

*29th Annual Report*  
*2015 - 2016*





**Board of Directors**

Mr. Dinesh Kumar	(DIN: 00054833)	Managing Director
Mr. Aneesh Mittal	(DIN: 00061365)	Whole Time Director
Mrs. Ritu Lal Kumar	(DIN: 00055638)	Non Executive and Non-Independent Director
Mr. Narender Kalwakuntla	(DIN: 05353641)	Non Executive and Independent Director
Mr. Vikas Nayyar	(DIN: 06550288)	Non Executive and Independent Director
K Surender Reddy		Chief Financial Officer
Ms. Bhargavi. M		Company Secretary

**Statutory Auditors**

M/s. V N R Associates  
Chartered Accountants  
Hyderabad

**Secretarial Auditors**

R & A Associates,  
Practicing Company Secretaries  
Hyderabad

**Bankers to the Company**

State Bank of India  
CanaraBank  
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  
Web site : [www.xlenergy.co](http://www.xlenergy.co), Email : [info@xlenergy.co](mailto: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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**XL ENERGY LTD.**

## **NOTICE**

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of M/s **XL ENERGY LIMITED** will be held on Friday, the 30<sup>th</sup> September, 2016 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 31<sup>st</sup> March, 2016 together with the reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Dinesh Kumar, Managing Director (DIN: 00054833), who retires by rotation and being eligible offers himself for re-appointment.
3. Ratification of appointment of Auditors:

**“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 2017 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

### **SPECIAL BUSINESS**

4. **To appoint Mr. Narender Kalwakuntla (DIN: 05353641) as an Independent Director**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification (s) or re-enactment thereof) read with Schedule IV of the Companies Act, 2013 and Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Narender Kalwakuntla (DIN: 05353641) who was appointed as Additional Director with effect from 01<sup>st</sup> February, 2016 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director.

**“RESOLVED FURTHER THAT** Mr. Narender Kalwakuntla has submitted a declaration that he meets the criteria of Independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom, pursuant to Section 160 be and is hereby appointed as Independent Director of the Company to hold office for five consecutive years with effect from 30<sup>th</sup> September, 2016 up to 29<sup>th</sup> September, 2021 not liable to retire by rotation.



**“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 to give effect to the foregoing resolution.”

**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 26<sup>th</sup> October, 2016 i.e. 26.10.2016 to 25.10.2017 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**

**Sd/-**

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

**Place: Secunderabad**

**Date: 11.08.2016**



**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 **23.09.2016 to 30.09.2016** (both days inclusive) for the purpose of the Meeting.
5. Members holding shares in physical form, in their own interest, are requested to dematerialize 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 authorizing 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](http://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, Vikramপুরi, 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. **160906008** on 26<sup>th</sup> September, 2016 at 9.00 A.M and ends on 29<sup>th</sup> September, 2016 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 23<sup>rd</sup> September, 2016 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 & A 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
<b>160906008</b>	<b>26.09.2016</b>	<b>29.09.2016</b>

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://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](http://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:



**XL ENERGY LTD.**

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) 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 8 digits of the sequence 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 sequence number 1 then enter RA00000100 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

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

(ix) Members holding shares in physical form will then directly reach the Company selection screen.

However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(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) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non-Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a Compliance user should be created using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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 up to 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 forty-eight hours 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 authorized by him in writing who shall countersign the same.



17. Additional information on Directors being re-appointed as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2]

Particulars	Details of Directors seeking appointment/re-appointment		
Name of the Directors	Mr. Dinesh Kumar	Mr. Aneesh Mittal	Mr. Narender Kalwakuntla
Director Identification Number (DIN)	00054833	00061365	05353641
Date of Birth	23.12.1963	05.05.1962	06.08.1981
Age	52 Years	54 Years	35 Years
Date of Appointment	15.12.1998	26.10.2012	01.02.2016
Qualification	Bachelor of Commerce	Bachelor of Commerce	Bachelor of Commerce
Experience	29 Years	25 Years	5 Years
Terms and conditions of re-appointment	Retiring by rotation and eligible for re-appointment from the conclusion this AGM till the conclusion of the next AGM	Re-appointment as Whole time Director for a period of one year w.e.f. 26.10.2016	Regularization as Independent Director w.e.f. 30.09.2016 for a period of five years till 29.09.2021
Number of Meetings of the Board attended during the year	05	05	02
Specific Functional areas	Production, technical and administration of telecom and solar products.	General Management	Finance and Accounts
Directorships in other Listed/public/private Companies	<ul style="list-style-type: none"> <li>• Sapta shva Solar Limited</li> <li>• Sree SahasyaEnterpsries Pvt. Ltd.</li> <li>• Sree Sahasya Entertainments Pvt. Ltd.</li> </ul>	None	<ul style="list-style-type: none"> <li>• K R Agrofarms Pvt. Ltd.</li> <li>• K R Dairy Pvt. Ltd.</li> <li>• Tackle Management and Security Services Pvt. Ltd.</li> <li>• Siri Cybertech Pvt. Ltd.</li> </ul>
Membership/chairmanship of Committees of the other Boards	Member of the Companies mentioned above in which he is a Director/ member holding shares either directly or as beneficiary.	NIL	Member of the Companies mentioned above in which he is a Director.
No of Shares held in the Company	2567303	30000	NIL
Inter- se Relationship between the Board Members/Manager/ KMP	Not Related	Not Related	Not Related

**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: Appointment of Mr. Narender Kalwakuntla, as Independent Director**

The Board of Directors of the Company appointed Mr. Narender Kalwakuntla as an Additional Director of the Company with effect from 01<sup>st</sup> February, 2016 on recommendation of Nomination & Remuneration Committee. In accordance with the provisions of Section 161 of Companies Act, 2013, Mr. Narender Kalwakuntla shall hold office up to the date of the ensuing Annual General Meeting and is eligible to be appointed as an Independent Director for a term up to five years. Notice as required under section 160 of the Companies Act, 2013 has been received from a member signifying their intention to propose him as candidate for the office of the Director of the Company.

The Company has received a declaration of independence from Mr. Narender Kalwakuntla. In the opinion of the Board, Mr. Narender Kalwakuntla fulfills the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company. A brief profile of Mr Narender Kalwakuntla is annexed in notes of notice to the meeting.

The Board of Directors recommends the Ordinary Resolution for your approval.

No Director or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise in this item of business.

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

Mr. Aneesh Mittal, aged 54 years is the Whole-time Director of the company and by qualification is a B.com Graduate. He has over 25 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 15<sup>th</sup> December, 1998. The existing tenure of Mr. Aneesh Mittal (DIN: 00061365) as Whole Time Director expires on 25<sup>th</sup> October, 2016. Keeping in view of his vast experience in General management and production areas, the Board, in its meeting held on 11<sup>th</sup> August, 2016 proposed to re-appoint him for a further period of one year with effect from 26<sup>th</sup> October, 2016 i.e. 26.10.2016 to 25.10.2017 without any remuneration.

The Board of Directors recommends the Ordinary Resolution for your approval.

No Director or Key Managerial Personnel of the Company and/or their relatives are concerned or interested financially or otherwise in this item of business.

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

**Place: Secunderabad  
Date: 11.08.2016**

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



**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors have pleasure in presenting the Twenty Ninth Annual Report of the Company together with the Audited financial Statements for the financial year ended 31<sup>st</sup> March, 2016:

**1. Financial Results**

Particulars	( ₹ in Lakhs)	
	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
Income from Operations	31.97	181.10
Less: Duties and Taxes	0.00	8.62
Net Income from Operations	31.97	172.48
Other Income	7.60	14.41
Profit(+)/Loss(-) Before depreciation, Interest and Tax	(164.55)	(130.51)
Interest & Financial Charges	4.70	9.83
Depreciation	69.59	137.31
Extraordinary items	0	0
Profit(+)/Loss(-) Before Tax	(238.84)	(277.65)
Provision for Income Tax	0	0
Deferred Tax	0	0
Prior period adjustments	0	0
Profit(+)/Loss(-) After Tax	(238.84)	(277.65)
Dividend (%)	0	0
Equity Capital (Rs.)	227743790	227743970
Earnings per Share (Rs.)	-1.05	-1.22

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

During the year, your Company has achieved ₹ 31.97 lakhs revenues as compared to previous year revenues of ₹ 181.10 lakhs. The company has incurred a loss of ₹ 238.84 lakhs as against a loss of ₹ 277.65 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 TV 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 2015-16.

Mr. P R Vishnu, Independent Director, has resigned from the Board of the Company with effect from 31<sup>st</sup> January, 2016 and Mr. Narender Kalwakuntla had been appointed as Additional Director on the board with effect from 01<sup>st</sup> February, 2016 pursuant to the provisions of Section 149 of the Act whose appointment shall be regularized as Independent Directors of the Company, at the ensuing Annual General Meeting to be held on 30<sup>th</sup> September, 2016. The terms and conditions of appointment are as per Schedule IV of the Act. Mr. Narender Kalwakuntla has submitted a declaration that he 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 his status as Independent Director.

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

Mr. Aneesh Mittal, Whole time Director shall be re-appointed for a period of one year with effect from 26<sup>th</sup> October, 2016.

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**

Five meetings of the Board were held during the year viz. 05<sup>th</sup> June, 2015, 14<sup>th</sup> August 2015, 13<sup>th</sup> November, 2016, 01<sup>st</sup> February, 2016 and 10<sup>th</sup> February, 2016.



## 16. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out an annual performance evaluation of its own as well as the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholders Relationship Committees.

## 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 31<sup>st</sup> March, 2016, 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 31<sup>st</sup> March, 2016 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 31<sup>st</sup> March, 2016 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 Whole time 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) 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.
  - (VI) The Company affirms that the remuneration is as per the remuneration policy of the Company.

## **26. Company's plan for revival of business**

The business scenario for the Solar Power segment is now very attractive since the central government has initiated steps both nationally and internationally to boost the Solar Power segment. It is expected that the Solar Photo Voltaic based Power plant will become an existing business opportunity as Telangana and Andhra Pradesh are the two states out of the total 5 leading solar power generating states in the county and the state governments plans for mobilizing investments in this sector will be a boon to the company which is already an established company with the relevant Photovoltaic Module manufacturing capacity. The Government of India has relaxed the norms for (Foreign Direct Investment) FDI in the Solar Power Sector by making it 100% FDI through normal route.

The company has already started negotiations with various investors to invest in our company so that the banks debts can be settled and the assets released for executing the business plan of the company and capturing the ever growing solar power market. At the same time the company is in negotiations with



certain large domestic investors \ Solar Power producers who are executing turnkey projects for long term investment and contracts for supply of modules for their turnkey projects.

The Company has made a definitive business plan with a road map to turn around the company in three to five years time.

## **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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.

## **28. Explanations to qualifications in Auditors Report**

a) **Auditor's Qualification:** The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2.27 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that may hamper its ability to continue as a going concern. Management's plans for revival of business as described in Note 2.28 gives certain credence for treating the company as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**Management's Response:** As already explained in note 2.28 to notes to audited financial statements, the Company sees a bright future for the solar industry both globally and within the country. One of the main reasons for this outlook is that the Central government has initiated steps to promote non-conventional energy and in particular solar energy. Taking into view, the Company's plans for settlement of debts with banks and negotiations with investors, the Company has made its accounts on a going concern basis.

b) **Auditor's Qualification:** Various paras in part 2 of Notes to Accounts 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. At this point of time, the quantification of its effect on the balance sheet is not ascertained and quantified.



**Management's Response:** Some of the payables shown pertaining to out standings to banks which are not reconciled since the accounts have become Non-performing Assets (NPA) and the banks have not provided account statements. Interest and charges on this accounts were not accounted since the banks have already filed Original Application (OA) with the Debt Recovery Tribunal (DRT). Since the Company is nearing settlement with banks, the management is of the view that there is no need of upward or downward adjustment of these figures without having the actual figures in hand. With regard to receivables and other long term payables, since the accounts were stagnant and long overdue, the Company was unable to procure confirmations from parties.

### **29. Replies to observations made in the Secretarial Audit report**

a) **Auditor's Observation:** The Company has not yet paid listing fee to the Stock Exchanges where the securities of the Company are listed as required under Clause 38 of the Listing Agreement for the financial year 2015-16.

**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, 2016.

b) **Auditor's Observation:** There was a delay in submitting the financial results to BSE limited (BSE) and National Stock Exchange of India Ltd (NSE) for the quarter and financial year ended 31<sup>st</sup> March, 2015. The Company has submitted the financial results on 05<sup>th</sup> June, 2015 as against the due date of 30<sup>th</sup> May, 2015 prescribed under Clause 41 of the Listing Agreement. The Company has been imposed a penalty of ₹ 20,000/- each by BSE & NSE in this regard.

**Management's Response:** The Company has called for a Board meeting on 29<sup>th</sup> May, 2015 for consideration and approval of Audited financial results for the financial year ended 31<sup>st</sup> March, 2015. However, the meeting could not be convened due to lack of quorum and has been adjourned for want of quorum due to unavoidable situations for the presence of directors at the meeting. Accordingly, the meeting has been called on 05<sup>th</sup> June, 2015 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.

c) **Auditor's Observation:** There were certain pending filings /delays in filing the returns / documents/ forms as required under the Companies Act, 2013 and rules made thereunder with the Registrar of Companies, Andhra Pradesh & Telangana.

**Management's Response:** The Company could not file certain returns / forms within the due date with the Registrar of Companies, Andhra Pradesh & Telangana due to some technical difficulties faced during filing with MCA website and there was nothing intentional or omission on the part of the Company with respect to the aforesaid act.

### **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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



**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. Disclosure pertaining to sexual harassment of women at workplace**

The Company has in place a Policy on Prevention of Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**33. Corporate Social Responsibility**

The provisions relating to Corporate Social Responsibility under the Companies Act, 2013 do not apply to the company.

**34. 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: 11.08.2016**



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Form No. MGT-9Annexure- 1

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31/03/2016**

[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**

<b>i) CIN</b>	L31300TG1985PLC005844
<b>ii) Registration Date</b>	03/10/1985
<b>iii) Name of the Company</b>	XL Energy Limited
<b>iv) Category / Sub-category of the Company</b>	Company Limited by Shares / Indian Non-Government Company
<b>v) Address of the Registered Office</b>	C2, Pooja Plaza, Vikrampuri, Secunderabad- 500009. Tel: 040 27883333, Fax: 040 27883344 Email: info@xlenergy.co, website: www.xlenergy.co
<b>vi) Whether Listed Company, Yes / No</b>	Yes
<b>vii) Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	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	
<b>A. Promoters</b>									
(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	3963579	NIL	3963579	17.40	2.37
(ii) Group Companies	1100000	NIL	1100000	4.83	1100000	NIL	1100000	4.83	-
<b>Sub-total (A) (1):-</b>	<b>4524113</b>	<b>NIL</b>	<b>4524113</b>	<b>19.86</b>	<b>5063579</b>	<b>NIL</b>	<b>5063579</b>	<b>22.23</b>	<b>2.37</b>
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (2):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>4524113</b>	<b>NIL</b>	<b>4524113</b>	<b>19.86</b>	<b>5063579</b>	<b>NIL</b>	<b>5063579</b>	<b>22.23</b>	<b>2.37</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-

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<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	<b>3447746</b>	<b>NIL</b>	<b>3447746</b>	<b>15.14</b>	<b>2994682</b>	<b>-</b>	<b>2994682</b>	<b>13.15</b>	<b>(1.99)</b>
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	<b>10423802</b>	<b>8231</b>	<b>10432033</b>	<b>45.81</b>	<b>11767811</b>	<b>8231</b>	<b>11776042</b>	<b>51.70%</b>	<b>12.88%</b>
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	<b>3543896</b>	<b>NIL</b>	<b>3543896</b>	<b>15.56%</b>	<b>2156664</b>	<b>-</b>	<b>2156664</b>	<b>9.46%</b>	<b>(39.14%)</b>
c) Others									
(i) Trusts	-	-	-	-	-	-	-	-	-
(ii) Clearing Member	<b>13444</b>	<b>NIL</b>	<b>13444</b>	<b>0.06</b>	<b>9548</b>	<b>NIL</b>	<b>9548</b>	<b>0.04</b>	<b>(0.02)</b>
(iii) Non Resident Indians	<b>813165</b>	<b>NIL</b>	<b>813165</b>	<b>3.57</b>	<b>773882</b>	<b>NIL</b>	<b>773882</b>	<b>3.40</b>	<b>(0.17)</b>
<b>Sub-total (B)(2):-</b>	<b>18242053</b>	<b>8231</b>	<b>18250284</b>	<b>80.14</b>	<b>17702587</b>	<b>8231</b>	<b>17710818</b>	<b>77.77</b>	<b>(2.37)</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	<b>18242053</b>	<b>8231</b>	<b>18250284</b>	<b>80.14</b>	<b>17702587</b>	<b>8231</b>	<b>17710818</b>	<b>77.77</b>	<b>(2.37)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>22766166</b>	<b>8231</b>	<b>22774397</b>	<b>100</b>	<b>22766166</b>	<b>8231</b>	<b>22774397</b>	<b>100</b>	<b>-</b>

**(ii) Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Dinesh Kumar	2567303	11.27	100	2567303	11.27	100	-
2.	Sheshank Kumar	250672	1.10	100	517366	2.27	98.89	1.17
3.	Sharukh Kumar	188783	0.83	100	461555	2.02	99.03	1.19
4.	Akshay Mittal	240961	1.06	100	240691	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	<b>4524113</b>	<b>19.86%</b>	<b>4524113</b>	<b>19.86%</b>
	Increase in shareholding				
	04.09.2015 – Purchase in open market	<b>8316</b>	<b>0.04</b>	<b>4532429</b>	<b>19.90</b>
	11.09.2015 - Purchase in open market	<b>31258</b>	<b>0.14</b>	<b>4563687</b>	<b>20.04</b>
	18.09.2015 - Purchase in open market	<b>84532</b>	<b>0.37</b>	<b>4648219</b>	<b>20.41</b>
	22.09.2015 - Purchase in open market	<b>2499</b>	<b>0.01</b>	<b>4650718</b>	<b>20.42</b>
	30.09.2015 - Purchase in open market	<b>53473</b>	<b>0.23</b>	<b>4704191</b>	<b>20.66</b>
	02.10.2015 - Purchase in open market	<b>28545</b>	<b>0.13</b>	<b>4732736</b>	<b>20.78</b>
	09.10.2015 - Purchase in open market	<b>29383</b>	<b>0.13</b>	<b>4762119</b>	<b>20.91</b>
	16.10.2015 - Purchase in open market	<b>109704</b>	<b>0.48</b>	<b>4871823</b>	<b>21.39</b>
	23.10.2015 - Purchase in open market	<b>191756</b>	<b>0.84</b>	<b>5063579</b>	<b>22.23</b>
	At the End of the year	<b>5063579</b>	<b>22.23</b>	<b>5063579</b>	<b>22.23</b>

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

Sl. No.	For Each of the Top 10 Shareholders	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



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1	JM FINANCIAL SERVICES LIMITED At the beginning of the year Decrease in shareholding during the year At the end of the year	953000 (2100)	4.18 0.00	953000 950900 950900	4.18 4.18 4.18
2	GLOBE FINCAP LIMITED At the beginning of the year Decrease in shareholding during the year At the end of the year	311550 (3000)	1.36 0.01	311550 308550 308550	1.36 1.35 1.35
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 -	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 -	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 -	0.73 -	166808 - 166808	0.73 - 0.73
6	PRATHEEPA KUMAR SHETTY At the beginning of the year Increase in shareholding during the year At the end of the year	115355 2700	0.51 0.01	115355 118055 115355	0.51 0.52 0.52
7	GURULING RUDRAPPA JANGAM At the beginning of the year Increase in shareholding during the year At the end of the year	93500 17875	0.41 0.07	93500 111375 111375	0.41 0.49 0.49
8	SANGEETA GUPTA At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	100912 -	0.44 -	100912 - 100912	0.44 - 0.44
9	ANJAY KUMAR SECURITIES PRIVATE LIMITED At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	100500 -	0.44 -	100500 - 100500	0.44 - 0.44

**XL ENERGY LTD.**

10	ANIL KUMAR ADYA At the beginning of the year Increase/Decrease in shareholding during the year At the end of the year	100000 -	0.44 -	100000 -	0.44 -
				100000	0.44

**(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	<b>Dinesh Kumar</b> At the beginning of the year	2567303	11.27%	2567303	11.27%
	Date wise Increase / Decrease in Shareholding 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	<b>Aneesh Mittal</b> At the beginning of the year	30000	0.13%	30000	0.13%
	Date wise Increase / Decrease in Shareholding 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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	88834.03	1901.99	0	90736.02
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	88834.03	1901.99	0	90736.03
<b>Change in Indebtedness during the financial year</b>				
- Addition	0	0	0	0
Reduction	142.41	0	0	142.41
<b>Net Change</b>	142.41	0	0	142.41
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	88691.62	0	0	90593.61

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ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>88691.62</b>	<b>1901.99</b>	<b>0</b>	<b>90593.61</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER: - NIL****B. REMUNERATION TO OTHER DIRECTORS:****(in ₹)**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		P R Vishnu	Vikas Nayyar	Mrs. Ritu Lal Kumar	Mr. Narender Kalwakuntla	
	1. Independent Directors					
	• Fee for attending each board / committee meetings	(7,500*3)	(7,500*5)	-	(7,500*2)	75,000
	• Commission					
	• Others, please specify					
	Total (1)	22,500	37,500	-	15,000	75,000
	2. Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	-		
	• Commission					
	• Others, please specify					
	Total (2)	-	-	-		-
	Total (B)=(1+2)	22,500	37,500		15,000	75,000
	Total Managerial Remuneration	-	-	-		-
	Overall Ceiling as per the Act	-	-	-		-

**C. 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	1.50	<b>5.70</b>
	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	-	-	-	-



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	- as % of profit - others, specify...				
5.	Others, please specify	-	-	-	-
	Total	-	4.20	1.50	<b>5.70</b>

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
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	<b>Saptashva Solar SA, Spain</b>
1	Name of the Subsidiary	<b>Calendar year January to December</b>
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	<b>Euro Ex. Rate 1 EURO = ₹ 75.367</b>
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	<b>Euro 2,548,006</b>
4	Share capital	<b>Euro 458,199</b>
5	Reserves & surplus	<b>Euro 8,879,144</b>
6	Total assets	<b>Euro 5,872,939</b>
7	Total Liabilities	<b>Nil</b>
8	Investments	<b>Euro 337,234</b>
9	Turnover	<b>Euro (-)311,324</b>
10	Profit before taxation	<b>Euro 0</b>
11	Provision for taxation	<b>Euro (-) 311,324</b>
12	Profit after taxation	<b>Nil</b>
13	Proposed Dividend	<b>100%</b>
14	% of shareholding	<b>Saptashva Solar SA, Spain</b>



**Part “B”**

**Associates and Joint Ventures Statement pursuant to Section 129 (3) of the Companies Act, 2013  
related to Joint Venture**

Name of Joint Venture Company	<b>Saptashva Solar Limited</b>
1. Latest audited Balance Sheet Date	<b>31-03-2016</b>
2. Shares of Joint Ventures held by the company on the year end	<b>Equity Shares of ₹ 10/- each</b>
No.	<b>50000 nos</b>
Amount of Investment in Joint Venture	<b>₹ 5.00 Lacs</b>
Extend of Holding %	<b>48.97%</b>
3. Description of how there is significant influence	<b>Control of more than 20% of share capital</b>
4. Reason why the joint venture is not consolidated	<b>Since the business operations of the Joint Venture company has stopped and there are no substantial revenues or incomes.</b>
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	<b>₹ (-) 108.20 lacs</b>
6. Profit / Loss for the year	<b>₹ (-) 32.82 lacs</b>
i. Considered in Consolidation	<b>Nil</b>
i. Not Considered in Consolidation	<b>Nil</b>



## **REPORT ON CORPORATE GOVERNANCE**

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

Your Company is committed to good Corporate Governance and the Company's philosophy is aimed at conducting business ethically and efficiently in a transparent manner and establishing enduring relationship with all its stakeholders and optimize growth. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 31<sup>st</sup> March, 2016, 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 Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **(B) Independent Directors**

Independent directors are Non-executive directors as defined under Regulation 16(1)(b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("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 2015-16, 05 meetings of the Board of Directors were held on 29<sup>th</sup> May, 2015 which was adjourned to 05<sup>th</sup> June 2015, 14<sup>th</sup> August, 2015, 13<sup>th</sup> November, 2015, 01<sup>st</sup> February, 2016 and 10<sup>th</sup> February, 2016. 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 31<sup>st</sup> March, 2016 have been made by the Directors.

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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 8 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 2015-2016 (12 months period)		Whether attended last AGM held on 30 <sup>th</sup> Sep, 2015	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	5	3	Yes	---	---	---	---
Mr. Dinesh Kumar Managing Director	Promoter, Executive, Non-independent	5	5	Yes	---	1	---	---
Mr. Aneesh Mittal	Promoter, Executive, non-independent	5	5	Yes	---	---	---	---
Mrs. Ritu Lal Kumar	Non-Independent Non Executive, Promoter	5	3	No	---	---	---	---
Mr. Vikas Nayyar	Independent, Non-Executive	5	5	Yes	---	---	---	---
**Mr. Narender Kalwakuntla	Independent, Non-Executive	5	2	No	---	---		

- \* Mr. P R Vishnu, Independent Non-executive Director has resigned from the Board of the Company with effect from 31<sup>st</sup> January, 2016.
- \*\* Mr. Narender Kalwakuntla has been appointed as Independent Director on the Board of the Company with effect from 01<sup>st</sup> February, 2016.

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 familiarize 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 familiarization 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](http://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 31<sup>st</sup> March, 2016.

“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 2015-16.”

**Place: Secunderabad**  
**Date: 11.08.2016**

**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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 30<sup>th</sup> September, 2015.

**(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 Company has reconstituted its Audit Committee on 01<sup>st</sup> February, 2016 on account of resignation of Mr. P R Vishnu, Independent Director. Mr. Narender Kalwakuntla had been appointed as Independent Director and to act as the Chairman of the Committee. 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 05<sup>th</sup> June, 2015, 14<sup>th</sup> August 2015, 13<sup>th</sup> November, 2015, and 10<sup>th</sup> February, 2016.

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 2015-16	
		Held	Attended
* Mr. P R Vishnu	Chairman, Non – Executive and Independent	4	3
Mr. Aneesh Mittal	Whole Time Director	4	4
Mr. Vikas Nayyar	Non– Executive and Independent Director	4	4
**Mr. Narender Kalwakuntla		4	1

- \* Mr. P R Vishnu, Independent Non-executive Director has resigned from the Board of the Company with effect from 31<sup>st</sup> January, 2016.
- \*\* Mr. Narender Kalwakuntla has been appointed as Independent Director on the Board of the Company with effect from 01<sup>st</sup> February, 2016.

**3.2Nomination and Remuneration Committee:**

- i) The Company has reconstituted its Nomination and Remuneration Committee on 01<sup>st</sup> February, 2016 on account of resignation of Mr. P R Vishnu, Independent Director on 31<sup>st</sup> January, 2016. Mr. Narender Kalwakuntla had been appointed as Independent Director with effect from 01<sup>st</sup> February, 2016 and to act as the Chairman of the Committee. The scope of the Nomination and Remuneration committee is in accordance with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



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The terms of reference of the committee are as follows:

- 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;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- 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. Narender Kalwakuntla, 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 31.03.2016

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
Mr. Narender Kalwakuntla	7,500

b. Managing Director & Executive Director

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



**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 DIRECTOR, KEY MANAGERIAL PERSONNEL (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 01<sup>st</sup> 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 Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 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 14<sup>th</sup> 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, Vikramपुरi  
Secunderabad – 500 009

Tel : 040 27883333  
Fax : 040 27883344  
Email : [cs@xlenergy.co](mailto:cs@xlenergy.co)

Details of Complaints received:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	1	1	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.

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) One meeting of the Management Committee was held during the year on 14<sup>th</sup> August, 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	1	1
Mr. Aneesh Mittal	Whole time Director	1	1
Mr. Vikas Nayyar	Independent Director	1	0



### **3.5. Risk Management Committee**

The Company has constituted Risk Management Committee through its Board of Directors at a Board meeting held on 14<sup>th</sup> November, 2014 to frame, implement and monitor the risk management plan for the Company.

Mr. Dinesh Kumar, Managing Director of the Company, is the Chairman of the Committee and Mr. Aneesh Mittal, Whole time 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to CEO/CFO Certification for the financial year ended 31<sup>st</sup> March, 2016, 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 Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**8. General Body Meetings**

**(a) Location and time, where last three AGMs held:**

Year	Date & Time of Meeting	Venue	Special Resolutions
2014-15	30.09.2015 at 10.00 AM	Shed No 31 & 32, IDA, Mallapur, Hyderabad -76	Adoption of new set of Articles of Association in line with Companies Act, 2013.
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

**(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.

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

**10. General Shareholder Information**

Annual General Meeting:

- (i) Date, time and Venue: 30<sup>th</sup> September, 2016, 10.00 AM  
Shed No. 31 & 32, IDA, Mallapur, Hyderabad – 500076
- (ii) Financial Year : 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016
- (iii) Date of Book Closure : 23.09.2016 to 30.09.2016(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 &amp; XLENERGY

National Stock Exchange of India Limited (NSE) : XLENERGY

ISIN for FCCBs

Singapore Stock Exchange: XS0325291861

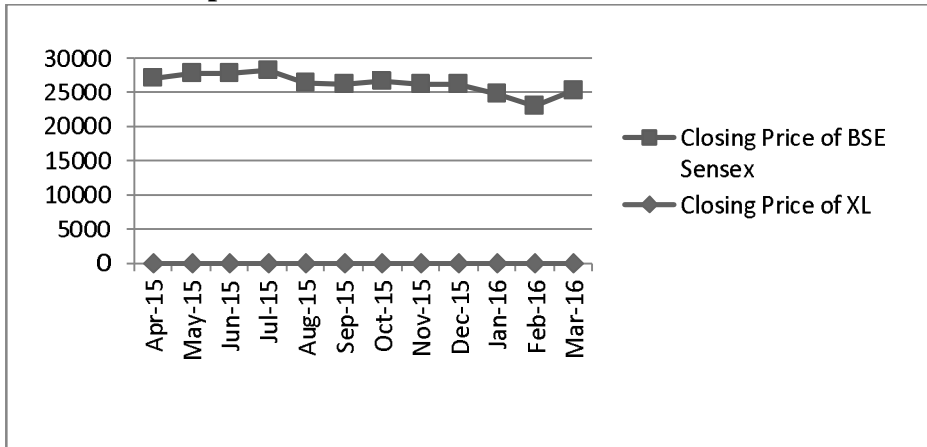
Market Price Data: High, Low during each month in last financial year (in ₹)

Month	BSE		NSE	
	High	Low	High	Low
April, 2015	3.49	2.44	3.35	3.35
May, 2015	3.43	2.70	3.25	2.75
June, 2015	3.24	2.22	2.35	2.30
July, 2015	3.00	2.25	2.70	2.60
August, 2015	3.00	2.19	2.45	2.45
September, 2015	4.30	2.41	4.40	4.25
October, 2015	6.19	3.40	6.25	5.80
November, 2015	4.29	3.50	3.80	3.80
December, 2015	4.12	3.30	3.55	3.35
January, 2016	5.00	3.39	4.00	3.85
February, 2016	4.02	2.82	3.35	3.20
March, 2016	3.20	2.60	2.65	2.50

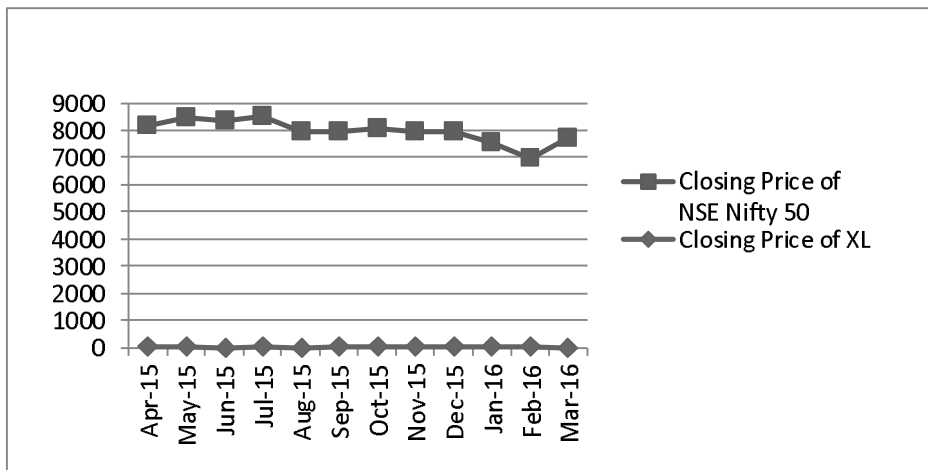


## XL ENERGY LTD.

### Stock Performance in comparison to broad-based indices – BSE Sensex



### Stock Performance in comparison to broad-based indices – BSE Sensex



#### 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](mailto:bsshyd@bigshareonline.com), Website: [www.bigshareonline.com](http://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 Dematerialization/ Rematerialization/ 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 31<sup>st</sup> March, 2016:

Shareholding	No. of shareholders	% of shareholders	No. of shares	% of shareholding
1 - 500	16866	78.6184	2430140	10.6705
501 - 1000	2010	9.3693	1661560	7.2957
1001 - 2000	1201	5.5983	1874502	8.2307
2001 - 3000	458	2.1349	1177009	5.1681
3001 - 4000	200	0.9323	725528	3.1857
4001 - 5000	214	0.9975	1018570	4.4724
5001 - 10000	300	1.3984	2209993	9.7038
10001 and above	204	0.9509	11677095	51.279
Total	21453	100.00	22774397	100.00

**Shareholding pattern on 31<sup>st</sup> March, 2016**

Category	No. of Shares	Percentage(%)
Promoters	5063579	22.23
Indian Public & others	13932706	61.18
Bodies Corporate	2994682	13.15
NRIs	773882	3.40
Clearing Member	9548	0.04
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 31<sup>st</sup> March, 2016.

**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](http://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. <u>Jointing Kits Division</u><br>Shed No. 30 & 31<br>I.D.A., Mallapur, Hyderabad - 500 076  | 2. <u>SPV Division</u><br>Shed No. 32, I.D.A.,<br>Mallapur, Hyderabad - 500 076   |
| 3. <u>SMPS &amp; CDMA Division:</u><br>Plot No. 198/A, I.D.A., Cherlapally,<br>Hyderabad - 500 051                                     | 4. <u>Ethanol Division:</u><br>Plot Nos. B 8 to B 10, &<br>B 18 to B21, MIDC, Kushnoor<br>NANDED (District), Maharastra State |
| 5. <u>Fabcity :</u><br>Plot No. 36, Raviryal Village,<br>Fab-City (SEZ) India Pvt. Ltd.<br>Maheshwaram Mandal,<br>Ranga Reddy District |   |

***ADDRESS FOR CORRESPONDENCE***

***REGISTERED OFFICE***

C2, Pooja Plaza, Vikrampuri  
Secunderabad – 500 009  
CIN : L31300TG1985PLC005844  
Tel : 040 27775568 Fax : 040 27840081  
Email : [info@xlenergy.co](mailto:info@xlenergy.co)  
Web site : [www.xlenergy.co](http://www.xlenergy.co)



## Management Discussion and Analysis

### **i. Industry structure and developments**

Worldwide growth of photovoltaics has been fitting an exponential curve for more than two decades. During this period of time, photovoltaics (PV), also known as solar PV, has evolved from a pure niche market of small scale applications towards becoming a mainstream electricity source.

Solar Photovoltaics power generation has long been seen as a clean energy technology which draws upon the planet's most plentiful and widely distributed renewable energy source – the Sun. Solar photovoltaics is growing rapidly. The total power output of the world's PV capacity in a calendar year is now beyond 200 billion kWh of electricity. This represents 1% of worldwide electricity demand. More than 100 countries use solar PV. China, followed by the United States and Japan. In 2016-17, the U.S. is set to overtake Japan as the second largest solar market, exceeding the much-anticipated 10-GW mark. Another notable shift will see India move up to the No. 4 position, pushing down the former European leaders, U.K. and Germany.

By 2050, solar power is anticipated to become the world's largest source of electricity, with solar photovoltaics and concentrated solar power contributing 16 and 11 percent, respectively. This will require PV capacity to grow to 4,600 GW, of which more than half is forecasted to be deployed in China and India.

### **Photovoltaic (PV) Industry –**

Solar Photovoltaic (PV) electricity continued its remarkable growth trend in 2015-16, even in the midst of a financial and economic crisis and even as the PV industry was enduring a period of consolidation. As they have for the past decade, PV markets again grew faster than anyone had expected both in Europe and around the world. The spectacular global growth of solar PV is one of the big energy stories of today and it may well become the energy story of the 21<sup>st</sup> Century. The International Energy Agency (IEA) issued a report claiming that solar PV could be the biggest single source of electricity in 2050 and it believes the price of solar PV could become as low as 4 dollar cents per kWh.

### **Indian PV Industry –**

#### **XL PV Business:**

India has surpassed its solar energy target for 2015-16 more than one and a half times, commissioning 3018 MW during the year against the 2000 MW it had set itself. At the end of 2015-16, the country's cumulative solar capacity stands at 6753.38 MW, up from 3743.97 MW a year ago. The cumulative target for at the end of 2016-17 is much stiffer at 17,000 MW which means over 10,000 MW will have been added in 2016-17.

Growth of 140% is expected in India's utility-scale solar PV segment, with 4.8 GW set to be commissioned in the calendar year 2016, 80% of which will be seen in the states of Tamil Nadu, Andhra Pradesh, Telangana and Karnataka. Up from the 200 MW expected in 2015-16, the Indian Government aims to install 4.8 GW of rooftop solar in 2016-17. Cumulative capacity today is said to be 525 MW.

In January, 2016 the Prime Minister of India Shri Narendra Modi, and the President of France Mr.



François Hollander laid the founding stone for the headquarters of the International Solar Alliance (ISA) in Gwalpahari, Gurgaon. The ISA will focus on promoting and developing solar energy and solar products for countries lying wholly or partially between the Tropic of Cancer and the Tropic of Capricorn. The alliance of over 120 countries was announced at the Paris COP21 climate summit. One of the hopes of the ISA is that wider deployment will reduce production and development costs and so facilitate increased deployment of solar technologies, including in poorer and more remote regions.

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**

It is expected that solar PV based power plants will become an exciting business opportunity. While power production through solar energy is possible using both solar thermal (using the heat in the sunlight) and solar photovoltaic (using the light energy), electricity generation worldwide is more prominent through solarPV than through solar thermal. This trend is expected to continue in India as well. According to the experts by 2050, about 69% of the electricity produced in India will come from renewable energy sources and the overall domestic market is estimated to swell to the level of 20-30 GW by 2020. The top five states in India for solar PV potential are respectively Gujarat, Rajasthan, Maharashtra, Tamil Nadu, Telangana and Andhra Pradesh. Under the Jawaharlal Nehru National Solar Mission (JNNSM).

Solar power in India at current levels is already cheaper than electricity generated through diesel. Support from various state Governments for solar power industry is continuously increasing. With the proposed up-gradation and support, the Company would move into top tier of the market segment.

## **iii. Opportunities and Threats**

### **Opportunities**

- Strong brand positioning and manufacturing capabilities that attract investors.
- Mandatory use of domestic content under Jawaharlal Nehru National Solar Mission (JNNSM).
- Abundant sunshine in large parts of the country that suits for better solar power generation.
- Support from State Government.
- Growing demand for solar energy in view of increasing popularity for green energy technology.

### **Threats**

- Non-utilization of our available manufacturing capacity
- Threat from the competitors and markets due to big players in India who may have a capability to install GW projects.
- Non-availability of full or part of any financial incentives.
- Decline in market share and margins due to growth and competition in solar market.
- The solar market is growing and competition is resulting decline in market share and margins.
- Continued dumping of PV Cells at cheap prices.
- Decline in price of Solar Modules and Photovoltaic cells.



#### **iv. Risks and concerns**

The Company's businesses and operations are subject to a variety of risks and uncertainties which are no different from any other company in general and our competitors in particular. These risks can be categorized as operational, financial, environmental, health and safety, political, market-related and strategic risks. The Company has implemented a Risk Management Policy to have a systematic process to assist in the identification, assessment, treatment and monitoring of risks which provides effective tools to manage the identified risks.

Due to industry downturn and resultant fall in demand, the capacities of the Company are underutilized. The plant remained closed during the year due to considerable fall in selling prices. Despite low capacity utilization and production, the Company has to incur fixed costs.

#### **v. Adequacy of internal controls**

The Company 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 2015-16 has recorded total revenue of ₹ 31.97 lakhs as against ₹ 181.10 lakhs for the previous year. The Company has incurred a loss after tax for the year ₹ 238.84 lakhs as against a loss of ₹ 277.65 lakhs for the previous year.

#### **vii. Human Resource –**

The Company has adequate Human Resources which commensurate with the current volume of activity and is reviewed by the Management periodically and company would induct competent persons on increase / expansion of the activity.

#### **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: 14.06.2016**

To  
The Board of Directors,  
XL Energy Ltd,  
C2, Pooja Plaza, Vikrampuri,  
Secunderabad – 500 009.  
Telangana

Dear Sirs,

Sub: CEO & CFO certification under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Reg

We, Dinesh Kumar, Managing Director and K Surender Reddy, Chief Financial Officer of M/s XL Energy Limited, have reviewed financial statements and the cash flow statement for the 04<sup>th</sup> quarter and financial year ended 31<sup>st</sup> March, 2016 and certify that, to the best of our knowledge and belief:

- (A) (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) 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 that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and shall take steps 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 listed entity's internal control system over financial reporting.

Sd/-

**Dinesh Kumar**  
Managing Director

Sd/-

**K Surender Reddy**  
Chief Financial Officer





**XL ENERGY LTD.**

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup>MARCH, 2016**

[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 as “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 31<sup>st</sup> March, 2016 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 31<sup>st</sup>March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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 erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015



- (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 28<sup>th</sup> 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) Relying on the representations given by the Company and its officers and the limited review done by us, 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
- (ii) The erstwhile Listing Agreement entered into by the Company with Bombay Stock Exchange, National Stock Exchange and the Securities and Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from 1<sup>st</sup> of December, 2015.

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 / audit qualifications:

1. The Company has not yet paid listing fee to the Stock Exchanges where the securities of the Company are listed as required under Clause 38 of the Listing Agreement for the financial year 2015-16.
2. There was a delay in submitting the financial results to BSE limited (BSE) and National Stock Exchange of India Ltd (NSE) for the quarter and financial year ended 31<sup>st</sup> March, 2015. The Company has submitted the financial results on 05<sup>th</sup> June, 2015 as against the due date of 30<sup>th</sup> May, 2015 prescribed under Clause 41 of the Listing Agreement. The Company has been imposed a penalty of ₹ 20,000/- each by BSE & NSE in this regard.
3. There were certain pending filings /delays in filing the returns / documents/ forms as required under the Companies Act, 2013 and rules made thereunder with the Registrar of Companies, Andhra Pradesh & Telangana.



We further report that;

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. In one instance the notice of board meeting was given at shorter notice where the independent director was present. Further 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are reasonable systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company had passed a Special Resolution in the 28th Annual General Meeting of the Company for adoption of new set of Articles of Association of the Company to bring in line with the Companies Act, 2013.

**For and on behalf of R & A Associates**  
Company Secretaries

R. Ramakrishna Gupta  
Partner

FCS No.: 5523

C P No.: 6696

T 202, Technopolis, 1-10-74/B,  
Above Ratnadeep Super Market,  
Chikoti Gardens, Begumpet,  
Hyderabad, Telangana – 500016.

Date: 11.08.2016

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, Vikramपुरi  
Secunderabad – 500009  
Telangana.

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. Wherever 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**  
Company Secretaries

Sd/-  
R. Ramakrishna Gupta  
Partner

FCS No.: 5523

C P No: 6696

T 202, Technopolis, 1-10-74/B,  
Above Ratnadeep Super Market,  
Chikoti Gardens, Begumpet, Hyderabad,  
Telangana – 500016.

Date: 11.08.2016  
Place: Hyderabad



**XL ENERGY LTD.**

## **AUDITORS' CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE**

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

We have examined the compliance of conditions of Corporate Governance by M/s XL Energy Limited (hereinafter called as “the Company”) for the year ended 31<sup>st</sup> March, 2016 as stipulated in Clause 49 of the Listing Agreement for the period from 01<sup>st</sup> April, 2015 to 30<sup>th</sup> November, 2015 and the Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) from the period 01<sup>st</sup> December, 2015 to 31<sup>st</sup> March, 2016.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an 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, the Company has complied with the conditions of Corporate Governance as stipulated in the said listing agreement/listing regulations.

We state that in respect of Investor grievances received during the year ended 31<sup>st</sup> March, 2016, no investor grievances are pending against the Company as per the records of the company. 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**  
Company Secretaries

Sd/-  
R. Ramakrishna Gupta  
Partner  
FCS No.: 5523  
C P No.: 6696  
T 202, Technopolis, 1-10-74/B,  
Above Ratnadeep Super Market,  
Chikoti Gardens, Begumpet, Hyderabad,  
Telangana – 500016.

Date: 11.08.2016  
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 31<sup>st</sup> March, 2016, 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 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**

Adverse observation:

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2.27 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that may hamper its ability to continue as a going concern. Management's plans for revival of business as described in Note 2.28 gives certain credence for treating the company as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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

Various paras in part 2 of Notes to Accounts 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. At this point of time, the quantification of its effect on the balance sheet is not ascertained and quantified.

As reported in note 2.30, Management has informed us that the company is nearing a settlement with the banks. On completion of the same, the assets and liabilities including fixed assets as appearing in the books of account shall be reviewed and consequential effect on write off/ write back shall be done.

Our opinion is not modified in respect of these matters.

### **Opinion**

In our opinion with the exception of the matter described in the preceding paragraph, 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, 2016 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, 2016 ("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 subject to 'emphasis of matters' supra complies 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, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, 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: 14.06.2016**

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





**Annexure referred to in paragraph 1 under Report on other Legal & Regulatory Requirements of Our Report of even date to the members of XL Energy Limited on STANDALONE FINANCIAL STATEMENTS of the company for the year ended 31<sup>st</sup> March, 2016**

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) It is informed that the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets at respective Units of the Company. However, a consolidated record of the same has not been provided for our verification.

(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. However, the records are not made available for our perusal.

(c) The title deeds of immovable properties are held in the name of the company.

(ii) 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

(iii) The Company during the year has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.

(iv) The Company during the year has not granted any loans, investments or provided any guarantees or security to the parties covered under section 185.

(v) The Company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the products of the Company.

(vii) (a) According to the information and explanations given to us and based on the records of the company the company's outstanding statutory dues in ₹ Lakhs are:

Indirect taxes 5.07; Tax Deducted at Source 0.18; professional tax 2.81; Income tax 25.56

Total 33.62 Lakhs.

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise, value added tax as at 31 March 2016 which have not been deposited on account of a dispute, are as follows:

Income tax dues for the AY.2005-06, AY.2006-07, AY. 2007-08 & AY 2008-09 ₹ 234.28 lakhs

(viii) The Company has defaulted in repayment of loans or borrowing to a financial institutions, banks or government. The details are:



(₹ in Lakhs)

<b>Sl. No</b>	<b>Short Term Borrowings – bank wise</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
i)	State Bank of India	36,071.78	36,150.06
ii)	Canara Bank	22,273.73	22,340.65
iii)	IDBI Bank	12,658.70	12,658.70
iv)	Bank of India	5,191.90	5,191.90
v)	Federal Bank	2,788.12	2,788.13
vi)	Vijaya Bank	2,759.65	2,755.76
vii)	State Bank of Bikaner & Jaipur	2,509.61	2,509.61
viii)	State Bank of Mysore	2,021.01	2,021.01
ix)	State Bank of Hyderabad	1,606.70	1,607.81
x)	ICICI Bank	810.41	810.41
	<b>Total Loans from banks</b>	<b>88,691.62</b>	<b>88,834.04</b>

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

(x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) There is no managerial remuneration paid other than that which is paid to the Company Secretary and the Chief Financial Officer which is included under the head Employee Benefit Expense.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18, Related Party Disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.



**XL ENERGY LTD.**

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

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

**Place: Hyderabad  
Date: 14.06.2016**

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

**XL ENERGY LTD.**

**XL ENERGY LTD**  
**C2, Pooja Plaza, Vikrampuri, Secunderabad - 500009, Telangana**  
**Balance Sheet As At 31<sup>st</sup> March, 2016**

(Amount in ₹ Lakhs)

Particulars	Note No	As At 31-Mar-16	As At 31-Mar-15
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2.01	12,655.48	12,655.48
Reserves and Surplus	2.02	(11,377.76)	(11,138.92)
Money Received against Share Warrants		-	-
<b>Non - Current Liabilities</b>			
Long- Term Borrowings	2.03	1,901.99	1,901.99
Other Long Term Liabilities	2.04	3,212.00	3,245.48
<b>Current Liabilities</b>			
Short Term Borrowings	2.05	88,691.62	88,834.03
Trade Payables	2.06	679.54	763.58
Other Current Liabilities	2.07	298.26	414.39
Short - Term Provisions	2.08	39.01	63.07
TOTAL		<b>96,100.14</b>	<b>96,739.10</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	2.09	8,502.51	8,571.30
Intangible Assets			
Capital Work -in-Progress	2.10	24,202.18	24,254.76
<b>Non-Current Investments</b>	2.11	<b>2,648.20</b>	<b>2,648.20</b>
<b>Deferred Tax Assets ( Net)</b>	2.12	<b>16,976.68</b>	<b>16,976.68</b>
<b>Long-Term Loans and Advances</b>	2.13	<b>18,806.52</b>	<b>18,953.51</b>
<b>Other Non current Assets</b>	2.14	<b>57.74</b>	<b>103.94</b>
<b>Current Assets</b>			
Inventories	2.15	7,718.44	7,735.64
Trade Receivables	2.16	15,650.14	16,190.27
Cash & Cash Equivalents	2.17	513.88	242.81
Short term loans and advances	2.18	805.86	833.03
Other Current Assets	2.19	217.99	228.96
TOTAL		<b>96,100.14</b>	<b>96,739.10</b>
<b>Significant Accounting Policies</b>	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 NRao  
Proprietor  
M. No. 18492  
Place: Hyderabad  
Date: 14.06.2016

**XL ENERGY LTD.**

XL ENERGY LTD  
C2, Pooja Plaza, Vikramপুরi, Secunderabad - 500009, Telangana

Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2016

(Amount in ₹ Lakhs)

Particulars	Note No	For the year ended	
		31-Mar-16	31-Mar-15
Revenue From Operations	2.20	31.97	172.48
Other Income	2.21	7.60	14.41
<b>Total Revenue</b>		<b>39.57</b>	<b>186.89</b>
<b>Expenses</b>			
Cost of Raw Materials Consumed	2.22	17.20	135.86
Changes in Inventories of Finished Goods and WIP	2.23	-	2.50
Employee Benefit Expense	2.24	17.04	4.48
Finance Costs	2.25	4.70	9.83
Depreciation and Amortisation Expense	2.09	69.59	137.31
Other Expenses	2.26	169.88	174.56
<b>Total Expenses</b>		<b>278.41</b>	<b>464.54</b>
<b>Profit before exceptional and extraordinary items and Tax ( III- IV)</b>		<b>(238.84)</b>	<b>(277.65)</b>
Exceptional Items		-	-
<b>Profit Before extraordinary items and Tax ( V-VI)</b>		<b>(238.84)</b>	<b>(277.65)</b>
Extraordinary Items		-	-
<b>Profit Before Tax ( VII - VIII)</b>		<b>(238.84)</b>	<b>(277.65)</b>
<b>Tax Expense</b>			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
<b>Profit /(Loss) for the period from continuing operations (VII-VIII)</b>		<b>(238.84)</b>	<b>(277.65)</b>
Profit /(Loss) from discontinuing Operations			
Tax Expense on discontinuing Operations			
<b>Profit /(Loss) from Discontinuing Operations ( after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>Profit /(Loss) for the Period ( XI + XIV)</b>		<b>(238.84)</b>	<b>(277.65)</b>
Earnings per Equity Share			
(1) Basic		(1.05)	(1.22)
(2) Diluted		(1.05)	(1.22)
<b>Significant Accounting Policies</b>	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  
Propreitor  
M. No. 18492  
Place: Hyderabad  
Date: 14.06.2016

**XL ENERGY LTD.**

**XL ENERGY LIMITED**  
**C2, Pooja Plaza, Vikrampuri, Secunderabad-500009, Telangana**  
**Cash Flow Statement for the year ended 31<sup>st</sup> March, 2016**

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-16	31-Mar-15
<b>Cash Flow from Operating Activities</b>		
Net Profit (loss) before tax and extraordinary items	(238.84)	(277.65)
Adjustments for :		
Depreciation	69.59	137.31
Miscellaneous Expenses Written off	46.20	46.19
Interest Income	(7.60)	(14.41)
Interest & Finance Charges	4.70	9.83
	112.89	178.92
<b>Operating Profit before Working Capital Adjustments</b>	<b>(125.95)</b>	<b>(98.73)</b>
Adjustments for :		
(Increase)/ Decrease in Inventories	17.20	138.30
(Increase)/ Decrease in Trade and other receivables	540.13	222.99
(Increase)/Decrease in Short Term Loans & Advances	65.54	572.80
Increase)/ (Decrease) in Trade Payables & others	(224.23)	(280.05)
<b>Cash Generated from Operations</b>	<b>272.69</b>	<b>555.31</b>
Interest on Borrowings	(4.70)	(9.83)
Direct Taxes Paid	-	-
<b>Net Cash Flow from Operations</b>	<b>267.99</b>	<b>545.48</b>
<b>Cash Flow from Investing Activities</b>		
Fixed Assets & Capital Work in Progress	51.78	(0.27)
Purchase / Sale of Investments	-	-
Advances/ Payables for Capital work in Progress	95.02	(496.86)
Interest Income Received	7.60	14.41
<b>Net Cash used in Investing Activities</b>	<b>154.40</b>	<b>(482.72)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Short Term Borrowings	(142.41)	(25.43)
Inter corporate loans and advances	(8.91)	(37.90)
<b>Net Cash Flow from Financing Activities</b>	<b>(151.32)</b>	<b>(63.33)</b>
Net Increase /(Decrease) in Cash and Cash Equivalents	271.07	(0.57)
<b>Cash and Cash Equivalents at the Beginning of the Year</b>	<b>242.81</b>	<b>243.38</b>
Cash and Cash Equivalents at the End of the Year	513.88	242.81

As per our report of even date

For and on behalf of the Board

For V N R Associates  
Chartered Accountant  
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: 14.06.2016



**XL ENERGY LTD.**

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

		<b>31-Mar-16</b>	<b>31-Mar-15</b>
		<b>₹ in lakhs</b>	<b>₹ in lakhs</b>
<b>2.01</b>	Share Capital		
	a) <b>Authorised</b>		
	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) <b>Issued, Subscribed and Paid Up</b>		
	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
	<b>Total</b>	<b>12,655.48</b>	<b>12,655.48</b>
	c) <b>Reconciliation of Shares</b>	<b>Equity Shares Nos</b>	<b>Equity Shares Nos</b>
	Shares outstanding at the beginning of the year	227,74,397	227,74,397
	Shares issued during the year	-	-
	<b>Shares outstanding at the end of the year</b>	<b>227,74,397</b>	<b>227,74,397</b>
	<b>Details of shares held by each shareholder holding more than 5%</b>	<b>Equity Shares No. of Shares (% of Holding)</b>	<b>Equity Shares No. of Shares (% of Holding)</b>
	<b>Name of the Shareholder</b>	25,67,303	25,67,303
Mr.Dinesh Kumar	11.27%	11.27%	
	<b>Preference Shares Nos</b>	<b>Preference Shares Nos</b>	
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	
<b>Details of shares held by each shareholder holding more than 5%</b>	<b>Preference Shares No. of Shares (% of Holding)</b>	<b>Preference Shares No. of Shares (% of Holding)</b>	
<b>Name of the Shareholder</b>	474,57,324	474,57,324	
State Bank of India	45.73%	45.73%	
Canara Bank	255,03,691	255,03,691	
IDBI Bank Ltd.	24.57%	24.57%	
Bank of India	144,28,322	144,28,322	
	13.90%	13.90%	
	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 <sup>st</sup> December 2024).			
e) The Company does not have any holding company or ultimate holding company.			



**XL ENERGY LTD.**

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.			
		<b>As At 31-Mar-16 ₹ in lakhs</b>	<b>As At 31-Mar-15 ₹ in lakhs</b>
<b>2.02</b>	<b>Reserves and Surplus</b>		
(a)	<b>Capital Reserves</b>		
	Opening Balance	543.54	543.54
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	543.54	543.54
(b)	<b>Security Premium Reserve</b>		
	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)	<b>General Reserves</b>		
	Opening Balance	736.72	736.72
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	736.72	736.72
(d)	<b>Surplus</b>		
	Opening Balance	(36,688.60)	(36,410.95)
	Add: Net Profit / (Net Loss) for Current Year	(238.84)	(277.65)
	Closing Balance	(36,927.44)	(36,688.60)
	<b>Total Reserves &amp; Surplus</b>	<b>(11,377.76)</b>	<b>(11,138.92)</b>
<b>2.03</b>	<b>Long- Term Borrowings</b> <b>Other Loans and Advances</b> Un-Secured Loans –FCCB (See Note no. 2.32 of Notes to Audited Financial Statements for explanation.)	<b>1,901.99</b>	1,901.99
	<b>Total Long Term Liabilities</b>	<b>1,901.99</b>	1,901.99
<b>2.04</b>	<b>Other Long Term Liabilities</b> Sundry Creditors - Capital Goods - Payables Sundry Creditors - Capital Goods- Retention Money	<b>3,211.16</b> <b>0.84</b>	3,241.34 4.14
		<b>3,212.00</b>	3,245.48
<b>2.05</b>	<b>Short Term Borrowings</b> Loans payable on demand from banks (The entire Loans amounts are treated as Short Term Loan under current liabilities, since the banks have recalled the loans. Loans are 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 2.30 of Notes to Audited Financial Statements for explanation.)	<b>88,691.62</b>	88,834.03
		<b>88,691.62</b>	88,834.03
		<b>88,691.62</b>	<b>88,834.03</b>
<b>2.06</b>	<b>Trade Payables</b> <b>Sundry Creditors -Trade (unsecured)</b> a) Total outstanding dues of micro, medium and small enterprises b) Total outstanding dues of other than micro, medium and small enterprises <b>Sundry Creditors – Transport</b>	- <b>602.83</b> <b>76.71</b> <b>679.54</b>	- <b>660.55</b> <b>103.03</b> <b>763.58</b>



**XL ENERGY LTD.**

<b>2.07</b>	<b>Other Current Liabilities</b>		
	Unpaid Dividends (Liability deposited with IDBI Bank and to be transferred to Investor Education and Protection Fund.)	2.41	3.35
	Salary payables for past services	287.79	375.30
	VAT & Service Tax Payable	5.07	5.08
	TDS Payable	0.18	28.06
	Professional tax	2.81	2.60
		<b>298.26</b>	<b>414.39</b>
<b>2.08</b>	<b>Short - Term Provisions</b>		
	Contribution to PF	-	15.16
	Contribution to ESI	-	2.05
	Provision for Income Tax	25.56	26.33
	Other Liabilities	13.45	19.53
		<b>39.01</b>	<b>63.07</b>



**XL ENERGY LTD.**

**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-15			31-Mar-16	1-Apr-15			31-Mar-16	31-Mar-16	31-Mar-15
<b>2.09</b>	<b>Tangible Assets</b>									
(a)	Land	1,154.90	-	<b>1,154.90</b>	--	-	-	-	<b>1,154.90</b>	1,154.90
(b)	Buildings	4,715.55	(4.23)	<b>4,711.32</b>	317.26	6.11	-	<b>323.37</b>	<b>4,387.95</b>	4,398.29
(c)	Plant and Equipment	5,087.20	5.03	<b>5,092.23</b>	2,254.48	-	-	<b>2,254.48</b>	<b>2,837.75</b>	2,832.72
(d)	Computers	114.50	-	<b>114.50</b>	131.62	17.12	-	<b>148.74</b>	<b>(34.24)</b>	(17.12)
(e)	Vehicles	262.49	-	<b>262.49</b>	218.56	31.18	-	<b>249.74</b>	<b>12.75</b>	43.93
(f)	furniture & fixtures	263.35	-	<b>263.35</b>	113.66	1.92	-	<b>115.58</b>	<b>147.77</b>	149.69
(g)	Office equipment	73.72	-	<b>73.72</b>	64.83	13.26	-	<b>78.09</b>	<b>(4.37)</b>	8.89
	<b>Total</b>	<b>11,671.71</b>	<b>(0.80)</b>	<b>11,672.51</b>	<b>3,100.41</b>	<b>69.59</b>	<b>-</b>	<b>3,170.00</b>	<b>8,502.51</b>	8,571.30
	Previous Year Balance	11,671.72	(001)	11,671.71	2,963.10	137.31	-	3,100.41	8,571.30	8,708.62
<b>2.10</b>	<b>Intangible Assets</b>									
	<b>Capital Work -in-Progress</b>									
	CWIP - SPV – Fabcity	24,115.24	(52.30)	<b>24,062.94</b>	-	-	-	-	<b>24,062.94</b>	29,794.45
	CWIP- ETHANOL PROJECT	27.96	-	<b>27.96</b>	-	-	-	-	<b>27.96</b>	27.96
	CWIP - Photobioreactor—Cherlapally	111.28	-	<b>111.28</b>	-	-	-	-	<b>111.28</b>	111.28
	Capital Work - in-Progress	<b>24,254.48</b>	<b>(52.30)</b>	<b>24,202.18</b>	-	-	-	-	<b>24,202.18</b>	<b>29,933.69</b>

**Note:**

- 1) Land Value at (a) is long-term lease hold land from APIIC for Fabcity for a period of 66 years and land at Nanded from MIDC for a period of 95 years.
- 2) See Note No.2.33 of Notes to Audited Financial Statements for explanation pertaining to Capital work in progress.

**XL ENERGY LTD.**

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

		<b>As At 31-Mar-16 ₹ in lakhs</b>	<b>As At 31-Mar-15 ₹ in lakhs</b>
<b>2.11</b>	<b>Non-Current Investments</b>		
<b>A</b>	<b>Trade Investments</b>		
(i)	Investment in Shares of:		
	(a) Saptashva Solar SL-Spain - Wholly owned subsidiary (2548006 fully paid equity shares of Euro 1 each)	<b>1,636.49</b>	1,636.49
	(b) Saptashva Solar Ltd. - Joint Venture Company (50,000 fully paid equity shares of ₹10/- each)	<b>5.00</b>	5.00
(ii)	Application money paid - pending allotment of shares (a) Saptashva Solar SL-Spain - Wholly owned subsidiary	<b>1,006.71</b>	1,006.71
	Total 'A'	<b>2,648.20</b>	2,648.20
	Less: Diminution in the value of investments	-	-
	<b>Total</b>	<b>2,648.20</b>	2,648.20
	(See Note No. 2.34 of Notes to Audited Financial Statements for explanation.)		
<b>2.12</b>	<b>Deferred Tax Assets ( Net)</b>	<b>16,976.68</b>	16,976.68
	(See Note No. 2.35 of Notes to Audited Financial Statements for explanation.)		
		<b>16,976.68</b>	16,976.68
<b>2.13</b>	<b>Long-Term Loans and Advances</b>		
	Capital Advances	<b>18,346.01</b>	18,474.51
	Loans and Advances to related parties	<b>460.51</b>	451.60
	Rental Deposits	-	27.40
		<b>18,806.52</b>	18,953.51
<b>2.14</b>	<b>Other Non-current Assets</b>		
	Preliminary expenses	<b>57.74</b>	103.94
		<b>57.74</b>	103.94
<b>2.15</b>	<b>Inventories</b>		
	(Valued at cost or net realizable value whichever is lower)		
(a)	Raw materials, Stores & Consumables etc	<b>1,404.95</b>	1,422.15
(b)	Work in Progress	<b>6,313.49</b>	6,313.49
(c)	Finished Goods	-	-
(d)	Stock In Trade	-	-
	(See Note No. 2.36 of Notes to Audited Financial Statements for explanation.)		
		<b>7,718.44</b>	7,735.64
<b>2.16</b>	<b>Trade Receivables</b>		
	(Unsecured Considered Good)		
	Exceeding six months	<b>15,650.14</b>	16,190.27
	Less than six months	-	-
	Less: Provision for Doubtful Debts	-	-
	(See Note No. 2.37 of Notes to Audited Financial Statements for explanation.)		
		<b>15,650.14</b>	16,190.27
<b>2.17</b>	<b>Cash &amp; Cash Equivalents</b>		
	Balances with banks		
	in Current Account	<b>4.34</b>	3.89
	in Deposit Accounts (including margin money)	<b>506.93</b>	234.40
	Unclaimed Dividend ( Deposit with IDBI Bank to be transferred to Investor Education and Protection Fund)	<b>2.41</b>	3.34



**XL ENERGY LTD.**

	Cash On Hand	0.20	1.18
		<b>513.88</b>	242.81
<b>2.18</b>	<b>Short term loans and advances</b> (Unsecured, considered good)		
	Deposits	42.85	69.58
	Others advances -Advance to suppliers	763.01	763.45
	Less: allowance for Doubtful Loans and advances		-
		<b>805.86</b>	833.03
<b>2.19</b>	<b>Other Current Assets</b>		
	Other advances	-	5.25
	Tour Advances	-	5.04
	Excise duty & Mod VAT receivable	215.25	218.31
	Service Tax and Vat Receivables / Input	2.74	0.36
		<b>217.99</b>	228.96
<b>2.20</b>	<b>Revenue From Operations</b>		
	<b>Sale of Products</b>		
i	Domestic Sales		
	Telecom Division	-	-
	Energy Division	31.97	172.48
ii	Export Sales		
	Telecom Division	-	-
	Energy Division	-	-
iii	Other Sales - Energy Division	-	-
	Other Sales - Telecom Division	-	-
		<b>31.97</b>	172.48
	<b>Less</b>		
	Excise Duty	-	-
	<b>Total</b>	<b>31.97</b>	172.48
<b>2.21</b>	<b>Other Income</b>		
	Interest Income	7.60	14.41
	Other Non - Operating Income	-	-
	Net Gain / Loss on foreign currency translation and transaction	-	-
	<b>Total</b>	<b>7.60</b>	14.41
<b>2.22</b>	<b>Cost of Raw Materials Consumed</b>		
	Opening Stock of Raw Material	1,422.15	1,557.95
	Add : purchase of Raw Material	-	0.06
		<b>1,422.15</b>	1,558.01
	Less : Closing Stock of Raw Material	1,404.95	1,422.15
	Less : Loss on Inventory due to absolute & dead stock	-	-
	Consumption of Raw Materials	<b>17.20</b>	135.86
	<b>Details of Raw Material Consumed :</b>		
	a) Raw Material for SPV Modules		
	Solar Cells 6"	-	-
	EVA	-	4.80
	Tedlar	-	12.05
	Toughened Glass	-	20.83
	Ribbon Interconnects	-	48.69
	Bus Bar	-	38.15
	Aluminium Frames	-	3.58
	Silicon Sealant	-	0.50
	Flux	-	0.28
	Terminal Box	-	5.29
	Packing Material	-	0.75
	Others	17.20	0.94
		<b>17.20</b>	135.86



**XL ENERGY LTD.**

	Note : Solar cells & silicon sealant salvaged are used from inventory written off in earlier years		
	<b>b) Raw Material for SMPS units</b>		
	<b>Total</b>	-	-
		<b>17.20</b>	135.86
<b>2.23</b>	<b>Changes in Inventories of Finished Goods and WIP</b>		
	i)(Increase/ Decrease in WIP)		
	Opening Stock	<b>6,313.49</b>	6,315.99
	Closing Stock	<b>6,313.49</b>	6,313.49
	Changes in Inventories of WIP (a)	-	2.50
	ii)(increase)/Decrease in Finished Goods		
	Opening Stock	-	-
	Closing Stock	-	-
	Changes in Inventories of Finished Goods (b)	-	-
	<b>Total Cost of Materials Consumed (a)+(b)</b>	-	2.50
<b>2.24</b>	<b>Employee Benefit Expense</b>		
	Salaries and Wages	<b>17.04</b>	4.47
	Contribution to Provident and other Funds	-	-
	Staff Welfare Expenses	-	0.01
	<b>Total</b>	<b>17.04</b>	4.48
<b>2.25</b>	<b>Finance Costs</b>		
<b>a)</b>	<b>Interest expense</b>		
	Interest on Hire Purchase Loans	-	-
	Interest on Term Loans	-	-
<b>b)</b>	<b>Other borrowing costs</b>		
	<b>Interest on Working Capital Loans &amp; Bank charges</b>	<b>4.70</b>	9.83
	<b>Total</b>	<b>4.70</b>	9.83
<b>2.26</b>	<b>Other Expenses</b>		
	Power and Fuel expenses	<b>26.43</b>	26.03
	Rent	<b>6.90</b>	-
	Factory and office security charges	<b>12.71</b>	30.45
	Insurance	<b>9.13</b>	5.94
	Rates and taxes, excluding taxes on income	<b>0.60</b>	5.69
	Communication Expenses	<b>6.83</b>	5.84
	Printing & Stationery Expenses	<b>0.23</b>	0.24
	Professional& Consultancy Charges	<b>13.39</b>	0.96
	Travelling & Conveyance Expenses	<b>26.73</b>	13.74
	Interest and penalties statutory payments	<b>5.81</b>	13.21
	Payment to the Auditor		
	- for Audit	<b>1.00</b>	0.50
	- for Other services	<b>0.50</b>	-
	Selling Expenses	-	4.65
	Miscellaneous expenses Written off	<b>46.20</b>	48.79
	Other Administrative Expenses	<b>13.43</b>	18.53
		<b>169.88</b>	174.56



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**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO AUDITED FINANCIAL STATEMENTS**

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**1 SIGNIFICANT ACCOUNTING POLICIES:**

**Corporate Information**

XL Energy Limited is listed company having its shares listed in BSE Limited and National Stock Exchange of India Limited. The Company is engaged in the business of manufacture of equipment for Telecom Industry, manufacturing/trading/production and sale of Solar Photovoltaic Modules and manufacture of Ethanol. However at present, the business conducted in the Telecom and Ethanol segment have been temporarily discontinued with a negligible business being conducted in the Solar Power Segment.

**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 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.

**1.3 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 the basis of useful life of the Asset. However, depreciation is provided on only those assets which are being put to use during the current year. Depreciation on Assets bought / sold, if any, 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. However, as on the date of balance sheet, the company does not have any liability to gratuity and bonus to any employees of the company.

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 or in the case of Capital Work in Progress, up to the date when the works at site were in progress and not stopped/ stalled due to any reason.

**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 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 is being amortized over a period of ten years. The balance under this head is the balance remaining after yearly write off's.





## NOTES TO AUDITED FINANCIAL STATEMENTS

### 2.27 Company's Profitability & Net worth :

The Net Worth of the Company suffered further depletion during the year due to almost negligible revenues of the company and the consequent losses suffered. The company suffered a cash loss of ₹123.06 Lacs during the year. The accompanying financial statements have been prepared on a "Going Concern" basis, although, the company has been suffering recurring losses from operations and has a net capital deficiency. This is done so keeping in view the business revival plan of the company as envisaged and discussed in the note 2.28 below.

### 2.28 Company's Plan for Revival of Business :

The business scenario for the Solar Power segment is now very attractive since the central government has initiated steps both nationally and internationally to boost the Solar Power segment. It is expected that the Solar Photo Voltaic based Power plant will become an existing business opportunity as Telangana and Andhra Pradesh are the two states out of the total 5 leading solar power generating states in the country and the state governments plans for mobilizing investments in this sector will be a boon to the company which is already an established company with the relevant Photovoltaic Module manufacturing capacity. The Government of India has relaxed the norms for FDI in the Solar Power Sector by making it 100% FDI through normal route.

The company has already started negotiations with various investors to invest in our company so that the banks debts can be settled and the assets released for executing the business plan of the company and capturing the ever growing solar power market. At the same time the company is in negotiations with certain large domestic investors \ Solar Power producers who are executing turnkey projects for long term investment and contracts for supply of modules for their turnkey projects.

The company has made a definitive business plan with a road map to turnaround the company in three to five years time.

### 2.29 Convertible Redeemable Preference Shares :

Convertible Redeemable Preference Shares (CRPS) had been issued by the Company to the Banks under the Master Restructuring Agreement (MRA) entered into during the Corporate Debt Restructuring (CDR) package in March 2010. In order to facilitate the company and for conserving financial resources of the company, an amount representing the amount of interest accrued / to be accrued on the loans from 1st July 2009 to 31st December 2010 was converted into CRPS as envisaged in the CDR package. Despite strong and best efforts by the management of the company, the covenants of the CDR package could not be implemented due to various reasons including the continuing and extremely adverse domestic and international market situations. In September 2012, the CDR package was allowed to lapse and no further extension was given by the banks. The banks recalled the entire loans outstanding (including the CRPS) and filed an Original Application (OA) before the honorable Debt Recovery Tribunal (DRT) seeking recovery of its loans in October 2013. The Company has not provided interest / dividend on the CRPS since the entire loan including the CRPS amount has been crystallized by the banks as one single consolidated Debt by the banks while filing the OA for recovery of Debt.



### 2.30 Bank Loans – Outstanding & Recovery :

The Entire Loan Liability of Company payable to the banks has been classified as short term loans under Current Liabilities, as the banks have recalled the loans and filed the OA with the DRT for recovery of loans. It may be noted that the company could not execute the CDR package due to various reasons already explained in the previous years and the Banks had 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 is still negotiating with the banks for settlement of the loans with financial assistance from Potential Investors. Interest on all banks outstanding has not been provided by the company from the date of recall of loans by the banks.

(₹ in Lakhs)

SI No	Short Term Borrowings – bank wise	As at 31.03.2016	As at 31.03.2015
i)	State Bank of India	36,071.78	36,150.06
ii)	Canara Bank	22,273.73	22,340.65
iii)	IDBI Bank	12,658.70	12,658.70
iv)	Bank of India	5,191.90	5,191.90
v)	Federal Bank	2,788.12	2,788.13
vi)	Vijaya Bank	2,759.65	2,755.76
vii)	State Bank of Bikaner & Jaipur	2,509.61	2,509.61
viii)	State Bank of Mysore	2,021.01	2,021.01
ix)	State Bank of Hyderabad	1,606.70	1,607.81
x)	ICICI Bank	810.41	810.41
	<b>Total Loans from banks</b>	<b>88,691.62</b>	<b>88,834.04</b>

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.

**2.31 Contingent and disputed liabilities not provided for :**

( ₹ in Lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
a) Guarantee / Counter Guarantees given on sale of contracts to		
(i) Sukhbir Solar Energy Pvt. Ltd – BG against performance Guarantee	<b>121.10</b>	121.10
(ii) BSNL - BG against Sales Contract Performance guarantee	<b>234.33</b>	234.33
(iii) BSNL – BG against AMC Contract Guarantee	<b>158.68</b>	158.68
(iv) BSNL - BG against Sales Contract Performance guarantee	<b>105.22</b>	105.22
(v) MTNL, New Delhi - BG against Sales Contract Performance guarantee	<b>68.40</b>	37.24
Total Bank Guarantees Contingent liability	<b>687.73</b>	656.58
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 has been able to win an appeal against a tax demand for ₹ 85.40 lacs for the AY 2005-06 and is confident of winning the appeals for the others also	<b>234.28</b>	319.68

**2.32 Foreign Currency Convertible Bonds (FCCB's) :**

The Company had raised an amount of USD 40.00 Million through FCCB's of which a total of USD 35.80 million had since been converted into Equity shares of Company as per FCCB terms. Currently, an amount equivalent to USD 4.20 million is outstanding for redemption / conversion. We had approached the custodian in Singapore who informed us that the bonds as such have changed multiple hands since the time of issue. Due to governing laws in Singapore, the custodians are unable to provide us the details of existing FCCB holders. We have however petitioned the custodians of the FCCB's to provide us the names and contact details of the existing FCCB holders so as to get in touch with them in order to undertake a definitive agreement with them. We are awaiting feedback for the same. Till such time the contact with the FCCB holders take place and an agreement for the redemption / conversion is made, the company thought it fit to classify the FCCB's balance amount of USD 4.20 million as a long term liability and not as current liability.



**2.33 Capital Work In Progress (CWIP) :**

An amount of ₹ 240.63 crore in CWIP is the amount which is invested in the Fabcity Project, a project initiated by the company in 2008-09 for the setup-up of automatic Solar Photovoltaic Cell manufacturing unit along with semi-automatic Module manufacturing unit. All the equipments envisaged under Fabcity project have been imported and the project executed to the extent of about 75%. The module line which is one part of the Fabcity project has since been implemented and commercial operations commenced way back in 2012. Presently, the Company is in discussion with various corporate for providing necessary investments to settle bank dues and complete the CWIP for which discussions are in advanced stage

**2.34 Non-Current Investments :**

The major investment under this head is an investment of ₹ 26.45 Crore made by the company into a Spanish Company for creating solar power generating assets. The assets have been created in 2008 and the project was implemented. However due to continual change in policies of Spanish government including serious financial crisis with them, the licenses issued were since cancelled. We had made extensive representations to no avail. However the Company has along with other similar projects which had suffered cancellation of Power Purchase Agreements (PPA) filed joint representations through the solar association and are expecting some final decision in the next one to two years. On receiving the final decision on the status of PPA, necessary changes would be made in the value of asset

**2.35 Deferred Tax Asset :**

The Company has an accumulated Deferred Tax Asset of ₹169.77 crore. The amounts accumulated in this account arise from losses incurred by the company until 31<sup>st</sup> March 2013. Thereafter, no further aggregation was made to the asset under this head although the company was persistently incurring losses as a matter of company policy.

Following is the year wise breakup of deferred tax asset:

S.No.	Financial Year	Amount ( ₹ Cr.)
1	2009-10	0.31
2	2010-11	152.92
3	2011-12	11.10
4	2012-13	5.44

The Company expects restarting the solar division for which discussions are held with potential investors. Closure of these discussions would yield not only settlement with banks for their dues but also adequate capital to restart the business. We are therefore expecting the Company to get into the black immediately in closure of such investments and at that stage, the Deferred Tax Asset would be put to use. In any case, since tax losses can be carried forward for 8 years as provided by law, the corresponding deferred tax assets are being carried forward in the books of account of the company as at 31<sup>st</sup> March, 2016.



**2.36 Inventories :**

Due to stoppage of active business in 2011-12 and limited shelf life of various inventories, the same had diminished value and the company had written off all that stock which was absolute and dead stock to the profit and loss account during the years 2011-12 & 2012-13. All the other stock which is usable and has shelf life have been valued on the basis of net realizable value or cost whichever is lower. However, we are in discussion with potential buyers to buy the same and as soon as we are able to negotiate and finalize the purchase price for this, we shall be able to value the inventory accordingly and make necessary adjustments to the value of Inventory in the books of accounts.

**2.37 Trade Receivables :**

Since inception, the Company has been supplying various products to the two important government telecom companies viz. BSNL and MTNL. The Company in the course of its business have been subject to various discriminating deduction on its receivables from above two organizations. The Company has filed arbitration notices against both these organizations which are under various stage of hearing. On completion of the due legal process the Company would be better placed in classification of these receivables and providing for loss, if any.

**2.38 Segment Reports:**

Segment reporting is not applicable to this company.

**2.39 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:

<b>Name</b>	<b>Relationship</b>
i. Saptashva Solar Ltd.	Joint Venture Company (48.97%)
ii. Saptashva Solar SA	Wholly owned subsidiary Company
iii. SreeSahasya Enterprises Pvt. Ltd.	Common Directors
iv. SreeSahasya Entertainments Pvt.Ltd.	Common Directors
v. Saptashva Solar SRL, Italy	Subsidiary of Saptashva Solar SA, Spain
vi. Key Management Personnel:	
Mr Dinesh Kumar	Managing Director
MrAneesh 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 31.03.2016	Salaries paid
Saptashva Solar Limited	Joint Venture Company	-	8.91	-	-	-	114.96	-
Bhargavi Maheshuni	Key Management Personnel	-	-	-	-	-	-	4.20
K Surender Reddy	Key Management Personnel	-	-	-	-	-	-	1.50

**c) Amounts outstanding at the Balance Sheet date**

(₹ in Lakhs)

Name of the Party	Relationship	2015-16		2014-15		Remarks
		Amounts Due to the company	Amounts Payable by the company	Amounts Due to the company	Amounts Payable by the company	
Saptashva Solar Limited	Joint Venture Company	5.00	-	5.00	-	Equity Subscribed
Saptashva Solar Limited	Joint Venture Company	114.96	-	106.05	-	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	27.43	-	46.59	-	Amounts due against sales
Saptashva Solar SRL, Italy	Step down Subsidiary Company	345.55	-	345.55	-	Advances for expenses

**2.40 Earnings per share :**

Particulars	2015-16	2014-15
Net Profit/(Loss) after tax for the year (₹ in Lakhs)	(238.84)	(277.65)
Weighted Average no of Equity Shares (Nos)	22,774,397	22,774,397
Earnings per share (Basic/Diluted) (₹)	(1.05)	(1.22)

2.41 a) Earnings in Foreign Currency: **NIL**

b) Expenditure in Foreign Currency: **NIL**

**2.42 Details of Imported and Indigenous Raw Materials, Spare Parts and other Components:**  
(Value in ₹ Lakhs)

Name of the Material	2015-16		2014-15	
	%	Value	%	Value
- Imported	0.00	0.00	0.00	0.00
- Indigenous	0.00	0.00	100.00	135.86
Total	0.00	0.00	100.00	135.86

**2.43 Capacities and Production:**

Class of Goods	Units	Licensed Capacity	Installed Capacity	Production	
				2015-16	2014-15
Cable jointing kits	Nos	- N.A. -	500,000	<b>NIL</b>	NIL
SMPS	Nos	- N.A. -	2,880	<b>NIL</b>	NIL
Solar Modules	MW	- N.A. -	180	<b>NIL</b>	0.75
CDMA Phones	Nos	- N.A. -	3,000,000	<b>NIL</b>	NIL
Ethanol	BL	- N.A. -	45,000,000	<b>NIL</b>	NIL

**2.44 Details of Raw Material consumption:**

S.No	Raw Material for SPV Modules	2015-16		2014-15	
		Qty	Value (₹ lakhs)	Qty	Value (₹ lakhs)
1	Solar Cells 6"	0	0	0	0
2	EVA	0	0	0	4.80
3	Tedlar	0	0	5020	12.05
4	Toughened Glass	0	0	5020	20.83
5	Ribbon Interconnects	0	0	5020	48.69
6	Bus Bar	0	0	5020	38.15
7	Aluminium Frames	0	0	1555	3.58
8	Silicon Sealant	0	0	0	0.50
9	Flux	0	0	0	0.28
10	Terminal Box	0	0	1555	5.29
11	Packing Material	0	0	0	0.75
12	Others	0	17.20	0	0.94
	Total Raw Material for SPV Modules		17.20		135.86

**2.45** Details of Finished Goods stock: **NIL**

**2.46** 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.

**2.47** Balances appearing under 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.

**2.48** Previous year figures have been regrouped / reclassified wherever necessary.

**As per our report of even date**

**For and on behalf of the Board**

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

**Sd/-  
Dinesh Kumar  
Managing Director**

**Sd/-  
Aneesh Mittal  
Wholetime Director**

**Sd/-  
V.N. Rao  
Proprietor  
Membership No.: 018492**

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

**Sd/-  
Bhargavi M  
Company Secretary**

**Place : Secunderabad**

**Date : 14.06.2016**





**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 31<sup>st</sup>March, 2016, 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**

Adverse observation:

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2.28 to the financial statements, the Company has suffered recurring losses from operations and has a net capital deficiency that may hamper its ability to continue as a going concern. Management's plans for revival of business as described in Note 2.29 gives certain credence for treating the company as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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

Various paras in part 2 of Notes to Accounts 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. At this point of time, the quantification of its effect on the balance sheet is not ascertained and quantified.

As reported in note 2.31, Management has informed us that the company is nearing a settlement with the banks. On completion of the same, the assets and liabilities including fixed assets as appearing in the books of account shall be reviewed and consequential effect on write off/ write back shall be done.

Our opinion is not modified in respect of these matters.

### **Other Matters**

We did not audit the financial statements of the subsidiary M/s Saptashva Solar SA, whose financial statements reflect total assets of ₹ 6692 lakhs of as at 31st March, 2016 and the net loss of ₹ 235 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 with the exception of the matter described in the preceding paragraph, 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, 2016 and its loss and its cash flows for the year ended on that date.

## **Report on other Legal and Regulatory Requirements**

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 subject to 'emphasis of matters' supra complies 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, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, 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.

**Place: Hyderabad**  
**Date: 14.06.2016**

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

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



**Annexure referred to in paragraph 1 under Report on other Legal & Regulatory Requirements of Our Report of even date to the members of XL Energy Limited on CONSOLIDATED FINANCIAL STATEMENTS of the company for the year ended 31<sup>st</sup> March, 2016**

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) It is informed that the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets at respective Units of the Company. However, a consolidated record of the same has not been provided for our verification.

(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. However, the records are not made available for our perusal.

(c) The title deeds of immovable properties are held in the name of the company.

(ii) 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

(iii) The Company during the year has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of clause 3(iii), (iii)(a) and (iii)(b) of the said Order are not applicable to the Company.

(iv) The Company during the year has not granted any loans, investments or provided any guarantees or security to the parties covered under section 185.

(v) The Company has not accepted any deposits from the public within the meaning of sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

(vi) The Central Government of India has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the products of the Company.

(vii) (a) According to the information and explanations given to us and based on the records of the company the company's outstanding statutory dues in ₹ Lakhs are:

Indirect taxes 5.07; Tax Deducted at Source 0.18; professional tax 2.81; Income tax 25.56  
Total 33.62 Lakhs

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of income tax, sales tax, service tax, duty of customs and duty of excise, value added tax as at 31 March 2016 which have not been deposited on account of a dispute, are as follows:

Income tax dues for the AY.2005-06, AY.2006-07, AY. 2007-08 & AY 2008-09 ₹ 234.28 lakhs

(viii) The company has defaulted in repayment of loans or borrowing to a financial institutions, banks or government. The details are:



(₹ in Lakhs)

<b>SI No</b>	<b>Short Term Borrowings – bank wise</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
i)	State Bank of India	36,071.78	36,150.06
ii)	Canara Bank	22,273.73	22,340.65
iii)	IDBI Bank	12,658.70	12,658.70
iv)	Bank of India	5,191.90	5,191.90
v)	Federal Bank	2,788.12	2,788.13
vi)	Vijaya Bank	2,759.65	2,755.76
vii)	State Bank of Bikaner & Jaipur	2,509.61	2,509.61
viii)	State Bank of Mysore	2,021.01	2,021.01
ix)	State Bank of Hyderabad	1,606.70	1,607.81
x)	ICICI Bank	810.41	810.41
	<b>Total Loans from banks</b>	<b>88,691.62</b>	<b>88,834.04</b>

(ix) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company.

(x) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

(xi) There is no managerial remuneration paid other than that which is paid to the Company Secretary and the Chief Financial Officer which is included under the head Employee Benefit Expense.

(xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the Order are not applicable to the Company.

(xiii) The Company has entered into transactions with related parties in compliance with the provisions of sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard 18, Related Party Disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.



**XL ENERGY LTD.**

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

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

**Place: Hyderabad  
Date: 14.06.2016**

**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 31<sup>st</sup> March, 2016**

(Amount in ₹Lakhs)

Particulars	Note No	As At 31-Mar-16	As At 31-Mar-15
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2.01	12,655.48	12,655.48
Reserves and Surplus	2.02	(7996.54)	(11,080.92)
Money Received against Share Warrants			
<b>Non - Current Liabilities</b>			
Long- Term Borrowings	2.03	1,901.99	1,901.99
Other Long Term Liabilities	2.04	3,212.00	3,245.48
<b>Current Liabilities</b>			
Short Term Borrowings	2.05	88,691.62	88,834.03
Trade Payables	2.06	679.54	763.58
Other Current Liabilities	2.07	298.26	414.39
Short - Term Provisions	2.08	360.99	63.07
<b>TOTAL</b>		<b>99,803.34</b>	<b>96,797.10</b>
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	2.09	13,994.36	13,042.39
Intangible Assets	2.10	1,070.62	1,655.66
Capital Work -in-Progress	2.11	24,202.18	24,254.75
<b>Non-Current Investments</b>	2.12	<b>5.00</b>	<b>5.00</b>
<b>Deferred Tax Assets ( Net)</b>	2.13	<b>17,024.47</b>	<b>16,972.89</b>
<b>Long-Term Loans and Advances</b>	2.14	<b>18,460.97</b>	<b>18,580.56</b>
<b>Other Non current Assets</b>	2.15	<b>57.74</b>	<b>103.94</b>
<b>Current Assets</b>			
Inventories	2.16	7,718.44	7,735.64
Trade Receivables	2.17	15,652.39	13,047.70
Cash & Cash Equivalents	2.18	514.17	266.14
Short term loans and advances	2.19	827.64	880.87
Other Current Assets	2.20	275.36	251.56
<b>TOTAL</b>		<b>99,803.34</b>	<b>96,797.10</b>
<b>Significant Accounting Policies</b>	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: 14.06.2016

**XL ENERGY LTD.**

**XL ENERGY LTD**  
**C2, Pooja Plaza, Vikrampuri, Secunderabad - 500009, Telangana**  
**Consolidated Profit and Loss Account for the year ended 31<sup>st</sup> March, 2016**

**( Amount in ₹ Lakhs)**

Particulars	Note No	Year Ended 31-Mar-16	Year Ended 31-Mar-15
Revenue From Operations	2.21	286.13	775.05
Other Income	2.22	8.10	14.41
<b>Total Revenue ( I + II )</b>		<b>294.23</b>	<b>789.46</b>
<b>Expenses</b>			
Cost of Raw Materials Consumed	2.23	17.20	135.86
Changes in Inventories of Finished Goods and WIP	2.24	-	2.50
Employee Benefit Expense	2.25	17.04	12.16
Finance Costs	2.26	6.83	21.25
Depreciation and Amortization Expense	2.09	471.28	494.37
Other Expenses	2.27	255.36	395.33
<b>Total Expenses</b>		<b>767.71</b>	<b>1,061.47</b>
<b>Profit before exceptional and extraordinary items and Tax ( III-IV)</b>		<b>(473.48)</b>	<b>(272.01)</b>
Exceptional Items		-	-
<b>Profit Before extraordinary items and Tax ( V-VI)</b>		<b>(473.48)</b>	<b>(272.01)</b>
Extraordinary Items		-	-
<b>Profit Before Tax ( VII - VIII)</b>		<b>(473.48)</b>	<b>(272.01)</b>
<b>Tax Expense</b>			
(1) Current Tax		-	3.10
(2) Deferred Tax		-	-
<b>Profit /(Loss) for the period from continuing operations (VII-VIII)</b>		<b>(473.48)</b>	<b>(275.11)</b>
Profit /(Loss) from discontinuing Operations		-	-
Tax Expense on discontinuing Operations		-	-
<b>Profit / (Loss) from Discontinuing Operations ( after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>Profit / (Loss) for the Period ( XI + XIV)</b>		<b>(473.48)</b>	<b>(275.11)</b>
Earnings per Equity Share			
(1) Basic		<b>(2.08)</b>	(1.21)
(2) Diluted		<b>(2.08)</b>	(1.21)
<b>Significant Accounting Policies</b>	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  
Propreitor  
M. No. 18492  
Place: Hyderabad  
Date: 14.06.2016



**XL ENERGY LTD.**

XL ENERGY LTD  
C2, Pooja Plaza, Vikramপুরi, Secunderabad - 500009, Telangana  
Consolidated Cash Flow Statement As At 31<sup>st</sup> March, 2016

(Amount in ₹ Lakhs)

Particulars	For the year ended	
	31-Mar-16	31-Mar-15
<b>Cash Flow from Operating Activities</b>		
Net Profit (loss) before tax and extraordinary items	(473.48)	(272.01)
Adjustments for :		
Depreciation	471.28	494.37
Miscellaneous Expenses Written off	46.20	46.19
Interest Income	(8.10)	(14.41)
Interest & Finance Charges	6.83	21.25
<b>Operating Profit before Working Capital Adjustments</b>	42.73	275.38
Adjustments for :		
(Increase)/ Decrease in Inventories	17.20	138.30
(Increase)/ Decrease in Trade and other receivables	(2,604.69)	(2,843.33)
(Increase)/Decrease in Short Term Loans & Advances	29.43	583.36
Increase)/ (Decrease) in Trade Payables & others	97.75	(291.53)
<b>Cash Generated from Operations</b>	(2,417.58)	(2,137.82)
Interest on Borrowings	(6.83)	(21.25)
Direct Taxes Paid	-	(3.10)
Deferred Tax Asset Adjustment	(51.58)	137.86
<b>Cash Flow from Operations before extraordinary items</b>	(2,475.99)	(2,024.30)
Foreign currency Translation Adjustment	3,557.86	1,486.14
<b>Net Cash Flow from Operations</b>	1,081.87	(538.16)
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(785.63)	364.71
Advances / Payables for Capital work in Progress	95.02	(496.86)
Investment	-	-
Interest Income Received	8.10	14.41
<b>Net Cash used in Investing Activities</b>	(682.51)	(117.74)
<b>Cash Flow from Financing Activities</b>		
Borrowings from banks	(142.41)	359.21
Loans & Advances to related parties	(8.91)	307.65
<b>Net Cash Flow from Financing Activities</b>	(151.32)	666.86
<b>Net Increase /(Decrease) in Cash and Cash Equivalents</b>	248.03	10.96
Cash and Cash Equivalents at the Beginning of the Year	266.14	255.18
<b>Cash and Cash Equivalents at the End of the Year</b>	514.17	266.14

As per our report of even date

For and on behalf of the Board

For V N R Associates  
Chartered Accountants  
FRN 004478S

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

Sd/-  
V N Rao  
Proprietor  
M. No. 18492  
Place: Hyderabad  
Date: 14.06.2016



**XL ENERGY LTD.**

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

2.01	Share Capital	As At	As At
		31-Mar-16	31-Mar-15
		₹ in lacs	₹ in lacs
	a) Authorized		
	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
		<b>15,000.00</b>	<b>15,000.00</b>
	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	<b>12,655.48</b>	<b>12,655.48</b>
	c) Reconciliation of Shares		
	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	<b>227,74,397</b>	<b>227,74,397</b>
	Details of shares held by each shareholder holding more than 5%		
	<b>Name of the Shareholder</b>	<b>Equity Shares</b>	<b>Equity Shares</b>
		No. of Shares (% of Holding)	No. of Shares (% of Holding)
	Mr.Dinesh Kumar	25,67,303	25,67,303
		11.27%	11.27%
		<b>Preference Shares</b>	<b>Preference Shares</b>
		No. of Shares	No. of Shares
	Shares outstanding at the beginning of the year	1037,80,394	1037,80,394
	Shares issued during the year	-	-
	<b>Shares outstanding at the end of the year</b>	<b>1037,80,394</b>	<b>1037,80,394</b>
	Details of shares held by each shareholder holding more than 5%		
	<b>Name of the Shareholder</b>	<b>Preference Shares</b>	<b>Preference Shares</b>
		No. of Shares (% of Holding)	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



**XL ENERGY LTD.**

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.

<b>2.02</b>	<b>Reserves and Surplus</b>		
<b>(a)</b>	Capital Reserves		
	Opening Balance	<b>543.54</b>	543.54
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	<b>543.54</b>	543.54
<b>(b)</b>	Security Premium Reserve		
	Opening Balance	<b>24,269.42</b>	24,269.42
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	<b>24,269.42</b>	24,269.42
<b>(c)</b>	General Reserves		
	Opening Balance	<b>779.03</b>	779.03
	Transferred in the current year	-	-
	written back in the current year	-	-
	Closing Balance	<b>779.03</b>	779.03
<b>(d)</b>	Foreign Currency Translation Reserve		
	Opening Balance	<b>1,486.14</b>	-
	Foreign Currency Translation Adjustment during the year	<b>3,557.86</b>	1,486.14
	Closing Balance	<b>5,044.00</b>	1,486.14
<b>(e)</b>	Surplus		
	Opening Balance	<b>(38,159.05)</b>	(37,883.94)
	Add: Net Profit / (Net Loss) for Current Year	<b>(473.47)</b>	(275.11)
	Closing Balance	<b>(38,632.52)</b>	(38,159.05)
	<b>Total Reserves &amp; Surplus</b>	<b>(7996.54)</b>	(11,080.92)
<b>2.03</b>	<b>Long- Term Borrowings</b>		
	<b>Un-Secured Loans –FCCB</b>	<b>1,901.99</b>	1,901.99
	(See note no. 2.33 of notes to Audited consolidated financial statements for explanation)		
	<b>Total Long Term Liabilities</b>	<b>1,901.99</b>	1,901.99
<b>2.04</b>	<b>Other Long Term Liabilities</b>		
<b>(a)</b>	Sundry Creditors - Capital Goods – Payables	<b>3,211.16</b>	3,241.34
<b>(b)</b>	Sundry Creditors - Capital Goods- Retention Money	<b>0.84</b>	4.14
		<b>3,212.00</b>	3245.48
<b>2.05</b>	<b>Short Term Borrowings</b>		
	Loans payable on demand		
	a) from banks	<b>88,691.62</b>	88,834.03
	(The entire Loans amounts are treated as current liabilities as the banks have recalled the loans. Loans are 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 2.31 of notes to Audited Consolidated financial statements for explanation)		

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		<b>88,691.62</b>	<b>88,834.03</b>
<b>2.06</b>	<b>Trade Payables</b>		
	<b>Sundry Creditors -Trade (unsecured)</b>		
	a) Total outstanding dues of micro, medium and small enterprises		-
	b) Total outstanding dues of other than micro, medium and small enterprises	<b>602.83</b>	660.55
	<b>Sundry Creditors – Transport</b>	<b>76.71</b>	103.03
		<b>679.54</b>	<b>763.58</b>
<b>2.07</b>	<b>Other Current Liabilities</b>		
	Unpaid Dividends (Liability deposited with IDBI bank and to be transferred to Investor Education and Protection Fund)	<b>2.41</b>	3.35
	Salary Payables for past services	<b>287.79</b>	375.30
	VAT &Service Tax	<b>5.07</b>	5.08
	TDS Payable	<b>0.18</b>	28.06
	Professional tax	<b>2.81</b>	2.60
		<b>298.26</b>	<b>414.39</b>
<b>2.08</b>	<b>Short - Term Provisions</b>		
	a) Provision for employee benefits		
	Contribution to PF	-	15.16
	Contribution to ESI	-	2.05
	b) Others		
	Provision for Income Tax	<b>25.56</b>	26.33
	Other Liabilities	<b>335.43</b>	19.53
		<b>360.99</b>	<b>63.07</b>



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

(Amount in ₹ Lakhs)

Fixed Assets	Gross Block				Depreciation				Net Block		
	As at 1-Apr-15	Additions during the year	Disposal during the year	As at 31-Mar-16	As at 1-Apr- 15	Depreci- ation for the year	Depreciati- on on disposals	As at 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15	
<b>2.09</b>	<b>Tangible Assets</b>										
(a)	Land	1,154.90	-	-	1,154.90	-	-	-	-	1,154.90	1,154.90
(b)	Buildings	4,715.55	(4.23)	-	4,711.32	317.26	6.11	-	323.37	4,387.95	4,398.29
(c)	Plant and Equipment	12,047.15	5.03	(1,422.45)	13,474.63	4,743.35	401.69	-	5,145.03	8,329.60	7,303.80
(d)	computers	114.50	-	-	114.50	131.62	17.12	-	148.51	(34.01)	(17.12)
(e)	Vehicles	262.49	-	0.55	261.94	218.56	31.18	-	249.47	12.47	43.93
(f)	furniture & fixtures	263.35	-	-	263.35	113.66	1.92	-	115.58	147.77	149.69
(g)	Office equipment	73.72	-	-	73.72	64.83	13.26	-	78.09	(4.37)	8.89
	Total	18,631.66	0.80	(1,421.91)	20,054.37	5,589.28	471.28	0.50	6,060.05	13,994.32	13,042.38
	Previous Year Balance	18,631.67	(0.01)	-	18,631.66	5,094.91	494.37	-	5,589.28	13,042.38	13,536.76
<b>2.10</b>	<b>Intangible Assets</b>										
(a)	Goodwill	1,655.66	-	585	1,070.62	-	-	-	-	1,070.62	1,655.66
(b)	Licenses and franchise	-	-	-	-	-	-	-	-	-	-
	Total	1,655.66	-	585	1,070.62	-	-	-	-	1,070.62	1,655.66
<b>2.11</b>	<b>Capital Work -in- Progress</b>										
	CWIP - SPV - Fabcity	24,115.24	(52.30)	-	24,062.94	-	-	-	-	24,062.94	24,115.52
	CWIP-ETHANOL PROJECT	27.96	-	-	27.96	-	-	-	-	27.96	27.96
	CWIP – Photobioreactor - Cherlapally	111.28	-	-	111.28	-	-	-	-	111.28	111.28
	Total	24,254.48	(52.30)	-	24,202.18	-	-	-	-	24,202.18	24,254.76

Note :  
 1) Land Value at (a) is long term lease hold land from APIIC for Fabcity for a period of 66 years and land at Nanded from MIDC for a period of 95 years.

2) See note No.2.34 of notes to audited consolidated financial statements for explanation pertaining to Capital work in progress

**XL ENERGY LTD.**

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

(Amount in ₹ Lakhs)

		As At March 31, 2016	As At March 31, 2015
<b>2.12</b>	<b>Non-Current Investments</b>		
	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
<b>2.13</b>	<b>Deferred Tax Assets ( Net)</b>		
	(See note No.2.35 of notes to Audited Consolidated financial statements for explanation)	17,024.47	16,972.89
		17,024.47	16,972.89
<b>2.14</b>	<b>Long-Term Loans and Advances</b>		
	Capital Advances	18,346.01	18,474.51
	Loans and Advances to related parties	114.96	106.05
		18,460.97	18,580.56
<b>2.15</b>	<b>Other Non-current Assets</b>		
	Miscellaneous Expenses to the extent not written off or adjusted	57.74	103.94
		57.74	103.94
<b>2.16</b>	<b>Inventories</b>		
	(Valued at cost or net realizable value)		
	Raw materials, Stores & Consumables etc	1,404.95	1,422.15
	Work in Progress	6,313.49	6,313.49
	(See note No.2.36 of notes to Audited Consolidated financial statements for explanation)	7,718.44	7,735.64
<b>2.17</b>	<b>Trade Receivables</b>		
	(Unsecured Considered Good)		
	Exceeding six months	15,650.14	13,047.70
	Less than six months	2.25	-
	(See note No.2.37 of notes to Audited Consolidated financial statements for explanation)	15,652.39	13,047.70
<b>2.18</b>	<b>Cash &amp; Cash Equivalents</b>		
	Balances with banks		
	in Current Account	4.63	3.89
	in Deposit Accounts (including margin money)	506.93	234.40
	Unclaimed Dividend (Deposit with IDBI bank to be transferred to Investor Education and Protection Fund)	2.41	3.34
	Cash On Hand	0.20	24.51
		514.17	266.14
<b>2.19</b>	<b>Short term loans and advances</b>		
	(Unsecured, considered good)		
	Deposits	64.63	117.42
	Others advances -Advance to suppliers	763.01	763.45
		827.64	880.87



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<b>2.20</b>	<b>Other Current Assets</b>		
	Other advances	57.37	27.85
	Tour Advances	-	5.04
	Excise duty & Mod VAT receivable	215.25	218.31
	VAT & CST Receivables	2.74	0.36
		<b>275.36</b>	<b>251.56</b>
<b>2.21</b>	<b>Revenue From Operations</b>		
<b>a)</b>	<b>Sale of Products</b>		
<b>i</b>	Domestic Sales	-	-
	Telecom Division	-	-
	Energy Division	31.97	172.48
<b>ii</b>	Export Sales	-	-
	Telecom Division	-	-
	Energy Division	-	-
<b>iii</b>	Other Sales - Energy Division	254.16	602.57
	Other Sales - Telecom Division	-	-
		<b>286.13</b>	<b>775.05</b>
	<b>Less</b>		
	Excise Duty	-	--
	<b>Total</b>	<b>286.13</b>	<b>775.05</b>
<b>2.22</b>	<b>Other Income</b>		
	Interest Income	8.10	14.41
	Net Gain / Loss on foreign currency translation and transaction	-	-
	Miscellaneous Income	-	-
	<b>Total</b>	<b>8.10</b>	<b>14.41</b>
<b>2.23</b>	<b>Cost of Raw Materials Consumed</b>		
	Opening Stock of Raw Material	1,422.15	1,577.95
	Add : purchase of Raw Material	-	0.06
		<b>1,422.15</b>	<b>1,558.01</b>
	Less : Closing Stock of Raw Material	1,404.95	1,422.15
	Less : Loss on Inventory due to absolute & dead stock	-	-
	Consumption of Raw Materials	<b>17.20</b>	<b>135.86</b>
	<b>Details of Raw Material Consumed :</b>		
	a) Raw Material for SPV Modules		
	Solar Cells 6"	-	-
	EVA	-	4.80
	Tedlar	-	12.05
	Toughened Glass	-	20.83
	Ribbon Interconnects	-	48.69
	Bus Bar	-	38.15
	Aluminium Frames	-	3.58
	Silicon Sealant	-	0.50
	Flux	-	0.28
	Terminal Box	-	5.29
	Packing Material	-	0.75
	Others	17.20	0.94
		<b>17.20</b>	<b>135.86</b>
	b) Raw Material for SMPS units	-	-
	<b>Total</b>	<b>17.20</b>	<b>135.86</b>
<b>2.24</b>	<b>Changes in Inventories of Finished Goods and WIP</b>		
	i)(Increase/ Decrease in WIP		
	Opening Stock	6,313.49	6,315.99
	Closing Stock	6,313.49	6,313.49
	Changes in Inventories of WIP (a)	-	2.50
	ii)(increase)/Decrease in Finished Goods		
	Opening Stock	-	-

**XL ENERGY LTD.**

	Less : Loss on Inventory due to absolute & dead stock	-	-
	Closing Stock	-	-
	<b>Changes in Inventories of Finished Goods (b)</b>	-	-
	<b>Total Cost of Materials Consumed (a)+(b)</b>	-	2.50
<b>2.25</b>	<b>Employee Benefit Expense</b>		
	Salaries and Wages	17.04	12.15
	Contribution to Provident and other Funds		-
	Staff Welfare Expenses	-	0.01
	<b>Total</b>	<b>17.04</b>	<b>12.16</b>
<b>2.26</b>	<b>Finance Costs</b>		
	<b>Interest expense</b>		
	Interest on Hire Purchase Loans	-	-
	Interest on Term Loans	-	-
	<b>Other borrowing costs</b>		
	Interest on Working Capital Loans & Bank charges	6.83	21.25
	<b>Total</b>	<b>6.83</b>	<b>21.25</b>
<b>2.27</b>	<b>Other Expenses</b>		
	Power and Fuel expenses	26.43	26.03
	Rent	6.90	19.85
	Factory & Office security charges	12.71	42.15
	Insurance	9.13	10.24
	Rates and taxes, excluding taxes on income	0.60	97.30
	Communication Expenses	6.83	5.84
	Printing & Stationery Expenses	0.23	0.24
	Professional & Consultancy Charges	22.49	55.46
	Traveling & Conveyance Expenses	26.73	13.74
	Interest and penalties statutory payments	5.81	13.21
	Payment to the Auditor		
	- for Audit	1.00	0.50
	- for Other services	0.50	-
	Selling expenses	-	12.73
	Miscellaneous expenses Written off	46.20	48.79
	Other Administrative Expenses	89.82	49.26
	<b>Total</b>	<b>255.36</b>	<b>395.34</b>





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**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO AUDITED CONSOLIDATED FINANCIAL STATEMENTS**

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**1 SIGNIFICANT ACCOUNTING POLICIES:**

**Corporate Information**

XL Energy Limited is listed company having its shares listed in BSE Limited and National Stock Exchange of India Limited. The Company is engaged in the business of manufacture of equipment for Telecom Industry, manufacturing/trading/production and sale of Solar Photovoltaic Modules and manufacture of Ethanol. However at present, the business conducted in the Telecom and Ethanol segment have been temporarily discontinued with a negligible business being conducted in the Solar Power Segment.

**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 outcome requiring a material adjustment to the carrying amounts of assets or liabilities to the carrying amounts of assets or liabilities in further periods.



**1.4 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 the basis of useful life of the Asset. However, depreciation is provided on only those assets which are being put to use during the current year. Depreciation on Assets bought / sold, if any, 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. However, as on the date of balance sheet, the company does not have any liability to gratuity and bonus to any employees of the company.

**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 or in the case of Capital Work in Progress, up to the date when the works at site were in progress and not stopped/ stalled due to any reason.

**1.13 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.

**1.14 Miscellaneous Expenditure:**

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



## NOTES TO AUDITED CONSOLIDATED FINANCIAL STATEMENTS

### 2.29 Company's Consolidated Profitability & Net worth :

The Consolidated Net Worth of the Company showed an increase from ₹ 115.75 Cr to ₹ 46.54 Cr. This is mainly due to depreciation in Rupee Value Vis-à-vis the Euro in the case of consolidation of the financials of the foreign subsidiary. The company earned a marginal cash profit of Rs.44.00 Lacs during the year. The accompanying financial statements have been prepared on a "Going Concern" basis, although, the company as a whole, has been suffering recurring losses from operations and has a net capital deficiency. This is done so keeping in view the business revival plan of the company as envisaged and discussed in the note 2.29 below.

### 2.30 Company's Plan for Revival of Business :

The business scenario for the Solar Power segment is now very attractive since the central government has initiated steps both nationally and internationally to boost the Solar Power segment. It is expected that the Solar Photo Voltaic based Power plant will become an existing business opportunity as Telangana and Andhra Pradesh are the two states out of the total 5 leading solar power generating states in the country and the state governments plans for mobilizing investments in this sector will be a boon to the company which is already an established company with the relevant Photovoltaic Module manufacturing capacity. The Government of India has relaxed the norms for Foreign Direct Investment (FDI) in the Solar Power Sector by making it 100% FDI through normal route.

The Company has already started negotiations with various investors to invest in our company so that the banks debts can be settled and the assets released for executing the business plan of the company and capturing the ever growing solar power market. At the same time the company is in negotiations with certain large domestic investors \ Solar Power producers who are executing turnkey projects for long term investment and contracts for supply of modules for their turnkey projects.

The Company has made a definitive business plan with a road map to turnaround the company in three to five years time.

### 2.31 Convertible Redeemable Preference Shares :

Convertible Redeemable Preference Shares (CRPS) had been issued by the Company to the Banks under the Master Restructuring Agreement (MRA) entered into during the Corporate Debt Restructuring (CDR) package in March 2010. In order to facilitate the company and for conserving financial resources of the company, an amount representing the amount of interest accrued / to be accrued on the loans from 1st July 2009 to 31st December 2010 was converted into CRPS as envisaged in the CDR package. Despite strong and best efforts by the management of the company, the covenants of the CDR package could not be implemented due to various reasons including the continuing and extremely adverse domestic and international market situations. In September 2012, the CDR package was allowed to lapse and no further extension was given by the banks. The banks recalled the entire loans outstanding (including the CRPS) and filed an Original Application (OA) before the honorable Debt Recovery Tribunal (DRT) seeking recovery of its loans in October 2013. The Company has not provided interest / dividend on the CRPS since the



entire loan including the CRPS amount has been crystallized by the banks as one single consolidated Debt by the banks while filing the OA for recovery of Debt.

**2.32 Bank Loans – Outstanding & Recovery :**

The Entire Loan Liability of Company payable to the banks has been classified as short term loans under Current Liabilities, as the banks have recalled the loans and filed the OA with the DRT for recovery of loans. It may be noted that the company could not execute the CDR package due to various reasons already explained in the previous years and the Banks had 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 is still negotiating with the banks for settlement of the loans with financial assistance from Potential Investors. Interest on all banks outstanding has not been provided by the company from the date of recall of loans by the banks.

(₹ in Lakhs)

SI No	Short Term Borrowings – bank wise	As at 31.03.2016	As at 31.03.2015
i)	State Bank of India	36,071.78	36,150.06
ii)	Canara Bank	22,273.73	22,340.65
iii)	IDBI Bank	12,658.70	12,658.70
iv)	Bank of India	5,191.90	5,191.90
v)	Federal Bank	2,788.12	2,788.13
vi)	Vijaya Bank	2,759.65	2,755.76
vii)	State Bank of Bikaner & Jaipur	2,509.61	2,509.61
viii)	State Bank of Mysore	2,021.01	2,021.01
ix)	State Bank of Hyderabad	1,606.70	1,607.81
x)	ICICI Bank	810.41	810.41
	<b>Total Loans from banks</b>	<b>88,691.62</b>	<b>88,834.04</b>

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.

**2.33 Contingent and disputed liabilities not provided for :**

( ₹ in Lakhs)

Particulars	As at 31.03.2016	As at 31.03.2015
a) Guarantee / Counter Guarantees given on sale of contracts to		
(i) Sukhbir Solar Energy Pvt. Ltd – BG against performance Guarantee	<b>121.10</b>	121.10
(ii) BSNL - BG against Sales Contract Performance guarantee	<b>234.33</b>	234.33
(iii) BSNL – BG against AMC Contract Guarantee	<b>158.68</b>	158.68
(iv) BSNL - BG against Sales Contract Performance guarantee	<b>105.22</b>	105.22
(v) MTNL, New Delhi - BG against Sales Contract Performance guarantee	<b>68.40</b>	37.24
Total Bank Guarantees Contingent liability	<b>687.73</b>	656.58
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 has been able to win an appeal against a tax demand for ₹ 85.40 lacs for the AY 2005-06 and is confident of winning the appeals for the others also	<b>234.28</b>	319.68

**2.34 Foreign Currency Convertible Bonds (FCCB's) :**

The Company had raised an amount of USD 40.00 Million through FCCB's of which a total of USD 35.80 million had since been converted into Equity shares of Company as per FCCB terms. Currently, an amount equivalent to USD 4.20 million is outstanding for redemption / conversion. We had approached the custodian in Singapore who informed us that the bonds as such have changed multiple hands since the time of issue. Due to governing laws in Singapore, the custodians are unable to provide us the details of existing FCCB holders. We have however petitioned the custodians of the FCCB's to provide us the names and contact details of the existing FCCB holders so as to get in touch with them in order to undertake a definitive agreement with them. We are awaiting feedback for the same. Till such time the contact with the FCCB holders take place and an agreement for the redemption / conversion is made, the company thought it fit to classify the FCCB's balance amount of USD 4.20 million as a long term liability and not as current liability.

**2.35 Capital Work In Progress (CWIP) :**

An amount of ₹ 240.63 crore in CWIP is the amount which is invested in the Fabcity Project, a project initiated by the company in 2008-09 for the setup-up of automatic Solar Photovoltaic Cell



manufacturing unit along with semi-automatic Module manufacturing unit. All the equipments envisaged under Fabcity project have been imported and the project executed to the extent of about 75%. The module line which is one part of the Fabcity project has since been implemented and commercial operations commenced way back in 2012. Presently, the Company is in discussion with various corporate for providing necessary investments to settle bank dues and complete the CWIP for which discussions are in advanced stage

**2.36 Deferred Tax Asset :**

The Company has an accumulated Consolidated Deferred Tax Asset of ₹170.24 Crore out of which ₹169.77 Crore is the amount which is accumulated by the parent company due to losses incurred by the parent company until 31st March 2013. Thereafter, no further aggregation was made to the asset under this head although the company was persistently incurring losses as a matter of company policy.

Following is the year wise breakup of deferred tax asset :

S.No.	Financial Year	Amount ( ₹ Cr.)
1	2009-10	0.31
2	2010-11	152.92
3	2011-12	11.10
4	2012-13	5.44

The Company expects restarting the solar division for which discussions are held with potential investors. Closure of these discussions would yield not only settlement with banks for their dues but also adequate capital to restart the business. We are therefore expecting the Company to get into the black immediately in closure of such investments and at that stage, the Deferred Tax Asset would be put to use. In any case, since tax losses can be carried forward for 8 years as provided by law, the corresponding deferred tax assets are being carried forward in the books of account of the company as at 31<sup>st</sup> March, 2016.

**2.37 Inventories :**

Due to stoppage of active business in 2011-12 and limited shelf life of various inventories, the same had diminished value and the company had written off all that stock which was absolute and dead stock to the profit and loss account during the years 2011-12 & 2012-13. All the other stock which is usable and has shelf life have been valued on the basis of net realizable value or cost whichever is lower. However, we are in discussion with potential buyers to buy the same and as soon as we are able to negotiate and finalize the purchase price for this, we shall be able to value the inventory accordingly and make necessary adjustments to the value of Inventory in the books of accounts.

**2.38 Trade Receivables :**

Since inception, the Company has been supplying various products to the two important government telecom companies viz. BSNL and MTNL. The Company in the course of its business have been subject to various discriminating deduction on its receivables from above two organizations. The Company has filed arbitration notices against both these organizations which are under various stage of hearing. On completion of the due legal process the Company would be better placed in classification of these receivables and providing for loss, if any.

**2.39 Segment Reports:**

Segment reporting is not applicable to this company.

**2.40 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:

<b>Name</b>	<b>Relationship</b>
i. Saptashva Solar Ltd.	Joint Venture Company (48.97% )
ii. Saptashva Solar SA	Wholly owned subsidiary Company
iii. SreeSahasya Enterprises Pvt. Ltd.	Common Directors
iv. SreeSahasya Entertainments Pvt. Ltd.	Common Directors
v. Saptashva Solar SRL, Italy	Subsidiary of Saptashva Solar SA, Spain
vi. 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 31.03.2016	Salaries paid
Saptashva Solar Limited	Joint Venture Company	-	8.91	-	-	-	114.96	-
Bhargavi Maheshuni	Key Management Personnel	-	-	-	-	-	-	4.20
K Surender Reddy	Key Management Personnel	-	-	-	-	-	-	1.50

## c) Amounts outstanding at the Balance Sheet date

(₹ in Lakhs)

Name of the Party	Relationship	2015-16		2014-15		Remarks
		Amounts Due to the company	Amounts Payable by the company	Amounts Due to the company	Amounts Payable by the company	
Saptashva Solar Limited	Joint Venture Company	5.00	-	5.00	-	Equity Subscribed



**XL ENERGY LTD.**

Saptashva Solar Limited	Joint Venture Company	114.96	-	106.05	-	Loans given / received
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**2.41 Earnings per share :**

Particulars	2015-16	2014-15
Net Profit / (Loss) after tax for the year (₹ in Lakhs)	(473.48)	(275.11)
Weighted Average no of Equity Shares (Nos)	22774397	22,774,397
Earning per share (Basic/ Diluted) (₹)	(2.08)	(1.21)

2.42 a) Earnings in Foreign Currency: **NIL**

b) Expenditure in Foreign Currency: **NIL**

**2.43 Details of Imported and Indigenous Raw Materials, Spare Parts and other Components:**  
(Value in ₹ Lakhs)

Name of the Material	2015-16		2014-15	
	%	Value	%	Value
- Imported	0.00	0.00	0.00	0.00
- Indigenous	0.00	0.00	100.00	135.86
Total	0.00	0.00	100.00	135.86

**2.44 Capacities and Production:**

Class of Goods	Units	Licensed Capacity	Installed Capacity	Production	
				2015-16	2014-15
Cable jointing kits	Nos	- N.A. -	500,000	NIL	NIL
SMPS	Nos	- N.A. -	2,880	NIL	NIL
Solar Modules	MW	- N.A. -	180	NIL	0.75
CDMA Phones	Nos	- N.A. -	3,000,000	NIL	IL
Ethanol	BL	- N.A. -	45,000,000	NIL	NIL

**2.45 Details of Raw Material consumption:**

S.No	Raw Material for SPV Modules	2015-16		2014-15	
		Qty	Value (₹ lakhs)	Qty	Value (₹ lakhs)
1	Solar Cells 6"	0	0	0	0
2	EVA	0	0	0	4.80
3	Tedlar	0	0	5020	12.05
4	Toughened Glass	0	0	5020	20.83
5	Ribbon Interconnects	0	0	5020	48.69
6	Bus Bar	0	0	5020	38.15
7	Aluminium Frames	0	0	1555	3.58
8	Silicon Sealant	0	0	0	0.50
9	Flux	0	0	0	0.28
10	Terminal Box	0	0	1555	5.29
11	Packing Material	0	0	0	0.75
12	Others	0	17.20	0	0.94
	<b>Total Raw Material for SPV Modules</b>		<b>17.20</b>		<b>135.86</b>

**2.46 Details of Finished Goods stock: NIL**

**2.47** 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.

**2.48** 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.

**2.49** Previous year figures have been regrouped / reclassified wherever necessary.

**As per our report of even date**

**For and on behalf of the Board**

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

**Sd/-  
Dinesh Kumar  
Managing Director**

**Sd/-  
Aneesh Mittal  
Wholetime Director**

**Sd/-  
V.N. Rao  
Proprietor  
Membership No.: 018492**

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

**Sd/-  
Bhargavi M  
Company Secretary**

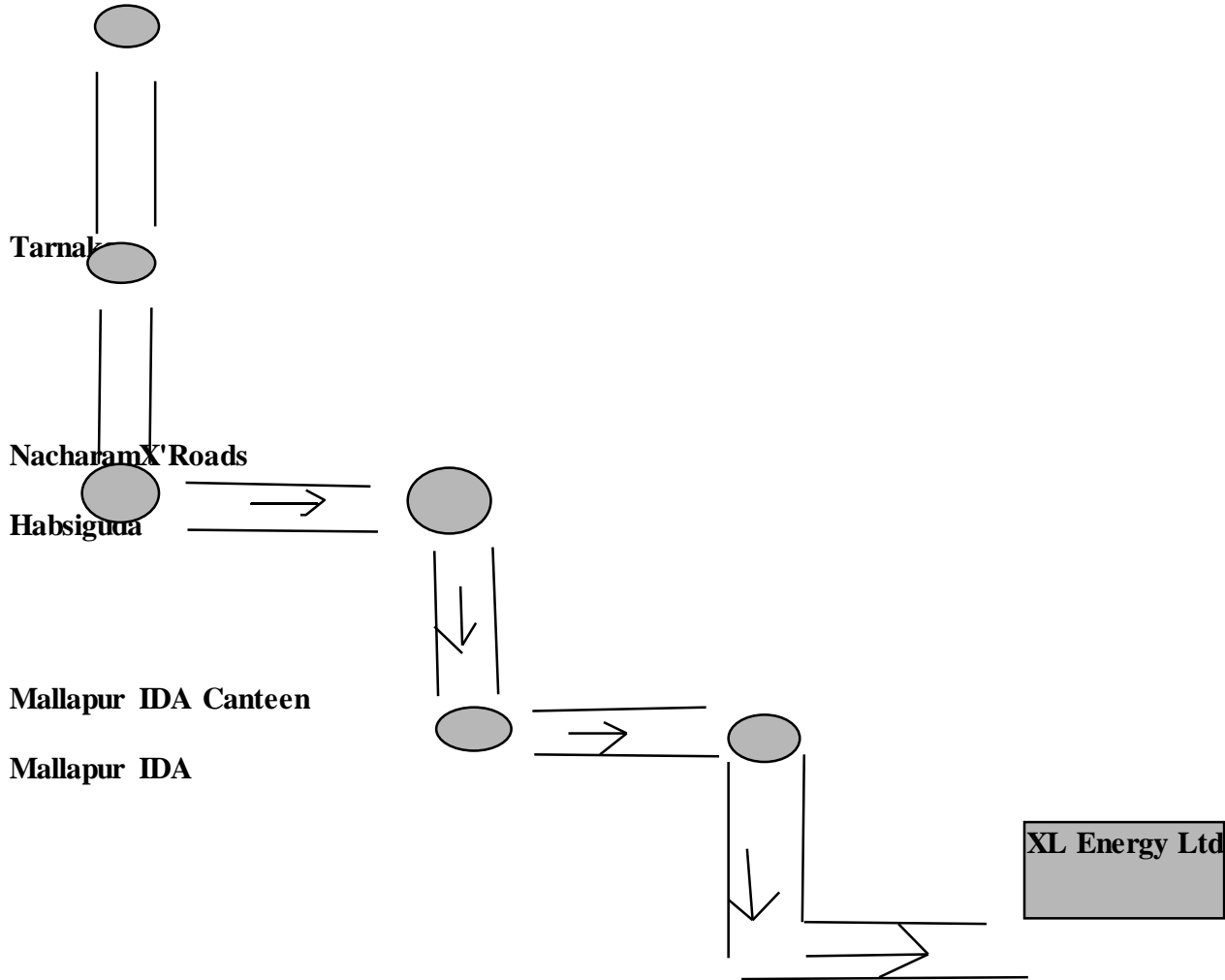
**Place : Secunderabad**

**Date : 14.06.2016**



**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](http://www.xlenergy.co), Email: [info@xlenergy.co](mailto: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 Ninth Annual General Meeting of the Company to be held on Friday, the 30<sup>th</sup> day of September, 2016 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](http://www.xlenergy.co), **Email:** [info@xlenergy.co](mailto: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 Ninth Annual General Meeting of the company, to be held on Friday, the 30<sup>th</sup> day of September, 2016 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 <sup>st</sup> March 2016, together with reports of the Board of Directors and Auditors thereon		
2. To appoint a Director in place of Mr. Dinesh Kumar, Director (DIN: 00054833), who retires by rotation and being eligible offers himself for re-appointment.		
3. To ratify appointment of auditors		
<b>Special Business</b>		
4. To appoint Mr. Narender Kalwakuntla (DIN: 05353641) as Independent Director.		
5. To re-appoint Mr. Aneesh Mittal as Whole time Director (DIN:00061365)		

Signed this ..... day of ..... 2016

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  
C2, Pooja Plaza,  
Vikrampuri,  
Secunderabad – 500009.**