,966,604.63
			184,905,245.46	181,683,954.76
3) Current Liabilities				
(a)	Short Term Borrowings	6	90,520,388.03	83,095,634.57
(b)	Trade Payables	-	88,706,171.93	68,375,276.70
(c)	Other Current Liabilities	7	25,235,600.94	23,761,359.02
(d)	Short Term Provisions	-	-	-
			204,462,160.90	175,232,270.29
TOTAL			491,964,580.26	457,321,592.13
II. ASSETS				
1) Non-Current Assets				
(a)	Fixed Assets	8		
i)	Tangible Assets		229,611,535.95	200,863,685.53
ii)	Intangible Assets		89,154.16	200,766.02
iii)	Capital Work-in-progress		-	25,872,374.81
			229,700,690.11	226,936,826.36
(b)	Non-Current Investments		-	-
(c)	Long Term Loans and Advances	9	107,289.00	107,289.00
(d)	Other Non-Current Assets	10	1,124,369.40	1,124,369.40
			1,231,658.40	1,231,658.40
2) Current Assets				
(a)	Current Investments	-	-	-
(b)	Inventories	11	49,909,122.21	63,092,775.40
(c)	Trade Receivables	12	161,758,651.20	120,840,145.05
(d)	Cash and Bank Balances	13	23,681,029.37	23,769,819.38
(e)	Short Term Loans and Advances	14	10,985,094.36	11,973,180.65
(f)	Other Current Assets	15	14,698,334.62	9,477,186.89
			261,032,231.76	229,153,107.37
TOTAL			491,964,580.26	457,321,592.13

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The accompanying notes are an integral part of the financial statements

As per our separate report of even date

FOR SARASWAT & COMPANY

Chartered Accountants

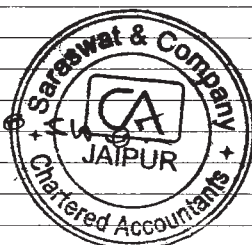
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CA PRAVIN SARASWAT

PARTNER

Membership Number : 072679

JAIPUR - 31st May, 2016



FOR AND ON BEHALF OF BOARD OF DIRECTORS

RMC SWITCH GEARS LIMITED

For RMC Switch Gears Ltd For RMC Switch Gears Ltd.

(Signature)

A. K. Agarwal
MANAGING DIRECTOR

(DIN No. 793152)

(Signature)

Ankit Agarwal
EXECUTIVE DIRECTOR

(DIN No. 793035)

Director

RMC SWITCH GEARS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2016

(AMOUNT IN RS.)

PARTICULARS		NOTES	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
I.	Revenue from Operations(Gross)	16	607,476,471.71	484,690,393.77
	Less: Excise Duty		53,120,326.61	32,403,148.98
	Revenue from Operations(Net)		554,356,145.10	452,287,244.79
II.	Other Income	17	4,177,885.73	5,153,440.44
III.	Total Revenue (I + II)		558,534,030.83	457,440,685.23
IV.	Expenses			
a)	Cost of Materials consumed	18	176,183,055.63	156,668,399.86
b)	Changes in inventories of Finished Goods, Work-in-Progress	19	9,078,876.69	-16,012,470.99
c)	Purchases of Finished Goods and Materials & Labour for works contract		83,090,182.07	107,069,557.22
d)	Employee Benefits Expenses	20	18,892,733.00	17,807,082.00
e)	Finance Costs	21	46,147,596.93	36,893,136.48
f)	Depreciation and Amortization Expenses		13,387,370.85	11,616,733.74
g)	Other expenses	22	200,224,574.20	138,770,694.91
	Total Expenses (a to g)		547,004,389.36	452,813,133.22
V.	Profit Before Tax (III - IV)		11,529,641.47	4,627,552.01
VI.	Tax Expenses			
a)	Current Tax		2,196,970.00	881,780.00
	Less: MAT Credit Entitlement		-2,196,970.00	-881,780.00
b)	Deferred Tax Liability	29	9,337,834.65	-
VII.	Profit (Loss) for the year (V-VI)		2,191,806.82	4,627,552.01
VIII.	Earning per equity share: (Face Value of Rs.10 each)			
a)	Basic (Rs.)	26	2.03	4.28
b)	Diluted (Rs.)	26	2.03	4.28
c)	Cash EPS		23.05	15.03

The accompanying notes are an integral part of the financial statements

As per our separate report of even date

FOR AND ON BEHALF OF BOARD OF DIRECTORS

FOR SARASWAT & COMPANY

RMC SWITCH GEARS LIMITED

Chartered Accountants

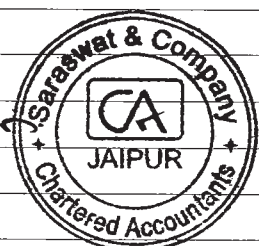
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Pravin Saraswat
Pravin Saraswat

PARTNER

Membership Number: 072679

JAIPUR - 31st May, 2016



For RMC Switch Gears Ltd

A. K. Agarwal
A. K. Agarwal
Director

MANAGING DIRECTOR

(DIN No. 793152)

For RMC Switch Gears Ltd
Ankit Agarwal
Ankit Agarwal
Director

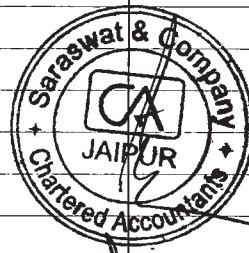
EXECUTIVE DIRECTOR

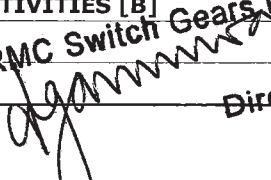
(DIN No. 793035)

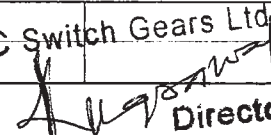
RMC SWITCH GEARS LIMITED

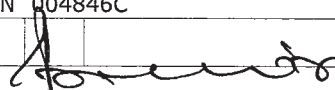
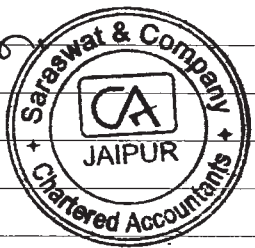

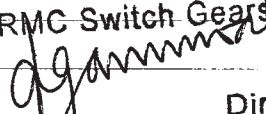
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

		As on 31-03-2016	As on 31-03-2015
		Amount in (Rs.)	Amount in (Rs.)
I)	CASH FLOW FROM OPERATING ACTIVITIES		
1	Net Surplus in Statement of profit & loss Before Taxes	11,529,641.47	4,627,552.01
2	Adjustments for:		
i)	Depreciation and Amortisation	13,387,370.85	11,616,733.74
ii)	Finance Cost	46,147,596.93	36,893,136.48
iii)	Interest Income	-3,904,337.00	-4,947,968.00
v)	Dividend Income	-15.00	0.00
vi)	(Profit)/Loss on Sale of Fixed Assets	-50,629.85	-5,009.19
vii)	Rent received	-120,000.00	-120,000.00
	Operating Profit Before Working	66989627.39	48064445.04
	Capital Changes (1+2)		
3	Adjustments for Working Capital changes:		
	<i>Adjustments for (increase) / decrease in operating assets:</i>		
	Inventories	13,183,653.20	-21,640,101.82
	Trade receivables	-40,918,506.15	2,905,160.52
	Short-term loans and advances	988,086.29	-6,179,617.55
	Other current assets	-5,221,147.73	-3,362,003.84
	<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
	Trade payables	20,330,895.23	4,221,200.38
	Other current liabilities	1,474,241.92	-1,434,429.90
4	Cash Generated From Operations	56,826,850.15	22,574,652.83
	Less: Direct Taxes Paid	9,337,834.65	-
	NET CASH FROM OPERATING ACTIVITIES [A]	66,164,684.81	22,574,652.83
II)	CASH FLOW FROM INVESTING ACTIVITIES		
i)	Purchase of Tangible / Intangible Assets	-20,428,050.74	-25,649,945.23
ii)	Proceeds on Disposal of Tangible Fixed Assets	4,327,446.00	400,000.00
iii)	Interest Received	3,904,337.00	4,947,968.00
iv)	Dividend Received	15.00	-
v)	Rent received	120,000.00	120,000.00
	NET CASH (USED IN) INVESTING ACTIVITIES [B]	-12,076,252.74	-20,181,977.23



For RMC Switch Gears Ltd.

 Director

For RMC Switch Gears Ltd.

 Director

III) CASHFLOW FROM FINANCING ACTIVITIES			
i)	Proceeds/(Repayment) from Short Term Borrowings(Net)	7,424,753.46	-3,888,844.82
ii)	Proceeds/(Repayment) from Long Term borrowings (Net)	-1,498,056.45	43,389,918.25
iii)	Proceeds/(Repayment) from Long Term Liabilities (Net)	-4,618,487.50	-18,305,671.91
vi)	Deferred Tax Liability	-9,337,834.65	
v)	Finance Cost Paid	-46,147,596.93	-36,893,136.48
NET CASH FROM FINANCING ACTIVITIES [C]		(54177222.07)	(15697734.96)
NET CASH GENERATED/(USED) [A+B+C]		-88,790.01	-13,305,059.36
Cash & cash equivalents the beginning of the year		23,769,819.38	37,074,878.74
Cash & cash equivalents the end of the year		23,681,029.37	23,769,819.38
1 Components of cash & cash Equivalents:-			
	Cash on hand	392,626.67	2,783,291.25
	Balances with banks		
	In current Accounts	374,189.70	787,432.13
	In fixed deposit maturing in less than 3 months	22,914,213.00	20,199,096.00
		23681029.37	23769819.38
		0.00	0.00
2 The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard -3 on Cash Flow Statement issued by the Institute of Chartered Accountants of india.			
As per our separate report of even date		FOR AND ON BEHALF OF BOARD OF DIRECTORS	
FOR SARASWAT & COMPANY		RMC SWITCH GEARS LIMITED	
Chartered Accountants			
FRN 004846C			
 Pravin Saraswat PARTNER Membership Number 072679 PLACE : JAIPUR JAIPUR - 31st May, 2016			
		For RMC Switch Gears Ltd. For RMC Switch Gears Ltd  A. K. Agarwal Director MANAGING DIRECTOR (DIN No. 793152)	
		 Ankit Agarwal DIRECTOR EXECUTIVE DIRECTOR (DIN No. 793035)	



RMC SWITCH GEARS LIMITED

Note No. 1

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31/03/2016

i) Corporate Information

RMC Switchgears Limited is a public company domiciled in India. The company is primarily engaged in the business of manufacturing 'Switch Gear Engineering and construction contracts for power distribution / transmission sector'

ii) Basis of Accounting

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principal in India (GAAP). The Company has prepared these Financial Statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of Companies (Accounts) Rules, 2014. The Financial Statements have been prepared on an accrual basis and under the Historical Cost Convention. The Accounting Policies adopted in preparation of Financial Statement are consistent with those of previous year.

iii) Changes in Accounting Policies

The Company has reclassified/regrouped/rearranged the previous year figures, wherever necessary, to make them comparable with current year's figures & groups.

iv) Fixed Assets and Depreciation


a) Fixed Assets are stated at cost including attributable cost (net of cenvat/vat credit availed) of bringing the assets to its working condition for the intended use.


b) Depreciation on the assets has been provided as under:

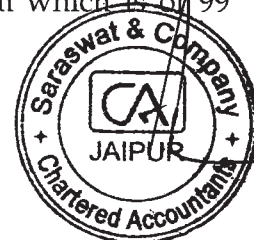
1) Depreciation has been provided on the basis of useful lives of the tangible assets as prescribed in Schedule II to the Companies Act, 2013 by using Straight-line method (SLM) of depreciation. Based on the technical advice, company has taken the useful lives of 20 years in case of some Plant & Machineries in place of 15 years as prescribed in Schedule II of the Companies Act, 2013.

2) Depreciation on intangible assets is provided in accordance with AS-26 over the period of 5 years.

3) Premium paid on Leasehold Land is amortized over the Lease term which is of 99 years.

For RMC Switch Gears Ltd.

Director

For RMC Switch Gears Ltd.

Director



4) Impairment of Tangible & Intangible Assets

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using weighted average cost of capital.

Post impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

v) Valuation of Inventory

Inventory of raw material, stores, spares, semi-finished goods and finished goods are valued at lower of cost and net realizable value. Inventory of rejected material is valued at cost or net realizable value whichever is lower. Work in process generally includes cost of direct material, labour cost and other manufacturing overheads. Goods-in-Transit is valued at cost.

(v) Excise Duty

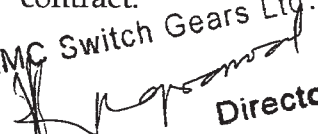
Excise Duty is chargeable on production but is payable on clearance of goods. Accordingly, Excise Duty on goods manufactured by the Company is accounted for at the time of their clearance. Duty on finished goods lying in its Factory Premises as on the Balance Sheet date has neither been provided nor included in the valuation of such stocks. This, however, has no effect on the profit for the year.

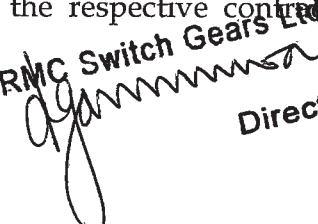
vi) Income Tax

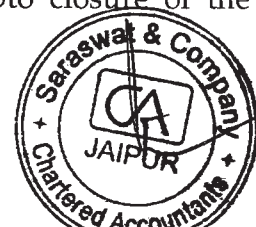
- a) Provision is made for the income tax liability in accordance with the provision of the Income Tax Act, 1961. Company has provided for the tax liability u/s 115JB (MAT) of the Income Tax Act, 1961 and consequent MAT Credit available has been recognized as asset.
- b) Deferred Tax has been provided on the DTL (net of DTA) at the prevailing Income Tax Rates as prescribed under Income Tax Act, 1961.

vii) Liquidated Damages:

Liquidated damages are provided based on contractual terms when the delivery/commissioning dates of an individual project have exceeded or are likely to exceed the delivery/commissioning dates as per the respective contract. This expenditure is expected to be incurred over the respective contractual terms upto closure of the contract.

For RMC Switch Gears Ltd.

Director

For RMC Switch Gears Ltd.

Director



viii) **Foreign Currency:**

- a) Transactions in Foreign Currency entered into by the Company are accounted at the Exchange Rates prevailing the date of the transaction. Foreign Currency monetary items of the company, outstanding on the Balance Sheet date are restated at the year-end rates. Non-monetary items of the company are carried at historical costs.
- b) Exchange Difference arising on settlement / restatement of short term foreign currency monetary assets & liabilities of the company are recognized as expense in the statement of Profit & Loss.

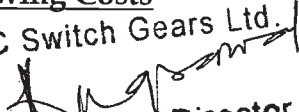
ix) **Revenue Recognition:**

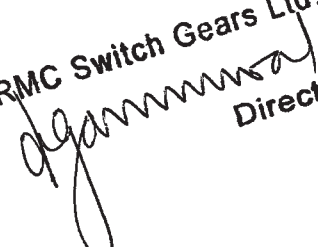
- a) Sales Revenue is recognized when the risk and rewards of ownership are passed on to the customers, which is generally on dispatch. Excise Duty deducted from turnover (gross) is the amount that is included in the amount of turnover (gross) and not the entire amount of liability arisen during the year
- b) Revenue from turnkey contracts is recognized based on the stage of completion determined with reference to the costs incurred on contracts and their estimated total costs. The company collects Service Tax on behalf of the Central Government and therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue. Provision for foreseeable losses/ construction contingencies on turnkey contracts is made on the basis of technical assessments of costs to be incurred and revenue to be accounted for.
- c) Price Escalation and other claims or variations in the contract work are included in contract revenue only when:
 - i) Negotiations have reached to an advanced stage such that it is probable that customer will accept the claim: and
 - ii) The amount that is probable will be accepted by the customer and can be measured reliably.

x) **Use of Estimates:**

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as of the date of financial statements and the reported amount of revenue and expenses of the year. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

xi) **Borrowing Costs**

For.RMC Switch Gears Ltd.

Director

For.RMC Switch Gears Ltd.

Director



Borrowing costs attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets as Pre-operative Expenses. During the year, Rs. 19.81 Lacs (Previous year Rs. 55.94 Lacs) has been capitalized for the Capital Assets added during the year. All other borrowing costs are recognized in Statement of Profit and Loss in the period in which they are incurred.

xii) **Employees Benefits:**

a) **Short Term Employee Benefits:**

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards etc. and are recognized in the period in which the employee renders the related service.

b) **Post-Employment Benefits:**

Employees' own and Employer's contribution to Provident Funds are contributed by company monthly at a determined rate. These contributions are remitted to the Employees' Provident Fund Organization, India and is charged to profit and Loss Account on accrual basis

xiii) **Segment Reporting :**

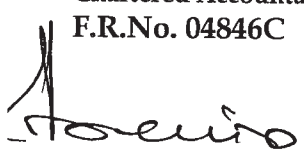
a) **Primary Segment:**

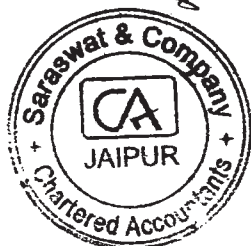
Company is engaged in 'Switch Gear Engineering and construction contracts for power distribution / transmission sector' which relate to one segment i.e. Power Segment.

b) **Secondary Segment:**

Company's secondary segments are geographic distribution of activities. Company's revenue and receivables are located in India only.

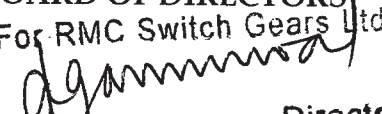
FOR SARASWAT & COMPANY
Chartered Accountants
F.R.No. 04846C


(PRAVIN SARASWAT)
PARTNER
M.No. - 072679
PLACE: JAIPUR
DATED: 31st May, 2016



FOR AND ON BEHALF OF BOARD OF DIRECTORS
For RMC Switch Gears Ltd.


(ASHOK AGARWAL) Director
MANAGING DIRECTOR
DIN No: 793152

For RMC Switch Gears Ltd.

(ANKIT AGARWAL) Director
EXECUTIVE DIRECTOR
DIN No: 793035

RMC SWITCH GEARS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE : 2

SHARE CAPITAL

(AMOUNT IN Rs)

	As At 31.3.2016	As At 31.3.2015
AUTHORISED CAPITAL		
2000000 Equity Shares of Rs.10/- each	20,000,000.00	20,000,000.00
(Previous Year 2000000 Equity Shares of Rs.10/- each)		
ISSUED,SUBSCRIBED AND PAID UP CAPITAL		
1081050 Equity share of Rs 10/- each Fully Paid up.	10,810,500.00	10,810,500.00
(Previous year 1081050 Equity Shares of Rs.10/- each)		
TOTAL	10,810,500.00	10,810,500.00

i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

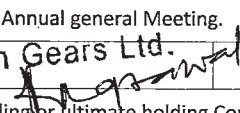
Particulars	As At 31.3.2016	As At 31.3.2015
Outstanding at the beginning of the Year	1,081,050.00	1,081,050.00
Add : Fresh Equity Shares issued during the year		
Outstanding at the end of the Year	1,081,050.00	1,081,050.00

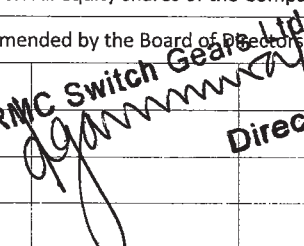
ii) Details of Shareholders holding more than 5 % equity shares :

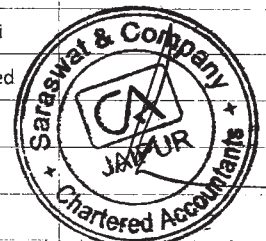
Particulars	As At 31.3.2016		As At 31.3.2015	
	No.of Shares	% Holding	No.of Shares	% Holding
(a) Santosh Agrawal	186,380.00	17.24%	177,380.00	16.41%
(b) Vitthal Das Agrawal (HUF)	164,400.00	15.21%	157,000.00	14.52%
(c) Ankit Agarwal	160,220.00	14.82%	150,220.00	13.90%
(d) Argent Leasing & Finance Pvt. Ltd.	137,530.00	12.72%	137,530.00	12.72%
(e) Ashok Kumar Agrawal	131,250.00	12.14%	131,250.00	12.14%
(f) Parwati Bai	97,230.00	8.99%	86,780.00	8.03%
(g) Ashok Kumar Agrawal (HUF)	70,710.00	6.54%	70,710.00	6.54%

iii) Terms and Rights attached to equity shares:

The Company has only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member. All equity shares of the Company rank pari passu in all respects including the right to dividend. The dividend is recommended by the Board of Directors and declared by the members at the ensuing Annual general Meeting.

For RMC Switch Gears Ltd.

Director

For RMC Switch Gears Ltd.

Director



iv) Company doesn't have any holding or ultimate holding Company.

RMC SWITCH GEARS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE : 3

RESERVES & SURPLUS

		As At 31.3.2016	As At 31.3.2015
(a)	Share Premium Account		
	As per Last Financial Statements	66,186,750.00	66,186,750.00
(b)	Capital Reserve		
	As per Last Financial Statements:		
	Capital Investment Subsidy-State	1,450,060.00	1,450,060.00
	CLCS Subsidy-Central Government	1,500,000.00	1,500,000.00
		2,950,060.00	2,950,060.00
(c)	Surplus in Statement of Profit and Loss		
	As per Last Financial Statements	20,458,057.08	16,057,959.27
	Less : Depreciation arising on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life charged in terms of clause No. (iii)(b)(1) of Note No.1	0.00	-227,454.20
	Add : Transferred during the year from Statement of Profit and Loss	2,191,806.82	4,627,552.01
	Net Surplus in Statement of Profit and Loss	22,649,863.90	20,458,057.08
	TOTAL	91,786,673.90	89,594,867.08

NOTE : 4

LONG-TERM BORROWINGS

PARTICULARS	As At 31.3.2016		As At 31.3.2015	
	Non Current	Current	Non Current	Current
SECURED				
I. Term loans from bank				
From The Federal Bank Ltd	11,795,069.08	1,500,000.00	14,611,099.08	3,890,532.00
II. Secured Subordinate Loan				
From Small Industries Development Bank of India (SIDBI)	30,000,000.00	-	30,000,000.00	-
III. Other Secured loans for vehicles	2,553,659.85	2,137,430.25	3,753,994.38	2,011,159.31
IV. Other Secured Loans for Plant & Machinery	7,052,112.48	-		
UNSECURED				
I. Long term borrowings				
(a) From directors	54,189,144.73	-	53,172,810.13	-
(b) Inter-Corporate Deposits	47,149,368.83	-	52,699,507.83	-
(c) Deferred Payment of Sales Tax	13,479,938.71	-	13,479,938.71	-
	166,219,293.68	3,637,430.25	167,717,350.13	5,901,691.31

(A) Nature of Securities:

I. TERM LOAN

Secured by way of first charge ranking pari passu on the entire fixed assets of the company, both present and future situated at Malviya Industrial Area, Jaipur and Tehsil Chaksu, Jaipur and personal guarantees of Ashok Agarwal, Ankit Agarwal, and VD Agarwal, Directors of company

For RMC Switch Gears Ltd.

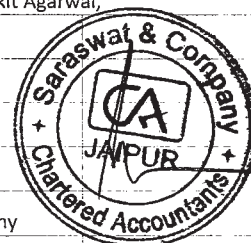
For RMC Switch Gears Ltd.

Director

Director

II. Secured Subordinate Loan

SIDBI Loan is secured by way of second charge on the movable assets of the company and further secured by the personal guarantees of Ashok Agarwal, Ankit Agarwal, Smt. Santosh Agarwal and VD Agarwal, Directors of company



RMC SWITCH GEARS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

(B) Terms of repayment of term loans and other loans:

1 SECURED TERM LOAN

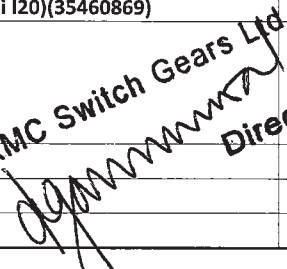
PARTICULARS	As At 31.3.2016	As At 31.3.2015	Terms of Repayment
I) The Federal Bank Ltd			
Loan of Rs 200.00 Lakhs	10,036,876.08	16,111,099.08	Repayable in 72 Monthly Installments in 7 years commencing from the 2nd Year. Installments pending as on 31st, March 2016 are 28. ROI is BR+4.03%
Loan of Rs.40.00 Lakhs	1,758,193.00	-	Repayable in 36 monthly installments. Installments pending as on 31st March 2016 are 36 ROI is BR+2.55%= 12.5%
III) Small Industries Development Bank of India	30,000,000.00	30,000,000.00	Repayment in 48 Monthly Installments commencing from July, 2017. ROI is 15%.

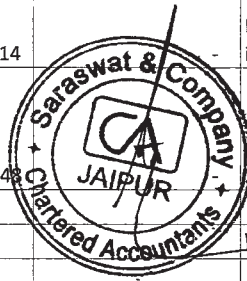
2 UNSECURED TERM LOAN

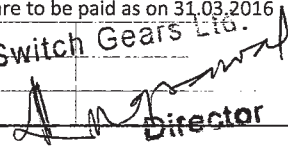
PARTICULARS	As At 31.3.2016	As At 31.3.2015	Terms of Repayment
Repayable not earlier than 12 months on demand			

3 VEHICLE LOAN

PARTICULARS	As At 31.3.2016	As At 31.3.2015	Terms of Repayment
I) Kotak Mahindra Prime Ltd.	36,418.00	423,515.00	Repayable in Equated Monthly Installment of Rs. 18470/- Each, 14 installments to be paid as on 31st March, 2016
II) ICICI Bank Ltd			
ICICI Innova (6336) Loan A/c No. LAJAI00029886690	263,739.90	1,054,990.00	Repayable in Equated Monthly Installment of Rs. 39009/- Each at interest rate of 10.51%, 19 installments to be paid as on 31st March, 2016
ICICI (Indica) Loan(LAJAI00034168043)	255,822.10	-	Repayable in monthly installments of Rs.12315/- each at Interest rate of 10.01% p.a. 29 installments are to be paid on 31.03.2016
ICICI (Indigo) Loan (LAJAI00033991087)	302,983.30	-	Repayable in monthly installments of Rs.15168/- each at Interest rate of 10.01% p.a. 34 installments are to be paid on 31.03.2016
III) Axis Bank Ltd.	1,240,184.00	1,922,611.00	Repayable in Equated Monthly Installment of Rs. 42500/- Each at interest rate of 10.50%, 46 installments to be paid as on 31st March, 2016
IV) Reliance Capital Ltd.			
Reliance Capital Ltd. Account No. RLUMJAI000273232	61,788.21	472,433.34	Repayable in 36 Equated monthly installments of Rs. 21183/- Interest rate is 17.02%p.a. 15 installments are to be paid as on 31.03.2016
Reliance Capital Ltd. Account No. RLUMJAI000273235	81,760.20	625,138.95	Repayable in 36 Equated monthly installments of Rs. 28030/- Interest rate is 17.02%p.a. 15 installments are to be paid as on 31.03.2016
V) HDFC Car Loan (Hyundai I20)(35460869)	310,964.14	-	Repayable in Equated monthly installments of Rs.17786/- each at interest rate of 10.15% p.a. 32 installments are to be paid as on 31.03.2016
VI) L&T Finance Ltd.	7,052,112.48	-	Repayable in Equated monthly installments of Rs.396550/- each at the interest rate of 13% p.a. 16 installments are to be paid as on 31.03.2016

For RMC Switch Gears Ltd

Director



For RMC Switch Gears Ltd

Director

RMC SWITCH GEARS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE : 5

OTHER LONG TERM LIABILITIES

	As At 31.3.2016	As At 31.3.2015
Trade Paybles	9,348,117.13	13,966,604.63
TOTAL	9,348,117.13	13,966,604.63

NOTE : 6

SHORT-TERM BORROWINGS

	As At 31.3.2016	As At 31.3.2015
Loans repayable on demand:		
Secured		
Cash credit from The Federal Bank Ltd.	87,938,389.51	70,195,634.57
Buyers credit from the bank	1,181,998.52	-
Unsecured		
Security Deposits and Refundable/Adjustable Advances	1,400,000.00	12,900,000.00
TOTAL	90,520,388.03	83,095,634.57

Nature of Securities:

1 Cash Credit & Buyers' Credit

Secured by way of hypothecation of all inventories, book-debts and other receivables of the company. Also secured by way of first charge ranking pari passu on all immovable assets of the company, both present and future and personal guarantees of Ashok Agarwal, Ankit Agarwal, and VD Agarwal, Directors of company.

NOTE : 7

OTHER CURRENT LIABILITIES

	As At 31.3.2016	As At 31.3.2015
(a) Current maturities of Term Loan (Secured)	1,500,000.00	3,890,532.00
Vehicle Loan (Secured)	2,137,430.25	2,011,159.31
(b) Advance from Customers	852,021.28	1,090,707.28
(c) Creditors For Expenses	19,411,458.41	12,194,707.37
(d) Statutory & Other Liabilities	1,063,458.00	4,303,020.06
(e) Interest accrued but not due	271,233.00	271,233.00
TOTAL	25,235,600.94	23,761,359.02

NOTE : 9

LONG-TERM LOANS AND ADVANCES

	As At 31.3.2016	As At 31.3.2015
<i>(Unsecured, considered good)</i>		
(a) Capital Advances	107,289.00	107,289.00
TOTAL	107,289.00	107,289.00

NOTE : 10

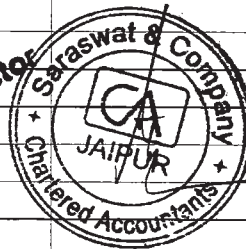
OTHER NON-CURRENT ASSETS

	As At 31.3.2016	As At 31.3.2015
<i>(Unsecured, considered good)</i>		
(a) Security Deposits	1,124,369.40	1,124,369.40
TOTAL	1,124,369.40	1,124,369.40

For RMC Switch Gears Ltd

Director

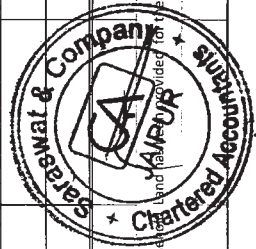
For RMC Switch Gears Ltd.
Director



FIXED ASSETS



DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	AS AT	ADDITION	DEDUCTIONS	AS AT	DELETION	DEPRECIATION / AMORTISATION FOR THE YEAR	TRANSITION ADJUSTMENT RECORDED AGAINST OPENING RETAINED EARNING	AS AT	AS AT	AS AT	AS AT
	1.04.15 RS.	RS.	RS.	31.03.2016 RS.	SALES	RS.	RS.	31.03.2016 RS.	31.03.2016 RS.	31.03.2015 RS.	31.03.2015 RS.
1. TANGIBLE ASSETS											
Freehold Land	1,850,100.00	-	-	1,850,100.00	-	-	-	1,850,100.00	1,850,100.00	1,850,100.00	1,850,100.00
Leasehold Land	598,238.00	-	-	598,238.00	-	-	-	477,381.80	477,381.80	598,238.00	
Building	56,654,884.24	27,853,532.81	-	84,508,417.05	-	1,646,050.95	-	13,214,202.97	71,294,214.08	45,086,732.22	
Plant & Equipments	157,278,601.33	12,544,063.50	4,433,190.00	165,389,474.83	855,497.75	7,650,623.92	-	49,074,445.32	116,315,029.52	114,995,282.18	
Misc. Fixed Assts	41,247,881.38	3,126,489.24	-	44,374,370.62	-	2,530,353.31	-	13,973,843.54	30,400,527.08	29,804,391.15	
Furniture	1,638,576.29	-	-	1,638,576.29	836,968.84	105,927.64	-	942,896.48	695,679.81	801,607.45	
Vehicles	12,109,412.33	2,776,340.00	1,544,163.20	13,341,589.13	4,386,077.81	1,221,946.97	-	4,762,985.47	8,578,603.66	7,723,334.52	
TOTAL	271,377,693.57	46,300,425.55	5,977,353.20	311,700,765.92	1,700,537.05	13,275,758.99	-	82,089,229.98	229,611,535.95	200,863,685.53	
<i>Previous Year</i>	250,164,904.35	22,606,224.22	1,393,435.00	271,377,693.57	998,444.19	11,504,998.14	227,454.20	70,514,008.05	200,863,685.52	190,384,904.45	
2. INTANGIBLE ASSETS											
Softwares	1,090,709.49	-	-	1,090,709.49	889,943.47	111,611.86	-	1,001,555.33	89,154.16	200,766.02	
TOTAL	1,090,709.49	-	-	1,090,709.49	889,943.47	111,611.86	-	1,001,555.33	89,154.16	200,766.02	
<i>Previous Year</i>	1,090,709.49	-	-	1,090,709.49	778,207.87	111,735.60	-	889,943.47	200,766.02	312,501.62	
GRAND TOTAL	272,468,403.06	46,300,425.55	5,977,353.20	312,791,475.41	1,700,537.05	13,387,370.85	-	83,090,785.31	229,700,690.11	201,064,451.55	
<i>(Previous Year)</i>	251,255,613.84	22,606,224.22	1,393,435.00	272,468,403.06	998,444.19	11,616,733.74	227,454.20	71,403,951.52	201,064,451.54	190,697,406.07	
Capital Work-in-Progress											
<i>Previous Year</i>											
NOTE 8.1	Lease Premium paid on Leases for the first time and therefore it includes premium amounting Rs. 114813739 for past years										
	For RMC Switch Gears Ltd. Director				For RMC Switch Gears Ltd. Director				For RMC Switch Gears Ltd. Director		



RMC SWITCH GEARS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE : 11

INVENTORIES

		As At 31.3.2016	As At 31.3.2015
(a)	Raw Materials	3,347,044.63	13,394,802.20
(b)	Work in Progress	4,028,099.10	21,863,194.78
(c)	Finished Goods:		
(ci)	Manufactured	3,883,678.62	2,667,661.33
(cii)	Traded(Project)	20,146,830.27	12,606,628.56
(d)	Stores & spares (Including Goods in Transit of Rs - NIL Previous year Rs NIL)	18,503,469.59	12,560,488.53
	TOTAL	49,909,122.21	63,092,775.40

NOTE : 12

TRADE RECEIVABLES

		As At 31.3.2016	As At 31.3.2015
	<i>(Unsecured, considered good)</i>		
(a)	Outstanding for a period exceeding six months from the due date	4,955,771.83	3,714,817.16
(b)	Others	156,802,879.37	117,125,327.89
	TOTAL	161,758,651.20	120,840,145.05

NOTE : 13

CASH AND BANK BALANCES

PARTICULARS	As At 31.3.2016		As At 31.3.2015	
	Non Current	Current	Non Current	Current
Cash and cash equivalents				
(a) Cash on Hand	-	392,626.67	-	2,783,291.25
(b) Balance with scheduled Banks:				
i) In Current Accounts	-	374,189.70	-	787,432.13
ii) Fixed Deposits with original maturity of less than 1 year*	-	22,914,213.00	-	20,199,096.00
	-	23,681,029.37	-	23,769,819.38

* Pledged with Bank as Cash Margin Money for Bank Guarantees/Letter of Credits

NOTE : 14

SHORT-TERM LOANS AND ADVANCES

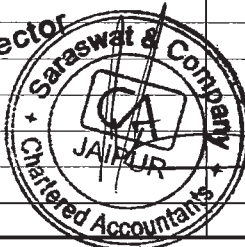
		As At 31.3.2016	As At 31.3.2015
	<i>(Unsecured, considered good)</i>		
	Advances Recoverable in Cash/Kind	5,455,380.42	8,715,144.87
	Prepaid Expenses	5,529,713.94	3,258,035.78
	TOTAL	10,985,094.36	11,973,180.65

NOTE : 15

OTHER CURRENT ASSETS

		As At 31.3.2016	As At 31.3.2015
	<i>(Unsecured, considered good)</i>		
	CENVAT Credit of :-		
	a) Excise Duty on Inputs (Including Cess)	1,276,326.84	1,929,067.00
	b) Service Tax on Input Services (Including Cess)	46,383.69	66,634.10
	Security Deposits	8,880,842.00	5,284,674.00
	Income Tax Refundable	107,725.00	6,724.70
	MAT Credit Entitlement	4,387,057.09	2,190,087.09
	Director TOTAL	14,698,334.62	9,477,186.89

For RMC Switch Gears Ltd.
Director



Director

RMC SWITCH GEARS LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016

NOTE : 16

REVENUE FROM OPERATIONS

		YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
		Rs.	Rs.
(a) Sale of Products			
Electrical Products (Made of Metal)		170,955,067.01	128,784,208.87
Engineering Plastic		33,064,566.61	54,777,990.79
Electrical Products (Made of SMC)		269,190,391.08	124,899,966.83
Energy Meter		3,815,068.88	23,863,343.04
Sale of Aggregated Kits		-	100,257,223.94
Sale of Scrap		891,315.31	1,106,593.50
Sale Of Turnkey Project Related Goods		88,099,059.35	29,978,408.99
(b) Sale of Services			
Erection & Commissioning Services		23,235,404.21	10,366,884.89
		589,250,872.45	474,034,620.85
(c) Other Operating Revenues			
Transport Charges Recovered		18,225,599.26	10,655,772.92
REVENUE FROM OPERATIONS(GROSS)		607,476,471.71	484,690,393.77

NOTE : 17

OTHER INCOME

		YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
		Rs.	Rs.
Interest on Bank Deposits		1,840,321.00	1,517,818.00
Interest Income (Others)		2,064,016.00	3,430,150.00
Dividend Received		15.00	-
Discount Received		102,903.88	68,411.25
Profit (Loss) on Sale of Fixed Assets		50,629.85	5,009.19
Rent Received		120,000.00	120,000.00
Income Related to Previous Year		-	12,052.00
	TOTAL	4,177,885.73	5,153,440.44

NOTE : 18

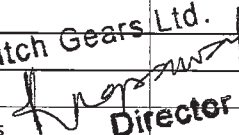
COST OF MATERIALS CONSUMED

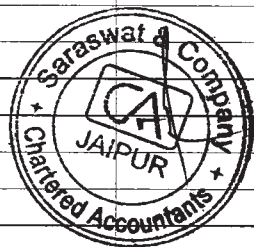
		YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
		Rs.	Rs.
Opening Stock		13,394,802.20	17,113,776.97
Add : Purchases(Net of Returns)		166,135,298.06	152,949,425.09
		179,530,100.26	170,063,202.06
Less: Closing Stock		3,347,044.63	13,394,802.20
	TOTAL	176,183,055.63	156,668,399.86

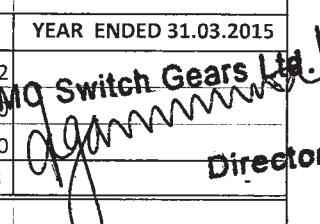
NOTE : 18.1

Materials consumed comprise:

		YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
a) Plastic Dana		11218690.62	
b) Ferrous and Non-ferrous Metals		99,502,980.00	
c) Sheet Moulding Compound, Resins & other fibres etc.		65609839.20	
		176,183,055.63	

For RMC Switch Gears Ltd.

Director



For RMC Switch Gears Ltd.

Director

NOTE : 18.2

Value of Imported and indigenous Raw material Consumed and their percentage to consumption :

			YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
a)	Value of Imported and Indigenous Raw Materials Consumed during the year :			
	Imported	Value	Rs. 8929460.13	16471639.55
		Percentage	5.07%	10.51%
	Indigenous	Value	Rs. 167253595.50	140196760.31
		Percentage	94.93%	89.49%
			176,183,055.63	156,668,399.86

NOTE : 19

CHANGES IN FINISHED GOODS AND WORK IN PROGRESS

			YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
	Opening Stock		Rs.	Rs.
		Work In Progress	21863194.78	20610738.95
		Finished Goods	15274289.89	514274.74
			37137484.67	21125013.68
	Closing Stock			
		Work In Progress	4028099.10	21863194.78
		Finished Goods	24030508.88	15274289.89
			28058607.98	37137484.67
TOTAL			9,078,876.69	16,012,470.99

NOTE : 20

EMPLOYEES BENEFITS EXPENSE

			YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
			Rs.	Rs.
a)	Salary, Wages & Allowances		18433203.00	17711632.00
b)	Contribution to Provident Fund		61523.00	59318.00
c)	Labour & Staff Welfare Expenses		398007.00	36132.00
TOTAL			18,892,733.00	17,807,082.00

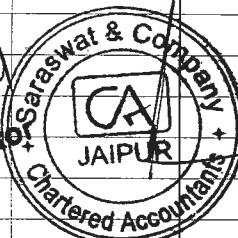
NOTE : 21

FINANCE COSTS

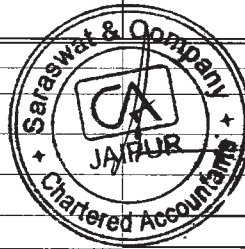
			YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
			Rs.	Rs.
) Interest Expense on				
	Borrowings from Bank		23044167.33	29149264.51
	Others		19507091.00	8547889.63
) Other Borrowing Costs			5577496.60	4790448.34
Less : Interest Capitalized during the Year			-1,981,158.00	-5,594,466.00
TOTAL			46,147,596.93	36,893,136.48

For RMC Switch Gears Ltd.
[Signature]
Director

For RMC Switch Gears Ltd.
[Signature]
Director



NOTE : 22				
OTHER EXPENSES				
			YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
			Rs.	Rs.
Auditors' Remuneration			240000.00	240000.00
Brokerage			156493.23	151955.52
Conveyance Expenses			19108.00	81438.00
Deductions/Penalties by customers			73047.00	141595.00
Directors' Remuneration			1500000.00	1500000.00
Discount/ Rate Difference			1393856.10	243771.25
Excise, Service Tax and VAT Expenses			867986.23	2674176.00
Freight & Carriage Inward			3483870.98	2122564.80
Insurance Expenses			843335.00	724740.00
Job Work Charges			18804127.86	14161334.99
Loading, Unloading & Labour Charges			251983.00	510520.00
Labour Compensation Expenses			0.00	475000.00
Liquidated Damages			1149352.46	0.00
Miscellaneous Expenses			932072.96	485425.41
Packing Material Consumed			7164573.02	6145133.90
Postage & Courier Expenses			68675.00	102610.00
Power & Fuel			10505431.00	8869115.00
Printing & Stationery			54030.75	78199.00
Prior Period Expenses			0.00	70464.00
Professional & Legal Charges			945448.65	332185.20
Rent			599930.00	621500.00
Repairs & Maintenance Expenses				
a) Plant & Machinery			938215.52	769926.53
b) Building			345003.54	113305.65
c) Others			964750.35	678707.35
Stores, Spares & Accessories Consumed			130619689.70	79075218.24
Selling and Distribution expenses			14476689.40	15118619.11
Telephone & Internet Expenses			495240.09	537211.00
Travelling Expenses			2626690.18	2278197.31
Type-Testing Expenses			600224.18	337721.65
Vehicle Upkeep Expenses			104750.00	130060.00
		TOTAL	200,224,574.20	138,770,694.91



(A)	<i>Auditors' Remuneration (net of service tax input credit)</i>			
	i) As Auditor		240,000.00	240,000.00
	ii) Re-imburement of Expenses		-	-
			240,000.00	240,000.00

NOTE : 22.1				
Value of Imported and indigenous Stores & Spares Consumed and their percentage to consumption :				
			YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
a)	Value of Imported and indigenous Stores & Spares Consumed and their percentage to consumption :			
	Imported	Value	Rs.	
		Percentage		
	Indigenous	Value	Rs.	
		Percentage		
			100.00%	100.00%
			130,619,689.70	79,075,218.24

For RMC Switch Gears Ltd.
 Director For RMC Switch Gears Ltd.
 Director

NOTE : 23

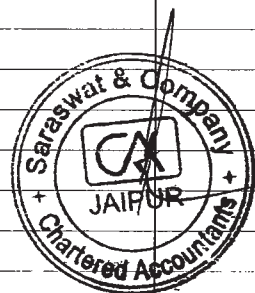
RELATED PARTY TRANSACTIONS

Related Party Disclosures as required by AS-18 are given below:

Name of the related parties and nature of relationships :		Nature of Relationship
a)	Companies with which transactions have taken place during the year :	
	i) R.K Steel Industries	Owned by Rajendra Agarwal brother of Director
	iii) Synergy Solar System	Owned by Neha Agarwal, spouse of director
b)	Key management Personnel	
	i) Mr.Ashok Agarwal (Managing Director)	
	ii) Mr.Ankit Agarwal (Whole Time Director)	
c)	Relatives of key management Personnel	Relation
	i) Santosh Agarwal	Director
	ii) Vitthal Das Agarwal	Director
	iii) Parvati Bai Agarwal	Mother of M.D.
	iv) Neha Agarwal	Spouse of Whole Time Director
	v) Amit Agarwal	Spouse of Daughter of M.D.
	vi) Rajendra Agarwal	Brother of M.D.
	vii) I.P. Agarwal	Brother of M.D.

The following transactions were carried out / outstanding with related parties in the ordinary course of business with parties referred above:

	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Payments	Rs.	Rs.
<i>Details of transactions with relative parties of Key Management Personnel as mentioned in (a) above are as under:</i>		
Job charges Paid	1,979,617.74	4,257,656.76
<i>Details of transactions with Key Management Personnel as mentioned in (b) above are as under:</i>		
Remuneration to Directors	1,500,000.00	1,500,000.00
Rent for factory land	300,000.00	180,000.00
Interest on unsecured term loan (Gross)	1,344,244.00	460,291.22
<i>Details of transactions with Relatives of Key Management Personnel as mentioned in (c) above are as under:</i>		
Interest on unsecured term loan (Gross)	483,373.00	2,149,840.38
Receipts		
Rent Received during the year	120,000.00	120,000.00
Balance outstanding at the year end :		
Payable as at the year end (Net)	5,848,371.18	18,077,170.13



NOTE : 24

DISCLOSURE UNDER THE ACCOUNTING STANDARD - 7 (REVISED) "ERECTION & COMMISSION CONTRACT"

Particulars	YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Particulars		
(a) (i) Contract Revenue recognized during the year	106,872,497.43	40,345,293.88
(ii) Method used to determine the contract revenue recognized and the stage of completion	{Refer Note 1((ix)(b))}	{Refer Note 1((ix)(b))}

For RMC Switch Gears Ltd
 Director

For RMC Switch Gears Ltd
 Director

(b) Disclosure in respect of contracts in progress as at the year end - -			
(i) Aggregate amount of costs incurred and recognized profits (less recognized losses)		Included under various cost and expenses head of accounts	Included under various cost and expenses head of accounts
(ii) Advances received, outstanding		-	-
(iii) Retentions receivable		7,712,668.00	1,032,442.05
(iv) Amount due from customers (included under Note 12 – Trade Receivables)		41,742,401.21	23,790,058.16
(v) Amount due to customers		-	-

NOTE : 25

CONTINGENT LIABILITIES AND COMMITMENTS

Particulars		As At 31.3.2016	As At 31.3.2015
		Rs.	Rs.
Guarantees:			
a)	Bank Guarantee issued to third parties by banks	137,292,982.40	119,616,138.36
b)	Letter of Credit Issued to suppliers by banks	22,691,587.28	14,641,819.17
Less:	Cash Margin in the shape of FDRs pledged with the banks	-22,791,096.00	-20,085,546.00
		137,193,473.68	114,172,411.53
c)	Corporate Guarantees given to bank for others	-	45,000,000.00
d)	Buyer's Credit in Foreign Currency	1,181,998.12	-
e)	Disputed demand not acknowledged as debt against which the company has preferred appeal:	126,629.00	-
	<i>Excise Demand (Net of deposit of Rs. 10300/-)</i>		
f)	TDS outstanding Demand	50,620.00	-
		138,552,720.80	159,172,411.53

NOTE : 26

EARNING PER SHARE

Particulars		YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
Basic & Diluted Earning Per Share (EPS) computed in accordance with Accounting Standard (AS) 20 "Earning Per Share"			
(Before and after extraordinary items)			
a)	Profit for Basic & Diluted Earning Per Share as per Statement of Profit and Loss	2,191,806.82	4,627,552.01
b)	Earning Per Share (Basic) Weighted no. of Equity Shares 1081050 (previous year 1081050)	2.03	4.28
c)	Earning Per Share (Diluted) Weighted no. of Potential Equity Shares 1081050 (previous year 1081050)	2.03	4.28
d)	Face Value per Share	10.00	10.00

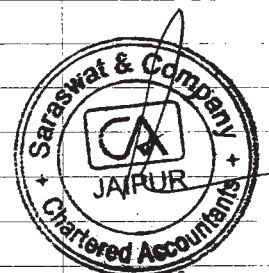
NOTE : 27

DISCLOSURES SPECIFIED BY THE MSMED ACT, 2006

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence, disclosure relating to amounts unpaid as at year end together with interest paid/payable under this Act could not be given.

For RMC Switch Gears Ltd.
Director

For RMC Switch Gears Ltd.
Director



NOTE : 28**CIF VALUE OF IMPORTS & EARNINGS IN FOREIGN CURRENCY**

Particulars		YEAR ENDED 31.03.2016	YEAR ENDED 31.03.2015
(a)	Raw Materials	7,784,984.92	14,668,439.67
(b)	Capital Goods	-	7,702,857.74
(c)	Expenditure in Foreign Currency	133,550.00	-
(d)	Earnings in Foreign Currency	-	-
		7,918,534.92	22,371,297.41

NOTE : 29**DEFERRED TAXATION**

PARTICULARS		As At 31.3.2016	As At 31.3.2015
(a)	Closing WDV of Fixed Assets as per Companies Act,2013	229,700,690.11	-
(b)	Closing WDV of Fixed Assets as per Income Tax Act, 1961	166,288,229.42	-
(c)	Difference Amount of Depreciation being DTL	63,412,460.69	-
(d)	DTA on account of B/F Unabsorbed Depreciation	33,192,931.06	-
(e)	NET (DTL/DTA)	30,219,529.63	-
(f)	TAX LIABILITY ON DEFERRED LIABILITY	9,337,834.65	-

As per our separate report of even date

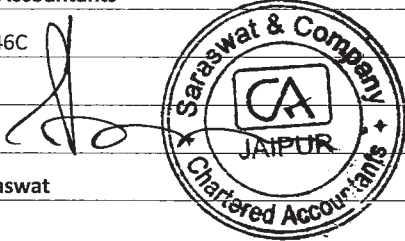
FOR AND ON BEHALF OF BOARD OF DIRECTORS

FOR SARASWAT & COMPANY

RMC SWITCH GEARS LIMITED

Chartered Accountants

FRN 004846C



Pravin Saraswat

PARTNER

Membership Number: 072679

JAIPUR - 31st May, 2016

For RMC Switch Gears Ltd.

A. K. Agarwal

MANAGING DIRECTOR

(DIN No. 793152)

Ankit Agarwal

EXECUTIVE DIRECTOR

(DIN No. 793035)

Directr