

PRESIDENT

Annual Report 2015 - 2016



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Schneider
Electric

INFORMATION TO SHAREHOLDERS

Board of Directors

Shravan Sharma, Chairman
Ganesh Vaidyanathan (Up to 19th March, 2016)
Javed Ahmad
Nikhil Pathak (Up to 1st March, 2016)
Pankaj Sharma (Uo to 14th March, 2016)
Rachna Mukherjee
S. Venkatraman, Managing Director
Sugata Sircar
V. S Vasudevan

Company Secretary

Vighneshwar G Bhat

Chief Financial Officer

Damodar Kalavala

Registered Office

5C/1, KIADB Industrial Area, Attibele,
Bangalore 562107 Karnataka

Main Bankers

Citi Bank NA,
No.5, 2nd Floor, M G Road,
Bangalore – 560 001

Auditors

Messrs. S.R. Batliboi & Associates LLP
UB City, Canberra Block,
12th & 13th Floor
No. 24, Vittal Mallya Road,
Bangalore-560001

Registrar & Transfer Agent

Universal Capital Securities Pvt. Ltd.,
#21, Shakil Nivas, Mahakali Caves Road,
Andheri (E), Mumbai 400093
Tel.: (022) 2836 6620, 2826 2920

Correspondent Address

Mr. Vighneshwar G Bhat
Company Secretary
C/o Schneider Electric President Systems Limited
5C/1, KIADB Industrial Area, Attibele,
Bangalore, 562107, Karnataka
Tel. No. 91 080 43333058
Fax: (080) 27820333
Email : vighneshwar.bhat@schneider-electric.com

32nd Annual General Meeting

Date: Thursday, 29th September, 2016, Time: 11.00 am

Venue: 5C/1, KIADB Industrial Area, Attibele, Bangalore, 562107, Karnataka

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FINANCIAL STATISTICS

(₹ in Lakhs)

Particulars	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Sale of Products	19,468.56	15,695.70	15,692.66	10,375.58	9,705.70
Sale of Services	505.63	573.85	645.77	550.26	193.70
Other Operating Income	183.07	256.54	192.20	105.47	135.14
Other Income	69.71	55.15	15.86	62.37	45.37
Total Income	20,226.97	16,581.24	16,546.49	11,093.68	10,079.91
EBITDA	1,650.83	383.85	171.80	219.87	(158.89)
Financial Expenses (Net)	317.93	254.58	233.14	233.56	224.89
Depreciation	518.90	501.10	420.58	414.06	489.73
(Loss)/Profit before Taxation	814.00	(371.83)	(481.92)	(427.75)	(873.51)
(Loss)/Profit after Taxation	638.72	(371.83)	(481.92)	(332.95)	(577.92)
Dividend Payout	-	-	-	-	-
Corporate Tax on Dividend	-	-	-	-	-
Retained earnings	638.72	(371.83)	(481.92)	(332.95)	(577.92)
Dividend (%)	-	-	-	-	-
Earning per Share	10.56	(6.15)	(7.97)	(5.51)	(9.56)
Particulars	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
Equity and Liabilities					
Share Capital	604.80	604.80	604.80	604.80	604.80
Reserves & Surplus	3,127.83	2,489.11	2,972.26	3,454.19	3,787.14
Total Shareholder's Funds	3,732.63	3,093.91	3,577.06	4,058.99	4,391.94
Non Current Liabilities					
Long-term borrowings	2,099.36	1,999.70	1,503.60	1,507.10	1,049.21
Deferred tax liability (net)	-	-	-	-	94.80
Other long-term liabilities	-	4.99	9.47	27.93	88.09
Long-term provisions	191.09	156.58	229.80	190.02	131.38
	2,290.45	2,161.27	1,742.87	1,725.05	1,363.48
Current Liabilities					
Short-term borrowings	1,201.34	798.21	1,586.20	281.72	679.82
Trade Payables	4,022.86	5,745.78	4,419.60	3,117.64	1,821.68
Other current liabilities	1,217.99	973.85	820.19	644.76	641.57
Short-term provisions	243.87	183.48	146.82	158.10	159.91
	6,686.06	7,701.32	6,972.81	4,202.22	3,302.98
Total	12,709.14	12,956.50	12,292.74	9,986.26	9,058.40
Non Current Assets					
Fixed assets					
Tangible assets	3,829.15	3,747.50	3,856.57	4,012.83	4,160.08
Intangible assets	92.5	141.96	179.54	51.89	77.26
Capital work-in-progress	104.91	127.46	66.13	31.79	13.52
Non-current investments	-	-	-	-	-
Long-term loans and advances	626.23	639.43	464.70	751.19	107.65
Other Non current assets	1.96	1.81	1.65	-	-
	4,654.75	4,658.16	4,568.59	4,847.70	4,358.51
Current assets					
Inventories	2,517.50	2,856.88	2,247.21	1,417.51	1,045.96
Trade receivables	4,208.37	4,186.07	4,494.74	2,699.36	2,312.23
Cash and bank balances	398.71	171.50	68.20	71.51	318.38
Short-term loans and advances	906.15	1,058.57	862.15	689.41	1,023.06
Other current assets	23.66	25.32	51.85	260.77	0.26
	8,054.39	8,298.34	7,724.15	5,138.56	4,699.89
Total	12,709.14	12,956.50	12,292.74	9,986.26	9,058.40
Statement of Accounting Ratios of the Company					
Particulars	31.03.2016	31.03.2015	31.03.2014	31.03.2013	31.03.2012
EBIDTA ₹*	1,650.83	383.85	175.09	224.24	-158.89
EBIDTA % to Net Product Sales	8.48	2.45	1.12	2.16	-1.64
Return on Net Worth (%)	17.11	-12.02	-13.47	-8.20	-13.16
Net Asset Value per share	61.72	51.16	59.14	67.11	72.62

*Includes interest income

SCHNEIDER ELECTRIC PRESIDENT SYSTEMS LIMITED

Regd. Office: 5C/1, KIADB Industrial Area, Attibele, Bangalore -562107. CIN: L32109KA1984PLC079103
Phone:(080) 33437104, (080) 43333058 Fax: (080) 27820333 Website: www.schneiderelectricpresident.com
e-mail: vighneshwar.bhat@schneider-electric.com

NOTICE

NOTICE is hereby given that the Thirty Second Annual General Meeting of the Members of Schneider Electric President Systems Limited will be held on Thursday, 29th September, 2016 at 11.00 a.m. at 5C/1, KIADB Industrial Area, Attibele, Bangalore- 562107, Karnataka, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016 and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sugata Sircar (holding DIN No: 01119161) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Messrs S. R. Batliboi & Associates LLP, Chartered Accountants, (Reg. No. 101049W /E300004) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the Thirty Seventh Annual General Meeting of the Company subject to ratification by the shareholders annually, and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS

4. 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 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules 2014, the remuneration payable to M/s. Rao Murthy & Associates, Cost Accountants, (ICWA Registration No. 000065), who were appointed as the Cost Auditors of the Company by the Board of Directors, for conduct of the audit of the cost records of the Company for the financial year 2016-17 at a remuneration of ₹ 1,10,000 (Rupees one lakh ten thousand only) plus applicable taxes and out-of-pocket expenses, be and is hereby ratified and confirmed."

5. To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:
"RESOLVED THAT in accordance with the provisions of Section 67 and other applicable provisions of the Companies Act, 2013 and the rules, regulations, circulars, guidelines prescribed by any other authority, from time to time, to the extent applicable, approval of the Shareholders be and is hereby accorded to participate in the Worldwide Employee Share Ownership Plan (WESOP) Scheme (the Scheme) of the Ultimate Holding Company, Schneider Electric SE, France and to ratify the financial assistance provided by the Company pursuant to the Scheme to the employees of the Company during the year 2015-16.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make modification(s), suspend, withdraw or revive the Scheme as suggested by Schneider Electric SE, France, from time to time, and to approve, support by means of financial assistance or any other kind of support for the benefit of such person(s) who are/will be in the employment of the Company including Managing Director, Whole-time Director(s), Executive Director(s), Key Managerial Personnel of the Company and to approve such number of shares and at such price, in such manner, during such period in one or more tranches as it may deem fit under the Scheme.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any Committee of Directors of the Company or to any officer of the Company to give effect to this Resolution and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary and to settle any question, difficulty or doubt, whatsoever, as may arise with respect to the Scheme."

6. To consider, and if thought fit, to pass with or without modification(s) the following Resolution as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions if any, of the Companies Act, 2013 and the Rules framed thereunder including any amendment, modification, variation or re-enactment thereof, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into the transactions for sale, purchase of goods, materials, equipment and rendering/availing/sharing service to / from Schneider Electric Logistics Asia Pte. Ltd., Singapore a related party, subject to a maximum aggregate transactions value of ₹ 50 crores (Rupees Fifty crores only) in any financial year with the said related party.

RESOLVED FURTHER THAT the Board of Directors and/ or any of the Key Managerial Personnel of the Company be and is/ are hereby authorized jointly and/or severally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution."

**By Order of the Board
For Schneider Electric President Systems Limited**

Place : Bangalore
Date : 9th August, 2016
Registered Office : 5C/1, KIADB Industrial Area,
Attibele, Bangalore - 562107

Vighneshwar G Bhat
Company Secretary
ACS: 16651
Address: No. 14, Sapthagiri Nilaya, 6th Cross,
Kavery Layout, G. M. Palya, New Tippasandra,
Bangalore-560075, Karnataka

Notes:

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A proxy form duly completed and stamped, must reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid Meeting. 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.

Provided that a member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

- b. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts relating to the business at items 4 to 6 of the Notice as set out above, is annexed hereto.
- c. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).
- d. The Register of Directors and Key Managerial Personnel and their Shareholding and Register of Contracts or Arrangements in which Directors are interested, will be available for inspection by the members at the Annual General Meeting.
- e. Pursuant to the provisions of Section 124 of the Companies Act, 2013 (corresponding Section 205A of the Companies Act, 1956), unclaimed dividend for the financial year ended 31st March, 2008 was transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government.
- f. Members are requested to intimate immediately change of address, if any, to the Company's Registrar and Transfer Agents or Depository Participant, as the case may be.
- g. Members are requested to bring their copy of the Annual Report to the Annual General Meeting. Members/ Proxies should bring the Attendance Slip to the Meeting duly filled in, for attending the Meeting.
- h. Members, who hold shares under more than one folio in name(s) in the same order, are requested to send the related Share Certificate(s) to the Company's Registrar and Transfer Agents for consolidating the holdings into one account. The Share Certificate(s) will be returned after consolidation.
- i. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.
- j. All documents, transfers, dematerialization requests and other communications in relation thereto may be addressed to the Company's Registrar & Share Transfer Agents, at the address mentioned below:
- Universal Capital Securities Private Limited
21, Shakil Nivas, Mahakali Caves Road, Andheri (E) Mumbai 400 093
Telephone: +91-22-28207203-05 Fax : +91- 22-28207207
E-mail: karlekar@unisec.in Contact Person: Mr. Rajesh Karlekar/ Mr. Ravi Utekar
- k. Details in respect of the Director seeking re-appointment at the Annual General Meeting, forms integral part of the Notice. The Director has furnished the requisite declarations for his re-appointment.
- l. Electronic copy of the Annual Report for the year 2015-16 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the year 2015-16 is being sent to them in the permitted mode.

Members may also note that the Notice of the Annual General Meeting and the Annual Report for the year 2015-16 will also be available on the Company's website www.schneiderelectricpresident.com and NSDL e-voting website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Bangalore for inspection during normal business hours on working days. 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 shareholders may also send requests to the Company Secretary at email id: vighneshwar.bhat@schneider-electric.com

- m. Voting through electronic means:
- In compliance with provisions of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL). A separate document containing e-Voting details is enclosed in this Annual Report.
- n. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days, up to and including the date of the Annual General Meeting of the Company.

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the business at Items 4 to 6 of the accompanying Notice.

Resolution No. 4

The Board on the recommendation of the Audit Committee, appointed M/s. Rao Murthy & Associates, Cost Accountants, (ICWA Registration No. 000065) as Cost Auditors of the Company for the financial year 2016-17.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the Shareholders. It is proposed to pay a remuneration of ₹ 110,000.- + applicable taxes + out-of-pocket expenses at actual for the year 2016-17 to M/s. Rao Murthy & Associates.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in this Resolution.

The Board of Directors recommend the Resolution for your approval and ratification.

Resolution No. 5

Schneider Electric, at the group level has an Employee Stock Option Scheme called Worldwide Employee Share Ownership Plan (WESOP) Scheme (the Scheme) whereby employees of the Schneider Group have the option to subscribe the shares of Schneider Electric SE, France ("SE France") as employees of the group company.

The Scheme is available in 33 countries, covering approximately 1,30,000 employees of Schneider Electric. This evolution is due to Schneider Electric Group commitment to step up and to put an even greater part of our company in the hands of its employees so as to inculcate a sense of participation in the fortunes of the Company.

SE France is Ultimate Holding Company of your Company. Accordingly, employees of your Company are also entitled to subscribe shares of SE France.

Pursuant to Section 67 of the Companies Act, 2013, no public company shall give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of, or in connection with, a purchase or subscription made or to be made, by any person of or for any shares in the company or in its holding company unless the same is approved by the Company through a special resolution.

Under the Scheme, since the employer makes a matching contribution up to a limit, the net gains to the employees are expected to be positive, subject to unforeseen circumstances. This scheme has been found to be very effective for retention of key talent and hence will benefit the Company.

The full scheme is available for inspection by the members at the Registered Office of the Company and on its website.

None of the Directors except Mr. S. Venkatraman, Managing Director, Mr. Damodar Kalavala, Mr. Vighneshwar G Bhat, Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise and do not have any conflict of interest in the Resolution.

The Board recommends the Resolution as set out in the accompanying Notice for your approval in the interest of the Company.

Resolution No. 6

The Audit Committee and the Board of Directors of the Company at the Board Meeting held on 9th August, 2016, approved the enhancement of the limit of related party transactions with Schneider Electric Logistics Asia Pte. Ltd for Sale / Purchase of Goods, Materials, Equipments/ rendering/ availing/sharing of services from / to Schneider Electric Logistics Asia Pte. Ltd, a related party, subject to a maximum aggregate transactions value of ₹ 50 crores (Rupees Fifty crores only) in a financial year. The transactions with Schneider Electric Logistics Asia Pte. Ltd. Singapore as detailed below are estimated to be upto ₹ 50 crores (Rupees Fifty Crores only) in a financial year, which exceeds the 10% of the annual turnover of the Company as per the audited financial statements as on 31st March, 2016. The said transactions are in the ordinary course of business of the Company and wherever required are on a cost plus appropriate mark-up in adherence with the arm's length principle.

Other details as required as per the Companies (Meetings of Board and its Powers) Rules, 2014.

1. Name of the Related Party

Schneider Electric Logistics Asia Pte Ltd.,

2. Name of the Director or key managerial personnel who is related, if any

Nil

3. Nature of relationship

Fellow Subsidiary

4. Nature, material terms, monetary value and particulars of the contract or arrangement:

Nature	Particulars of the contracts and the material terms	Term of the Contracts	Monetary value
Sale, Purchase of goods, materials, equipment and rendering/availing/ sharing service	<p>For Sale / Purchase of Goods, Materials, Equipments etc., :</p> <p><u>On a cost plus mark-up basis:</u></p> <p>The Company shall pay to Schneider Electric Logistics Asia Pte. Ltd., Singapore all relevant direct and indirect costs (Including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties) plus an appropriate mark-up up to 5% determined in adherence to the arm's length principle in respect of purchase of Raw Materials. The Company shall charge all relevant direct and indirect costs (Including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties) plus an appropriate mark up of up to 8% in respect of sale of goods to Schneider Electric Logistics Asia Pte. Ltd. The mark-up shall be determined on a year to year basis.</p> <p>For rendering/ availing/sharing of services etc., :</p> <p><u>On a cost plus mark-up basis:</u></p> <p>In consideration of the performance of services, the Company shall pay to Schneider Electric Logistics Asia Pte. Ltd a consideration determined based on cost plus mark up principle. Cost shall mean all direct and indirect costs incurred by Schneider Electric Logistics Asia Pte. Ltd in fulfilling the provisions for each Project (including the overhead costs, other allocable costs and such other category of costs as mutually agreed to by both the Parties). The mark-up shall be up to 6% determined in adherence to the arm's length principle. The Mark up shall be up to cost plus 16% in case the Company provides service to Schneider Electric Logistics Asia Pte. Ltd.</p> <p>The mark-up shall be determined on a year to year basis.</p> <p>In case the goods are purchased for further trading, a specific method of mark-down will be followed.</p> <p>Mark-Down Method refers to the inter-company pricing model used by all Schneider Electric entities who act as routine sales and marketing entity. The goal of this pricing model is to provide the selling entity with a target profit of 3%.</p>	The contracts with the said related party shall be in effect and shall continue unless terminated by either Party with a notice period of Three (3) months	Upto ₹ 50 crores (Rupees Fifty crores only) in aggregate, in any financial year

5. Any other information relevant or important for the members to take a decision on the proposed resolution.

None

The Board recommends the above item of the notice for approval of members.

By Order of the Board
For Schneider Electric President Systems Limited

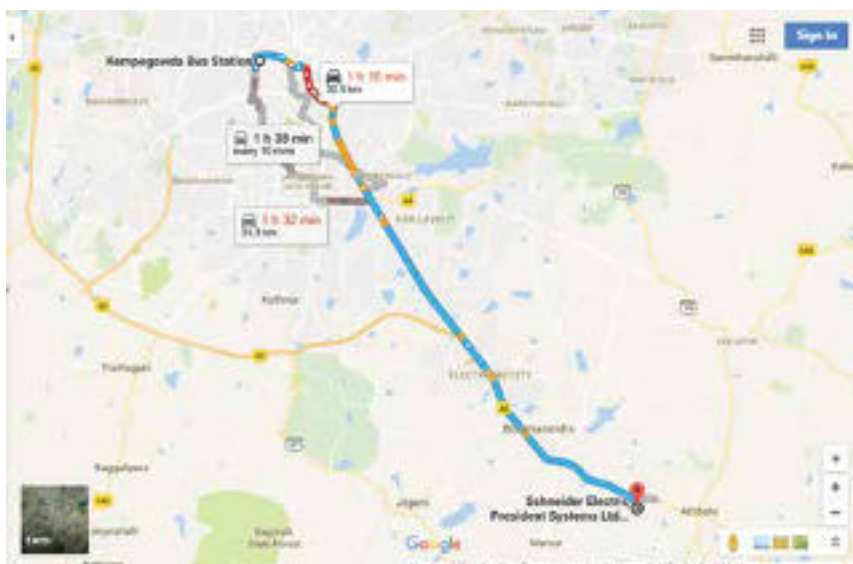
Place : Bangalore
Date : 9th August, 2016
Registered Office : 5C/1, KIADB Industrial Area,
Attibele, Bangalore - 562107

Vighneshwar G Bhat
Company Secretary
ACS: 16651
Address: No. 14, Sapthagiri Nilaya, 6th Cross,
Kavery Layout, G. M. Palya, New Tippasandra,
Bangalore-560075, Karnataka

Details of Director seeking re-appointment in the forthcoming Annual General Meeting

Name of Director	Mr. Sugata Sircar
Date of Birth	20/12/1963
Date of Appointment	13/11/2014
Qualification	FCA
Expertise in specific functional area	Expert in the Business Planning and Strategy, Business Analysis and Performance Management, Risk Management, Processes and Controls and other areas in Finance.
List of Companies in which Directorship is held	Schneider Electric Infrastructure Limited, Schneider Electric India Private Limited, Schneider Electric Systems India Private Limited, Eurotherm India Private Limited and Spreading Happiness Indiya Foundation
Chairman/Member of the Committee (s) of Board of Directors of Other Companies	Member of Audit Committee of Schneider Electric Infrastructure Limited
Committee Membership if any in Schneider Electric President Systems Limited	Member of Audit Committee, CSR Committee, Stakeholders' Relationship Committee and Risk Management Committee
No. of Shares held in the Company	Nil

Route Map to the Venue of the Annual General Meeting:



DIRECTORS REPORT

The Members,

SCHNEIDER ELECTRIC PRESIDENT SYSTEMS LIMITED

Your Directors take pleasure in presenting the Thirty Second Annual Report together with audited accounts for the year ended 31st March, 2016.

1. Financial details

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Gross Revenue from Operations	21,539.54	17,389.41
Net Revenue	20,226.97	16,581.24
Earning before interest and Depreciation (EBITDA)	1,650.83	383.85
Less: Interest	317.93	254.58
Depreciation	518.90	501.10
Profit / (Loss) before Tax	814.00	(371.83)
Less: Provision for Tax	175.28	--
Less: Deferred Tax Liability	--	--
Profit After Tax	638.72	(371.83)
Add: Balance brought forward	1,230.50	1,713.64
Less: Adjustment on account of depreciation	--	(111.32)
Profit available for distribution	1,869.21	1,230.49
Appropriation	--	--
Total Balance carried forward	1,869.21	1,230.49

2. Dividend

In view of low profit during the year, your Directors have not recommended any dividend for the year.

3. Performance

The Net Revenues (net of duties and taxes) during the year were ₹ 20,227 lakhs as against ₹ 16,581 lakhs in the previous year. Net Sales Turnover increased by 22% over the previous year.

During the year, there was increase in employee costs of ₹ 65 lakhs over previous year due to merit increase during the year.

Casual Labour cost was ₹ 667 lakhs as against ₹ 555 lakhs in previous year due to increase in sales volume. Power and fuel costs was ₹ 418 lakhs as against ₹ 384 lakhs in previous year due to tariff revision by Karnataka Electricity department. Legal and professional expenses were increased to ₹ 534 lakhs as against ₹ 442 lakhs in previous year. Advertising and sales promotion expenses increased to ₹ 91 Lakhs as against ₹ 30 lakhs in previous year. Loss on account of foreign exchange fluctuations (net) increased to ₹ 50 lakhs as against income of ₹ 45 lakhs in previous year. Improved business scenario and effective plant utilization resulted in to increase in EBITDA of ₹ 1,651 lakhs as against EBITDA of ₹ 384 lakhs in the previous year.

Revenue from processing at Zinc Plant decreased to ₹ 337 lakhs against ₹ 495 lakhs in previous year. Also revenue from services like Commissioning and Installation increased to ₹ 86 lakhs from ₹ 33 lakhs in previous year.

4. Directors and Key Managerial Personnel

Mr. Sugata Sircar, Director is liable to retire by rotation and being eligible and offers himself for re-appointment.

Mr. Nikhil Pathak, Mr. Pankaj Sharma, Directors and Mr. Ganesh Vaidyanathan Independent Director have resigned from the Board effective 1st March, 2016, 14th March 2016 and 19th March, 2016 respectively.

The following were Key Managerial Personnel during the year:

- 1) Mr. Swaminathan Venkatraman, Managing Director
- 2) Mr. Vighneshwar G Bhat, Company Secretary
- 3) Mr. Neeraj Garg, Chief Financial Officer (Up to 14th May, 2015)
- 4) Mr. Damodar Kalavala, Chief Financial Officer (From 21st May, 2015)

5. Auditors

The members of the Company, by passing a resolution at the Thirtieth Annual General Meeting of the Company, had appointed M/s. S. R. Batliboi & Associates LLP, Chartered Accountants (Reg. No. 101049W/E300004) as the Statutory Auditors of the Company till the conclusion of Thirty Second Annual General Meeting subject to yearly ratification by the Shareholders. Their appointment will

be ceased from the conclusion of the ensuing Annual General Meeting. Considering they are eligible for a term of another 5 years, the Board at its Meeting held on 30th May, 2016 approved the appointment for a further period of five years i.e. from the conclusion of Thirty Second Annual General Meeting till the conclusion of Thirty Seventh Annual General Meeting. The Statutory Auditors have confirmed their eligibility and the Board proposed to re-appoint them for a further period of 5 years.

The Board on the recommendation of the Audit Committee, has appointed M/s. Rao, Murthy & Associates, Cost Accountants as Cost Auditors of the Company for the Financial Year 2016-17.

6. Deposits

The Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

7. Subsidiary Companies

Your Company has no Subsidiary Company.

8. Technical Knowhow

The Company is fully capable of evolving its own designs as well providing the support required for the operations of the Company.

9. Conservation of Energy etc.

Information as per the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 2014 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure 'I' forming part of this report.

10. Secretarial Audit

Secretarial audit report as provided by M/s. Nesar & Associates, Practicing Company Secretaries is annexed to this Report as Annexure II.

11. Reserves

₹ 638.72 lakhs was transferred to General Reserves for the year ended 31st March, 2016.

12. Share Capital

The paid up Equity Share Capital of the Company as on 31st March 2016 was ₹ 60,480,000. During the year under review, there has been no change in the Equity Share Capital of the Company.

13. Board Meetings

The Board of Directors met four (4) times (21st May 2015, 6th August 2015, 5th November 2015 and 9th February 2016) during this financial year.

14. Declaration from Independent Directors on Annual Basis

The Company has received necessary declaration from all Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6). The Board has duly taken note of the same.

15. Composition of the Committees

Composition of the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee are given below :

(A) Audit Committee

Audit Committee of the Company comprises three Directors. Out of three Directors, two are Independent Directors. The composition of the Audit Committee during the year was as under:

Mr. Shravan Sharma	Chairman - Independent Director
Mr. Ganesh Vaidyanathan	Member - Independent Director (Up to 9 th February, 2016)
Mr. V. S. Vasudevan	Member - Independent Director (From 9 th February, 2016)
Mr. Sugata Sircar	Member

Mr. Vighneshwar G Bhat is Secretary to the Committee.

Required Executives of the Company, The Internal Auditor, representatives of the Statutory Auditors and Cost Auditors are invitees to the relevant meetings of the Audit Committee. The Managing Director is the permanent invitee to the Audit Committee Meetings.

The terms of reference and powers of the Audit Committee include overseeing the Company's financial reporting process and the disclosure of its financial information, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, reviewing reasons for the substantial defaults in the payment to depositors, shareholders and creditors if any and review the function of the Whistle Blower Mechanism.

The Audit Committee acts as a link between the management, external and Internal Auditors and the Board of Directors.

(B) Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprises of following three Non Executive Directors.