



SRM ENERGY LIMITED

**33rd Annual Report
2019-2020**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Vishal Rastogi
Mr. Vijay Kumar Sharma
Mrs. Tanu Agarwal
Mr. Shailesh Kumar Singh

Managing Director
Non-Executive & Non-Independent Director
Non-Executive & Independent Director
Non-Executive & Independent Director

CS & COMPLIANCE OFFICER

Mr. Suvindra Kumar

CHIEF FINANCIAL OFFICER (CFO)

Mr. Raman Kumar Mallick

BANKERS

Axis Bank Limited

STATUTORY AUDITORS

M/s VATSS & Associates

CIN: L17100DL1985PLC303047

REGISTERED OFFICE

21 Basant Lok Complex, Vasant Vihar, New Delhi - 110057

REGISTRAR & SHARE TRANSFER AGENTS

MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area Phase-1,
New Delhi - 110020.
Tel. No : 011-41406149/50/51
Fax : 011-41709881
Email : admin@mcsregistrars.com
Website : www.mcsregistrars.com

LISITNG OF SECURITIES

The Bombay Stock Exchange Ltd. (BSE Ltd.)
PhirozeJeejeebhoy Towers,
25th Floor, Dalal Street, Mumbai- 400001
[SCRIP CODE - 523222]

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NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the members of SRM Energy Limited will be held on Wednesday, September 30, 2020 at 11:00 a.m. at Federation of Indian Export Organisations, Niryat Bhawan, Rao Tula Ram Marg, OPP. Army Hospital Research and Referral, New Delhi 110 057, to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1: Adoption of Financial Statement:

To receive, consider and adopt the audited financial statements (including audited consolidated financial statements) of the Company for the financial year ended 31st March, 2020 and the Reports of Director's and Auditor's thereon.

Item No.2: Appointment of Directors:

To appoint a Director in place of Mr. Vijay Kumar Sharma (DIN-03272034) who retires by rotation and being eligible, offers himself for reappointment.

Item No.3: Appointment of Auditors

To consider and if thought fit, with or without modification, the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to Section 139 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014; the consent of the members of the company be and is hereby accorded to appoint **M/s Saini Pati Shah & Co, LLP, Chartered Accountants (FRN:137904W/W100622)**, as Statutory Auditors of the Company for five years commencing from the conclusion of this Annual General Meeting (from the Financial year 2020-21) till the conclusion of the Annual General Meeting to be held for the Financial Year 2024-25 on such remuneration and terms and conditions as decided by the Board in consultation with the Auditors."

RESOLVED FURTHER THAT all actions to be taken by the Board in connection with any matter referred to above or any action contemplated in the foregoing resolution (including alteration in the audit fee, in future, with the consent of auditor) are hereby approved, ratified and confirmed in all respects."

By Order of the Board of Directors

(Suvindra Kumar)

Company Secretary & Compliance Officer

ACS - 22747

Place: New Delhi
Date: August 21, 2020

NOTES relating to the safeguard against COVID-19 and spread of Corona Virus:

- A. **Members/Proxy Holders are requested to mandatorily ensure that they wear mask/face cover while coming to attend the Annual General Meeting of the Company. It is instructed that the members should not remove mask during their presence at the meeting venue.**
- B. . The Company shall make necessary arrangements of the following at the AGM Venue and at its entrance:
- Hand sanitization/Hand Wash:** Members/Proxies are instructed to mandatorily sanitize/wash their hand before entering into the premises. Also the sanitizer/disinfectant shall be placed at the prominent places of AGM Venue.
 - Thermal Scanning:** Thermal scanning/body temperature shall be monitored at the entrance of the AGM Venue.
 - Social Distancing Norms:** Members/Proxies are requested to mandatorily follow the Social Distancing norms, i.e. the distance of 6 feet between two person, at the registration counter, while attending the AGM, casting their votes and at the time of leaving the AGM Hall.
 - Members/Proxies are advised to avoid (as far as possible) Face-to-face meetings/discussions/interactions with each other. Even any discussion/interaction is made amongst the members, they should ensure that their face is covered with the mask and also the necessary social distancing is maintained.
 - Members/Proxies are advised to avoid Frequently touching the places like handles of the gates, door knobs, hand rails etc. However the Company will ensure that such places are frequently sanitized at regular intervals.
 - The members/proxies are requested to clean their personal belongings like hand bag, folders etc. by themselves using ethanol based disinfectant frequently. The Company will ensure placing the disinfectant/sanitizer at conspicuous places.
 - Used face masks and gloves should be discarded in bio-medical waste bin only.
- C. The entry in the AGM venue shall be subject to fulfilling all the above instructions.

NOTES

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER TO BE EFFECTIVE, THE PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING. BLANK PROXY FORM IS ENCLOSED.**

"Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution / authorisation, as applicable."

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect proxies lodged at any time during the business hours of the Company, provided that not less than 3 days' notice is given in writing to the Company.
3. In case of Joint holders attending the meeting, only such holder who is higher in the order of names will be entitled to vote.
4. Corporate Members intending to send their authorised representative to attend the meeting are requested to send to the Company/ RTA, in advance, a duly certified copy of the Board Resolution/ letter of authority together with the respective specimen signatures of those representatives authorised under said resolution/letter to attend and vote on their behalf at the meeting.
5. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **the Register of Members and the Share Transfer Books of the Company will remain closed from Thursday 24th September, 2020 to Wednesday 30th September, 2020 (both days inclusive)** for annual closing.
6. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The members are requested to
 - a. note that copies of Annual Report will not be distributed at the Annual General Meeting.
 - b. Company shall ensure that the soft copies of the Annual Report is being provided to all the members attending the Annual General Meeting.
 - c. **I In case shares are held in physical form:**

Notify immediately the change of address, if any, to the Company at 21 Basant Lok Complex, Vasant Vihar, New Delhi-110057 or to the Registrar and Share Transfer Agent of the Company, MCS Share Transfer Agent Limited, F-65, 1st Floor, Okhla Industrial Area Phase I, New Delhi-110020 quoting their folio number.

II In case shares are held in dematerialized form: notify to their depository participants, change/correction in their address/ bank account particulars etc. as the Company uses the information provided by Depositories in respect of shares held in dematerialized form.
 - d. Send, in case of those members who have multiple accounts in identical names or joint names in same order, all the share certificates to the Registrar and Share Transfer Agent of the Company, MCS Share Transfer Agent Limited at the aforesaid address for consolidation of all such shareholdings into one account to facilitate better service.
8. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m on all days except Saturday, Sunday and Public holidays up to the date of the Annual General Meeting.
9. Members desirous of getting any information on any items of business proposed to be transacted at this Meeting are requested to address their queries to Company Secretary of the Company at the registered office of the company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.
11. Annual listing fee for the year 2020-21 has been paid to Stock Exchange wherein shares of the Company are listed. Also, the Annual Custodian Fee for the year was paid to both Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited.
12. **Pursuant to Sections 101 and 136 of the Companies Act, 2013, read with rules made thereunder and also as per the circular no.- 20/2020 dated 5th May, 2020, issued by Ministry of Corporate Affairs the Annual Report 2019-20 is being sent through electronic mode only. No Annual Report is being sent through physical mode to any shareholders. The Annual Report will also be available at the Company's registered office for inspection during normal business hours on all working days and is also available on Company's website "www.srmenergy.in".**
13. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with Depositories/ RTA. Members who have not registered their e-mail addresses so far or who want to update their e-mail address, are requested to approach their respective DP (for electronic holding) or with RTA/ Company (for physical holding), for receiving all communication including Annual Report, Notices, Circulars etc. of the Company electronically.
14. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015, e-voting facility is being provided to the members. Details of the e-voting process and other relevant details are provided to all the Members at the end of the Annual Report, 2019-20. The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM and who have not cast their vote electronically shall be able to exercise their right at the AGM through ballot paper. Members who have cast their vote by e-voting may attend the AGM but shall not be entitled to cast their vote again.

15. **Voting through Electronics Means-** A detailed instructions and related write ups, on **Electronic Voting Process**, which forms part of this notice, is given at the end of this Annual Report. Shareholders are requested to kindly follow the said process for casting their vote electronically.
16. The Securities and Exchange Board of India (SEBI) has mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of Securities.
17. Route Map and details of prominent landmark of the venue of the meeting is annexed with this notice.

18. Important Communication to Members

SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above, Shareholders holding shares in physical form, are advised to dematerialize their shares.

NOTES ON DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AS REQUIRED UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND IN TERMS OF SECRETARIAL STANDARDS-2:

Name of Director	Mr. Vijay Kumar Sharma
DIN	03272034
Brief Resume and Nature of his expertise in specific functional areas	He is a Bachelor in Science from Punjab University. He has been associated in the corporate sector since last 41 years. He is having vast and varied experience in the field of accounts, finance and marketing. He has also handled the job relating to marketing of various products of the Company mainly in Laboratory Chemicals. He is a Non-Executive and Non Independent Director of the Company.
Date of Birth	16 th May, 1948
Qualifications	Bachelor in Science from Punjab University
Terms and conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Vijay Kumar Sharma shall retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers himself for re-appointment.
Details of Remuneration and remuneration last drawn	NIL
Date of first appointment in the Board	15 th March, 2019
Shareholding in the Company	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel (if any)	NA
Number of Meetings of the Board attended during the year	Details mentioned in the Corporate Governance Report
Details of other Directorships in other Companies	He is serving the following Companies, as a Director: 1. Metropolitan Minerals Private Limited 2. Chemical Distributors (I) Limited 3. SRM Energy Tamilnadu Private Limited 4. Green Field Land and Development Housing Private Limited He does not hold Directorship in any other Listed Company apart from this Company.
Details of Membership/Chairmanship of Committees of the Boards in other Companies	NIL

Details/ disclosures required under regulation 36 (5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t appointment/re-appointment of Statutory Auditor of the company:

Item No. 3:

As per the provisions of Companies Act, 2013 (hereinafter referred to as "the Act") and the relevant Rules made there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), it is proposed to appoint **M/s. Saini Pati Shah & Co, LLP, Chartered Accountants (Firm Registration No. 137904W/W100622)** as Statutory Auditors of the Company in place of M/s. VATSS & Associates, Chartered Accountants (Firm Registration No. 017573N), whose term expires with the conclusion of the ensuing Annual General Meeting (AGM).

The Audit Committee and Board of Directors of the Company have recommended the appointment of M/s. Saini Pati Shah & Co, LLP as Statutory Auditors of the Company for a term of five (5) consecutive years from the conclusion of ensuing AGM, (i.e., from F.Y. 2020-21) to the AGM held in the year 2025 (i.e, upto the conclusion of the AGM held for FY 2024-25).

Additional information about Statutory Auditors pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) is provided below:

Terms of Appointment	For a term of five (5) Consecutive years from the conclusion of the scheduled AGM to be held on 30.09.2020 (i.e. w.e.f F.Y. 2020-21) till the conclusion of the AGM held for the F.Y. 2024-25
In case of new Auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	Annual Statutory fee paid to the outgoing auditor is Rs. 1,40,000/- except the applicable taxes and out of pocket expenses, however the statutory fee fixed for the proposed auditor is Rs. 1,20,000/-. The reduction in the audit fee has been made consecutive for the second year. The audit fee for the outgoing auditor was revised from Rs. 2,00,000 to Rs. 1,40,000 (except applicable taxes and out of pocket expenses) in the previous year with mutual consent of the concerned auditor. The reduction in the audit fee was made considering the quantum of work, number and nature of transactions, and the overall financial position of the Company.
Basis of recommendation for appointment including the details in relation to and credentials of the Statutory Auditor(s) proposed to be appointed	SAINI PATI SHAH & CO. LLP is a Chartered Accountants Firm founded in the year 1994, having its headquarter in Mumbai, branch offices in New Delhi and Associates in other parts of country. It is a multi- disciplinary Audit firm, catering to various clients in diverse sectors. The range of services includes Audit, Assurance, Risk, Taxation, Accounting and Advisory Services. SAINI PATI SHAH & CO. LLP holds the valid Peer Review Certificate as Issued by the Institute of Chartered Accountants of India.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested financially or otherwise in this resolution set out at Item no. 3 of the Notice.

The Board accordingly recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval of the Members.

By Order of the Board of Directors

Place: New Delhi
Date: August 21, 2020

(Suvindra Kumar)
Company Secretary & Compliance Officer
ACS-22747

DIRECTOR'S REPORT

To

The Members of SRM ENERGY LIMITED

The Directors are pleased to present to you the Thirty Third Annual Report of your company along with the audited standalone and consolidated Financial Statements of Account for the year ended 31st March, 2020.

1. Financial Summary/highlights on Performance of the Company (Standalone & Consolidated):-

(in Rs. Million)

Particulars	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from Operations	-	-	-	-
Other Income	0.85	-	1.33	-
Total Revenue	-	-	-	-
Operational Expenses	-	-	-	-
Employee Benefit Expenses	3.34	2.13	3.34	2.13
Interest and Finance Charges	-	-	-	-
Depreciation and Amortizations	-	-	139.92	30.00
Other Expenses	1.14	1.98	24.53	1.98
Total Expenses	4.47	4.11	167.79	34.11
Profit/(Loss) before exceptional items	(3.62)	(4.11)	(166.46)	(34.11)
Exceptional Items	-	-	-	-
Profit/(Loss) for the year	(3.62)	(4.11)	(166.46)	(34.11)

2. Covid-19 Corona Pandemic:

In the month of December 2020, the infection due to COVID-19 was first reported in China. By the early of March, 2020 this contagious disease had taken a form of global pandemic which further turned into a global crisis. Various Governments in the world were forced to impose lock-down in the countries stopping the gross economic activities. In our country the lockdown remained till mid of the May, 2020.

The Company had shut its office effecting from 19th March, 2020 as a major safeguard against the spread of Corona virus also all the preventive measures as per the various circulars of Government of India and State Government was followed and adhered to. Further in lack of the business operations and turnover in the Company, no such impact on the profitability and cash flow etc. was made. However, the Board has remained vigil towards the internal control system. The Company has been disclosing and complying with the necessary requirements of the Law including the Listing Regulations. A due declarations about the impact of Corona Covid-19 has also been made in the Financial statement ending 31st March, 2020.

3. Dividend

There is no operating income or profit, hence no dividend is being recommended.

4. Reserves

There is no surplus available to be carried forward to reserve. However the negative balance in the Profit/Loss account has been accounted for with the reserves.

5. Results of Business Operations and the State of Company's Affairs

The project status of the Company remained static since the last reporting. However, we have been apprising you that it could not take off due to various reasons which included the unfavorable industrial scenario, change in the policies of the Govt. (over the period of time), status of the land acquisition and overall investment of the promoters being low etc. In the previous year, the subsidiary has also initiated to sell the land of the project as per the approval obtained from the shareholders. Hence as of now the project has been into the status of abandon.

During the financial year ended 31st March, 2020, the Company has reported Standalone and Consolidated Profit/Loss before Tax of Rs. (3.62) millions and Rs. (166.46) millions, respectively.

The aforesaid continued adverse situation of the Company has led into the further reduction of Net worth of the Company, which further slipped from (Rs. 16.90) millions of the 2018-19 to (Rs. 20.52) millions of 2019-20. The losses of the Company has been (Rs.3.62) millions for 2019-20 which has further increased the negative Reserves to (Rs.111.12) millions in 2019-20 from (Rs.107.50) Millions in 2018-19. Though the promoters have been infusing funds to meet the liabilities and future running expenses of the Company.

In our previous reports, we had explained you in detail about the Loan obtained by the subsidiary Company. The total loan balance at the end of the financial year was Rs. 44,02,55,603. The sale process of the land is under the process and till the end of this reporting year, 97.68 acres of Land has been sold for Rs. 2,93,02,500/-.

6. Change in Nature of Business

In FY 2019-20, there was no change in the nature of business of the Company.

7. Material changes and commitment if any affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of the report

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year, i.e., 2019-20 till the date of this report i.e. 21st August, 2020.

8. Consolidated Financial Statement

As per Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), applicable provisions of the Companies Act, 2013 ("Act") read with the rules issued thereunder and Indian Accounting Standard (AS)-110 on Consolidated Financial Statements, the Audited Consolidated Financial Statement for the F.Y. ended 31st March, 2020 is provided in this Annual Report.

During the year, the Board of Directors reviewed the affairs of the subsidiary in accordance with Section 129(3) of the Act. Consolidated financial statements together with the auditor's report form part of this annual report

9. Internal Financial Controls

The Company has in place adequate Internal Financial controls with reference to financial statements, which ensures the safeguard of all assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records etc. The Company has also adopted certain policies which ensures the comprehensive and effective management control and necessary compliances under various laws; such policies are, Vigil Mechanism Policies/ Whistle Blower Policies and Risk Management Policy.

The Audit Committee reconsidered and reviewed the Internal Financial Control and Risk Management system to which the statutory auditors confirm that the Company's Internal Financial control is adequate. The report on the Internal Financial Control issued by M/s. VATSS & Associates, Chartered Accountants, Statutory Auditors of the Company in compliance with the provisions under the Companies Act, 2013 is forming part as Annexure A of the Auditor's Report for the F.Y. 2019-20.

10. Subsidiaries, Joint Ventures and Associate Companies

During the year under review, your Company has one wholly owned Subsidiary Company (WOS) viz. SRM Energy Tamilnadu Private Limited and it does not have any Joint Ventures and Associate Companies. The company regularly keeps a track on operational activities of its wholly owned subsidiary.

However, the members are requested to note that the said subsidiary could not commence its operations till date.

Material Subsidiary

In terms of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance

with the corporate governance provisions as specified in regulation 24, i.e., with respect to subsidiary of listed entity does not apply to the Company during the period under review. The Company has adopted a Policy for determining Material Subsidiaries in terms of Regulation 16(1)(c) of the Listing Regulations. The Policy, as approved by the Board, is uploaded on the Companies Website which can be viewed on the Company's website at the below link:

<http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Policy%20for%20Determining%20Material%20Subsidiary.pdf>

11. Extract of Annual Return

Pursuant to Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is provided in **Annexure-1** to this Report.

12. Performance and financial position of each of the Subsidiaries, Associates and Joint Venture Companies included in the Consolidated Financial Statement.

Your company has one wholly owned subsidiary company i.e. SRM Energy Tamilnadu Private Limited. Pursuant to the provisions of Section 129 (3) of the Companies Act, 2013, a statement containing the salient features of the financials statements of all the Joint Ventures/ Subsidiaries in form AOC-1 is annexed hereto as **Annexure-2** and, hence, not repeated here for the sake of brevity. Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, these financial statements are also placed on the Company's website at <http://www.srmenergy.in/Home/AnnualReports>

Copy of these financial statements shall be made available to any Member of the Company, on request. In accordance with Section 136 of the Companies Act, 2013 and the applicable Accounting Standard on the Consolidated Financial Statements, your Directors have attached the consolidated financial statements of the Company which form a part of the Annual Report.

The board has also explained about the material developments with the subsidiary Company above at Point No. 5.

13. Deposits

The Company has not accepted any deposits, thus far, within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. The Ministry of Corporate Affairs vide Notification dated 22nd January, 2019 and 30th April, 2019 had mandated every company to file a form DPT-3 which requires to provide the details of deposit received or particulars of transactions not considered as deposits. The Company has duly complied with the requirements.

14. Statutory Auditors & Auditor's Report

At the Annual General Meeting held on 30th September, 2015 M/s VATSS & Associates, Chartered Accountants (ICAI Firm Registration No. 017573N) were appointed as Statutory Auditors of the Company for a period of 5 years to hold office till the conclusion of the Annual General meeting to be held in Financial year 2020-21. They have successfully completed

the audit of the Company for the financial year 2019-20. Their tenure shall be completed with the conclusion of the ensuing Annual General Meeting. The Company is required to appoint a fresh auditor.

In view of the above, the Board considered the appointment of a new auditor. The Board found M/s Saini Pati Shah & Co, LLP, Chartered Accountants (ICAI Firm Registration No. 137904W/W100622) suitable to replace the retiring Auditors M/s VATSS & Associates. The Board recommends to appoint M/s Saini Pati Shah & Co, LLP, Chartered Accountants (FRN: 137904W/W100622), Mumbai, as statutory auditors of the company to hold office for a period of 5 years from the conclusion of this Annual General Meeting (from the Financial Year 2020-21) till the conclusion of the Annual General Meeting to be held for the Financial Year 2024-25 on such remuneration and terms and conditions as have been decided by the Board with their mutual consent.

Also to note that the Board has received necessary Certificate and Consent from M/s Saini Pati Shah & Co, LLP, Chartered Accountants (FRN:137904W/W100622) for the purpose of appointment for the aforesaid period. Their appointment is being placed before the shareholders for approval in the ensuing Annual General Meeting of the Company.

The Report given by the Auditors (M/s VATSS & Associates) on the financial statement of the Company is part of this Report. The standalone and the consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act.

Further, in terms of Section 143(12) of the Companies Act, 2013, no frauds has been reported by the Auditors to the Audit Committee.

15. Internal Auditor & their Report

M/s. Amar Jeet Singh & Associates, Chartered Accountants performs the duties of internal auditors of the Company for the financial year 2019-20 and their reports as reviewed by the audit committee from time to time. The internal audit assists the company to review the operational efficiency and the internal controls.

The Internal Auditor has not reported any qualification, reservation or adverse opinion during the period under review.

The aforesaid Internal Auditor is further appointed for the Financial Year 2020-21 by the Board of Directors of the Company in their meeting held on 30th June, 2020.

16. Secretarial Auditor & Secretarial Audit Report

Pursuant to the provisions of the Companies Act, 2013, Mr. Satish Kumar Nirankar, Company Secretary in Practice was appointed to undertake the Secretarial Audit, whose Audit Report is annexed vide **Annexure - 3**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

17. Disclosure about Cost Audit

The provisions of Section 148 of the Companies Act, 2013 relating to the cost audit are not applicable on the Company.

18. Share Capital

The Authorised Share Capital of the Company is Rs. 11,30,00,000 divided into 1,13,00,000 Equity Shares of Rs 10/- each. The Paid-up Share Capital of the Company is Rs 9,06,00,000 divided into 90,60,000 Equity Shares of Rs 10/- each.

There was no public issue, rights issue, bonus issue or preferential issue, etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares, nor has it granted any stock options.

19. Conservation of energy, technology absorption, foreign exchange earnings and outgo

Your company has not initiated its operation till date, hence members are requested to consider the details as mentioned herein below:

(A) CONSERVATION OF ENERGY	
The steps taken or impact on conservation of energy	NA
The steps taken by the company for utilizing alternate sources of Energy	NA
The capital investment on energy conservation equipments	NA
(B) TECHNOLOGY ABSORPTION	
The efforts made towards technology absorption	NA
The benefits derived like product improvement, cost reduction, product development or import substitution	NA
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	NA
The expenditure incurred on research and development	NA

Details of Foreign currency transactions are as follows:

- The company has not earned any income in Foreign Currency during the year.
- The company has not incurred any expenditure in Foreign Currency.

20. Details of policy developed and implemented by the company on its Corporate Social Responsibility initiatives

The provisions for corporate social responsibility ("CSR") under the Companies Act, 2013, are not applicable to the company for the current financial year.

21. Directors and Key Managerial Personnel

The Company's policy is to maintain an optimum combination of Executive and Non-Executive Directors on the Board. The Composition of Board is as follows :

S.No	Name of Director	Designation
1.	Mr. Vishal Rastogi	Managing Director
2.	Mr. Vijay Kumar Sharma	Non-Executive and Non-Independent Director
3.	Mr. Shailesh Kumar Singh	Non-Executive and Independent Director
4.	Mrs. Tanu Agarwal	Non-Executive and Independent Director

A) Changes in Directors and Key Managerial Personnel (KMP):

During the year under review, no changes occurred in the composition of Board of directors and also no changes occurred with respect to the Key Managerial Personnel of the Company during the Financial Year 2019-20.

Reappointment of Directors

- In terms of Section 152(6) and other applicable provisions of the Companies Act, 2013 read with the Articles of Association of the Company, **Mr. Vijay Kumar Sharma** Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment, brief resume and other details of Mr. Vijay Kumar Sharma, who is proposed to be re-appointed as Director of your company has been included in the Notice of the ensuing Annual General Meeting.
- In Annual General Meeting held on 26th September, 2019 Mr. Vijay Kumar Sharma was Regularized as Non-Executive & Non-Independent Director of the Company.
- In Annual General Meeting held on 26th September, 2019 a special resolution was passed for approving re-designation of Mrs. Tanu Agarwal from Non-Executive & Non-Independent Director to Independent Director.

B) Declaration of Independent Directors

The Company has received necessary declarations from each Independent Director as per the provisions of Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (LODR) Regulations, 2015.

C) Details of training imparted to Independent Directors

Within the terms of Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your company is exempted from the compliances of the requirements of Regulation 25 (7) of the said Regulations. However, the company conducts a familiarization program in which various amendments in Companies Act, 2013 and Amendments in SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 are discussed.

The details of familiarization program imparted to Independent Directors are available on the website of the company and can viewed on the following link

<http://www.srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Details%20of%20Familiarization%20Programs%202019-20.pdf>

At the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, functions and duties/responsibilities as a Director. The Format of the letter of appointment is provided on our website, a web link thereto is given below:

<http://srmenergy.in/Data/Documents/SRM%20Energy%20-%20OD%20-%20Appointment%20of%20ID.pdf>

D) Formal Annual Evaluation

In terms of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a formal annual evaluation was performed by the Board of Directors of the Company on its own performance, and Chairman/ individual Directors. Pursuant to Schedule IV of the Companies Act, 2013 the performance evaluation of Independent Directors was also done by the entire Board of Directors, excluding the Director being evaluated.

The Independent Directors of the Company in their meeting held on 14th February, 2020 reviewed the performance of Mr. Vishal Rastogi, the Managing Director of the Company, and Mr. Vijay Kumar Sharma, Non-Executive & Non-Independent Director. The Independent Directors also reviewed the performance of Board as a whole and also assess the Quality, Quantity and timeliness of the flow of Information between the Company Management and the Board. The aforesaid meeting was attended by both Independent Directors.

There after, the Board of Directors in their meeting held on 30th, June 2020 evaluated the performance of all the Independent Directors based on set questionnaires/criteria circulated to the Board. The result of aforesaid evaluations were noted by the Nomination and Remuneration Committee in their meeting held on 30th June, 2020. On the basis of above evaluations, the performance of executive Directors and Independent Directors was found satisfactory taking into consideration of the existing circumstances, in which the Company is operating.

22. Number of meetings of the Board of Directors

Regular meetings of the Board are held to discuss and decide on various financial matters, legal and compliance matters and other businesses. During the year under review, Five Board Meetings were convened and held and the interim gap between the meetings was as per the period prescribed under the Companies Act, 2013.

S.No	Date of Board Meeting	Board Strength	No of Directors Present
1	28th May, 2019	4	3
2	13th August, 2019	4	4
3	26th September, 2019	4	3
4	13th November, 2019	4	4
5	14th February, 2020	4	4

Additionally, several Committee meetings were held during the year including Audit Committee. The detailed information on the meetings of the Committees are included in the Report on Corporate Governance, which forms part of this Annual Report.