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**ANNUAL
REPORT
2017-18**



EPIC ENERGY LIMITED

An: ISO 9001:2015 Company
A BEE Short Listed ESCO Company
www.epicenergy.biz



**‘The practice of
Conservation must spring from
a conviction of what is ethically and
aesthetically right, as well as what is
economically expedient.**

**A thing is right only when it tends to
preserve the integrity, stability and beauty of
the community, and the community includes
the soil, water, fauna and flora, as well as
people’**

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Annual General Meeting

Date & Time:

Saturday, September 29, 2018 at 09.30 a.m.

Venue:

South Coast Hotels & Hospitality Services,
RX 31, MIDC, Thane Belapur Road,
Opp. Rabale Railway Station,
Navi Mumbai- 400 701

Book Closure Date:

September 23, 2018 to September 29, 2018

Corporate Information

BOARD OF DIRECTORS (as on March 31, 2018)

Chairman

Mr. Nikhil Morsawala

Independent Non-Executive Director

Mr. Sanjay Gugale

Independent Non-Executive Director

Mr. Brian Dsouza

Non-Executive Director

Mrs. Veena Morsawala

KEY MANAGEMENT PERSONNEL

Head – Western India

Mr. Bharat Mehta

Head- Projects

Mr. Jigar Bhatt

Vendor Management (Domestic)

Mr. C.V.Nigre

ENVIRONMENT MANAGER

Mrs. Aruna Joshi

ENGINEERING TEAM LEADERS

Mr. Satish Mahajan

Mr. Satish Gohil

COMPLIANCE OFFICER

Mr. Atul Mishra

AUDITORS

P. Murali & Co.

Chartered Accountants

REGISTRAR AND SHARE TRANSFER AGENT

Adroit Capital Services Private Ltd.

17-20, Jafferbhoy Industrial
Estate, Makhwana Rd,
400059, Marol, Andheri East,
Mumbai, Maharashtra 400059

Phone: 022 4227 0400

BANKERS

Axis Bank Limited

Bank of India Limited

REGISTERED OFFICE

Office No. 1, Ground Floor, "SUNSHINE WILLOWS", Plot No.
18, Sector-8, Ghansoli, Navi Mumbai-400701

Phone: 022 - 8419988262

CIN: L67120MH1991PLC063103

E-mail: info@epicenergy.biz

Website: www.epicenergy.biz

BRANCH OFFICE

AHMEDABAD

3, Poojan Apartment,
Karnavati Society,
Opp. Ratilal Patel Hall,
Bhairavnath Road,
Maninagar, Ahmedabad-28

GODHRA

133, Shreemali Wadi, Prabhakunj
Society,
Godhra-389001.

International Offices at U.S.A. & Canada

CHAIRMAN'S STATEMENT

Dear Members,

The ongoing monsoon mayhem in South India, especially in Kerala, with the accompanying loss of hundreds of precious lives and unprecedented scale of human suffering, should serve as a stark reminder to all of us of the impact that Climate Change has on Weather Patterns all over the world. I would like all of you to join me in praying for the safety of all our brothers and sisters in South India who have been affected by the ongoing floods. Let us all pledge to help in any which way that we can.

As world citizens, we must renew our vows to be fully conscious of the Environment as we live our daily lives. We must all ensure that we do our bit to preserve all the elements of Nature that we come across daily. The recent ban of the use of certain types of plastic by some Government Regulators should be followed scrupulously by all of us, both in letter and in spirit.

On the Economic front, the rising Oil prices and the currency crisis in some parts of the World leading to a highly weakened Rupee have brought some ominous looking clouds on the horizon. Going into an Election year, Governments both at the States and the Center, may not be in a position to administer bitter economic medicines to correct the situation. We may therefore see some more economic stress in the coming year. At the micro economic level, the maturing of the GST implementation over the past year and a half is now having a very positive impact on the Tax administration. The Ease of Doing business in India is definitely improving. This will have a larger positive impact on the flow of Foreign Investments in India.

With rising oil prices, the need for Energy Efficiency will be felt more acutely by heavy consumers of power. This may be a positive for our company, because high power price always improve the ROI of our products, thereby increasing their demand. As a company, we continue to focus on our Energy Efficiency Solutions and our LED retrofit offerings.

As per my annual practice, I would like to wish all members and **EENDIANS (Energy Efficient Indians)** all the very best for the coming festival season.

Save Power. Save the Earth.

Yours in Energy Efficiency

Nikhil Morsawala
Chairman

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Board's Report

To,
The Members of
EPIC ENERGY LIMITED

Your Directors are pleased to present the 27th Annual Report and the Company's Audited Financial Statements for the Year ended on March 31, 2018.

FINANCIAL RESULTS:

The Company's financial performance, for the year ended March 31, 2018, is summarised below:

Particulars	2017-18	2016-17
	(INR in lakh except EPS)	(INR in lakh except EPS)
Total Revenue	1,872.24	1,953.10
Operating Profit before Depreciation & Tax	31.04	52.62
Less: Depreciation	37.96	116.81
Profit before exceptional and extraordinary items and tax	(6.92)	(64.20)
Exceptional Items	-	(229.59)
Profit before tax	(6.92)	(293.78)
Less: Provision for tax	62.88	-
Net Profit after tax	(69.80)	(293.78)
Other Comprehensive Income / Loss for the year (net of tax)	-	-
Total Comprehensive Income	(69.80)	(293.78)
Balance of profit and loss account brought Forward	(253.44)	40.34
Less:-Transfer to General Reserve	-	-
Balance carried to Balance sheet	(323.24)	(253.44)
Earnings per share (basic/diluted)	(0.97)	(4.07)

Financial highlights

Sales

Your Company posted a turnover of Rs. 1872.24 lakh in the financial year ended on 31st March, 2018, as compared to Rs. 1953.10 lakh in the previous year.

Profitability

Your Company's Loss before exceptional and extraordinary items and tax for the year ended 31st March, 2018, was recorded at Rs. 6.92 lakh, as compared to a Loss of Rs. 64.20 lakh in the previous year.

Earnings per share

EPS was at Rs. (0.97) as on 31 March, 2018, as against Rs. (4.07) as on 31 March, 2017.

Transfer to Reserves

There is no proposed amount to be transferred to the General Reserve.

Net Worth

The Company's net worth as on 31st March, 2018, was at Rs. 759.25 lakh as compared to Rs. 829.05 lakh as on 31st March 2017.

DIVIDEND:

The Directors do not recommend any dividend for the Financial Year ended on 31st March, 2018.

REVIEW OF OPERATIONS

During the current year, your company continued to play a significant role in the Energy Efficiency Market in the organized sector. Our initial project in the LED retrofitting market in one Nagar Pailka in Gujarat for 6,200 luminaries was expanded by a further 1,500 luminaries. We hope to implement similar projects in the coming years.

Energy Efficiency technologies have undergone a sea change over the last three to five years. With advanced Lighting Technology and more efficient home and office appliances with in-built energy efficiency technologies being launched in the market, the type of external energy efficiency products required to enhance energy efficiency has changed substantially. To keep ourselves relevant in an everchanging market, we have forged alliances with leading manufacturers of energy efficient equipment who also have cutting edge R & D initiatives.

Your company wishes to acknowledge the Bureau of Energy Efficiency's continued efforts to promote energy efficiency in every walk of life, which has led to ESCOs gathering sufficient traction in the Indian Energy Market.

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LISTING OF SECURITIES

The Company's Equity Shares are listed on the Bombay Stock Exchange Limited (BSE).

The Company has already paid the listing fees to Bombay Stock Exchanges for the Financial Year 2017-18.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Board Meeting

The Board consisted of four members as on 31st March, 2018, two of whom are Independent Non Executive Directors. Regular meetings of the Board are held at least once in a quarter, inter-alia, to review the quarterly results of the Company. Additional Board meetings are convened to discuss and decide on various business policies, strategies and other Businesses.

During the year under review, Board of Directors of the Company met four times, viz 13th July, 2017, 14th August, 2017, 14th November, 2017, and 14th February, 2018.

Committee of Board

Your Company has several Committees which have been established as part of best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Grievances and Relationship Committee

A detailed note on the committees with respect to composition, meeting, powers, and terms of reference is provided under the corporate governance report section in this Annual Report.

Appointment, Re-appointment and Resignation of Directors

The appointments of Mr. Brian D'Souza and Mrs. Veena Morsawala as Directors are due for renewal/regularization at the forthcoming AGM. Your Directors commend their appointment. None of the other Directors, except Mr. Nikhil Morsawala (in respect of the appointment of Mrs Veena Morsawala) are interested in this Resolution.

Details of Key Managerial Personnel

Mr. Nikhil Morsawala, Chairman and Mr. Atul Mishra, Compliance Officer, are the Key Managerial Personnel as per the provisions of the Companies Act, 2013 and were already in the office before the commencement of the Companies Act, 2013. None of the Key Managerial Personnel has resigned or appointed during the year under review.

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Nomination and Remuneration Policy

The Company has, in order to attract motivated and retained manpower in competitive market, and to harmonies the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing agreement as amended from time to time, devised a policy on the nomination and remuneration of Directors, key managerial personnel and senior management.

Key points of the policy are:

A. Policy on appointment of Directors, key managerial personnel and senior management personnel

- The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and senior management personnel and recommend to the Board for his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment.
- In case of appointment of Independent Director, the Committee shall satisfy itself with regard to the independent nature of the Director vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

B. Policy on remuneration of Director, key managerial personnel and senior management personnel. The Company's remuneration policy is driven by the success and performance of the Director, KMP and Senior Management Personnel vis-à-vis the Company. The Company's philosophy is to align them and provide adequate compensation with the Objective of the Company so that the compensation is used as a strategic tool that helps us attract, retain and motivate highly talented individuals who are committed to the core value of the Company. The Company follows a combination of fixed pay, benefits and performance-based variable pay. The Company pays remuneration by way of salary, benefits, perquisites and allowance. The remuneration and sitting fees paid by the Company are within the salary scale approved by the Board and Shareholders.

Board Evaluation

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and individual Director. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors excluding the director being evaluated. A structured questionnaire was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and Committees, culture, execution and performance of specific duties, obligation and governance.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The Board approved the evaluation results as suggested by the Nomination and Remuneration Committee. The performance evaluation of the Independent Directors was completed. For the year under review, the Independent Directors met on 30th May, 2018, interalia, to discuss:

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- Performance evaluation of Independent Directors and Board of Directors as a whole;
- Performance evaluation of the Chairman of the Company;
- Evaluation of the quality of the flow of information between the Management and Board for effective performance by the Board. The Board of Directors expressed their satisfaction with the evaluation process.

PUBLIC DEPOSITS

During the period under review, the Company has not accepted deposits from shareholders and public falling within the ambit of Section 73 of the Companies Act, 2013 and rules made thereunder.

SHARE CAPITAL

The paid-up equity share capital as at 31st March, 2018, stood at Rs. 7,21,15,000.

VIGIL MECHANISM

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report instances of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct to the management. Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safeguards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. No whistle blower has been denied access to the Audit Committee of the Board.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

There were no incidences of sexual harassment reported during the year under review, in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, a separate section on Corporate Governance and the certificate obtained from practicing Company Secretary confirming its compliance is provided separately and forms a part of this Report. The Board of Directors supports the basic principles of corporate governance. In addition to this, the Board lays strong emphasis on transparency, accountability and integrity.