

Form B

(Regulation 34 of SEBI(LODR), 2015)

Format of covering letter of the annual audit report to be filed with the stock exchanges

1	Name of the Company	Tecpro Systems Limited
2	Annual financial statements for the year ended	31 st March, 2015
3	Type of Audit qualification	Qualified Opinion
4	Frequency of qualification	Appeared for the first time
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Observation:-</p> <p>Reference is invited to Note No. 29(i) of Notes to Accounts to Financial Statements that the Company has incurred a loss during the earlier year and during the period ended 31st March, 2015 and as on the said date, the Company's Total Liabilities exceed its Total Assets. Some of the company's lenders have transferred their loan amounts to Asset Reconstruction companies during the year and consequently the CDR proposal of the company became irrelevant. We are also informed that reference has been made to Board for Industrial and Financial Reconstruction (BIFR) as mandated under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985 in view of the erosion of more than fifty percent of the Net worth of the company as at March 31, 2014. All these factors would indicate the existence of a material uncertainty that casts a significant doubt on the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.</p> <p>In light of the fact that the events occurring after the Balance Sheet date as highlighted by the management, the conditions exist which prove that the company can sustain its business operations as a going concern.</p>

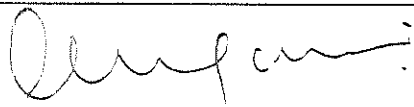
2. The Company has not received the Statement of account/ Confirmation of balance in respect of certain balances with banks aggregating to a net value of Rs,14,490.13 lakhs (credit) as per books of account as at 31st March, 2015. Consequently the bank reconciliation statements have not been drawn up in respect of these accounts and the attached

financial statements do not include any adjustments that might result had the above been made available.

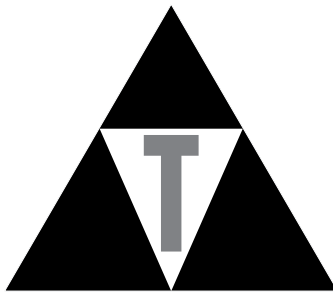
3. For the period under audit, provision for human resource costs (including salaries, gratuity, superannuation, leave encashment and other employee benefits) have been accrued on an estimated basis Rs.4,3921akhs, in view of the inaccessibility to records/lack of information. The company has not provided for terminal benefits of employees who have left the services of the company.

4. Results of physical verification of Fixed Assets carried out by the management' during the period have not been made available to us. Discrepancies, if any, noticed on such verification as compared to books have not been given effect to in the attached financial statements.

5. Quantity of Inventory as at 31st March, 2015 at various sites/ factories is based on Management representation and is pending physical verification of such inventory and reconciliation with books. We are also informed that value of inventory debit able to Customers has been reviewed and the cost of inventory not considered recoverable has been absorbed in the Statement of Profit and Loss for the period. Reference is invited to Note No, 29 (ii)(a) that certain customers have encashed Bank Guarantees of Rs.1,01,525 lakhs including performance guarantees up to 31st March,2015 (including Rs.59,620.21 lakhs encashed during the financial year 2014-2015) for the delays in

		<p>execution of the projects. The same has been included in Other Receivables under Trade Receivables and have been considered realizable by the management.</p> <p>The financial statements do not include any adjustments that might result from the outcome of uncertainties/observations in clauses 1 to 6 supra</p> <p>This has been mentioned on Page no 28 of the Annual Report.</p> <p>Management Response:- Refer to pages 6-7 of Annual Report.</p>
6	Additional comments from the board/audit committee chair:	Not Applicable
7	To be signed by Managing Director	 <p>AMUL GABRANI Vice-Chairman & Managing Director DIN:00016556</p>

**Twenty Fifth
Annual Report
2014-15**



Tecpro Systems Limited

CORPORATE INFORMATION

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ajay Kumar Bishnoi, Chairman & Managing Director
Amul Gabrani, Vice Chairman & Managing director
Sakti Kumar Banerjee
Sanjeet Kumar

STATUTORY AUDITORS

M/s C S Hariharan & Co.
Chartered Accountants
"Bagirathi" Ground floor, No. 112/249
Royapettah High Road
Chennai-600014

SHARE TRANSFER AGENT

Link Intime India Pvt .Ltd.
44, Community Centre, 2nd Floor
Naraina Industrial Area, Phase-1
Near PVR Naraina
New Delhi-110028

REGISTERED OFFICE

106, Vishwadeep Tower
Plot No. 4, District Centre,
Janakpuri,
New Delhi-110058, India
Tel: +91 11 45038735
Website: www.tecprosystems.com
Email: compliances@tecprosystems.com

HEAD OFFICE

Tecpro Towers, Plot No. 11-A17
5th Cross Road,
SIPCOT IT PARK
Siruseri-603103
Chennai, India
Tel: +91 44 37474747
Fax:+91 44 37443011
Email: info@tecprosystems.com

CORPORATE OFFICE

Tecpro Systems
202-204, JMD Pacific square
Sector-15, Part –II, Gurgaon-122001
Haryana, India
Tel: (0124) 4343100, 4339800
Email: compliances@tecprosystems.com

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Notice

Notice is hereby given that the Twenty Fifth Annual General Meeting of Tecpro Systems Limited will be held on Wednesday, the 30th day of December 2015 at 10:00 A.M, at the Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt., Delhi-110010, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2015, the Reports of the Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Ajay Kumar Bishnoi who retires by rotation and being eligible, offers himself for re-appointment .
3. To appoint Statutory Auditor of the Company and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 read with Rule 6 (3) of the Companies (Audit and Auditors) Rules, 2014, M/s C. S. Hariharan & Co., Chartered Accountants be and are hereby appointed as the Statutory Auditors of the Company for four years to hold office from the conclusion of 25th Annual General Meeting to the conclusion of 29th Annual General Meeting subject to the ratification by the members in every Annual General Meeting during the tenure of their office."

SPECIAL BUSINESS

4. To appoint Mr. Sanjeet Kumar as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 of the Companies Act, 2013 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Sanjeet Kumar (DIN 01480393), who has submitted a declaration that he meets the criteria of independence under Section 149(6) together with the provisions of clause 49 of the Listing Agreement, be and is hereby appointed as an Independent director of the Company to hold the office for a term upto March 31, 2019."

By Order of the Board
For Tecpro Systems Limited

Sd/-
Ajay Kumar Bishnoi

Place : Chennai
Date : 27 October 2015

Chairman & Managing Director
DIN: 00013917

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and a proxy need not be a member of the company. Pursuant to provisions of section 105 of Companies Act, 2013, read with applicable rules thereon a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member. Proxies in order to be valid must be received by the company not less than 48 hours before the scheduled time of the meeting. A proxy form in MGT 11 as required under the

- Companies Act, 2013 is attached.
2. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting, on their behalf.
3. The Register of Members and Transfer Books of the Company will remain close from 23rd December, 2015 to 30th December, 2015 (both days inclusive) in connection with the Annual General Meeting.
4. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto.
5. Brief resume of Directors including those proposed to be appointed/ reappointed, nature of their expertise in specific functional areas, names of Companies in which they hold directorship and membership / Chairmanship of Board Committees, Shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange are provided in the Corporate Governance Report forming part of the Annual Report.
6. Members are requested to bring their copies of Annual Report to the Meeting.
7. Entry in the Meeting Hall shall be strictly restricted to Members/Valid Proxies only, carrying the Attendance Slip.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, nominations, power of attorney, change of address, change of name and e-mail address, permanent account number (PAN) etc. to their Depository Participant only and not to the company's registrar and share transfer agents, Link Intime India Private Ltd. (RTA) Changes intimated to the Depository Participants will then be automatically reflect in the Company's records which will help the Company and Registrar and Share Transfer Agent to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime India Private Ltd., having office at 44, Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi 110028.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact the Company or Link Intime India Private Ltd., for assistance in this regard.
10. Members who hold shares in physical form in multiple form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into single folio.
11. Members who wish to obtain any information on the Company or view the accounts for the Financial Year ended 31st March, 2015, may visit the Company's corporate website www.tecprosystems.com or send their queries at least 07 days before the Annual General Meeting of the Company, at the Corporate Office of the Company.
12. Members holding shares in demat form are requested to submit their Permanent Account Number (PAN) to their respective Depository Participant and those holding shares in physical form are requested to submit their PAN details to the Company / RTA in order to comply with the SEBI guidelines.
13. Members who have not registered their e-mail addresses so far are requested to register their e-mail address with depository for receiving all communication including



Annual Report, Notices, Circulars, etc. for the Company electronically.

14. Pursuant to Section 101 and section 136 of companies act 2013 read with relevant Companies (Management and Administration) Rules, 2014, Electronic Copy of Notice of 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Annual Report, Attendance Slip and Proxy Form is being sent to all members through an electronic mode on their registered email IDs unless any member has requested for a hard copy of the same. For the members who have not registered their email addresses, physical copies of the Notice of the 25th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Annual Report, Attendance Slip and Proxy Form is being sent in the permitted mode.
15. Members may also note that the Notice of 25th Annual General Meeting of the Company and the Annual Report for 2015 will also be available on the Company's website www.tecprosystems.com for their download. The Physical copies of the aforesaid documents will also be available at the Company's registered office for inspection between 10:00 am to 1:00 pm from Monday to Friday. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any Communication, the shareholder may also send request to the Company's investor email id: compliances@tecprosystems.com.
16. Voting through electronic means:

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and clause 35B of Listing Agreement, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice. The detailed information with respect to the E-Voting in detail are mentioned below:

- (i) The Company has appointed CA Himanshu Kumar, Practicing Chartered Accountants, as 'scrutinizer' (the "Scrutinizer"), to scrutinize the voting and remote e-voting process for the Annual General Meeting in a fair and transparent manner. The Scrutinizer shall, after the voting including remote e-voting is complete, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (ii) The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities and for security and enabling the members to cast their vote in a secure manner. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link www.evotingindia.com during the following voting period.:

Commencement of e-voting:	From 9:00 hrs. of December 27, 2015
End of e-voting:	Upto 18:00 hrs. of December 29, 2015

E-Voting shall not be allowed beyond 18:00 hrs. December 29, 2015. During the e-voting period, Shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the record date may cast their vote electronically.

- (iii) The members who have cast their vote by remote

e-voting are also entitled to attend the meeting however such members shall not be able to exercise their voting right in the general meeting.

- (iv) The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have already cast their vote by remote e-voting shall not be able to exercise their right at the meeting.
- (v) "cut-off date for determining the eligibility to vote by electronic means or in the general meeting is December 23, 2015.
- (vi) Any grievances relating to the facility for voting through electronic means may be addressed to the following:
The Director
Tecpro Systems Limited 202-204, JMD Pacific Square Sector 15, Part II
Gurgaon-122001
Email: compliances@tecprosystems.com
Ph. No. 0124-4339800
- (vii) Members who do not have access to remote e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Himanshu Kumar, Practicing Chartered Accountant (Membership No. 099953), at the Registered Office of the Company not later than December 29, 2015.
- (viii) Ballot Form received after the date of the voting will be treated as invalid.

The instructions for shareholders voting electronically are as under :

- (i) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.tecprosystems.com and on the website of CDSL viz. www.evotingindia.com within two days of the passing of the resolutions at the Twenty Fifth AGM of the Company on December 30, 2015, and communicated to both Stock Exchanges, BSE Limited and The National Stock Exchange of India Ltd., where the shares of the Company are listed.
- (ii) The voting period begins on December 27, 2015 at 9:00 A.M. and ends on December 29, 2015 at 6:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of December 23, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Tecpro Systems Limited> on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be email to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 Item No.4

The Company had, pursuant to the provisions of clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mr. Sanjeet Kumar, as a director in casual vacancy, with effect from March 4, 2015 in compliance with the requirements of the Listing Agreement. The term of the director in whose place he was appointed is expiring on March 31, 2015 and therefore pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013 the Board of Director appointed him as an Independent Director of the Company for a term upto March 31, 2019 as recommended by the Nomination and Remuneration Committee. A brief resume of Mr. Sanjeet Kumar forms part of the Corporate Governance Report.

The Company has received from the proposed Independent Directors:

- Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and
- declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act.

In the opinion of the Board, the appointee fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and he is independent of the management. The deposit of rupees one lac in term of the provisions of Section 160 has been made to the Company for proposing his candidature.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

None of the Director or key managerial personnel and their relative except Mr. Sanjeet Kumar himself is concerned or interested in the resolution accompanying the notice.

The Board recommends the resolution for approval of shareholders as ordinary resolution.

By Order of the Board
For Tecpro Systems Limited
Sd/-

Ajay Kumar Bishnoi
Chairman & Managing Director
DIN: 00013917

Place : Chennai
Date : 27 October 2015



Directors' Report

Dear Members,

Your Directors have immense pleasure in presenting the **Twenty Fifth Annual Report** together with the Audited Accounts for the financial year ended on 31 March, 2015.

1. FINANCIAL HIGHLIGHTS

The Financial Results for the year under report are summarized as under:

FINANCIAL RESULTS		
	2014-15 (Rs. in Lac)	2013-14 (Rs. in Lac)
Net Sales and other Income	27,397.88	86,298.57
Gross Operating Profit / (Loss)	(33,840.74)	(5,657.51)
Less: Interest & Bank Charges	72,251.68	48,917.07
Profit / (Loss) before Depreciation and amortization expenses and tax	(1,06,092.42)	(54,574.58)
Less: Depreciation and amortization expenses	1,907.55	2,024.70
Profit / (Loss) Before Tax	(1,07,999.97)	(56,599.28)
Less: Tax expense		
-Deferred Tax charge/ (credit)	-	193.11
Profit / (Loss) After Tax	(1,07,999.97)	(56,792.39)

2. BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

Due to prolonged recession and shortage of funds, the Company approached for corporate debt restructuring ("CDR"). However the CDR package could not be implemented due to the fact that the promoters could not arrange their contribution in liquid form within the stipulated time. However they were willing to bring their contribution in the form of assets which was not accepted by the bankers. After some time, some bankers sold their debt to M/s Edelweiss Assets Reconstruction Limited and thereafter in a Joint lenders meeting, it was agreed

that some lenders will bring fresh money by way of fund based and non fund based limits to support the Company. In the meantime the Company, due to erosion of entire networth the Company made a reference to the Board for Industrial and Financial Reconstruction ("the Board") in terms of the provisions of Sick Industrial Companies (Special Provisions) Act, 1985. The reference was duly accepted by the Board. In view of the aforementioned developments, it is expected that the Company would be on the path of revival in coming years.

2.1 STANDALONE FINANCIAL STATEMENT

In the financial year 2014-15, the Income from operations of the Company has come down from Rs. 862.98 crore in the financial year 2013-14 to Rs. 273.98 crore and the Company has incurred a loss of Rs. 1080 crore as against a loss of Rs. 568 crore in the financial year 2013-14. The financial position of your Company has weakened due to slow pace/stoppage of work at various sites due to paucity of funds. The Company is in discussion with its debtors so that funds can be collected and ploughed back in the business operations.

2.2 CONSOLIDATED FINANCIAL STATEMENT

In accordance with the Companies Act, 2013 and Accounting Standard (AS)-21 on Consolidated financial statement read with other applicable accounting standards, the audited Consolidated Financial statement is provided in the Annual Report.

3. DIVIDEND

As the Company has incurred losses, your Board of Directors do not recommend any dividend for the financial year under review.

4. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

At present, your Company has six subsidiaries, out of which four are incorporated in India namely, Tecpro Energy Limited, Ajmer Waste Processing Company Private Limited, Bikaner Waste Processing Company Private Limited and Eversun Energy Private Limited and two subsidiaries are incorporated outside India namely, Tecpro Systems (Singapore) Pte. Limited in Singapore and PT. Tecpro Systems Indonesia, in Indonesia. However out of them none is material subsidiary Company.

Apart from above, the Company does not have any joint venture and associate in accordance with the provisions of Companies Act, 2013.

Report on the performance and financial position of each of the subsidiaries is given in Annexure-I in the prescribed Form AOC-1 which forms a part of this report.

5. RISK MANAGEMENT POLICY

The Company has devised and implemented a mechanism for risk management and has developed a Risk Management Policy. The mechanism involves

creating a Risk Register, identifying internal and external risks and implementing risk mitigation steps. The updates regarding the same are placed before the meeting of the Board of Directors of the Company on quarterly basis.

6. DIRECTOR AND KEY MANAGERIAL PERSONNEL

In terms of the provisions of Section 149 of the Act, the members at their meeting held on 21st November 2014, appointed the following Independent Directors of the Company who gave declarations and confirmations that they meet the criteria of independence as prescribed under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.:

- Mr. Anunay Kumar
- Mr. Brij Bhushan Kathuria
- Mr. Sakti Kumar Banerjee
- Mr. Satvinder Jeet Singh Sodhi
- Mr. Suresh Kumar Goenka

However, during the period under review, Mr. Amar Banarjee, Managing Director and Mr. Brij Bhushan Kathuria, Mr. Satvinder Jeet Singh Sodhi, Mr. Anunay Kumar, Mr. Suresh Kumar Goenka, Director resigned from their offices w.e.f 10 July, 2015, 13 January, 2015, 17 December, 2014, 29 June, 2015, 30 October, 2014 respectively. Apart from that State Bank of India has withdrawn nomination of Mr. Narayanan Krishnan w.e.f. 21 July, 2015. However during the period, Mr. Sanjeet Kumar was appointed as director w.e.f. 4 March, 2015 to fill the casual vacancy caused by the resignation of Mr. Brij Bhushan Kathuria. Since the term of Mr. Brij Bhushan Kathuria was expiring on March 31, 2015, the appointment of Mr. Sanjeet Kumar as an Independent Director in accordance with Section 149 of the Act is proposed to be passed in the forthcoming Annual General Meeting.

In accordance with provisions of the Act and the Articles of Association of the Company, Mr. Ajay Kumar Bishnoi, Chairman and Managing Director of the company retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

The resolution for appointment and re-appointment of the aforesaid director has been incorporated in the notice of the forthcoming Annual General Meeting of the company.

7. ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Act and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of the working of its Committees.

The following process was adopted for Board Evaluation: Feedback was sought from each Director about their views on the performance of the Board covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders. Feedback was also taken from every director on his assessment of the performance of each of the other Directors.

The Nomination and Remuneration Committee (NRC) then discussed the above feedback received from all the Directors.

Based on the inputs received, the Chairman of the NRC also made a presentation to the Independent Directors at their meeting, summarizing the inputs received from the Directors as regards Board performance as a whole, and of the Chairman.

Post the meeting of the Independent Directors, their collective feedback on the performance of the Board was discussed by the Chairman of the NRC with the Chairman of the Board. It was also presented to the Board and a plan for improvements was agreed upon.

Every statutorily mandated committee of the Board conducted a self-assessment of its performance and these assessments were presented to the Board for consideration. Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

Feedback was provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation were presented to the Board.

8. REMUNERATION POLICY FOR THE DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

In terms of the provisions of Section 178(3) of the Act and Clause 49(IV)(B)(1) of the Listing Agreement, the NRC is responsible for formulating the criteria for determining qualification, positive attributes and independence of a Director. The NRC is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

In line with this requirement, the Board has adopted the Policy on Board Diversity and Director Attributes, which is reproduced in Annexure-II and Remuneration Policy for Directors, Key Managerial Personnel and other employees of the Company, which is reproduced in Annexure-III.

9. COMMITTEES OF THE BOARD

The Committees of the Board focus on certain specific areas and make informed decisions in line with



the delegated authority. The following substantive Committees constituted by the Board function according to their respective roles and defined scope:

- (a) Audit Committee
- (b) Nomination and remuneration committee
- (c) Stakeholders Relationship committee
- (d) Executive Committee (Recognized as Committee of Directors by the Board)

The details pertaining to composition of committees, terms of reference and number of meetings held are included in the Corporate Governance Report which forms a part of this report.

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

Pursuant to Sub Section (3)(m) of Section 134 of Companies Act, 2013 read with rule 8(3) of Company (Accounts) Rules 2014, particulars of energy conservation, technology absorption, foreign exchange earnings and outgo are annexed as Annexure-IV and form part of the Directors' Report.

11. PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employee of the Company is drawing remuneration in excess of the limits set out in the said Rules.

12. 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 business. All Related Party Transactions were placed before the Audit Committee of the Board of Directors for their approval. The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in the Listing Agreement. The details of related party transactions are given in note no. 45 of the financial statements.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The policy is available on the Company's website www.tecprosystems.com.

13. FIXED DEPOSITS

The Company has not invited/accepted any Fixed Deposits during the year, as such, no amount of principal or interest on fixed deposits was outstanding on the date of the Balance Sheet.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the schedules to the financial statements.

15. EXTRACT OF ANNUAL RETURN

As provided under section 92(3) of the Act, the extract of Annual Return is given in Annexure-V in the prescribed form MGT-9, which forms a part of this report.

16. AUDITORS

(i) STATUTORY AUDITOR

The members are aware that M/s Krishnaswami & Rajan, Chartered Accountants had resigned from the office of the Statutory Auditors w.e.f. 10th May 2015 and the Company in accordance with the provisions of Section 139(8) of the Act read with the applicable provisions of Companies (Audit and Auditors) Rules, 2014, filled the casual vacancy thus caused by appointment of M/s. C.S. Hariharan & Co., Chartered Accountants in the Extra-ordinary General Meeting held on 5th August 2015 to hold office till the conclusion of the ensuing Annual General Meeting.

A requisite consent and certificate as prescribed under second and third proviso of Section 139(1) of the Companies Act, 2013 ("the Act") read with Section 141 of the Act together with the rules prescribed thereunder and furnished by the auditors have already been received by the Company.

The Auditors' report and notes to the financial statements are self explanatory and do not call for any further comments except on the qualifications highlighted by the auditors under the basis for qualified opinion in their auditors report. The explanations to the auditor's qualifications are given below:

1. The net worth of the Company was eroded and hence reference was made to the Board for Industrial and Financial Reconstruction. The net worth was eroded on account of huge interest cost which the company could not service. However, the Company is working on many of its sites and it is expected that the work would also start on many other sites and the Company is continuing its operations as a going concern.
2. Since the CDR package of the Company could not be implemented, the banks have declared the Company as a non performing asset and hence they are not supporting the company for release of bank statements.
3. Due to heavy losses most of the employees of the Company left the Company at a short notice or without notice and hence the Company did not have the right kind of resources to extract the information for the auditors.

4. Due to acute slowdown in the business activities, the factories are not working, the labour have not been paid, many key individuals left the company and therefore the information for fixed assets could not be provided.
5. Due to the reasons given in the above point the information on inventory could also not be provided.
6. The encashment of bank guarantees have been shown in trade receivables due to fact that the Company is under discussion with these clients and there is likelihood of revival of the contracts.

(ii) SECRETARIAL AUDITOR

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s Anjani Kumar & Associates, Company Secretaries, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2015.

The Secretarial Audit Report (in Form MR-3) is attached as Annexure-VI to this Report. The non compliances as reported are due to shortage of funds as well as staff.

17. CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges and relevant sections of the Act, a Management Discussion and Analysis Statement, Report on Corporate Governance and Auditors' Certificate, are included in the Annual Report.

18. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement, the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower and the same was hosted on the website of the Company.

This Policy inter-alia provides a direct access to the Chairman of the Audit Committee.

Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

Brief details about the policy are provided in the Corporate Governance Report attached with this Report.

19. MANAGEMENT ANALYSIS AND DISCUSSION

Management analysis and discussion for the year under review as stipulated under Clause 49 of Listing agreement is presented in a separate section forming a part of annual report.

20. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of Companies Act, 2013, with respect to the Directors'

Responsibility Statement, it is hereby confirmed:-

- (i) that in the preparation of the annual accounts for the financial year ended 31 March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended 31 March, 2015 and of the profit or loss of the Company for that period;
- (iii) that the directors had 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 frauds and other irregularities;
- (iv) that the directors had prepared the annual accounts for the financial year ended 31 March, 2013 on a going concern basis.
- (v) that the directors have laid down internal financial control to be followed by the company and that such internal financial control are adequate and are operating effectively.
- (vi) that the directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

21. HUMAN RESOURCES

During the period under review the dedicated employees of the Company supported the company despite of the tough circumstances. The regular interaction with the employees at all levels helps the Company in maintaining cordial and harmonious industrial relations.

ACKNOWLEDGEMENT

We thank our bankers for their continued support during the year. We also thank Government of India, State Governments and concerned Government Authorities/Departments for their co-operation. We appreciate and value the support of our customers, vendors, employees and investors and place on record our appreciation for the contribution made by them.

By Order of the Board
For Tecpro Systems Limited

Sd/-
Ajay Kumar Bishnoi
Chairman & Managing Director
DIN: 00013917

Place : Chennai
Date : 27 October 2015



Management Discussion and Analysis

1) Industry Structure and Development

Indian democracy is world's largest democracy and hence the Indian government has always been required to meet the aspirations of the immensely varied society and diverse population. After independence till now, India has come over acute backwardness and is now one of the world's fastest growing economies. The efficacy of the 'politics of reforms' adhered to by the government can be known by the performance of Indian economy in the last fiscal 2014-15.

Engineering sector forms the backbone of any economy as it is intensely linked with many other core sectors. The same is true in the case of the Indian engineering sector also. Design engineering is vital for application of engineering knowledge in industry or for the advancement of well-being of mankind. This goes to show that this industry has huge potential in years to come.

2) Opportunities and Threats

Design engineering is the main business activity of the company which requires highly skilled manpower and the increase in cost especially the cost of technical personnel required to carry on design engineering activities and competitive market may act as major threats which may have adverse bearing on performance of the Company. Further, the clientele of the Company is limited therefore the profitability of the Company is exposed to greater degree of risk.

3) Outlook

The Reserve Bank of India has said that the Indian economic growth is poised for a take-off amid signs of economic reforms, fiscal consolidation and projected improvement in investments. The prospect of the Company to a large extent is dependent on the macroeconomic determinants of the Indian industry. The Company caters to the design engineering needs of engineering and project execution companies. The work of the Company is dependent on the orders received from these companies. It is expected that in the years to come the company will bag some orders from companies in the infrastructure sectors using the design engineering services of the Company.

4) Segment wise or Product wise performance

The global industrial sluggish performance since last three years affected adversely the Indian industrial performance and engineering industry. Consequently, the demand of the services offered by the Company

has reduced materially and hence due to various micro and macro-economic reasons the Company could not undertake any business during the year. Further with the new government taking positive steps for the infrastructure sector your Company believes that it will be able to perform well in the financial year 2015-16.

The total income in the Financial Year ended March 31, 2015 was Rs. 273.98 crore and the loss incurred by the Company was Rs. 1080 crore as against total income of Rs. 862.98 crore and a loss of Rs. 567.92 crore in the previous year ended March 31, 2014.

5) Risks and Concerns

The Company provides Design engineering services to the companies in the infrastructure sector. The economic slowdown in India has an adverse impact on the Infrastructure Sector of the Country. As your Company provides services to Infrastructure sector, it has also badly felt the impact of the slowdown. Since the Company provides services to Infrastructure Sector it will recover as soon as the Infrastructure Sector recovers from the economic slowdown in the coming years.

The Company has a well-defined Risk Management Policy in place. The Company on regular basis reviews its Risk Management Policy and takes proactive steps to safeguard and minimize any adversity related to the Market, Technology, People, Environment/Regulatory, Financial, Information Technology and Opportunity Risks.

6) Internal control systems and their adequacy

The Company has an adequate system of internal controls implemented by the management towards achieving efficiency in operations, optimum utilisation of resources and effective monitoring thereof and compliance with applicable laws. A qualified and independent Audit Committee of the Board of Directors time to time upgrades these systems in line with the best practices and standards on the internal control systems and procedures.

7) Human Resource Development

Your Company recognizes the importance of human capital and believes that the human capital is the key engine for its growth and competitiveness however the Company did not have any employee during the year since it did not have enough order book during the year.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2014-15

Company's policies on the Corporate Governance and compliance report on specific areas wherever applicable for the financial year ended 31 March, 2015 are given hereunder:-

I. Company's Philosophy on Corporate Governance

The key to Corporate Governance for any organization is transparency. It results in winning the trust and confidence of all the stakeholders. The Company is committed to ensure the highest possible transparency in its business operations. The Company believes that it helps in maintaining the highest level of accountability and integrity leading to ultimate goal of the management and the stakeholders i.e. growth of the Company.

II. Board of Directors

As on 31 March, 2015, the Board of Directors of the Company comprises of six directors. The Company has Executive Chairman and the number of independent directors is fifty percent of the total number of directors on the Board as per the requirement of the listing agreement. During the financial year 2014-15, five Board Meetings were held on 9 June, 2014, 23 August, 2014, 30 October, 2014, 21 November, 2014 and 4 March, 2015. Mr. Suresh Kumar Goenka, Mr. Satvinder Jeet Singh Sodhi and Mr. Brij Bhushan Kathuria, Directors of the company resigned from the board of directors of the Company w.e.f. 30th October 2014, 17th Decemeber 2014 and 13th January 2015 respectively. Whereas Mr. Sanjeet Kumar was appointed as Director of the Company w.e.f. 4th March 2015 to fill the casual vacancy caused by the resignation of Mr. Brij Bhushan Kathuria.

(a) The composition of Board of Directors as on 31 March, 2015 and other details are as follows:

Name of Director	Category of Directors	No. of Board meetings attended during Financial Year 2014-15	Whether attended the last AGM held on 30 September, 2014	Number of other Directorships held as on 31 March, 2015	Number of other Board Committee(s) in which the Director#	
					is a member	is a Chairperson
Mr. Ajay Kumar Bishnoi-CMD	Promoter-Executive	4	No	12	2	--
Mr. Amul Gabrani-VCMD	Promoter-Executive	4	No	11	2	--
Mr. Amar Banerjee *	Professional-Executive	4	Yes	0	1	1
Mr Sanjeet Kumar	Independent-Non-Executive	0	N.A.	2	2	1
Mr Sakti Kumar Banerjee	Independent-Non-Executive	5	No	2	1	--
Anunay Kumar**	Independent-Non-Executive	3	No	7	1	--

Only Audit Committee and Stakeholders' Relationship Committee have been taken into consideration for this purpose and further it excludes membership/chairmanship in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

*Mr. Amar Banerjee, Managing Director resigned with effect from 10th July 2015

**Mr. Anunay Kumar, Director resigned with effect from 29th June 2015

CMD: Chairman & Managing Director, VCMD: Vice Chairman & Managing Director, WTD: Whole-time Director.

No director is related to any other Director on the Board in terms of the provisions of the Companies Act, 2013.

(b) Code of Conduct:

The Board of Directors has adopted a Code of Conduct applicable to all Directors and senior management employees of the Company. The code is available on the Company's website. The Company has obtained declarations from its directors and senior management employees affirming compliance with the Code of Conduct. The declaration by Mr. Ajay Kumar Bishnoi, Chairman & Managing Director as per clause 49.(II)(E) of the Listing Agreement is attached to this Corporate Governance Report.

(c) Details of remuneration paid to Non-Executive Independent Directors during the financial year 2014-15 and the number of shares held by them as on 31 March, 2015:



<i>Name of the Directors</i>	<i>Sitting fees paid during the year (in Rupees)</i>	<i>Number of shares held as on 31 March, 2015</i>
Mr. Anunay Kumar	60,000	Nil
Mr. Sakti Kumar Banerjee	1,00,000	Nil
Mr. Sanjeet Kumar	–	Nil
Mr Bri Bhushan Kathuria (Upto 13 th January 2015)	40,000	Nil
Mr. Suresh Kumar Goenka (upto 30 th October 2014)	20,000	31
Mr. Narayanan Krishnan	80,000	Nil
Mr. Satvinder Jeet Singh Sodhi (upto 17 th December 2014)	20,000	Nil

*None of the Non-Executive Directors, receives any remuneration apart from the sitting fees for meetings attended by him.

III. **Audit Committee**

(a) Major terms of reference:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. To seek information from any employee or director and to oversee the vigil mechanism in accordance with the Act which may include the power to receive the report from any directors or employees of the Company indicating their genuine concerns or grievances and the Committee shall take steps in accordance with the provisions of the Act;
 21. To obtain outside legal or other professional advice with respect to its scope of work as and when required and secure attendance of outsiders with relevant expertise wherever necessary;
 22. Investigate any activity within its terms of reference;
 23. Secure attendance of outsiders with relevant expertise wherever necessary;
 24. To do such other act(s) as may be necessary to comply with the provisions of the Act.
- (b) The Audit Committee constituted by the Board of Directors consists of the following members as on 31 March, 2015:
1. Mr. Anunay Kumar –Chairman
 2. Mr. Sakti Kumar Banerjee-Member
 3. Mr. Sanjeet Kumar-Member
 4. Mr. Ajay Kumar Bishnoi-Member
 5. Mr. Amul Gabrani-Member

All the members of the Audit Committee except Mr. Ajay Kumar Bishnoi and Mr. Amul Gabrani are Non-Executive Directors. All the members of Audit Committee are financially literate and have expertise in accounting and related financial management matters.

- (c) During the financial year 2014-15, four Audit Committee Meetings were held on 9th June 2014, 23rd August 2014, 21st November 2014 and 4th March 2015. The attendance of each Audit Committee member was as under:

<i>Name of the Audit Committee Member</i>	<i>Number of meetings attended</i>
Mr. Suresh Kumar Goenka	0
Mr. Satvinder Jeet Singh Sodhi	1
Mr. Brij Bhushan Kathuria	1
Mr. Amul Gabrani	2
Mr. Anunay Kumar*	3
Mr. Sakti Kumar Banerjee	4
Mr. Ajay Kumar Bishnoi	4

*resigned with effect from June 29, 2015

- (d) Internal Auditors, Statutory Auditors and the key officials of the Company also attend the Audit Committee meeting. If need arises, representatives from various divisions of the Company are also invited to attend the Audit Committee Meeting.

IV. Nomination And Remuneration Committee

- (A) Terms of reference:

The terms of reference of the Committee are as under:

- (i) The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- (ii) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- (iii) Committee shall, while formulating the policy ensure that—
 - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals; and
 - (d) The chairperson of the committee or, in his absence, any other member of the committee authorised by him in this behalf shall attend the general meetings of the company.



(B) The Nomination and Remuneration Committee of the Directors as on 31 March, 2015 consisted of the following members:

1. Mr. Sanjeet Kumar, Chairman,
2. Mr. Sakti Kumar Banerjee; and
3. Mr. Anunay Kumar (resigned with effect from June 29, 2015)

All the members of the Nomination and Remuneration Committee are Non-Executive Directors.

During the financial year 2014-15, two meetings of the Nomination and Remuneration Committee were held on 9th June 2014 and 4th March 2015. The attendance of each Nomination and Remuneration Committee member was as under:

<i>Name of the Nomination and Remuneration Committee Member</i>	<i>Number of meetings attended</i>
Mr. Brij Bhushan Kathuria*	0
Mr. Anunay Kumar#	2
Mr. Sakti Kumar Banerjee	2
Mr. Sanjeet Kumar	N. A.

*resigned with effect from January 13, 2015

#resigned with effect from June 29, 2015

(C) Nomination and Remuneration Policy

The Nomination and Remuneration Policy of the Company is to provide a framework and set standards for the nomination, remuneration and evaluation of Directors, Key Managerial Personnel, Officials comprising the senior management. The company aims to achieve a balance of merit, experience & skills amongst its Directors, Key Managerial Personnel & Senior Management. stipulates that while finalizing the remuneration of any Director, the Committee shall among other things, take into account financial position of the Company, trend in industry, qualification of director, experience, past performance, past remuneration, etc. and bring about objectivity in determining the remuneration package striking a balance between the interest of the Company and the shareholders.

(D) Details of remuneration of the Executive Directors:

<i>Name of the Executive Director</i>	<i>Designation</i>	<i>Remuneration*#^ (Amount in Rs.)</i>
Mr. Ajay Kumar Bishnoi	Chairman & Managing Director	Nil
Mr. Amul Gabrani	Vice Chairman & Managing Director	Nil
Mr. Amar Banerjee	Managing Director#	Nil

*the remuneration includes contribution to Provident fund and Superannuation fund.

#resigned with effect from July 10, 2015

V. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Directors of the Company as on 31 March, 2015 consisted of the following members:

1. Mr. Amar Banerjee, Chairman;
2. Mr. Ajay Kumar Bishnoi;
3. Mr. Amul Gabrani; and
4. Mr. Sanjeet Kumar.

During the financial year 2014-15, three meetings of the Stakeholders' Relationship Committee of the Company were held on 7th May 2014, 27th August 2014 and 21st November 2014. The attendance of the members of the Stakeholders' Relationship Committee was as follows:

<i>Name of Stakeholders' Relationship Committee Member</i>	<i>Number of meetings attended</i>
Mr. Amar Banerjee*	1
Mr. Amul Gabrani	2
Mr. Ajay Kumar Bishnoi	3
Mr. Brij Bhushan Kathuria#	0

*resigned with effect from July 10, 2015

#resigned with effect from January 13, 2015

Name, designation & address of Compliance Officer:

Company Secretary
 Tecpro Systems Limited
 202-204, JMD Pacific
 Sector 15, Part II, Gurgaon 122001
 Tel No. : 0124-4339800
 Fax No. : 0124-4339801
 Email id : compliances@tecprosystems.com

Investors' Grievances

The following table shows the complaints received from shareholders during 2014-15

<i>Pending as on 1 April, 2014</i>	<i>Received during the year</i>	<i>Replied/ resolved during the year</i>	<i>Pending as on 31 March, 2015</i>
0	1	1	0

Investors' complaints are redressed within thirty days from their lodgement. The Company confirms that there were no shares pending for transfer as on 31 March, 2015.

VI. Other Board Committees

Committee of Directors

The Committee of Directors consists of the following members:

1. Mr. Ajay Kumar Bishnoi;
2. Mr. Amul Gabrani;
3. Mr. Amar Banerjee

During the year, 11 meetings of Committee of Directors were held on 14 April, 2014, 09 June, 2014, 13 June 2014, 08 August, 2014, 23 August 2014, 06 October, 2014, 21 November, 2014, 18 December.2014, 26 December, 2014, 02 January, 2015, 04 March, 2015.

The attendance for each of the members at the Committee of Directors' Meetings during the year ended on 31 March, 2015 was as under:

<i>Name of the Directors</i>	<i>Number of Committee of Directors' Meetings attended</i>
Mr. Ajay Kumar Bishnoi	11
Mr. Amul Gabrani	4
Mr. Amar Banerjee*	10

*resigned with effect from July 10, 2015

VII. Subsidiary Companies

The Company has the following subsidiaries:

- a) Tecpro Energy Limited;
- b) Ajmer Waste Processing Company Private Limited;
- c) Bikaner Waste Processing Company Private Limited;
- d) Eversun Energy Private Limited;
- e) Tecpro Systems (Singapore) Pte. Limited; and
- f) PT Tecpro Systems Indonesia

None of the Indian Subsidiary is a material non listed Indian Subsidiary in terms of Clause 49 (V) of the Listing Agreement.

VIII. General Body Meetings

(a) The details of Annual General Meetings (AGMs) held in the last three years are as under:-

<i>AGM</i>	<i>Day</i>	<i>Date</i>	<i>Time</i>	<i>Venue</i>
22 nd	Monday	13.08.2012	10.00 a.m.	Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt., Delhi-110010
23 rd	Monday	30.09.2013	10.00 a.m.	Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt., Delhi-110010
24 th	Tuesday	30.09.2014	10.00 a.m.	Hotel Mapple Emerald, National Highway 8, Rajokri, New Delhi 110018



(b) Special Resolutions

At the 22nd Annual General Meeting held on 13 August, 2012, a Special Resolution was passed for alteration of Articles of Association of the Company, subject to the approval of Central Government, revising the limit for maximum number of Directors of the Company from 12 to 20. The resolution was passed with the requisite majority.

At the 24th Annual General Meeting held on 30 September, 2014, a Special Resolution was passed for waiver of excess remuneration paid to Mr Amar Banerjee, to appoint Mr Amar Banerjee as Managing Director, to give authority to borrow any sum of money and to give authority to create charge over the properties of the company in accordance with Companies Act, 2013.

(c) Procedure for postal ballot

During the year ended 31 March, 2015, the Company has not sought any approval from members by way of postal ballot.

FAMILIRISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All new Independent directors inducted into the Board are given an orientation. To familiarize the new inductees with the strategy, operations and functions of our Company, the executive directors/ senior managerial personnel make presentations to the inductees about the Company's operations, products, services, organization structure, facilities and the risks involved.

The details of such familiarization programs for Independent Directors are posted on the Company's website www.tecprosystems.com

IX. Disclosures

- All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form. There were no material individual transactions with related parties which were not in the normal course of business that may have potential conflict with the interest of the Company at large. All transactions with related parties or others were on an arm's length basis.
- There are no instances of non-compliance by the Company penalties or strictures imposed by Stock Exchanges, SEBI or any other statutory authority on any matter related to capital markets, during the last three years except for the year 2014-15 where there was delay in filing of certain information under certain clauses of the listing agreement and accordingly the penalties were imposed on the Company.
- There has been no documented whistle blower policy, however, no personnel has been denied access to the audit committee.
- The Company is complying with the Mandatory requirements of Clause 49 of the Listing Agreement.
- As of now, the Company is not complying with the Non-mandatory requirements mentioned in Annexure-XIII of Clause 49 of the Listing Agreement except the formation of a Remuneration Committee.
- All the applicable Accounting Standards have been followed in preparation of financial statements and no deviation has been made in following the same.
- Risk assessment and its minimization procedures have been laid down by the Company and the same have been informed to the Board Members. These procedures would be periodically reviewed to ensure that executive management controls risks through means of a properly defined framework.
- Management Discussion and Analysis forms part of the Annual Report to the shareholders and it includes discussion on matters as required under the provisions of Clause 49 of the Listing Agreement with Stock Exchanges.

X. Means of Communication

The financial results of the Company pursuant to clause 41 of the Listing Agreement are generally published in Business Standard and also displayed on the website of the Company www.tecprosystems.com shortly after its submission to the Stock Exchanges. All earnings call transcripts, press releases and significant events are first intimated to the Stock Exchanges and then posted on the website of the Company. Presentations are made available to institutional investors/research analysts on their specific request(s), if any.

XI. General Shareholder information

- (a) Details of Directors seeking appointment or reappointment at the ensuing Annual General Meeting are given as hereunder:

<i>Particulars</i>	<i>Retiring by Rotation</i>	<i>Independent Director</i>
	<i>Reappointment</i>	<i>Appointment</i>
Name of Director	Mr. Ajay Kumar Bishnoi	Mr. Sanjeet Kumar
Date of initial appointment	10 November, 2010	4 March, 2015

Brief resume and expertise in specific functional area	He is Chairman and Managing Director of the Company. He holds a bachelor's degree in commerce from St. Xaviers College, Kolkata and a master's diploma in business administration with an additional qualification in material management from the Institute of Management Development and Research, Pune. He started his career in 1978 as a management trainee in Bharat Forge Company Limited and has more than 35 years of experience in the material handling industry.	A chartered accountant and law graduate with more than 15 years of experience in accounts and finance
List of other Directorship held	<ol style="list-style-type: none"> 1. Tecpro Energy Limited; 2. Tecpro Infotech Private Limited; 3. T&H Education Private Limited; 4. Bishnoi Capitals Private Limited 5. Hythro Power Corporation Limited 6. ABAG Hi-tech Education Pvt. Limited. 7. Great Asian Institute of Management & Technology 8. G.E.T. Power Limited 9. Tecpro Engineers Limited 10. Tecpro Infra-Projects Limited 11. Eversun Energy Private Limited 12. Shriram Cement Limited and 13. Tecpro Systems (Singapore) PTE Limited 	Jindal Buildsys Limited
Member of the Committees of the Board of other companies#	--	--
Shareholding in the Company in case of Non-executive Director	N.A.	Nil

Only Audit Committee and Shareholders' Grievance Committee have been taken into consideration for this purpose and further it excludes membership/chairmanship in Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013.

(b) Annual General Meeting to be held:

Day: Wednesday

Date: 30 December, 2015

Time: 10.00 a.m.

Venue: Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt., Delhi-110010

(c) Financial Year: April to March

(d) Period of Book Closure: December 23, 2015 to December 30, 2015

(e) Listing on Stock Exchanges:

The Equity Shares of the Company are listed at BSE Limited and The National Stock Exchange of India Limited and the listing fees for the financial year 2013-14 have been paid to the above Stock Exchanges.

Stock Codes:

BSE Limited: 533266

The National Stock Exchange of India Limited: TECPRO

International Securities Identification Number (ISIN): INE904H01010

(g) Market Price Data:

The details of monthly highest and lowest price of the Equity Shares of the Company and its comparison to broad based indices Sensex (BSE) and Nifty (NSE) during the financial year 2014-15 are as under:

Month	BSE - Tecpro Systems Limited		Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April, 2014	16.90	10.61	22939.31	22197.51
May, 2014	22.57	13.10	25375.63	22277.04
June, 2014	34.40	21.90	25735.87	24270.20
July, 2014	28.35	18.40	26300.17	24892.00
August, 2014	20.70	14.80	26674.38	25232.82
September, 2014	18.30	12.65	27354.99	26220.49
October, 2014	13.37	10.54	27894.32	25910.77
November, 2014	21.19	13.41	28822.37	27739.56
December, 2014	16.91	11.80	28801.64	26469.42



January, 2015	17.35	12.30	29844.16	26776.12
February, 2015	14.74	12.50	29560.32	28044.49
March, 2015	13.89	10.45	30024.74	27248.45
Month	NSE - Tecpro Systems Limited		Nifty	
	High (Rs.)	Low (Rs.)	High	Low
April, 2014	16.90	10.75	6869.85	6650.40
May, 2014	22.20	12.90	7563.50	6638.55
June, 2014	34.20	21.85	7700.05	7239.50
July, 2014	28.60	18.30	7840.95	7422.15
August, 2014	20.60	14.90	7968.25	7540.10
September, 2014	18.50	12.35	8180.20	7841.80
October, 2014	13.40	10.45	8330.75	7723.85
November, 2014	20.65	13.20	8617.00	8290.25
December, 2014	17.10	12.15	8626.95	7961.35
January, 2015	17.50	11.05	8996.60	8065.45
February, 2015	14.75	12.70	8941.10	8470.50
March, 2015	13.85	10.75	9119.20	8269.15

(h) Registrar and Share Transfer Agents:

Link Intime India Private Limited
 44, Community Centre, 2nd Floor,
 Naraina Industrial Area, Phase –I
 Near PVR Naraina, New Delhi-110028
 Contact Person: Mr. V. M. Joshi, Vice President (North)
 Tel No.: 011-41410592/93/94
 Fax No.: 011-41410591

Shareholders are requested to correspond with the Registrar and Share Transfer Agent for transfer/transmission of shares, demat, remat, change of address, all queries pertaining to their shareholding, dividend etc. at the address given above.

(i) Share Transfer System:

The transfer of shares is approved within the stipulated time subject to the receipt of all the documents required for transfer. The Board of Directors has given the authority to Shareholders' Grievance Committee to approve the registration of transfer of shares so as to expedite the transfer process.

(j) Distribution of Shareholding as on 31 March, 2015:

No. of Shares	No. of holders	% of total holders	No. of shares	% of total shares
Upto 2,500	21330	85.88	8847250	1.75
2,501-5,000	1340	5.39	5269740	1.04
5,001-10,000	957	3.85	7843750	1.55
10,001-20,000	531	2.13	8102100	1.60
20,001-30,000	223	0.89	5729060	1.13
30,001-40,000	91	0.36	3255650	0.64
40,001-50,000	94	0.37	4472210	0.88
50,001-1,00,000	139	0.56	10311380	2.04
1,00,000 & above	132	0.53	450906770	89.33
Total	24,837	100.00	50,47,37,910	100.00

(k) Pattern of Shareholding as on 31 March, 2015:

Sl. No.	Category	No. of Holders	No. of Shares
1	Promoters	12	2,66,01,340
2	Mutual Fund/UTI	0	0
3	Financial Institutions/Banks	1	13000
4	Venture Capital Funds	1	7,05,557
5	Foreign Institutional Investors	3	18,80,232
6	Foreign Venture Capital Investors	1	51,69,147
7	Bodies Corporate	318	12,21,856
8	Resident Shareholders	22864	60,51,151
9	Trust	1	31
10	Non Resident Indians	313	13,87,378
11	Clearing Members	23	73,703
12	Hindu Undivided Families	1,296	2,70,390
13	Foreign Bodies Corporate	4	71,00,006
	Total	24837	5,04,73,791

(l) Dematerialization of Shares:

As on 31 March, 2015, 5,04,45,400 shares of the Company's total shares representing 99.94% shares were held in dematerialized form and the balance 28,391 shares representing 0.056% shares were in physical form.

SEBI vide circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009 introduced clause 5A in the Listing Agreement to provide a uniform procedure for dealing with unclaimed shares i.e. shares issued pursuant to the Public Issues but remaining unclaimed despite of the best efforts of the Registrar to Issue or the Company. The Clause inter-alia required transfer of such shares and any other corporate benefit related to the shares to a separate Demat Suspense Account.

Therefore, to comply with the above mentioned statutory requirements the Company opened a separate Demat Suspense Account in the name and style of "Tecpro Systems Limited-Unclaimed Suspense Account" and the shares lying unclaimed as on that date were transferred to the above said suspense account.

The details of such equity shares are as follows:

S.No.	Description	Number of Shares/ Shareholders
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e 01.04.2014	46 Shares for 3 Investors
2	Number of shareholders who approached issuer for transfer of shares from suspense account during the year	15 Share for 1 Investor
3	Number of shareholders to whom shares were transferred from suspense account during the year	15 Shares for 1 Investor
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e 31.03.2015	31 Shares for 2 Investors

Further, the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

(m) Plant Locations:

The Company has its manufacturing units at the following locations:

1. Plot No. 2,3,4,25,26 and 27, Sector-7, HSIDC Growth Center, Bawal, Haryana;
2. SP-496-497, RIICO, Bhiwadi, Rajasthan;
3. E-928, RIICO Industrial Area, Bhiwadi, Rajasthan;
4. A-98, RIICO Industrial Area, Bhiwadi, Rajasthan.

(n) Address of Correspondence:

Registered Office: 106, Vishwadeep Tower, Plot No. 4, District Centre, Janakpuri, New Delhi-110058

Corporate Office: 202-204, Pacific Square, Sector 15, Part II, Gurgaon 122001 Haryana

XII. CEO/CFO Certification

Mr. Ajay Kumar Bishnoi, Chairman & Managing Director have certified to the Board that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have not come across any deficiencies in the design or operation of such internal control systems for the financial year ended 31 March, 2015.
- (d) They have indicated to the auditors and the Audit committee that there had not been :
 - (i) any significant changes in internal control over financial reporting during the financial year ended 31 March, 2015;
 - (ii) any significant changes in accounting policies during the financial year ended 31 March, 2015; and
 - (iii) any instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

A certificate with respect to the above was placed before the Board Meeting on October 27, 2015.

Compliance Certificate

Compliance Certificate for Corporate Governance from Auditors of the Company is given as Annexure to this report.

DECLARATION BY CEO UNDER CLAUSE 49(IX) OF THE LISTING AGREEMENT

I hereby confirm that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management, as approved by the Board, for the year ended 31 March, 2015.

Sd/-
Ajay Kumar Bishnoi
Chairman & Managing Director
DIN: 00013917

Place : Chennai
Date : 27 October 2015



TECPRO SYSTEMS LIMITED

AUDITORS CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF LISTING AGREEMENT

To the Members of
Tecpro Systems Limited

We have examined the compliance of conditions of corporate governance by TECPRO SYSTEMS LIMITED ("the Company") for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management of the company. Our examination is limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the listing agreement.

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

For C.S. HARIHARAN & Co.,
Chartered Accountants
Firm Registration NO. 0010865

Sd/-

C. H. Subramanian
Partner

Membership No. 007238

Place: Chennai
Date: October 27, 2015

ANNEXURE-I

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Amount in Rupees

Sl. No.	Particulars	Details			
		TEL	AWPCPL	BWPCPL	EEPL
1.	Name of the subsidiary				
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-	-	-	-
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-	-	-	-
4.	Share capital	65,80,000	10,00,000	7,85,000	26,00,000
5.	Reserves & surplus	(63,80,385)	(1,48,57,145)	(73,05,989)	(13,44,983)
6.	Total assets	10,27,453	5,63,16,487	57,101	29,32,16,836
7.	Total Liabilities	10,27,453	5,63,16,487	57,101	29,32,16,836
8.	Investments	-	-	-	-
9.	Turnover	59,318	1,657	-	3,14,12,560
10.	Profit before taxation	(15,953)	(21,581)	(51,089)	(1,44,22,855)
11.	Provision for taxation	-	-	-	-
12.	Profit after taxation	(15,953)	(21,581)	(51,089)	(1,44,22,855)
13.	Proposed Dividend	-	-	-	-
14.	% of shareholding	98.02%	49%	100%	100%

TEL: Tecpro Energy Limited, AWPCPL: Ajmer Waste Processing Company Private Limited

BWPCPL: Bikaner Waste Processing Company Private Limited, EEPL: Eversun Energy Private Limited

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures: NIL

ANNEXURE-II: POLICY ON BOARD DIVERSITY AND DIRECTOR ATTRIBUTES

(Ref.: Board's Report, Section 8)

1. Objective

- 1.1 The Policy on Board Diversity ('the Policy') sets out the approach to diversity on the Board of Directors ('the Board') of Tecpro Systems Limited ('the company').
- 1.2 The company recognizes that diversity at board level is a necessary requirement in ensuring an effective board. A mix of executive, independent and other non-executive directors is one important facet of diverse attributes that the company desires. Further, a diverse board representing differences in the educational qualifications, knowledge, experience, gender, age, thought and perspective results in delivering a competitive advantage and a better appreciation of the interests of stakeholders. These differences should be balanced against the need for a cohesive, effective board. All board appointments shall be made on merit having regard to this policy.

2. Attributes of Directors

- 2.1 The following attributes need to be considered in considering optimum board composition:
 - i) Gender diversity:
Having at least one woman director on the Board.
 - ii) Age
The average age of board members should be in the range of 30 – 70 years.
 - iii) Competency
The board should have a mix of members with different educational qualifications, knowledge and with adequate experience in finance, accounting, economics, legal and regulatory matters, the environment, green technologies, operations of the Company's businesses, energy commodity markets and other disciplines related to the Company's businesses.
 - iv) Independence
The independent directors should satisfy the requirements of the Companies Act, 2013 ('the Act') and the listing agreements in respect of the 'independence' criterion.

Additional Attributes

- The directors should not have any other pecuniary relationship with the Company, its subsidiaries, associates or joint ventures and the company's promoters, besides sitting fees and commission.
- The directors should not have any of their relatives (as defined in the Act and Rules made thereunder) as directors or employees or other stakeholders (other than with immaterial dealings) of the company, its subsidiaries, associates or joint ventures.
- The directors should maintain an arm's length relationship between themselves and the employees of the Company, as also with the directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.

- The directors should not be the subject of allegations of illegal or unethical behaviour, in their private or professional lives.
 - The directors should have ability to devote sufficient time to the affairs of the Company.
3. Role of the Nomination and Remuneration Committee
 - 3.1 The Nomination and Remuneration Committee ('the NRC') shall review and assess board composition whilst recommending the appointment or reappointment of independent directors.
 4. Review of the Policy
 - 4.1 The NRC will review this policy periodically and recommend revisions to the board for consideration.

ANNEXURE-III: REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES

The philosophy for remuneration of directors, Key Managerial Personnel ("KMP") and all other employees of Tecpro Systems Limited ("company") is based on the commitment of fostering a culture of leadership with trust. The remuneration policy is aligned to this philosophy.

This remuneration policy has been prepared pursuant to the provisions of Section 178(3) of the Companies Act, 2013 ("Act") and Clause 49(IV)(B)(1) of the Equity Listing Agreement ("Listing Agreement"). In case of any inconsistency between the provisions of law and this remuneration policy, the provisions of the law shall prevail and the company shall abide by the applicable law. While formulating this policy, the Nomination and Remuneration Committee ("NRC") has considered the factors laid down under Section 178(4) of the Act, which are as under:

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals"

Key principles governing this remuneration policy are as follows:

- **Remuneration for independent directors and non-independent non-executive directors**
 - Independent directors ("ID") and non-independent non-executive directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of committees of which they may be members) and commission within regulatory limits.
 - Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the NRC and approved by the Board.
 - Overall remuneration (sitting fees and commission) should be reasonable and sufficient to attract, retain and motivate directors aligned to the requirements of the Company (taking into consideration the challenges faced by the Company and its future



- growth imperatives).
 - Overall remuneration should be reflective of size of the Company, complexity of the sector/ industry/ company's operations and the company's capacity to pay the remuneration.
 - Overall remuneration practices should be consistent with recognised best practices.
 - Quantum of sitting fees may be subject to review on a periodic basis, as required.
 - The aggregate commission payable to all the NEDs and IDs will be recommended by the NRC to the Board based on company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board.
 - The NRC will recommend to the Board the quantum of commission for each director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and committee meetings, individual contributions at the meetings and contributions made by directors other than in meetings.
 - In addition to the sitting fees and commission, the Company may pay to any director such fair and reasonable expenditure, as may have been incurred by the director while performing his/her role as a director of the Company. This could include reasonable expenditure incurred by the director for attending Board/ Board committee meetings, general meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organised by the company for directors) and in obtaining professional advice from independent advisors in the furtherance of his/ her duties as a director.
 - **Remuneration for managing director ("MD")/ executive directors ("ED")/ KMP/ rest of the employees**
 - The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be:
 - Market competitive (market for every role is defined as companies from which the company attracts talent or companies to which the company loses talent).
 - Driven by the role played by the individual.
 - Reflective of size of the company, complexity of the sector/ industry/ company's operations and the company's capacity to pay.
 - Consistent with recognised best practices.
 - Aligned to any regulatory requirements.
 - In terms of remuneration mix or composition:
 - The remuneration mix for the MD/ EDs is as per the contract approved by the shareholders. In case of any change, the same would require the approval of the shareholders.
 - Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.
 - In addition to the basic/ fixed salary, the company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings and tax optimisation, where possible. The company also provides all employees with a social security net (subject to limits) by covering medical expenses.
 - The company provides retirement benefits as applicable.
 - In addition to the basic/ fixed salary, benefits, perquisites and allowances as provided above, the company provides MD/EDs such remuneration by way of commission, calculated with reference to the net profits of the company in a particular financial year, as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Act.
 - The specific amount payable to the MD/ EDs would be based on performance as evaluated by the Board or the NRC and approved by the Board.
 - The company provides the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the company
 - **Remuneration payable to Director for services rendered in other capacity**
 - The remuneration payable to the Directors shall be inclusive of any remuneration payable for services rendered by such director in any other capacity unless:
 - a) The services rendered are of a professional nature.
 - b) The NRC is of the opinion that the director possesses requisite qualification for the practice of the profession.
 - **Policy implementation**

The NRC is responsible for recommending the remuneration policy to the Board. The Board is responsible for approving and overseeing implementation of the remuneration policy.
- ANNEXURE-IV**
- Information in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, and forming part of the Directors' Report for the year ended 31 March, 2015**
- A) Conservation of Energy**

The Company has been taking all steps to conserve the energy at all levels and has been efficiently utilizing the resources of the Company
- B) Technology Absorptions**

The Company focuses on value engineering, design improvement, optimization & standardization of the components with proven design calculation methods.
- Foreign Exchange Earnings & Out Go**

Particulars of Foreign Exchange Earnings and outgo are given in Note No. 37 and 38 of the financial statements.

ANNEXURE-V

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON

[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	L74899DL1990PLC041985
ii.	Registration Date	07/11/1990
iii.	Name of the Company	TECPRO SYSTEMS LIMITED
iv.	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES
v.	Address of the Registered office and contact details	106,Vishwadeep Tower Plot No.4, District Centre Janakpuri, New Delhi-110058 Tel:+91 11 45038735
vi.	Whether listed company	YES
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt Ltd 44, Community Centre, 2 nd floor Naraina Industrial Area, Phase-1 Near PVR Naraina, New Delhi-110028

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Contraction and maintenance of Power Plants	42201	98.08

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address of The Company	CIN / GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	Tecpro Energy Limited	U29150DL2005PLC137436	Subsidiary	98.02	2(87)(ii)
2.	Ajmer Waste Processing Company Private Limited	U90002RJ2006PTC023441	Subsidiary	49	2(87)(i)
3.	Bikaner Waste Processing Company Private Limited	U90002RJ2007PTC023981	Subsidiary	100	2(87)(ii)
4.	Eversun Energy Private Limited	U40108PN2010PTC135475	Subsidiary	100	2(87)(ii)

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

i. Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual / HUF	19060556	-	19060556	37.76	19060556	-	19060556	37.76	0
b) Central Govt									



c) State Govt(s)									
d) Bodies Corp	7540784	-	7540784	14.94	7540784	-	7540784	14.94	0
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-	26601340	-	26601340	52.70	26601340	-	26601340	52.70	0
2) Foreign									
g) NRIs-Individuals									
h) Other-Individuals									
i) Bodies Corp.									
j) Banks / FI									
k) Any Other....									
Sub-total(A)(2):-									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	1862981	-	1862981	3.69	0	0	0	0	-100
b) Banks / FI	13082	-	13082	0.02	13000	-	13000	0.02	-0.62
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds	705557	-	705557	1.40	705557	-	705557	1.40	0
f) Insurance Companies									
g) FIs	1880232	-	1880232	3.72	1880232	-	1880232	3.72	0
h) Foreign Venture Capital Funds	5169147	-	5169147	10.24	5169147	-	5169147	10.24	0
i) Others (specify)									
Sub-total(B)(1)	9630999	-	9630999	19.08	7767936	-	7767936	15.39	-19.34
2. Non Institutions									
a) Bodies Corp.	1086192	-	1086192	2.15	1221856	-	1221856	2.42	12.55
(i) Indian									
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	3784220	40416	3824636	7.57	4516304	28391	4544695	9.00	18.89
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	733570	-	733570	1.45	1506456	-	1506456	2.98	105.51
c) Others(Specify)									
d) Trusts	31	-	31	0.00006	31	-	31	0.00006	0
e) Non-Residents Indian	1189295	-	1189295	2.35	1387378	-	1387378	2.74	16.59
f) Clearing Members	81984	-	81984	0.16	73703	-	73703	0.14	-12.5
g) Hindu Undivided Family	225738	-	225738	0.44	270390	-	270390	0.535	21.59
h) Foreign Corporate Bodies	7100006	-	7100006	14.07	7100006	-	7100006	14.07	0
Sub-total(B)(2)	14201036	40416	14241452	28.21	16076124	28391	16104515	31.90	13.08
Total Public Shareholding (B)=(B)(1)+ (B)(2)	23832035	40416	23872451	47.29	23844060	28391	23872451	47.29	0
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	50433375	40416	50473791	100	50445400	28391	50473791	100	0

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Amul Gabrani	9344342	18.51	7.88	9344342	18.51	7.88	-
2.	Ajay Kumar Bishnoi	9044842	17.92	7.87	9044842	17.92	7.87	-
3.	Bhagwanti Gabrani	500	0	0	500	0	0	-
4.	Goldie Gabrani	100143	0.2	0	100143	0.2	0	-
5.	Amita Bishnoi	12643	0.03	0	12643	0.03	0	-
6.	Rashmi Singh	5000	0.01	0	5000	0.01	0	-
7.	Milind Singh	5000	0.01	0	5000	0.01	0	-
8.	Pushaplata Kapoor	12000	0.02	0	12000	0.02	0	-
9.	Aditya Gabrani	50143	0.10	0	50143	0.10	0	-
10.	Arvind K. Bishnoi	470143	0.93	0	470143	0.93	0	-
11.	Roma Katyal	15800	0.03	0	15800	0.03	0	-
12.	Fusion Fittings India Limited	7540784	14.94	14.94	7540784	14.94	14.94	-
	Total	26,601,340	52.70	30.69	26,601,340	52.70	30.69	-

iii. Change in Promoters' Shareholding (please specify, if there is no change): NO CHANGE
iv. Shareholding Pattern of Top Ten shareholders (other than Directors, promoters & Holders of GDR'S and ADR'S.

Sr No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2014		Transactions during the year		Cumulative Shareholding at the end of the year - 2015	
		No. of Shares Held	% of Total Shares Of The Company	Date of Transaction	No. of Shares	No of Shares Held	% of Total Shares of The Company
1	Avigo Venture Investments Limited	6819153	13.5103			6819153	13.5103
	At The End Of The Year					11988300	23.7515
2	Amul Gabrani	9344342	18.5133			9344342	18.5133
	At The End Of The Year					9344342	18.5133
3	Ajay Kumar Bishnoi	9044842	17.9199			9044842	17.9199
	At The End Of The Year					9044842	17.9199
4	Metmin Investments Holdings Limited	2800000	5.5474			2800000	5.5474
	At The End Of The Year					2800000	5.5474
5	Kotak Mahindra (International) Limited	1860000	3.6851			1860000	3.6851
	At The End Of The Year					1860000	3.6851
6	Bond Street Custodians Limited In Its Capacity As Custodian For Macquarie Asia Pacific Co-Investment Fund, L.P.	1650000	3.2690			1650000	3.2690
	At The End Of The Year					1650000	3.2690
7	Unity Stone Investments Co (Mauritius) Limited	1000000	1.9812			1000000	1.9812
	At The End Of The Year					1000000	1.9812
8	Achal Ghai	814200	1.6131			814200	1.6131
	At The End Of The Year					814200	1.6131
9	Avigo Trustee Company Pvt Ltd The Avigo Sme Fund	705557	1.3979			705557	1.3979
	At The End Of The Year					705557	1.3979
10	Seema Tradelink Pvt Ltd	0	0.0000			0	0.0000



	Purchase			13 Jun 2014	100000	100000	0.1981
	Purchase			04 Jul 2014	50000	150000	0.2972
	At The End Of The Year					150000	0.2972
11	Fusion Fittings India Limited	7540784	14.9400			7540784	14.9400
	At The End Of The Year					7540784	14.9400
12	Idfc Premier Equity Fund	892416	1.7681			892416	1.7681
	Transfer			04 Apr 2014	(243229)	649187	1.2862
	Transfer			11 Apr 2014	(365707)	283480	0.5616
	Transfer			18 Apr 2014	(187333)	96147	0.1905
	Transfer			25 Apr 2014	(96147)	0	0.0000
	At The End Of The Year					0	0.0000
13	Dsp Blackrock Micro Cap Fund	864899	1.7136			864899	1.7136
	Transfer			30 Sep 2014	(322886)	542013	1.0739
	Transfer			10 Oct 2014	(50363)	491650	0.9741
	Transfer			17 Oct 2014	(38211)	453439	0.8984
	Transfer			24 Oct 2014	(65060)	388379	0.7695
	Transfer			31 Oct 2014	(308379)	80000	0.1585
	Transfer			07 Nov 2014	(80000)	0	0.0000
	At The End Of The Year					0	0.0000

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 50473791 Shares.

2. The details of holding has been clubbed based on PAN.

3. % of Total shares of the company is based on the paid up capital of the Company at the end of the Year.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
In debtedness at the beginning of the financial year				
i) Principal Amount	30,80,99,97,317	5,16,00,000		30,86,15,97,317
ii) Interest due but not paid	4,24,28,67,025	1,00,58,404		4,25,29,25,429
iii) Interest accrued but not	-	-		-
Total(i+ii+iii)	35,05,28,64,342	6,16,58,404		35,11,45,22,746
Change in Indebtedness during the financial year				
- Addition	11,97,14,04,304	58,75,202		11,97,72,79,506
- Reduction	-	-		-
Net Change	11,97,14,04,304	58,75,202		11,97,72,79,506
Indebtedness at the end of the financial year				
i) Principal Amount	40,44,07,48,133	5,16,00,000		40,49,23,48,133
ii) Interest due but notpaid	6,58,35,20,513	1,59,33,606		6,59,94,54,119
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)	47,02,42,68,646	6,75,33,606		47,09,18,02,252

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Anunay Kumar	Sakti Kumar Banerjee	Sanjeet Kumar	Brij Bhushan Katuria	Suresh Kumar Goenka	Narayanan krishnan	Satvinder Jeet Singh Sodhi	
	<u>Independent Directors</u>								
	- Fee for attending board committee meetings - Commission - Others, please specify	60,000	1,00,000	N.A	40,000	20,000	80,000	20,000	3,20,000
	Total (1)	60,000	1,00,000	N.A	40,000	20,000	80,000	20,000	3,20,000
	<u>Other Non-Executive Directors</u>								
	- Fee for attending board committee meetings - Commission - Others, please specify								
	Total (2)	0	0	0	0	0	0	0	0
	Total (B) = (1+2)	60,000	1,00,000	N.A	40,000	20,000	80,000	20,000	3,20,000
	Total Managerial Remuneration								3,20,000
	Overall Ceiling as per the Act								

C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD: NIL

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL

ANNEXURE-VI

MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31-03-2015

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

The Members,

TECPRO SYSTEMS LIMITED

106, Vishwadeep Tower

Plot No. 4, District Center, Janak Puri

New Delhi- 110058

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **TECPRO SYSTEMS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31/03/2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

we have examined the books, papers, minute books, forms and returns filed and other records maintained by **TECPRO SYSTEMS LIMITED** for the financial year ended on 31/03/2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (not applicable as the company has not issued any securities under such scheme).
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act 2013 and dealing with client;



- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (not applicable as the company has not bought back any securities under such regulation).
- (v) we have also examined compliance with the applicable clauses of the following:
 - (i) The Listing Agreements entered into by the Company with BSE & NSE

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *except and to the extent mentioned below*

(A) COMPANIES ACT, 2013

1. *As per section 203 of the Companies Act, 2013 read with rule 8 of the Companies (Meetings of Board and its power) Rules, 2014 there is need on mandatory basis to appoint key managerial personnel. Appointment of Company Secretary & CFO was not made during the period under review.*
2. *As per the provision of section 149 of the Companies Act, 2013 read with rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 require for appointment of woman Director. Same was not complied with..*
3. *As per the section 138 of the Companies Act, 2013 read with rules 13 of the Companies (Accounts) rules, 2014, there is need to appoint internal auditor. No such appointment made during the reporting period.*
4. *As per the section 179 of the Companies Act, 2013 read with rule no. 8(9) of Companies (Meetings of Board and its Power) 2014 there is need to approve the unaudited financial statement on quarterly basis by the Board of Directors which also attract the filing of form (MGT-14) but as per our verification company has not file such form with authority (roc) for any quarter except quarter ended on 30/06/2014.*
5. *As per the section 177 & 178 of Companies Act, 2013 read with rule 6 of Companies (Meeting of Board and its Power) Rules, 2014 which require for constitution Nomination and Remuneration Committee or Reconstitution of Audit committee but we are not able to express our opinion on such matter because of non-availability of minutes book.*
6. *Company has not update all statutory Records & Register which are require to be maintain under the provisions of Companies Act, 2013.*
7. *As per section 184 of the Companies act, 2013 there is need to make Disclosure of interest or concern of every director at the first board meeting in which director participates and thereafter every year in first board meeting or whenever there is change made in their interest from the last disclosure made and in this regards no form(MGT-14) filed with ROC and also no disclosure made by independent directors in order to meeting the criteria of provisions of section 149(6) under section 149(7).*
8. *As per the Schedule IV of the Companies Act, 2013 there is mandatory to hold atleast one meeting of independent director every year without the attendance of non-*

independent directors and members of the management but no such meeting held.

9. *We are unable to express our opinion on the events occurred during the reporting period which was decided in board meeting and general meeting, because of non-providence of relevant records by the company & on following matter.*
10. *During the financial year Company has provides amount of Rs.2718226 as short term loan & advances to its subsidiary Company.*
11. *Company has apply to central govt for waiver of excess remuneration paid to Mr. Amar Banerjee (whole time director) of the company during the financial year 2013-14.*

REGISTRAR OF COMPANIES (ROC FILLING):-

1. *Company has not File Form 23 AC & ACA XBRL For The Financial Year Ended On 31/03/2014.*

(B) STOCK EXCHANGE COMPLIANCES & CLAUSES:-

Company has made certain non compliances with terms & condition specified under the stock exchange clauses which are specified in Annexure B of this report.

(C) SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKE OVERS) REGULATIONS:-

- (1) *Disclosure relating to share holding and voting rights has not been made to the target company at its registered office (regulation 30(1)& 30(2)) which require in case of holding 25% shares or more carrying the voting rights and disclosure under such regulation are require to made to the stock exchange. But as per our verification no such disclosures made in this regards.*

We further report that

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

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

We further report that there are no adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

FOR ANJANI KUMAR & ASSOCIATES

COMPANY SECRETARIES

Sd/-

Place: Ghaziabad

ANJANI KUMAR

Date: 15 October, 2015

(PROPRIETOR)

CP NO 8830, M.NO.A-21360

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and form the an integral part of this report.

“Annexure A”

The Members,

TECPRO SYSTEMS LIMITED

106, Vishwadeep Tower

Plot No. 4, District Center, Janak Puri

New Delhi- 110058

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We have not take any responsibility for proper compliance made or not in previous year because in some case amount show in Balance sheet of reporting period are same with previous year balance sheet amount.

FOR ANJANI KUMAR & ASSOCIATES

COMPANY SECRETARIES

Sd/-

Place: Ghaziabad

Date: 15 October, 2015

ANJANI KUMAR

(PROPRIETOR)

CP NO 8830, M.NO.A-21360

“Annexure”B

STOCK EXCHANGE COMPLIANCES & CLAUSES:-

- (1) Under provision of Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996, listed companies are required to submit Reconciliation of Share Capital Audit Report on a quarterly basis to the stock exchanges audited by a qualified chartered accountant or a practicing company secretary, for the purpose of reconciliation of share capital held in depositories and in physical form with the issued / listed capital. But in this regards company has not taken any action for filing such report for the Quarter ended on 30/06/2014, 30/09/2014, 31/12/2014, 31/03/2014 and as per clause 47C of the stock exchange listing agreements there is need to file certificate from practicing company secretary on half yearly basis but as per our verification company has not filed the same during the reporting period.
- (2) As per the Clause 49 of the listing Agreements there is need to file Report on Corporate Governance to the stock exchange where the company listed but no action has been taken by the management of the Company for filing the same with the stock exchange during reporting period ended on 31/03/2015.

We are unable to express our opinion on the matters as given below because of non availability of Documents .

1. Deposit of Annual Custodial fees to NSDL / CDSL & Annual listing fees.
2. Publication made with the respect to Quarterly Result.

STOCK EXCHANGE CLAUSES:-

- (1) As per clause 16 of listing agreement company is required to intimate to the stock exchange about book closure or fixing of record date of atleast 7 days advance notice. But the company has not given any notice to the stock exchange regarding book closure and has not made any publication for the same.
- (2) As per clause 31 the company is required to file the six copies of statutory and directors annual reports , balance sheet and profit and loss account but as per our verification same was not filed by the company.

FOR ANJANI KUMAR & ASSOCIATES

COMPANY SECRETARIES

Sd/-

Place: Ghaziabad

Date: 15 October, 2015

ANJANI KUMAR

(PROPRIETOR)

CP NO 8830, M.NO.A-21360



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECPRO SYSTEMS LIMITED

1. Report on the Financial Statements:

We have audited the accompanying financial statements of TECPRO SYSTEMS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matter stated in Section 134 (5) of the Companies Act, 2013 (the Act') with respect to the preparation and presentation 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 (Account) Rule, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selections and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudence; and design, implementation and maintenance of internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' 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 include in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

1. *Reference is invited to Note No. 29(i) of Notes to Accounts to Financial Statements that the Company has incurred a loss during the earlier year and during the period ended 31st March, 2015 and as on the said date, the Company's Total Liabilities exceed its Total Assets. Some of the company's lenders have transferred their loan amounts to Asset Reconstruction companies during the year and consequently the CDR proposal of the company became irrelevant. We are also informed that reference has been made to Board for Industrial and Financial Reconstruction (BIFR) as mandated under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985 in view of the erosion of more than fifty percent of the Net worth of the company as at March 31, 2014. All these factors would indicate the existence of a material uncertainty that casts a significant doubt on the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.*
In light of the fact that the events occurring after the Balance Sheet date as highlighted by the management, the conditions exist which prove that the company can sustain its business operations as a going concern.
2. *The Company has not received the Statement of account/ Confirmation of balance in respect of certain balances with banks aggregating to a net value of Rs,14,490.13 lakhs (credit) as per books of account as at 31st March, 2015. Consequently the bank reconciliation statements have not been drawn up in respect of these accounts and the attached financial statements do not include any adjustments that might result had the above been made available.*
3. *For the period under audit, provision for human resource costs (including salaries, gratuity, superannuation, leave encashment and other employee benefits) have been accrued on an estimated basis Rs.4,3921 akhs, in view of the inaccessibility to records/lack of information. The company has not provided for terminal benefits of employees who have left the services of the company.*
4. *Results of physical verification of Fixed Assets carried out by the management' during the period have not been made available to us. Discrepancies, if any, noticed on such verification as compared to books have not been given effect to in the attached financial statements.*
5. *Quantity of Inventory as at 31st March, 2015 at various sites/ factories is based on Management representation and is pending physical verification of such inventory and reconciliation with books. We are also informed that value of inventory debit able to Customers has been reviewed and the cost of inventory not considered recoverable has been absorbed in the Statement of Profit and Loss for the period.*

6. Reference is invited to Note No, 29 (ii)(a) that certain customers have encashed Bank Guarantees of Rs.1,01,525 lakhs including performance guarantees up to 31st March, 2015 (including Rs.59,620.21 lakhs encashed during the financial year 2014-2015) for the delays in execution of the projects. The same has been included in Other Receivables under Trade Receivables and have been considered realizable by the management.
The financial statements do not include any adjustments that might result from the outcome of uncertainties/ observations in clauses 1 to 6 supra
5. Balances in the account of Trade Receivables/ Trade Payables and Loans and Advances including dues from associate entities are subject to confirmation of balance and reconciliation.
6. Management has informed us that the 'recoverable amount' of fixed assets within the meaning of Accounting Standard 28 is more than their carrying value and as such no amount needs to be recognized in the financial statements for impairment loss. We have not been able to validate this assertion in the absence of bids from prospective buyers/valuation report of an independent agency.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effect of the matters described in the Basis for Qualified Opinion paragraph*, 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 31st March, 2015;
- b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and

Emphasis of Matter

1. Trade Receivables and Unbilled Revenue (other than amounts reported in Para 6 above) aggregating to Rs.2,19,588.19 lakhs includes balances outstanding for a period of more than three years, debts for additional supplies/ work made upon request by customers outside of the contract, interest levied on delayed payments of customers which have been considered realizable based on management representation of their interactions with the customers and negotiations/discussions. Further, certain circumstances necessitated some of the customers to make direct payments to Company's vendors to avoid delays in deliverables. The Company has initiated steps to obtain confirmation of payment from such vendors for adjustment of payments made by customers. The balances of Customers/Vendors are therefore subject to the result of such confirmation/reconciliation.
 2. No provision for liability and consequential interest / penalty that may arise from non-filing and non-compliance with statutory provisions relating to Service tax, VAT, Provident Fund and Tax Deducted at Source have been made in the Financial Statements.
 3. In respect of certain contracts, there have been significant delays in the completion of the projects beyond the contracted dates. This could lead to levy of liquidated damages by the customers as per the terms of contract entered with them although the company has not been made aware of any such amount being levied by any of its customers.
 4. Reference is invited to Note no. 14 relating to the payment made to Director towards managerial remuneration of Rs.51.94 lakhs, for the period 2013-2014, which was in excess of limits specified in the companies Act, and was subject to the approval from the Central Government. The company is yet to seek the approval of Central Government.
- Report on Other Legal and Regulatory Requirements:**
1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from branches not visited by us];
 - d) except for the effect of the matters described in the Basis for 'Qualified Opinion' paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rule, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the auditors' report in accordance with the rule 11 of the companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company has various pending litigations and we are unable to ascertain its impact on the financial statements and consequently no provisions were made.
 - ii. We are of the opinion that the company will have material foreseeable loss on its long term contracts including derivative contracts.



However we are unable to quantify the same in the absence of adequate information.

- iii. There were no amounts which were due to be transferred by the company to the Investor education and protection fund,

For C.S. HARIHARAN & Co.,
Chartered Accountants
Firm Registration NO. 001086S

Sd/-

C. H. Subramanian

Partner

Place: Chennai

Date: October 27, 2015

Membership No. 007238

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Re: TECPRO SYSTEMS LIMITED

Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

1. In respect of its fixed assets:
 - i. the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed asset..
 - ii. *the fixed assets were not physically verified by the Management during the year and hence we are unable to comment on the discrepancies, if any, noticed.*
 - iii. substantial part of the fixed assets were not disposed off during the year, in our opinion, and hence the going concern status of the Company is not affected.
2. In respect of its inventories:
 - i. As per the information and explanations given to us, the inventories have been physically verified by the Management at the year end.
 - ii. We were unable to observe the physical verification of such inventory but based on information and explanations given by Management, the procedures of physical verification of the inventory followed appear reasonable and adequate in relation to the size of the Company and the nature of its business.
 - iii. in our opinion and according to the information and explanations given to us, the Company is generally maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.
3. (a) On the basis of our examination of the books of account and as per information and explanations given to us, the Company has during the year given interest free unsecured Trade Advance (not being a loan) to a party covered in the register Maintained under section 189 of the Companies Act, 2013. The maximum amount outstanding during the year was Rs.742.04 lakhs and the balance due from such party as at the end of the year was Rs.742,04 lakhs. The said Trade Advance is being repaid regularly. There are no other amounts granted as loans or advance to any other party covered in the register maintained under section 189 of the Companies Act, 2013.

- (b) In our opinion the other terms and conditions of such trade advances are not prima-facie prejudicial to the interests of the Company.
4. In our opinion and according to the information and explanations given to us, that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, and that the invoices issued by the company involve technical estimates and measurements which may not at times be readily accepted by the customer, there is a reasonable internal control system commensurate with the size of the Company and the nature of its business, for purchase of inventories at factory and fixed assets, for payment of expenses and for sale of goods and services. With regard to internal control system for accounting for purchase of inventories for delivery at site and sales of inventory need to be further strengthened. During the course of our audit, we have not observed any major weakness in such internal control system.
5. According to the information and explanations given to us, the company has not accepted any deposits within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder and accordingly the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.
7. (a) According to the information and explanations given to us and records of the Company examined by us, the Company has not been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities. There have been significant delays in a large number of cases in depositing these dues and even cases of non-payment with the appropriate authorities. The undisputed statutory dues outstanding as at March 31, 2015 for a period of more than six months from the date they became payable is as under:

		(Rs. In Lakhs)
S.No	Nature of Dues	Amount
1	Central Sales Tax	24,10
2	Provident Fund	199.60
3	Works Contract Tax	377.19
4	Tax Deducted At Source / Tax Collected at Source	1,153.35
5	Customs Duty	3.54
6	Value Added Tax	557.96
7	Service Tax and Excise Duty	1,534,48
8	Entry Tax	3.05
9	Wealth Tax	11.55

- (b) According to the information and explanations given to us and records of the Company examined by us, Particulars of dues outstanding in respect of VAT/ Sales Tax, Income Tax, Service Tax, Excise Duty and Cess, which have not been deposited as at March 31, 2015 on account of dispute are as stated below:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which amount relates.	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax	124.06	1 April 2001 to 31 March 2002	Joint Commissioner of Sales tax (Appeals), Pune
		49.51	1 April 2002 to 31 March 2003	
Central Sales Tax Act, 1956	Sales Tax	5.81	1 April 2001 to 31 March 2002	Commercial Tax Officer, Lucknow
		20.25	1 April 2000 to 31 March 2001	
West Bengal Sales Tax Act, 1994	Sales Tax	14.04	1 April 2005 to 31 March 2006	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax Act, 1956	Sales Tax	37.08	1 April 2005 to 31 March 2006	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
		185.04	1 April 2006 to 31 March 2007	
West Bengal Sales Tax Act, 1994	Sales Tax	13.37	1 April 2003 to 31 March 2004	Sales Tax Officer Commercial Taxes, West Bengal
Central Sales Tax Act, 1956	Sales Tax	1.70	1 April 2003 to 31 March 2004	Sales Tax Officer Commercial Taxes, West Bengal
Central Sales Tax Act, 1956	Sales Tax	27.21	1 April 2003 to 31 March 2004	Joint Commissioner, Sales Tax (Appeals) II, Mumbai
Chapter V of the Finance Act, 1994	Service Tax	65.36	1 July 2003 to 31 May 2007	Additional Commissioner of Excise
Central Sales Tax Act, 1956	Sales Tax	13.41	1 April 2004 to 31 March 2005	Joint Commissioner of Sales Tax, Pune
Central Sales Tax Act, 1956	Sales Tax	4.54	1 April 2008 to 31 March 2009	Joint Commissioner Trade Tax, Bikaner
Central Sales Tax Act, 1956	Sales Tax	5.48	1 April 2008 to 31 March 2009	West Bengal Commercial Taxes Appellate and Revisional Board
Central Sales Tax Act, 1956	Sales Tax	1.14	1 April 2007 to 31 March 2008	Dy. Commissioner Commercial Tax Bhawanipore Charge, Kolkata
Central Sales Tax Act, 1956	Sales Tax	189.92	1 April 2009 to 31 March 2010	Rajasthan Tax Board, Ajmer
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	204.08	1 April 2006 to 31 March 2009	Rajasthan High Court
West Bengal Value Added Tax Act, 2003	Sales Tax	48.92	1 April 2009 to 31 March 2010	West Bengal Commercial Taxes Appellate And Revisional Board
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	116.59	1 April 2009 to 31 March 2010	Rajasthan High Court
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	164.89	1 April 2010 to 31 March 2011	Rajasthan High Court
Income Tax Act, 1961	Income Tax	2,642.77	Asst. Year 2011-12	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2,372.05	Asst. Year 2012-13	Commissioner of Income Tax (Appeals)

- c) There were no amounts which were due to be transferred by the Company to the Investor Education and Protection Fund.



8. The accumulated losses of the company are more than fifty percent of its net worth. The company has incurred cash losses during the financial year covered by our Audit and in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of dues to financial institutions and banks as under.

S. No.	Dues to	Amount (Rs. In Lakhs)	Nature of Dues	Period of default upto March 31, 2015
1	Edelweiss Asset Reconstruction Co. Ltd., (EARC) – Bill Discounting dues of DBS Bank assigned to EARC	277.00	Principal	400 – 460 Days
		56.90	Interest	400 – 460 Days
	Edelweiss Asset Reconstruction Co. Ltd., (EARC) – Short Term Loan dues of DBS Bank assigned to EARC	37,873.90	Principal	395 - 525 Days
		8,331.68	Interest	395 - 525 Days
Edelweiss Asset Reconstruction Co. Ltd., (EARC) – Long Term Loan dues of DBS Bank assigned to EARC	8,357.50	Principal	545 – 730 Days	
	1,688.19	Interest	545 – 730 Days	
2	DBS Bank – ECB Loan	1,502.18	Principal	470 Days
		140.27	Interest	470 Days
	DBS Bank – Corporate Guarantee	6,123.17	Principal	365 – 400 Days
		772.15	Interest	365 – 400 Days
3	Axis Bank (LC Devolved)	97.16	Principal	450 – 540 Days
		12.30	Interest	450 – 540 Days
4	ICICI Bank (BG Encashed)	26,453.32	Principal	195 Days
		547.51	Interest	195 Days
5	Standard Chartered Bank – Packing Credit	14,725.00	Principal	More than 540 Days
	Standard Chartered Bank – Bill Discounting	675.00	Principal	More than 540 Days
	Standard Chartered Bank – PCFC	10,515.25	Principal	More than 540 Days
6	IDBI Bank – Short Term Loan	7,683.57	Principal	90 Days
7	RIICO Ltd – Term Loan	791.68	Principal	320 – 450 Days
		867.40	Interest	275 Days
8	Kotak Mahindra Prime Ltd	30.09	Principal	395 – 425 Days
		2.18	Interest	

There are no Debenture holders in the company.

The company's CDR proposal has not materialized resulting in some of the lenders transferring their loan amounts to Asset Reconstruction Companies during the year.

10. In our opinion and according to the explanations given to us, the terms and conditions of the guarantees given by the company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the company.
11. In our opinion and according to the information and explanations given to us, the term loans have been applied by the company during the year for the purposes for which they have been obtained.
12. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the period.

For C.S. HARIHARAN & Co.
Chartered Accountants
Firm Registration NO. 001086S

Sd/-

C. H. Subramanian

Partner

Membership No. 007238

Place: Chennai

Date: October 27, 2015

Balance Sheet as at 31 March 2015

(All amounts are in Rupees)

	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	504,737,910	504,737,910
Reserves and surplus	4	-9,165,252,123	1,704,977,731
		-8,660,514,213	2,209,715,641
Non-current liabilities			
Long-term borrowings	5	220,832,123	1,180,399,799
Trade payables	8	1,100,001,387	1,100,001,387
Long-term provisions	6	1,789,234	1,216,124
		1,322,622,744	2,281,617,310
Current liabilities			
Short-term borrowings	7	46,870,970,129	33,934,122,947
Trade payables	8	8,111,620,949	8,454,921,962
Other current liabilities	9	9,214,398,673	6,757,902,947
Short-term provisions	6	219,630,134	166,141,711
		64,416,619,885	49,313,089,567
TOTAL		57,078,728,416	53,804,422,517
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	2,457,604,590	2,737,365,275
Intangible assets	11	30,978,793	15,705,381
Capital work-in-progress		660,909,517	660,694,806
		3,149,492,901	3,413,765,462
Non-current investments	12	71,450,000	176,056,870
Long-term loans and advances	14	19,897,858	49,701,006
Trade receivables	19	13,060,432,934	5,497,214,526
Other non-current assets	16	108,402,474	1,540,040,953
		13,260,183,266	7,263,013,355
Current assets			
Current investments	13	1,375,727	1,370,726
Inventories	18	1,449,037,234	1,958,927,710
Trade receivables	19	21,958,819,803	24,984,926,900
Cash and bank balances	20	5,039,550	67,132,733
Short-term loans and advances	15	2,865,079,332	2,433,389,027
Other current assets	17	14,389,700,603	13,681,896,605
		40,669,052,249	43,127,643,701
TOTAL		57,078,728,416	53,804,422,517
Significant accounting policies	2		

The notes referred to above form an integral part of the Financial Statement

As per our report of even date attached

For **C S Hariharan & Company**
Chartered Accountants
Registration No. 001086S

C H Subramanian
Partner
Membership No.: 7238
Place: Chennai
Date: 27th October, 2015

For and on behalf of the Board of Directors of Tecpro Systems Limited

Ajay Kumar Bishnoi
Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Amul Gabrani
Vice Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

**Statement of Profit and Loss for the year ended 31 March 2015**

(All amounts are in Rupees)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
I Income			
Revenue from operations	21	2,730,013,218	8,625,587,640
II Other income	22	9,775,502	4,269,454
III Total revenue		2,739,788,720	8,629,857,094
IV Expenses			
Cost of materials consumed	23	1,009,159,894	4,525,578,683
Purchases of stock-in-trade	25	1,982,162,720	748,445,818
Changes in inventories of finished goods, work in progress and stock in trade - project supplies	24	93,851,756	-262,645,330
Employee benefits expense	26	439,212,448	927,714,402
Other expenses	27	2,599,475,948	3,256,514,692
Expenditure before finance costs and depreciation / amortisation expenses		6,123,862,765	9,195,608,265
V Profit / (Loss) before finance costs, depreciation and amortisation expenses and tax		(3,384,074,046)	(565,751,171)
VI Finance costs	28	7,225,168,214	4,891,707,158
VII Profit / (Loss) before depreciation and amortisation expenses and tax from continuing operations		(10,609,242,260)	(5,457,458,329)
VIII Depreciation and amortisation expense	10/11	190,755,698	202,470,082
IX Profit / (Loss) before tax		(10,799,997,958)	(5,659,928,411)
X Tax expense :			
Current tax		-	-
Income tax for earlier years		-	-
Deferred tax charge / (release)			19,311,030
XI Profit / (Loss) for the year from continuing operations		(10,799,997,958)	(5,679,239,441)
Basic and diluted earnings per equity share (in Rs.) [face value Rs. 10 each (previous year Rs. 10 each)]	35	(213.97)	(112.52)
Significant accounting policies	2		

The notes referred to above form an integral part of the Financial Statement

As per our report of even date attached

For **C S Hariharan & Company**
Chartered Accountants
Registration No. 0010865

C H Subramanian
Partner
Membership No.: 7238

Place: Chennai
Date: 27th October, 2015

For and on behalf of the Board of Directors of Tecpro Systems Limited

Ajay Kumar Bishnoi
Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Amul Gabrani
Vice Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Cash flow statement for the year ended 31 March 2015

(All amounts are in Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
Cash flow from operating activities		
Profit / (loss) before taxation	(10,799,997,958)	(5,659,928,411)
Adjusted for :		
Depreciation	190,755,698	202,470,083.00
Profit on sale of fixed assets	-	(122,292)
Loss on sale / disposal of fixed assets	2,094,875	2,155,795.29
Additioaal Depreciation on Revalued assets	(754,278)	-
Interest income	(6,066,731)	(3,319,604)
Dividend income	-	(1,719)
Capitalisation of foreign exchange loss	-	(52,297,440)
Interest expense	6,955,156,456	4,469,590,110.00
Provisions no longer required, written back	(4,160,564)	(38,222,197)
Provision for Dimunition in Value of Investments	104,606,870	(326,380)
Investment written off during the year	-	-
Bad debts written off during the year	28,915,441	63,401,757.00
Provision for loss on incomplete contract	26,137,000	10,043,828.00
Provision for bad and doubtful debts	1,047,190,204	-
Sundry balances written off	-	-
Operating profit before following adjustments:	(2,456,122,986)	(1,006,556,470)
Increase/(Decrease) in Long term provision	573,110	(25,701,951)
Increase/(Decrease) in Other non current assets	1,431,638,479	33,115,133
Increase/(Decrease) in Trade payables	(343,301,013)	(4,978,363,171)
Increase/(Decrease) in Other current liabilities	2,456,495,727	12,578,916
Increase/(Decrease) in Short-term provisions	31,511,987	98,695,696
Increase/(Decrease) in Long term loans and advances	29,803,148	136,787,618
Increase/(Decrease) in Inventories	509,890,476	6,766,415
Increase/(Decrease) in Trade receivables	(5,613,216,956)	(1,247,909,455)
Increase/(Decrease) in Short-term loans and advances	(428,972,039)	(140,161,582)
Increase/(Decrease) in Other current assets	(707,648,160)	(2,629,019,199)
Cash used in operations	(2,633,225,241)	(8,733,211,580)
Income tax paid	-	(22,684,732)
Net cash flow from / (used in) operating activities (A)	(5,089,348,228)	(9,762,452,782)
Cash flows from investing activities		
Purchase of fixed assets	(1,516,982)	(242,265,105)
Proceeds from sale of fixed assets	3,461,355	5,006,291
Current Investments	(5,001)	-
Purchase of investments in subsidiaries	-	-
Movement in bank deposits (net) (having original maturity of more than three months)	-	22,395,732
Short-term loans/advances to subsidiaries	(2,718,266)	(22,954,465)

**Cash flow statement (Contd..)**

	(All amounts are in Rupees)	
	For the year ended 31 March 2015	For the year ended 31 March 2014
Dividend received	-	1,719
Interest received	6,066,731	3,319,604
Net cash from / (used in) investing activities (B)	5,287,837	(234,496,224)
Cash flows from financing activities		
Refund of share application money	-	-
Long-term borrowings taken (including current maturities)	(959,567,678)	651,441,982
Long-term borrowings repaid (including current maturities)	-	(253,135,210)
Short term borrowings (net)	12,936,847,182	13,902,546,142
Payment of dividend	-	(6,387)
Tax on dividend	-	-
Interest paid	(6,955,156,456)	(4,469,590,110)
Net cash from / (used in) financing activities (C)	5,022,123,047.20	9,831,256,417.00
Net changes in cash and cash equivalents (A+B+C)	(61,937,344)	(165,692,589)
Cash and cash equivalents - opening balance	66,976,894.00	232,669,483.00
Add: on account of amalgamation (refer to note 30 and 31)	-	-
Cash and cash equivalents - closing balance	5,039,550.00	66,976,894.00
Components of cash and cash equivalents (refer to note 21)		
Cash on hand	657,084.00	5,649,923.00
With banks:		
In current accounts	4,382,466.00	61,326,971.00
In fixed deposit accounts	-	-
	5,039,550.00	66,976,894.00

The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 Cash Flow Statements specified in the Companies (Accounting Standards) Rules, 2006.

Significant accounting policies

2

The notes referred to above form an integral part of the Financial Statement

As per our report of even date attached

For **C S Hariharan & Company**
Chartered Accountants
Registration No. 001086S

C H Subramanian
Partner
Membership No.: 7238

Place: Chennai
Date: 27th October, 2015

For and on behalf of the Board of Directors of Tecpro Systems Limited

Ajay Kumar Bishnoi
Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Amul Gabrani
Vice Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Notes to financial statements for the year ended 31 March 2015

1. Company overview

Tecpro Systems Limited is an engineering company primarily engaged in designing, engineering, manufacturing, supply, installation and erection of material handling systems, power plants including balance of plant packages in power sector.

2. Significant Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements are prepared under historical cost convention in accordance with the generally accepted accounting principles in India ("Indian GAAP") and comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act 2013")/ Companies Act, 1956 ('the Act, 1956), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncements of the Institute of Chartered Accountants of India ("ICAI"). The accounting policies applied by the Company are consistent with those used in the previous year, unless otherwise stated.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make judgements, estimates and assumptions that affect the applicable of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future years.

2.3 Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

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

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

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

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

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

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

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

The Company has multiple operating cycles determined on the basis of the distinguishing features and characteristics of various categories of contracts. However, assets/liabilities so disclosed as current on the basis of the relevant operating cycle but having a longer period of life than 12 months after the reporting period are also shown separately. (Also refer note 38)

2.4 Revenue recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership in the goods to the customer.

Revenue from services is recognised on rendering of services to customers.

Interest income is recognised using the time proportion method, based on underlying interest rates.

Revenue from long-term construction contracts in accordance with Accounting Standard - 7 on "Construction Contracts" is recognized using the percentage of completion method. Percentage of completion method is determined as a proportion of cost incurred to date to the total estimated contract cost or completion of a physical portion of the contract work depending on the nature of contract whichever is appropriate. Where the total cost of the contract, based on technical and other estimates, is expected to exceed the corresponding contract value, such excess is provided during the year.

Duty drawback available under prevalent scheme is



Notes to financial statements for the year ended 31 March 2015

accrued in the year when the right to receive credit as per the terms of scheme are established and these are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilisation of such duty credit.

2.5 Tangible fixed assets and capital work-in-progress

Tangible fixed assets, including capital work in progress are stated at cost of acquisition or construction less accumulated depreciation. Cost comprises the purchase price, including import duties and other non-refundable taxes or levies and any directly attributable costs of bringing the asset to its working condition for the intended use. Tangible fixed assets under construction are disclosed as Capital work-in-progress.

Exchange differences arising in respect of translation / settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

2.6 Intangible assets

Intangible assets comprising computer software and technical know-how are stated at cost less accumulated amortisation. Computer software and Technical Know-how is amortised as provided in the Schedule II of the Companies Act.

Goodwill that arises on an amalgamation or on acquisition of a business is presented as an intangible asset.

Goodwill arising from amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Such goodwill is amortised over its estimated useful life as mentioned in the Companies Act, 2013.

2.7 Borrowing Cost

Financing costs relating to borrowed funds attributable to construction or acquisition of qualifying assets for the period up to the completion of construction or acquisition of such assets are included in the cost of the assets. All other borrowing costs are charged to Statement of Profit and Loss.

2.8 Impairment

The carrying values of assets are reviewed at each reporting date to determine whether there any indication of impairment. If such indication exists, the amount recoverable towards such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment

loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss has been recognised.

2.9 Depreciation

Depreciation on fixed assets is provided based on the useful life of the assets as estimated by the management which coincides with rates prescribed in Schedule II to the Companies Act, 2013

Leasehold land is amortised on straightline basis over the period of the lease. Leasehold improvements are depreciated over the remaining period of lease.

Depreciation on additions is being provided on a pro rata basis from the date of such additions. Similarly, depreciation on assets sold/disposed off during the year is being provided up to the date on which such assets are sold/disposed off.

2.10 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing goods to their present location and condition, determined on a first in first out basis.

In determining the cost of inventories, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Contract work in progress includes contract costs that relate to future activity on the long term construction contract, such as costs of materials that have been delivered to a contract site or set aside for use in a contract but not yet installed, used or applied during contract performance and excludes the materials which have been made specially for such contracts.

2.11 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at exchange rates prevailing on that date. All exchange differences other than in relation to acquisition of fixed assets and other long term foreign currency monetary liabilities are dealt with in the Statement of Profit and Loss.

In accordance with Accounting Standard 11, "Accounting for the effects of changes in foreign exchange rates", exchange differences arising in respect of long term foreign currency monetary items:

- used for acquisition of depreciable capital asset, are added to or deducted from the cost of asset and are depreciated over the balance life of asset.

Notes to financial statements for the year ended 31 March 2015

- used for the purpose other than the acquisition of depreciable capital asset, are accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) and amortized over the balance period of such liability.

These exchange differences are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change.

The premium or discount that arises on entering into a forward exchange contract for hedging underlying assets and liabilities is measured by the difference between the exchange rate at the date of inception of the forward exchange contract and the forward rate specified in the contract and is amortised as expense or income over life of the contract. Exchange difference on forward exchange contract is the difference between:

- the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and;
- the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date.

The company use foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and highly probable forecast transactions. The company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in Accounting Standard -30 " Financial Instruments Recognition and measurement" issued by ICAI. Gains and losses on this forward contract designated as "effective Cash flow hedges" are recognized in the "Hedge Reserve Account" till the underlying forecasted transaction occurs. Any ineffective portion however, is recognized immediately in the Statement of profit and loss.

2.12 Provisions and contingencies

A provision is created when there is a present obligation as a result of a past event that entails a probable outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure of a contingent liability is made when there is a possible but not probable obligation or a present obligation that may, but probably will not, entail an outflow of resources. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Onerous contract

A Contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of

meeting its obligation under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

2.13 Taxation

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

2.14 Employee benefits

- All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Statement of Profit and Loss in the year in which the employee renders the related service.
- Provident fund is a defined contribution scheme. Contributions payable to the provident fund are charged to the Statement of Profit and Loss.
- Superannuation fund is a defined contribution scheme. The Company contributes to schemes administered by the Life Insurance Corporation of India ('LIC') to discharge its superannuation liabilities. The Company's contribution paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.
- Gratuity costs are defined benefits plans. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value



Notes to financial statements for the year ended 31 March 2015

of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Annual contributions are made to the employee's gratuity fund, established with the LIC based on an actuarial valuation carried out by the LIC as at 31 March each year. The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. However, the company has not made any Contribution to LIC for the maintenance of employee's gratuity fund during the year.

5. Benefits under the Company's leave encashment scheme constitute other long term employee benefits. The obligation in respect of leave encashment is provided on the basis on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Annual contributions are made to the employee's leave encashment fund, established with the LIC

based on an actuarial valuation carried out by the LIC as at 31 March each year. The fair value of plan assets is reduced from the gross obligation, to recognise the obligation on net basis. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. However, the company has not made any contributions towards the same to LIC during the year.

2.15 Investments

Long term investments are valued at cost. Any decline other than temporary, in the value of long-term investments, is adjusted in the carrying value of such investments. Diminution, if any, is determined individually for each long-term investment. Current investments are valued at the lower of cost and fair value of individual scrips.

2.16 Earnings per share

Basic earnings per share are computed by dividing the net profit/(loss) for the year attributable to the equity shareholders with the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year, except where the results would be anti-dilutive.

2.17 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating leases. Lease rents under operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the lease term.

2.18 Events occurring after the balance sheet date

Adjustment to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amount of assets and liabilities relating to condition existing at the balance sheet date.

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	As at 31 March 2015	As at 31 March 2014
3. Share capital		
Authorised		
8,11,50,000 (previous year 8,11,50,000) equity shares of Rs.10 each	811,500,000	811,500,000
50,00,000 (Previous year 50,00,000) preference shares of Rs 100 each	500,000,000	500,000,000
	<u>1,311,500,000</u>	<u>1,311,500,000</u>
Issued, subscribed and fully paid-up		
5,04,73,791 (previous year 5,04,73,791) equity shares of Rs.10 each fully paid-up	504,737,910	504,737,910
	<u>504,737,910</u>	<u>504,737,910</u>

(a) The Authorized Share Capital of the Company has been reclassified and divided into 8,11,50,000 Equity Shares of Rs. 10 each amounting to Rs. 81,15,00,000 and 50,00,000 Preference Share of Rs. 100 each amounting to Rs.50,00,00,000 during the year.

(b) Reconciliation of shares outstanding and the amount of share capital as at 31 March 2015 and 31 March 2014

Equity shares	As at 31 March 2015		As at 31 March 2014	
	Amount (Rs.)	No. of shares	Amount (Rs.)	No. of shares
Number of shares at the beginning	504,737,910	50,473,791	504,737,910	50,473,791
Add: Shares issued / redeemed during the year	-	-	-	-
Number of shares at the end	<u>504,737,910</u>	<u>50,473,791</u>	<u>504,737,910</u>	<u>50,473,791</u>

The Company has only one class of equity shares, having a par value of Rs.10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(All amounts are in Rupees)

	As at 31 March 2015	As at 31 March 2014
4. Reserves and surplus		
Capital reserve	38,855,552	38,855,552
Securities premium account	2,991,808,262	2,991,808,262
Revaluation reserve		
Opening balance	68,077,120	69,078,254
Less: amount transferred to the statement of profit and loss on account of additional depreciation on revalued assets	(754,278)	(1,001,134)
Closing balance	<u>67,322,842</u>	<u>68,077,120</u>
General reserve	660,924,162	730,401,780
Surplus/(Deficit) in the Statement of Profit and Loss		
Opening balance	(2,124,164,983)	3,555,074,458
Profit /(loss) for the year	(10,799,997,958)	(5,679,239,441)
Net surplus / (Deficit) in the Statement of Profit and Loss	<u>(12,924,162,940)</u>	<u>(2,124,164,983)</u>
Total reserves and surplus	<u>(9,165,252,123)</u>	<u>1,704,977,731</u>



Notes to financial statements for the year ended 31 March 2015

5. Long term borrowing

	Non-current portion		Current maturities	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Secured:				
Term loans				
- Indian rupee loan from banks	-	676,897,371	1,883,675	210,691,946
- Foreign currency loan from banks	-	240,399,200	400,581,120	144,239,520
- From financial institutions	220,832,123	259,487,123	2,184,498,083	42,859,010
- Finance Lease obligations	-	3,616,105	2,176,141	11,629,262
	220,832,123	1,180,399,799	2,589,139,018	409,419,738
Less:				
Amount disclosed under the head "other current liabilities" (refer to note 9)	-	-	2,589,139,018	409,419,738
Net amount	220,832,123	1,180,399,799	-	-

5.1) Security and term of repayment of Loan liabilities

Security	
Indian Rupee Loan from banks (Current and Non current Portion) assigned to Asset Recovery Company	Terms of Repayments
Amounting to Rs.147,10,00,000 is secured by exclusive charge in the retention receivable (50% Margin on retention receivables). Further the loan is additionally secured by way of Personal Guarantee of Mr. Ajay Kumar Bishnoi (Director) and Mr. Amul Gabrani (Director) and Mrs. Bhawanti Gabrani and Corporate Guarantee of M/S. Fusion Fittings India Ltd -- this loan is assigned to Edelweiss Asset Reconstruction Company Ltd by State Bank of India vide SBI letter dated 23rd March 2015	Maximum tenure -- 3 years and repayment in March 2017 as Bullet payment. Rate of interest -- 5% above the base rate at 15%per annum
Amounting to Rs.40,52,50,000 is exclusive charge on "Tecpro House", Gurgaon, Engineering Centre in Kolkatta property; exclusive on the commercial office 3rd and 4th floor, No.07, Sagar Complex, Bhosari Pune and "Tecpro Tower" property at Chennai and additional security personal guarantee of Mr. A.K.Bishnoi and Mr. Amul Gabrani -- this loan is assigned to Edelweiss Asset Reconstruction Company Ltd by DBS Bank vide letter dated 1st December 2014	Repayable in 24 installments of Rs.16.20 millions commencing at the end of 13th month from each drawdown and 23 instalments of Rs.23.75 millions each commencing at the end of each drawdown & 1 instalment of Rs.14.95 millions at the end of 60th month from each drawdown
Amounting to Rs.43,05,00,000 is secured by exclusive charge on "Tecpro House" office in Gurgaon by way of equitable mortgage with a minimum asset cover of 1.25 times during the entire tenancy of the loan, Further the loan is additionally secured by way of Personal Guarantee of Mr. Ajay Kumar Bishnoi (Director) and Mr. Amul Gabrani (Director) -- this loan is assigned to Edelweiss Asset Reconstruction Company Ltd by DBS Bank	Repayable in 20 equal quarterly instalments commencing at the end of three months from the date of first drawdown at an interest rate of 270bps over DBS Bank's Base rate and payable on quarterly basis
Foreign currency Loan from banks (Current and Non current Portion)	
Amounting to Rs.40,05,81,120 is secured by exclusive charge on the immovable and movable assets of Kolkata office financed out of the facility with a minimum asset cover of 1.25 times. This loan is also secured by personal guarantee of Mr. Ajay Kumar Bishnoi (Director) & Mr. Amul Gabrani (Director)	Repayable in 10 equal half yearly instalments commencing after 18 months from the first drawdown date i.e. 20 June 2011 carrying an interest rate of applicable EURO / USD / SGD LIBOR plus 2.6% per annum
Financial institutions (Current and Non current Portion)	
Amounting to Rs.30,23,46,133 is secured by First charge on the asset i.e. Land and Building situated at the Industrial Unit at Plot No. 203-203(A) MIA, Alwar, Rajasthan. Personal guarantee of Shri. Amul Gabrani and Shri. Ajay Kumar Bishnoi	Repayable in 24 equal instalments of INR 197.92 lacs each commencing with effect from 15May 2014
Finance Lease obligations (Current and Non current Portion)	
Amounting to Rs.20,48,727 is secured by way of hypothecation of the respective vehicles	Repayable in such number of equal monthly instalments as specified in the terms & conditions of the respective vehicle finance agreements. The rate of interest is in the range of 12% per annum to 15% per annum

Notes to financial statements for the year ended 31 March 2015

5.2) Details of default of loan (Principal and interest)

S. No.	Dues to	Amount (in Lakhs)	Nature of Dues	Overdue by
1	Edelweiss Asset Reconstruction Company Limited (EARC) -- Bill Discounting dues of DBS Bank assigned to EARC vide DBS Bank letter dated 1st Dec 2014	277.00	Principal	400 -460 Days
		56.90	Interest	400 -460 Days
	Edelweiss Asset Reconstruction Company Limited (EARC) -- Short Term Loan dues of DBS Bank assigned to EARC vide DBS Bank letter dated 1st Dec 2014	37,873.90	Principal	395 to 525 Days
		8,331.68	Interest	395 to 525 Days
	Edelweiss Asset Reconstruction Company Limited (EARC) -- Long Term Loan dues of DBS Bank assigned to EARC vide DBS Bank letter dated 1st Dec 2014	8,357.50	Principal	545 to 730 Days
	1,688.19	Interest	545 to 730 Days	
2	DBS Bank - ECB Loan	1,502.18	Principal	470 Days
		140.27	Interest	470 Days
	DBS Bank - Corporate Guarantee	6,123.17	Principal	365 to 400 Days
		772.15	Interest	365 to 400 Days
3	Axis Bank (LC Devolved)	97.16	Principal	450 to 540 Days
		12.30	Interest	450 to 540 Days
4	ICICI Bank (BG Encashed)	26,453.32	Principal	195 Days
		547.51	Interest	195 Days
5	Standard Chartered Bank - Packing Credit	14,725.00	Principal	More than 540 Days
	Standard Chartered Bank - Bill Discounting	675.00	Principal	More than 540 Days
	Standard Chartered Bank - PCFC	10,515.25	Principal	More than 540 Days
6	IDBI Bank Short Term Loan	7,683.37	Principal	90 Days
7	RIICO Ltd - Term Loan	791.68	Principal (EMI)	320 to 45 Days
		867.40	Interest	275 Days
8	Kotak Mahindra Prime Ltd	30.09	Principal	395 to 425 days
		2.18	Interest	

(All amounts are in Rupees)

6. Provisions

	Long-term provisions		Short-term provisions	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Provision for employee benefits				
Gratuity		-	1,359,668	-
Compensated absences		-	53,269,120	31,558,641
		-	54,628,788	31,558,641
Others provisions				
Lease equalisation charges	1,789,234	1,216,124	-	-
Provision for estimated losses on incomplete contract		-	74,487,368	48,350,368
Other Provisions			90,513,978	86,232,702
	1,789,234	1,216,124	165,001,346	134,583,070
	1,789,234	1,216,124	219,630,134	166,141,711

Refer Note no. 41 on "Provision for employee benefits"

Refer Note no. 43 on "Provision for estimated losses on incomplete contract"



Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

7. Short-term borrowings

	As at 31 March 2015	As at 31 March 2014
Loans repayable on demand		
From banks (secured)		
- Working capital facility@	16,446,253,112	33,872,464,543
From others (unsecured)	30,424,717,017	61,658,404
	<u>46,870,970,129</u>	<u>33,934,122,947</u>

@ Includes foreign currency short term loan

Nature of security

Working capital facility comprises cash credit, buyer's credit, export packing credit and bills discounted from banks.

- Working Capital facilities are secured by first charge on the present and future current assets of the company on pari passu basis. During the Financial Year 2014-2015, working capital facilities granted by SBI ,BOI, DBS & IndusInd Bank have been assigned to Asset Reconstruction companies.
- Cash credit, short term loans and buyers credit from certain banks are further primarily / collaterally secured by way of hypothecation / mortgage of moveable / immoveable fixed assets of the Company on a pari passu basis other than those specifically funded through term loans and charged to Edelweiss Asset Reconstruction Co. Ltd. (previously which was charges to State Bank of India) and by way of equitable mortgage over certain assets of certain directors (includes a relative of a director) of the Company on pari passu basis.
- The facilities are also secured by personal guarantee of Mr. Amul Gabrani (director), Mr. Ajay Kumar Bishnoi (director) and Mrs. Bhagwanti Gabrani (relative of director, except for facility availed from DBS Bank)
- Further, facilities from SBI (currenly assigned to Edelweiss Asset Reconstruction Company Limited) are also secured by pledge of certain shares by Mr. Amul Gabrani and Mr. Ajay Kumar Bishnoi (directors of the Company) and the loan from SBI is also secured by corporate guarantee given by Fusion Fittings (I) Limited.

(All amounts are in Rupees)

8. Trade payables

	TSL Non-current		Non-current		Current	
	As at	As at	As at	As at	As at	As at
	31 March 2015	31 March 2015	31 March 2014	31 March 2015	31 March 2014	31 March 2014
Sundry creditors						
- micro and small enterprises	-	-		108,678,578	97,279,894	
- others	1,100,001,387	1,100,001,387	1,100,001,387	8,002,942,372	8,357,642,068	
	<u>1,100,001,387</u>	<u>1,100,001,387</u>	<u>1,100,001,387</u>	<u>8,111,620,949</u>	<u>8,454,921,962</u>	

The Company had sought confirmation from its vendors on their status Under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act") which came into force from 2nd October, 2006. Based on the confirmations received till date, the disclosure as required by section 22 of the MSMED Act are given below :-

	As at 31 March 2015	As at 31 March 2014
(a) Principal amount payable to suppliers as at year end	108,678,578	97,279,894
(b) Interest due thereon as at year-end	23,961,019	16,394,444
(c) Interest amount for delayed payments to suppliers pursuant to provisions of MSMED Act actually paid during the year, irrespective of the year to which interest relates		
(d) Amount of delayed payments actually made to suppliers during the year		
(e) Amount of interest due and payable for the year of delay in making payment (which has been paid,, but beyond the appointed day during the year) but without adding interest specified under the MSMED Act.		
(f) Interest accrued and remaining unpaid at the end of year	23,961,019	16,394,444

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	As at 31 March 2015		As at 31 March 2014	
9. Other current liabilities				
Current maturities of long-term borrowings (also refer to note 5)		2,586,962,878		402,041,845
Current maturity of lease obligation (also refer to note 5)		2,176,141		7,377,893
Salaries, wages and bonus payable		620,880,945		411,884,314
Interest accrued and due on borrowings		-		415,749,498
Interest accrued but not due on borrowings		728,505,477		55,421,619
Unpaid dividends		253,359		253,359
Book overdraft		191,737,596		127,481,013
Advances from customers		4,185,851,899		4,520,109,197
Unearned revenue		14,647,000		32,705,000
Creditors towards fixed assets		-		121,564,287
Amount due to employees		122,116,895		
Amount due to subsidiaries		857,196		857,196
Statutory dues				
Service tax and excise duty	159,794,841	188,324,496	172,623,656	
Tax deducted at source	138,825,622	161,348,889	160,866,988	
Provident fund and other employee related	43,512,474	59,498,565	44,727,225	
Sales tax	126,233,711	146,099,479	55,271,429	109,546,165
Others'			205,137,859	487,764,034
			9,214,398,673	6,757,902,947

There are no outstanding dues to be paid to investor education & protection fund

(All amounts are in Rupees)

10. Tangible assets

Description	Gross block (at cost)				Accumulated depreciation					Net block	
	As at 1 April 2014	Additions during the year	Deletions / adjustments during the year	As at 31 March 2015	As at 1 April 2014	For the year	To be adjusted with (reduced from) Retained Reserves	Sales / Deletion during the year	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Owned											
Freehold land	34,705,270	-	-	34,705,270	-	-	-	-	-	34,705,270	34,705,270
Buildings*	1,321,384,762	-	-	1,321,384,762	168,826,778	44,523,276	-13,024,030	-	200,326,024	1,121,058,738	1,152,557,983
Leasehold Improvement	224,248,108	270,388	-	224,518,496	43,693,057	7,454,108	-24,305,061	-	26,842,105	197,676,391	180,555,050
Plant and machinery ##	547,851,820	155,727	-	548,007,547	124,548,067	46,079,147	50,296,816	-	220,924,030	327,083,517	422,480,786
Office Equipment ##	152,668,196	350,158	-	153,018,354	91,740,966	21,620,655	8,524,811	-	121,886,432	31,131,922	61,750,195
Furniture and fittings	149,047,048	17,855	-	149,064,903	92,838,047	13,912,060	-44,196,082	-	62,554,026	86,510,877	56,209,003
Vehicles	204,247,344	-	12,241,378	192,005,966	79,504,821	21,960,408	18,535,984	6,688,148	113,313,066	78,692,900	124,742,523
Computers	66,561,090	90,486	-	66,651,576	43,771,962	4,606,151	15,714,426	-	64,092,539	2,559,036	22,789,128
Total - A	2,700,713,638	884,614	12,241,378	2,689,356,874	644,923,699	160,155,807	11,546,865	6,688,148	809,938,223	1,879,418,651	2,055,789,938
Leasehold land	278,243,040	-	-	278,243,040	16,849,326	3,061,447	115,785,363	-	135,696,137	142,546,903	261,393,714
Buildings	446,542,146	-	-	446,542,146	26,360,523	14,140,501	-29,597,914	-	10,903,110	435,639,036	420,181,623
Total - B	724,785,186	-	-	724,785,186	43,209,849	17,201,948	86,187,449	-	146,599,247	578,185,939	681,575,337
Total - A+B	3,425,498,824	884,614	12,241,378	3,414,142,060	688,133,548	177,357,755	97,734,315	6,688,148	956,537,469	2,457,604,590	2,737,365,275
Capital Work in Progress ^^										660,909,517	660,694,805

*Additions to Building include loss on foreign exchange fluctuation is NIL (Previous year Rs. 5,22,97,440/-)

^^ Capital Work in Progress include loss on foreign exchange fluctuation Rs. Nil (previous year Rs. Nil) and borrowing cost capitalised Rs. Nil (previous year Rs. 2,62,44,596)

Figures from previous year's block are regrouped



Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

11. Intangible asset

Description	Gross block (at cost)				Accumulated depreciation					Net block	
	As at 1 April 2014	Additions during the year	Sales / Deletion during the year	As at 31 March 2015	As at 1 April 2014	For the year	To be adjusted with (reduced from) Retained Reserves	Sales / Deletion during the year adjustment	As at 31 March 2015	As at March 2015	As at March 2014
Computers software	97,467,720	0	0	97,467,720	86,487,402	11,181,275	-26,404,726		71,263,950	26,203,770	10,565,656
Technical know-how	19,938,554	0	0	19,938,554	16,634,445	1,425,000	-1,190,550		16,868,895	3,069,659	3,304,109
Goodwill	5,000,000	0	0	5,000,000	3,164,384	791,669	-661,417		3,294,636	1,705,364	1,835,616
Total	122,406,274	0	0	122,406,274	106,286,231	13,397,944	-28,256,693		91,427,481	30,978,793	15,705,381

(All amounts are in Rupees)

As at
31 March 2015 **As at**
31 March 2014

12. Non- Current investments

Trade Investments

Unquoted equity instruments

Investments in equity instrument of Subsidiaries (unquoted equity instruments)

Tecpro International FZE

- -

[Nil (previous year 2) equity share of AED 1,000,000 each fully paid up]

Microbase Infosolution Private Limited (refer to note 31)

- -

[Nil (previous year 10,200) equity shares of Rs.10 each fully paid up]

Tecpro Energy Limited

- -

[645,000 (previous year 645,000) equity shares of Rs.10 each fully paid up
{at cost less provision for other than temporary diminution in value
Rs. 6,450,000 (previous year Rs. 64,50,000)}]

Tecpro Systems (Singapore) Pte. Ltd.

85,397,672 85,397,672

[2,378,800 (previous year 2,378,800) equity shares of 1 Singapore dollar each fully paid up]

Ajmer Waste Processing Company Private Limited

490,000 490,000

[49,000 (previous year 49,000) equity shares of Rs.10 each fully paid up]

Tecpro Trema Limited

- -

[Nil (previous year Nil) equity shares of Rs.10 each fully paid up]

Bikaner Waste Processing Company Private Limited

785,000 785,000

[78,500 (previous year 78,500) equity shares of Rs.10 each fully paid up]

Ambika Projects (India) Private Limited

- -

[Nil (previous year 1,500,000) equity shares of Rs.10 each fully paid up]

Eversun Energy Private Limited

70,175,000 70,175,000

[260,000 (previous year 260,000) equity shares of Rs.10 each fully paid up]

PT. Tecpro Systems Indonesia

19,209,198 19,209,198

[3,500 (previous year 3500) equity shares of 100 USD each fully paid up]

Total

176,056,870 176,056,870

Less: Provision for diminution in value of investments

104,606,870 -

Total

71,450,000 176,056,870

Aggregate book value unquoted non current investments :

- Aggregate book value

176,056,870 176,056,870

- Aggregate provision for diminution in the value of investment

104,606,870 6,450,000

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	As at 31 March 2015	As at 31 March 2014
13. Current investments		
Current investments (valued at the lower of cost and fair value, unless stated otherwise)		
Investment in equity instrument - Quoted		
Vijaya Bank	14,400	14,400
National Savings Certificate *	30,000	25,000
a. Principal Growth Fund	486,057	486,057
b. Principal Large Cap Fund	200,000	200,000
c. Principal Dividend Yield Fund	71,740	71,740
d. Principal Personal Tax Saver Fund	53,779	53,779
e. Principal Emerging Blue Chip Fund	419,750	419,750
f. Principal Debt Saving Fund (formerly Monthly Income Fund)	100,000	100,000
[9,884.45 (previous year 9,884.45) units of face value Rs. 10 each]		
Total	<u>1,375,727</u>	<u>1,370,726</u>
* Pledged as security deposit with the Sales Tax Authorities.		
Aggregate book value and market value of quoted investments and book value of unquoted investments:		
Mutual funds		
- Aggregate book value	1,331,326	1,331,326
- Aggregate net asset value	3,520,320	2,055,724
Quoted investments		
- Aggregate book value	14,400	14,400
- Aggregate market value	28,758	23,850
Unquoted investments		
- Aggregate book value	30,000	25,000
- Aggregate provision for diminution in the value of investment	-	-
14. Long-term loans and advances		
(Unsecured)		
Considered good:		
Prepaid expenses	8,494,127	35,993,640
Security deposits	11,403,731	13,707,366
Loans / advances to subsidiaries	-	-
	<u>19,897,858</u>	<u>49,701,006</u>
Considered doubtful:		
Other loans and advances		
Security deposit	2,246,092	2,246,092
Less : Provision for doubtful advances	-2,246,092	-2,246,092
	<u>-</u>	<u>-</u>
	<u>19,897,858</u>	<u>49,701,006</u>



Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	As at 31 March 2015	As at 31 March 2014
15. Short-term loans and advances		
(Unsecured, considered good)		
Security deposits	49,832,292	38,499,439
Inter Company	317,788,747	-
Others :		
Balances with statutory / government authorities	617,793,906	504,468,433
Advance tax [net of provision]	132,454,670	74,365,029
Prepaid expenses	92,670,996	221,625,287
Share application money pending allotment (related parties)*	3,796,724	3,796,724
Advances to vendors ^	1,205,257,789	1,241,070,651
Advances to employees	93,844,468	48,625,428
Loans / advances to subsidiaries.**	98,711,000	95,992,734
Due from Directors ##	7,774,169	7,774,169
Others.@	245,154,571	197,171,133
	<u>2,865,079,332</u>	<u>2,433,389,027</u>

* application made for equity shares in Tecpro Systems (Singapore) Pte. Ltd

^ includes advances to related parties amounting to Rs. Nil (previous year Rs. 61,24,87,972)

Represents excess remuneration paid to the Directors as managerial remuneration and until refunded will be held by the Directors in trust on behalf of the Company.

@ Includes loans/advance to related parties

** Loans and advances in the nature of loans given to subsidiaries.

	As at 31 March 2015	As at 31 March 2014	Maximum Amount Outstanding During 2014-15	2013-14
Ajmer Waste Processing Company Private Limited	43,734,100	43,734,100	43,734,100	43,734,100
Bikaner Waste Processing Company Private Limited	6,404,186	6,404,186	6,404,186	6,429,186
Eversun Energy Private Limited	47,063,201	45,854,448	47,063,201	50,792,453
			As at 31 March 2015	As at 31 March 2014

16. Other non-current assets

Others :

Claims and other receivables	68,696,628	68,696,628
Unbilled revenue on contracts in progress *	-	1,431,741,656
Non current bank balances (refer to note 20)	39,705,846	39,602,669
	<u>108,402,474</u>	<u>1,540,040,953</u>

* Represents amount that will be retained by the customer as retention money for payment after contract period and not expected to be realised within 12 months from reporting date.

17. Other current assets

Unbilled revenue on contracts in progress	14,388,089,584	13,681,355,831
Interest accrued on deposits and others	1,611,019	540,774
	<u>14,389,700,603</u>	<u>13,681,896,605</u>

18. Inventories *

Raw materials	117,795,728	533,834,510
"Goods purchased for resale - project supplies [includes in transit NIL (previous year Rs. 1,90,52,082)]"	491,426,287	575,271,591
"Finished goods [includes in transit NIL (previous year Rs. 7,92,73,551)]"	74,267,356	79,273,551
Work in progress	765,547,863	770,548,058
	<u>1,449,037,234</u>	<u>1,958,927,710</u>

* valued at the lower of cost and net realisable value.

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	As at 31 March 2015	As at 31 March 2014
Additional disclosures regarding inventories		
a) Raw materials		
Iron and steel	50,576,897.96	229,207,748
Others (individual items less than 10% of closing stock of raw material)	67,218,830	304,626,762
	<u>117,795,728</u>	<u>533,834,510</u>
b) Good purchased for resale - project supplies		
Iron and steel	112,873,436	132,131,475
Structures (including structure components)	7,979,623	9,341,076
Others (individual items less than 10% of closing stock of goods purchased for resale - project supplies)	370,573,229	433,799,040
	<u>491,426,288</u>	<u>575,271,591</u>
c) Work-in-progress		
Pulleys	87,750,946	88,324,093
Frames	110,462,317	111,183,804
Structures (including structure components)	267,045,020	268,789,231
Others (individual items less than 10% of closing stock of work-in-progress)	300,289,581	302,250,930
	<u>765,547,863</u>	<u>770,548,058</u>

	Non current #		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
19. Trade receivables'				
Unsecured, considered good unless otherwise stated				
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	12,977,787,918	4,893,350,321	15,043,679,847	22,841,399,212
Considered doubtful	-	-	1,306,454,300	232,564,096
	12,977,787,918	4,893,350,321	16,350,134,147	23,073,963,308
Less: Provision for doubtful debts	-	-	1,306,454,300	232,564,096
	<u>(A) 12,977,787,918</u>	<u>4,893,350,321</u>	<u>15,043,679,847</u>	<u>22,841,399,212</u>
Other receivables				
Unsecured, considered good'	82,645,016	603,864,205	6,915,139,956	2,143,527,688
Considered doubtful	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-
	<u>(B) 82,645,016</u>	<u>603,864,205</u>	<u>6,915,139,956</u>	<u>2,143,527,688</u>
Total	<u>(A+B) 13,060,432,934</u>	<u>5,497,214,526</u>	<u>21,958,819,803</u>	<u>24,984,926,900</u>

Non current portion of trade receivables represents amount retained by the customer as retention money to be paid after contract period and not expected to be realised within 12 months from reporting date.

20. Cash and bank balances

Cash and cash equivalents

Balances with banks:				
- Current accounts	-	-	4,125,277	61,063,457
- Earmarked balance with banks	-	-	257,189	263,514
Cash on hand	-	-	657,084	5,649,923
	<u>-</u>	<u>-</u>	<u>5,039,550</u>	<u>66,976,895</u>
Other bank balances				
Margin money accounts *	39,705,846	39,602,669	-	155,838
	<u>39,705,846</u>	<u>39,602,669</u>	<u>-</u>	<u>155,838</u>
*Amount disclosed under other non-current assets (refer to note 16)	<u>-39,705,846</u>	<u>-39,602,669</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>5,039,550</u>	<u>67,132,733</u>

* fixed deposits held as margin money against guarantee issued by the bank on behalf of the Company and are not available for use by the Company.



Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
21. Revenue from operations		
Sale of products (gross)	885,982,504	1,344,673,085
Contract revenue	1,880,407,059	6,417,364,411
Sale of services	-88,869,846	514,204,560
Other operating revenue	-	-
- Sale of scrap	48,332,936	7,532,184
- Provisions no longer required, written back	4,160,564	38,222,197
- Interest income - Receivable from Customers	-	394,268,165
Revenue from operations (gross)	<u>2,732,033,360</u>	<u>8,716,264,602</u>
Less: Excise duty	2,020,142	90,676,962
Revenue from operations (net)	<u><u>2,730,013,218</u></u>	<u><u>8,625,587,640</u></u>
22. Other income		
Interest income on		
- Fixed deposits	3,594,362	3,272,698
- Others	2,472,369	46,906
Dividend income from current investments	-	1,720
Miscellaneous income #	3,708,771	948,130
	<u><u>9,775,502</u></u>	<u><u>4,269,454</u></u>

Includes Profit of sale of fixed assets Rs. Nil (Previous year Rs1,22,292)

23. Cost of raw material consumed

	For the year ended 31 March 2015		For the year ended 31 March 2014	
Opening stock of raw material	533,834,510		803,246,255	
Add: purchases during the year	593,121,112		4,256,166,938	
Less: closing stock of raw material	117,795,728	1,009,159,894	533,834,510	4,525,578,683
		<u><u>1,009,159,894</u></u>		<u><u>4,525,578,683</u></u>

Imported and indigenous raw material and components consumed

	For the year ended 31 March 2015		For the year ended 31 March 2014	
	Value	% of total consumption	Value	% of total consumption
Raw material and components				
- Imported	-	0%	21,272,067	0.5%
- Indigenous	1,009,159,894	100%	4,252,446,485	100%
	<u><u>1,009,159,894</u></u>		<u><u>4,273,718,552</u></u>	<u><u>100%</u></u>

24. Changes in inventory of finished goods, work in progress and stock in trade-project supplies

	For the year ended 31 March 2015		For the year ended 31 March 2014	
Stock at the end of the year				
Finished goods	5,547,807		79,273,551	
Work in progress	765,547,863		770,548,058	
Stock in trade (purchased for resale) - project supplies	560,145,836	1,331,241,506	575,271,591	1,425,093,200
Stock at the beginning of the year				
Finished goods	79,273,551		3,195,838	
Work in progress	770,548,120		652,326,049	
Stock in trade (purchased for resale) - project supplies	575,271,591	1,425,093,262	506,925,982	1,162,447,869
(Increase) / decrease in inventory		<u><u>93,851,756</u></u>		<u><u>(262,645,331)</u></u>

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
25. Details of purchase of finished goods for projects supplies dealt with by the Company		
Components for Ash Handling Systems	304,200,659	240,931,410
Waste heat recovery systems	279,441,798	105,514,569
Purchased for project supplies- others *	1,398,520,263	401,999,839
	<u>1,982,162,720</u>	<u>748,445,818</u>

* As the goods purchased for projects supplies-others at an item level account for less than 10% of the total value of purchases, these have not been shown as separate and distinct items in the breakup.

26. Employee benefit expenses

Salaries, wages and bonus	400,209,336	848,023,685
Contribution to provident and other funds	27,470,693	66,829,840
Gratuity'	(2,251,487)	-19,590,710
Staff welfare	13,783,906	32,451,587
	<u>439,212,448</u>	<u>927,714,402</u>

27. Other expenses

Excise duty expense	-	92,054,102	
Less: Excise duty recovered	<u>2,020,142</u>	<u>2,020,142</u>	<u>90,676,962</u>
Drawing and design charges	2,689,893		54,919,737
Fabrication and other site related expenses	916,211,218		1,971,922,763
Freight and forwarding	27,051,799		167,316,997
Equipment charges	144,115,821		252,319,124
Travel and conveyance	34,141,510		103,354,731
Rent	38,640,701		43,754,851
Power fuel and electricity	20,859,717		46,898,263
Communication	7,388,886		20,658,371
Advertising and marketing	581,718		2,727,162
Sales commission	810,863		12,238,441
Printing and stationery	1,565,455		8,451,344
Rates and taxes	5,371,165		26,463,523
Legal and professional	60,236,469		67,982,711
Payment to Auditors (refer note below)	3,460,000		9,400,000
Exchange loss (net)	28,551,161		187,123,939
Loss on sale / disposal of fixed assets	2,094,875		2,155,795
Repairs and maintenance			
-plant and machinery	69,836		1,344,613
-buildings	11,973,970		47,152,531
-others	22,838,820		60,814,059
Provision for bad and doubtful debts	1,047,190,204		
Bad debts written off	28,915,441		63,401,757
Provision for loss on incomplete contract	26,137,000		10,043,829
Provision for diminution Value of Investment	104,606,870		-
Insurance	10,715,143		36,651,981
Miscellaneous expenses	51,237,271		58,041,030
	<u>2,599,475,948</u>		<u>3,256,514,692</u>

Disclosures regarding payment to auditors (excluding service tax)

Statutory audit fee	2,000,000	8,700,000
Tax audit fee		700,000
	<u>2,000,000</u>	<u>9,400,000</u>

Represents amount payable to Statutory auditors & others.

**Notes to financial statements for the year ended 31 March 2015**

(All amounts are in Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
28. Finance costs		
Interest expense on:		
- long term loan	525,017,727	221,498,178
- short term loan	6,074,436,392	4,020,108,108
- others	355,702,337	227,983,824
Bank charges	270,011,758	422,117,048
	<u>7,225,168,214</u>	<u>4,891,707,158</u>

29. (i) The Company has incurred a loss during this year and had to face a very tight liquidity position arising out of, among other things, overall deceleration in the economy, lower industrial growth, delayed decisions at various levels affecting the project progress. With delayed recoveries from customers, the Company was unable to service interest and ensure prompt repayment of principal amount due to bankers. The Corporate Debt Restructuring (CDR) approved by CDR Cell did not materialise. In the meantime the Company had made a reference on 23rd March 2015 to Board for Industrial and Financial Reconstruction (BIFR) under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985 in view of the erosion of fifty percent of the Net worth of the company as at March 31, 2014. BIFR vide letter no. 3(T-3)/BC/2015 dated 14th July 2015 has intimated that aforesaid reference has been registered vide case no.86/2015.
- (ii) The circumstances of tight liquidity detailed in (i) above has:
- (a) resulted in delays in project execution on account of funding difficulty and increased costs due to stretched time frames. Certain customers have therefore encashed Bank Guarantees of Rs.1015,25,08,776 for the delays. These are however, considered realizable based on continuous steps / engagement with the customers for realisation of dues.
- (b) necessitated certain customers to make direct payments to Company's vendors to avoid delays in deliverables. The Company has initiated steps to obtain confirmation of payments from such vendors for adjustment of such payments made by customers.
- (iii) Recoverability of debts and Unbilled Revenue includes balances outstanding for a period of more than three years, debts for additional supplies/work made upon request by customers outside of the contract, debts from certain customers who have encashed bank guarantees is considered realisable as the company has invoked arbitration proceedings against certain customers.
- (iv) An exercise of circularization of balances of vendors/Creditors/Debtors and reconciliation of the balances with the books of account has been initiated and adjustments, if any, will be made upon completion of the said exercise.
- (v) In respect of certain contracts, there have been significant delays in completion of the projects beyond the contracted dates. This could lead to levy of liquidated damages by the customers as per the terms of contract with them. Till date the company has not been made aware of significant liquidated damages being levied by its customers and accordingly no provision is considered necessary in this regard by the Management.
30. During the year some of the banks viz State Bank of India, Bank of India, DBS Bank and IndusInd Bank had assigned their loans (including interest thereon) to Asset Reconstruction Companies -- Edelweiss Asset Reconstruction Company, Mumbai and Pegasus Asset Reconstruction Company, Mumbai and value of loans assigned to Asset Reconstruction Companies is Rs.3864.08 crores as on 31st March 2015.

31. Diminution in the Value of Investments

(All amounts are in Rupees)

Sl.No.	Name of the Company	Cost of Investment	Possible diminution
i)	Tecpro Systems (Singapore) Pte. Ltd.	85,397,672	85,397,672
ii)	Ajmer Waste Processing Company Private Limited	490,000	490,000
iii)	Bikaner Waste Processing Company Private Limited	785,000	785,000
v)	PT. Tecpro Systems Indonesia	19,209,198	19,209,198
	Total	105,881,870	105,881,870

The Company has provided fully for diminution in value of investments with respect to Tecpro Systems (Singapore) Pte Ltd and PT Tecpro Systems Indonesia

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

32. Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March 2015	As at 31 March 2014
(i) Claims against the company not acknowledged as debt : Sales tax matters	242,844,937	242,844,937
(ii) Claims against the company not acknowledged as debt : Entry tax matters	48,556,771	48,556,771
(iii) Claims against the company not acknowledged as debt : Central excise matters	1,049,990	1,049,990
(iv) Claims against the company not acknowledged as debt : Service tax matters	6,536,536	6,536,536
(v) Claims against the company not acknowledged as debt : Others	197,561,000	197,561,000
(vi) Demand for additional price/ enhancement cost in respect of factory plots situated in Bawal *	9,885,115	9,885,115
(vii) Sales tax liability against which forms to be collected	2,209,394,063	2,817,994,489
(viii) Income tax liability disputed	501,482,660	501,400,000
(ix) Bank Guarantees / Letters of Credit issued by banks on behalf of the Company	6,205,049,796	13,322,467,360

*The Company had received notices dated 4 December 2007 and 29 December 2007 from HSIIDCL for additional price/ enhancement cost amounting to Rs.98,85,115 (previous year Rs. 98,85,115 {including interest}) , in respect of factory plots situated in Bawal. The Company filed a writ petition in the Punjab and Haryana High Court on 8 January 2008 and obtained a stay order on 9 January 2008. This matter is under adjudication. Pursuant to above, Rs.98,85,115 (previous year Rs. 98,85,115) have been disclosed as 'Contingent liability' in the notes to the accounts.

33. The company has paid remuneration to a managerial person in excess of limits specified in provisions of Companies Act 1956 by Rs. 51,94,660/-. Pending the approval from the shareholders and the Central Government the excess remuneration paid has been included under "Short Term Loan & Advances".

34. On March 6,2012 search proceedings under Section 132 of the Income Tax Act, 1961("the Act") were undertaken in respect of the Company . The search proceedings were effectively concluded vide last Panchnama drawn on May 3,2012. The Company had furnished during the earlier year return of income for six assessment years beginning from assessment year 2006-07 pursuant to notices received from the Income Tax Department. Tax assessments upto 2010-11 was completed with no additional demand. As regards Assessment Years 2011-12 and 2012-13 the assessments have been completed and a demand of Rs 50,14,82,660 along with interest has been raised on the Company. This demand is being disputed and has accordingly been disclosed under contingent liability.

35. Earnings per equity share (EPS)

	For the year ended 31 March 2015	For the year ended 31 March 2014
Net profit/(loss) after tax as per Statement of Profit and Loss	(10,799,997,958)	(5,679,239,441)
Number of equity shares of Rs.10 each at the beginning of the year	50,473,791	50,473,791
Weighted average number of equity shares issued during the year	-	-
Weighted average number of equity shares of Rs. 10 each outstanding during the year	50,473,791	50,473,791
Weighted average number of equity shares of Rs.10 each at the end of the year for calculation of basic and diluted EPS	50,473,791	50,473,791
Basic and diluted earnings per share (in Rs.) (Per share of Rs 10 each)	(213.97)	(112.52)

36. Value of imports on CIF basis

	Year ended 31 March 2015	Year ended 31 March 2014
Raw materials and components	188,241,138	419,775,941
Capital goods	-	101,659,002
	188,241,138	521,434,943

37. Earnings in foreign currency (accrual basis)

	Year ended 31 March 2015	Year ended 31 March 2014
FOB value of exports	4,693,901	35,755,755
Drawing and designing	-	323,451,146
	4,693,901	359,206,901



Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	Year ended 31 March 2015	Year ended 31 March 2014
38. Expenditure in foreign currency (accrual basis)		
Travel	2,354,294	9,321,641
Professional fees	-	1,000,991
Drawing and designing charges	-	15,527,214
Interest cost	-	55,195,110
	<u>2,354,294</u>	<u>81,044,956</u>
39. Disclosure pursuant to Accounting Standard (AS) 7 "Construction Contracts" (Revised) are given below:-		
Contract revenue recognised for the year	1,880,407,059	6,417,364,411
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto the Balance sheet date for all contracts in progress as at that date	38,008,164,695	16,066,103,659
Amount of customer advances outstanding for contracts in progress as at Balance sheet date	2,783,495,410	3,287,688,944
Retention amounts due from customers for contracts in progress	7,141,980,439	6,112,728,078
Gross amount due from customers for contract work	7,942,167,483	9,410,962,958
Gross amount due to customers for contract work	434,668,734	201,078,324

40. The Company's exposure in respect of foreign currency denominated assets and liabilities not hedged by derivative instruments or otherwise are as follows:-

Particulars			As at 31 March 2015	As at 31 March 2014
Assets				
USD	24,37,087	(previous year USD 1,54,53,134)	152,539,236	928,730,886
Euro	3,19,477	(previous year Euro 3,45,187)	21,568,034	28,505,437
GBP	NIL	(previous year GBP 4,36,366)	-	43,571,122
Liabilities				
USD	14,37,746	(previous year USD 2,82,21,333)	-	1,696,096,911
Euro	13,58,159	(previous year Euro 27,50,702)	91,689,878	227,151,944

41. Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Revised) "Employee Benefits" prescribed by the Companies (Accounting Standards) Rules, 2006.

(a) Defined Contribution Plans: Amount of Rs.2,74.70,693 (previous year Rs. 6,68,29,840) pertaining to employers' contribution to Provident Fund, Employees State Insurance fund and superannuation fund is recognised as an expense and included in "Employee benefit expenses" in Note 26.

(b) Defined benefit plan: The disclosures for gratuity cost is given below:

(i) The changes in the present value of obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2015	As at 31 March 2014
Present value of obligation at the beginning of the year	60,362,966	78,054,216
Interest cost	4,962,923	6,149,922
Past service cost		
Current service cost	4,260,820	10,732,078
Benefits paid	(18,734,560)	(2,360,393)
Actuarial (gain)/loss on obligation	(21,710,992)	(32,212,857)
Present value of obligation at the end of the year	29,141,158	60,362,966

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

- (ii) The changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2015	As at 31 March 2014
Fair value of plan assets at the beginning of the year	66,173,528	41,393,935
Expected return on plan assets	3,535,361	4,308,313
Contributions	300,000	22,880,133
Benefits paid	(18,734,560)	(2,360,393)
Actuarial gain/(loss) on plan assets	(24,306,674)	(48,460)
Fair value of plan assets at the end of the year	26,967,655	66,173,528

- (iii) Actuarial gain/ loss recognised are as follows:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Actuarial loss for the year - obligation	(21,710,992)	(32,212,857)
Actuarial gain for the year - plan assets	(190,397)	(48,460)
Total loss for the year	(21,520,595)	(32,261,317)
Actuarial loss recognised in the year	(21,520,595)	(32,261,317)
Unrecognized actuarial gains (losses) at the end of year	-	-

- (iv) The amounts recognised in Balance Sheet are as follows:

Particulars	As at 31 March 2015	As at 31 March 2014
Present value of obligation as at the end of the year	29,141,158	60,362,966
Fair value of plan assets as at the end of the year	26,967,655	66,173,528
Funded/(unfunded) status	(2,173,503)	5,810,562
Net assets/(liability) recognized in balance sheet	(2,173,503)	5,810,562

- (v) The amounts recognised in the statement of profit and loss are as follows:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Current service cost	4,260,820	10,732,078
Interest cost	4,962,923	6,149,922
Expected return on plan assets	(3,535,361)	(4,308,313)
Net actuarial (gain)/loss recognized in the year	(21,520,595)	(32,164,397)
Expenses recognised in the statement of profit and losses	(2,251,487)	(19,590,710)

- (vi) Principal actuarial assumptions at the balance sheet date are as follows:

A. Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Discount rate	7.95%	8.00%
Expected rate of return on plan assets	8.25%	8.25%
Salary growth rate	5.00%	7.00%



Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

B. Demographic assumptions

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Retirement Age	60 Years	60 Years
Mortality table	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Withdrawal Rates - Ages		
Upto 30 Years	8%	8%
Upto 44 Years	7%	7%
Above 44 Years	6%	6%

(vii) General description of gratuity plan:

Gratuity Plan (Defined benefit plan)

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vests after five years of continuous service. The Company has set a limit of Rs. 1,000,000 (previous year Rs.1,000,000) per employee.

(vii) Experience adjustment on actuarial gain / (loss) for projected benefit obligation and plan assets.

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012	For the year ended 31 March 2011
On plan projected benefit obligation	(21,520,595)	(21,988,991)	1,445,763	(10,378,527)	(26,159)
On plan assets	(190,397)	(48,460)	(349,412)	31,571	12,226

42. Disclosure in respect of operating leases under Accounting Standard (AS) - 19 "Leases" prescribed by the Companies (Accounting Standards) Rules, 2006.

a) General Description of the Company's Lease arrangements:

The Company enters into operating lease arrangements for leasing area offices, factory building, equipments and residential premises for its employees.

Some of the significant terms and conditions of the arrangements are:

- > Agreements for most of the premises may generally be terminated by the lessee or either party by serving one to six month's notice or by paying the notice period rent in lieu thereof.
- > the lease arrangements are generally renewable on the expiry of lease period subject to mutual agreement.
- > the company shall not sublet, assign or part with the possession of the premises without prior written consent of the lessor.

b) "Lease rent charged to the statement of profit and loss on account of Minimum lease rentals in Rs. 14,41,15,820 (previous year Rs. 25,23,31,549)"

c) Company also enters into non-cancellable operating leases, the total of future minimum lease payments under non-cancellable operating leases is given below :

	"As at 31 March 2015"	"As at 31 March 2014"
Payable within one year	2,797,425	2,797,425
Payable between one and five years	773,325	3,570,750
	<u>3,570,750</u>	<u>6,368,175</u>

43. The schedule of provisions as required to be disclosed in compliance with Accounting Standard 29, "Provisions, Contingent Liabilities and Contingent Assets" is as under:

Provision relating to	Opening Balance as at 01-Apr-14	Created during the year	Closing balance as at 31-Mar-15
Estimated losses on incomplete contracts	48,350,368	26,137,000	74,487,368
	-(38,306,539)	10,043,829	-(48,350,368)

Provision for estimated losses on incomplete contracts relates to provision made for expected losses wherein, the total cost of the incompleting construction contract, based on the technical and other estimates, is expected to exceed the corresponding contract value. Accordingly, such excess is provided during the year.

Figures in bracket refer to previous year ending 31 March 2014.

44. Segment Reporting

The Company's primary segment is identified as business segment based predominantly on nature of product and services and secondary segment is identified based on the geographical location of the customer as per Accounting Standard 17. The revenue from individual segments is less than 10% of total revenue from external sales and inter-segment sales and therefore there are no reportable segments for the current and previous year.

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

45. Related party disclosures

a) Related party and nature of relationship where control exists.

Subsidiary	Tecpro Energy Limited Ajmer Waste Processing Company Private Limited Tecpro Systems (Singapore) Pte Limited Bikaner Waste Processing Company Private Limited Eversun Energy Private Limited PT. Tecpro Systems Indonesia
Related Party and Nature of the related party relationship with transactions have taken place during the year	
Subsidiaries	Tecpro Energy Limited Ajmer Waste Processing Company Private Limited Tecpro Systems (Singapore) Pte Limited Bikaner Waste Processing Company Private Limited Eversun Energy Private Limited PT. Tecpro Systems Indonesia
Key management personnel	Ajay Kumar Bishnoi Amul Gabrani Amar Banerjee
Relatives of key management personnel	Bhagwanti Gabrani Amita Bishnoi Goldie Gabrani Rashmi Singh
Enterprises over which key management personnel exercise significant influence	Tecpro Engineers Limited T & H Education Private Limited Hythro Power Corporation Limited Fusion Fittings (I) Limited Shriram Cement Limited Tecpro Infra Projects Limited G.E.T. Power Limited HIQ Power Associates Private Limited Avadh Transformers Private Limited Tecpro Infrastructures Private Limited Tecpro Infotech Private Limited Experienced Hi-Tech Consultancy Services Private Limited



Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

	Subsidiaries	Key management personnel (Including relatives)	Enterprises over which Key management personnel (including relatives) exercise significant influence
45. b) Transactions during the current year			
Remuneration	-	-	-
		(9,034,123)	(-)
Rent expenses	-	14,115,954	-
		(14,945,073)	(-)
Investment in Equity Shares	-	-	-
	(233,560)		
Share Application Money paid, pending allotment	-	-	-
	(3,796,500)		
Advance given	-	-	1,108,148,258
		(-)	(2,793,308,258)
Advance Received	-	-	-
	(8,384,312)		(218,661,503)
Recovery of advance given	1,519,900	-	4,232,301
		(-)	(2,672,704,193)
Loan given	311,147	-	881,132
	(11,208,590)	(-)	(290,091,687)
Interest income on above loan	-	-	-
		(-)	(-)
Recovery of Loan / Advance given	-	-	-
	(729,169)		
Rent income	-	-	3,238,567
		(-)	(1,519,938)
Recovery of expenses	-	-	-
		(-)	(4,119,468)
Purchase of goods	10,918,157	-	-
	(-)	(-)	(245,073,974)
Purchase of fixed assets	-	-	-
		(-)	(29,789,600)
Professional charges	-	-	-
		(-)	(419,003,931)
Equipments hire, job work charges and other charges incurred on behalf of TSL	-	-	40,706,117
		(-)	(56,556,508)
Repair and maintenance charges	-	-	-
		(-)	(694,655)
Fabrication charges	-	-	-
		(-)	(60,747,894)
Sale of goods	0	-	-
	(34152513)	(-)	(15,292,316)
Amount paid by other party on behalf of company	-	-	31,401,041
		(-)	(10,102,655)
Services received	-	-	-
			(5,683,554)
Payment made fro Bank Guarantee Encashment	0	-	-
	(417,874,070)		
Coporate Guarantee Encashment	0	-	-
	(600,998,000)		
Amount incurred on behalf of related parties	-	-	-
		(-)	(1,943,245)



Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

45. d) Details of related parties with whom transactions exceed 10% of the class of transaction.

Name of Related Party	Nature of Transaction	Year ended 31 March 2015	Year ended 31 March 2014
Ajay Kumar Bishnoi	Rent expenses	6,653,328	7,474,227
Amul Gabrani	Rent expenses	6,653,328	7,470,846
Amar Banerjee	Remuneration		9,034,123
Ajmer Waste Processing Company Private Limited	Loan/advance given	-	626,710
Tecpro Systems (Singapore) Pte Ltd	Share application money paid	1,509,513	3,796,500
Tecpro Systems (Singapore) Pte Ltd	Corporate Guarantee Encashment		600,998,000
Tecpro Systems (Singapore) Pte Ltd	Sales		34,152,513
Tecpro Systems (Singapore) Pte Ltd	Payment made for		
	Bank Guarantee Encashment		417,874,070
Tecpro Systems (Singapore) Pte Ltd	Business advance received		8,384,312
G.E.T. Power Limited	Business advance given	1,000,424,069	1,458,308,336
G.E.T. Power Limited	Recovery of business advance given	809,464,466	1,681,122,795
G.E.T. Power Limited	Purchase of goods		226,324,616
HIQ Power Associates Private Limited	Services received		5,683,554
HIQ Power Associates Private Limited	Rent income	629,215	1,510,116
Tecpro Engineers Limited	Business advance given	42,657,345	140,722,308
Tecpro Engineers Limited	Rent income	681,252	681,252
Tecpro Engineers Limited	Recovery of business advance given	15,561,686	111,760,440
Tecpro Stones Private Limited	Loans / advance given	30,000	2,929,831
Tecpro Stones Private Limited	Rent income	107,868	107,868
Tecpro Stones Private Limited	Recovery of Loans / advance given	200,000	1,519,938
Tecpro Infra Projects Limited	Business advance given	65,066,844	1,191,347,783
Tecpro Infra Projects Limited	Equipments hire, job work charges and other charges incurred on behalf of TSL	40,706,117	56,556,508
Tecpro Infra Projects Limited	Recovery of advance given	4,232,301	879,820,958
Hythro Power Corporation Limited	Sale of goods	-	4,902,661
Hythro Power Corporation Limited	Loans / advance given	60,000	233,831,418
Hythro Power Corporation Limited	Purchase of goods	-	18,749,358
Hythro Power Corporation Limited	Rent Income	1,820,232	1,820,232
Hythro Power Corporation Limited	Business advance received	-	214,750,000
PT Tecpro Systems Indonesia	Investment in equity shares		233,560
Shriram Cement Limited	Sale of goods	-	10,389,655
Shriram Cement Limited	Purchase of goods	-	445,209
Shriram Cement Limited	Loans / advance given	791,132	53,330,438
Shriram Cement Limited	Business advance received	-	810,000
Eversun Energy Private Limited	Recovery of Loans / advance given	1,519,900	729,169
Eversun Energy Private Limited	Loans / advance given	311,147	10,581,880
Eversun Energy Private Limited	Expenses incurred	-	1,800,386
Eversun Energy Private Limited	Purchase of goods	10,918,157	
Tecpro Infotech Private Limited	Expenses incurred on behalf of TSL	31,401,041	10,102,655
Tecpro Infotech Private Limited	Business advance received	-	2,000,000
Experienced Hi Tech Consultancy Services Pvt Ltd	Business advance received	-	1,101,503

Notes to financial statements for the year ended 31 March 2015

(All amounts are in Rupees)

46. Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances of Rs. NIL (previous year Rs. NIL)] is Rs. NIL- (previous year Rs. NIL).
47. Balances in the account of Trade Receivables/Trade Payables, Loans and Advances including dues from associate entities, current Investments are subject to balance confirmation and reconciliation.
48. The classification of Trade payables as current and non current is based on representation from the Management.
49. Previous year figures in balance sheet have been regrouped / recast wherever necessary to conform to the current period's classification/presentation.
50. The figures for the previous year are drawn from accounts audited by a different firm of Chartered Accountants

The notes referred to above form an integral part of the Financial Statement

As per our report of even date attached

For **C S Hariharan & Comapany**
Chartered Accountants
Registration No. 001086S

C H Subramanian
Partner
Membership No.: 7238

Place: Chennai
Date: 27th October, 2015

For and on behalf of the Board of Directors of Tecpro Systems Limited

Ajay Kumar Bishnoi
Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Amul Gabrani
Vice Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECPRO SYSTEMS LIMITED

1. Report on the Consolidated Financial Statements:

We have audited the accompanying consolidated financial statements of TECPRO SYSTEMS LIMITED (hereinafter referred to as "the Holding Company" or "the Company") and its Subsidiaries (collectively, "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2015, the consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. Management's Responsibility for the Financial Statements:

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Account) Rule, 2014. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

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

While conducting the Audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

1. Reference is invited to Note No. 28(i) of Notes to Accounts to Consolidated Financial Statements that the Company has incurred a loss during the earlier year and during the period ended 31st March, 2015 and as on the said date, the Company's Total Liabilities exceed its Total Assets. Some of the company's lenders have transferred their loan amounts to Asset Reconstruction companies during the year and consequently the CDR proposal of the company became irrelevant. We are also informed that reference has been made to Board for Industrial and Financial Reconstruction (BIFR) as mandated under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985 in view of the erosion of more than fifty percent of the Net worth of the company as at March 31, 2014. All these factors would indicate the existence of a material uncertainty that casts a significant doubt on the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. In light of the fact that the events occurring after the Balance Sheet date as highlighted by the management, the conditions exist which prove that the company can sustain its business operations as a going concern.
2. Reference is invited to Note No.29 wherein the Management has represented that no impairment in value of goodwill aggregating Rs.2,672.49 lakhs needs to be reckoned in the Consolidated Statement of Profit and Loss.
3. The attached consolidated financial statements do not include even the un-audited figures of two foreign subsidiaries of the Holding company viz. Tecpro Systems (Singapore) Pte. Limited, a subsidiary in Singapore and PT. Tecpro Systems, a subsidiary in Indonesia in the absence of such figures, their effect on the consolidated financial statements is not quantifiable. However the Management represents that those two foreign subsidiaries does not have any material transactions during the Financial Year.
4. The Company has not received the Statement of account/ Confirmation of balance in respect of certain balances with banks aggregating to a net value of Rs,14,490.13 lakhs (credit) as per books of account as at 31st March, 2015 relating to the Holding Company. Consequently the bank reconciliation statements have not been drawn up in respect of these accounts and the attached financial statements do not include any adjustments that might result had the above been made available.
5. Provision for human resource costs (including salaries, gratuity,

superannuation, leave encashment and other employee benefits) in respect of Holding Company, have been accrued on an estimated basis at Rs.4,392lakhs/-, in view of the inaccessibility to records/lack of information, the company has also not provided for terminal benefits of employees who have left the services of the company and the attached consolidated financial statements do not include any adjustments that might result had the above been made available.

6. Results of physical verification of Fixed Assets carried out by the management during the period have not been made available to us. Discrepancies, if any, noticed on such verification as compared to books have not been given effect to in the attached consolidated financial statements.
7. Inventory as at 31st March, 2015 at various sites/ factories is based on Management representation and in the absence of physical verification of such inventory and reconciliation with books, the adjustments, if any, have not been given effect to in the attached consolidated financial statements.
8. Reference is invited to Note No. 28 (ii)(a) that certain customers have encashed Bank Guarantees of Rs. 1,01,525 lakhs including performance guarantees up to 31st March, 2015 (including Rs.59,620.21 lakhs encashed during the financial year 2014-2015) for the delays in execution of the projects. The same has been included in Other Receivables under Trade Receivables and have been considered realizable by the management. The Consolidated financial statements do not include any adjustments that might result from the outcome of uncertainties/ observations in clauses 1 to 8 supra.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effect of the matters described in the Basis for Qualified Opinion paragraph*, the aforesaid consolidated financial statements give the Information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2015;
- b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- c) the Consolidated Cash flows for the year ended on that date.

Emphasis of Matter

1. Trade Receivables and Unbilled Revenue (other than amounts reported in Para 8 above) aggregating to Rs.2,19,588.19 lakhs includes balances outstanding for a period of more than three years, debts for additional supplies/ work made upon request by customers outside of the contract, interest levied on delayed payments of customers which have been considered realizable based on management representation of their interactions with the customers and negotiations/ discussions. Further, certain circumstances necessitated some of the customers to make direct payments to Company's vendors to avoid delays in deliverables. The Company has initiated steps to obtain confirmation of payment from such vendors for adjustment of payments made by customers. The balances of Customers/Vendors are therefore subject to the result of such confirmation/reconciliation.
2. No provision for liability and consequential interest / penalty

that may arise from non-filing and non-compliance with statutory provisions relating to Service tax, VAT, Provident Fund and Tax Deducted at Source have been made in the Financial Statements.

3. In respect of certain contracts, there have been significant delays in the completion of the projects beyond the contracted dates. This could lead to levy of liquidated damages by the customers as per the terms of contract entered with them although the company has not been made aware of any such amount being levied by any of its customers.
4. Reference is invited to Note no. 14 relating to the payment made to Director towards managerial remuneration of Rs.51.94 lakhs, for the period 2013-2014, which was in excess of limits specified in the companies Act, and was subject to the approval from the Central Government. The company is yet to seek the approval of Central Government.
5. Balances in the account of Trade Receivables/ Trade Payables and Loans and Advances including dues from associate entities are subject to confirmation of balance and reconciliation.
6. Management has informed us that the 'recoverable amount' of fixed assets within the meaning of Accounting Standard 28 is more than their carrying value and as such no amount needs to be recognized in the consolidated financial statements for impairment loss. We have not been able to validate this assertion in the absence of bids from prospective buyers/ valuation report of an independent agency.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditor's report of the holding company, its subsidiaries to whom the order applies we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account [and with the returns received from branches not visited by us];
 - d) except for the effect of the matters described in the Basis for 'Qualified Opinion' paragraph, in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rule, 2014;
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in



the auditors' report in accordance with the rule 11 of the companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The company has various pending litigations and we are unable to ascertain its impact on the financial statements and consequently no provisions were made.
- ii. We are of the opinion that the company will have material foreseeable loss on its long term contracts including derivative contracts. However we are unable to quantify the same in the absence of adequate information.
- iii. There were no amounts which were due to be transferred by the company to the Investor education and protection fund.

For C.S. HARIHARAN & Co.,
Chartered Accountants
Firm Regn. No. 001086S
C. H. Subramanian
(Partner)

Place : CHENNAI
Date : 27-10-201

M No. 007238.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Re: TECPRO SYSTEMS LIMITED

Referred to in paragraph 7 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

1. In respect of its fixed assets:
 - (i) the Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - (ii) *the fixed assets were not physically verified by the Management during the year and hence we are unable to comment on the discrepancies, if any, noticed.*
 - (iii) substantial part of the fixed assets were not disposed off during the year, in our opinion, and hence the going concern status of the Company is not affected.
2. In respect of its inventories:
 - (i) As per the information and explanations given to us, the inventories have been physically verified by the Management at the year end.
 - (ii) We were unable to observe the physical verification of such inventory but based on information and explanations given by Management, the procedures of physical verification of the inventory followed appear reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (iii) in our opinion and according to the information and explanations given to us, the Company is generally maintaining proper records of its inventories and no material discrepancies were noticed on physical verification.
3. In respect of its loan given:
 - (a) On the basis of our examination of the books of account and as per information and explanations given to us, the Company has during the year given interest-free unsecured Trade Advance (not being a loan) to a party covered in the register maintained under section 189 of the Companies Act, 2013. The maximum amount outstanding during the year was Rs.742.04 lakhs and the balance due from such party as at the end of the

year was Rs.742.04 lakhs. The said Trade Advance is being repaid regularly. There are no other amounts granted as loans or advance to any other party covered in the register maintained under section 189 of the Companies Act, 2013.

- (b) In our opinion the other terms and conditions of such trade advances are not prima-facie prejudicial to the interests of the Company.
4. In our opinion and according to the information and explanations given to us, that some of the items purchased are of special nature and suitable alternative sources are not readily available for obtaining comparable quotations, and that the invoices issued by the company involve technical estimates and measurements which may not at times be readily accepted by the customer, there is a reasonable internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventories at factory and fixed assets, for payment of expenses and for sale of goods and services. With regard to internal control system for accounting for purchase of inventories for delivery at site and sales of inventory need to be further strengthened. During the course of our audit, we have not observed any major weakness in such internal control system.
5. According to the information and explanations given to us, the company has not accepted any deposits within the meaning of Section 73 to 76 of the Act, and the rules framed thereunder and accordingly the provisions of clause (v) of paragraph 3 of the Order are not applicable to the company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the Rules made by the Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of these records with a view to determining whether they are accurate or complete.
7. In respect of its statutory dues
 - (a) According to the information and explanations given to us and records of the Company examined by us, the Company has not been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities. There have been significant delays in a large number of cases in depositing these dues and even cases of non-payment with the appropriate authorities. The undisputed statutory dues outstanding as at March 31, 2015 for a period of more than six months from the date they became payable is as under:

(Rs. In Lakhs)

S.No.	Nature of Dues	Amount
1.	Central Sales Tax	24.10
2.	Provident Fund	199.60
3.	Works Contract Tax	377.19
4	Tax Deducted At Source / Tax Collected at Source	1,153.35
5.	Customs Duty	3.54
6.	Value Added Tax	557.96
7.	Service Tax and Excise Duty	1,534.48
8	Entry Tax	3.05
9	Wealth Tax	11.55



- (b) According to the information and explanations given to us and records of the Company examined by us, Particulars of dues outstanding in respect of VAT/ Sales Tax, Income Tax, Service Tax, Excise Duty and Cess, which have not been deposited as at March 31, 2015 on account of dispute are as stated below:

Name of the Statute	Nature of dues	Amount (Rs. in Lakhs)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Sales Tax	124.06	1 April 2001 to 31 March 2002	Joint Commissioner of Sales Tax (Appeals), Pune
		49.51	1 April 2002 to 31 March 2003	
Central Sales Tax Act, 1956	Sales Tax	5.81	1 April 2001 to 31 March 2002	Commercial Tax Officer, Lucknow
		20.25	1 April 2000 to 31 March 2001	
West Bengal Sales Tax Act, 1994	Sales Tax	14.04	1 April 2005 to 31 March 2006	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
Central Sales Tax Act, 1956	Sales Tax	37.08	1 April 2005 to 31 March 2006	West Bengal Commercial Taxes Appellate and Revisional Board, Kolkata
		37.08 185.04	1 April 2005 to 31 March 2006 1 April 2006 to 31 March 2007	
West Bengal Sales Tax Act, 1994	Sales Tax	13.37	1 April 2003 to 31 March 2004	Sales tax Officer Commercial Taxes, West Bengal
Central Sales Tax Act, 1956	Sales Tax	1.70	1 April 2003 to 31 March 2004	Sales tax Officer Commercial Taxes, West Bengal
Central Sales Tax Act, 1956	Sales Tax	27.21	1 April 2003 to 31 March 2004	Joint Commissioner, Sales Tax (Appeals) II, Mumbai
Chapter V of the Finance Act, 1994	Service Tax	65.36	1 July 2003 to 31 May 2007	Additional Commissioner of Excise
Central Sales Tax Act, 1956	Sales Tax	13.41	1 April 2004 to 31 March 2005	Joint Commissioner of Sales Tax, Pune
Central Sales Tax Act, 1956	Sales Tax	4.54	1 April 2008 to 31 March 2009	Joint Commissioner Trade Tax, Bikaner
Central Sales tax Act, 1956	Sales Tax	5.48	1 April 2008 to 31 March 2009	West Bengal Commercial Taxes Appellate and Revisional Board
Central Sales tax Act, 1956	Sales Tax	1.14	1 April 2007 to 31 March 2008	Dy. Commissioner Commercial Tax, Bhawanipore Charge, Kolkata
Central Sales Tax Act, 1956	Sales Tax	189.92	1 April 2009 to 31 March 2010	Rajasthan Tax Board, Ajmer
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	204.08	1 April 2006 to 31 March 2009	Rajasthan High Court
West Bengal Value Added Tax Act, 2003	Sales Tax	48.92	1 April 2009 to 31 March 2010	West Bengal Commercial Taxes Appellate and Revisional Board
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	116.59	1 April 2009 to 31 March 2010	Rajasthan High Court
Rajasthan Tax on Entry of Goods into Local Areas Act, 1999	Entry Tax	164.89	1 April 2010 to 31 March 2011	Rajasthan High Court
Income Tax Act, 1961	Income Tax	2,642.77	Asst. Year 2011-12	Commissioner of Income Tax(Appeals)
Income Tax Act, 1961	Income Tax	2,372.05	Asst. Year 2012-13	Commissioner of Income Tax(Appeals)

- d) There were no amounts which were due to be transferred by the Company to the Investor Education and Protection Fund.
8. The accumulated losses of the company are more than fifty percent of its net worth. The company has incurred cash losses during the financial year covered by our Audit and in the immediately preceding financial year.



9. In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of dues to financial institutions and banks as under.

S. No.	Dues to	Amount (Rs. in Lakhs)	Nature of Dues	Period of default upto March 31, 2015
1	Edelweiss Asset Reconstruction Co. Ltd., (EARC) – Bill Discounting dues of DBS Bank as- signed to EARC	277.00	Principal	400 – 460 Days
		56.90	Interest	400 – 460 Days
	Edelweiss Asset Reconstruction Co. Ltd., (EARC) – Short Term Loan dues of DBS Bank assigned to EARC	37,873.90	Principal	395 – 525 Days
		8,331.68	Interest	395 – 525 Days
	Edelweiss Asset Reconstruction Co. Ltd., (EARC) – Long Term Loan dues of DBS Bank assigned to EARC	8,357.50	Principal	545 – 730 Days
		1,688.19	Interest	545 – 730 Days
2	DBS Bank – ECB Loan	1,502.18	Principal	470 Days
		140.27	Interest	470 Days
	DBS Bank – Corporate Guarantee	6,123.17	Principal	365 – 400 Days
		772.15	Interest	365 – 400 Days
3	Axis Bank (LC Devolved)	97.16	Principal	450 – 540 Days
		12.30	Interest	450 – 540 Days
4	ICICI Bank (BG Encashed)	26,453.32	Principal	195 Days
		547.51	Interest	195 Days
5	Standard Chartered Bank – Packing Credit	14,725.00	Principal	More than 540 Days
	Standard Chartered Bank – Bill Discounting	675.00	Principal	More than 540 Days
	Standard Chartered Bank – PCFC	10,515.25	Principal	More than 540 Days
6	IDBI Bank – Short Term Loan	7,683.57	Principal	90 Days
7	RIICO Ltd. – Term Loan	791.68	Principal	320 – 450 Days
		867.40	Interest	275 Days
8	Kotak Mahindra Prime Ltd.	30.09	Principal	395 – 425 Days
		2.18	Interest	

There are no Debenture holders in the company.

The company's CDR proposal has not materialized resulting in some of the lenders transferring their loan amounts to Asset Reconstruction Companies during the year.

10. In our opinion and according to the explanations given to us, the terms and conditions of the guarantees given by the company for loans taken by others from banks and financial institutions are not prima facie prejudicial to the interests of the company.
11. In our opinion and according to the information and explanations given to us, the term loans have been applied by the company during the year for the purposes for which they have been obtained.
12. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the period.

for C.S. HARIHARAN & Co.,
Chartered Accountants
Firm Regn. No. 001086S
Sd/-
C. H. Subramanian
(Partner)
M No. 007238.

Place : CHENNAI
Date : 27-10-2015

Consolidated Balance Sheet as at 31 March 2015

(All amounts are in Rupees)

	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	504,737,910	504,737,910
Reserves and surplus	4	-9,069,023,938	1,815,717,393
		-8,564,286,028	2,320,455,303
Non-current liabilities			
Long-term borrowings	5	315,953,021	1,180,399,799
Deferred Tax Liabilities (Net)		-	47,063
Trade payables	8	1,100,001,387	1,099,759,116
Long-term provisions	6	2,284,720	1,321,018
		1,418,239,128	2,281,526,996
Current liabilities			
Short-term borrowings	7	47,050,077,989	34,653,914,850
Trade payables	8	8,170,059,601	8,658,055,664
Other current liabilities	9	9,250,229,220	6,346,755,685
Short-term provisions	6	324,784,940	166,636,140
		64,795,151,750	49,825,362,339
TOTAL		57,649,104,850	54,427,344,638
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	2,458,155,929	2,738,067,989
Intangible assets	11	359,694,307	344,425,646
Capital work-in-progress		713,250,929	712,473,385
		3,531,101,166	3,794,967,020
Deferred Tax Assets (Net)		-	-
Long-term loans and advances	13	25,597,613	54,543,565
Trade receivables	18	13,060,432,934	5,497,214,527
Other non-current assets	15	117,996,505	1,542,707,174
		13,204,027,052	7,094,465,266
Current assets			
Current investments	12	1,375,727	1,370,726
Inventories	17	1,497,806,838	1,984,727,209
Trade receivables	18	22,067,985,454	25,174,821,807
Cash and bank balances	19	5,951,998	77,712,422
Short-term loans and advances	14	2,836,705,583	2,346,625,743
Other current assets	16	14,504,151,032	13,952,654,446
		40,913,976,632	43,537,912,352
TOTAL		57,649,104,850	54,427,344,638
Significant accounting policies	2		

The notes referred to above form an integral part of the Financial Statement

As per our report of even date attached

For **C S Hariharan & Company**
Chartered Accountants
Registration No. 001086S

C H Subramanian
Partner
Membership No.: 7238

Place: Chennai
Date: 27th October, 2015

For and on behalf of the Board of Directors of Tecpro Systems Limited

Ajay Kumar Bishnoi
Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Amul Gabrani
Vice Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

**Consolidated Statement of Profit and Loss for the year ended 31 March 2015**

(All amounts are in Rupees)

	Note	For the year ended 31 March 2015	For the year ended 31 March 2014
I Income			
Revenue from operations	20	2,760,629,310	9,000,605,240
II Other income	21	10,632,945	58,013,581
III Total revenue		2,771,262,255	9,058,618,821
IV Expenses			
Cost of materials consumed	22	1,047,370,891	4,851,706,329
Purchases of stock-in-trade	24	1,982,162,720	765,842,686
Changes in inventories of finished goods, work in progress and stock in trade - project supplies	23	70,881,652	-268,966,465
Employee benefits expense	25	441,522,768	966,305,036
Other expenses	26	2,600,521,103	3,277,467,438
Expenditure before finance costs and depreciation / amortisation expenses		6,142,459,134	9,592,355,024
V Profit / (Loss) before finance costs, depreciation and amortisation expenses and tax		(3,371,196,879)	(533,736,203)
VI Finance costs	27	7,252,400,731	4,930,870,301
VII Profit / (Loss) before depreciation and amortisation expenses and tax from continuing operations		(10,623,597,611)	(5,464,606,504)
VIII Depreciation and amortisation expense	10/11	190,911,826	203,779,000
IX Profit / (Loss) before tax		(10,814,509,436)	(5,668,385,504)
X Tax expense :			
Current tax		-	398,000
Income tax for earlier years		-	-
Deferred tax charge / (release)		-	19,320,579
XI Profit / (Loss) for the year from continuing operations		(10,814,509,436)	(5,688,104,083)
Basic and diluted earnings per equity share (in Rs.) [face value Rs. 10 each (previous year Rs. 10 each)]		(214.26)	(112.69)
Significant accounting policies	2		

The notes referred to above form an integral part of the Financial Statement

As per our report of even date attached

For **C S Hariharan & Company**
Chartered Accountants
Registration No. 0010865

C H Subramanian
Partner
Membership No.: 7238

Place: Chennai
Date: 27th October, 2015

For and on behalf of the Board of Directors of Tecpro Systems Limited

Ajay Kumar Bishnoi
Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Amul Gabrani
Vice Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Consolidated Cash flow statement for the year ended 31 March 2015

(All amounts are in Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
Cash flow from operating activities		
Profit / (loss) before taxation	-10,814,509,436	-5,668,385,504
Adjusted for :		
Depreciation	190,911,826	205,961,256
Profit on sale of fixed assets	-	-
Loss on sale / disposal of fixed assets	2,094,875	2,155,795
Fixed asset adj with Retained Reserves	-754,278	
Interest income	6,922,517	-4,266,757
Dividend income	-	-1,719
Capitalisation of foreign exchange loss	-	-52,297,440
Interest expense	6,970,869,234	4,481,156,061
Provisions no longer required, written back	-4,160,564	-38,222,196
Provision for Diminution in Value of Investments	104,606,870	-326,379
Investment written off during the year	-	-
Bad debts written off during the year	28,915,441	63,401,757
Provision for loss on incomplete contract	26,137,000	10,043,829
Provision for bad and doubtful debts	1,047,190,204	-
Sundry balances written off	-	-
Operating profit before following adjustments:	-2,441,776,311	-1,000,781,297
Increase/(Decrease) in Long term provision	963,702	-25,841,342
Increase/(Decrease) in Other non current assets	1,424,710,669	32,448,913
Increase/(Decrease) in Trade payables	-487,732,687	-4,784,182,838
Increase/(Decrease) in Other current liabilities	2,903,473,536	167,708,297
Increase/(Decrease) in Short-term provisions	27,404,930	98,786,110
Increase/(Decrease) in Long term loans and advances	28,945,952	88,074,461
Increase/(Decrease) in Inventories	486,920,371	234,940
Increase/(Decrease) in Trade receivables	-5,532,487,699	-1,411,842,816
Increase/(Decrease) in Short-term loans and advances	-490,079,840	-128,608,089
Increase/(Decrease) in Other current assets	-551,496,586	-2,851,248,564
Cash used in operations	-2,189,377,653	-9,815,252,225
Income tax paid	-	-23,772,052
Income tax refund		
Fringe benefit tax refund		
Net cash flow from / (used in) operating activities (A)	-4,631,153,964	-9,839,024,277
Cash flows from investing activities		
Purchase of fixed assets	-2,079,818	-246,165,665
Proceeds from sale of fixed assets	3,461,355	4,883,999
Non-Current Investments	-	-
Purchase of investments in subsidiaries	-	-
Purchase of investments	-5,001	
Movement in bank deposits (net) (having original maturity of more than three months)	-	18,611,182

**Consolidated Cash flow statement (contd.)**

	(All amounts are in Rupees)	
	For the year ended	For the year ended
	31 March 2015	31 March 2014
Dividend received	-	1,719
Interest received	6,922,517	4,266,757
Net cash from / (used in) investing activities (B)	8,299,053	-218,402,008
Cash flows from financing activities		
Issue of equity share capital	-	-
Refund of share application money	-	-
Share issue expenses	-	-
Short term borrowing received from a Director	-	-
Short term borrowing repaid to a Director	-	-
Short term borrowing received from other companies	-	-
Short term borrowing repaid to other companies	-	-
Long-term borrowings taken (including current maturities)	-864,446,778	653,039,337
Long-term borrowings repaid (including current maturities)	-	-254,732,567
Short term borrowings (net)	12,396,163,139	13,967,245,041
Payment of dividend	-	-6,387
Deffered Tax	-47,063	-
Interest paid	-6,970,869,234	-4,481,156,061
Net cash from / (used in) financing activities (C)	4,560,800,064	9,884,389,363
Net changes in cash and cash equivalents (A+B+C)	-62,054,847	-173,036,922
Cash and cash equivalents - opening balance	68,006,845	241,043,766
Cash and cash equivalents - closing balance	5,951,998	68,006,844
Components of cash and cash equivalents (refer to note 19)		
Cash on hand	686,937	5,679,463
With banks:		
In current accounts	5,265,061	62,327,382
In fixed deposit accounts	-	-
In margin money accounts *	-	-
In margin money accounts (classified under other non-current assets in note 19) *	-	-
	5,951,998	68,006,845

The Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 Cash Flow Statements specified in the Companies (Accounting Standards) Rules, 2006.

Significant accounting policies

The notes referred to above form an integral part of the Financial Statement

As per our report of even date attached

For **C S Hariharan & Comapany**
Chartered Accountants
Registration No. 001086S

C H Subramanian
Partner
Membership No.: 7238

Place: Chennai
Date: 27th October, 2015

For and on behalf of the Board of Directors of Tecpro Systems Limited

Ajay Kumar Bishnoi
Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Amul Gabrani
Vice Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Notes to Consolidated Financial Statements for the year ended 31 March 2015

1. Principles of Consolidation

The consolidated financial information is prepared in accordance with the principles and procedures prescribed by Accounting Standard 21-“Consolidated Financial Statements” (‘AS-21’) prescribed by the Companies (Accounting Standards) Rules, 2006, for the purposes of preparation and presentation of consolidated financial statements.

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions resulting in unrealised profits in full. Unrealised losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered in full. The amounts shown in respect of accumulated reserves comprise the amount of the relevant reserves as per the balance sheet of the Company and its share in the post acquisition reserves of its subsidiaries. Goodwill arising on consolidation represents the excess of cost of investments to the Company over the Company’s portion of equity of the respective subsidiaries, at the date on which investment in the subsidiary is made. The losses applicable to minority that exceeds the minority interest in the equity of the subsidiaries have been adjusted in the majority interest.

These consolidated financial statements relate to Tecpro Systems Limited, the parent company and its subsidiaries (hereinafter collectively referred as “the Group”), which are as follows:

Name of the Company	% Shareholding	Country of Incorporation
Tecpro Energy Limited	98.02	India
Ajmer Waste Processing Company Private Limited	49.00	India
Tecpro Systems (Singapore) Pte. Limited	100.00	Singapore
Bikaner Waste Processing Company Private Limited	100.00	India
Eversun Energy Private Limited	100.00	India
PT. Tecpro Systems	100.00	Indonesia

2. Significant Accounting Policies

2.1 Basis of preparation of financial statements

These consolidated financial statements have been prepared to comply in all material aspects with applicable generally accepted accounting principles in India, the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 (the Act 2013) / the Companies Act, 1956 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other pronouncements of

the Institute of Chartered Accountants of India (“ICAI”) particularly the Accounting Standard 21 (AS – 21) – Consolidated Financial Statements. The Accounting Policies applied by the Company are consistent with those used in the previous year, unless otherwise stated.

The financial statements of the Company, and its subsidiaries, have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealised profits are eliminated in full. Unrealised losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/ non-current classification of assets and liabilities.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future years.

2.3 Revenue recognition

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership in the goods to the customer.

Revenue from services is recognised on rendering of services to customers.

Interest income is recognised using the time proportion method, based on underlying interest rates.

Revenue from long-term construction contracts in accordance with Accounting Standard-7 on “Construction Contracts” is recognized using the percentage of completion method. Percentage of completion method is determined as a proportion of cost incurred to date to the total estimated contract cost or completion of a physical portion of the contract work depending on the nature of contract whichever is appropriate. Where the total cost of the contract, based on technical and other estimates, is expected to exceed the corresponding contract value,



such excess is provided during the year.

Duty drawback available under prevalent scheme is accrued in the year when the right to receive credit as per the terms of scheme are established and these are accounted to the extent there is no significant uncertainty about the measurability and ultimate utilization of such duty credit.

2.4 Tangible fixed assets and capital work-in-progress

Fixed assets, including capital work in progress are stated at cost of acquisition or construction less accumulated depreciation. Cost comprises the purchase price and any directly attributable costs of bringing the asset to its working condition for the intended use. Tangible fixed assets under construction are disclosed as Capital work-in-progress.

Exchange differences arising in respect of translation / settlement of long term foreign currency borrowings attributable to the acquisition of a depreciable asset are also included in the cost of the asset.

2.5 Intangible assets

Intangible assets comprising computer software and technical know-how are stated at cost less accumulated amortisation. Computer software and Technical know-how are amortised as provided in Schedule II of the Companies Act, 2013.

Goodwill that arises on an amalgamation or an acquisition of a business is presented as an intangible asset.

Goodwill arising from amalgamation is measured at cost less accumulated amortisation and any accumulated impairment loss. Such goodwill is amortised over its estimated useful life as mentioned in the Companies Act, 2013.

2.6 BORROWING COST:

Financing Costs relating to borrowed funds attributable to construction or acquisition of qualifying assets for the period upto the completion of construction or acquisition of such assets are included in the cost of the assets. All other borrowing costs are charged to Consolidated Statement of Profit and Loss

2.7 Impairment

The carrying values of assets are reviewed at each reporting date to determine whether there are any indication of impairment. If such indication exists, the amount recoverable towards such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined

net of depreciation or amortisation, if no impairment loss has been recognised.

2.8 Depreciation

Depreciation on Fixed Assets is provided based on the useful life of the assets as estimated by the Management which coincides with the useful life prescribed in Schedule II to the Companies Act, 2013.

The revalued cost of land, revalued on the date of acquisition has been considered as the carrying cost for the purposes of computing amortization of such asset.

Depreciation on additions is being provided on a pro-rata basis from the date of such additions. Similarly, depreciation on assets sold / disposed off during the year is being provided upto the date on which such assets are sold / disposed off.

Leasehold land is amortised on straight line basis over the period of the lease. Leasehold improvements are depreciated over the remaining period of lease.

2.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes all applicable costs incurred in bringing goods to their present location and condition, determined on a first in first out basis.

In determining the cost of inventories, fixed production overheads are allocated on the basis of normal capacity of production facilities.

Contract work in progress includes contract costs that relate to future activity on the long term construction contract, such as costs of materials that have been delivered to a contract site or set aside for use in a contract but not yet installed, used or applied during contract performance and excludes the materials which have been made specifically for such contracts.

2.10 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions. Monetary foreign currency assets and liabilities remaining unsettled at the balance sheet date are translated at exchange rates prevailing on that date. All exchange differences other than in relation to acquisition of fixed assets and other long term foreign currency

Notes to Consolidated Financial Statements for the year ended 31 March 2015 monetary liabilities are dealt with in the Consolidated Statement of Profit and Loss.

In accordance with Accounting Standard 11, "Accounting for the effects of changes in foreign exchange rates", exchange differences arising in respect of long term foreign currency monetary items:

- used for acquisition of depreciable capital asset, are added to or deducted from the cost of asset and are depreciated over the balance life of asset.
- used for the purpose other than the acquisition

of depreciable capital asset, are accumulated in Foreign Currency Monetary Item Translation Difference Account (FCMITDA) and amortized over the balance period of such liability.

The premium or discount that arises on entering into a forward exchange contract for hedging underlying assets and liabilities is measured by the difference between the exchange rate at the date of inception of the forward exchange contract and the forward rate specified in the contract and is amortised as expense or income over life of the contract. Exchange difference on forward exchange contract is the difference between:

- (a) the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period, and;
- (b) the same foreign currency amount translated at the latter of the date of inception of the forward exchange contract and the last reporting date.

The company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to firm commitments and highly probable forecast transactions. The company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in Accounting Standard -30 "Financial Instruments Recognition and measurement" issued by ICAI. Gains and losses on these forward contract designated as "effective Cash flow hedges" are recognized in the "Hedge Reserve Account" till the underlying forecasted transaction occurs. Any ineffective portion however, is recognized immediately in the Statement of Profit and Loss .

2.11 Provisions and contingencies

A provision is created when there is a present obligation as a result of a past event that entails a probable outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure of a contingent liability is made when there is a possible but not probable obligation or a present obligation that may, but probably will not, entail an outflow of resources. When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Onerous Contract:

A Contract is considered as onerous when the expected economic benefits to be derived by the company from the contract are lower than the un-avoidable cost of meeting its obligation under the contract. The provision for onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

2.12 Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax laws) and deferred tax charge or credit

(reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expense in the Consolidated Statement of Profit and Loss is the aggregate of the amounts of tax expenses appearing in the separate financial statements of the Company and its subsidiaries.

The deferred tax charge or credit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward losses under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date and are written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

2.13 Employee benefits

1. All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the Consolidated Statement of Profit and Loss in the year in which the employee renders the related service.
2. Provident fund is a defined contribution scheme. Contributions payable to the provident fund are charged to the Consolidated Statement of Profit and Loss.
3. Superannuation fund is a defined contribution scheme. The Company contributes to schemes administered by the Life Insurance Corporation of India ('LIC') to discharge its superannuation liabilities. The Company's contribution paid/payable under the scheme is recognised as an expense in the Consolidated Statement of Profit and Loss during the year in which the employee renders the related service.
4. Gratuity costs are defined benefits plans. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating



to the terms of related obligations.

Annual contributions are made to the employee's gratuity fund, established with the LIC based on an actuarial valuation carried out by the LIC as at 31 March each year.

The fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis. Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss. Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. However, the company has not made any contribution to LIC for the maintenance of employee's gratuity fund during the year.

5. Benefits under the Company's leave encashment scheme constitute other long term employee benefits. The obligation in respect of leave encashment is provided on the basis on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Annual contributions are made to the employee's leave encashment fund, established with the LIC based on an actuarial valuation carried out by the LIC as at 31 March each year. The fair value of

plan assets is reduced from the gross obligation, to recognize the obligation on net basis. Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss. However, the company has not made any contributions towards the same to LIC during the year.

2.14 Investments

Long term investments are valued at cost. Any decline other than temporary, in the value of long-term investments, is adjusted in the carrying value of such investments. Diminution, if any, is determined individually for each long-term investment. Current investments are valued at the lower of cost and fair value of individual scrips.

2.15 Earnings per share

Basic earnings per share are computed by dividing the net profit/(loss) for the year/period attributable to the equity shareholders with the weighted average number of equity shares outstanding during the year/period. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year/period, except where the results would be anti-dilutive.

2.16 Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. Lease rents under operating leases are recognized in the Consolidated Statement of Profit and Loss on a straight line basis over the lease term.

2.17 Events occurring after the balance sheet date

Adjustment to assets and liabilities are made for events occurring after the balance sheet date that provide additional information materially affecting the determination of the amount of assets and liabilities relating to condition existing at the balance sheet date.

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

	As at 31 March 2015	As at 31 March 2014
3. Share capital		
Authorised		
8,11,50,000 (previous year 8,11,50,000) equity shares of Rs.10 each	811,500,000.00	811,500,000
50,00,000 (Previous year 50,00,000) preference shares of Rs 100 each	500,000,000	500,000,000
	<u>1,311,500,000</u>	<u>1,311,500,000</u>

Issued, subscribed and fully paid-up

5,04,73,791 (previous year 5,04,73,791) equity shares of Rs.10 each fully paid-up	504,737,910	504,737,910
	<u>504,737,910</u>	<u>504,737,910</u>

(a) The Authorized Share Capital of the Company has been reclassified and divided into 8,11,50,000 Equity Shares of Rs. 10 each amounting to Rs. 81,15,00,000 and 50,00,000 Preference Share of Rs, 100 each amounting to Rs.50,00,00,000 during the year.

(b) Reconciliation of shares outstanding and the amount of share capital as at 31 March 2015 and 31 March 2014

	As at 31 March 2015		As at 31 March 2014	
	No. of shares	Amount (Rs.)	No. of shares	Amount (Rs.)
Equity shares				
Number of shares at the beginning	50,473,791	504,737,910	50,473,791	504,737,910
Add: Shares issued / redeemed during the year	-	-	-	-
Number of shares at the end	<u>50,473,791</u>	<u>504,737,910</u>	<u>50,473,791</u>	<u>504,737,910</u>

The Company has only one class of equity shares, having a par value of Rs.10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible to one vote per share held. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

4. Reserves and surplus

Capital reserve	38,855,552	38,855,552
Securities premium account	2,991,808,262	2,991,808,262
Revaluation reserve		
Opening balance	68,077,120	69,078,254
Less: amount transferred to the statement of profit and loss on account of additional depreciation on revalued assets	(754,278)	(1,001,134)
Closing balance	<u>67,322,842</u>	<u>68,077,120</u>
General reserve	930,846,640	1,000,324,258
Surplus/(Deficit) in the Statement of Profit and Loss		
Opening balance	(2,283,347,798)	3,404,756,284
Profit /(loss)for the year	(10,814,509,436)	(5,688,104,083)
Net surplus / (Deficit) in the Statement of Profit and Loss	<u>(13,097,857,234)</u>	<u>(2,283,347,799)</u>
Total reserves and surplus	<u>(9,069,023,938)</u>	<u>1,815,717,393</u>



Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

5. Long term borrowings

	Non-current portion		Current maturities	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Secured:				
Term loans				
- Indian rupee loan from banks	95,120,898	676,897,371	1,883,675	210,691,946
- Foreign currency loan from banks		240,399,200	400,581,120	144,239,520
- From financial institutions	220,832,123	259,487,123	2,184,498,083	42,859,010
- Finance Lease obligations		3,616,105	2,176,141	11,629,262
	315,953,021	1,180,399,799	2,589,139,018	409,419,738
Less:				
Amount disclosed under the head "other current liabilities" (refer to note 9)	-	-	2,589,139,018	409,419,738
Net amount	315,953,021	1,180,399,799	-	-

5.1) Security and term of repayment of Loan liabilities

Security

Indian Rupee Loan from banks (Current and Non current Portion) assigned to Asset Recovery Company	Terms of Repayments
Amounting to Rs.147,10,00,000 is secured by exclusive charge in the retention receivable (50% Margin on retention receivables). Further the loan is additionally secured by way of Personal Guarantee of Mr. Ajay Kumar Bishnoi (Director) and Mr. Amul Gabrani (Director) and Mrs. Bhawanti Gabrani and Corporate Guarantee of M/S. Fusion Fittings India Ltd -- this loan is assigned to Edelweiss Asset Reconstruction Company Ltd by State Bank of India vide SBI letter dated 23rd March 2015	Maximum tenure -- 3 years and repayment in March 2017 as Bullet payment. Rate of interest -- 5% above the base rate at 15% per annum
Amounting to Rs.40,52,50,000 is exclusive charge on "Tecpro House", Gurgaon, Engineering Centre in Kolkatta property; exclusive on the commercial office 3rd and 4th floor, No.07, Sagar Complex, Bhosari Pune and "Tecpro Tower" property at Chennai and additional security personal guarantee of Mr. A.K.Bishnoi and Mr. Amul Gabrani -- this loan is assigned to Edelweiss Asset Reconstruction Company Ltd by DBS Bank vide letter dated 1st December 2014	Repayable in 24 installments of Rs.16.20 millions commencing at the end of 13th month from each drawdown and 23 instalments of Rs.23.75 millions each commencing at the end of each drawdown & 1 instalment of Rs.14.95 millions at the end of 60th month from each drawdown
Amounting to Rs.43,05,00,000 is secured by exclusive charge on "Tecpro House" office in Gurgaon by way of equitable mortgage with a minimum asset cover of 1.25 times during the entire tenancy of the loan, Further the loan is additionally secured by way of Personal Guarantee of Mr. Ajay Kumar Bishnoi (Director) and Mr. Amul Gabrani (Director) -- this loan is assigned to Edelweiss Asset Reconstruction Company Ltd by DBS Bank vide letter dated 1st December 2014	Repayable in 20 equal quarterly instalments commencing at the end of three months from the date of first drawdown at an interest rate of 270 bps over DBS Bank's Base rate and payable on quarterly basis
Amounting to Rs.90,000,000 being working capital term loan sanctioned to a subsidiary company is secured by way of exclusive first charge by way of hypothecation of the entire current assets of the firm consisting of stock in trade of raw materials, semi finished, finished goods, consumable and personal guarantees of promoters of the company.	Repayable in 20 equal quarterly instalments falling due in June 2015 at an interest rate of 14.35% per annum payable at monthly rests.
Foreign currency Loan from banks (Current and Non current Portion)	
Amounting to Rs.40,05,81,120 is secured by exclusive charge on the immovable and movable assets of Kolkata office financed out of the facility with a minimum asset cover of 1.25 times. This loan is also secured by personal guarantee of Mr. Ajay Kumar Bishnoi (Director) & Mr. Amul Gabrani (Director)	Repayable in 10 equal half yearly instalments commencing after 18 months from the first drawdown date i.e. 20 June 2011 carrying an interest rate of applicable EURO / USD / SGD LIBOR plus 2.6% per annum
Financial institutions (Current and Non current Portion)	
Amounting to Rs.30,23,46,133 is secured by First charge on the asset i.e. Land and Building situated at the Industrial Unit at Plot No. 203-203(A) MIA, Alwar, Rajasthan. Personal guarantee of Shri. Amul Gabrani and Shri. Ajay Kumar Bishnoi	Repayable in 24 equal instalments of INR 197.92 lacs each commencing with effect from 15 May 2014
Finance Lease obligations (Current and Non current Portion)	
Amounting to Rs.20,48,727 is secured by way of hypothecation of the respective vehicles	Repayable in such number of equal monthly instalments as specified in the terms & conditions of the respective vehicle finance agreements. The rate of interest is in the range of 12% per annum to 15% per annum

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

5.2) Details of default of loan (Principal and interest)

S. No.	Dues to	Amount (in Lakhs)	Nature of Dues	Overdue by
1	Edelweiss Asset Reconstruction Company Limited (EARC) -- Bill Discounting dues of DBS Bank assigned to EARC vide DBS Bank letter dated 1st Dec 2014	277.00	Principal	400 -460 Days
		56.90	Interest	400 -460 Days
	Edelweiss Asset Reconstruction Company Limited (EARC) -- Short Term Loan dues of DBS Bank assigned to EARC vide DBS Bank letter dated 1st Dec 2014	37,873.90	Principal	395 to 525 Days
		8,331.68	Interest	395 to 525 Days
	Edelweiss Asset Reconstruction Company Limited (EARC) -- Long Term Loan dues of DBS Bank assigned to EARC vide DBS Bank letter dated 1st Dec 2014	8,357.50	Principal	545 to 730 Days
		1,688.19	Interest	545 to 730 Days
2	DBS Bank - ECB Loan	1,502.18	Principal	470 Days
		140.27	Interest	470 Days
	DBS Bank - Corporate Guarantee	6,123.17	Principal	365 to 400 Days
		772.15	Interest	365 to 400 Days
3	Axis Bank (LC Devolved)	97.16	Principal	450 to 540 Days
		12.30	Interest	450 to 540 Days
4	ICICI Bank (BG Encashed)	26,453.32	Principal	195 Days
		547.51	Interest	195 Days
5	Standard Chartered Bank - Packing Credit	14,725.00	Principal	More than 540 Days
	Standard Chartered Bank - Bill Discounting	675.00	Principal	More than 540 Days
	Standard Chartered Bank - PCFC	10,515.25	Principal	More than 540 Days
6	IDBI Bank Short Term Loan	7,683.37	Principal	90 Days
7	RIICO Ltd - Term Loan	791.68	Principal (EMI)	320 to 45 Days
		867.40	Interest	275 Days
8	Kotak Mahindra Prime Ltd	30.09	Principal	395 to 425 days
		2.18	Interest	

(All amounts are in Rupees)

As at
31 March 2015 As at
31 March 2014

5A. Deferred tax (assets) / liability (net)

Deferred tax liability:

Excess of Depreciation / amortisation fixed under Income Tax Act over
depreciation / amortisation provided in accounts

- 140,269,841

Total deferred tax liability

- **140,269,841**

Deferred tax assets on account of:

Provision for employee benefits

- 10,726,783

Provision for estimated losses on incomplete contracts

- 16,434,290

Provision for bad and doubtful debts

- 79,048,536

Unabsorbed Depreciation / Loss

- 13,952,140

Others

- 20,061,029

Total deferred tax asset

- **140,222,778**

Net deferred tax liability / (assets)

- **47,063**



Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

6. Provisions

	Long-term provisions		Short-term provisions	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Provision for employee benefits				
Gratuity		54,472	1,414,298	158
Compensated absences	50,422	50,422	53,271,471	31,560,992
	<u>50,422</u>	<u>104,894</u>	<u>54,685,769</u>	<u>31,561,150</u>
Others provisions				
Lease equalisation charges	2,234,298	1,216,124	-	-
Provision for estimated losses on incomplete contract		-	74,487,368	48,350,368
Other Provisions			195,611,803	86,724,622
	<u>2,234,298</u>	<u>1,216,124</u>	<u>270,099,171</u>	<u>135,074,990</u>
	<u>2,284,720</u>	<u>1,321,018</u>	<u>324,784,940</u>	<u>166,636,140</u>

7. Short-term borrowings

	As at 31 March 2015	As at 31 March 2014
Loans repayable on demand		
From banks (secured)		
- Working capital facility@	16,521,027,642	34,013,015,770
From others (unsecured)	30,529,050,347	640,899,080
	<u>47,050,077,989</u>	<u>34,653,914,850</u>

@ Includes foreign currency short term loan

Nature of security

- Working capital facility comprises cash credit, buyer's credit, export packing credit and bills discounted from banks.
- Working Capital facilities are secured by first charge on the present and future current assets of the company on pari passu basis. During the Financial Year 2014-2015, working capital facilities granted by SBI ,BOI, DBS & IndusInd Bank have been assigned to Asset Reconstruction companies.
- Cash credit, short term loans and buyers credit from certain banks are further primarily / collaterally secured by way of hypothecation / mortgage of moveable / immoveable fixed assets of the Company on a pari passu basis other than those specifically funded through term loans and charged to Edelweiss Asset Reconstruction Co. Ltd. (previously which was charged to State Bank of India) and by way of equitable mortgage over certain assets of certain directors (includes a relative of a director) of the Company on pari passu basis.
- The facilities are also secured by personal guarantee of Mr. Amul Gabrani (director), Mr. Ajay Kumar Bishnoi (director) and Mrs. Bhagwanti Gabrani (relative of director, except for facility availed from DBS Bank)
- Further, facilities from SBI (currently assigned to Edelweiss Asset Reconstruction Company Limited) are also secured by pledge of certain shares by Mr. Amul Gabrani and Mr. Ajay Kumar Bishnoi (directors of the Company) and the loan from SBI is also secured by corporate guarantee given by Fusion Fittings (I) Limited.
- Working capital facilities availed by a subsidiary indicates Cash Credit from Vijaya Bank which is secured by way of exclusive first charge by way of hypothecation of the entire current assets of the firm consisting of stock in trade of raw materials, semi finished, finished goods, consumables and personal guarantee's of Promoters of the company.

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

8. Trade payables

	Non-current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Sundry creditors				
- micro and small enterprises	-		108,678,578	98,667,687
- others	1,100,001,387	1,099,759,116	8,061,381,023	8,559,387,977
	1,100,001,387	1,099,759,116	8,170,059,601	8,658,055,664

9. Other current liabilities

	As at 31 March 2015	As at 31 March 2014
Current maturities of long-term borrowings (also refer to note 5)	2,586,962,878	402,041,845
Current maturity of lease obligation (also refer to note 5)	2,176,141	7,377,893
Salaries, wages and bonus payable	628,151,665	433,257,543
Interest accrued but not due on borrowings	728,505,477	55,421,619
Unpaid dividends	253,359	253,359
Book overdraft	191,737,596	127,481,013
Advances from customers	4,185,986,029	4,079,923,487
Unearned revenue	14,647,000	32,705,000
Creditors towards fixed assets	2,032,735	123,597,022
Amount due to employees	122,116,895	
Amount due to subsidiaries	23,800,788	-
Statutory dues		
Service tax and excise duty	190,679,609	173,830,326
Tax deducted at source	161,985,913	161,453,849
Provident fund and other employee related	60,291,076	44,727,225
Sales tax	144,324,029	111,321,780
Excise Duty	557,280,627	175,027,404
Others'	206,578,031	2,586,821
	9,250,229,220	6,346,755,685



Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

10. Tangible assets

Description	Gross block (at cost or valuation)				Accumulated depreciation					Net block	
	As at 1 April 2014	Additions during the year	Deletions / adjustments during the year	As at 31 March 2015	As at 1 April 2014	For the year	To be adjusted with (reduced from) Retained Reserves	Deletions / adjustments during the year	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Owned											
Freehold land	34,705,270	-	-	34,705,270	-	-	-	-	-	34,705,270	34,705,270
Buildings*	1,321,384,762	-	-	1,321,384,762	168,826,778	44,523,276	-13,024,030	-	200,326,024	1,121,058,738	1,152,557,983
Leasehold improvement	224,248,108	270,388	-	224,518,496	43,693,058	7,454,108	-24,305,061	-	26,842,105	197,676,391	180,555,050
Plant and machinery ## \$	537,383,569	155,727	-	537,539,296	119,460,457	46,109,914	50,296,816	-	215,867,187	321,672,109	422,745,548
Office equipment ## \$	164,035,450	350,158	-	164,385,608	97,317,160	21,649,146	8,524,811	-	127,491,117	36,894,491	61,750,195
Furniture and fittings	151,793,555	17,855	-	151,811,410	95,300,614	13,963,673	-44,196,082	-	65,068,205	86,743,205	56,492,942
Vehicles \$	206,500,643	-	12,241,378	194,259,265	81,758,121	21,960,408	18,535,984	6,688,148	115,566,365	78,692,900	124,742,523
Computers	68,155,621	90,486	-	68,246,107	45,358,137	4,646,658	15,714,426	-	65,719,221	2,526,886	22,943,144
Total (A)	2,708,206,978	884,614	12,241,378	2,696,850,214	651,714,325	160,307,183	11,546,864	6,688,148	816,880,224	1,879,969,990	2,056,492,655
Leasehold land	278,243,040	-	-	278,243,040	16,849,326	3,061,448	115,785,363	-	135,696,137	142,546,903	261,393,714
Buildings*	446,542,146	-	-	446,542,146	26,360,523	14,140,501	-29,597,914	-	10,903,110	435,639,036	420,181,623
Total (B)	724,785,186	-	-	724,785,186	43,209,849	17,201,949	86,187,449	-	146,599,247	578,185,939	681,575,337
Total (A+B)	3,432,992,164	884,614	12,241,378	3,421,635,400	694,924,174	177,509,132	97,734,313	6,688,148	963,479,471	2,458,155,929	2,738,067,992
Capital Work in Progress ^^										713,250,929	712,473,385

*Additions to Building include loss on foreign exchange fluctuation is NIL (Previous year Rs. 5,22,97,440/-)

^^ Capital Work in Progress include loss on foreign exchange fluctuation Rs. Nil (previous year Rs. Nil) and borrowing cost capitalised Rs. Nil (previous year Rs. 2,62,44,596)

Figures from previous year's block are regrouped

11. Intangible asset

Description	Gross block (at cost)				Accumulated depreciation					Net block	
	As at 1 April 2013	Additions during the year	Deletions / adjustments during the year	As at 31 March 2015	As at 1 April 2014	For the Year	To be adjusted with (reduced from) Retained Reserves	Deletions / adjustments during the year	As at 31 March 2015	As at 31 March 2015	As at 31 March 2014
Computers software	97,494,720	-	-	97,494,720	86,508,611	11,186,025	-26,404,726	-	71,289,910	26,204,810	10,582,363
Technical know-how	19,938,554	-	-	19,938,554	16,634,445	1,425,000	-1,190,550	-	16,868,895	3,069,659	3,293,194
Goodwill #	333,714,473	-	-	333,714,473	3,164,384	791,669	-661,418	-	3,294,635	330,419,838	330,550,089
Total	451,147,747	-	-	451,147,747	106,307,440	13,402,694	-28,256,694	-	91,453,440	359,694,307	344,425,646

includes goodwill arising on consolidation amounting to Rs. 32,87,14,473

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

As at
31 March 2015 As at
31 March 2014

12. Current investments

Current investments (valued at the lower of cost and fair value, unless stated otherwise)

Investment in equity instrument - Quoted

Vijaya Bank	14,400	14,400
[600 (previous year 600) equity shares of Rs.10 each fully paid up]		

Investments in Government or Trust Securities - Unquoted

National Savings Certificate *	30,000	25,000
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Investments in Mutual funds - Quoted

a. Principal Growth Fund	486,057	486,057
[14,355.55 (previous year 14,355.55) units of face value Rs. 10 each]		
b. Principal Large Cap Fund	200,000	200,000
[19,559.90 (previous year 19,559.90) units of face value Rs. 10 each]		
c. Principal Dividend Yield Fund	71,740	71,740
[5,287.68 (previous year 5,287.68) units of face value Rs. 10 each]		
d. Principal Personal Tax Saver Fund	53,779	53,779
[470.06 (previous year 470.06) units of face value Rs. 100 each]		
e. Principal Emerging Blue Chip Fund	419,750	419,750
[19,361.16 (previous year 19,361.16) units of face value Rs. 10 each]		
f. Principal Debt Saving Fund (formerly Monthly Income Fund)	100,000	100,000
[9,884.45 (previous year 9,884.45) units of face value Rs. 10 each]		

Total	<u>1,375,726.76</u>	<u>1,370,726.00</u>
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* Pledged as security deposit with the Sales Tax Authorities.

Aggregate book value and market value of quoted investments and book value of unquoted investments:

Mutual funds

- Aggregate book value	1,331,326	1,331,326
- Aggregate net asset value	3,520,320	2,055,724

Quoted investments

- Aggregate book value	14,400	14,400
- Aggregate market value	28,758	23,850

Unquoted investments

- Aggregate book value	30,000	25,000
- Aggregate provision for diminution in the value of investment	-	-

**Notes to Consolidated Financial Statements for the year ended 31 March 2015**

(All amounts are in Rupees)

	As at 31 March 2015	As at 31 March 2014
13. Long-term loans and advances		
(Unsecured)		
Considered good:		
Prepaid expenses	8,494,127	35,993,640
Security deposits	11,918,741	18,549,925
Loans / advances to subsidiaries	-	-
	20,412,868	54,543,565
Considered doubtful:		
Other loans and advances	5,184,745	-
Security deposit	2,246,092	2,246,092
Less : Provision for doubtful advances	-2,246,092	-2,246,092
	5,184,745	-
	25,597,613	54,543,565

14. Short-term loans and advances

(Unsecured, considered good)

Security deposits	53,539,529	38,738,511
Inter Company	284,079,556	-
Others :		
Balances with statutory / government authorities	618,868,906	510,083,633
Advance tax [net of provision]	133,412,131	75,164,031
Prepaid expenses	93,698,706	224,089,577
Advances to vendors [^]	1,206,184,968	1,241,997,830
Advances to employees	95,267,046	49,628,549
Loans / advances to subsidiaries.	98,726,000	-
Due from Directors ##	7,774,169	7,774,169
Others.	245,154,571	199,149,443
	2,836,705,583	2,346,625,743

[^] includes advances to related parties amounting to Rs. NIL (previous year Rs. 61,24,87,972)

Represents excess remuneration paid to the Directors as managerial remuneration and until refunded will be held by the Directors in trust on behalf of the Company.

15. Other non-current assets**Others :**

Claims and other receivables	69,585,055	68,696,628
Unbilled revenue on contracts in progress *	-	1,431,741,656
Non current bank balances (refer to note 20)	48,411,450	42,268,890
	117,996,505	1,542,707,174

* Represents amount that will be retained by the customer as retention money for payment after contract period and not expected to be realised within 12 months from reporting date.

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

	As at 31 March 2015	As at 31 March 2014
16. Other current assets		
Unbilled revenue on contracts in progress	14,388,089,584	13,681,355,831
Interest accrued on deposits and others	1,611,019	540,774
Amount due from other companies	114,450,429	270,757,842
	<u>14,504,151,032</u>	<u>13,952,654,446</u>
17. Inventories *		
Raw materials	118,632,728	534,671,447
"Goods purchased for resale - project supplies [includes in transit NIL (previous year Rs. 1,90,52,082)]"	491,426,287	575,271,653
"Finished goods includes in transit NIL (previous year Rs. 7,92,73,551)"	74,267,356	79,273,551
Work in progress	813,480,467	795,510,558
	<u>1,497,806,838</u>	<u>1,984,727,209</u>

* valued at the lower of cost and net realisable value.

	Non current #		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
18. Trade receivables'				
Unsecured, considered good unless otherwise stated				
Outstanding for a period exceeding six months from the date they are due for payment				
Unsecured, considered good	12,977,787,918	4,893,350,321	15,152,845,498	22,841,399,212
Considered doubtful	-	-	-	232,564,096
	<u>12,977,787,918</u>	<u>4,893,350,321</u>	<u>15,152,845,498</u>	<u>23,073,963,308</u>
Less: Provision for doubtful debts	-	-	-	232,564,096
(A)	<u>12,977,787,918</u>	<u>4,893,350,321</u>	<u>15,152,845,498</u>	<u>22,841,399,212</u>
Unsecured, considered good'	82,645,016	603,864,205	6,915,139,956	2,333,422,595
Considered doubtful	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-
(B)	<u>82,645,016</u>	<u>603,864,205</u>	<u>6,915,139,956</u>	<u>2,333,422,595</u>
Total	(A+B)	13,060,432,934	22,067,985,454	25,174,821,807

Non current portion of trade receivables represents amount retained by the customer as retention money to be paid after contract period and not expected to be realised within 12 months from reporting date.



Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

	Non-current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
19. Cash and bank balances				
Cash and cash equivalents				
Balances with banks:				
- Current accounts	-	-	5,007,872	62,063,868
- Earmarked balance with banks			257,189	263,514
Cash on hand	-	-	686,937	5,679,463
	<u>-</u>	<u>-</u>	<u>5,951,998</u>	<u>68,006,846</u>
Other bank balances				
Fixed Deposits with banks with maturity period of more than 12 months				628,876
Fixed Deposits with banks with maturity period of more than 3 months and less than 12 months				-
Margin money accounts *	48,411,450	41,602,669	-	9,076,701
	<u>48,411,450</u>	<u>41,602,669</u>	<u>-</u>	<u>9,705,577</u>
*Amount disclosed under other non-current assets (refer to note 15)	-48,411,450	-41,602,669	-	-
	<u>-</u>	<u>-</u>	<u>5,951,998</u>	<u>77,712,422</u>

* fixed deposits held as margin money against guarantee issued by the bank on behalf of the Company and are not available for use by the Company.

	For the year ended 31 March 2015	For the year ended 31 March 2014
20. Revenue from operations		
Sale of products (gross)	915,959,125	1,719,690,685
Contract revenue	1,880,407,059	6,417,364,411
Sale of services	-88,230,375	514,204,560
Other operating revenue	-	-
- Sale of scrap	48,332,936	7,532,184
- Provisions no longer required, written back	4,160,564	38,222,197
- Interest income - Receivable from Customers	-	394,268,165
Revenue from operations (gross)	<u>2,762,649,452</u>	<u>9,091,282,202</u>
Less: Excise duty	2,020,142	90,676,962
Revenue from operations (net)	<u>2,760,629,310</u>	<u>9,000,605,240</u>

21. Other income

Interest income on	-	
- Fixed deposits	4,243,385	4,219,851
- Others	2,679,132	46,906
Dividend income from current investments	-	1,720
Miscellaneous income #	3,710,428	53,745,104
	<u>10,632,945</u>	<u>58,013,581</u>

Includes Profit of sale of fixed assets Rs. Nil (Previous year Rs.1,22,292)

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

	For the year ended 31 March 2015		For the year ended 31 March 2014	
22. Cost of raw material consumed				
Opening stock of raw material	534,671,510		810,077,457	
Add: purchases during the year	631,332,109		4,582,504,986	
Less: closing stock of raw material	118,632,728	1,047,370,891	540,876,114	4,851,706,329
		<u>1,047,370,891</u>		<u>4,851,706,329</u>

23. Changes in inventory of finished goods, work in progress and stock in trade - project supplies

Stock at the end of the year				
Finished goods	74,267,356		79,273,551	
Work in progress	813,480,467		795,510,558	
Stock in trade (purchased for resale) - project supplies	491,426,287	1,379,174,110	575,271,653	1,450,055,762
Stock at the beginning of the year				
Finished goods	79,273,551		3,195,838	
Work in progress	795,510,558		670,967,477	
Stock in trade (purchased for resale) - project supplies	575,271,653	1,450,055,762	506,925,982	1,181,089,297
(Increase) / decrease in inventory		<u>70,881,652</u>		<u>(268,966,465)</u>

24. Details of purchase of finished goods for projects supplies dealt with by the Company#

Components for Ash Handling Systems		-	240,931,410
Waste heat recovery systems	273,094,003		105,514,569
Purchased for project supplies- others *	1,709,068,716		419,396,707
		<u>1,982,162,720</u>	<u>765,842,686</u>

Includes Prior Period items of Rs.374.10 Lakhs

* As the goods purchased for projects supplies-others at an item level account for less than 10% of the total value of purchases, these have not been shown as separate and distinct items in the breakup.



Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

	For the year ended 31 March 2015	For the year ended 31 March 2014
25. Employee benefit expenses		
Salaries, wages and bonus	402,394,767	885,087,260
Contribution to provident and other funds	27,595,512	68,250,261
Gratuity'	(2,251,487)	-19,631,807
Staff welfare	13,783,976	32,599,322
	<u>441,522,768</u>	<u>966,305,036</u>
26. Other expenses*		
Excise duty expense		92,054,102
Less: Excise duty recovered	2,020,142	<u>90,676,962</u>
Drawing and design charges	2,689,893	54,919,737
Fabrication and other site related expenses	916,211,218	1,971,922,763
Freight and forwarding	27,051,799	167,316,997
Equipment charges	144,115,821	252,319,124
Travel and conveyance	34,296,709	107,038,423
Rent	38,841,201	46,751,476
Power fuel and electricity	20,859,717	46,898,263
Communication	7,392,486	20,785,220
Advertising and marketing	581,718	2,752,312
Sales commission	810,863	13,074,982
Printing and stationery	1,582,989	8,545,356
Rates and taxes	5,371,165	26,611,345
Legal and professional	60,268,090	68,463,461
Payment to auditors	3,755,000	9,410,000
Exchange loss (net)	28,551,162	187,123,939
Loss on sale / disposal of fixed assets	2,094,875	2,155,795
Repairs and maintenance	-	
-plant and machinery	69,836	1,344,613
-buildings	11,973,970	47,152,531
-others	22,841,820	60,839,573
Provision for bad and doubtful debts	1,047,190,204	
Bad debts written off	28,915,441	63,401,757
Provision for loss on incomplete contract	26,137,000	10,043,829
Provision for diminution Value of Investment	104,606,870	
Insurance	11,053,844	37,228,961
Miscellaneous expenses	51,237,271	69,989,841
	<u>2,600,521,103</u>	<u>3,277,467,438</u>
27. Finance costs		
Interest expense on:		
- long term loan	525,017,727	221,498,178
- short term loan	6,090,149,170	4,020,108,108
- others	355,702,337	239,549,775
Bank charges	281,531,497	449,714,240
	<u>7,252,400,731</u>	<u>4,930,870,301</u>

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

28. (i). The Company has incurred a loss during this year and had to face a very tight liquidity position arising out of, among other things, overall deceleration in the economy, lower industrial growth, delayed decisions at various levels affecting the project progress. With delayed recoveries from customers, the Company was unable to service interest and ensure prompt repayment of principal amount due to bankers. The Corporate Debt Restructuring (CDR) approved by CDR Cell did not materialise. In the meantime the Company had made a reference on 23rd March 2015 to Board for Industrial and Financial Reconstruction (BIFR) under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985 in view of the erosion of fifty percent of the Net worth of the company as at March 31, 2014. BIFR vide letter no. 3(T-3)/BC/2015 dated 14th July 2015 has intimated that aforesaid reference has been registered vide case no.86/2015.
- (ii) The circumstances of tight liquidity detailed in (i) above has:
- (a) resulted in delays in project execution on account of funding difficulty and increased costs due to stretched time frames. Certain customers have therefore encashed Bank Guarantees of Rs. 1015,25,08,776 for the delays. These are however, considered realizable based on continuous steps / engagement with the customers for realisation of dues.
- (b) necessitated certain customers to make direct payments to Company's vendors to avoid delays in deliverables. The Company has initiated steps to obtain confirmation of payments from such vendors for adjustment of such payments made by customers.
- (iii) Recoverability of debts and Unbilled Revenue includes balances outstanding for a period of more than three years, debts for additional supplies/work made upon request by customers outside of the contract, debts from certain customers who have encashed bank guarantees is considered realisable as the company has invoked arbitration proceedings against certain customers.
- (iv) An exercise of circularization of balances of vendors/Creditors/Debtors and reconciliation of the balances with the books of account has been initiated and adjustments, if any, will be made upon completion of the said exercise.
- (v) In respect of certain contracts, there have been significant delays in completion of the projects beyond the contracted dates. This could lead to levy of liquidated damages by the customers as per the terms of contract with them. Till date the company has not been made aware of significant liquidated damages being levied by its customers and accordingly no provision is considered necessary in this regard by the Management.
29. Four subsidiaries of the Company have incurred losses during the year and three of them have accumulated losses exceeding their free reserves. The said Companies have drawn up plans to increase revenue and consequently profitability and net worth. Accordingly the financial statements of these subsidiary companies which have been prepared on "Going Concern" basis on continued support from parent company are considered for consolidation. The said subsidiary companies are confident of achieving the targets and in the opinion of the management, the carrying value of goodwill arising on consolidation of the companies aggregating Rs.267249000 as at March 31, 2015 represents its recoverable amount and in the opinion of the management no provision for impairment is required in respect thereof.

30. Contingent liabilities and commitments (to the extent not provided for)

	As at 31 March 2015	As at 31 March 2014
(i) Claims against the company not acknowledged as debt : Sales tax matters	242,844,937	242,844,937
(ii) Claims against the company not acknowledged as debt : Entry tax matters	48,556,771	48,556,771
(iii) Claims against the company not acknowledged as debt : Central excise matters	1,049,990	1,049,990
(iv) Claims against the company not acknowledged as debt : Service tax matters	6,536,536	6,536,536
(v) Claims against the company not acknowledged as debt : Others	197,561,000	197,561,000
(vi) Demand for additional price/ enhancement cost in respect of factory plots situated in Bawal *	9,885,115	9,885,115
(vii) Sales tax liability against which forms to be collected	2,209,394,063	2,817,994,489
(viii) Income tax liability disputed	501,482,660	501,400,000
(ix) Bank Guarantees / Letters of Credit issued by banks on behalf of the Company	6,205,049,796	13,322,467,360

* The Company had received notices dated 4 December 2007 and 29 December 2007 from HSIIDCL for additional price/ enhancement cost amounting to Rs.98,85,115 (previous year Rs. 98,85,115 {including interest}) , in respect of factory



Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

plots situated in Bawal. The Company filed a writ petition in the Punjab and Haryana High Court on 8 January 2008 and obtained a stay order on 9 January 2008. This matter is under adjudication. Pursuant to above, Rs.98,85,115 (previous year Rs. 98,85,115) have been disclosed as 'Contingent liability' in the notes to the accounts.

31. The company has paid remuneration to a managerial person in excess of limits specified in provisions of Companies Act 1956 by Rs. 51,94,660/-. Pending the approval from the shareholders and the Central Government the excess remuneration paid has been included under "Short Term Loan & Advances".
32. On March 6, 2012 search proceedings under Section 132 of the Income Tax Act, 1961 ("the Act") were undertaken in respect of the Company. The search proceedings were effectively concluded vide last Panchnama drawn on May 3, 2012. The Company had furnished during the earlier year return of income for six assessment years beginning from assessment year 2006-07 pursuant to notices received from the Income Tax Department. Tax assessments upto 2010-11 was completed with no additional demand. As regards Assessment Years 2011-12 and 2012-13 the assessments have been completed and a demand of Rs 50,14,82,660 along with interest has been raised on the Company. This demand is being disputed and has accordingly been disclosed under contingent liability.
33. Disclosures pursuant to Accounting standard (AS) 7 "Construction Contracts" (Revised) are given below :-

	As at 31 March 2015	As at 31 March 2014
Contract revenue recognised for the year	1,880,407,059	6,417,364,411
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) upto the Balance sheet date for all contracts in progress as at that date	38,008,164,695	16,066,103,659
Amount of customer advances outstanding for contracts in progress as at Balance sheet date	2,783,495,410	3,287,688,944
Retention amounts due from customers for contracts in progress	7,141,980,439	6,112,728,078
Gross amount due from customers for contract work	7,942,167,483	9,410,962,958
Gross amount due to customers for contract work	434,668,734	201,078,324

34. Earnings per equity share (EPS)

	For the year ended 31 March 2015	For the year ended 31 March 2014
Net profit/(loss) after tax as per Statement of Profit and Loss	(10,814,509,436)	(5,688,104,083)
Number of equity shares of Rs.10 each at the beginning of the year	50,473,791	50,473,791
Weighted average number of equity shares issued during the year	-	-
Weighted average number of equity shares of Rs. 10 each outstanding during the year	50,473,791	50,473,791
Weighted average number of equity shares of Rs.10 each at the end of the year for calculation of basic and diluted EPS	50,473,791	50,473,791
Basic and diluted earnings per share (in Rs.) (Per share of Rs 10 each)	(214.26)	(112.69)

35. Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Revised) "Employee Benefits" prescribed by the Companies (Accounting Standards) Rules, 2006.

- (a) Defined Contribution Plans: Amount of Rs.2,74,70,693 (previous year Rs. 6,68,29,840) pertaining to employers' contribution to Provident Fund, Employees State Insurance fund and superannuation fund is recognised as an expense and included in "Employee benefit expenses" in Note 26.

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

(b) Defined benefit plan: The disclosures for gratuity cost is given below:

(i) The changes in the present value of obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2015	As at 31 March 2014
Present value of obligation at the beginning of the year	60,362,966	78,054,216
Add: Present value of obligation at the beginning of year added on account of amalgamation		
Interest cost	4,962,923	6,149,922
Past service cost		
Current service cost	4,260,820	10,732,078
Benefits paid	(18,734,560)	(2,360,393)
Actuarial (gain)/loss on obligation	(21,710,992)	(32,212,857)
Present value of obligation at the end of the year	29,141,158	60,362,966

(ii) The changes in the fair value of plan assets representing reconciliation of opening and closing balances thereof are as follows:

Particulars	As at 31 March 2015	As at 31 March 2014
Fair value of plan assets at the beginning of the year	66,173,528	41,393,935
Expected return on plan assets	3,535,361	4,308,313
Contributions	300,000	22,880,133
Benefits paid	(18,734,560)	(2,360,393)
Actuarial gain/(loss) on plan assets	(24,306,674)	(48,460)
Fair value of plan assets at the end of the year	26,967,655	66,173,528

(iii) Actuarial gain/ loss recognised are as follows:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Actuarial loss for the year - obligation	(21,710,992)	(32,212,857)
Actuarial gain for the year - plan assets	(190,397)	(48,460)
Total loss for the year	(21,520,595)	(32,261,317)
Actuarial loss recognised in the year	(21,520,595)	(32,261,317)
Unrecognized actuarial gains (losses) at the end of year	-	-

(iv) The amounts recognised in Balance Sheet are as follows:

Particulars	As at 31 March 2015	As at 31 March 2014
Present value of obligation as at the end of the year	29,141,158	60,362,966
Fair value of plan assets as at the end of the year	26,967,655	66,173,528
Funded/(unfunded) status	(2,173,503)	5,810,562
Excess of actual over estimated	-	-
Net assets/(liability) recognized in balance sheet	(2,173,503)	5,810,562

(v) The amounts recognised in the statement of profit and loss are as follows:

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Current service cost	4,260,820	10,732,078
Past service cost	-	-
Interest cost	4,962,923	6,149,922
Expected return on plan assets	(3,535,361)	(4,308,313)
Net actuarial (gain)/loss recognized in the year	(21,520,595)	(32,164,397)
Expenses recognised in the statement of profit and losses	(2,251,487)	(19,590,710)

**Notes to Consolidated Financial Statements for the year ended 31 March 2015**

(All amounts are in Rupees)

35. Disclosure in respect of employee benefits under Accounting Standard (AS) – 15 (Contd.)

(vi) Principal actuarial assumptions at the balance sheet date are as follows:

A. Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Discount rate	7.95%	8.00%
Expected rate of return on plan assets	8.25%	8.25%
Salary growth rate	5.00%	7.00%

B. Demographic assumptions

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014
Retirement Age	60 Years	60 Years
Mortality table	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
Withdrawal Rates - Ages		
Upto 30 Years	8%	8%
Upto 44 Years	7%	7%
Above 44 Years	6%	6%

(vii) General description of gratuity plan:

Gratuity Plan (Defined benefit plan)

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death whichever is earlier. The benefits vests after five years of continuous service. The Company has set a limit of Rs. 1,000,000 (previous year Rs.1,000,000) per employee.

(viii) Experience adjustment on actuarial gain / (loss) for projected benefit obligation and plan assets

Particulars	For the year ended 31 March 2015	For the year ended 31 March 2014	For the year ended 31 March 2013	For the year ended 31 March 2012	For the year ended 31 March 2011
On plan projected benefit obligation	(21,520,595)	(21,988,991)	1,445,763	(10,378,527)	(26,159)
On plan assets	(190,397)	(48,460)	(349,412)	31,571	12,226

36. Disclosure in respect of operating leases under Accounting Standard (AS) – 19 "Leases" prescribed by the Companies (Accounting Standards) Rules, 2006.

a) General Description of the Company's Lease arrangements:

The Company enters into operating lease arrangements for leasing area offices, factory building, equipments and residential premises for its employees.

Some of the significant terms and conditions of the arrangements are:

- > Agreements for most of the premises may generally be terminated by the lessee or either party by serving one to six month's notice or by paying the notice period rent in lieu thereof.
- > the lease arrangements are generally renewable on the expiry of lease period subject to mutual agreement.
- > the company shall not sublet, assign or part with the possession of the premises without prior written consent of the lessor.

b) "Lease rent charged to the statement of profit and loss on account of Minimum lease rentals in Rs. 14,41,15,820 (previous year Rs. 25,23,31,549)"

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

- c) Company also enters into non-cancellable operating leases, the total of future minimum lease payments under non-cancellable operating leases is given below :

	As at 31 March 2015	As at 31 March 2014
Payable within one year	2,797,425	2,797,425
Payable between one and five years	773,325	3,570,750
	3,570,750	6,368,175

37. The schedule of provisions as required to be disclosed in compliance with Accounting Standard 29, "Provisions, Contingent Liabilities and Contingent Assets" is as under:

Provision relating to	Opening balance as at 1 April 2014	Created during the year	Closing balance as at 31 March 2015
Estimated losses on incomplete contracts	48,350,368	26,137,000	74,487,368
	-(38,306,539)	10,043,829	-(48,350,368)

Provision for estimated losses on incomplete contracts relates to provision made for expected losses wherein, the total cost of the incompleting construction contract, based on the technical and other estimates, is expected to exceed the corresponding contract value. Accordingly, such excess is provided during the year. Figures in bracket refer to previous year ending 31 March 2014.

38. Segment Reporting

The Company's primary segment is identified as business segment based predominantly on nature of product and services and secondary segment is identified based on the geographical location of the customer as per Accounting Standard 17. The revenue from individual segments is less than 10% of total revenue from external sales and inter-segment sales and therefore there are no reportable segments for the current and previous year.

39. Related party disclosures

- a) Related party and nature of relationship where control exists.

Key management personnel

Ajay Kumar Bishnoi
Amul Gabrani
Amar Banerjee

Relatives of key management personnel

Bhagwanti Gabrani
Amita Bishnoi
Goldie Gabrani
Rashmi Singh

Enterprises over which key management personnel exercise significant influence

Tecpro Engineers Limited
T & H Education Private Limited
Hythro Power Corporation Limited
Fusion Fittings (I) Limited
Shriram Cement Limited
Tecpro Infra Projects Limited
G.E.T. Power Limited
HIQ Power Associates Private Limited
Avadh Transformers Private Limited
Tecpro Infrastructures Private Limited
Tecpro Infotech Private Limited
Experienced Hi-Tech Consultancy Services Private Limited



Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

39. b) Transactions during the current year

	Key management personnel (Including relatives)	Enterprises over which Key management personnel (including relatives) exercise significant influence
Remuneration	-	-
	(9,034,123)	(-)
Rent expenses	14,115,954	-
	(14,945,073)	(-)
Advance given	-	1,108,148,258
	(-)	(2,793,308,258)
Advance Received	-	-
	(-)	(218,661,503)
Recovery of advance given	-	4,232,301
	(-)	(2,672,704,193)
Loan given	-	881,132
	(-)	(290,091,687)
Interest income on above loan	-	-
	(-)	(-)
Rent income	-	3,238,567
	(-)	(1,519,938)
Recovery of expenses	-	-
	(-)	(4,119,468)
Purchase of goods	-	-
	(-)	(245,073,974)
Purchase of fixed assets	-	-
	(-)	(29,789,600)
Professional charges	-	-
	(-)	(419,003,931)
Job work charges	-	-
	(-)	(-)
Equipments hire, job work charges and other charges incurred on behalf of TSL	-	40,706,117
	(-)	(56,556,508)
Repair and maintenance expenses	-	-
	(-)	(-)
Repair and maintenance charges	-	-
	(-)	(694,655)
Fabrication charges	-	-
	(-)	(60,747,894)
Sale of goods	-	-
	(-)	(15,292,316)
Amount paid by other party on behalf of company	-	31,401,041
	(-)	(10,102,655)
Services received	-	-
	-	(5,683,554)
Amount incurred on behalf of related parties	-	-
	(-)	(1,943,245)
Loan recoverable	-	114,229,993
	(264,982)	(54,940,331)
Interest recoverable on the above loan	-	-
	(-)	-
Advances recoverable	-	503,300,739
	(-)	(368,140,995)
Advances payable	-	572,439,371
	(-)	(222,314,459)

Notes to Consolidated Financial Statements for the year ended 31 March 2015

(All amounts are in Rupees)

39. c) Outstanding balance as at year-end

	Key management personnel (Including relatives)	Enterprises over which Key management personnel (including relatives) exercise significant influence
Rent receivable	-	24,715,401
	(-)	(21,711,372)
Rent payable	13,306,656	-
	(9,894,464)	(-)
Due from directors	7,774,169	-
	(7,774,169)	(-)
Trade receivable	-	114,699,695
	(-)	(277,261,496)
Trade payable	-	242,789,016
	(-)	(557,816,632)

Company has given a letter of comfort for various facilities taken by Hythro Power Corporation Limited from a bank with limit of Rs.Nil (previous year Nil). Guarantees and collateral security given by Ajay Kumar Bishnoi and Amul Gabrani for various facilities taken by the Company from banks with a limit of Rs. 5273.18 Crores (previous year Rs.5273.18 Crores and Bhagwanti Gabrani (relative of a Director) for various facilities taken by the Company from banks with a limit of Rs.5056.00 Crores (previous year Rs.5056.00 Crores). Guarantees given by Fusion Fittings (I) Limited for various facilities taken by the Company from a bank with a limit of Rs.2201.64 crores(previous year Rs. 2201.64 Crores). Ajay Kumar Bishnoi and Amul Gabrani have pledged their shares in the Company with a bank for credit facilities taken by the Company with a limit of Rs. 2201.64 Crores (previous year Rs. 2201.64 Crores)

Figures in bracket refer to previous year 31 March 2014

39. d) Details of related parties with whom transactions exceed 10% of the class of transaction.

Name of Related Party	Nature of Transaction	Year ended	Year ended
		31 March 2015	31 March 2014
Ajay Kumar Bishnoi	Rent expenses	6,653,328	7,474,227
Amul Gabrani	Rent expenses	6,653,328	7,470,846
Amar Banerjee	Remuneration		9,034,123
G.E.T. Power Limited	Business advance given	1,000,424,069	1,458,308,336
G.E.T. Power Limited	Recovery of business advance given	809,464,466	1,681,122,795
G.E.T. Power Limited	Purchase of goods		226,324,616
HIQ Power Associates Private Limited	Services received		5,683,554
HIQ Power Associates Private Limited	Rent income	629,215	1,510,116
Tecpro Engineers Limited	Business advance given	42,657,345	140,722,308
Tecpro Engineers Limited	Rent income	681,252	681,252
Tecpro Engineers Limited	Recovery of business advance given	15,561,686	111,760,440
Tecpro Stones Private Limited	Loans / advance given	30,000	2,929,831
Tecpro Stones Private Limited	Rent income	107,868	107,868
Tecpro Stones Private Limited	Recovery of Loans / advance given	200,000	1,519,938
Tecpro Infra Projects Limited	Business advance given	65,066,844	1,191,347,783
Tecpro Infra Projects Limited	Equipments hire, job work charges and other charges incurred on behalf of TSL	40,706,117	56,556,508
Tecpro Infra Projects Limited	Recovery of advance given	4,232,301	879,820,958
Hythro Power Corporation Limited	Sale of goods	-	4,902,661
Hythro Power Corporation Limited	Loans / advance given	60,000	233,831,418
Hythro Power Corporation Limited	Purchase of goods	-	18,749,358
Hythro Power Corporation Limited	Rent Income	1,820,232	1,820,232

**Notes to Consolidated Financial Statements for the year ended 31 March 2015**

(All amounts are in Rupees)

Hythro Power Corporation Limited	Business advance received	-	214,750,000
PT Tecpro Systems Indonesia	Investment in equity shares		233,560
Shriram Cement Limited	Sale of goods	-	10,389,655
Shriram Cement Limited	Purchase of goods	-	445,209
Shriram Cement Limited	Loans / advance given	791,132	53,330,438
Shriram Cement Limited	Business advance received	-	810,000
Tecpro Infotech Private Limited	Expenses incurred on behalf of TSL	31,401,041	10,102,655
Tecpro Infotech Private Limited	Business advance received	-	2,000,000
Experienced Hi Tech Consultancy Services Pvt Ltd	Business advance received	-	1,101,503

40. The Company's exposure in respect of foreign currency denominated assets and liabilities not hedged by derivative instruments or otherwise are as follows:-

Particulars		As at 31 March 2015	As at 31 March 2014
Assets			
USD	24,37,087 (previous year USD 1,54,53,134)	152,539,236	928,730,886
Euro	3,19,477 (previous year Euro 3,45,187)	21,568,034	28,505,437
GBP	NIL (previous year GBP 4,36,366)	-	43,571,122
Liabilities			
USD	14,37,746 (previous year USD 2,82,21,333)	89,989,679	1,696,096,911
Euro	13,58,159 (previous year Euro 27,50,702)	91,689,878	227,151,944

41. Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances of Rs. NIL (previous year Rs. NIL)] is Rs. NIL- (previous year Rs. NIL).
42. Previous year figures in balance sheet have been regrouped / recast wherever necessary to conform to the current year's classification/presentation.
43. The figures for the previous year are drawn from accounts audited by a different firm of Chartered Accountants

The notes referred to above form an integral part of the Financial Statement

As per our report of even date attached

For **C S Hariharan & Comapany**
Chartered Accountants
Registration No. 001086S

C H Subramanian
Partner
Membership No.: 7238

Place: Chennai
Date: 27th October, 2015

For and on behalf of the Board of Directors of Tecpro Systems Limited

Ajay Kumar Bishnoi
Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015

Amul Gabrani
Vice Chairman & Managing Director

Place: Chennai
Date: 27th October, 2015



Tecpro Systems Limited

CIN: L74899DL1990PLC041985

Regd. Office: 106, Vishwadeep Tower, Plot No. 4, District Centre, Janakpuri, New Delhi-110058

Phone: (+91 11) 4503 8735 Fax: (+91 11) 4503 8734

Website: www.tecprosystems.com; Email:compliances@tecprosystems.com

TWENTY FIFTH ANNUAL GENERAL MEETING ADMISSION SLIP

FOLIO NO./DP ID & CLIENT ID NO

NO. OF SHARES HELD

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the Twenty fifth Annual General Meeting of the company on Wednesday, the 30th day of December, 2015, at 10:00 A.M at Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt., Delhi- 110010.

Member's/Proxy's Signature

EVSN (Electronic Voting Sequence Number)	*Default PAN
151204003	USE YOUR PAN

* Only Member who have not updated their PAN with Company / Depository Participant shal use default PAN in the Pan field.

Note: Please read the instructions printed in the Notice of 25th Annual General Meeting dated 30th December, 2015. The Voting period starts from 27th December, 2015 at 9:00 a.m. and ends on 29th December, 2015 at 6:00 p.m. The voting module shall be disabled by CDSL for voting thereafter.

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



Tecpro Systems Limited

CIN: L74899DL1990PLC041985

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FORM NO. MGT 11

PROXY FORM

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

Name of the member(s):		Folio No./Client Id:	
Registered address:		Email Id:	

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

- 1) _____ of _____ having email id _____ or failing him
- 2) _____ of _____ having email id _____ or failing him
- 3) _____ of _____ having email id _____ or failing him

and whose signature (s) are appended below as my/ our proxy to attend and vote (on poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, the 30th day of December, 2015 at 10:00 A.M at Dr. Sarvepalli Radhakrishnan Auditorium, Kendriya Vidyalaya No. 2, APS Colony, Delhi Cantt., Delhi- 110010 and at any adjournment thereof in respect of such resolutions as are indicated on the back side.

Resolutions:		For	Against
1.	Adoption of the Audited Standalone and Consolidated Financial Statement of the Company for the financial year ended 31st March, 2015, the reports of the Directors and the Auditors thereon.		
2.	Appointment of director in place of Mr. Ajay Kumar Bishnoi, who retires by rotation and being eligible offers himself for re-appointment.		
3.	Appointment of M/s. C.S. Hariharan & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.		
4.	Appointment of Mr. Sanjeet Kumar as Independent director of the Company.		

Signed this day of2015.

.....
Signature of member

.....
Signature of proxy holder(s)

Affix revenue stamp of not less than ₹0.15

Notes: This form in order to be effective, should be duly stamped, completed, signed, deposited at the registered office of the company, not less than 48 hours before the meeting.



If undelivered please return to:
Tecpro Systems Limited
Tecpro House
78, Sector 34, N.H. 8,
Gurgaon-122004, Haryana, India