



28th Annual Report
2014-2015



Board of Directors

Mr. Dinesh Kumar	Managing Director
Mr. Aneesh Mittal	Whole Time Director
Mrs. Ritu Lal Kumar	Non Executive and Non-Independent Director
Mr. P. R. Vishnu	Non Executive and Independent Director
Mr. Vikas Nayyar	Non Executive and Independent Director

K Surender Reddy Chief Financial Officer

Ms. Bhargavi. M Company Secretary

<u>Statutory Auditors</u>	M/s. V N R Associates Chartered Accountants Hyderabad	<u>Secretarial Auditors</u>	R & A Associates, Practicing Company Secretaries Hyderabad
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Bankers to the Company

State Bank of India
Canara Bank
IDBI Bank Limited
The Federal Bank Limited
Vijaya Bank
State Bank of Hyderabad
ICICI Bank Limited
Bank of India
State Bank of Bikaner & Jaipur
State Bank of Mysore

Registered Office

C2, Pooja Plaza, Vikrampuri
Secunderabad – 500 009, Telangana.
CIN : L31300TG1985PLC005844
Website : www.xlenergy.co, Email : info@xlenergy.co

Factory

1. Jointing Kits Division

Shed No. 30 & 31
I.D.A., Mallapur, Hyderabad - 500 076

2. SPV Division

Shed No. 32, I.D.A.,
Mallapur, Hyderabad - 500 076

3. SMPS & CDMA Division:

Plot No. 198/A, I.D.A., Cherlapally,
Hyderabad - 500 051

4. Ethanol Division:

Plot Nos. B 8 to B 10, &
B 18 to B21, MIDC, Kushnoor
NANDED (District), Maharastra

5. Fabcity :

Plot No. 36, Raviryal Village,
Fab-City (SEZ) India Pvt. Ltd.
Maheshwaram Mandal, Ranga Reddy District



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CONSOLIDATED FINANCIAL STATEMENTS

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NOTICE

Notice is hereby given that the 28th Annual General Meeting of the members of M/s **XL ENERGY LIMITED** will be held on Wednesday, the 30th September, 2015 at 10.00 A.M at the premises of the Company's Plant at Shed No.31 & 32, IDA, Mallapur, Hyderabad - 500076 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, 2015 together with the reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr Aneesh Mittal, Whole-time Director (DIN: 00061365), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors 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 of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s V N R Associates, Chartered Accountants (Firm Registration No. 004478S) as auditors of the Company, to hold office from the conclusion of this AGM till the conclusion of the next AGM of the Company to be held in the year 2016 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

4. **Adoption of new set of Articles of Association of the Company containing Articles in conformity with the Companies Act, 2013:**

To adopt new set of Articles of Association containing Articles in conformity with the Companies Act, 2013 and in this regard to consider if thought fit, to pass, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the existing Articles of Association of the company be and is hereby replaced with the new set of Articles of Association and the said new Articles of Association be and is hereby approved and adopted as the Articles of Association of the company in place of, in substitution and to the entire exclusion of the existing Articles of Association of the company.

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper, expedient, required or incidental thereto, in this regard.”



5. Re-appointment of Mr Aneesh Mittal (DIN: 00061365) as Whole time Director

To consider and it thought fit to pass, with or without modification (s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** in supersession to the earlier resolution(s) passed in this regard and in pursuance to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013(Act) including any statutory modification or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded for re-appointment of Mr Aneesh Mittal (DIN: 00061365) as Whole Time Director of the Company for a period of one year with effect from 26th October, 2015 i.e. 26.10.2015 to 25.10.2016 without remuneration.

“**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized with requiring the approval of members, to alter or vary the terms and conditions of the said appointment, remuneration so as not to exceed the limits specified in Schedule V or other relevant provisions of the Companies Act, 2013 or any other amendments thereto, as may be agreed to between the Board and Mr. Aneesh Mittal.”

**For and on behalf of the Board of
Directors of XL Energy Limited**

**Place: Secunderabad
Date: 14.08.2015**

**Sd/-
Dinesh Kumar
Managing Director
(DIN: 00054833)**



NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on poll instead of himself/herself and a proxy need not be a member of the company. The instrument of Proxy in order to be effective should be deposited at its Registered Office of the Company not later than forty eight hours before the commencement of the Meeting.
2. 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 shareholders.
3. An Explanatory statement pursuant to Section 102 of the Companies Act, 2013 which sets out the details relating to Special Business at the meeting, is annexed hereto in respect of business set out under Item No.4 and 5.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **23.09.2015 to 30.09.2015** (both days inclusive) for the purpose of the Meeting.
5. Members holding shares in physical form, in their own interest, are requested to dematerialise the shares to avail the benefits of electronic holding / trading.
6. Electronic copy of the Annual Report and the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are 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 above documents are being sent in the permitted mode.
7. Members are requested to notify any change in their addresses to the Company immediately. Members holding shares in electronic form are requested to advise change of addresses and their email IDs to their Depository Participants.

The Members are aware that the Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL). In view of the numerous advantages offered by the depository system, the Members are requested to avail the facility of Dematerialization of the Company's shares on NSDL & CDSL. The ISIN allotted to the Company's Equity shares is INE 183H01011.

8. Members are requested to affix their signatures at the space provided on the Attendance Slip annexed to Proxy Form and handover the Slip at the entrance of the meeting hall. Corporate members are requested to send a duly certified copy of the Board resolution / power of attorney authorising their representatives to attend and vote at the Annual General Meeting.



- 9. Members may also note that the Notice of the Annual General Meeting and the Annual Report will also be available on the Company's website www.xlenergy.co for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at C2, Pooja Plaza, Vikramपुरi, Secunderabad – 500009, 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 at free of cost.
- 10. The remote e-voting period commences vide EVSN No. 150829010 on 27th September, 2015 at 9.00 A.M and ends on 29th September, 2015 at 5.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form as on cut -off date of 23rd September, 2015 may cast their vote electronically. The CDSL will disable E voting facility after the expiry of remote e-voting period. Once the vote on resolution is cast by the shareholder shall not be allowed to change it subsequently.
- 11. The voting rights of the shareholders shall be in proportion to their shares of the paid-up share capital of the Company as on the cut -off date.
- 12. Mr Ramakrishna Gupta, R & Associates, Practicing Company Secretaries, have been appointed as scrutinizer for conducting the e-Voting process in a fair and transparent manner.
- 13. Members are requested to read the instructions given below:

(a) The E-Voting facility is available at the link:

EVSN (e – Voting Sequence Number)	Commencement of e-Voting	End of e-Voting
150829010	27.09.2015	29.09.2015

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab to cast your votes.
- (iii) Now, select the “EVSN” along with “XL ENERGY LIMITED” from the drop down menu and click on “SUBMIT”
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
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PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 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.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

(viii) After entering these details appropriately, click on “SUBMIT” tab.

(ix) Members holding shares in physical form will then reach directly 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the relevant EVSN for the relevant < XL ENERGY LIMITED > on which you choose to vote.

(xii) 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.

(xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.



- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should email a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, they have to create a compliance user using the admin login and password. The compliance user would be able to link the account(s) 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.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (A) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
14. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
15. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. All documents referred to in the accompanying Notice and the Explanatory Statement will be open for inspection at the Registered Office of the Company during 10.00 am to 12.00 noon on all working days upto and including the date of the AGM.
16. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
17. Additional information on Directors being re-appointed as required under Clause 49 (VIII) (E) of the listing agreement entered with the Stock Exchanges is given below:
- At the ensuing 28th Annual General Meeting, Mr Aneesh Mittal, Director, retires by rotation and being eligible offer himself for re-appointment.
- Mr Aneesh Mittal**, aged 53 years is a Graduate of Commerce. He is the Whole-time Director of the company and has over 24 years of experience in the field of General Management. He has been



rendering valuable services from the inception of the Company in production and factory management successfully with great dedication and commitment. Mr Aneesh Mittal is a member of Audit Committee and Management Committee of the Company. Mr Aneesh Mittal does not hold Directorships in any other Companies.

None of the Directors are related to each other except Mrs Ritu Lal Kumar, Non-executive Director, is the wife of Mr Dinesh Kumar, Managing Director of the Company.

Explanatory Statement
(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013(Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos.4 & 5 of the accompanying Notice:

Item # 4: Adoption of new set of Articles of Association

The existing Articles of Association (“AoA”) are based on the Companies Act,1956 and several regulations in the existing AoA contain reference to specific sections of the Companies Act,1956 and some articles in the existing AoA are no longer in conformity with the Act. With the enactment of the Companies Act, 2013 and substantive sections of the Act which deal with the general working of the Companies stand notified, several regulations in the existing AoA of the company require alteration and/or deletion.

Given this position it is considered expedient to wholly replace the existing AoA by a new set of Articles. The new set of AoA to be replaced in place of the existing AoA is based on Table F of Schedule I of the Companies Act, 2013 which sets out the model AoA for a company limited by shares and also carries forward certain provisions from the existing AoA suitably rephrased and which are not in conflict with the provisions of the Companies Act, 2013.

The proposed new draft of AoA is available for inspection to the shareholders at the registered office of the company on all working days (except Saturdays, Sundays and Public Holidays) between 11.00 A.M and 1.00 P.M till the date of the Annual General meeting.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives other than the Director being re-appointed are concerned or interested in the proposed resolution.

The Board recommends this Resolution for your Approval.

Item # 5: Re-appointment of Mr. Aneesh Mittal (DIN: 00061365), Whole Time Director

Mr.Aneesh Mittal, aged 53 years is the Whole-time Director of the company and by qualification is a B.com Graduate. He has over 24 years of experience in the field of General Management. He has been rendering valuable services from the inception of the Company in production and factory management successfully with great dedication and commitment. Mr Aneesh Mittal has been firstly appointed on the Board of the Company on 15th December, 1998. The existing tenure of Mr Aneesh Mittal (DIN: 00061365) as Whole Time Director expires on 25th October, 2015. Keeping in view of his vast experience in General management and production areas, Board in its meeting held on 14th August, 2015 proposed to re-appoint



him for a further period of one year with effect from 26th October, 2015 i.e. 26.10.2015 to 25.10.2016 without any remuneration. Mr Aneesh Mittal holds 30,000 Equity Shares in the Company which constitutes 0.13% of the Equity Capital. He is not related to any other directors, manager and other Key Managerial Personnel as defined under 2(77) of the Companies Act, 2013. He has attended all the four meetings of the Board held during the financial year and does not hold any other Directorships, Membership / Chairmanship of Committees of other Boards.

Board of Directors recommends the above resolution to the members for their approval.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives other than the Director being re-appointed are concerned or interested in the proposed resolution.

**For and on behalf of the Board of
Directors of XL Energy Limited**

**Place: Secunderabad
Date: 14.08.2015**

**Sd/-
Dinesh Kumar
Managing Director
(DIN: 00054833)**

**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Eighth Annual Report of the Company together with the Audited financial Statements for the financial year ended 31st March, 2015:

1. Financial Results

Particulars	` in Lakhs	
	31 st March, 2015	31 st March, 2014
Income from Operations	181.10	206.56
Less: Duties and Taxes	8.62	9.68
Net Income from Operations	172.48	196.88
Other Income	14.41	10.60
Profit(+)/Loss(-) Before depreciation, Interest and Tax	(130.51)	(219.78)
Interest & Financial Charges	9.83	4.40
Depreciation	137.31	328.53
Extraordinary items	0	0
Profit(+)/Loss(-) Before Tax	(277.65)	(552.71)
Provision for Income Tax	0	0
Deferred Tax	0	0
Prior period adjustments	0	0
Profit(+)/Loss(-) After Tax	(277.65)	(552.71)
Dividend (%)	0	0
Equity Capital (Rs.)	227743970	227743970
Earnings per Share (Rs.)	-1.22	-2.43

2. Results of Operations and State of the Company's Affairs

During the year, your Company has achieved `181.10 lakhs revenues as compared to previous year revenues of `206.56 lakhs. The company has incurred a loss of `277.65 lakhs as against a loss of `552.71 lakhs for the previous year.

3. Dividend

Your Directors express their inability to recommend dividend during the year due to non availability of surplus.

Certifications

Your company has automated state-of-the-art manufacturing facilities and sophisticated equipments to manufacture high quality telecom and energy products. Your company is an ISO 9001:2000 certified Company. It has a system driven process for manufacturing of various products and has a set of well



defined quality process at every stage of production to ensure delivery of high quality products and services.

SPV modules are made as per ISO 9001:2000 international quality standards and are certified for UL, German TuV certification and IEC certification.

4. Particulars of Loans, Guarantees or Investments

The Company has given loan in the form of advances to its Joint Venture Company i.e Saptashva Solar Limited . The details of the loan given by the company are given in the notes to the financial statements. The advances were provided over the year for day to day funding of expenses of the Joint Venture company for payments towards its statutory liabilities and expenses for performing the Annual Maintenance Contracts of the JV company.

5. Transfer to Reserves

There is no profit earned or positive generation of cash during the year, hence the directors have not proposed to transfer any amount to reserves during the financial year under review.

6. Internal Financial Control Systems and their adequacy

The Company has does not have adequate system of internal control due to low and negligible quantum of operations. However, the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

7. Related Party Transactions

None of the transactions with related parties falls under the scope of Section 188(1) of the Act.

8. Fixed Deposits

Your Company has not accepted any deposits and as such, no amount of principal or interest was outstanding on the date of the Balance Sheet.

9. Change in the nature of business, if any

There is no material change in the nature of business affecting the financial position of the Company for the year ended March 31, 2015.

10. Joint Venture

M/s Saptashva Solar Limited engaged in Erection, Procurement and Commissioning of Solar Panels is the Joint Venture of your Company where your Company holds 48.97% equity stake.

Information on Joint Venture pursuant to Section 129(3) of the Act read with rule 5 of the Companies (Accounts) Rules, 2014 is given in Annexure - 2 in Form AOC-2 and the same forms part of this report.

11. Subsidiary Company

M/s Saptashva Solar SA, Spain is the wholly owned subsidiary of your Company.

Information on Subsidiary pursuant to Section 129(3) of the Act read with rule 5 of the Companies (Accounts) Rules, 2014 is given in Annexure - 1 in Form AOC-1 and the same forms part of this report.



12. Directors and Key Managerial Personnel

The Board of Directors had on the recommendation of the Nomination & Remuneration Committee, appointed the Directors and Key Managerial Personnel of the Company during the Financial Year 2014-15.

Pursuant to the provisions of Section 149 of the Act which came into effect from 01st April, 2014, Mr P R Vishnu and Mr Vikas Nayyar were appointed as Independent Directors of the Company, at the Annual General Meeting held on 29th September, 2014. The terms and conditions of appointment of independent directors are as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Mr K Surender Reddy has been appointed as the Chief Financial Officer of the Company with effect from 12th June, 2014 in accordance with the provisions of Section 203(1) of the Companies Act, 2013 and Ms Bhargavi, Company Secretary of the Company, Mr Dinesh Kumar, Managing Director, Mr Aneesh Mittal, Whole time Director of the Company are the other Key Managerial Personnel.

Mr Aneesh Mittal retires as Director by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

For the perusal of the shareholders, a brief resume of the Directors being appointed/ re-appointed along with necessary particulars is given in the explanatory statement to the notice. The Board of Directors recommend the re-appointment.

13. Statement on declaration given by Independent Directors under Section 149(6) of the Companies Act, 2013

The Independent Directors have submitted a declaration that each of them meets the criteria of Independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as Independent Director during the year.

14. Policy on Directors' Appointment and Remuneration and other details

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Directors' Report.

15. Number of Meetings of the Board

Four meetings of the Board were held during the year viz. 12th June, 2014, 14th August 2014, 14th November, 2014, and 13th February, 2015.

16. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board carried out an annual performance evaluation of its own performance, the directors as well as the



evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committees. Independent Directors carried out a separate evaluation on the performance of non-independent directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

17. Audit Committee

The details pertaining to the composition of Audit Committee are included in the Corporate Governance Report, which forms part of this report.

18. Risk Management Policy

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion.

Therefore, in accordance with section 134(3) (n) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

19. Details of significant material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

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

20. Vigil Mechanism

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour the company has adopted a vigil mechanism policy. This policy is explained in corporate governance report and also posted on the website of company.

21. Auditors

The Statutory Auditors, M/s.VNR Associates (Firm Registration No.004478S) , Chartered Accountants, Hyderabad hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have expressed their willingness to continue as Statutory Auditors of the Company, if so appointed by the members. Your Company has received the consent and certificate to the effect that their re-appointment if made, would be within the limits prescribed under section 141 of the Companies Act, 2013 and the Rules framed there under, and that they are not disqualified for re-appointment within the meaning of section 141 of the Companies Act, 2013.



22. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed R & A Associates, a firm Practicing Company Secretaries, Hyderabad to undertake the Secretarial Audit of the Company.

23. Directors' Responsibility Statement

In terms of Section 134 (5) of the Companies Act, 2013, your Directors confirm that

- (i) in the preparation of the annual accounts for the Financial Year 31st March, 2015, the applicable accounting standards have been followed and there are no material departures.
- (ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year ended on 31st March, 2015 and of the loss of the Company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the accounts for the financial year ended 31st March, 2015 on a 'going concern' basis.
- (v) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively in view of the level of operations.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Conservation of Energy:

Due to low quantum of operations currently, the Company requires a low level of energy consumption.

Research and Development (R&D):

The Company continues to look at opportunities in the areas of research and development in its present range of activities.

Technology Absorption:

The Company continues to use the latest energy devices for improving the quality of its products. The Company has not imported any technology during the year.

Foreign Exchange Earnings and Outgo:

During the year under review, there are no foreign exchange earnings and outgo.

25. Particulars of Employees

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:



The Company has one Managing Director and a Wholetime Director and due to financial constraints being faced by the company they have forgone remuneration.

The Particulars of the Employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

a) Employed throughout the year - Nil

b) Employed for part of the year - Nil

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the company.

(a) The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

(I) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year – Not Applicable.

(II) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year – NIL.

(III) The percentage increase in the median remuneration of employees in the financial year- Not Applicable.

(IV) The number of permanent employees on the rolls of company – 02.

(V) The explanation on the relationship between average increase in remuneration and Company performance – Not Applicable

(VI) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company – Cannot be compared since only the Company Secretary is being paid remuneration among all the Key Managerial Personnel which is negligible.

(VII) Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	31 st March, 2015	31 st March, 2014	% Change
Market Capitalisation (in ` Lakhs)	569.37	421.33	35.14% increase
Price Earnings Ratio	N.A.	N.A.	N.A.

Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Particulars	31 st March, 2015	2006 December	% Change
Market Price (BSE)	` 2.40/share	` 136.00/ share	-98.23%
Market Price (NSE)	` 2.60/ share	` 133.35/share	-98.05%

(VIII) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year and its comparisons with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. - Not Applicable.

(IX) Comparison of each remuneration of the key Managerial Personnel against the performance of the Company – there is no remuneration drawn by any of the Key Managerial Personnel other than the Company Secretary. Due to consistent losses, the remuneration cannot be compared as it is negligible.

(X) The key parameters for any variable component of remuneration availed by the directors – None

(XI) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – None

(XII) The Company affirms that the remuneration is as per the remuneration policy of the Company.



26. Corporate Debt Restructuring (CDR) – Loan Recovery & OTS

The company could not execute the CDR package due to various reasons already explained in the previous year and the Banks have initiated steps for recovery of the debt including issuance of notice under SARFAESI Act as well as filing the OA with the Debt Recovery Tribunal (DRT). However, the Banks have kept an option open for settling the debt due under the One Time Settlement (OTS) proposal submitted to the banks by the Company with the proposed financial assistance from an Asset Reconstruction Company (ARC). The Company is confident that the OTS proposal with support from the ARC will be acceptable to the banks and an early settlement with the banks shall be made.

27. Corporate Governance

Corporate Governance philosophy of the Company is based on the principles of equity, fairness, transparency, spirit of law and honest communication. The Company believes that sound Corporate Governance is necessary to retain stakeholder's trust and ensures efficient working and proper conduct of the business of the Company with integrity. Development of Corporate Governance guidelines is a continuous process which evolves over a period of time to suit the changing needs of the business, society and the nation.

Your Company has implemented the conditions of Corporate Governance as contained in Clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance and Management Discussion and Analysis along with necessary certificates is given elsewhere in this report. Also certificate by M/s R & A Associates, Company Secretaries, Hyderabad confirming compliance of the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement, is annexed to this report.

28. Explanations to qualifications in Auditors Report

a) **Auditor's Qualification:** Balances appearing under Long Term and Short Term Borrowings, Trade Creditors, Long Term Liabilities and other Current Liabilities, Capital WIP, Long Term Loans and Advances are subject to confirmation and/ or reconciliation, if any.

Company's Response: During the year there were no major transactions with reference to Long Term and Short Term Borrowings, Trade Creditors, Long Term Liabilities and other Current Liabilities, Capital WIP, Long Term Loans and Advances and hence, the Company has not obtained confirmation/reconciliation.

b) **Auditor's Qualification:** Reference is invited to Note No. 2.28 of Notes to Audited financial Statements regarding non-provision of interest on borrowings from banks.

Company's Response: The Company could not execute the CDR package due to various reasons already explained in the previous years and the Banks have initiated steps for recovery of the debt including issuance of notice under SARFAESI Act as well as filing the OA with the DRT. However, the Company has submitted an OTS proposal for settling the debt with all the banks under the leadership of the State Bank of India with financial assistance from an Asset Reconstruction Company. The banks are negotiating the OTS proposal and settlement is expected to be made at the earliest. Interest on all banks outstanding has not been provided as the company is confident that the OTS proposal with support from the ARC companies will be acceptable to the banks. Hence, interest if any provided during this year or in previous years will have to be reversed and therefore, the Company could not obtain all the required confirmations.



29. Replies to observations made in the Secretarial Audit report

a) **Auditor's Observation:** The Company has appointed Mr. K. Surender Reddy as Chief Financial Officer of the Company with effect from 12th June, 2014 in the Board meeting held on even date, however pursuant to the provisions of Section 203 of the Companies Act, 2013 read with rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint Chief Financial Officer of the Company with effect from 01st April, 2014.

Management's Response: The Company has complied with provisions of Section 203 of the Companies Act, 2013 in appointment of CFO. Due to the Company's weak financial position and low level of operations, the Company could not afford to appoint a Chief Financial Officer prior to or from 01st April, 2014. However, the Company was in search of identifying a competent and consenting individual to be appointed as CFO, the Company has received consent from Mr. K. Surender Reddy who has offered to provide his services to the company without monetary consideration, the appointment of whom the Company felt to be desirable and considered the same in its first Board Meeting held on 12th June, 2014.

b) **Auditor's Observation:** The Company has not paid any listing fee to the Stock Exchanges as required under Clause 38 of the Listing Agreement.

Management's Response: The Company could not pay the listing fees to the exchanges during the financial year owing to deficit cash flow. However, the Company is in the process to remit the fees by the end of September, 2015.

c) **Auditor's Observation:** There was a delay in submitting the financial results for the financial year ended on 31st March, 2014. The Company has submitted the financial results on 12th June, 2014 both to the BSE Limited and National Stock Exchange of India Limited as against the due date of 30th May, 2014 prescribed under Clause 41 of the Listing Agreement and paid a fine of ` 55,000/- to the exchanges.

Management's Response: The Company has called for a Board meeting on 30th May, 2014 for consideration and approval of Audited financial results for the financial year ended 31st March, 2014. However, the meeting could not be convened due to lack of quorum and has been adjourned twice for want of quorum due to unavoidable situations for the presence of directors at the meeting. Accordingly, the meeting has been called on 12th June, 2014 and the same was held and convened to consider and approve the financial results and the same was disseminated to the exchanges. Since Standard Operating Procedures were issued by SEBI, the Company was levied penalty for delay in submission beyond the due date and therefore had to pay fine for the same.

30. Management Discussion & Analysis

The Management Discussion and Analysis on Company's performance, industry trends, future outlook and other material changes with respect to the Company and its subsidiaries, wherever applicable, are presented in this annual report as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s) in India.

31. Extract of Annual Return

The Extract of Annual return prepared in Form MGT-9 as per the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is enclosed as **Annexure-1** to this report.



32. Acknowledgements

Your Directors would like to place on record their gratitude for all the guidance and co-operation received from the Securities and Exchange Board of India, the Bombay Stock Exchange Limited, National Stock Exchange of India Limited, National Securities Depository Limited, Central Depository Services (India) Limited and other government and regulatory agencies.

Your Directors are grateful to the Company's clients, investors, bankers and other business associates for their continued support.

Your Directors would also like to take this opportunity to express their appreciation to the dedicated and committed team of employees for their contribution to the Company and rendering high quality services to the clients.

Your Directors wish to place on their record sincere thanks to the stakeholders for their endeavours and confidence they have reposed on the management of the Company.

**For and on behalf of the Board of Directors of
XL ENERGY LIMITED**

Sd/-

**Dinesh Kumar
Managing Director
(DIN: 00054833)**

Sd/-

**Aneesh Mittal
Whole Time Director
(DIN: 00061635)**

**Place: Secunderabad
Date: 14.08.2015**



Form No. MGT-9

Annexure- 1

EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31/03/2015**

[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	L31300TG1985PLC005844
ii) Registration Date	03/10/1985
iii) Name of the Company	XL Energy Limited
iv) Category / Sub-category of the Company	Company Limited by Shares / Indian Non Government Company
v) Address of the Registered Office	C2, Pooja Plaza, Vikrampuri, Secunderabad- 500009. Tel: 040 27883333, Fax: 040 27883344 Email: info@xlenergy.co, website: www.xlenergy.co
vi) Whether Listed Company, Yes / No	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Pvt Ltd. 306, Right Wing, Amrutha Ville Appt., Op: Rajbhavan Road, Hyderabad – 500082 Tel: 040 23374967, Fax: 040 23370295 E-mail – bssshyd@bigshareonline.com, website: www.bigshareonline.com

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Solar Photovoltaic Panels	35105	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.No	Name and Address of the Company	CIN	Holding/Subsidiary/Associate Company	% of Shares held	Applicable Section
1	Saptashva Solar SA, Calle GOYA, 41 5 Drcha 28001 Madrid, Spain	-	Subsidiary Company	100%	2(87)
2	Saptashva Solar Limited, C2, Pooja Plaza, Vikrampuri, Secunderabad - 500009	U40106TG2007PLC054824	Joint Venture Company	48.97%	2(6)



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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other									
(i) Directors/Relatives	3424113	NIL	3424113	15.03%	3424113	NIL	3424113	15.03%	NIL
(ii) Group Companies	1100000	NIL	1100000	4.83%	1100000	NIL	1100000	4.83%	NIL
Sub-total (A) (1):-	4524113	NIL	4524113	19.86%	4524113	NIL	4524113	19.86	NIL
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	4524113	NIL	4524113	19.86%	4524113	NIL	4524113	19.86%	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-



2. Non-Institutions									
a) Bodies Corp.									
i) Indian	3560858	NIL	3560858	15.64%	3447746	NIL	3447746	15.14%	- 3.2%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	10715351	7551	10707800	47.05%	10423802	8231	10432033	45.82%	-2.6%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3151775	NIL	3151775	13.84%	3543896	NIL	3543896	15.56%	12.42%
c) Others									
(i) Trusts	1	NIL	1	0.00%	-	-	-	-	-
(ii) Clearing Member	29570	NIL	29570	0.13%	13444	NIL	13444	0.059	- 54.61%
(iii) Non Resident Indians	792729	NIL	792729	3.48%	813165	NIL	813165	3.57%	2.58%
Sub-total (B)(2):-	18242733	7551	18250284	80.14%	18242053	8231	18250284	80.14%	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	18242733	7551	18250284	80.14%	18242053	8231	18250284	80.14%	NIL
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	22766846	7551	22774397	100.00%	227766166	8231	22774397	100.00%	NIL



(ii) Shareholding of Promoters

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding 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.	Dinesh Kumar	2567303	11.27%	100%	2567303	11.27%	100%	-
2.	Sheshank Kumar	250672	1.10%	100%	250672	1.10%	100%	-
3.	Sharukh Kumar	188783	0.83%	100%	188783	0.83%	100%	-
4.	Akshay Mittal	240961	1.06%	100%	240961	1.06%	100%	-
5.	Viplav Mittal	146394	0.64%	100%	146394	0.64%	100%	-
6.	Aneesh Mittal	30000	0.13%	100%	30000	0.13%	100%	-
7.	Sree Sahasya Enterprises Pvt. Ltd.	1100000	4.83%	100%	1100000	4.83%	100%	-

(iii) Change in Promoters' Shareholding (Please Specify, If There Is No Change):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	4524113	19.86%	4524113	19.86%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NO CHANGE	NO CHANGE	NO CHANGE	NO CHANGE
	At the End of the year	4524113	19.86%	4524113	19.86%

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	JM FINANCIAL SERVICES LIMITED At the beginning of the year Increase/Decrease in	947637 5363	4.16% 0.02	947637 953000	4.16% 4.18%

**XL ENERGY LTD.**

	shareholding during the year At the end of the year	953000	4.18%	953000	4.18%
2	GLOBE FINCAP LIMITED At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	311550 - 311550	1.36% - 1.36%	311550 - 311550	1.36% - 1.36%
3	BUSINESSMATCH SERVICES (INDIA) PRIVATE LIMITED At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	280745 - 280745	1.23% - 1.23%	280745 - 280745	1.23% - 1.23%
4	PLUTO TRADE LINKS LIMITED At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	250000 - 250000	1.09% - 1.09%	250000 - 250000	1.09% - 1.09%
5	MONNET ISPAT AND ENERGY LIMITED At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	166808 - 166808	0.73% - 0.73%	166808 - 166808	0.73% - 0.73%
6	PRATHEEPA KUMAR SHETTY At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	104456 10899 115355	0.45% 0.04% 0.49%	104456 115355 115355	0.45% 0.49% 0.49%
7	ANNJAY KUMAR SECURITIES PRIVATE LIMITED At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	100500 - 100500	0.44 - 0.44%	100500 - 100500	0.44 - 0.44
8	ANIL KUMAR ADYA At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	100000 - 100000	0.43% - 0.43%	100000 - 100000	0.43% - 0.43%
9	KIRAN RAJESH DEORE At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	100000 - 100000	0.43% - 0.43%	100000 - 100000	0.43% - 0.43%
10	VISHWANATH M PUJARI At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	93536 - 93536	0.41% - 0.41%	93536 - 93536	0.41% - 0.41%



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Dinesh Kumar				
	At the beginning of the year	2567303	11.27%	2567303	11.27%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	2567303	11.27%	2567303	11.27%
2	Aneesh Mittal				
	At the beginning of the year	30000	0.13%	30000	0.13%
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	30000	0.13%	30000	0.13%

V. INDEBTEDNESS

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

(in Lakhs)

	Secured Loans excluding Deposits	Unsecured Loans (FCCB)	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	88859.46	1901.99	0	90761.45
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	88859.46	1901.99	0	90761.45
Change in Indebtedness during the financial year				
□ Addition	0	0	0	0
□ Reduction	25.42	0	0	25.42
Net Change	25.42	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	88834.04	0	0	90736.03
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	88834.04	1901.99	0	90736.03

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager: - NIL****B. B. Remuneration to other directors:****(in `)**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		P R Vishnu	Vikas Nayyar	Mrs Ritu Lal Kumar	
	1. Independent Directors				
	• Fee for attending each board / committee meetings	7,500	7,500	-	15,000
	• Commission				
	• Others, please specify				
	Total (1)	7,500	7,500	-	15000
	2. Other Non-Executive Directors				
	• Fee for attending board / committee meetings	-	-	-	
	• Commission				
	• Others, please specify				
	Total (2)	-	-	-	-
	Total (B)=(1+2)	7,500	7,500	-	15,000
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-

A. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD (in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Gross salary	-	4.20	-	4.20
	a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	4.20	-	4.20



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: - NIL -

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					



(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

PART A – Subsidiaries

Sl. No.	Particulars	Details
1	Name of the Subsidiary	Saptashva Solar SA, Spain
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Calendar year January to December
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	Euro Ex. Rate 1 EURO =Rs.67.511
4	Share capital	Euro 2,548,006
5	Reserves & surplus	Euro 757,405
6	Total assets	Euro 10,602,910
7	Total Liabilities	Euro 7,297,499
8	Investments	Nil
9	Turnover	Euro 1,046,025
10	Profit before taxation	Euro 8,352
11	Provision for taxation	Euro 4,585
12	Profit after taxation	Euro 3,767
13	Proposed Dividend	Nil
14	% of shareholding	100%

**Part ‘B’****Associates and Joint Ventures Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures**

Name of Joint Venture Company	Saptashva Solar Limited
1. Latest audited Balance Sheet Date	31.03.2014
2. Shares of Joint Ventures held by the company on the year end	Equity Shares of Rs.10/- each
No.	50000 nos
Amount of Investment in Joint Venture	₹ 5.00 Lakhs
Extend of Holding %	48.97%
3. Description of how there is significant influence	Control of more than 20% of share capital
4. Reason why the joint venture is not consolidated	Since the business operations of the Joint Venture company has stopped and there are no substantial revenues or incomes.
5. Networth attributable to Shareholding as per latest audited Balance Sheet	₹ (-) 89.94 lakhs
6. Profit / Loss for the year	₹ (-) 76.25 lakhs
i. Considered in Consolidation	Nil
i. Not Considered in Consolidation	Nil



REPORT ON CORPORATE GOVERNANCE

1. A brief statement on Company's philosophy on Corporate Governance

We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. Effective Corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Our Corporate Governance framework ensures effective management with our stakeholders and help us evolve with changing times. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has adopted a Code of Conduct for its employees including the managing director and the executive directors. In addition, the Company has adopted a code of conduct for its non-executive directors and independent directors. These codes are available on the Company's website. The Company's corporate governance philosophy has been further strengthened through the Code of Conduct for Prevention of Insider Trading and the Code of Corporate Disclosure Practices.

The Company is in compliance with the requirements stipulated under Clause 49 of the Listing Agreements entered into with the stock exchanges with regard to corporate governance.

2. BOARD OF DIRECTORS

The Company has a high profiled Board with varied management expertise. The Board's role, functions, responsibility and accountability are known to them due to their vast experience. During the year, information as mentioned in Annexure-IA to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

Minutes of the Board Meetings/Committee Meetings are circulated to Directors and confirmed at the subsequent meetings.

(A) Composition of Board

As on 31st March, 2015, the Company has five Directors. Of the five Directors, two are Executive Directors, two are Independent Directors and one is a Non-Executive Woman Director. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

(B) Independent Directors

Independent directors are Non-executive directors as defined under Clause 49(II)(B)(1) of the Listing Agreements entered into with the Stock Exchanges. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under clause 49 of the Listing Agreement and Section 149 of the Act.

(C) Non-Executive Directors' compensation and disclosures

The Non-Executive Directors who are independent are paid sitting fee within the limits prescribed under the Companies Act, 2013.

(D) Other provisions as to Board and Committees

During the year 2014-15, 04 meetings of the Board of Directors were held on 30th May, 2014 which was adjourned to 06th June 2014 and 14th June, 2014, 14th August, 2014, 14th November, 2014, and 13th February, 2015. The maximum time gap between any two consecutive meetings did not exceed one twenty days.



- i. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2015 have been made by the Directors.
- ii. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other directorships do not include alternate directorships, directorships of private limited companies, Section 25 companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

The Board members possess requisite skills, experience and expertise required to take decisions, which are in the best interest of the Company.

Name of the Director	Category	No. of Board meetings during the year 2014-2015 (12 months period)		Whether attended last AGM held on 29 th Sep, 2014	No. of Directorships in other public companies		No. of Committee positions held in other public Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. P R Vishnu	Independent, Non-Executive	4	3	Yes	---	---	---	---
Mr. Dinesh Kumar Managing Director	Promoter, Executive, Non-independent	4	3	No	---	1	---	---
Mr. Aneesh Mittal	Promoter, Executive, non-independent	4	4	Yes	---	---	---	---
Mrs. Ritu Lal Kumar	Non-Independent Non Executive, Promoter	4	1	No	---	---	---	---
Mr Vikas Nayyar	Independent, Non-Executive	4	3	Yes	---	---	---	---

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

- iii. The Company has issued formal letters of appointment to independent directors in the manner as provided in the Companies Act, 2013. The terms and conditions of appointment are disclosed on the website of the company.
- iv. The company has formulated a policy to familiarise the independent directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various programmes. The details of such familiarisation programmes are disclosed in the website of the company under the below link
<http://www.xlenergy.co/pdf/Familiarisation%20Programme%20to%20Independent%20Directors.pdf>

(E) Code of Conduct

- (i) The Board of Directors has laid down Code of Conduct for all Board Members and Senior Management of the Company. The copies of Code of Conduct as applicable to the Directors as well as Senior Management of the Company are uploaded on the website of the Company – www.xlenergy.co.
- (ii) The Members of the Board of Directors and Senior Management personnel have affirmed the compliance with the Code applicable to them during the year ended 31st March, 2015.



“It is hereby declared that the Company has obtained from all members of the Board and Senior Management affirmation that they have complied with the Code of Conduct for Directors and Senior Management of the Company for the financial year ended 2014-15.”

Place: Secunderabad
Date: 14.08.2015

Sd/-
Dinesh Kumar
Managing Director

(F) Whistle Blower Policy/Vigil Mechanism

The Company has established a vigil mechanism policy to enable the directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and to provide adequate safeguards against victimization of persons using the mechanism shall be the very purpose to establish the mechanism.

The details of the policy is available under the following link

<http://www.xlenergy.co/Whistle%20Blower%20Policy.pdf>

3. Board Committees

3.1 Audit Committee

(A) Qualified and Independent Audit Committee

The Company complies with the provisions of Section 177 of the Companies Act, 2013 as well as requirements under the Listing Agreement pertaining to the Audit Committee. Its functioning is as under:

- i) The Audit Committee presently consists of three Directors of which two of them are Independent Directors.
- ii) All members of the Committee are financially literate and having the requisite financial management expertise.
- iii) The Chairman of the Audit Committee is an Independent Director.
- iv) The Chairman of the Audit Committee was present at the last Annual General Meeting held on 29th September, 2014.

(B) Terms of reference

The terms of reference of the Audit Committee include inter-alia:

- i) Authority to investigate any matter pertaining to the items specified in section 177 of the Companies Act or referred to it by the Board
- ii) Investigate any activity within its terms of reference
- iii) 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
- iv) Reviewing with management the annual financial statements
- v) Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- vi) Reviewing the adequacy of internal audit function, 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.
- vii) Reviewing the Company's financial and risk management policies
- viii) Periodic discussion with the auditors about internal control systems, scope of audit including the observations of the auditors and review the quarterly, half-yearly, and annual financial statements before submissions to the Board.



The Audit Committee specifically reviews the Un-audited Quarterly financial results before these are submitted to the Board for approval. Minutes of each Audit Committee meeting are placed before the Board for information.

(C) Composition, Names of Members and Chairperson, its meetings and attendance:

The members of the Audit Committee include two Independent and Non-executive Directors and a Whole time Director. All the members of the committee have adequate financial and accounting knowledge. During the year, the Committee met four times viz. on 12th June, 2014, 14th August 2014, 14th November, 2014, and 13th February, 2015.

The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

Name	Category	No. of meetings during the year 2014-15	
		Held	Attended
Mr P R Vishnu	Chairman, Non – Executive and Independent	4	3
Mr Aneesh Mittal		Whole Time Director	4
Mr Vikas Nayyar	Non– Executive and Independent Director	4	3

3.2 Nomination and Remuneration Committee:

- i) The Company has reconstituted its Remuneration Committee on 14th November, 2014. The scope of the Remuneration committee has been defined by the Board of Directors in accordance clause 49 of the Listing Agreement.

The terms of reference of the committee are as follows:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

The remuneration policy as adopted by the company envisages payment of remuneration according to qualification, experience and performance at different levels of the organization. The workers at the factory as well as those rendering clerical, administrative and professional services are suitably remunerated according to the industry norms.

Although no remuneration is paid to any director at present the company retains the option to do so in future. As and when it is done it shall be revealed in the report.

Mr P R Vishnu, Independent Director, is the Chairman of the Committee and Mrs Ritu Lal Kumar, Non-executive Director and Mr Vikas Nayyar are the members of the Committee.



ii) The company does not have any Employee Stock option Scheme.

iii) Remuneration Policy:

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce.

iv) The company pays sitting fees to the Independent Directors .

v) Details of remuneration for the year ended 31.03.2015

a. Non-Executive Directors

Name	Sitting Fees per each Board and Committee Meeting (`)
Mr. P. R. Vishnu	7,500
Mr Vikas Nayyar	7,500
Mrs Ritu Lal Kumar	NIL

b. Managing Director & Executive Director

Name	Salary	Perquisites & Allowances
Mr. Dinesh Kumar	NIL	NIL
Mr.Aneesh Mittal	NIL	NIL

• Independent Directors' Meeting

During the year under review, the Independent Directors met on 28th March, 2015, inter alia to discuss:

i) review the performance of non-independent directors and the Board as a whole;

ii) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Formulation of Policy for Selection and Appointment of Directors and their Remuneration:

The Nomination and Remuneration Committee discussed and thereafter decided upon the policy for selection of appointment of directors and their remuneration. The highlights of this policy are as follows:

1. Criteria for selection of of DIRECTOR, KMP AND SENIOR MANAGEMENT

a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c. The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.



2. Term / Tenure

a. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.
- **Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

i. Fixed pay:

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

ii. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii. Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.



• **Remuneration to Non- Executive / Independent Director:**

1. Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

• **Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

a. Stakeholders Relationship Committee

(A) The Stakeholders Relationship Committee was reconstituted at a board meeting held on 14th November, 2014.

The Committee performs following functions :

- Transfer/Transmission of shares
- Issue of Duplicate Share Certificates.
- Review of Share dematerialization and rematerialization.
- Monitoring the expeditious Redressal of Investor Grievances.
- Monitoring the performance of company's Registrar & Transfer Agent.
- All other matters related to the shares.

The Committee consists of Mr Dinesh Kumar, Managing Director, Mr Vikas Nayyar, Non-executive Independent Director as its members and Mrs Ritu Lal Kumar, Non-Executive Director as the Chairperson.

(B) Name and Designation of the Compliance Officer

Ms. M. Bhargavi, Company Secretary, is the Compliance Officer and can be contacted at:

XL Energy Limited
C2, Pooja Plaza, Vikrampuri
Secunderabad – 500 009

Tel : 040 27883333
Fax : 040 27883344
Email : bhargavi@xlenergy.co



Details of Complaints received:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

3.4 Management Committee

i) Management Committee of Directors is constituted in order to take decisions in day to day operations of the Company viz., opening of Bank accounts, day to day administrative and financial functions, to appoint attorneys for general or specific purposes, to authorize company executives to institute civil suits, to borrow money for working capital requirements and etc. Generally, the Committee meets every month to review business opportunities & handling day to day operations.

ii) The terms of references of the Committee are:

(a) Mr. Dinesh Kumar, Managing Director of the Company shall be the Chairman of the Management Committee.

(b) The quorum for the Committee meetings shall be TWO members or one third of the total number of members whichever is higher.

iii) Three meetings of the Management Committee were held during the year on 05th August, 2014, 14th November, 2014 and 16th March, 2015.

iv) The composition of the Management Committee and the details of meetings attended by its members are given below:

Name	Category	No. of meetings during the year 2014-15	
		Held	Attended
Mr. Dinesh Kumar	Managing Director	3	3
Mr. Aneesh Mittal	Wholetime Director	3	3
Mr Vikas Nayyar	Independent Director	3	3

3.5. Risk Management Committee

The Company has constituted Risk Management Committee through its Board of Directors at a Board Meeting held on 14th November, 2014 to frame, implement and monitor the risk management plan for the Company pursuant to Clause 49(VI)(C) of the Listing Agreement.

Mr Dinesh Kumar, Managing Director of the Company, is the Chairman of the Committee and Mr Aneesh Mittal, Wholetime Director and Mr Vikas Nayyar, Independent Director are the members of the Committee.

4. Subsidiary Company

(i) The Company has one Foreign Subsidiary as on the Balance Sheet date.

The Company has formulated a policy for determining material subsidiaries and the details of such policy are available at the following link:

<http://www.xlenergy.co/pdf/Policy%20for%20determining%20material%20subsidiaries.pdf>



5. Disclosures

(A) Related Party Transactions

All transactions entered into with Related Parties as defined under Clause 49 of the Listing Agreement during the financial year do not attract the provisions of Section 188 of the Companies Act, 2013. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The Board has approved a policy for related party transactions which has been uploaded on the Company's website.

<http://www.xlenergy.co/pdf/Policy%20on%20Related%20Party%20Transactions.pdf>

(B) Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

(C) Management

The Management Discussion and Analysis Report has been included separately in the Annual Report to the Shareholders.

(D) Board Disclosures - Risk Management

The Company has laid down procedures to inform the Board of Directors about the Risk Management and its minimization procedures.

(E) Proceeds from public issues, right issues, preferential issues etc.

The Company did not have any of the above issues during the year under review.

(F) Policy on Prevention of Insider Trading

The Company has also adopted a policy for prevention of Insider Trading which is made applicable to all the Directors and other designated employees who may have access to unpublished price-sensitive information, in accordance with SEBI(Prohibition of Insider Trading) Regulations. Accordingly such officials are prohibited from trading in the securities of the Company during the notified "Trading Window" period.

6. CEO/CFO Certification

The Managing Director & CFO have certified to the Board in accordance with Clause 49(IX) of the Listing Agreement pertaining to CEO/CFO Certification for the financial year ended March 31, 2015, published elsewhere in the Annual Report.

7. Compliance on Corporate Governance

The quarterly compliance report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the requisite format duly signed by the Compliance Officer. Pursuant to Clause 49 of the Listing Agreement, the Auditor's Certificate in compliance on conditions of Corporate Governance is published elsewhere in the Annual Report.

**8. General Body Meetings****(a) Location and time, where last three AGMs held:**

Year	Date & Time of Meeting	Venue	Special Resolutions
2013-14	29.09.2014 at 11.00 AM	Shed No 31 & 32, IDA, Mallapur, Hyderabad -76	NIL
2012-13	20.09.2013 at 11.30 AM	PlotNo.198/A, IDA Cherlapally, Hyderabad-51	NIL
2011-12	04.02.2013 at 11.30 AM	PlotNo.198/A, IDA Cherlapally, Hyderabad-51	NIL

(b) Postal Ballot

No Postal Ballot has been conducted during the year under review.

(c) Extra Ordinary General Meeting

No Extra Ordinary General Meeting has been held during the year.

9. Means of Communication

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report, press releases, Analysts Call after the Board Meeting and the Company's website. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

Quarterly report sent to each household of shareholders.	The results of the Company are published in the newspapers.
Quarterly results and in which newspaper normally published in.	Results are published in Financial Express (all editions) and in Vishalandhra (Telugu – Hyderabad edition).
Any website where displayed.	Yes, the results are displayed on the Company's website www.xlenergy.co
Whether it also displays official news releases.	Yes
Whether the website displays the presentation made to the institutional investors and to the analysts.	Yes

10. General Shareholder Information

Annual General Meeting:

- (i) Date, time and Venue : 30th September, 2015, 10.00 AM
Shed No. 31 & 32, IDA, Mallapur, Hyderabad – 500076
- (ii) Financial Year : 1st April, 2014 to 31st March, 2015
- (iii) Date of Book Closure : 23.09.2015 to 30.09.2015 (both days inclusive)

**(iv) Listing**

The Stock Exchanges on which the Company's shares are listed:

- Bombay Stock Exchange Limited (BSE)
- National Stock Exchange of India Limited (NSE)
- Zero Coupon Foreign Currency Convertible Bonds (FCCBs) are listed at Singapore Exchange Securities Trading Limited (SGX-ST).

(v) Stock Code

Bombay Stock Exchange Limited (BSE) : 532788 & XLENERGY

National Stock Exchange of India Limited (NSE) : XLENERGY

ISIN for FCCBs

Singapore Stock Exchange: XS0325291861

Market Price Data: High, Low during each month in last financial year (in `)

Month	BSE		NSE	
	High	Low	High	Low
April, 2014	2.14	1.77	2.30	1.80
May, 2014	3.42	1.74	3.15	1.70
June, 2014	6.34	3.59	6.20	3.30
July, 2014	5.80	3.39	5.90	3.50
August, 2014	3.56	2.98	3.65	2.85
September, 2014	4.87	2.96	4.85	2.95
October, 2014	3.79	2.58	3.80	2.50
November, 2014	3.69	2.83	3.75	2.70
December, 2014	3.32	2.00	3.40	1.85
January, 2015	4.79	2.40	4.65	2.10
February, 2015	4.95	3.66	4.65	3.55
March, 2015	4.44	2.41	4.10	2.60

vi) Registrar and Share Transfer Agents

The Members are requested to correspond to the Company's Registrars & Share Transfer Agents Bigshare Services Pvt Ltd, quoting their Folio Number, Client ID and DP ID at the following address:

Bigshare Services Pvt Ltd,

306, Right Wing, Amrutha Ville Appt.,

Opp: Yashoda Hospital, Somajiguda,

Rajbhavan Road, HYDERBAD – 500 082

Tel: +91 40 23374967 Fax: +91 40 23370295

E-mail: bsshyd@bigshareonline.com, Website: www.bigshareonline.com

vii) Share Transfer System

All physical share transfers are handled by Bigshare Services Private Limited. The transferee is required to furnish transfer deed duly complete in all respects together with the share certificates to Bigshare Services Private Limited at the above said address in order to enable them to process the transfer.

As regard transfers of dematerialized shares, the same can be effected through the demat accounts of the transferor(s) and transferee(s) maintained with recognized Depository Participants.



All requests received by the Company/RTA for Dematerialisation/ Rematerialisation/ transfer are disposed off expeditiously. Share Certificates duly endorsed are issued /transferred to all those shareholders, who opt for shares in the physical form.

viii) Distribution of shareholding

a. Distribution of shareholding as on 31st March, 2015:

Shareholding	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 - 500	17278	78.5471	2495894	10.9592
501 - 1000	2072	9.4195	1713300	7.5229
1001 - 2000	1220	5.5462	1911288	8.3923
2001 - 3000	483	2.1958	1233000	5.4140
3001 - 4000	216	0.9820	780465	3.4269
4001 - 5000	209	0.9501	991404	4.3532
5001 - 10000	309	1.4047	2254214	9.8980
10001 and above	210	0.9547	11394832	50.0335
Total	21997	100.00	22774397	100.00

Shareholding pattern on 31st March, 2015

Category	No. of Shares	Percentage
Promoters	4524113	19.86
Indian Public & others	13975929	61.38
Bodies Corporate	3447746	15.14
NRIs	813165	3.57
Clearing Member	13444	0.05
Grand Total	22774397	100.00

ix) Dematerialization of shares and liquidity

The Company has admitted its equity & Cumulative Redeemable Preference shares (CRPS) to the depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares. The International Securities Identification Number (ISIN) allotted to the Company for Equity is INE 183H01011 & for Preference Shares is INE 183H04015. The equity shares of the Company are compulsorily traded in dematerialized form as mandated by SEBI. Out of 2,27,74,397 equity shares, 2,27,66,166 equity shares constituting 99.96% of total equity share capital are held in dematerialized form with NSDL and CDSL as on 31st March, 2015.

11. Compliance with Non-Mandatory requirements:

Adoption of non-mandatory requirements under Listing Agreement

- The Board :

The company has appointed Mr Vikas Nayyar, Independent and Non-executive Director to be the Chairman for Board Meetings.

- Shareholders Rights :



- The quarterly and half-yearly financial results are published in widely circulated dailies and also displayed on Company's website www.xlenergy.co. Hence, these are not individually sent to the Shareholders.

- **Audit Qualification :**

The Qualifications given in the Auditors' Report on Financial Accounts are adequately dealt with in Directors' Report.

- **Separate posts of Chairman and CEO:**

The company does not have a CEO and therefore there are no separate posts.

- **Reporting of Internal Auditor:**

The Internal Auditor reports to the Audit Committee.

PLANT & LOCATIONS IN INDIA

1. Jointing Kits Division

Shed No. 30 & 31

I.D.A., Mallapur, Hyderabad - 500 076

2. SPV Division

Shed No. 32, I.D.A.,

Mallapur, Hyderabad - 500 076

3. SMPS & CDMA Division:

Plot No. 198/A, I.D.A., Cherlapally,

Hyderabad - 500 051

4. Ethanol Division:

Plot Nos. B 8 to B 10, &

B 18 to B21, MIDC, Kushnoor

NANDED (District), Maharastra State

5. Fabcity :

Plot No. 36, Raviryal Village,

Fab-City (SEZ) India Pvt. Ltd.

Maheshwaram Mandal,

Ranga Reddy District

ADDRESS FOR CORRESPONDENCE

REGISTERED OFFICE

C2, Pooja Plaza, Vikrampur

Secunderabad – 500 009

CIN : L31300TG1985PLC005844

Tel : 040 27775568 Fax : 040 27840081

Email : info@xlenergy.co

Website : www.xlenergy.co



Management Discussion and Analysis

i. Industry structure and developments

The Disruptive Potential of Solar Power outlines that despite the current hardships of the industry, solar power has a “disruptive potential” to adversely affect other areas of the market.

The financial crisis, cheap natural gas, subsidy cuts by cash-strapped governments, and a flood of imports from Chinese solar-panel manufacturers have profoundly challenged the industry’s short-term performance. But they haven’t undermined its potential; indeed, global installations have continued to rise—by over 50% a year, on average, since 2006. The industry is poised to assume a bigger role in global energy markets; as it evolves, its impact on businesses and consumers will be significant and widespread. Utilities will probably be the first, but far from the only, major sector to feel solar’s disruptive potential.”

Solar Business worldwide has great political support. Even during the recession period many governments provided funding, subsidies and tax benefits. Leading nations are Germany, Italy, France, China, USA, Canada, India etc. The threat of climate change and obligations to reduce Green House Gas (GHG) emissions has put onus on each large country, including on India, to support renewable energy power generation vigorously.

Photovoltaic (PV) Industry –

Solar energy is one of the most economically promising renewable energy sources in the world, as well as being environmentally compatible. Considering that worldwide energy consumption is increasing with the passing of years, the growth of the photovoltaic industry is almost certain

In recent years, despite that for many countries there has been a period of economic recession, photovoltaic’s has made a record number of installations in 2011 and it has increased again in 2012. In today’s world, there are more than 100 GW installed with a production capacity of about 110 TWh annually.

Europe remains the leading region in the world with about 70 GW installed in 2012, just behind China (8.3 GW), the U.S. (7.8 GW) and Japan (6.9 GW). These countries, and more generally, the markets outside the EU, today have used only a minimal part of the potential actually available, even with some markets such as Africa, the Middle East, South East Asia and Latin America just at the beginning of their course.

Indian PV Industry – XL PV Business:

The Indian solar energy sector has been growing rapidly, in the past few years, majorly due to Government’s initiatives such as tax exemptions and subsidies. In the financial year 2014-15, the Company had come across many downturns due to resource crunch being faced by the country as a whole. Though there was growing demand for electricity, the failure on the part of conventional sources of energy to cater to the demands, the Company could not progress well.



Looking at the current market scenario, the supply-demand balance is continuing to improve in the year 2016, after a shakeout of uncompetitive capacities in the upstream sector in the previous years and a projected demand growth of 30%. Utilisation levels are forecast to return to healthier and higher levels and as a result pricing will firm up. New capacity is expected to come online in 2016 and quarterly variations in demand may cause temporary supply gluts.

Cost, efficiency and price are fundamental drivers of PV industry. Innovations across the value chain will enable higher margins for PV industry. Photovoltaic's being very environment friendly and solar energy being a much cleaner source of energy, XL aspires to drive opportunities by making available solar power to all kinds of consumers by reducing the costs .

ii. Future Outlook

The global market for solar PV is expected to triple by 2020 to almost 700 gigawatts, with annual demand eclipsing 100 gigawatts in 2019. Solar demand will likely be almost entirely market-based in 2020; a dramatic shift from 2012 when almost all demand was premised on direct incentives. One implication of an increasingly unsubsidized market is that management and governance of the electric grid will change dramatically, creating both new opportunities and challenges for solar companies. This transformation is already underway with the implementation of market-based mechanisms for PV procurement and solar companies exploring innovations in business model design.

iii. Opportunities and Threats

Opportunities

- Growing demand for solar energy in view of increasing popularity for green energy technology.
- Abundant sunshine in large parts of the country that suits for better solar power generation.
- Strong brand positioning and manufacturing capabilities that attract investors.
- Fall in investment prices on solar power generation equipments inducing investors to make better investment

Threats

- Threat from competitors
- Threat from the markets
- Decline in prices of modules
- Decline in price of Solar Photovoltaic cells and erosion of demand

iv. Risks and concerns

- Underutilisation of capacity due to industry downturn
- High risk of default on payments and low perceived value of service
- Mistrust for solar technology
- Input cost and falling selling price risk
- Government Policies regarding the imports and exports
- Liquidity and Interest Risk



v. Adequacy of internal controls

The Company has does not have adequate system of internal control due to low and negligible quantum of operations. However, the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

vi. Financial performance - Overview

The Company for the year 2014-14 has recorded total revenue of ` 181.10 lakhs as against ` 206.56 lakhs for the previous year. The Company has incurred a loss after tax for the year ` 277.65 lakhs as against a loss of ` 552.71 lakhs for the previous year.

vii. Human Resource –

Human Resource stands to be the element of utmost importance for the success of any organization. The company's ability to deliver value depends on its ability to attract, motivate, empower and retain the best professional talents. XL has always focused on attracting and recruiting the best talent from all walks of the country and enjoys good brand image in the market. There is significant competition from emerging sectors, which poses inherent risks associated with the ability to hire and retain skilled and experienced professionals.

Cautionary Statement-

Statements in the management discussion and analysis describing the company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements, on the basis of any subsequent developments, information or events. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include changes in government/regulatory regulations, tax laws, economic developments within the country and such other factors.



Date: 05.06.2015

To
The Board of Directors,
XL Energy Ltd,
C2, Pooja Plaza, Vikramপুরi,
SECUNDERABAD – 500 009.

Dear Sirs,

Sub: CEO & CFO certification under Clause 49 (IX) of the Listing Agreement – Reg

We, Mr Dinesh Kumar, Managing Director and Mr K Surender Reddy, Chief Financial Officer of XL Energy Limited, responsible for the integrity and objectivity of the financial statements and related notes and hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the Financial Year ended 2014-15 and that to the best of our 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 our 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) We accept responsibility for establishing and maintaining internal controls for financial reporting and evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) 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.

Sd/-

Sd/-

Dinesh Kumar
Managing Director

K Surender Reddy
Chief Financial Officer



XL ENERGY LTD.

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 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]

To
The Members,
XL Energy Limited,
C2, Pooja Plaza, Vikrampuri
Secunderabad – 500009
Telangana.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by XL Energy 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 our 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 31st March, 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 the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) 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; (Not applicable to the Company during the Audit Period)



- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October, 2014; (Not applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).
- (vi) The Company has identified that there are no other laws applicable specifically to the Company during the Audit period.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not applicable to the Company during the Audit Period);
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- The Company has appointed Mr. K. Surender Reddy as Chief Financial Officer of the Company with effect from 12th June, 2014 in the board meeting held on even date, however pursuant to the provisions of Section 203 of the Companies Act, 2013 read with rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint Chief Financial Officer of the Company with effect from 01st April, 2014.
- That the Company has not paid any listing fee to the Stock Exchanges as required under Clause 38 of the Listing Agreement.
- There was a delay in submitting the financial results for the financial year ended on 31st March, 2014. The Company has submitted the financial results on 12th June, 2014 both to the BSE Limited and National Stock Exchange of India Limited as against the due date of 30th May, 2014 prescribed under Clause 41 of the Listing Agreement and paid a fine of ` 55,000/- to NSE.

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 of at least seven days is given to all directors to schedule the Board Meetings, the agenda and detailed notes on agenda were generally sent 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.

- Majority decision is carried through while the dissenting members' view, if any, are captured and recorded as part of the minutes.

We further report that based on the information and explanations given to us by the management, its officers, the quantum of operations of the Company is at low scale and hence there is no separate system and processes in the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

For and Behalf of
R & A Associates

Sd/-
R. Ramakrishna Gupta
Partner
FCS No.: 5523
C P No.: 6696
101 Saptagiri Residency, 1-10-98/A
Chikoti Gardens, Begumpet
Hyderabad, Telangana, 500016

Date : 14.08.2015
Place: Hyderabad

This report is to be read with our letter of even date, which is annexed as “Annexure – A” and forms an integral part of this report.



To
The Members,
XL Energy Limited,
C2, Pooja Plaza,
Vikrampuri, Secunderabad
Telangana – 500009

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 XL Energy Limited (“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 relied up on the information provided by the Management with respect to related party transactions for its compliance.

For and on Behalf of R & A Associates

Sd/-
R. Ramakrishna Gupta
Partner
FCS No.: 5523
C P No.: 6696
101 Saptagiri Residency, 1-10-98/A,
Chikoti Gardens, Begumpet,
Hyderabad, Telangana, 500016

Date: 14.08.2015
Place: Hyderabad.



**CERTIFICATE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENT
UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To
The Members,
XL Energy Limited,
C2, Pooja Plaza,
Vikrampuri, Secunderabad
Telangana – 500009

We have examined the compliance of Corporate Governance by XL Energy Limited for the year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring to compliance of the conditions of the 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, We certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned 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 and on Behalf of R & A Associates

Sd/-
R. Ramakrishna Gupta
Partner
FCS No.: 5523
C P No.: 6696
101 Saptagiri Residency, 1-10-98/A,
Chikoti Gardens, Begumpet,
Hyderabad, Telangana, 500016

Date: 14.08.2015
Place: Hyderabad.



INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

TO THE MEMBERS OF XL ENERGY LIMITED

Report on the Financial Statements

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

Management’s Responsibility for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

Auditor’s Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and 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 misstatements.

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 true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose for expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of



accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements.

Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

Note 2.42 to the financial statements which, describes the balances appearing under other long term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables short term loans and advances and other current assets are subject to confirmation and / or reconciliation if any.

Note 2.28 in the financial statement which indicates that the Company has not provided for interest on borrowings from banks.

Our opinion is not modified in respect of these matters.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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.
2. As required by section 143(3) of the Act, we report that:

We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account

In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



On the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :

- i. The Company does not have any pending litigations which would impact its financial position other than those mentioned in financial statements.
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
- iii. The provisions relating to transferring any amounts to the Investor Education and Protection Fund is not applicable to the Company during the year

**FOR M/s V N R ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn: 004478S**

**Place: Hyderabad
Date: 05.06.2015**

**Sd/-
V N RAO
PROPREITOR
M. No: 18492.**



Annexure referred to in paragraph 1 of Our Report of even date to the members of XL Energy Limited on the accounts of the company for the year ended 31st March, 2015 Under “Report on other Legal & Regulatory Requirements”

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, some of the fixed assets have been physically verified by the management at reasonable intervals; as informed to us no material discrepancies were noticed on such verification.

(a) As explained to us, the Inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable

(b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion, the Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.

The company has granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013 other than those disclosed in note no 2.34 of notes to audited financial statements.

In our opinion and according to the information and explanations given to us, the quantum of operation of the company is at low scale. This does not call for a comprehensive internal control systems and procedures at present.

The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.

The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act, for any of the services rendered by company.

(a) According to the information and explanations given to us and based on the records of the company examined by us, the company is not regular in depositing the following undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, and other material statutory dues applicable to it.

Provident Fund Dues	₹ 15.16 Lakhs
ESI	₹ 2.05 Lakhs
Tax Deducted At Source	₹ 28.06 Lakhs
Total	₹ 45.27 Lakhs



(b) There were no undisputed amounts payable in respect of Service Tax, and other material statutory dues in arrears as at 31st March 2015 for a period of more than 6 months for the date they became payable.

(c) There are no amounts that are due to be transferred to the Investors Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 [1 of 1956] and rules made there under for the financial year 2014-15.

In our opinion the accumulated losses of the company are more than 50% of its net worth. The company incurred a cash loss of ` 94.15 lakhs during the current accounting year. The cash loss during immediately preceding accounting year is ` 177.99 lakhs.

The company has defaulted in the repayment of dues to banks and financial institutions, for both term loans and working capital loans. The company has submitted a proposal to the banks for One Time Settlement (OTS). Reference is invited to note no 2.28 of notes to financial statements.

In our opinion, and according to the information and explanations given to us by the management, the terms and conditions of guarantees given by the Company for loan taken by others from bank or financial institutions in the form of Corporate guarantee to M/s Soft Projex (India) Limited are not prejudicial to the interest of the company.

In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis for the purposes for which they were obtained.

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 year.

**FOR M/s V N R ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn: 004478S**

**Place: Hyderabad
Date: 05.06.2015**

**V N RAO
PROPREITOR
M. No: 18492.**

**XL ENERGY LTD.**

XL ENERGY LTD
C2, Pooja Plaza, Vikrampuri, Secunderabad - 500009, Telangana
Balance Sheet As At 31st March, 2015

(Amount in Lakhs)

1	2	3	4
Particulars	Note No	As At 31-Mar-15	As At 31-Mar-14
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.01	12,655.48	12,655.48
Reserves and Surplus	2.02	(11,138.92)	(10861.27)
Money Received against Share Warrants			
Non - Current Liabilities			
Long- Term Borrowings	2.03	41,700.07	41,700.07
Other Long Term Liabilities	2.04	3,245.48	3,248.18
Current Liabilities			
Short Term Borrowings	2.05	4,452.61	4,478.04
Trade Payables	2.06	763.58	923.27
Other Current Liabilities	2.07	44,622.43	44,673.39
Short - Term Provisions	2.08	438.37	507.77
TOTAL		96,739.10	97,324.93
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	2.09	8,571.30	8,708.62
Intangible Assets			
Capital Work -in-Progress	2.10	24,254.76	24,254.48
Non-Current Investments			
Deferred Tax Assets (Net)	2.11	2,648.20	2,648.20
Long-Term Loans and Advances	2.12	16,976.68	16,976.68
Other Non current Assets	2.13	18,953.51	18,434.42
	2.14	103.94	150.13
Current Assets			
Inventories	2.15	7,735.64	7,873.94
Trade Receivables	2.16	16,190.27	16,413.26
Cash & Cash Equivalents	2.17	242.81	243.38
Short term loans and advances	2.18	833.03	1,390.60
Other Current Assets	2.19	228.96	231.22
TOTAL		96,739.10	97,324.93
Significant Accounting Policies	1.0		-

As per our report of even date

For and on behalf of the Board

For V N R Associates
Chartered Accountants
FRN 004478S

Sd/- Dinesh Kumar Managing Director	Sd/- Aneesh Mittal Wholetime Director	Sd/- K Surender Reddy Chief Financial Officer	Sd/- Bhargavi M Company Secretary
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Sd/-
V N Rao
Propreitor
M. No. 18492
Place: Hyderabad
Date: 05.06.2015

**XL ENERGY LTD.**

XL ENERGY LTD

C2, Pooja Plaza, Vikramপুরi, Secunderabad - 500009, Telangana

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

(Amount in ` Lakhs)

Particulars	Note No	For the year ended	
		31-Mar-15	31-Mar-14
Revenue From Operations	2.20	172.48	196.88
Other Income	2.21	14.41	10.60
Total Revenue		186.89	207.48
Expenses			
Cost of Raw Materials Consumed	2.22	135.86	69.69
Purchase of Stock in trade	2.23	-	-
Changes in Inventories of Finished Goods and WIP	2.24	2.50	136.50
Employee Benefit Expense	2.25	4.48	2.12
Finance Costs	2.26	9.83	4.40
Depreciation and Amortisation Expense	2.09	137.31	328.53
Other Expenses	2.27	174.56	218.95
Total Expenses		464.54	760.19
Profit before exceptional and extraordinary items and Tax (III- IV)		(277.65)	(552.71)
Exceptional Items		-	-
Profit Before extraordinary items and Tax (V-VI)		(277.65)	(552.71)
Extraordinary Items		-	-
Profit Before Tax (VII - VIII)		(277.65)	(552.71)
Tax Expense			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Profit /(Loss) for the period from continuing operations (VII-VIII)		(277.65)	(552.71)
Profit /(Loss) from discontinuing Operations			
Tax Expense on discontinuing Operations			
Profit / (Loss) from Discontinuing Operations (after tax) (XII-XIII)		-	-
Profit / (Loss) for the Period (XI + XIV)		(277.65)	(552.71)
Earnings per Equity Share			
(1) Basic		(1.22)	(2.43)
(2) Diluted		(1.22)	(2.43)
Significant Accounting Policies	1.0		

As per our report of even date

For and on behalf of the Board

For V N R Associates
Chartered Accountants
FRN 004478S

Sd/- Dinesh Kumar Managing Director Sd/- Aneesh Mittal Wholetime Director Sd/- K Surender Reddy Chief Financial Officer Sd/- Bhargavi M Company Secretary

Sd/-
V N Rao
Proprietor
M. No. 18492
Place: Hyderabad
Date: 05.06.2015

**XL ENERGY LTD.**

XL ENERGY LIMITED
C2, Pooja Plaza, Vikramপুরi, Secunderabad-500009, Telangana
Cash Flow Statement for the year ended 31st March, 2015

(Amount in ` Lakhs)

Particulars	31-Mar-15	31-Mar-14
Cash Flow from Operating Activities		
Net Profit (loss) before tax and extraordinary items	(277.65)	(552.71)
Adjustments for :		
Depreciation	137.31	328.53
Misc Exp Written off	46.19	46.20
Interest Income	(14.41)	-
Interest & Finance Charges	9.83	4.40
	178.92	379.13
Operating Profit before Working Capital Adjustments	(98.73)	(173.58)
Adjustments for :		
(Increase)/ Decrease in Inventories	138.30	205.99
(Increase)/ Decrease in Trade and other receivables	222.99	55.97
(Increase)/Decrease in Short Term Loans & Advances	572.80	4.03
Increase)/ (Decrease) in Trade Payables & others	(280.05)	(210.95)
Cash Generated from Operations	555.31	(118.54)
Interest on Borrowings	(9.83)	(4.40)
Direct Taxes Paid	-	-
Net Cash Flow from Operations	545.48	(122.94)
Cash Flow from Investing Activities		
Purchase of Fixed Assets	0.01	(5,668.92)
Sale of Fixed Assets	-	-
Purchase / Sale of Investments	-	1,537.80
Advances/ Payables for Capital work in Progress	(496.86)	(1,097.21)
Capital work in Progress	(0.28)	5,679.21
Interest Income Received	14.41	-
Net Cash used in Investing Activities	(482.72)	450.88
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including premium	-	-
Proceeds from Short Term Borrowings	(25.43)	(317.11)
Inter corporate loans and advances	(37.90)	(37.66)
Net Cash Flow from Financing Activities	(63.33)	(354.77)
Net Increase /(Decrease) in Cash and Cash Equivalents	(0.57)	(26.83)
Cash and Cash Equivalents at the Beginning of the Year	243.38	270.21
Cash and Cash Equivalents at the End of the Year	242.81	243.38

As per our report of even date

For and on behalf of the Board

For V N R Associates
Chartered Accountants
FRN 004478S

Sd/-
Dinesh Kumar
Managing Director

Sd/-
Aneesh Mittal
Wholetime Director

Sd/-
K Surender Reddy
Chief Financial Officer

Sd/-
Bhargavi M
Company Secretary

Sd/-
V N Rao
Proprietor
M. No. 18492
Place: Hyderabad
Date: 05.06.2015



XL ENERGY LTD
C2, Pooja Plaza, Vikrampuri, Secunderabad-500009, Telangana
Notes to Audited Financial Statements

2.01		31-Mar-15	31-Mar-14
		₹ in lakhs	₹ in lakhs
	Share Capital		
	a) Authorised		
	4,00,00,000 Equity shares of ₹10/- each	4,000.00	4,000.00
	11,00,00,000 Preference shares of ₹10/- each	11,000.00	11,000.00
		15,000.00	15,000.00
	b) Issued, Subscribed and Paid Up		
	2,27,74,397 Equity shares of ₹10/- fully paid	2,277.44	2,277.44
	10,37,80,394 Convertible Redeemable Preference Shares of ₹10/- each	10,378.04	10,378.04
	Total	12,655.48	12,655.48
	c) Reconciliation of Shares	Equity Shares Nos	Equity Shares Nos
	Shares outstanding at the beginning of the year	227,74,397	227,74,397
	Shares issued during the year	-	-
	Shares outstanding at the end of the year	227,74,397	227,74,397
	Details of shares held by each shareholder holding more than 5%		
	Name of the Shareholder	Equity Shares No. of Shares (% of Holding)	Equity Shares No. of Shares (% of Holding)
	Mr.Dinesh Kumar	25,67,303	25,67,303
		11.27%	11.27%
	Shares outstanding at the beginning of the year	1037,80,394	1037,80,394
	Shares issued during the year	-	-
	Shares outstanding at the end of the year	1037,80,394	1037,80,394
	Details of shares held by each shareholder holding more than 5%		
	Name of the Shareholder	Preference Shares No. of Shares (% of Holding)	Preference Shares No. of Shares (% of Holding)
	State Bank of India	474,57,324	474,57,324
		45.73%	45.73%
	Canara Bank	255,03,691	255,03,691
		24.57%	24.57%
	IDBI Bank Ltd.	144,28,322	144,28,322
		13.90%	13.90%
	Bank of India	67,72,284	67,72,284
		6.53%	6.53%
	d) Rights, Preferences & Restrictions attaching to each class of shares		
	i) Equity Shares :- Share holding of Promoter's Group aggregating to 45,24,113 shares are pledged to the consortium of Bankers led by the State bank of India.		
	ii) The Preference shares are Convertible Redeemable Preference shares (CRPS) issued to the Consortium of bankers to the Company under a Master Restructuring Agreement dated March 2010 by way of conversion of Funded Interest Term Loans. The CRPS shall carry a coupon rate of 6.75% p.a. CRPS shall be redeemed after 12 years (ie. on 31 st December 2024).		
	e) The Company does not have any holding company or ultimate holding company.		
	f) No Equity Shares have been reserved for issue under options and contracts/commitments for the sale of shares / disinvestment as at		



the Balance Sheet date			
g) No Equity Shares have been bought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.			
		As At 31-Mar-15 ₹ in lakhs	As At 31-Mar-14 ₹ in lakhs
2.02	Reserves and Surplus		
(a)	Capital Reserves		
	Opening Balance	543.54	543.54
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	543.54	543.54
(b)	Security Premium Reserve		
	Opening Balance	24,269.42	24,269.42
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	24,269.42	24,269.42
(c)	General Reserves		
	Opening Balance	736.72	736.72
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	736.72	736.72
(d)	Surplus		
	Opening Balance	(36,410.95)	(35,858.24)
	Add: Net Profit / (Net Loss) for Current Year	(277.65)	(552.71)
	Closing Balance	(36,688.60)	(36,410.95)
	Total Reserves & Surplus	(11,138.92)	(10,861.27)
2.03	Long- Term Borrowings		
	Secured		
	Term Loans		
	From Banks	39,798.08	39,798.08
	(Secured by Equitable Mortgage of Land, First charge of immovable Properties of the company both present and future, Hypothecation of all tangible, movable properties and assets both present and future including Raw Materials, Inventory and Receivables. See detailed breakup in 2.31 notes to accounts)		
	Hire Purchase Loans from Banks	-	-
		39,798.08	39,798.08
	Unsecured		
	Other Loans and advances	-	-
	Un-Secured Loans –FCCB		
	Outstanding amount of USD 4.20 million Foreign Currency Convertible Bonds issued in October 2007 with a maturity period of 5 years and one day	1,901.99	1,901.99
		1,901.99	1,901.99
	Total Long Term Liabilities	41,700.07	41,700.07
2.04	Other Long Term Liabilities		
	Sundry Creditors - Capital Goods - Payables	3,241.34	3,241.34
	Sundry Creditors - Capital Goods- Retention Money	4.41	6.84
		3,245.48	3,248.18
2.05	Short Term Borrowings		
	Loans payable on demand		
	a) from banks	4,452.61	4,478.04

**XL ENERGY LTD.**

	(Secured by Equitable Mortgage of land, First charge of immovable Properties of the company both present and future, Hypothecation of all tangible, movable properties and assets both present and future including Raw Materials, Inventory and Receivables. See detailed note 2.32 in notes to accounts)		
	b) From other parties	-	-
		4,452.61	4,478.04
2.06	Trade Payables Sundry Creditors -Trade (unsecured)		
	a) Total outstanding dues of micro, medium and small enterprises	0.00	0.00
	b) Total outstanding dues of other than micro, medium and small enterprises	660.55	787.84
	Sundry Creditors – Transport	103.03	135.43
		763.58	923.27
2.07	Other Current Liabilities		
	Current Maturities of Long Term Debt	37,698.92	37,698.92
	Interest accrued but not due on borrowings	-	-
	Interest accrued due on borrowings	6,884.42	6,884.42
	Unpaid Dividends	3.35	3.35
	Other Payables :	-	-
	Service tax	-	11.61
	VAT payable & Work Contract Tax	5.08	0.48
	TDS Payable	28.06	72.01
	Professional tax	2.60	2.60
		44,622.43	44,673.39
2.08	Short - Term Provisions		
	Provision for employee benefits		
	Salary & Reimbursements	375.30	355.15
	Contribution to PF	15.16	30.86
	Contribution to ESI	2.05	24.87
	LIC premium payable	-	2.37
	Provision for Income Tax	26.33	29.77
	Other Liabilities	19.53	64.75
		438.37	507.77

XL ENERGY LTD
C2, Pooja Plaza, Vikrampuri, Secunderabad-500009, Telangana
Notes to Audited Financial Statements

(Amount in Lakhs)

Fixed Assets	Gross Block			Depreciation				Net Block		
	As at	Additions during the year	Disposal during the year	As at	As at	Depreciation for year	Depreciation on disposals	As at	As at	As at
	1-Apr-14			31-Mar-15	1-Apr-14			31-Mar-15	31-Mar-15	31-Mar-14
2.09 Tangible Assets										
(a) Land	1,154.90	-		1,154.90	--	-	-	-	1,154.90	1,154.90
(b) Buildings Plant and Equipment	4,715.56	(0.01)		4,715.55	314.14	3.12		317.26	4,398.29	4,401.42
(c) Computers	5,087.20	-		5,087.20	2,183.77	87.83		2,271.60	2,815.60	2,903.43
(d) Vehicles furniture & fixtures	114.50	-		114.50	114.50	-		114.50	-	-
(e) Office equipment	262.49	-		262.49	187.38	31.18		218.56	43.93	75.11
(f) Office equipment	263.35	-		263.35	111.74	1.92		113.66	149.69	151.61
(g) Office equipment	73.72	-	-	73.72	51.57	13.26		64.83	8.89	22.15
Total	11,671.72	(0.01)	49.84	11,671.71	2,963.10	137.31	-	3,100.41	8,571.30	8,708.62
Previous Year Balance	6,029.78	5,691.78	49.84	11,671.72	2,661.55	328.53	26.98	2,963.10	8,708.62	3,368.23
- Intangible Assets										
2.10 Capital Work -in-Progress										
CWIP - SPV – Fabcity	24,115.24	0.28		24,115.52					24,115.52	29,794.45
CWIP- ETHANOL PROJECT	27.96	-		27.96					27.96	27.96
CWIP - Photobioreact or – Cherlapally	111.28	-		111.28					111.28	111.28
Capital Work - in-Progress	24,254.48	0.28	-	24,254.76	-	-	-	-	24,254.76	29,933.69

**XL ENERGY LTD.**

XL ENERGY LTD
C2, Pooja Plaza, Vikrampuri, Secunderabad-500009, Telangana
Notes to Audited Financial Statements

		As At 31-Mar-15 in lakhs	As At 31-Mar-14 in lakhs
2.11	Non-Current Investments		
A	Trade Investments		
(i)	Investment in Shares of:		
	(a) Saptashva Solar SL-Spain - Wholly owned subsidiary (2548006 fully paid equity shares of Euro 1 each)	1,636.49	1,636.49
	(b) Saptashva Solar Ltd. - Joint Venture Company (50,000 fully paid equity shares of ₹ 10/- each)	5.00	5.00
(ii)	Application money paid - pending allotment of shares (a) Saptashva Solar SL-Spain - Wholly owned subsidiary	1,006.1	1,006.71
	Total 'A'	2,648.20	2,648.20
	Less: Diminution in the value of investments	-	-
	Total	2,648.20	2,648.20
2.12	Deferred Tax Assets (Net)	16,976.68	16,976.68
		16,976.68	16,976.68
2.13	Long-Term Loans and Advances		
	Capital Advances	18,474.51	17,980.35
	Loans and Advances to related parties	451.60	413.70
	Rental Deposits	27.40	40.37
		18,953.51	18,434.42
2.14	Other Non current Assets		
	Preliminary expenses	103.94	150.13
		103.94	150.13
2.15	Inventories (Valued at cost or net realisable value whichever is lower)		
(a)	Raw materials, Stores & Consumables etc	1,422.15	1,557.95
(b)	Work in Progress	6313.49	6,315.99
(c)	Finished Goods	-	-
(d)	Stock In Trade	-	-
		7,735.64	7,873.94
2.16	Trade Receivables (Unsecured Considered Good) Exceeding six months Less than six months Less: Provision for Doubtful Debts	16,190.27	16,413.26
		16,190.27	16,413.26
2.17	Cash & Cash Equivalents		
	Balances with banks in Current Account	3.89	4.20
	in Deposit Accounts (including margin money)	234.40	234.40
	Unclaimed Dividend Balance	3.34	3.34
	Cash On Hand	1.18	1.44
		242.81	243.38
2.18	Short term loans and advances (Unsecured, considered good) Deposits Others advances -Advance to suppliers Less: allowance for Doubtful Loans and advances Interest Accrued but not received	14.85 763.45 - 54.73	222.92 1,095.79 - 71.89



		833.03	1,390.60
2.19	Other Current Assets		
	Other advances	5.25	5.25
	Tour Advances	5.04	1.70
	Excise duty & Mod VAT receivable	218.31	221.85
	Service Tax and Vat Receivables / Input	0.36	2.42
		228.96	231.22
2.20	Revenue From Operations		
	Sale of Products		
i	Domestic Sales		
	Telecom Division		
	Energy Division	172.48	127.52
ii	Export Sales		
	Telecom Division		
	Energy Division	-	3.17
iii	Other Sales - Energy Division	-	43.22
	Other Sales - Telecom Division	-	22.97
		172.48	196.88
	Less		
	Excise Duty	-	-
	Total	172.48	196.88
2.21	Other Income		
	Interest Income	14.41	-
	Other Non - Operating Income	-	9.80
	Net Gain / Loss on foreign currency translation and transaction	-	0.80
	Total	14.41	10.60
2.22	Cost of Raw Materials Consumed		
	Opening Stock of Raw Material	1,557.95	1,627.44
	Add : purchase of Raw Material	0.06	0.20
		1,558.01	1,627.64
	Less : Closing Stock of Raw Material	1,422.15	1,557.95
	Less : Loss on Inventory due to absolute & dead stock	-	-
	Consumption of Raw Materials	135.86	69.69
	Details of Raw Material Consumed :		
	a) Raw Material for SPV Modules		
	Solar Cells 6"	-	-
	EVA	4.80	2.99
	Tedlar	12.05	10.94
	Toughened Glass	20.83	5.80
	Ribbon Interconnects	48.69	2.56
	Bus Bar	38.15	2.42
	Aluminium Frames	3.58	11.58
	Silicon Sealant	0.50	-
	Flux	0.28	0.39
	Terminal Box	5.29	9.83
	Packing Material	0.75	6.16
	Others	0.94	17.02
		135.86	69.69
	Note : Solar cells & silicon sealant salvaged are used from inventory written off in earlier years		
	b) Raw Material for SMPS units		
	Total	135.86	69.69
2.23	Purchase of Stock in trade		
	Purchase of Raw Material	-	-
	Purchase of stock in trade	-	-
2.24	Changes in Inventories of Finished Goods and WIP		

**XL ENERGY LTD.**

	i)(Increase/ Decrease in WIP)		
	Opening Stock	6,315.99	6,452.49
	Closing Stock	6,313.49	6,315.99
	Changes in Inventories of WIP (a)	2.50	136.50
	ii)(increase)/Decrease in Finished Goods		
	Opening Stock	-	-
	Less : Loss on Inventory due to absolute & dead stock		
	Closing Stock	-	-
	Changes in Inventories of Finished Goods (b)	-	-
	Total Cost of Materials Consumed (a)+(b)	2.50	136.50
2.25	Employee Benefit Expense		
	Salaries and Wages	4.40	1.01
	Contribution to Provident and other Funds	-	-
	Staff Welfare Expenses	0.08	1.11
	Total	4.48	2.12
2.26	Finance Costs		
a)	Interest expense		
	Interest on Hire Purchase Loans	-	-
	Interest on Term Loans	-	-
b)	Other borrowing costs		
	Interest on Working Capital Loans & Bank charges	9.83	4.40
	Total	9.83	4.40
2.27	Other Expenses		
	Power and Fuel expenses	26.03	9.66
	Rent	-	12.41
	Factory and office security charges	30.45	25.35
	Insurance	5.94	8.83
	Rates and taxes, excluding taxes on income	5.69	5.65
	Communication Expenses	5.84	2.89
	Printing & Stationery Expenses	0.24	0.17
	Prof & Consultancy Charges	0.96	27.53
	Traveling & Conveyance Expenses	13.74	31.44
	Interest and penalties on PF and ESIC payments	13.21	6.73
	Payment to the Auditor		
	- for Audit	0.50	1.50
	- for Other services	-	0.50
	Advertising and promotional Expenses	4.65	4.81
	Loss on sale of vehicles	-	11.75
	Miscellaneous expenses Written off	48.79	46.19
	Other Administrative Expenses	18.53	23.53
		174.56	218.95

**1 SIGNIFICANT ACCOUNTING POLICIES:****Corporate Information**

XL Energy Limited is listed company having its shares listed in Bombay Stock Exchange and National Stock Exchange. The company is engaged in manufacturing/trading/production and sale of Solar Photovoltaic Modules as its main business. In addition to this, the company is engaged in the business of manufacture of equipment for Telecom Industry and manufacture of Ethanol. However at present this business conducted in this segment has become negligible. The company caters to both international and domestic market in Solar PV Business.

1.1 System of Accounting:

The accounts have been prepared and presented under the historical cost convention method on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) as notified in the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of companies Act 2013, to the extent applicable.

1.2 Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgment estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although, these estimates are used on the managements' best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amounts of assets or liabilities to the carrying amounts of assets or liabilities in further periods.

1.3 Tangible Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. Cost is inclusive of duties & taxes (net of CENVAT/VAT), incidental expenses and erection / commissioning expenses.

1.4 Depreciation:

Depreciation on Fixed Assets is provided on Straight Line Method at the rates specified in Schedule II to the Companies Act, 2013. Depreciation on Assets bought / sold during the year is charged at applicable rates on monthly basis in the month the Asset is put to use / sold.

1.5 Expenditure during construction period:

Expenditure (including Finance cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as preoperative expenses pending allocation to the assets and are shown under "Capital Work in Progress". These expenses will be apportioned to fixed assets on commencement of commercial production.

1.6 Investments:

Long term investments and investments in subsidiary companies are carried at cost.

1.7 Valuation of Inventories:



- a) Inventories are valued at the lower of weighted average cost or net realizable value. The weighted average value is calculated on the basis of net landed cost.
- b) Cost for the purpose of finished goods and material in process is computed on the basis of cost of material, labour and other related overheads.
- c) In all the cases necessary adjustments are made in respect of non-moving, slow moving, damaged and unserviceable goods.

1.8 Foreign Exchange:

Foreign Exchange transactions are recorded at the exchange rates prevailing at the time of transactions or at contracted rates. Current assets and current liabilities are translated at values prevailing at the Balance Sheet date. Gains/losses, if any, arising thereby are recognized in the Profit and Loss account.

1.9 Revenue Recognition:

- a) Revenue from sales is recognized when significant risk and rewards in respect of ownership of the products are transferred.
- b) Revenue from domestic sales is recognized on dispatch of products from the factory of the Company.
- c) Revenue from export sales is recognized on the basis of dates of Bill of Lading.

1.10 Employee Retirement Benefits:

Defined Contribution Plan: Contributions paid/ payable the defined contribution plan of provident fund for employees covered under the scheme are recognized in the profit and loss account each year. However, during the year the company does not have any employees who are covered under the Provident fund scheme.

Defined Benefit Plan: The Company is accounting gratuity and bonus on cash basis. The company has not provided for gratuity and bonus liability as at the Balance Sheet date in accordance with revised accounting standard 15 issued by ICAI

Other Long Term employee Benefits: There are no long term employee benefits comprising of Leave encashment, bonus, etc. as at the Balance Sheet date.

1.11 Borrowing Costs:

Borrowing costs incurred in relation to the acquisition and construction of assets is capitalized as part of the cost of such assets up to the date when such assets are ready for intended use.

1.12 Income Tax Expenditure:

- a) Current Tax Expense: The current charge for income tax is calculated in accordance with the tax regulations.
- b) Deferred Tax Expense: Deferred income tax reflects the impact of timing difference between accounting income and tax income for the year/ period. Deferred tax is measured based on the tax rates and the tax laws enacted at the Balance sheet date. Deferred tax asset is recognized till the previous year. Deferred tax asset for the year is not recognized in view of the uncertainty of its utilization against the future profits of the Company.

1.13 Miscellaneous Expenditure:

Miscellaneous expenditure comprises of preliminary/ public issue expenses which are amortized over a period of ten years.

**NOTES TO AUDITED FINANCIAL STATEMENTS****2.28 Corporate Debt Restructuring (CDR)- Loan Recovery & OTS :**

The Company could not execute the CDR package due to various reasons already explained in the previous years and the Banks have initiated steps for recovery of the debt including issuance of notice under SARFAESI Act as well as filing the OA with the DRT. However, the Company has submitted an OTS proposal for settling the debt with all the banks under the leadership of the State Bank of India with financial assistance from an Asset Reconstruction Company. The banks are negotiating the OTS proposal and settlement is expected to be made at the earliest. Interest on all banks outstanding has not been provided as the company is confident that the OTS proposal with support from the ARC companies will be acceptable to the banks.

2.29 The net worth of the Company suffered further depletion during the year due to substantial reduction in revenues of the company and the consequent losses suffered. However, considering the early settlement with the banks through the OTS and also the various measures taken by the Company to gain and accumulate orders and also taking into consideration the business potential in solar power space and future business prospects of the company, the accounts are stated on going concern basis.

2.30 Contingent and disputed liabilities not provided for :

(` in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
a) Guarantee / Counter Guarantees given on sale of contracts to		
1) Sukhbir Solar Energy Pvt. Ltd – BG against performance Guarantee	121.10	121.10
2) BSNL - BG against Sales Contract Performance guarantee	234.33	234.33
3) BSNL – BG against AMC Contract Guarantee	158.68	164.88
4) BSNL - BG against Sales Contract Performance guarantee	105.22	105.22
5) MTNL, New Delhi - BG against Sales Contract Performance guarantee	37.24	79.24
6) Govt of India – Excise Bond for Export shipment	-	6.00
Total Bank Guarantees Contingent liability	656.58	710.77
b) Disputed income tax liability relating to a demand notice from the Income Tax department for levy of penalty and interest on tax dues for the AY.2005-06, AY.2006-07, AY. 2007-08 & AY 2008-09. The company had filed an appeal with the department seeking waiver of penalties imposed on the company since the delays in remittance of dues were due to circumstances beyond the control of the company. The company is confident of winning the appeals.	319.68	319.68

**2.31 Secured Loans:**

(₹ in Lakhs)

Sl No	Particulars	As at 31.03.2015	As at 31.03.2014
	A. Term Loans:		
i)	Canara Bank – SPV	4548.84	4345.55
ii)	IDBI Bank – SPV	5415.83	5415.83
iii)	Bank of India – SPV	5191.90	5191.90
iv)	State Bank of Bikaner & Jaipur – SPV	2423.16	2423.16
v)	State Bank of Mysore – SPV	2021.01	2021.01
vi)	IDBI corporate loan	250.00	250.00
	Total	19850.74	19647.45
	B. Funded interest Term loans I:		
i)	Canara Bank – SPV	0	86.86
ii)	State Bank of Bikaner & Jaipur – Fabcity	86.45	86.45
iii)	State Bank of Mysore – Fabcity	0.00	0.00
iv)	IDBI – Fabcity	194.12	194.12
v)	Bank of India – Fabcity	0.00	0.00
	Total	280.57	367.43
	C. Short Term Loans:		
i)	Canara Bank	8711.28	8711.28
ii)	IDBI Bank	3104.72	3104.72
iii)	State Bank of India	21442.82	21442.82
	Total	33258.82	33258.82
	D. Working Capital Term Loans:		
i)	Canara Bank	8526.89	8601.25
ii)	Vijaya Bank	1548.87	1548.87
iii)	Federal Bank – Telecom	1415.51	1415.49
iv)	State Bank of Hyderabad	1421.37	1421.37
v)	IDBI Bank	2872.90	2872.90
vi)	State Bank of India	13964.07	13964.07
vii)	ICICI Bank	752.41	752.41
	Total	30502.02	30576.36
	E. Funded interest term loans II:		
i)	Canara Bank	135.70	177.78
ii)	State Bank of India	353.58	353.58
	Total	489.28	531.36
	F. Working Capital Borrowings:		
i)	Canara Bank	417.94	419.52
ii)	Vijaya Bank – Telecom	1206.89	1210.77
iii)	Federal Bank – Telecom	1372.62	1373.80
iv)	ICICI Bank – Telecom	58.00	58.00
v)	State Bank of Hyderabad – CC	186.44	190.82



vi)	IDBI Bank – Telecom	821.13	821.13
vii)	State Bank of India – CC	389.59	404.00
	Total	4452.61	4478.04
	Total Loans from banks	88834.04	88859.46

All the loans are secured by,

- Mortgage and first charge on immovable properties, both present and future situated at Plot No. 198 A&B, IDA Cherlapally, Hyderabad
- Mortgage and first charge on the fixed assets of Ethanol Division situated at Plot No. B 8-10, MIDC, Kushnoor, Nanded, Maharashtra
- Mortgage and first charge on lease hold rights on land admeasuring 2,02,350 sq. mts. Approximately and fixed assets both present and future, situated at survey nos. 50,66,68,69,70,84,85,86 & 87 situated at Fabcity, Raviryal village, Maheswaram Mandal, Rangareddy District, Telangana State.
- First charge on immovable properties, present and future situated at Shed nos. 30, 31 and 32, IDA, Mallapur, Hyderabad.
- Hypothecation of all tangible, movable properties and Assets, both present and future including raw materials, goods in process, finished goods and book debts.
- Personal guarantee of Directors of the Company - Mr. Dinesh Kumar, Mr. Aneesh Mittal and Mrs. Ritu Lal Kumar.

The aspect relating to default in repayment is covered in note 2.28

2.32 Foreign Currency Convertible Bonds

As against the outstanding balance of Foreign Currency Convertible Bonds of USD 4.20 million which had matured for repayment in October 2012, the company was unable to repay the FCCB's as the company's financial position had deteriorated over the years. However, the company has not received any claim from the FCCB holders till date. At the same time the company is trying to contact the FCCB holders and negotiate with them for rollover of the FCCB for a further period.

2.33 Segment Reports

The Company was in the business of Solar Power Plant & Equipment in addition to Telecom business of manufacturing CDMA handsets, JKits & OFC, SMPS and also manufacture of Ethanol. However, all operations under Telecom and Ethanol business have stopped and the company is now only in Solar business. Hence, the segment reports are not provided.

2.34 Related Party Transactions:

Information relating to Related Party transactions as per Accounting Standard 18, issued by The Institute of Chartered Accountants of India, specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 is as under:

a) Names of related parties and the nature of relationships:

Name	Relationship
i. Saptashva Solar Ltd.	Joint Venture Company (48.97%)
ii. Saptashva Solar SA	Wholly owned subsidiary Company
iii. Sree Sahasya Enterprises Pvt. Ltd.	Common Directors
iv. Saptashva Solar SRL, Italy	Subsidiary of Saptashva Solar SA, Spain
v. Key Management Personnel:	
Mr Dinesh Kumar	Managing Director
Mr Aneesh Mittal	Whole time Director
Mr K Surender Reddy	Chief Financial Officer
Ms Bhargavi Maheshuni	Company Secretary

a) Transactions made during the period:

(₹ in Lakhs)

Name of the Party	Relationship	Sale of goods & Services	Advances/ Loans/ investment given	Advances/ Loans/ investment recovered	Loans received	Loans repaid	Receivable/ (payable) as at 31.03.2015
Saptashva Solar Limited	Joint Venture Company		37.90	-	-	-	106.05

b) Amounts outstanding at the Balance Sheet date

(₹ in Lakhs)

Name of the Party	Relationship	2014-15		2013-14		Remarks
		Amounts Due to the company	Amounts Payable by the company	Amounts Due to the company	Amounts Payable by the company	
Saptashva Solar Limited	J V Company	5.00	-	5.00	-	Equity Subscribed
Saptashva Solar Limited	JV Company	106.05	-	68.15	-	Loans given / received
Saptashva Solar S.L, Spain	Subsidiary Company	1,636.49	-	1,636.49	-	Equity Subscribed
Saptashva Solar S.L, Spain	Subsidiary Company	1,006.71	-	1,006.71	-	Application money pending allotment
Saptashva Solar S.L, Spain	Subsidiary Company	46.59	-	46.59	-	Amounts due against sales
Saptashva Solar SRL, Italy	Step down Subsidiary Company	345.55	-	345.55	-	Advances for expenses

2.35 Earnings per share :

Particulars	2014-15	2013-14
Net Profit /(Loss) after tax for the year (₹ in Lakhs)	(277.65)	(552.71)
Weighted Average no of Equity Shares (Nos)	22,774,397	22,774,397
Earning per share (Basic/ Diluted) (₹)	(1.22)	(2.43)

2.36 a) Earnings in Foreign Currency:

(₹ in Lakhs)

Particulars	2014-15	2013-14
FOB value of exports during the year	Nil	Nil

**b) Expenditure in Foreign Currency:**

(₹ in Lakhs)

Particulars	2014-15	2013-14
Travelling Expenses	Nil	Nil
Import of Raw material (CIF Value)	Nil	Nil

2.37 Details of Imported and Indigenous Raw Materials, Spare Parts and other Components:

(Value in ₹ Lakhs)

Name of the Material	2014-15		2013-14	
	%	Value	%	Value
- Imported	0.00	Nil	0.00	Nil
- Indigenous	100.00	135.86	100.00	0.20
Total	100.00	135.86	100.00	0.20

2.38 Capacities and Production:

Class of Goods	Units	Licensed Capacity	Installed Capacity	Production	
				2014-15	2013-14
Cable jointing kits	Nos	- N.A. -	500,000	NIL	NIL
SMPS	Nos	- N.A. -	2,880	NIL	NIL
Solar Modules	MW	- N.A. -	180	0.75	0.55
CDMA Phones	Nos	- N.A. -	3,000,000	NIL	NIL
Ethanol	BL	- N.A. -	45,000,000	NIL	NIL

2.39 Details of Raw Material consumption:

S.No	Raw Material for SPV Modules	2014-15		2013-14	
		Qty	Value (₹ lakhs)	Qty	Value (₹ lakhs)
1	Solar Cells 6"	-	-	140019	-
2	EVA	-	4.80	7654	2.99
3	Tedlar	5020	12.05	3827	10.94
4	Toughened Glass	5020	20.83	3766	5.80
5	Ribbon Interconnects	5020	48.69	187	2.56
6	Bus Bar	5020	38.15	163	2.42
7	Aluminium Frames	1555	3.58	2334	11.58
8	Silicon Sealant	-	0.50	700	-
9	Flux	-	0.28	23	0.39
10	Terminal Box	1555	5.29	2334	9.83
11	Packing Material	-	0.75	133	6.16
12	Others	-	0.94	-	17.02
	Total Raw Material for SPV Modules	-	135.86	-	69.69



- 2.40** Details of Finished Goods stock: NIL
- 2.41** There are no dues to Micro, small and medium enterprises under Development Act, 2006, exceeding 45 days. The micro, small and medium industries are determined to the extent such parties have been identified on the basis of the information available with the Company.
- 2.42** Balances appearing under other long term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables, short term loans and advance and other current assets are subject to confirmation and / or reconciliation, if any.
- 2.43** Previous year figures have been regrouped / reclassified wherever necessary.

As per our report of even date

**For V N R Associates
Chartered Accountants
FRN No. 004478S**

**Sd/-
V.N. Rao
Proprietor
Membership No.: 18492**

**Place : Secunderabad
Date : 05.06.2015**

For and on behalf of the Board

**Sd/-
Dinesh Kumar
Managing Director**

**Sd/-
K Surender Reddy
Chief Financial Officer**

**Sd/-
Aneesh Mittal
Wholetime Director**

**Sd/-
Bhargavi M
Company Secretary**



INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF XL ENERGY LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of M/s XL Energy Limited (“the Holding Company”), which comprise the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Consolidated Financial Statements

The Company’s Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor’s Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and 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 misstatements.

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 true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose for 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 accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated 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 financial statements.

Emphasis of Matters

We draw attention to the following matters in the Notes to the consolidated financial statements:

- a) Note 2.43 to the notes to consolidated financial statements which, describes the balances appearing under other long term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables short term loans and advances and other current assets are subject to confirmation and / or reconciliation if any.
- b) Note 2.29 in the notes to consolidated financial statements which indicates that the Company has not provided for interest on borrowings from banks.

Other Matters

We did not audit the financial statements of the subsidiary M/s Saptashva Solar SA, whose financial statements reflect total assets ` 7,059.04 lakhs of as at 31st March, 2015 and the total revenue of ` 602.57 lakhs for the period ended on that date. The financial statements of the subsidiary have not been audited by any auditor and we express our opinion solely based on the management's representation. The financial statements of M/s Saptashva Solar Limited, Joint Venture Company have not been considered for the purpose of consolidation in these financial statements as there are no substantial revenues or incomes from the joint venture due to stoppage of business as disclosed by the management.

Our opinion is not modified in respect of these matters.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2015 and its loss and its cash flows for the year ended on that date.



Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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.
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 purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law as relating to the preparation of aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books .
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors of the Holding Company as on 31st March, 2015, taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The Company does not have any pending litigations which would impact its financial position other than those mentioned in the notes to consolidated financial statements.
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. The provisions relating to transferring any amounts to the Investor Education and Protection Fund is not applicable to the Company during the year.

**FOR M/s V N R ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn: 004478S**

**Sd/-
V N RAO
PROPREITOR
M. No: 18492.**

**Place: Hyderabad
Date: 05.06.2015**



Annexure referred to in paragraph 1 of Our Report of even date to the members of XL Energy Limited on the accounts of the company for the year ended 31st March, 2015 Under “Report on other Legal & Regulatory Requirements”

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, some of the fixed assets have been physically verified by the management at reasonable intervals; as informed to us no material discrepancies were noticed on such verification.

ii. (a) As explained to us, the Inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable

(b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) In our opinion, the Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.

iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013 other than those disclosed in note no 2.35 of notes to consolidated financial statements.

iv) In our opinion and according to the information and explanations given to us, the quantum of operation of the company is at low scale. This does not call for a comprehensive internal control systems and procedures at present.

v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.

vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act, for any of the services rendered by company.

vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is not regular in depositing the following undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, and other material statutory dues applicable to it.

Provident Fund Dues	₹ 15.16 Lakhs
ESI	₹ 2.05 Lakhs
Tax Deducted At Source	₹ 28.06 Lakhs
Total	₹ 45.27 Lakhs

(b) There were no undisputed amounts payable in respect of Service Tax, and other material statutory dues in arrears as at 31st March 2015 for a period of more than 6 months for the date they became payable.



(c) There are no amounts that are due to be transferred to the Investors Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956 [1 of 1956] and rules made there under for the financial year 2014-15.

viii) In our opinion the accumulated losses of the company are more than 50% of its net worth. The company made a cash profit of ` 268.54 lakhs and forex gain on translation of ` 1,486.14 lakhs during the current accounting year. The cash profit during immediately preceding accounting year is ` 283.25 lakhs.

ix) The company has defaulted in the repayment of dues to banks and financial institutions, for both term loans and working capital loans. The company has submitted a proposal to the banks for One Time Settlement (OTS). Reference is invited to note no 2.29 of notes to consolidated financial statements.

x) In our opinion, and according to the information and explanations given to us by the management, the terms and conditions of guarantees given by the Company for loan taken by others from bank or financial institutions in the form of Corporate guarantee to M/s Soft Projex (India) Limited are not prejudicial to the interest of the company.

xi) In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis for the purposes for which they were obtained.

xii) 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 year.

**FOR M/s V N R ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Regn: 004478S**

**Place: Hyderabad
Date: 05.06.2015**

**Sd/-
V N RAO
PROPREITOR
M. No: 18492.**

**XL ENERGY LTD.**

XL ENERGY LTD
C2, Pooja Plaza, Vikrampuri, Secunderabad - 500009, Telangana
Consolidated Balance Sheet As At 31st March, 2015

(Amount in ` Lakhs)

Particulars	Note No	As At 31-Mar-15	As At 31-Mar-14
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.01	12,655.48	12,655.48
Reserves and Surplus	2.02	(11,080.91)	(12,291.94)
Money Received against Share Warrants			
Non - Current Liabilities			
Long- Term Borrowings	2.03	41,700.07	41,315.43
Other Long Term Liabilities	2.04	3,245.48	3,248.18
Current Liabilities			
Short Term Borrowings	2.05	4,452.61	4,478.04
Trade Payables	2.06	763.58	923.27
Other Current Liabilities	2.07	44,622.43	44,673.40
Short - Term Provisions	2.08	438.37	519.24
TOTAL		96,797.11	95,521.10
ASSETS			
Non - Current Assets			
Fixed Assets			
Tangible Assets	2.09	13,042.39	13,536.78
Intangible Assets	2.10	1,655.66	2,020.62
Capital Work -in-Progress	2.11	24,254.76	24,254.48
Non-Current Investments	2.12	5.00	5.00
Deferred Tax Assets (Net)	2.13	16,972.89	17,110.75
Long-Term Loans and Advances	2.14	18,627.47	18,458.23
Other Non current Assets	2.15	103.94	150.13
Current Assets			
Inventories	2.16	7,735.64	7,873.94
Trade Receivables	2.17	13,047.70	10,204.37
Cash & Cash Equivalents	2.18	266.14	255.19
Short term loans and advances	2.19	833.96	1,391.74
Other Current Assets	2.20	251.56	259.87
TOTAL		96,797.11	95,521.10
Significant Accounting Policies	1.0	-	-

As per our report of even date

For and on behalf of the Board

For V N R Associates
Chartered Accountants
FRN 004478S

Sd/-
Dinesh Kumar
Managing Director

Sd/-
Aneesh Mittal
Wholetime Director

Sd/-
K Surender Reddy
Chief Financial Officer

Sd/-
Bhargavi M
Company Secretary

Sd/-
V N Rao
Proprietor
M. No. 18492
Place: Hyderabad
Date: 05.06.2015

**XL ENERGY LTD.**

XL ENERGY LTD
C2, Pooja Plaza, Vikrampuri, Secunderabad - 500009, Telangana
Consolidated Profit and Loss Account for the year ended 31st March, 2015

(Amount in ` Lakhs)

Particulars	Note No	Year Ended 31-Mar-15	Year Ended 31-Mar-14
Revenue From Operations	2.21	775.05	792.00
Other Income	2.22	14.41	10.61
Total Revenue (I + II)		789.46	802.61
Expenses			
Cost of Raw Materials Consumed	2.23	135.86	69.69
Purchase of Stock in trade	-	-	-
Changes in Inventories of Finished Goods and WIP	2.24	2.50	136.50
Employee Benefit Expense	2.25	12.16	42.23
Finance Costs	2.26	21.25	13.42
Depreciation and Amortization Expense	2.09	494.37	775.11
Other Expenses	2.27	395.34	303.71
Total Expenses		1,061.48	1,340.66
Profit before exceptional and extraordinary items and Tax (III- IV)		(272.02)	(538.05)
Exceptional Items		-	-
Profit Before extraordinary items and Tax (V-VI)		(272.02)	(538.05)
Extraordinary Items	2.28	(1,486.14)	(202.32)
Profit Before Tax (VII - VIII)		1,214.12	(335.73)
Tax Expense			
(1) Current Tax		3.10	(1.34)
(2) Deferred Tax		-	-
Profit /(Loss) for the period from continuing operations (VII-VIII)		1,211.02	(334.39)
Profit /(Loss) from discontinuing Operations		-	-
Tax Expense on discontinuing Operations		-	-
Profit / (Loss) from Discontinuing Operations (after tax) (XII--XIII)		-	-
Profit / (Loss) for the Period (XI + XIV)		1,211.02	(334.39)
Earnings per Equity Share			
(1) Basic		5.32	(1.47)
(2) Diluted		5.32	(1.47)
Significant Accounting Policies	1.0		

As per our report of even date

For and on behalf of the Board

For V N R Associates
Chartered Accountants
FRN 004478S

Sd/-
Dinesh Kumar
Managing Director

Sd/-
Aneesh Mittal
Wholetime Director

Sd/-
K Surender Reddy
Chief Financial Officer

Sd/-
Bhargavi M
Company Secretary

Sd/-
V.N.Rao
Proprietor
M. No. 18492
Place: Hyderabad
Date: 05.06.2015

**XL ENERGY LTD.**

XL ENERGY LTD
C2, Pooja Plaza, Vikrampuri, Secunderabad - 500009, Telangana
Consolidated Cash Flow Statement As At 31st March, 2015

(Amount in ` Lakhs)

	31-Mar-15	31-Mar-14
Cash Flow from Operating Activities		
Net Profit (loss) before tax and extraordinary items	(272.02)	(538.05)
Adjustments for :		
Depreciation	494.37	775.11
Misc Exp Written off	46.19	49.30
Interest Income	(14.41)	-
Interest & Finance Charges	21.25	13.42
Operating Profit before Working Capital Adjustments	275.38	299.78
Adjustments for :		
(Increase)/ Decrease in Inventories	138.30	205.99
(Increase)/ Decrease in Trade and other receivables	(2,843.33)	509.76
(Increase)/Decrease in Short Term Loans & Advances	891.01	10.07
Increase)/ (Decrease) in Trade Payables & others	(291.53)	(263.12)
Increase)/ (Decrease) in Working Capital Borrowings	-	-
Cash Generated from Operations	(1,830.17)	762.48
Interest on Borrowings	(21.25)	(13.42)
Direct Taxes Paid	(3.10)	1.34
Deferred Tax Asset Adjustment	137.86	-
Cash Flow from Operations before extraordinary items	(1,716.66)	750.40
Foreign currency conversion Gain	1,486.14	202.32
Net Cash Flow from Operations	(230.52)	952.72
Cash Flow from Investing Activities		
Purchase of Fixed Assets	0.03	(5,534.05)
Preoperative expenses in Distillery Unit recovered	-	945.27
Intangible Assets	364.96	(180.92)
Advances / Payables for Capital work in Progress	(496.86)	(1,097.21)
Capital work in Progress	(0.28)	7,509.47
Investment	-	(5.00)
Interest Income Received	14.41	-
Net Cash used in Investing Activities	(117.74)	1,637.56
Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including premium	-	-
Share Application Money	-	-
Proceeds from Long Term Borrowings	384.64	(828.38)
Repayment of Unsecured Loans (FCCB)	-	-
Proceeds from Short Term Borrowings	(25.43)	(1,790.50)
Dividends Paid (Including Tax thereon)	-	-
Minority Interest	-	(0.02)
Net Cash Flow from Financing Activities	359.21	(2,618.90)
Net Increase /(Decrease) in Cash and Cash Equivalents	10.95	(28.62)
Cash and Cash Equivalents at the Beginning of the Year	255.19	283.81
Cash and Cash Equivalents at the End of the Year	266.14	255.19

As per our report of even date

For and on behalf of the Board

For V N R Associates
Chartered Accountants
FRN 004478S

Sd/- Dinesh Kumar Managing Director	Sd/- Aneesh Mittal Wholetime Director	Sd/ K Surender Reddy Chief Financial Officer	Sd/- Bhargavi M Company Secretary
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Sd/-
V N Rao
Propreitor
M. No. 18492
Place: Hyderabad
Date: 05.06.2015



XL ENERGY LTD
C2, Pooja Plaza, Vikrampuri, Secunderabad-500009, Telangana.
Notes to Audited Consolidated Financial Statements

2.01	Share Capital	As At 31-Mar-15	As At 31-Mar-14
		in lacs	in lacs
	a) Authorised		
	4,00,00,000 Equity shares of ₹10/- each	4,000.00	4,000.00
	11,00,00,000 Preference shares of ₹10/- each	11,000.00	11,000.00
		15,000.00	15,000.00
	b) Issued, Subscribed and Paid Up		
	2,27,74,397 Equity shares of ₹10/- fully paid	2,277.44	2,277.44
	10,37,80,394 Convertible Redeemable Preference Shares of ₹10/- each	10,378.04	10,378.04
	Total	12,655.48	12,655.48
	c) Reconciliation of Shares	Equity Shares	Equity Shares
		Nos	Nos
	Shares outstanding at the beginning of the year	227,74,397	227,74,397
	Shares issued during the year	-	-
	Shares outstanding at the end of the year	227,74,397	227,74,397
	Details of shares held by each shareholder holding more than 5%		
	Name of the Shareholder	Equity Shares No. of Shares (% of Holding)	Equity Shares No. of Shares (% of Holding)
	Mr.Dinesh Kumar	25,67,303 11.27%	25,67,303 11.27%
		Preference Shares	Preference Shares
		Nos	Nos
	Shares outstanding at the beginning of the year	1037,80,394	1037,80,394
	Shares issued during the year	-	-
	Shares outstanding at the end of the year	1037,80,394	1037,80,394
	Details of shares held by each shareholder holding more than 5%		
	Name of the Shareholder	Preference Shares No. of Shares (% of Holding)	Preference Shares No. of Shares (% of Holding)
	State Bank of India	474,57,324 45.73%	474,57,324 45.73%
	Canara Bank	255,03,691 24.57%	255,03,691 24.57%



XL ENERGY LTD.

IDBI Bank Ltd.	144,28,322	144,28,322
	13.90%	13.90%
Bank of India	67,72,284	67,72,284
	6.53%	6.53%

d) Rights, Preferences & Restrictions attaching to each class of shares

i) Equity Shares :- Share holding of Promoter's Group aggregating to 45,24,113 shares are pledged to the consortium of Bankers led by the State bank of India

ii) The Preference shares are Convertible Redeemable Preference shares (CRPS) issued to the Consortium of Bankers to the Company under a Master Restructuring Agreement dated March 2010 by way of conversion of Funded Interest Term Loans. The CRPS shall carry a coupon rate of 6.75% p.a. CRPS shall be redeemed after 12 years (ie. on 31st December 2024).

e) The Company does not have any holding company or ultimate holding company.

f) No Ordinary Shares have been reserved for issue under options and contracts/commitments for the sale of shares / disinvestment as at the Balance Sheet date

g) No Ordinary Shares have been bought back by the company during the period of 5 years preceding the date as at which the Balance Sheet is prepared.

2.02	Reserves and Surplus		
(a)	Capital Reserves		
	Opening Balance	543.54	543.54
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	543.54	543.54
(b)	Security Premium Reserve		
	Opening Balance	24,269.42	24,269.42
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	24,269.42	24,269.42
(c)	General Reserves		
	Opening Balance	779.03	779.03
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	779.03	779.03
(d)	Surplus		
	Opening Balance	(37,883.93)	(37,549.54)
	Add: Net Profit / (Net Loss) for Current Year	1,211.04	(334.39)
	Closing Balance	(36,672.89)	(37,883.93)
	Total Reserves & Surplus	(11,080.90)	(12,291.94)
2.03	Long- Term Borrowings		
	Secured		
	Term Loans		
	From Banks	39,798.08	39,798.08
	(Secured by Mortgage of Land and first charge of immovable Properties of the company both present and future, Hypothecation of all tangible, movable properties and assets both present and future including Raw Materials, Inventory and Receivables. See detailed note 2.34 in notes to accounts		
	Hire Purchase Loans from Banks	-	7.17
	(Secured by hypothecation of vehicles)		
		39,798.08	39,805.25
	Unsecured		
	Other Loans and advances		
	Un-Secured Loans –FCB	1,901.99	1,901.99
	(Outstanding amount of USD 4.20 million Foreign Currency Convertible Bonds issued in October 2007 with a maturity period of 5 years and one day)		



	Loans and Advances from Related parties	-	(391.81)
		1,901.99	1,510.18
	Total Long Term Liabilities	41,700.07	41,315.43
2.04	Other Long Term Liabilities		
(a)	Sundry Creditors - Capital Goods – Payables	3,241.34	3,241.34
(b)	Sundry Creditors - Capital Goods- Retention Money	4.14	6.84
		3245.48	3,248.18
2.05	Short Term Borrowings		
	Loans payable on demand		
	a) from banks	4,452.61	4,478.04
	(Secured by Mortgage and first charge of immovable Properties of the company both present and future, Hypothecation of all tangible, movable properties and assets both present and future including Raw Materials, Inventory and Receivables. See detailed note 2.32 in notes to accounts)		
	b) From others	-	-
		4,452.61	4,478.04
2.06	Trade Payables		
	Sundry Creditors -Trade (unsecured)		
	a) Total outstanding dues of micro, medium and small enterprises	-	-
	b) Total outstanding dues of other than micro, medium and small enterprises	660.55	787.84
	Sundry Creditors – Transport	103.03	135.43
		763.58	923.27
2.07	Other Current Liabilities		
	Current Maturities of Long Term Debt	37,698.92	37,698.92
	Interest accrued but not due on borrowings	-	-
	Interest accrued due on borrowings	6,884.42	6,884.42
	Unpaid Dividends	3.35	3.36
	Other Payables :	-	-
	Service Tax	-	11.61
	TDS Payable	28.06	72.01
	Professional tax	2.60	2.60
	VAT & Work Contract Tax	5.08	0.48
		44,622.43	44,673.40
2.08	Short - Term Provisions		
	a) Provision for employee benefits		
	Salary & Reimbursements	375.30	355.15
	Contribution to PF	15.16	30.86
	Contribution to ESI	2.05	24.87
	LIC premium payable	-	2.37
	b) Others		
	Provision for Income Tax	26.33	29.77
	Other Liabilities	19.53	76.22
		438.37	519.24



XL ENERGY LTD
C2, Pooja Plaza, Vikramপুরi, Secunderabad-500009, Telangana
Notes to Audited Consolidated Financial Statements

(Amount in ` Lakhs)

Fixed Assets	Gross Block				Depreciation			Net Block		
	As at 1-Apr-14	Additions during the year	Disposal during the year	As at 31-Mar-15	As at 1-Apr- 14	Depreci ation for the year	Depreciati on on disposals	As at 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
2.09 Tangible Assets										
(a) Land	1,154.90	-	-	1,154.90	-	-	-	-	1,154.90	1,154.90
(b) Buildings	4,715.56	(0.01)	-	4,715.55	314.14	3.12	-	317.26	4,398.29	4,401.42
(c) Plant and Equipment	12,047.15	-	-	12,047.15	4,315.58	444.89	-	4,760.47	7,286.68	7,731.57
(d) computers	114.50	-	-	114.50	114.50	-	-	114.50	-	-
(e) Vehicles	262.49	-	-	262.49	187.38	31.18	-	218.56	43.93	75.11
(f) furniture & fixtures	263.35	-	-	263.35	111.74	1.92	-	113.66	149.69	151.61
(g) Office equipment	73.72	-	-	73.72	51.57	13.26	-	64.83	8.89	22.15
Total	18,631.67	(0.01)	-	18,631.66	5,094.91	494.37	-	5,589.28	13,042.39	13,536.76
Previous Year Balance	13,125.13	5,691.78	185.24	18,631.67	4,347.28	775.11	-	5,122.39	13,509.28	8,777.85
2.10 Intangible Assets										
(a) Goodwill	2,020.62	(364.96)	-	1,655.66	-	-	-	-	1,655.66	2,020.62
(b) Licenses and franchise	-	-	-	-	-	-	-	-	-	-
Total	2020.62	(364.96)	-	1,655.66	-	-	-	-	1,655.66	2,020.62
2.11 Capital Work -in- Progress										
CWIP - SPV - Fabcity	24,115.24	0.28	-	24,115.52	-	-	-	-	24,115.52	29,794.45
CWIP-ETHANOL PROJECT	27.96	-	-	27.96	-	-	-	-	27.96	27.96
CWIP – Photo bioreactor - Cherlapally	111.28	-	-	111.28	-	-	-	-	111.28	111.28
Total	24,254.48	0.28	-	24,254.76	-	-	-	-	24,254.76	29,933.69



XL ENERGY LTD
C2, Pooja Plaza, Vikramপুরi, Secunderabad-500009, Telangana
Notes to Audited Consolidated Financial Statements

(Amount in ` Lakhs)

		As At March 31, 2015	As At March 31, 2014
2.12	Non-Current Investments		
	Investment in Shares of:		
	(a) Saptashva Solar Ltd.	5.00	5.00
	(50,000 fully paid equity shares of ` 10/- each)		
	Total	5.00	5.00
2.13	Deferred Tax Assets (Net)	16,972.89	17,110.75
		16,972.89	17,110.75
2.14	Long-Term Loans and Advances		
	Capital Advances	18,474.51	17,980.35
	Security Deposits	19.51	23.81
	Loans and Advances to related parties	106.05	413.70
	Rental Deposits	27.40	40.37
		18,627.47	18,458.23
2.15	Other Non current Assets		
	Miscellaneous Expenses to the extent not written off or adjusted	103.94	150.13
	Preliminary & Preoperative Expenses	-	-
		103.94	150.13
2.16	Inventories		
	(Valued at cost or net realizable value)		
	Raw materials, Stores & Consumables etc	1,422.15	1,557.95
	Work in Progress	6,313.49	6,315.99
	Finished Goods	-	-
	Stock In Trade	-	-
		7,735.64	7,873.94
2.17	Trade Receivables		
	(Unsecured Considered Good)		
	Exceeding six months	13,047.70	10,204.37
	Less than six months	-	-
		13,047.70	10,204.37
2.18	Cash & Cash Equivalents		
	Balances with banks		
	in Current Account	3.89	4.20
	in Deposit Accounts (including margin money)	234.40	234.40
	Unclaimed Dividend Balance	3.34	3.34
	Cash On Hand	24.51	13.25
		266.14	255.19
2.19	Short term loans and advances		
	(Unsecured, considered good)		
	Deposits	15.78	224.06
	Others advances -Advance to suppliers	763.45	1,095.79
	Less: allowance for Doubtful Loans and advances	-	-
	Interest accrued but not received	54.73	71.89
		833.96	1,391.74



2.20	Other Current Assets		
	Other advances	27.85	33.90
	Tour Advances	5.04	1.70
	TDS receivable	-	-
	Excise duty & Mod VAT receivable	218.31	221.85
	VAT & CST Receivables	0.36	2.42
		251.56	259.87
2.21	Revenue From Operations		
a)	Sale of Products		
i	Domestic Sales		
	Telecom Division	-	-
	Energy Division	172.48	127.52
ii	Export Sales		
	Telecom Division	-	-
	Energy Division	-	3.17
iii	Other Sales - Energy Division	602.57	638.34
	Other Sales - Telecom Division	-	22.97
		775.05	792.00
	Less		
	Excise Duty		-
	Total	775.05	792.00
2.22	Other Income		
	Interest Income	14.41	-
	Net Gain / Loss on foreign currency translation and transaction	-	0.80
	Miscellaneous Income	-	9.80
	Total	14.41	10.60
2.23	Cost of Raw Materials Consumed		
	Opening Stock of Raw Material	1,577.95	1,627.44
	Add : purchase of Raw Material	0.06	0.20
		1,558.01	1,627.64
	Less : Closing Stock of Raw Material	1,422.15	1,557.95
	Less : Loss on Inventory due to absolute & dead stock	-	-
	Consumption of Raw Materials	135.86	69.69
	Details of Raw Material Consumed :		
	a) Raw Material for SPV Modules		
	Solar Cells 6"	-	-
	EVA	4.80	2.99
	Tedlar	12.05	10.94
	Toughened Glass	20.83	5.80
	Ribbon Interconnects	48.69	2.56
	Bus Bar	38.15	2.42
	Aluminium Frames	3.58	11.58
	Silicon Sealant	0.50	-
	Flux	0.28	0.39
	Terminal Box	5.29	9.83
	Packing Material	0.75	6.16
	Others	0.94	17.02
		135.86	69.69
	b) Raw Material for SMPS units	-	-
	Total	135.86	69.69
2.24	Purchase of Stock in trade		
	Purchase of Raw Material	-	-
	Purchase of stock in trade	-	-
	Changes in Inventories of Finished Goods and WIP		
	i)(Increase/ Decrease in WIP		
	Opening Stock	6,315.99	6,452.49
	Closing Stock	6,313.49	6,315.99
	Changes in Inventories of WIP (a)	2.50	136.50
	ii)(increase)/Decrease in Finished Goods		
	Opening Stock	-	-



	Less : Loss on Inventory due to absolute & dead stock	-	-
	Closing Stock	-	-
	Changes in Inventories of Finished Goods (b)	-	-
	Total Cost of Materials Consumed (a)+(b)	2.50	136.50
2.25	Employee Benefit Expense		
	Salaries and Wages	12.08	41.12
	Contribution to Provident and other Funds	-	-
	Staff Welfare Expenses	0.08	1.11
	Total	12.16	42.23
2.26	Finance Costs		
	Interest expense		
	Interest on Hire Purchase Loans		-
	Interest on Term Loans		-
	Other borrowing costs		-
	Interest on Working Capital Loans & Bank charges	21.25	13.42
	Total	21.25	13.42
2.27	Other Expenses		
	Power and Fuel expenses	26.03	9.66
	Rent	19.85	31.76
	Factory & Office security charges	42.15	25.35
	Insurance	10.24	14.91
	Rates and taxes, excluding taxes on income	97.30	16.48
	Communication Expenses	5.84	2.89
	Printing & Stationery Expenses	0.24	0.17
	Prof & Consultancy Charges	55.46	66.43
	Traveling & Conveyance Expenses	13.74	31.44
	Payment to the Auditor		
	- for Audit	0.50	1.50
	- for Other services	-	0.50
	Advertisement & Promotional expenses	12.73	10.89
	Loss on sale of vehicles	-	11.75
	Miscellaneous expenses Written off	48.79	46.19
	Other Administrative Expenses	49.26	33.81
	Total	382.13	303.71
2.28	Extraordinary Items		
	Loss on Inventory due to absolute & dead stock	-	-
	Foreign currency Translation adjustment	(1,486.14)	(202.32)
	Total	(1,486.14)	(202.32)



1 SIGNIFICANT ACCOUNTING POLICIES:

Corporate Information

XL Energy Limited is listed company having its shares listed in Bombay Stock Exchange and National Stock Exchange. The company is engaged in manufacturing/trading/production and sale of Solar Photovoltaic Modules as its main business. In addition to this, the company is engaged in the business of manufacture of equipment for Telecom Industry and manufacture of Ethanol. However at present this business conducted in this segment has become negligible. The company caters to both international and domestic market in Solar PV Business.

1.1 System of Accounting:

The accounts have been prepared and presented under the historical cost convention method on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) as notified in the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of companies Act 2013, to the extent applicable.

1.2 Principles of consolidation:

The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down on the accounting standards on Consolidated Financial Statements by the ICAI. The financial statements of the parent company, XL Energy Limited and the subsidiary company Saptashva Solar SA, Spain have been combined on a line-by-line basis by adding together book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and resulting unrealized gains / losses. Exchange differences resulting from the difference due to transactions of foreign currency assets and liabilities in subsidiary company is disclosed as foreign currency translation adjustment. The consolidated financial statements are prepared applying uniform accounting policies for like transactions and other events in similar circumstances in use at the parent and subsidiary company.

The Joint Venture Company, namely Saptashva Solar Limited, in which our company holds 48.97% is not being consolidated in the Consolidated Financial statement since the business operations of the JV company have stopped. See Form AOC-I Part B annexed to the financial statements.

1.3 Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgment estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although, these estimates are used on the managements' best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the out come requiring a material adjustment to the carrying amounts of assets or liabilities to the carrying amounts of assets or liabilities in further periods



1.4 Tangible Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation. Cost is inclusive of duties & taxes (net of CENVAT/VAT), incidental expenses and erection / commissioning expenses.

1.5 Depreciation:

Depreciation on Fixed Assets is provided on Straight Line Method at the rates specified in Schedule II to the Companies Act, 2013. Depreciation on Assets bought / sold during the year is charged at applicable rates on monthly basis in the month the Asset is put to use / sold.

1.6 Expenditure during construction period:

Expenditure (including Finance cost relating to borrowed funds for construction or acquisition of fixed assets) incurred on projects under implementation are treated as preoperative expenses pending allocation to the assets and are shown under “Capital Work in Progress”. These expenses will be apportioned to fixed assets on commencement of commercial production.

1.7 Investments:

Long term investments and investments in subsidiary companies are carried at cost.

1.8 Valuation of Inventories:

- a) Inventories are valued at the lower of weighted average cost or net realizable value. The weighted average value is calculated on the basis of net landed cost.
- b) Cost for the purpose of finished goods and material in process is computed on the basis of cost of material, labour and other related overheads.
- c) In all the cases necessary adjustments are made in respect of non-moving, slow moving, damaged and unserviceable goods.

1.9 Foreign Exchange:

Foreign Exchange transactions are recorded at the exchange rates prevailing at the time of transactions or at contracted rates. Current assets and current liabilities are translated at values prevailing at the Balance Sheet date. Gains/losses, if any, arising thereby are recognized in the Profit and Loss account.

1.10 Revenue Recognition:

- a) Revenue from sales is recognized when significant risk and rewards in respect of ownership of the products are transferred.
- b) Revenue from domestic sales is recognized on dispatch of products from the factory of the Company.
- c) Revenue from export sales is recognized on the basis of dates of Bill of Lading.

1.11 Employee Retirement Benefits:

Defined Contribution Plan: Contributions paid/ payable the defined contribution plan of provident fund for employees covered under the scheme are recognized in the profit and loss account each year. However, during the year the company does not have any employees who are covered under the Provident fund scheme.

Defined Benefit Plan: The Company is accounting gratuity and bonus on cash basis. The company has not provided for gratuity and bonus liability as at the Balance Sheet date in accordance with revised accounting standard 15 issued by ICAI



Other Long Term employee Benefits: There are no long term employee benefits comprising of Leave encashment, bonus, etc. as at the Balance Sheet date.

1.12 Borrowing Costs:

Borrowing costs incurred in relation to the acquisition and construction of assets is capitalized as part of the cost of such assets up to the date when such assets are ready for intended use.

1.13 Income Tax Expenditure:

- c) Current Tax Expense: The current charge for income tax is calculated in accordance with the tax regulations.
- d) Deferred Tax Expense: Deferred income tax reflects the impact of timing difference between accounting income and tax income for the year/ period. Deferred tax is measured based on the tax rates and the tax laws enacted at the Balance sheet date. Deferred tax asset is recognized till the previous year. Deferred tax asset for the year is not recognized in view of the uncertainty of its utilization against the future profits of the Company.

1.14 Miscellaneous Expenditure:

Miscellaneous expenditure comprises of preliminary/ public issue expenses which are amortized over a period of ten years.



NOTES TO AUDITED FINANCIAL STATEMENTS

2.29 Corporate Debt Restructuring (CDR)- Loan Recovery & OTS :

The Company could not execute the CDR package due to various reasons already explained in the previous years and the Banks have initiated steps for recovery of the debt including issuance of notice under SARFAESI Act as well as filing the OA with the DRT. However, the Company has submitted an OTS proposal for settling the debt with all the banks under the leadership of the State Bank of India with financial assistance from an Asset Reconstruction Company. The banks are negotiating the OTS proposal and settlement is expected to be made at the earliest. Interest on all banks outstanding has not been provided as the company is confident that the OTS proposal with support from the ARC companies will be acceptable to the banks.

2.30 The net worth of the Company suffered further depletion during the year due to substantial reduction in revenues of the company and the consequent losses suffered. However, considering the early settlement with the banks through the OTS and also the various measures taken by the Company to gain and accumulate orders and also taking into consideration the business potential in solar power space and future business prospects of the company, the accounts are stated on going concern basis.

2.31 Contingent and disputed liabilities not provided for :

(` in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
c) Guarantee / Counter Guarantees given on sale of contracts to		
7) Sukhbir Solar Energy Pvt. Ltd – BG against performance Guarantee	121.10	121.10
8) BSNL - BG against Sales Contract Performance guarantee	234.33	234.33
9) BSNL – BG against AMC Contract Guarantee	158.68	164.88
10) BSNL - BG against Sales Contract Performance guarantee	105.22	105.22
11) MTNL, New Delhi - BG against Sales Contract Performance guarantee	37.24	79.24
12) Govt of India – Excise Bond for Export shipment	-	6.00
Total Bank Guarantees Contingent liability	656.58	710.77
d) Disputed income tax liability relating to a demand notice from the Income Tax department for levy of penalty and interest on tax dues for the AY.2005-06, AY.2006-07, AY. 2007-08 & AY 2008-09. The company had filed an appeal with the department seeking waiver of penalties imposed on the company since the delays in remittance of dues were due to circumstances beyond the control of the company. The company is confident of winning the appeals.	319.68	319.68

**2.32 Secured Loans:**

(₹ in Lakhs)

Sl No	Particulars	As at 31.03.2015	As at 31.03.2014
	A. Term Loans:		
i)	Canara Bank – SPV	4548.84	4345.55
ii)	IDBI Bank – SPV	5415.83	5415.83
iii)	Bank of India – SPV	5191.90	5191.90
iv)	State Bank of Bikaner & Jaipur – SPV	2423.16	2423.16
v)	State Bank of Mysore – SPV	2021.01	2021.01
vi)	IDBI corporate loan	250.00	250.00
	Total	19850.74	19647.45
	B. Funded interest Term loans I:		
i)	Canara Bank – SPV	0	86.86
ii)	State Bank of Bikaner & Jaipur – Fabcity	86.45	86.45
iii)	State Bank of Mysore – Fabcity	0.00	0.00
iv)	IDBI – Fabcity	194.12	194.12
v)	Bank of India – Fabcity	0.00	0.00
	Total	280.57	367.43
	C. Short Term Loans:		
i)	Canara Bank	8711.28	8711.28
ii)	IDBI Bank	3104.72	3104.72
iii)	State Bank of India	21442.82	21442.82
	Total	33258.82	33258.82
	D. Working Capital Term Loans:		
i)	Canara Bank	8526.89	8601.25
ii)	Vijaya Bank	1548.87	1548.87
iii)	Federal Bank – Telecom	1415.51	1415.49
iv)	State Bank of Hyderabad	1421.37	1421.37
v)	IDBI Bank	2872.90	2872.90
vi)	State Bank of India	13964.07	13964.07
vii)	ICICI Bank	752.41	752.41
	Total	30502.02	30576.36
	E. Funded interest term loans II:		
i)	Canara Bank	135.70	177.78
ii)	State Bank of India	353.58	353.58
	Total	489.28	531.36
	F. Working Capital Borrowings:		
i)	Canara Bank	417.94	419.52
ii)	Vijaya Bank – Telecom	1206.89	1210.77
iii)	Federal Bank – Telecom	1372.62	1373.80
iv)	ICICI Bank – Telecom	58.00	58.00
v)	State Bank of Hyderabad – CC	186.44	190.82



vi)	IDBI Bank – Telecom	821.13	821.13
vii)	State Bank of India – CC	389.59	404.00
	Total	4452.61	4478.04
	Total Loans from banks	88834.04	88859.46

All the loans are secured by,

- Mortgage and first charge on immovable properties, both present and future situated at Plot No. 198 A&B, IDA Cherlapally, Hyderabad
- Mortgage and first charge on the fixed assets of Ethanol Division situated at Plot No. B 8-10, MIDC, Kushnoor, Nanded, Maharashtra
- Mortgage and first charge on lease hold rights on land admeasuring 2,02,350 sq. mts. Approximately and fixed assets both present and future, situated at survey nos. 50,66,68,69,70,84,85,86 & 87 situated at Fabcity, Raviryal village, Maheswaram Mandal, Rangareddy district, Telangana State.
- First charge on immovable properties, present and future situated at Shed nos. 30, 31 and 32, IDA, Mallapur, Hyderabad.
- Hypothecation of all tangible, movable properties and Assets, both present and future including raw materials, goods in process, finished goods and book debts.
- Personal guarantee of Directors of the Company - Mr. Dinesh Kumar, Mr. Aneesh Mittal and Mrs. Ritu Lal Kumar.

The aspect relating to default in repayment is covered in note 2.28.

2.33 Foreign Currency Convertible Bonds

As against the outstanding balance of Foreign Currency Convertible Bonds of USD 4.20 million which had matured for repayment in October 2012, the company was unable to repay the FCCB's as the company's financial position had deteriorated over the years. However, the company has not received any claim from the FCCB holders till date. At the same time the company is trying to contact the FCCB holders and negotiate with them for rollover of the FCCB for a further period.

2.34 Segment Reports

The Company was in the business of Solar Power Plant & Equipment in addition to Telecom business of manufacturing CDMA handsets, JKits & OFC, SMPS and also manufacture of Ethanol. However, all operations under Telecom and Ethanol business have stopped and the company is now only in Solar business. Hence, the segment reports are not provided.

2.35 Related Party Transactions:

Information relating to Related Party transactions as per Accounting Standard 18, issued by The Institute of Chartered Accountants of India, specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 is as under:

a) Names of related parties and the nature of relationships:

Name	Relationship
i. Saptashva Solar Ltd.	Joint Venture Company (48.97%)
ii. Saptashva Solar SA	Wholly owned subsidiary Company
iii. Sree Sahasya Enterprises Pvt. Ltd.	Common Directors
iv. Saptashva Solar SRL, Italy	Subsidiary of Saptashva Solar SA, Spain
v. Key Management Personnel:	
Mr Dinesh Kumar	Managing Director
Mr Aneesh Mittal	Whole time Director
Mr K Surender Reddy	Chief Financial Officer
Ms Bhargavi Maheshuni	Company Secretary

b) Transactions made during the period:

(₹ in Lakhs)

Name of the Party	Relationship	Sale of goods & Services	Advances/ Loans/ investment given	Advances/ Loans/ investment recovered	Loans received	Loans repaid	Receivable/ (payable) as at 31.03.2015
Saptashva Solar Limited	Joint Venture Company		37.90	-	-	-	106.05

c) Amounts outstanding at the Balance Sheet date

(₹ in Lakhs)

Name of the Party	Relationship	2014-15		2013-14		Remarks
		Amounts Due to the company	Amounts Payable by the company	Amounts Due to the company	Amounts Payable by the company	
Saptashva Solar Limited	J V Company	5.00	-	5.00	-	Equity Subscribed
Saptashva Solar Limited	JV Company	106.05	-	68.15	-	Loans given / received
Saptashva Solar S.L, Spain	Subsidiary Company	1,636.49	-	1,636.49	-	Equity Subscribed
Saptashva Solar S.L, Spain	Subsidiary Company	1,006.71	-	1,006.71	-	Application money pending allotment
Saptashva Solar S.L, Spain	Subsidiary Company	46.59	-	46.59	-	Amounts due against sales
Saptashva Solar SRL, Italy	Step down Subsidiary Company	345.55	-	345.55	-	Advances for expenses

2.36 Earnings per share :

Particulars	2014-15	2013-14
Net Profit /(Loss) after tax for the year (₹ in Lakhs)	(277.65)	(552.71)
Weighted Average no of Equity Shares (Nos)	22,774,397	22,774,397
Earning per share (Basic/ Diluted) (₹)	(1.22)	(2.43)

2.37 a) Earnings in Foreign Currency:

(₹ in Lakhs)

Particulars	2014-15	2013-14
FOB value of exports during the year	Nil	Nil

**b) Expenditure in Foreign Currency:**

(₹ in Lakhs)

Particulars	2014-15	2013-14
Travelling Expenses	Nil	Nil
Import of Raw material (CIF Value)	Nil	Nil

2.38 Details of Imported and Indigenous Raw Materials, Spare Parts and other Components:

(Value in ₹ Lakhs)

Name of the Material	2014-15		2013-14	
	%	Value	%	Value
- Imported	0.00	Nil	0.00	Nil
- Indigenous	100.00	135.86	100.00	0.20
Total	100.00	135.86	100.00	0.20

2.39 Capacities and Production:

Class of Goods	Units	Licensed Capacity	Installed Capacity	Production	
				2014-15	2013-14
Cable jointing kits	Nos	- N.A. -	500,000	NIL	NIL
SMPS	Nos	- N.A. -	2,880	NIL	NIL
Solar Modules	MW	- N.A. -	180	0.75	0
CDMA Phones	Nos	- N.A. -	3,000,000	NIL	NIL
Ethanol	BL	- N.A. -	45,000,000	NIL	NIL

2.40 Details of Raw Material consumption:

S.No	Raw Material for SPV Modules	2014-15		2013-14	
		Qty	Value (₹ lakhs)	Qty	Value (₹ lakhs)
1	Solar Cells 6"	-	-	140019	-
2	EVA	-	4.80	7654	2.99
3	Tedlar	5020	12.05	3827	10.94
4	Toughened Glass	5020	20.83	3766	5.80
5	Ribbon Interconnects	5020	48.69	187	2.56
6	Bus Bar	5020	38.15	163	2.42
7	Aluminium Frames	1555	3.58	2334	11.58
8	Silicone Sealant	-	0.50	700	-
9	Flux	-	0.28	23	0.39
10	Terminal Box	1555	5.29	2334	9.83
11	Packing Material	-	0.75	133	6.16
12	Others	-	0.94	-	17.02
	Total Raw Material for SPV Modules	-	135.86	-	69.69



- 2.41** Details of Finished Goods stock: NIL
- 2.42** There are no dues to Micro, small and medium enterprises under Development Act, 2006, exceeding 45 days. The micro, small and medium industries are determined to the extent such parties have been identified on the basis of the information available with the Company.
- 2.43** Balances appearing under other long term liabilities, short term borrowings, trade payables, other current liabilities, long term loans and advances, CWIP advances, trade receivables, short term loans and advance and other current assets are subject to confirmation and / or reconciliation, if any.
- 2.44** Previous year figures have been regrouped / reclassified wherever necessary.

As per our report of even date

**For V N R Associates
Chartered Accountants
FRN No. 004478S**

**Sd/-
V N Rao
Proprietor
Membership No.: 18492
Place : Secunderabad
Date : 05.06.2015**

For and on behalf of the Board

**Sd/-
Dinesh Kumar
Managing Director**

**Sd/-
Aneesh Mittal
Wholetime Director**

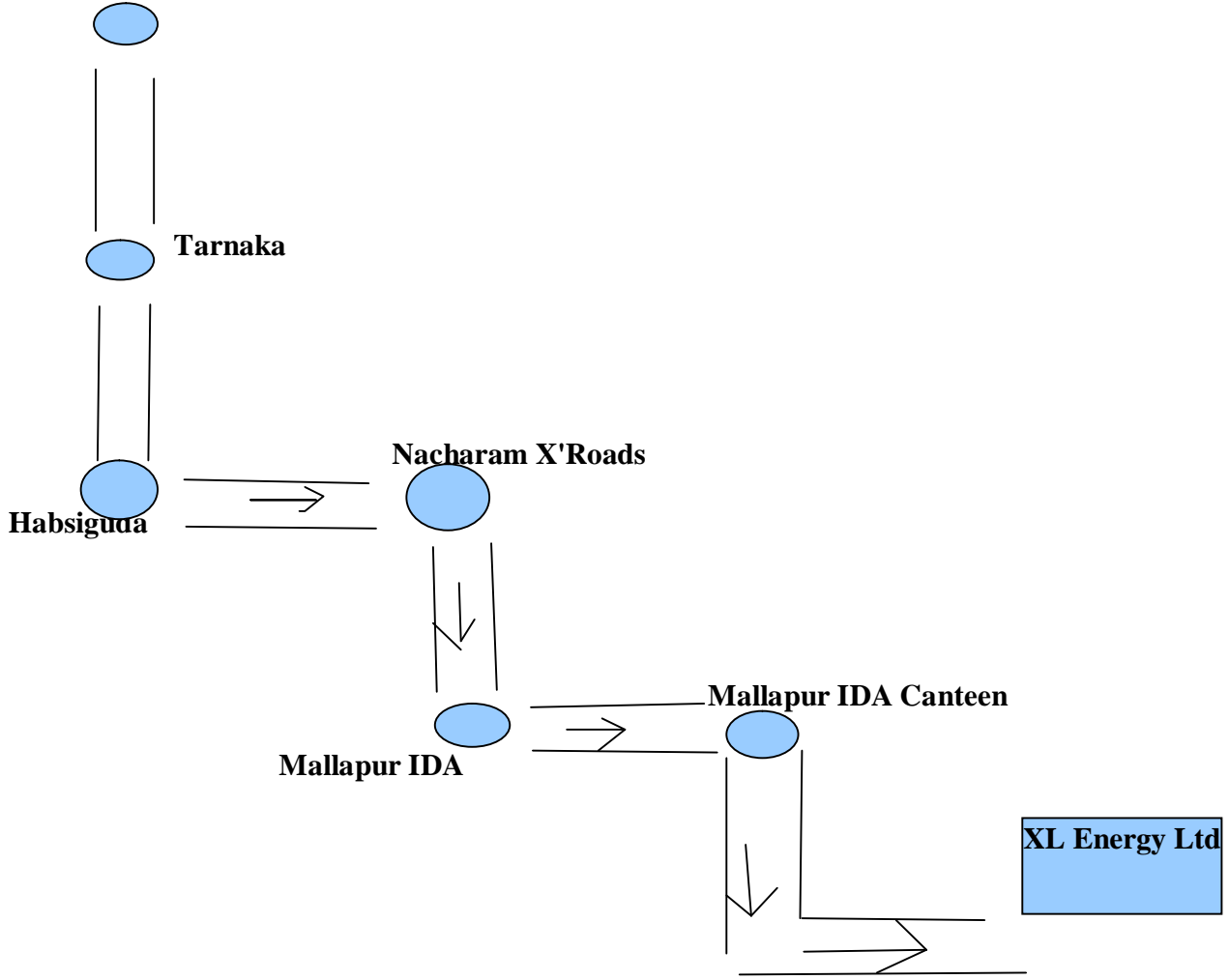
**Sd/-
K Surender Reddy
Chief Financial Officer**

**Sd/-
Bhargavi M
Company Secretary**



ROUTE MAP TO AGM VENUE

Secunderabad Bhoiguda





XL ENERGY LTD.

XL ENERGY LIMITED
 Regd. Office: C2, Pooja Plaza, Vikrampuri, Secunderabad – 500 009
CIN: L31300TG1985PLC005844
 Ph: +91 40 27883333 Fax: +91 40 27883344
 Website: www.xlenergy.co, Email: info@xlenergy.co

ATTENDANCE SLIP

Regd. Folio No..... DP ID Client ID

I certify that I am a Registered Shareholder / Proxy for the Registered Shareholder of the company,

I hereby record my presence in the Twenty Eighth Annual General Meeting of the Company to be held on Wednesday, the 30th day of September, 2015 at 10.00 A.M. at Premises of the Company's Plant at Shed No.31&32, IDA, Mallapur, Hyderabad - 500076 and at any adjournment thereof.

Member's / Proxy's Name
(in Block Letters)

Member's / Proxy's Name
Signature

Note: Please fill in this attendance slip and hand it over at the entrance of the Hall.



PROXY FORM

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

CIN: L31300TG1985PLC005844
Name of the Company: XL Energy Limited
Registered Office: C2, Pooja Plaza, Vikrampuri, Secunderabad – 500 009.
Website: www.xlenergy.co, **Email:** info@xlenergy.co

Name of the member (s) :
Registered address :
E-mail Id:
Folio No/ Client Id :
DP ID :

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

- 1. Name:** **Address:**
 E-mail Id..... **Signature:**.....or failing him
- 2. Name:**..... **Address:**.....
 E-mail Id: **Signature:**.....or failing him
- 3. Name:**..... **Address:**.....
 E-mail ID: **Signature:**..... or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Eighth Annual General Meeting of the company, to be held on Wednesday, the 30th day of September, 2015 at 10.00 A.M. at the Premises of the Company's Plant at Shed No.31&32, IDA, Mallapur, Hyderabad - 500076 and at any and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No. and Matter of Resolution	For	Against
1. To receive, consider and adopt the Audited Financial Statements for the financial year ended 31 st March 2015, together with reports of the Board of Directors and Auditors thereon		
2. To appoint a Director in place of Mr Aneesh Mittal, Director (DIN: 00061365), who retires by rotation and being eligible offers himself for re-appointment		
3. To appoint auditors		
Special Business		
4. To adopt new set of Articles of Association		
5. To re-appoint Mr Aneesh Mittal as Whole time Director (DIN:00061365)		

Signed this..... day of..... 2015

Signature of Shareholder

Signature of Proxy holder(s)



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



BOOK POST

If undelivered, please return to



The Company Secretary
XL Energy Limited
(Formerly XL Telecom Limited)
C2, Pooja Plaza, Vikramপুরi
Secunderabad - 500 009