

THEORY OF EVOLUTION

Sunilhitech 



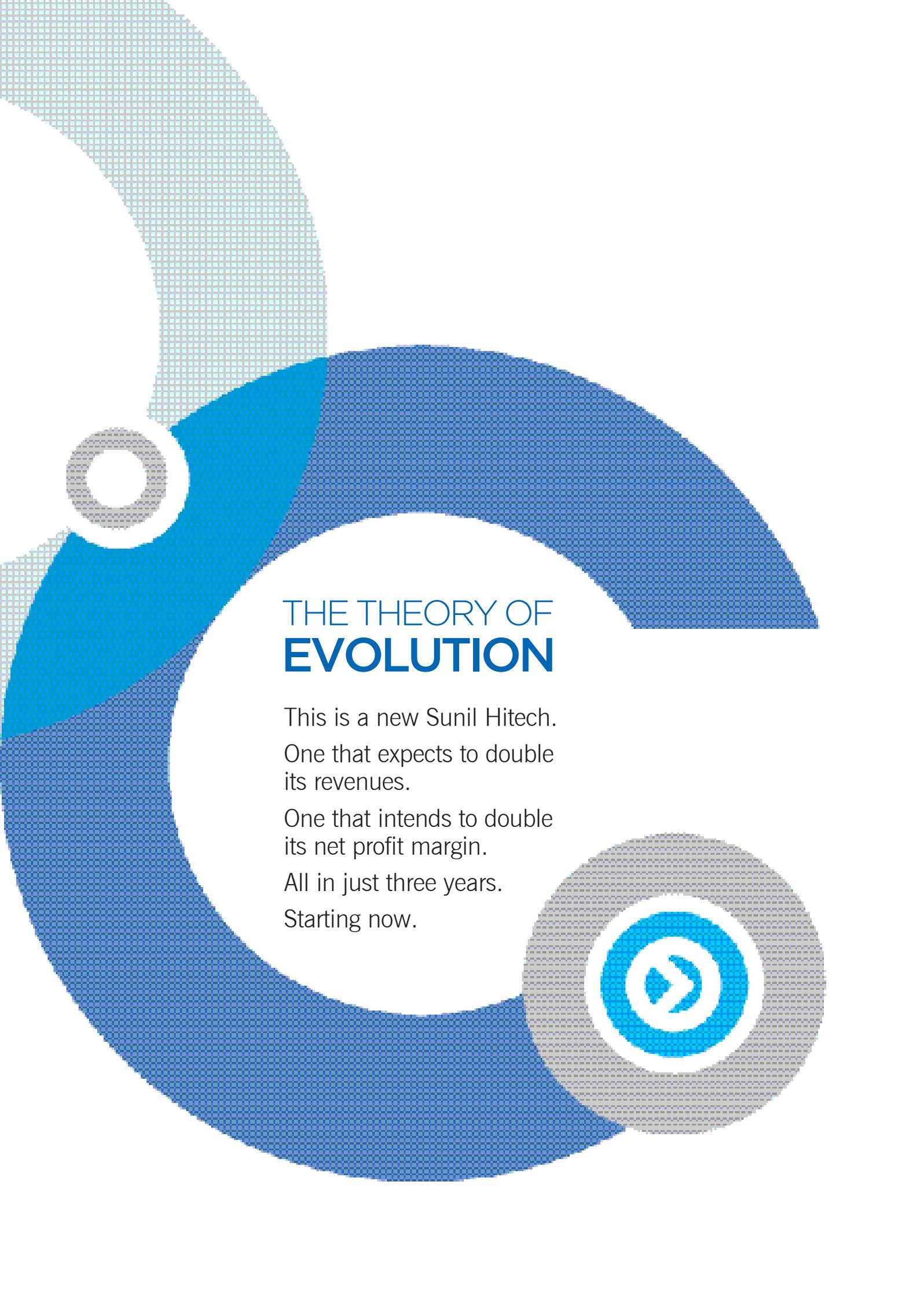
Sunil Hitech Engineers Limited
17th Annual Report 2014-15

Forward-looking statements

In this annual report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise

CONTENTS

02	Sunil Hitech's Evolution
06	Chairman's statement
09	About us
12	Our financial journey
14	Discussion with the MD
18	Business verticals
21	Risk Management
22	Our competitive advantages
24	Management discussion and analysis
30	Profile of our Board of Directors
34	Directors' Report
59	Report on Corporate Governance
71	Financial Section

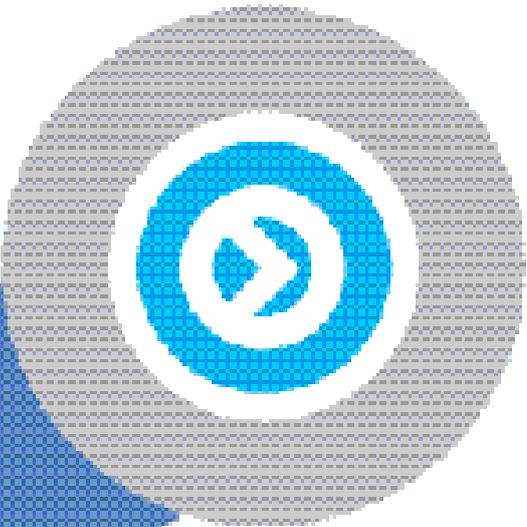


THE THEORY OF **EVOLUTION**

This is a new Sunil Hitech.
One that expects to double
its revenues.

One that intends to double
its net profit margin.

All in just three years.
Starting now.



THERE IS JUST ONE BIG MESSAGE
THAT WE WISH TO SEND OUT TO
OUR SHAREHOLDERS.

THE YEAR 2014-15 WAS
NOT THE BEST FOR INDIA'S
INFRASTRUCTURE SECTOR.

AND YET, WE RETURNED TO
PROFITABLE GROWTH.

THIS OUTPERFORMANCE WAS
THE RESULT OF A CONSCIOUS
EVOLUTION.

- We focused on growing one business from scratch across the first number of years of our existence
- We grew our revenues by 92.05% in the three years leading to 2014-15; we grew our revenues by 15.13% during FY2014-15.
- We reported a PAT growth of 53.95% in the three years leading to 2014-15; we grew our PAT by 47.70% during FY2014-15.

2,295

As on 31st March 2013 (in ₹ crore)

85	15
----	----

Power (%)

Non-power (%)

Our evolving
order book

3,243

As on 31st March 2014 (in ₹ crore)

64	36
----	----

Power (%)

Non-power (%)

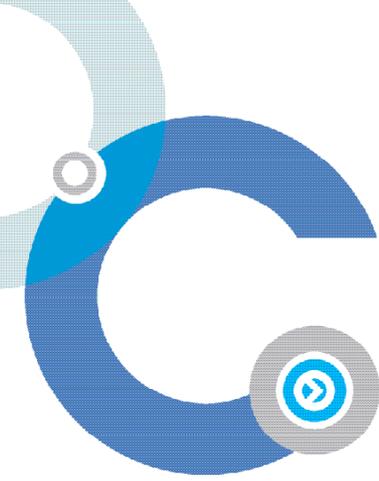
3,580

As on 31st March 2015 (in ₹ crore)

51	49
----	----

Power (%)

Non-power (%)



SUNIL HITECH ENGINEERS LIMITED.

LEVERAGING THE EXPERIENCE OF THE PAST.
STRENGTHENING THE CREDENTIALS OF THE PRESENT.
BUILDING A ROBUST FOUNDATION FOR THE FUTURE.

01

The Sunil Hitech of the past was one which focused on mechanical engineering projects solely from the BoP in the country's power generation sector.

The Sunil Hitech of the future is one which focuses on diverse opportunities from the country's rapidly growing civil (power and non-power), roads, bridges, and civil-mechanical-electrical engineering segments.

02

The Sunil Hitech of the past was one which drew all its revenues from projects related to the country's power sector.

The Sunil Hitech of the future is one which expects to derive at least 40% of its annual revenues from the country's non-power sector.

03

The Sunil Hitech of the past was one which was based out of one location (Nagpur).

The Sunil Hitech of the future is one which has a presence across Mumbai, Noida and Nagpur to ensure enhanced focus and accelerated growth.

04

The Sunil Hitech of the past was one which focused on growth at all costs, convinced that this would lead to greater visibility and more projects.

The Sunil Hitech of the future is one which expects to report sustainable revenue growth at a CAGR of 15% y-o-y with assured incremental profitability.

05

The Sunil Hitech of the past was topline-driven and bid aggressively for orders, hoping that economies-of-scale would translate into higher profits.

The Sunil Hitech of the future is a bottomline-driven organisation that bids only for lucrative orders which, when delivered on time, leads to higher margins.

06

The Sunil Hitech of the past was a topline-driven company that bid aggressively for orders in overcrowded spaces, hoping that the benefits of scale would translate into higher profits.

The Sunil Hitech of the future is a bottomline-driven organisation that bids only for large profitable orders in relatively under-crowded spaces, translating into a combination of high revenues and superior margins.

07

The Sunil Hitech of the past bid for large BoP projects in the power sector that strengthened the order book but lengthened the receivables cycle because projects took years to be closed.

The Sunil Hitech of the future bids largely for projects where its projects are delivered directly to clients, closed with speed and entail a shorter receivables cycle.

08

The Sunil Hitech of the past worked with governmental clients within a narrow sectoral niche in the hope of getting similar projects.

The Sunil Hitech of the future works with governmental clients to strengthen its credentials as a dependable contractor that can be trusted with projects across diverse sectors.

09

The Sunil Hitech of the past was an organisation where strategy formulation, implementation and day-to-day control were centrally managed.

The Sunil Hitech of the future is one where the articulation of the strategy is the responsibility of the senior management while the implementation is delegated to empowered business heads and day-to-day control exerted by dependable managers.

10

The Sunil Hitech of the past was one which engaged in civil engineering projects as a manager or as a sub-vendor to a larger corporate.

The Sunil Hitech of the future is an end-to-end solutions provider in the civil construction sector.

11

The Sunil Hitech of the past was one which largely focused on civil construction projects inside power plants.

The Sunil Hitech of the future leverages the rich experience accumulated over the years to enter new spaces, enhanced skills and bid for larger projects.

12

The Sunil Hitech of the past was one which generated the bulk of its revenues from capital-intensive civil construction opportunities inside power plants.

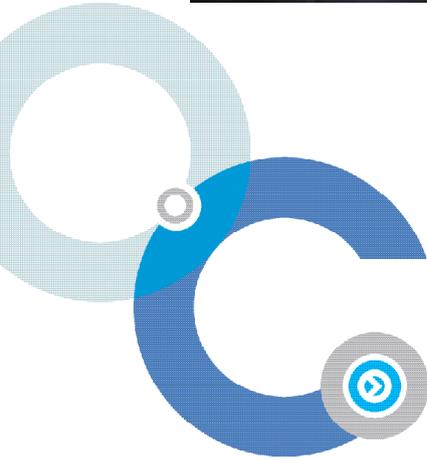
The Sunil Hitech of the future is increasingly engaged in the opportunities which have no retention money involved.



Dear shareholders,

I AM PLEASED TO REPORT THAT SUNIL HITECH LIMITED REPORTED THE BIGGEST QUANTUM GROWTH IN CONSOLIDATED BOTTOMLINE IN ITS EXISTENCE DURING WHAT WAS AN EXTREMELY CHALLENGING 2014-15.

THIS REBOUND REPRESENTS MORE THAN JUST A NUMERICAL IMPROVEMENT IN THE COMPANY'S PERFORMANCE; IT REPRESENTS AN INFLECTION POINT.



Business overview

The use of the term 'inflection point' is deliberate. From this point onwards, we expect an unprecedented improvement in the Company's performance – marked by an order book that is larger, faster-growing and more diversified. This, combined with encouraging margins growth, augurs well for us.

Considering that this improvement transpired against the landscape of an economic slowdown, shareholders and well-wishers are likely to ask how this was achieved. To answer this faithfully, it would be important to rewind a few years ago to when our order book was no more than ₹1,702 crore.

In our opinion, Sunil Hitech was highly risk-prone at that point.

The competencies and knowledge notwithstanding, the Company was largely dependent on the prospects coming out of one sector. As it turned out, global and Indian economies weakened following the 2008-09 fiscal, foreign investments in India's power sector declined, issues related to land availability deepened and there was a growing concern regarding raw material (coal) security.

Prudent spin-off

However, intimidating it might have appeared, Sunil Hitech embarked on the long and patient journey towards a progressively de-risked, multi-sectoral proxy of the infrastructure growth coming out of India. The Company was

attractively placed to grow from one business to multiple businesses. Here is how: the Company's entrenched experience of handling BoP projects in the power segment had in addition to improving existing competencies helped infuse skills warranted by civil construction (power and non-power), road building and urban infrastructure projects. All that Sunil Hitech now needed to do was spin these competencies into full-fledged independent businesses.

This is precisely what Sunil Hitech did by expressing its intent to enter the businesses of civil construction, road building and urban infrastructure in 2010-11.



THE COMPANY POSSESSES A NET WORTH OF ₹363.54 CRORE AND A GEARING OF 1.04, WHICH IS COMMENDABLE IN A SECTOR MARKED BY STRETCHED BALANCE SHEETS AND SPIRALING LOSSES.

The Company also invested ₹ 318.28 crore in the captive ownership of equipment that facilitated timely project completion, moderated equipment rentals and provided precious depreciation cover.

Weathering the downturn

However well-intentioned this decision was, the economic downturn, resulting in a decline in the quantum of projects as well as in the margins for such projects. Temporarily, Sunil Hitech appeared to have been caught on the wrong foot. The Company barely had any pre-qualifications and was compelled to seek low margin orders, build credentials and slowly pay off the debt incurred to build its equipment bank.

The combination of these realities was reflected on the Company's financials. The Company's net margin declined and the bottomline veered between ₹ 2,396.70 lac and ₹3,689.67 lac in the three years leading to 2014-15.

However, even as the Company's financial prospects appeared muted; a gradual evolution had begun to unfold, undetected by the radar.

• **Power sector:** The Company, which was present in the BoP mechanical segment, entered the equipment erection and T&D projects segments. The Company began with a ₹235 crore order in 2009-10 for a margin of less than 5%. It graduated to ₹1,200 crore in orders by 2011 and an order book worth ₹1,500 crore by 2013-14 - at higher margins.

• **Civil projects:** The Company qualified for outside-of-plant projects for a number of its government customers. The Company bagged projects for building residences, schools and hospitals. As the Company's qualifications strengthened, based on the delivery of completed assignments, it was deemed worthy of larger projects. Gradually, the Company's order book increased significantly.

• **Road building:** The Company leveraged its road-building experience in BoP projects to grow its presence in this cashflow-rich and retention-friendly business. There was an emphasis on projects funded by international institutions. The Company worked as a sub-contractor for Grade-A contractors or bid directly for projects.

Inflection point

This is why we can safely say that the Sunil Hitech of today finds itself at an inflection point.

The Company possesses all the relevant qualifications – size and completed assignments – to bid for margin-accretive projects.

The Company is attractively positioned in the infrastructural space where sizeable investments have started to come in.

The Company possesses a net worth of ₹363.54 crore and a gearing of 1.04, which is commendable in a sector marked by stretched Balance Sheets and spiraling losses.

The Company has liquidated its low-margin projects. The Company has

restructured operations under strategic business units, empowered its teams and made available all necessary resources to drive growth in line with the sectoral potential. Consequently, it expects to double its net margin over the next three years.

The Company's Board of Directors comprises individuals possessing in-depth knowledge and strategic clarity.

Growth agenda

So how does Sunil Hitech expect to grow?

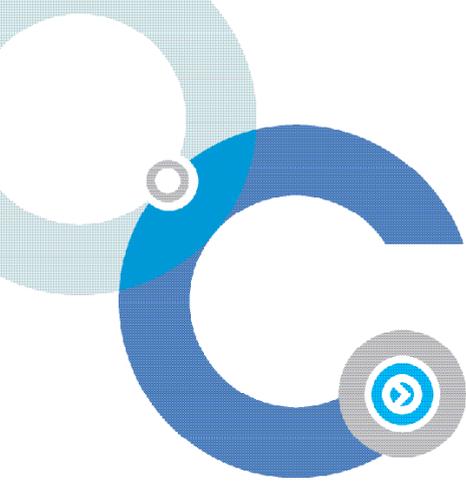
My answer is that the Company expects to grow in a responsible and sustainable manner. For one, the Company will only grow to the extent permitted by its desired risk appetite. The Company does not intend to assume sizeable debt in its pursuit of growth, which could threaten viability in the event of an unforeseen economic downtrend.

I am optimistic of our prospects because the sectors in which the Company is present are high on the government's priority agenda.

It is for these reasons that I am convinced that Sunil Hitech is at the right place at the right time and equipped with the right business model to embark on the second round of its growth journey.

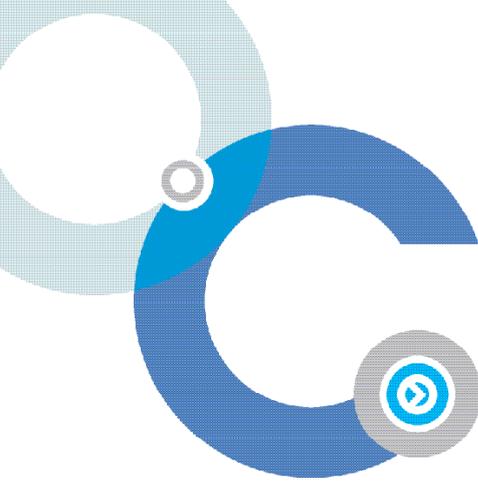
Regards,

Ratnakar M. Gutte
Chairman



WHAT EXCITES US ABOUT THE SECTORS IN WHICH THE REINVENTED SUNIL HITECH OPERATES IS...

THE CAUSE	THE EFFECT	SUNIL HITECH'S PRESENCE
<p>A BILLION PEOPLE NEED MORE ENERGY</p>	<ul style="list-style-type: none"> • India's per capita energy consumption projected to rise from 940 kilowatt-hours towards the international average of 2,500 kilowatt-hours. • Planned investments worth \$250 billion in India's power sector over the next few years. • Capacity power generation additions of 174.9 gigawatts up to 2022, 70% of what took India more than 100 years to build. 	<ul style="list-style-type: none"> • Sunil Hitech is among leading EPC contractors in the Indian power industry; the Company specialises in BoP project execution. • The Company's cumulative commissioned capacity stood at 22,365 megawatts.
<p>A BILLION PEOPLE NEED TO COMMUTE QUICKER AND BETTER</p>	<ul style="list-style-type: none"> • Expansion of India's road network from 92,850 kilometres to 100,000 kilometres by 2017. • Proposed investment of \$31 billion in highways over five years. • PPP highway investments projected at around \$31 billion. 	<ul style="list-style-type: none"> • Qualified to bid for NHAI BOT projects worth up to ₹900 crore. • Won the bid for EPC for road projects worth ₹496 crore in Karnataka, West Bengal and Andhra Pradesh. • Plans to actively bid for road EPC tenders.
<p>A BILLION PEOPLE NEED SMART CITIES AND INTEGRATED TOWNSHIPS</p>	<ul style="list-style-type: none"> • Estimated \$650 billion required to upgrade India's urban infrastructure in 20 years. • India's urban population to grow from 377 million to 590 million by 2030. • The Urban Development Mission intends to develop 500 new cities. • The Indian real estate market is expected to grow from \$78.5 billion in 2013 to \$140 billion by 2017. 	<ul style="list-style-type: none"> • Executing a township development project for the Kanpur Development Authority. • Bagged and EPC project of ₹350 crore for the construction of Central Sudhar Ghar at Bhatinda and Govindawal in Punjab. • Bagged a ₹100 crore order for the redevelopment in Mumbai suburbs. • Qualified to bid for projects with value in excess of ₹200 crore in 2015-16.
<p>A BILLION PEOPLE NEED BETTER URBAN INFRASTRUCTURE</p>	<ul style="list-style-type: none"> • Urban water infrastructure expected to emerge as an annual \$30 billion opportunity. • Close to 1,15,000 metric tonnes of municipal solid waste generated daily in India expected to double by 2025. • Per capita waste generation (0.2-0.6 kilograms per day) increasing by 13% per annum. 	<ul style="list-style-type: none"> • Possesses EPC capabilities for urban water infrastructure and municipal solid waste management. • Intends to bid aggressively in this space in the coming years.



SUNIL HITECH ENGINEERS LIMITED.

DRAWN COMPETENCIES FROM ONE BUSINESS.
NOW GROWN TO MULTIPLE BUSINESS SPACES.
THEORY OF EVOLUTION.

Philosophy

- To enhance project management, execution skills, meet customer benchmarks related to timely execution of projects meeting quality standards.
- To improve on existing quality systems in operations.
- To achieve greater productivity and heighten safety standards.
- To develop human resources and improve employee attitudes.
- To maintain steady net worth growth and build on the Company's assets.
- To emerge as a market leader and highly dependable service provider.
- To develop partnerships for growth and diversification.
- To continuously strive to achieve greater customer satisfaction.

Positioning

- Sunil Hitech Engineers Limited, the flagship of the Sunil Hitech Group, is among India's leading niche energy technology players, providing solutions in power plant BoP and EPC spaces and contributing to India's energy security.
- The Company has now extended to projects in the non-power civil space, roads and bridge construction, as well as the civil-mechanical-electrical engineering spaces.
- The Company has contributed to the commissioning of 3,560 megawatts of power-generating assets in India (during the Financial Year 2014-15), positioning it among the largest such players in the country.
- The Sunil Hitech Group offers engineered and fabricated boiler components through Seam Industries Limited (subsidiary of Sunil Hitech Engineers Limited).
- The Group also supplies sugar, ethanol and power through Gangakhed Sugar and Energy Limited (associate company).

Background

- Sunil Engineering Works (commissioned 1984) was renamed Sunil Hitech Engineers Limited following acquisition by the present management in 1998.
- The Company provides design, fabrication, erection and commissioning-related BoP (excluding the boiler, turbine, generator) assignments for power plants with its expertise also spanning fabrication, erection, testing and the commissioning of bunkers, electrostatic precipitators, boilers and TG sets in power plants.
- The Company has diversified into high growth sectors in civil engineering like road and bridge building, solar power project commissioning, construction of correctional homes, solid waste management among others.

Human capital

- Sunil Hitech prides on being an equal opportunity establishment with an employee base of 2,059. The total employee base comprises graduates, engineers, MBAs, CAs, CS and other professionals.

Listing

- The Equity Shares of Sunil Hitech are listed on the Bombay and National Stock Exchanges with the promoters holding a 62.45% stake.
- The Company's market capitalisation (free float) stood at ₹218.43 crore as on 31st March 2015.

Location

- Sunil Hitech is headquartered in Mumbai (Maharashtra) with delegated operations from Noida, Nagpur and Mumbai.
- The Company manages projects in 44 locations across 14 Indian states.

Competencies

EPC/turnkey projects

- Balance of plant package for up to 660 megawatts
- Sugar plant with co-generation of 30 megawatts
- Storage sheds
- CHP bunker belt extension
- Raw water/LP piping system
- Fuel oil system with tankers
- Sub-station up to 220 kilovolts/400 kilovolts
- RAPDRP (restructured accelerated power development and reforms programme) projects

Civil

- Civil and architectural works up to 660 megawatts
- Civil works for hydropower plants
- Staff quarters, school building, rest house building
- Storage sheds

Structural

- Fabrication and erection of heavy structures up to 800 megawatts
- Fabrication and erection of building and technological structures of various utilities for steel plants
- Structural works for sugar and metal plants
- Structural works of process and heavy industry

Mechanical

- Erection of boilers and auxiliaries up to 800 megawatts
- Erection of HRSG

- Erection of TG and auxiliaries up to 660 megawatts
- Complete installation of sinter plant
- Hydro-mechanical works of hydropower plants
- Fabrication and erection of raw water piping system
- Fabrication and erection of chimney flues up to 660 megawatts
- Erection of HP/LP piping system of up to 660 megawatts

Transmission

- EHV transmission lines up to 132 kilovolts, 220 kilovolts and 400 kilovolts
- EHV sub-station of up to 132 kilovolts, 220 kilovolts and 400 kilovolts
- Erection, testing, commissioning of power transformers
- C&R panels
- SCADA system
- PLCC equipment
- HT capacitors
- Construction of control rooms for EHV
- Construction of heavy consignment roads for carrying out transformers and other equipment of up to 250 metric tonnes
- Earthing system for the entire sub-station

Distribution

- Sub-transmission lines for 11 kilovolts, 22 kilovolts and 33 kilovolts
- Sub-stations for 33/11 kilovolts and

- 22/11 kilovolts
- Erection, testing and commissioning of pole mounted and plinth mounted distribution transformers
- Distribution network including UG cable from 1.1 kilovolts up to 33 kilovolts

O&M

- Renovation of boilers, TG and auxiliaries
- Repair, modification and rehabilitation for utility boilers up to 500 megawatts
- Pressure plants, milling system, rotating parts and ducting
- HP/LP piping works
- Operations and maintenance of CHP and AHP

Manufacturing

- Design and supply of super heater and re-heater coils
- Economiser and LTSH coils
- Water wall panels
- High pressure parts bend
- Structure of TG, bunkers and boilers
- Technological structures for power and process industry
- Tanks and vessels
- Piping
- Boiler pressure parts tubes up to 500 megawatts
- Collection and emitting electrodes of ESP
- Air register assemblies

Clientele

- National Thermal Power Corporation Limited
- Chhattisgarh State Power Generation Company Limited
- Bharat Heavy Electricals Limited
- Rajasthan Rajya Vidyut Utpadan Nigam Limited
- Tamil Nadu Electricity Board
- Bharat Aluminium Company Limited
- Madhya Pradesh Power Generating Company Limited
- Maharashtra State Transmission Company Limited
- Shandong Electric Power Construction Corporation, China
- Dodson- Lindblom International Incorporated, USA
- Skoda Exports Company Limited
- Reliance Energy Limited

- Jindal Steel & Power Limited
- Gujarat State Electricity Corporation Limited
- Mahadiscom
- Hindustan Steelwork Construction Limited
- Hindalco Industries Limited
- Rashtriya Ispat Nigam Limited
- Maharashtra State Power Generation Company Limited
- JSW Steel Limited
- Jaypee Group
- Larsen & Toubro
- Maharashtra State Electricity Distribution Company Limited
- Punj Lloyd Limited
- Tata Projects Limited
- JSW Energy Limited

- National Buildings Construction Corporation Limited
- Haryana Vidyut Prasaran Nigam Limited
- Adani Power Limited
- Jaypee Group
- National Highway Authority of India
- Ministry of Road Transport & Highway
- DOOSAN India Limited
- GAIL (India) Limited
- Abir Infrastructure Limited
- Kanpur Development Authority
- Alstom Bharat Forge Power Limited
- Indian Oil
- Thermax
- BGR Energy System Limited
- APGENCO
- Singareni Collieries Company Limited



Sunil Hitech Engineers Limited

Flagship Company

- Primarily engaged in EPC business for the power sector, roads, bridges, buildings and urban infrastructure
- The Company has completed BoP projects up to 250 megawatts (can undertake projects upto 800 megawatts)
- The Company has an expertise in the T&D sector, having erected EHV transmission lines and substations up to 400 Kilovolts
- The Company has a strong client base including NTPC, BHEL, Adani Group, Reliance Energy among others.

SEAM Industries Ltd.

(88.60%)

- Manufactures boiler pressure parts and components, industrial boilers, steel pipes and pipe fittings, tanks, vessels, among others.
- Strong fabrication capabilities
- Complements SHEL's turnkey/EPC projects

Sunilhitech Solar (Dhule) Pvt. Ltd.

(100%)

- 5 megawatts under commissioning
- Target of 200 megawatts over the next five years

Sunilhitech India Infra Pvt. Ltd.

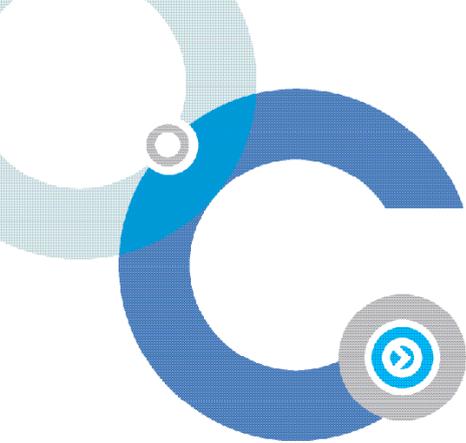
(90%)

- Focus on roads and renewable energy sectors
- Secured projects worth ₹500 crore in its first year of business

Gangakhed Sugar & Energy Ltd.

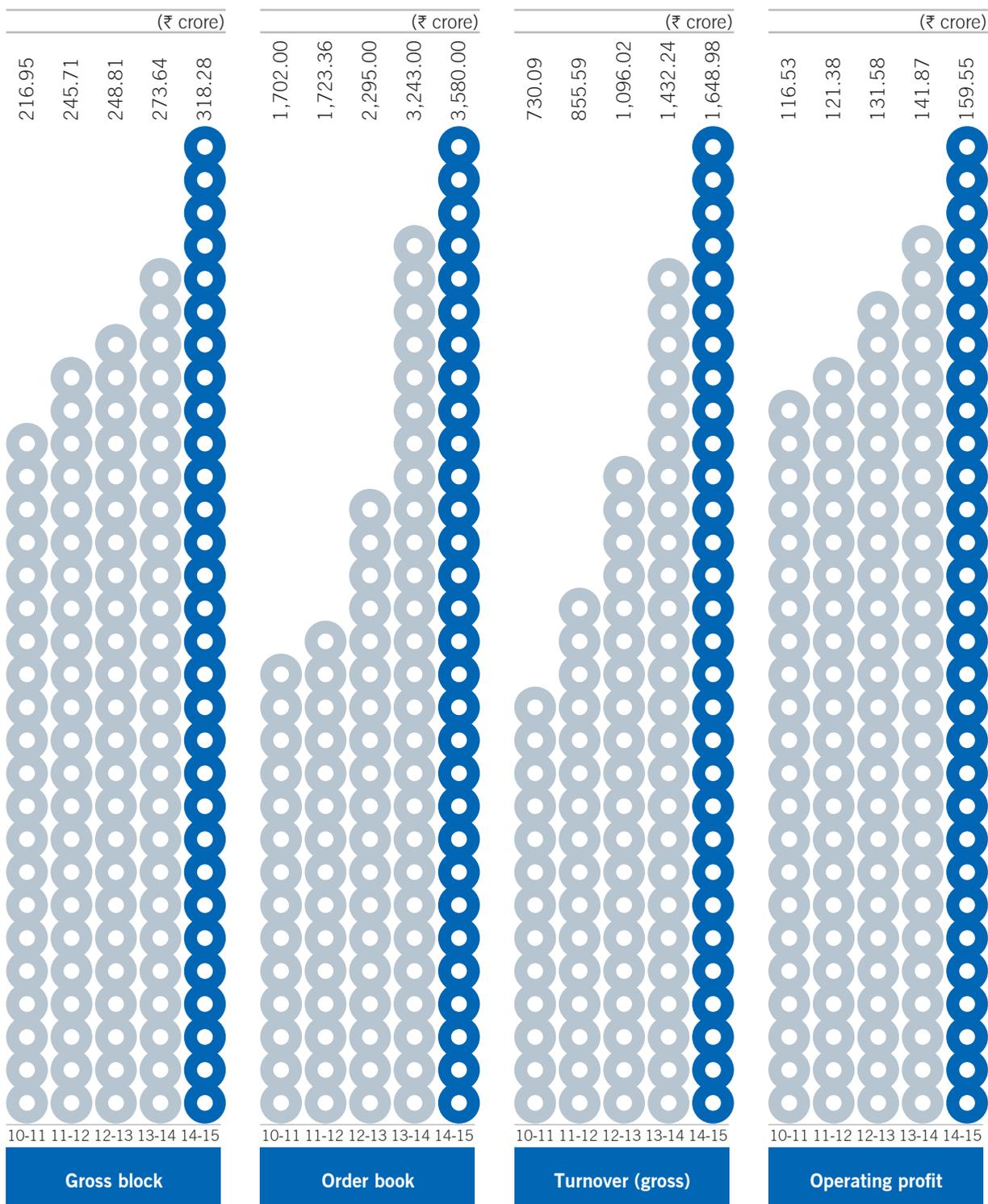
(28.03%)

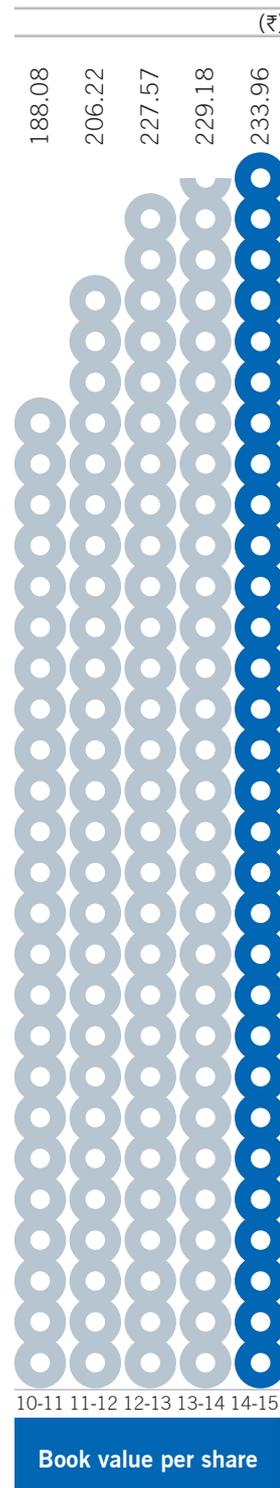
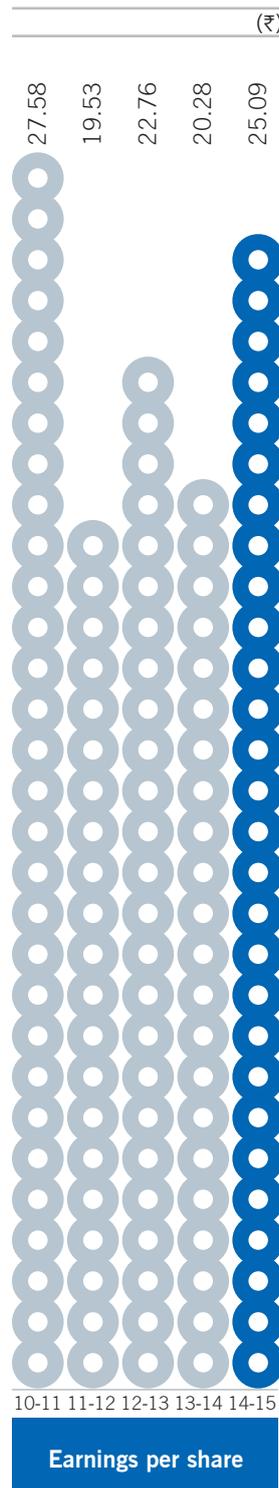
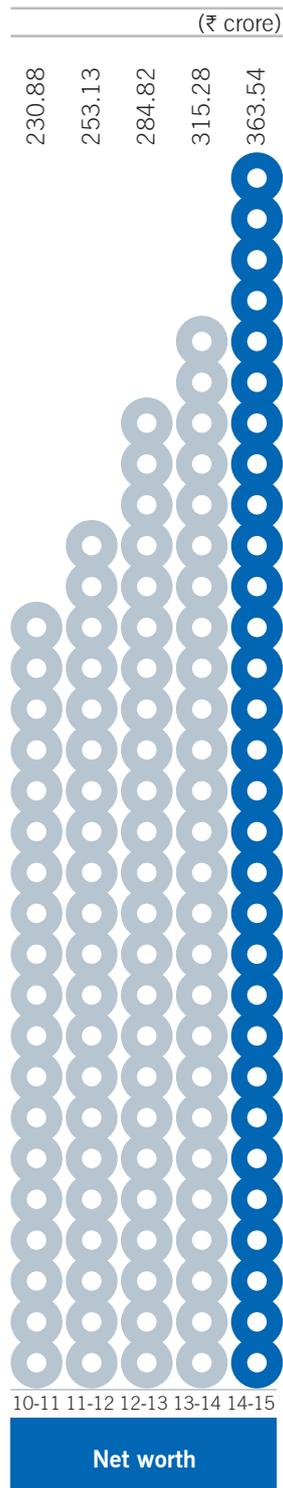
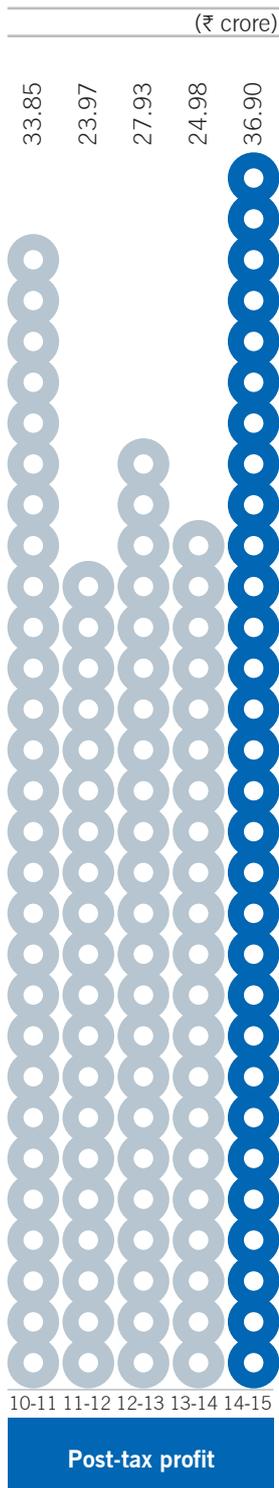
- GSEL runs a 600 tonnes of cane per day sugar plant and a 30 megawatts captive power plant and 7000 Ltr distillery products and 1.80 megawatts Co-gen power
- GSEL was commissioned in 2010 by SHEL

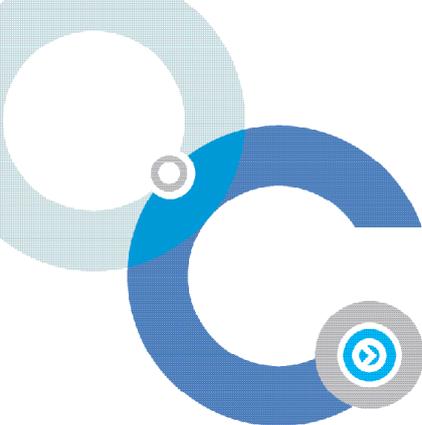


THE YEAR 2014-15 WAS A CHALLENGING YEAR FOR THE INDIAN ECONOMY.

THE YEAR WAS ALSO THE BEST-EVER AT SUNIL HITECH.







“THE MESSAGE THAT WE WISH TO SEND OUT TO OUR SHAREHOLDERS IS CLEAR: THE COMPANY HAS EVOLVED AND IS READY TO CLIMB INTO THE NEXT ORBIT.”

A conversation with Mr. Sunil Gutte,
Managing Director



Q: Were you pleased with the performance of the Company during the fiscal gone by?

There is absolutely no doubt in my mind that the Company's performance during the fiscal gone by was the result of pursuing a consciously chosen path – broadbasing our sectoral presence, diversifying our revenues streams, building our credentials, investing in a captive equipment bank, turning projects around faster and gravitating towards more remunerative projects. I am pleased to state that the Company validated the efficacy of its business strategy through improved financials even as things continued to remain sluggish in infrastructural development in India.

Q: What were some of the developments that you are especially proud of?

The Company registered significant profitable growth, wherein our consolidated bottomline grew considerably more than the growth in our revenues. At a time when most service providers to India's infrastructure sector were extensively affected by a drying up of orders and stretched Balance Sheets, I am pleased to state that our Company acquitted itself creditably on both counts.

Q: Shareholders are likely to be impressed by the sharp increase in your bottomline. What are some of the other numbers that you would

like to draw the attention of readers to?

There are some numbers that faithfully reflect the full extent of our evolution. Our net profit margin improved from 1.74% in 2013-14 to 2.24% in 2014-15. This is an unambiguous measure of our profitability and the fact that this improved after a gap of two years indicates that the evolution we had been envisaged has well and truly commenced.

In a working capital-intensive business, we efficiently used our financial resources. Consequently, even as our topline increased by ₹213.73 crore, our interest outflow strengthened only by ₹0.88 crore. Correspondingly, our improved interest cover (number of times



IN A WORKING CAPITAL-INTENSIVE BUSINESS, WE EFFICIENTLY USED OUR FINANCIAL RESOURCES. CONSEQUENTLY, EVEN AS OUR TOPLINE INCREASED BY ₹213.73 CRORE, OUR INTEREST OUTFLOW STRENGTHENED ONLY BY ₹0.88 CRORE.

EBIDTA covered the interest outflow) reflects the increased viability of our business.

The message that I want to send out is: this is the start of a new growth phase at Sunil Hitech and from this point onwards, the numbers should only get better.

Q: It might appear that the economy performed better during the year under review?

This is something that I must caution shareholders about. At no point do I wish to communicate that it was a relatively easy year. There were a number of challenges that we faced related to the multi-location management of project sites that threatened the timely execution of ongoing projects. Any delay would not only have implications related to our reputation but would also affect our ability to close projects and raise our final bills. The other challenge was that there was an ongoing slowdown within the Indian economy, which throttled order book accretion. There was a fear that if the competitive pressures did not subside, although we would be able to generate new orders but they would be at margins that would not do justice to our investments. And lastly, the high cost of funds within the country threatened the viability of all EPC companies and we were no exception.

Q: The Company has undergone a significant transformation in its financial and operational parameters over five years. Could you explain the transition?

One might assume that our improved financials during the year under review were the result of what we did during the last financial year. That would be an erroneous assumption. What we achieved during the last year was the result of initiatives that we invested in our business a few years ago.

We had recognised that the EPC Balance of Plant business was getting increasingly competitive and used the experience of civic projects to extend into new domains. We strengthened our credentials. We recruited competent personnel. We re-organised our internal divisions by creating SBUs. We assigned independent charge to experienced industry professionals (calibre of Mr. Venkatraman and Mr. Dhiman) who were mandated to lay the foundation for long-term profitable growth of our civil engineering and road verticals. And most importantly, we remain focused on bidding only for projects that would generate higher EBIDTA margins than we enjoyed in the past. So what people saw in our 2014-15 performance was an outcome of a conscious repositioning embarked upon a few years ago.

Q: Would you like to elaborate how the Company reported profitable growth?

At the end of the day, each corporate – whichever sector it is placed in – needs to decide whether it wants to be a volume player or a value player.

At Sunil Hitech, we have made our decision. We would like to be positioned as a volume-cum-value player. We will bid for sizeable large projects that offer

attractive margins. We will select to specialise in spaces relatively protected from extensive competition. We will consciously vacate projects that draw significant competition and do not leave enough value on our table. In short, we will be more bottomline-focused from now on.

Q: How has Sunil Hitech strengthened its competitiveness related to its presence in industry spaces, margins and the strength of its Balance Sheet?

There is an industry churn that has transpired over the last few years. There was a time when EPC companies like ours generated a net profit margin of around 4.5%. The high industry profitability attracted a number of players into this space. A number of them undercut the prevailing industry realisations with the objective to carve out a larger market share. The result was that the business lost more than 250 bps in net margin over the years, falling below the 2% mark in 2013-14.

When this transpired, all those companies with a short-term view of the business found it unviable to remain profitable. These companies reported significant losses. In turn, this affected their qualification credentials (net worth), which ensured that they could not bid for the next round of large projects.

As the competitive pressure declined, the companies that had survived, Sunil Hitech being one, could immediately generate fair margins. And that is precisely what transpired with us: we



THE COMPANY FINISHED THE YEAR UNDER REVIEW WITH AN ORDER BOOK WORTH ₹3,580 CRORE. I MUST ASSURE SHAREHOLDERS THAT THE MAJOR PART OF THIS ORDER BOOK HAS BEEN DERIVED AT ATTRACTIVE MARGINS.

generated a 50 bps increase in our net margin to 2.24% in 2014-15.

Q: There is a danger of the Company stretching its financials while attempting to grow rapidly. This is something that has happened to a number of EPC players in the past. How does the Company expect to address this possibility?

At Sunil Hitech, we recognise that the EPC business is one where the size of our Balance Sheet dictates the quantum of our growth that one would be able to generate. Hence, the growth guidelines are fairly evident: in our opinion, a company that programmes itself to grow revenues by 15-20% each year can hope to progressively moderate the use of debt, and in doing so, get into a virtuous cycle marked by a higher return on equity. Therefore, what shareholders can safely expect is responsible, controlled and sustainable growth.

Q: Over the years, we have seen the power sector being prone to downturns and periods of slow on-ground activity. How does the Company intend to risk-proof from this reality?

The Company witnessed a meltdown in the power sector in 2009-10 when projects slowed significantly due to land acquisition challenges, non-availability of clearances, steep coal price rise and decline in financing sources. At Sunil Hitech, the Board deliberated on the need to hedge the Company's power sector exposure while at the same time recognizing the need to extend

its areas of competence. One such area considered by the management was expanding the civil engineering expertise acquired by the Company in the course of executing projects for power plants that could be manifested in the construction of hospitals, schools, residential quarters, administrative buildings, internal roads and a range of civil, mechanical and structural engineering assignments. The result is that from 2010-11, the Company started gravitating towards these verticals; it started to bid independently for civil engineering projects as well. As a validation of this strategy, the Company won orders worth ₹350 crore cumulatively for the construction of a *sudhar ghar* (correctional facility) in Punjab, and is executing 300 km road projects in West Bengal and Karnataka. The Company has thus grown its civil engineering vertical, de-risking from the uncertainties of the power sector and extending into attractive new streams.

Q: Could you explain how the Company has evolved its presence in the civil engineering vertical?

Over the past three years, we have met with a fair success in these spaces. For one, we were able to complete assignments related to this space that now serve as credentials that reinforce our pre-qualification to get more such assignments. Two, our stronger pre-qualification credentials have translated into growing order books within each segment. Three, we have spun each of these verticals into strategic business units headed by experienced industry professionals (Mr. Dhiman and Mr. Venkatraman with 33 and 34 years

of industry experience respectively). Four, we have graduated from thin margin projects to higher margin projects that should lift overall corporate profitability. Over time, we expect the non-power sector component of revenues to increase substantially, widening our ability to capitalise on a broader sweep of the country's economic turnaround. In the current fiscal, we expect to consolidate our presence in the civil engineering space, enhance our exposure in the roads segment and widen EPC presence across the solar power and solid waste management segment. The Company believes that the incumbent Government's focus in bridging the deficit in civil infrastructure and impetus in road construction will present significant opportunities for us.

Q: Does the Company wish to draw attention to the quality of its order book and projected revenues?

The Company finished the year under review with an order book worth ₹3,580 crore. I must assure shareholders that the major part of this order book has been derived at attractive margins. All we now need to do is complete these projects on schedule, which in turn will translate into timely inflows.

Over the years, we have prudently invested in dedicated teams and captive equipment; we expect to leverage our enviable track record when it comes to timely project completion to report yet another year of successful growth. So the message that we wish to send out to our shareholders is clear: the Company's evolution has begun and it is ready to climb into the next orbit.



THE INDIAN ENERGY SECTOR

249,488.31 megawatts

India's installed power generation capacity

~ 135,000 megawatts

India's daily power generation

30,000 megawatts

Daily power outage in India

23.65%

T&D losses in 2013 in India against a global benchmark of 15%

940 kilowatt-hour

India's per capita power sector consumption is among the lowest in the world, China stands at 4,000 kilowatt-hour

3.7%

Peak electricity shortage faced by in June, 2014

1,75,000 megawatts

Target for renewable energy capacity by 2022

2022

Target year for achievement of 'Power for all' in India

THE INDIAN CIVIL INFRASTRUCTURE SECTOR

10,000 kilometres

Target for awarding road projects in 2015-16.

₹200 billion

Corpus of the newly created National Infrastructure Fund

₹827 billion

Allocation to the Ministry of Road Transport and Highways in Budget 2015-2016

₹200,000 crore

Spending outlay for the Swachh Bharat Mission over 2014-2019

66.2 million

Estimated shortage of dwelling units in rural and urban India

\$1 trillion

Investment required for developing India's infrastructure in the 12th Five Year Plan period (2012-2017)

₹98,000 crore

Outlay for the development of 100 Smart Cities under the Smart Cities Mission and 500 cities under the Atal Mission for Rejuvenation and Urban Transformation

₹700 billion

Increase in infrastructure investment in 2015-16 over the preceding fiscal



VERTICAL#1

POWER SECTOR

EPC PROJECTS IN THE POWER SECTOR; BALANCE OF PLANT IMPLEMENTATION AND COMMISSIONING

Overview

BoP and EPC services for power plants represent the Company's core competence. The Company entered this space in 2010, acquired considerable expertise while being associated with the completion of 40969-megawatt power plants in India, the largest by any sectoral player in India. The extensive experience in managing large-scale BoP and EPC projects helped carve a niche and progressively spin standalone businesses.

The Company serviced the BoP and EPC needs of some of the most prominent power generating companies in India like Mahagenco, NTPC, BHEL, L&T etc. The competencies derived by the Company through these engagements comprised projects like Parli, Meja, Sarni, Koradi and DB Power Projects.

Strengths

- Sunil Hitech is empanelled for EPC projects with all major power generating units, its expertise spanning the fabrication, erection, testing and commissioning of bunkers, electrostatic precipitators, boilers and TG sets in power plants
- In-house engineering and fabrication capabilities for boiler components through the Company's 88.60%-subsidiary, SEAM Industries Limited
- Cumulative execution experience over the last 30 years of 40969 megawatts
- Longstanding relationships with all major power generation units across India
- Extensive track record in efficient project management across locations

Highlights, 2014-15

The Company won 15 tenders valued at ₹1,460 crore during the course of the year. The Company ended the year under review with an order book of ₹3,580 crore, which was 10% higher than the corresponding order book as on 31st March 2014. The average project tenure was 30 months compared to 36 months in the previous year, translating into attractive revenue visibility. EBIDTA margins for the order book climbed considerably strengthening the Company's outlook.

Some of the challenging projects comprised the erection and commissioning of NTPC's plant at Kudgi (Karnataka), NTPC's plant at Lara (Chattisgarh) and the design and execution of river water intake systems for NTPC's plant at Meja (Uttar Pradesh).

Outlook, 2014-15

The Company expects to capitalise on proposed capacity additions and growth in the Indian power sector. Around 58% of India's power generation is derived from coal-fired power plants, where the Company possesses established competence.

The incumbent Government has a stated objective of providing uninterrupted power supply throughout India by 2019. This could translate into 88,000 megawatts of thermal power plant capacity additions during the Twelfth Five Year Plan (2012-17).

The fact that India is targeting capacity addition of 174.9 gigawatts, nearly 70% of the capacity created in India across the last 100 years, in only the next seven years is an index of the vastness of the emerging opportunity.



VERTICAL#2

CIVIL ENGINEERING

EPC FOR CIVIL WORKS SUCH AS CIVIL PROJECTS, ROADS AND BRIDGES CONSTRUCTION, AS WELL AS SOLID WASTE MANAGEMENT, AMONG OTHERS

Overview

The Company progressively leveraged the rich experience derived from BoP and EPC projects inside power plants to bid for a wider spectrum of projects. These projects comprise road construction, structural engineering, bridges, sewage management and other civil engineering projects.

Strengths

Non-power civil

- The Company bid for projects worth ₹2,200 crore and was awarded eight with a strike rate of 25% (by value).
- The Company enjoys the reputation for timely project delivery; it had on its payrolls 2,000 workers across five locations.
- The business strengthened its credibility through complementary alliances (four international and five Indian companies); it tied up with a Ukrainian company to build three hospitals.
- The Company addressed large governmental projects in the ₹350-400 crore range.
- The Company received necessary funding from commercial banks.

Roads

The business built its credibility from scratch, having closed the year under review with road building projects spanning 142 kilometres.

The business possesses an equipment

pool of ₹450 crore, facilitating timely project completion.

The business is margins-accretive by virtue of being retention-friendly, strengthening cash flows.

The Company strengthened its credentials to address NHAI projects.

The Company focuses on projects where it can engage as a direct contractor or work as a vendor for a Grade-A contractor.

The Company bid for projects backed by prominent international funding institutions (World Bank and Asian Development Bank), assuring timely project completion.

The Company appointed a business head with prior experience of having led a large infrastructure company and overseen around 7,000 kilometres of road construction.

The Company received NHAI qualification for BoT projects up to ₹900 crore.

The Company has achieved a strike rate of 16% in bidding for road projects.

Highlights, 2014-15

Non-power civil

Operational: In this vertical the Company won 15 projects valued at ₹1,460 crore in 2014-15. The three major projects were a ₹91 crore project for Singareni Collieries, a ₹100 crore contract for the development of a township in Kanpur for Kanpur Development Authority and a ₹350 crore project for the construction of Central Sudhargarh correctional facilities in Bhatinda and Govindwal Saheb for the Central Public Works Department. The Company commenced work on these contracts with an estimated turnaround of 18 months. It successfully vied for tenders for various civil EPC projects. The Company completed ₹150 crore worth of projects under the non-power civil vertical during the year under review.

Roads

Operational: The Company won 13 road projects valued at ₹450 crore covering 142 kilometres during the course of the year, a number of them won against stiff bidding. During FY2014-15, the major



THE COMPANY IS OPTIMISTIC OF REPORTING STRONG GROWTH IN THE NON-POWER CIVIL SEGMENT, MARKED BY PROGRESSIVELY LARGER GOVERNMENT SPENDING OF \$1 TRILLION TILL 2017.

road EPC contracts bagged were in West Bengal (₹322 crore) and Karnataka (₹122 crore) awarded by the Ministry of Road, Transport and Highways and in Telangana (₹52 crore) awarded by the Hyderabad Metropolitan Development Authority. Sunil Hitech ended the year under review with an order book of ₹496 crore in the road construction business.

Solar power plant

The Company bolstered its competence by venturing into EPC contracts for solar power plants. The Company commissioned 5-megawatt solar power plant pilot project in Sholapur, Maharashtra, during the year.

Sewage management

Sunil Hitech views this as a high-growth segment; it possesses the expertise to execute large and complex projects. During the year, the Company won prestigious project under Sewage management.

Outlook 2014-15

Non-power civil

The company is optimistic of a strong growth in this segment, marked by progressively larger government spending of \$1 trillion till 2017. With a burgeoning population sizeable amounts are expected to be spent in the creation of essential infrastructure, especially in the area of public welfare such as hospitals and solid waste management facilities. Margins have revived and are likely to get strengthened. The Company is engaged in bidding for 20 projects with an aggregate value of ₹5,000 crore; it expects to bid for ₹600 crore projects in standalone capacity by 2017-18.

Roads

A keen emphasis on road-building has been laid by the Central Government. The 2015-16 Union Budget raised the budgetary allocation for the highways sector by 48% from ₹28,881 crore to ₹42,913 crore. The current pace of

road construction is 12 kilometres per day and projected to rise to around 30 kilometres per day by 2017. It has been estimated that close to 95% of the 190 stalled road projects have been restarted. Besides, there is a growing focus on the creation of civil infrastructure like bridges, hospitals and airports, among others.

The Company is optimistic, having bid for 30 projects with an aggregate value of around ₹6,000 crore. Besides, there has been a gradual improvement in road building margins. The Company possesses adequate qualifications, economies-of-scale and competent teams to address the growing sectoral opportunity.

The Company is optimistic that its deep-rooted engagement in this space will enhance profitability; it expects to bid for road building projects worth ₹800 crore in a standalone capacity by 2017-18.



RISK MANAGEMENT

Execution risk

RISK IMPACT

FAILURE TO WIN AND EXECUTE COMPLEX PROJECTS SUCCESSFULLY MAY ADVERSELY IMPACT THE COMPANY.

MITIGATION MEASURES

The Company evaluates projects and places bids drawing on its significant experience and core competency in areas such as EPC in Balance of Plant, EPC services for power plants, road construction and civil infrastructure among others. The Company makes efforts to consciously avoid entering into projects that are in areas outside of its core competency and domain expertise. The Company has a flawless track record of successfully bidding and executing as many as 75 projects over the past decade.

Strategic risk

RISK IMPACT

A MYOPIC BUSINESS STRATEGY COULD PREVENT THE COMPANY FROM TAKING ADVANTAGE OF BUSINESS OPPORTUNITIES.

MITIGATION MEASURES

The Company is proactively engaged in making the most of emerging business opportunities. The Company has an experienced team of employees that remains abreast of industrial developments and continually focus on deriving the fullest advantage from these. The Company is an established EPC contractor in the power segment with a focus on the BoP and other power plant-related civil infrastructure projects. Further, the Company has entered into the pure-play civil construction space since 2009 to hone its core competencies.

Economic risk

RISK IMPACT

A SEVERE DOWNTURN IN THE ECONOMY MAY LEAD TO A SLOWDOWN IN INFRASTRUCTURE CREATION AND IMPACT THE PROSPECTS OF THE COMPANY.

MITIGATION MEASURES

India remains substantially under-invested in terms power generation and distribution infrastructure and resultantly the Central Government has set an ambitious target of 'Power for All' by 2019. In order to achieve this, massive investments are needed in the power sector in the years to come. Significant spending is also expected in civil infrastructure as the government expects to build more bridges, roads, dams, among others in order to support a burgeoning population and rapid urbanisation. It is expected that the Company would win infrastructure contracts and be a key beneficiary of the stipulated spending in and civil infrastructure sectors.

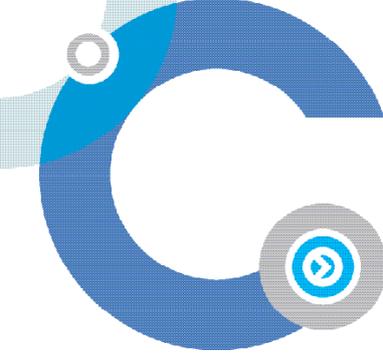
Financial risk

RISK IMPACT

PRUDENT FINANCIAL MANAGEMENT IS AN ESSENTIAL PART OF THE BUSINESS. AN INABILITY TO EXERT PROPER COST CONTROL CAN BRING DOWN PROFITABILITY OF THE COMPANY.

MITIGATION MEASURES

Sunil Hitech has always prided itself on its prudent financial management. The Company focuses on managing capital judiciously to ensure that the debt-equity ratio remains comfortable and the Company is not financially stressed under any circumstances. Stringent controls on project costs are exercised and any project cost overruns are strictly monitored.



OUR COMPETITIVE ADVANTAGES

Turnkey BoP services

The Company enjoys significant experience in turnkey services for power plants; its proven expertise lies in the areas of design, fabrication and execution for BoP power plants.

Civil engineering projects

Sunil Hitech has used the experience gained as an EPC player in the power sector to enter the civil engineering business. The Company has the experience and knowhow to execute a wide range of projects such as road building, civil structure construction, township developments, among others.

In-house fabrication facilities

Sunil Hitech has an in-house facility for the fabrication of steel structures through its subsidiary Seam Industries. Seam Industries was established as a backward integration for the parent company; it offers fabrication and erection services for power plants.

Sizeable order book

Sunil Hitech had an order of book of ₹3,580 crore as on 31st March 2015. This gives the Company assured revenue visibility for the next three years, allowing it to structure its projects and operations.

Expansive customer portfolio

The Company has successfully executed contracts for some of the leading entities in the Indian power sector. Sunil Hitech is proud to have partnered majors such as BHEL, JSW Steel, Mahagenco, L&T Power, Jindal Steel & Power, NTPC, Chhattisgarh State Power Generation, BALCO, Reliance Energy, Jaypee Group, Punj Lloyd, Tata Projects, Adani Power, RINL, Mahadiscom, Hindalco, Dodson-Lindblom, Maharashtra State Transmission, Tamil Nadu Electricity Board, Skoda Exports and Gujarat State Electricity Corporation, among several others.

Pan-India project execution capability

The Company has executed projects across the length and breadth of the country. Sunil Hitech often operates in challenging topographies, which present challenges related to a dearth of trained personnel, timely material supply, efficient equipment functioning and security concerns. The Company's hands-on management and entrepreneurial mindset ensure that these challenges are competently addressed. During the year under review, Sunil Hitech executed projects at 44 locations covering 14 states.

Strategic partnerships

Sunil Hitech is looking for a strategic tie-up for providing boilers for power plants. This allows the Company to bid jointly for large EPC projects (capacities ranging between 300 and 800 megawatts) and deliver end-to-end solutions.

Widening presence

Sunil Hitech is extensively engaged with EPC and BoP works for thermal power plants. On the strength of opportunities in the sector, the Company's order book has grown considerably and providing revenue visibility over the next couple of years. The Company's objective is to balance its portfolio and imbue it with predictability, profitability and quality.

Continuous growth

The Company's business and growth are dependent on its ability to bid for and secure large and varied projects. Bidding for power plant projects, especially the ultra-mega power plants (each unit 660 megawatts), is dependent on various criteria (bid capacity and pre-qualification capability). Sunil Hitech strengthened qualifications along both parameters and consequently increased its bid capacity and order size.

Robust supply chain

The Company's management believes material sourcing and logistics covering steel, cement and sand, among others, to be of mission-critical importance. The Company's ability to source key raw materials close to operating sites has rationalised transportation costs. Sunil Hitech has also set up mechanical loading and unloading lines and railway sidings at some of its sites for easy material transportation.

Quality gross block

The Company owns critical high-end and modern construction equipment (crushers, excavators, cranes, batching plants, pavers, among others). The Company's gross asset base stood at around ₹318.27 crore at the close of 2014-15. The ownership of high-end equipment ensures timely mobilisation and continuous availability.

Quality management team

Sunil Hitech believes that a well-trained, motivated and satisfied employee base drives our competitive advantage. The Company has more than 1472 employees, including engineers, MBAs and CAs. The skill sets of employees guarantees the flexibility to adapt to client needs and technical requirements. The Company's promoters possess decades-long expertise in the infrastructure sector and are actively involved in day-to-day operations. The experience gathered by our management team facilitates quick decisions, ensuring that projects are executed within contracted timelines. Sunil Hitech has the ISO 9001:2008 quality certification for civil, mechanical, fabrication, erection, repair, maintenance and electrical works.

MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY

The forecasts of the World Bank and IMF expect the Indian GDP growth rate to be around 7.5% in 2015-16 and 8% in 2017-18. The World Bank has concluded that the Indian economy will accelerate GDP growth during the next five years on the back of increasing investments. Besides, India imports close to 85% of its fossil fuel energy requirements and has been a significant beneficiary of the decline in oil prices from \$110 per barrel to close to \$65 per barrel, which could lead to higher capital investments in infrastructure.

INFRASTRUCTURE IN INDIA

Growth in infrastructure is essential to support economic growth and the needs of its population. There exist chronic shortages in urban infrastructure ranging from roads and highways, bridges and urban solid waste management

systems, among others. The incumbent government has taken on the task of accelerating infrastructure development. It is estimated that the country needs close to \$1 trillion in infrastructure spending to keep pace with economic growth.

POWER SECTOR

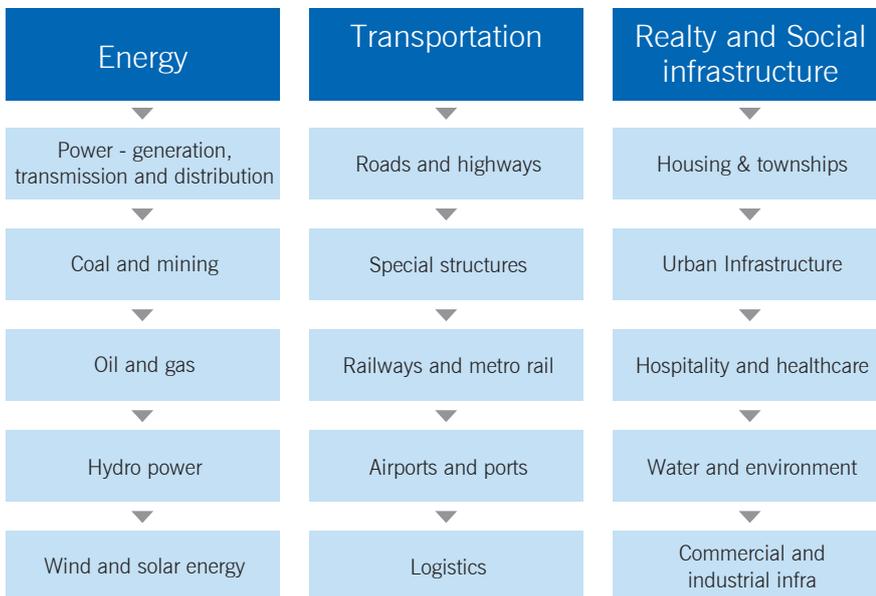
Overview

The availability and affordability of electricity or power is a pre-requisite for the growth and development of any country. The manufacturing base of a nation is dependent on the power sector to provide reliable electricity at competitive rates. It is widely acknowledged that the growth in global GDP is expected to come from India and China. In order to support this growth and make it sustainable, it is essential that these countries invest in developing the requisite power

generation, transmission and distribution infrastructure.

The Government of India announced large budgetary allocations of \$250 billion for investment across the entire power industry chain comprising generation, transmission and distribution. Since the time of independence India has suffered from massive under-spending in the power sector and a rapid increase in investments is needed. At the ground level, several problems remain that are slowing sectoral growth. Major roadblocks include land acquisition for power plants and non-availability of coal supplies. The Government expects to resolve all roadblocks affecting the sector and has set itself the goal of 'Power for All' by 2019 covering the household, industrial and agriculture sectors.

OPPORTUNITIES IN INDIA'S INFRASTRUCTURE SECTOR



\$250 BILLION

Projected Indian investment in the power sector over the next five years to achieve 'Power for All' by 2019:

\$100 BILLION

Investment in renewable energy

\$50 BILLION

Transmission & Distribution sector investment

\$60-70 BILLION

Power generation for fresh projects and restarting stalled projects

\$5-6 BILLION

Energy efficiency projects investment



FOR THE 12TH FIVE YEAR PLAN, THE INDIAN GOVERNMENT HAS TARGETED A SIZABLE 88 GIGAWATTS OF POWER CAPACITY ADDITION.

12th Five Year Plan

For the 12th Five Year Plan, the Government has targeted 88 gigawatts of power capacity addition. This comprises 72.3 gigawatts of thermal power capacity, 10.8 gigawatts of hydro power and 5.3 gigawatts of nuclear power. The Plan lays down a renewable energy capacity addition of 30 gigawatts over the next five years.

Per capita annual consumption

The current per capita annual consumption of electricity in India is 940 kilowatt-hours and among the lowest in the world. Over the next five years, per capita consumption is expected to rapidly rise to reach the international average of close to 2,500 kilowatt-hours due to increased urbanisation and last mile connectivity. It is expected that total energy consumption in India could double by 2019.

National Power Grid

Certain parts of India are plagued by chronic power shortages while certain parts of India have excess power

capacity. It is important to create a National Power Grid to enable the evacuation of power from surplus areas to areas that are deficient. At the moment, close to 400 million Indians remain unconnected to the national power grid.

Non-renewable energy scenario

Coal and gas are the major sources of energy for electricity generation in India. The country has rapidly added thermal power generation capacity over the last few years to meet rising demand from a growing population base.

Close to 67% of the installed capacity in India is thermal power-based. The average plant load factor for thermal capacity declined from 75% to 65.11% in 2014-15 due to an acute shortage of coal and gas supply.

The Indian power sector is undergoing a significant change. Sustained economic growth continues to drive power demand in India. The Government of

India's focus to attain 'Power for All' has accelerated capacity addition. At the same time, the competitive intensity is increasing on the market and supply sides (fuel, logistics, finances and manpower). The 12th Five Year Plan expects total domestic energy production to reach 669.6 million tonnes of oil equivalent by 2016-17 and 844 million tonnes of oil equivalent by 2021-22.

By 2030-35, energy demand in India is projected to be the highest among all countries according to the 2014 energy outlook report by British oil giant BP.

At the end of 2014-15, total thermal installed capacity stood at 164.6 gigawatts, while hydro and gas-based energy installed capacity totalled 41.26 gigawatts and 23.10 gigawatts, respectively. At 5.78 gigawatts, nuclear energy capacity marginally increased from that in the previous year. (Source: *Indian Infrastructure*)

The Planning Commission of India set a

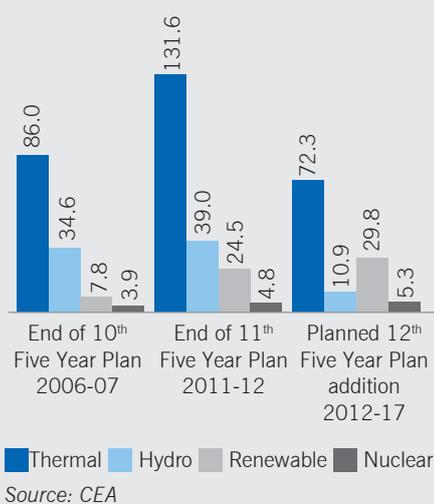
THE POWER SUPPLY POSITION IN INDIA, 2009-10 TO 2014-15

Year	Energy				Peak			
	Requirement	Availability	Surplus(+)/Deficit(-)		Peak demand	Peak demand met	Surplus(+)/Deficit(-)	
	million units	million units	million units	(%)	megawatts	megawatts	megawatts	(%)
2009-10	8,30,594	7,46,644	-83,950	-10.1	1,19,166	1,04,009	-15,157	-12.7
2010-11	8,61,591	7,88,355	-73,236	-8.5	1,22,287	1,10,256	-12,031	-9.8
2011-12	9,37,199	8,57,886	-79,313	-8.5	1,30,006	1,16,191	-13,815	-10.6
2012-13	9,95,557	9,08,652	-86,905	-8.7	1,35,453	1,23,294	-12,159	-9.0
2013-14	10,02,257	9,59,829	-42,428	-4.2	1,35,918	1,29,815	-6,103	-4.5
2014-15*	10,67,085	10,28,955	-38,130	-3.6	1,41,160	1,41,160	-7,006	-4.7

(Source: Ministry of Power)

power capacity addition target of 88,537 megawatts (excluding renewables) for the 12th Five Year Plan ending March 2017.

India's installed generation capacity (in Gigawatts)



Renewable energy scenario

The Government of India reaffirmed its renewable energy focus by revising its 20,000 megawatts of solar energy capacity target by 2022 five-fold to 100,000 megawatts. A target of 60,000 megawatts from wind energy capacity has also been put in place. During the 12th Five Year Plan, the planned renewable capacity addition is almost one-third of the planned conventional

energy capacity addition.

The share of renewable energy in the country's total mix rose in excess of 13% in FY15. India has a 35.77 gigawatts of installed renewable energy capacity as of 31st March 2015; the Indian government plans to expand this to 175 gigawatts by 2022. During 2014-15, India added 4,089 megawatts of renewable energy capacity. Although the share of renewable energy in the generation mix has been rising, India continues to have a large untapped renewable energy potential.

Major drivers of renewable energy in India

Climate change: The governments focus on climate change has speeded renewable energy projects in India.

Cost competitiveness: Renewable energy technologies are competitive against fossil fuel-based power generation. Solar module prices have declined almost 80% since 2008; wind turbine prices have declined close to 25% during the same period. This decline in equipment prices has led to a large deployment of these technologies.

Vast untapped potential: India has a vast untapped renewable energy source. For example, the country's large land

mass receives a high concentration of solar irradiation. This provides opportunities to create renewable energy-based generation facilities. The country also has numerous rivers and waterways; significant potential exists to generate hydropower.

Favourable foreign investment policy:

100% FDI has been allowed for investment in renewable energy. The government is encouraging foreign investors to invest in renewable energy projects in India on a build, own, operate model in the country.

INFRASTRUCTURE IN ROADS AND HIGHWAYS

Overview

Road networks are vital to economic development, trade and social integration. India has the second largest road network in the world at 4.7 million kilometres. The network handles more than 60% of goods transport in the country and over 85% of India's total passenger traffic.

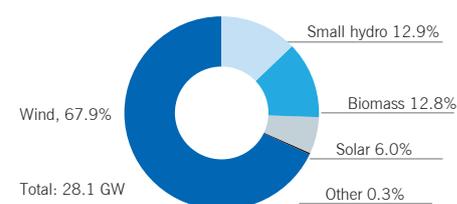
A sharp rise in passenger traffic and increasing freight traffic is set to put further pressure on India's existing network of roads and highways. The National Highway Development Programme has a \$60 billion outlay for a

THE POWER SUPPLY POSITION IN INDIA, 2009-10 TO 2014-15

Renewable Technology	2010-11		2011-12		2012-13		2013-14	
	Target (MW)	Actual (MW) as on 30.6.13						
WIND POWER	2,000	2,350	2,400	3,197	2,500	1,699	2,500	512
SMALL HYDRO	300	307	350	353	350	237	300	54
BIO POWER	472	474	475	488	475	472	425	-
SOLAR POWER	200	27	200	905	800	754	1100	75
TOTAL	2,972	3,157	3,425	4,943	4,125	3,162	4,325	640

(Source: MNRE)

INSTALLED CAPACITY OF RENEWABLE ENERGY IN INDIA



Source: MNRE; as on 31st March 2013
Note: biomass includes bagasse cogeneration; 'other' includes waste-to-power

seven phase programme to focus on the widening, upgradation and rehabilitation of the 47,054 kilometres of National Highways.

Outlook

It is expected that the length of national highways will grow from 92,850 kilometres in 2013-14 to 100,000 kilometres by end 2017. India has completed over 100 public private partnership projects and 165 ongoing projects as of March 2014.

The value of roads and bridges infrastructure in India is projected to grow at a compound annual growth rate of 17.4% over FY12-17. The country's roads and bridges infrastructure, valued at US\$ 6.9 billion in 2009, is expected to touch US\$ 19.2 billion by 2017.

INFRASTRUCTURE IN SOLID WASTE MANAGEMENT

Overview

With an urban population of 1.21 billion people, accounting for over 18% of the world's human population, India

lacks proper municipal solid waste disposal systems. Current solid wastes management services are inefficient, affecting public health, increasing environmental pollution, degrading natural resources and accelerating climate change.

The composition of urban municipal solid waste in India is 51% organics, 17.5% recyclables (paper, plastic, metal and glass) and 31% inerts. The per capita waste generation rate in India increased from 0.44 kilograms per day in 2001 to 0.5 kilograms per day in 2011. This has been fuelled by changing lifestyles and increased purchasing power of urban Indians. Currently, there are over 53 cities in India with a population in excess of a million people that generate 86,000 tonnes per day of solid waste at a per capita waste generation rate of 0.5 kilograms per day. The total solid waste generated in urban India is estimated at 68.8 million tonnes per year that translates into 188.500 tonnes per day of solid waste, leading to a steep increase in waste generation.

Large cities collect about 70 - 90% of solid waste generated, whereas smaller cities and towns collect less than 50% of waste generated. In excess of 91% of the solid waste collected formally is land-filled across open lands and dumps. It is estimated that about 2% of the uncollected waste is burnt openly on the streets. About 10% of the collected solid waste is openly burnt or is caught in landfill fires. Such open burning of solid waste and landfill fires together releases 22,000 tonnes of pollutants into the lower atmosphere of Mumbai every year.

India's renewable energy industry is likely to generate business opportunities worth \$160 billion in the next five years.

(Source: Economic Survey 2014-15)

PROJECTED INVESTMENTS FOR ROAD INFRASTRUCTURE (₹ billion)

SCHEME	2012-17		2017-22		2022-27		2027-32		2012-32	
	TOTAL	PRIVATE SECTOR	TOTAL	PRIVATE SECTOR	TOTAL	PRIVATE SECTOR	TOTAL	PRIVATE SECTOR	TOTAL	PRIVATE SECTOR
Expressways	200	NIL	600	100	1,200	300	1,800	1,000	3,800	1,400
National Highways	2,150	600	3,150	800	4,200	1,150	5,700	1,450	15,200	4,000
Special schemes (SARDP-NE + Arunachal Package) (Central Government)	250	NIL	400	NIL	500	50.00	600	50	1,750	100
Other special schemes (Central Government)	100	NIL	150	NIL	200	NIL	200		650	
State Highways	2,100	150	2700	250	3,200	350	3600	400	11,600	1,150
Major district roads	1,000	NIL	1300	NIL	1,600	NIL	2,100		6,000	
Rural roads (including PMGSY)	1,450	NIL	1850	NIL	1,300	NIL	1,100		5,700	
Total	7,250	750	10,150	1,150	12,200	1,850	15,100	2,900	44,700	6,650

(Source: MNRE)

The Company operates four major business divisions: project management, overhauling and maintenance, project supply and civil engineering EPC.



The pollutants include carbon monoxide, carcinogenic hydrocarbons (includes dioxins and furans), particulate matter, nitrogen oxides (NOx) and sulphur dioxide.

Outlook

There is a huge scarcity of suitable landfill sites for solid waste management. The huge increases in quantities of solid waste have put immense pressure on the budgetary resources of local civic authorities. The Government has invested significantly in solid waste management projects under the 12th Finance Commission and Jawaharlal Nehru National Urban Renewal Mission.

The waste generation rate generally increases with increase in GDP during the initial stages of economic development of a country, because increase in GDP increases the purchasing power of a country, which, in turn, causes changes in lifestyles. Even a slight increase in income in urban areas of developing countries can cause a few changes in lifestyles, food habits, living standards and changes in consumption patterns. Therefore, high income countries generate more waste per person compared to low income countries.

It is imperative to improve the standards of solid waste management in India as the present imminent danger to public health, India's environment and the general quality of life.

In recent years, there has been an increasing trend in public-private partnerships in solid waste management. The larger cities in India, such as Ahmedabad, Bengaluru, Chennai, Hyderabad, Surat, Guwahati, Mumbai, Jaipur have gone ahead with public-private partnerships for solid waste management activities such as door-to-door collection of solid waste, street sweeping, storage, transportation, treatment and disposal of waste.

Division-wise performance

The Company operates four major business divisions: project management, overhauling and maintenance, project supply and civil engineering EPC.

Project management: This division is concerned with the business of fabrication, erecting boilers in power plants, erection testing, commission of ESP, transmission and distribution and EPC contract, civil and structural works, construction and development contracts.

Overhauling and maintenance: The

business of repairing, maintaining, overhauling and renovation of boilers and auxiliaries, such as ash handling systems, are part of this division.

Civil projects EPC: This division is concerned with projects relating to the execution of EPC projects in the construction of townships, roads, bridges, hospitals, infrastructure for the management of solid waste, among others.

The project division of the Company performed better during 2014-15 compared to the previous year on the back of increased capital expenditure on power plants and resumption of previously stalled projects. The overhauling and maintenance division of the Company benefitted from some larger orders during the year. The newly commissioned civil projects division gained traction during the year and is executing a township development project for a local statutory authority and constructing a correctional facility in Northern India.

Internal control system and their adequacy

The Company has adequate internal control systems that are commensurate



During 2014-15, your Company registered the highest turnover in its history at ₹1,648.98 crore with profit after tax standing at ₹36.90 crore, an impressive increase of 47.72% over the previous year

with the size and nature of its business. The system has been designed to ensure that:

- a. The assets of the Company are acquired in an economical manner and safeguards remain in place for their upkeep and to ensure their protection against any damage or destruction.
- b. Controls relating to the financial and operational aspects of the business remain in place and are working satisfactorily to detect exceptions and raise alerts.
- c. The Company enforces stringent compliance with all applicable laws and internal policies.

The internal auditors of the Company regularly carry out reviews of the internal control system to detect deviations. The report of the internal auditors is submitted to the management on a monthly basis and is helpful in the prevention and detection of fraud and to report any discrepancies in the day-to-day activities of the Company.

Further, internal control systems are periodically reviewed by the Audit Committee and are kept updated and

consistent with the requirements of the organisation.

Discussion of overall financial performance

The general economic scenario improved during 2014-15 with the resumption of stalled projects and increased spending on infrastructure. This translated into a significantly improved economic performance for the Company. During 2014-15, your Company registered the highest turnover in its history at ₹1,648.98 crore as against a turnover of ₹1,432.24 crore in the previous year.

Correspondingly, your Company reported a higher operating profit of ₹159.55 crore during the year, an increase of 12.46% over the previous year's performance. The profit after tax stood at ₹36.90 crore, an impressive increase of 47.72% over ₹24.98 crore earned in the previous year. The Board of Directors of the Company recommended a dividend of ₹1.80 per share to be paid subject to the approval of the shareholders of the Company.

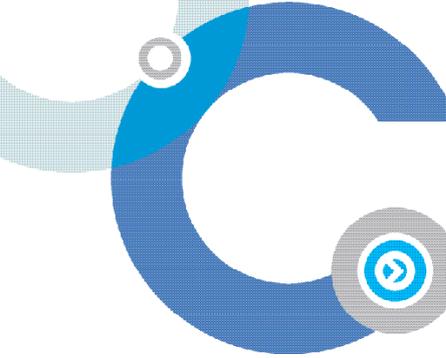
Continuous efforts were made to grow the business of the Company and this

translated into an increased order book of ₹3,580 crore as at 31st March 2015. The Company is striving to increase profitability by expanding into new areas of EPC in civil engineering, while retaining its focus on EPC for the power sector.

Material developments in the area of human resources

The Company built a team of professionals with deep knowledge and insight in the areas where the Company operates. The Company intends to draw on these strengths to enhance its scale and scope of operations in the years to come. Sunil Hitech takes pride in being an equal opportunity employer. The management is regularly appraising the performance of employees, providing feedback wherever necessary to improve performance and productivity.

Industrial relations with the staff remained cordial during the year.



PROFILE OF OUR BOARD OF DIRECTORS



Mr. Ratnakar Manikrao Gutte

Chairman

Mr. Ratnakar Manikrao Gutte, promoter of Sunil Hitech Engineers Limited, is a first generation entrepreneur. Mr. Gutte started his career with a contractor rendering services to the State Electricity Board. Here he worked as a helper, welder and a fitter. In all these roles, it was only his determination to excel in his work that made him rise to his current stature in the industry. His 33 years of rich experience in project execution, especially in the areas of fabrication, erection, testing and commissioning of power plants has helped the Company immensely.

Buoyed by an entrenched understanding the intricacies of civil construction and machinery installation and an un-matched expertise in of finance, banking, taxation, general management and commercial matters, he steered Sunil Hitech Engineers Limited towards unprecedented success and growth. His visionary abilities have skillfully nurtured the Company since its inception and established it as one of the leading players in EPC projects for thermal power units.

Mr. Gutte has always stressed on delivering quality and timely services to his clients. In recognition of his services, he has been honoured with the Life Time Udyog Achievement award and the 'Great Achiever in Industrial Excellence' award in 2004 by EGSI and IOCI, respectively. He was also awarded the 'NCCL Entrepreneur of the Year 2007-08' by the Nagpur Chamber of Commerce Limited.



Mr. Sunil Ratnakar Gutte

Managing Director

Mr. Sunil Gutte is a mechanical engineer from the Pune University. He thereafter completed the family business management course from S.P. Jain Institute of Management, Mumbai and the project management course from IIM, Ahmedabad.

After completing his education, he joined Sunil Hitech Engineers and took charge of project executions, administration and control. It was under his able guidance, expertise and a futuristic vision that Sunil Hitech converted from a private limited to a limited concern and then to being listed on the two major stock exchanges of India. Mr. Sunil Gutte successfully completed the Company's IPO in 2006 and QIP in 2008.

His dedication, and a keen understanding of business and finance, along with an ability to draft and implement effective developmental policies, broadened avenues for the Company to enter into various niche businesses.



Mrs. Sudhamati Ratnakar Gutte

Wholetime Director

With more than 17 years hands-on experience in management and administration of the Company, Mrs. Gutte ensures smooth functioning of backend processes. She believes in interacting with employees to ascertain grey areas in the overall working of departments and suggests remedial measures to help teams overcome them so that the employees can utilise their time and expertise to the optimal level in the organisation.

In addition to the above, Mrs. Gutte regularly participates in social activities to fulfill the Company's CSR activities. She regularly interacts with the underprivileged and has in place various initiatives for their welfare like providing them with educational, medical and farming facilities.

She has set up offices for the procurement of sugarcane in the command area. She enjoys excellent rapport with the villagers. She has been guiding the farming community to adopt scientific agricultural practices. More fertile land is being brought under sugarcane cultivation due to her motivational efforts. She is held in great respect by the industrialists, workers and farmers in the Marathwada region. Her association with Gangakhed has facilitated harmonious relations with all the stakeholders.



Mr. Vijay Ratnakar Gutte

Wholetime Director

An MBA with specialisation in marketing and finance, Mr. Vijay Gutte's competencies lie in the areas of banking, finance, taxation and last but not the least, the airline industry. To his credit, he has completed various projects in these fields, thus helping build the Company's' prestige.

Since his induction in 2007, he has transformed Sunil Hitech's finance vertical into a highly robust one. He continuously monitors transactions to analyse defects and ascertain their causes and identify remedies for the same. Mr. Vijay Gutte has been responsible for investing in web-enabled capabilities to connect with vendors, customers, employees and managers.

His strengths are building leadership qualities in people who work with him and maintaining a healthy professional environment in the Company..



Mr. C. Venkataramana

Wholetime Director

MR. C. Venkataramana has over 33 years of versatile experience in marketing and infrastructure areas. He has served in senior positions in numerous reputed companies. He currently holds the position of Wholetime Director.

Mr. Venkataramana has in his capacity, handled various prestigious projects from bid to execution stage with two leading groups in the country - GVK and Essel Group (Zee TV). He has been partly instrumental for the success stories of these two groups establishing themselves in the infra space from scratch. In the case of Essel Group, it was Mr. Venkataramana who handled the total growth in infra space.



Mr. Anupam Dhiman

Wholetime Director

An alumnus of IIT Kanpur, Mr. Dhiman has 33 years of rich experience in the infrastructure and marketing domain. He has spent close to 10 years in the field of infrastructural development and has held several senior positions.

A versatile personality, Mr. Dhiman has handled several prestigious assignments in infra projects, right from the bid stage to the execution stage with leading groups in the country like ABB, Alstom, Punj Loyd and JMC Projects. He has acquired the right blend of experience in detailed engineering, EPC contracting and construction having worked for various prestigious companies in these sectors.

Apart from his rich experience, Mr. Dhiman has handled prestigious assignments in countries like Germany, France, Israel, the UK, Austria, Hong Kong, Indonesia, Kazakhstan and Bangladesh.



Mr. Dilip Y. Ghanekar

Independent Director

Mr. Dilip Y. Ghanekar finished his graduation in the year 1967 from VRCE, Nagpur. He retired as technical director, MSEB. He has 36 years of work experience with the Maharashtra State Electricity Board in the areas of operation, maintenance, construction and planning at power stations up to 500 megawatts. Mr. Ghanekar is also adept at global procurement of equipment, encouraging non-conventional energy development of contracts for power purchase, and other areas of operations.

Mr. Ghanekar has undergone training at the boiler manufacturer M/s. Combustion Engineering, the US for 500 megawatt-units. He has also received training in Australia conducted by the United Nations in the realm of coal technology and environment.



Mr. Sajid Ali

Independent Director

Mr. Sajid Ali is an engineering graduate engineer with 40 years of experience in erection and commissioning of equipment in coke oven plants, piping, boiler erection and turnkey projects. He has vast knowledge and experience in planning and execution of various projects and has handled large volume projects. An able administrator, Mr. Ali was in-charge of total construction management of the power sector for BHEL, Western Region, in 1994.



Mr. Parag Sakalikar

Independent Director

Mr. Parag Sakalikar, a young entrepreneur, joined as the Company as an Additional Director in 2007. He completed his diploma in mechanical engineering from the Bombay Technical Board in 1994 and has a BE degree in mechanical engineering from Nagpur in 1998. After graduation, he joined as trainee in TUV Asia Private Limited's auditor training programme and got trained in ISO 9001-2000. Later he did his advanced training from Maruti Udyog Limited. He started his career as works manager in Maruti's authorised workshop.

Mr. Sakalikar later, went on to set up his own authorised automobile service station, (an ISO 9001:2000 certified company from TUV) for the entire range of Maruti vehicles.

Mr. Sakalikar's company was awarded not only for Maharashtra but also for the entire Western region (Maharashtra, Goa, Gujarat and Chhattisgarh) by Maruti Suzuki. He has also set up additional new Maruti authorised service stations in Butibori with 'A' grade category.



Mr. S.S. Waghmare

Independent Director

Mr. S.S. Waghmare, a versatile personality, has accrued 33 years of experience in the banking sector. He retired as a deputy general manager with UCO Bank in 2006. Mr. Waghmare has been trained in project planning and management from the University of Bradford, England.

Mr. Waghmare is currently the chairman of Thar Anchalik Gramin Bank, Jodhpur, Rajasthan - a Government of India undertaking sponsored by UCO Bank.



Mr. Siddharth R. Mehta

Independent Director

A bachelor of electrical engineering from the Indian Institute of Science, Bangalore, Mr. Siddharth R. Mehta has around 32 years of rich experience in areas of strategy and business development. His other areas of proficiency are project coordination, management and execution and good corporate governance.

Mr. Mehta has worked with big industrial houses like Tata Power and Torrent Power and has been part of their business expansion and growth projects. Currently he is serving Essar Power, looking after the development of their new distribution and transmission vertical working towards securitisation of the upcoming of generation through power distribution – DISCOMs, franchisees, open access and SEZs.



Mr. Anil R. Aurangabadkar

Independent Director

Mr. Anil Aurangabadkar is a mechanical engineer and has obtained his master's degree in material science. He has been engaged with one of the most prominent companies belonging to the power sector, Bharat Heavy Electricals Limited for the past 37 years. He oversees activities pertaining to design, manufacturing, assembly and erection of rotating heavy electrical equipment, transformer, capacitor, bushing, hydro and thermal project management and execution at BHEL.

Mr. Aurangabadkar's has an excellent track record of executing over 45 projects for BHEL's power sector for the Western region. His expertise spans across functional sectors and the order ranges from small units to 600-megawatt conventional units, Frame-9FA advanced class gas turbines, largest CFBC boilers to cater to 250-megawatt output.

In 2012, he founded his consultancy services firm which services the power and industry sector. Within a very short time, his firm has successfully established and equipped itself to handle large projects to the fullest satisfaction of clients.



DIRECTORS' REPORT

To,
The Members,
Sunil Hitech Engineers Limited

Your Directors are pleased to present the Seventeenth Annual Report of the Company together with the Audited Financial Results for the financial year ended on 31st March, 2015.

Financial Results

The Financial Performance of the Company for the financial year ended on 31st March, 2015 is summarized below:

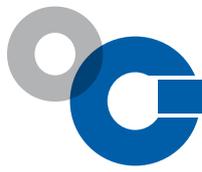
Particulars	(₹ In Lacs)	
	2014-15	2013-14
Net Sales / Income from Operations	1,64,897.54	1,43,224.05
Other Income	1,627.31	993.63
Total Income	1,66,524.85	1,44,217.68
Operating Profit	15,954.86	14,187.37
Interest & Financial Charges	7,785.67	7,697.56
Depreciation	2,585.85	2,437.77
Profit Before Tax	5,583.34	4,052.03
Taxation – Current	1,983.50	1,471.30
- Deferred Tax	(134.75)	56.74
- Income Tax for Prior Period	44.94	25.84
Profit after Taxation	3,689.65	2,498.15
Balance brought forward	15,390.91	13,271.41
Additional Depreciation, net of deferred tax as per Companies Act, 2013	(29.88)	-
Amount available for appropriations	19,050.68	15,769.56
Appropriations		
Proposed Dividend on equity shares	294.76	163.50
Tax on Proposed Dividend	58.33	27.79
Amount transferred to General Reserve	276.72	187.36
Amount transferred to Balance Sheet	18,420.87	15,390.91

Operational Review

Your Company has achieved a net turnover of ₹164,897.54 lacs during the financial year 2014-15 as against ₹143,224.05 lacs in the previous financial year, thereby registered a growth of 15.13% over the last year's turnover. The operating profit of your company for the financial year ended 31st March 2015 is ₹15,954.87 lacs, whereas it was ₹14,187.37 lacs during the last financial year, thereby registered a growth of 12.46% over the last year's operating profit.

Currently your Company is operating in project related activity which includes Project Execution, Overhauling & Maintenance Fabrication, Erection of Boilers (Power Plants), Erection Testing, Commission of ESP, Transmission & Distribution and EPC contract, Road, Bridges, Civil construction, Solar Energy projects, Waste Management projects. To name a few, the following are some of the projects running presently:

1. Construction of Central Sudhar Ghar at Goindwal Sahib, Dist. Tarn Taran and Bhatinda in the state of Punjab.
2. CW System and Make up Water System Civil Works Package for NTPC Lara Super Thermal Power Project, Stage-I 2x800 MW at Lara District. Raigarh, Chattisgarh.
3. CW System and Make up Water System Civil Works Package for Meja Thermal Power Project, 2x660 MW at Meja, P.O. Kohdar, Tehsil-Neja Dist. Allahabad, Uttar Pradesh.
4. Complete Material Handling, Erection, Testing and Commissioning of Boiler and their Auxilliaries for 2X660 MW Bhavanapadu Thermal Power Project at East Coast Energy Pvt. Ltd (ECEPL), Bhavanapadu, Near Kakarapalii Village of Srikakulam Dist. Andhra Pradesh 62937 MT.
5. Supply of finished product of bunkers and bunker structure and erection, testing and commissioning of Unit#3 of 2X660 MW, NTPC Mouda STPP Stage-II, Dist Nagpur, state Maharashtra.
6. Development of Regional (MSW) Municipal Solid Waste to Energy (Electricity) and Scientific Landfill Facility in Patna on PPP.
7. Construction of 490 Nos. M.C. Type of Quarters (35 blocks, each block of 14 units) Storied Buildings (G+1 type) at 2x600 MW STPP and Construction of 1 No. GM Bungalow, 10 Nos. MA type of Quarters and 192 Nos. MB type of Quarters (16 blocks, each block of 12 units) Storied Buildings (G+1 type) at 2 x 600 MW STPP Jaipur Mandal, Adilabad Dist. Telangana State.
8. CW System and Make up Water System Civil Works Package for Darlipali Super Thermal Power Project, Stage-I 2x800 MW at Darlipali, Dist. Sundargarh, Odisha.
9. Package-A Civil, Structural and Architectural Works Etc of BTG Area for Unit#1 & 3 for 3x660MW NTPC North Karanpura STPP, Jharkhand
10. Design, Engineering, Manufacture, Assembly, Testing at Works, Supply of the Equipments, Mandatory Spares, Cement, Reinforcement Steel, Structural Steel for Civil Works as well as Structural Works, Architectural Works, Transportation & Delivery to Site of all the Equipments & Mandatory Spares including Special Tools & Tackles, if any, for the Balance of Plant Package for Parli TPS Project Unit-8, 1X250 MW.
11. Civil, Structural, Architectural etc. of Civil Superstructure Work of 2X600 MW, Pkg-B, Unit#2 for Singareni Thermal Power Project, Dist Adilabad, Andhra Pradesh.
12. Erection, Testing and Commissioning of Boiler Unit-2, 2X800 MW for NTPC, Lara Super Thermal Power Project, at Lara Dist. Raigarh, Chattisgarh.
13. Erection, Testing, Comm & Handling over of Boiler and its Auxiliaries etc at Vertical Pkg U-3 at NTPC, Mouda STPP 2X660 MW.
14. Establishment of 132/33 KV Sub Station at Kavathe-Yamai, Tal. Shirur, Dist. Pune, state Maharashtra.



15. 11kV/22kV/33kV Lines, New/Aug. Distribution Transformers of Various Capacities, and Other Allied Works, Tunkey Contract for Works Under Infrastructure Plan Part-II Phase - D-1 Project, including Guarantee Defects Liability Period in Morshi Division under Amravati Circle of Amravati Zone.
16. Rehabilitation and Upgrading to 2 lanes/2 lane with Paved Shoulders Configuration and Strengthening of Madhugiri-Mulbagal Section (km 343.800 to km 483.151) of NH-234 in the State of Karnataka (Package No. NHIP-KA-234-10) for Lot-I- km 343.800 to km 400.330 under Phase-I of National Highways Inter-connectivity Improvement Projects (NHIP).
17. Engineering, Procurement and Construction of Rehabilitation and Upgrading to 2 lanes/2 lane with Paved Shoulders Configuration and Strengthening of Bankura-Purulia Section (km 0.0 to km 84.0) of NH-60A in the State of West Bengal under Phase-I of National Highways Inter-connectivity Improvement Projects (NHIP).

In addition to the above, your company is executing various prestigious projects related to Design, Supply, Test, Transport, Construction, Erection, Testing and Commissioning of Distribution Lines, Power Sub Stations etc and also Overhauling & Maintenance of various systems for Power Stations like Koradi, Khaperkheda, Chandrapur, Bhusawal, Sarni, Korba, Parli, Talcher, Wanakbori etc.

Furthermore your company is engaged in the prestigious civil Construction projects like Supply, Design, Engineering, Marketing & Civil Construction work of Residential Complex at Plot No. 104, East High Court Road, Ramdaspath Nagpur, Construction of Class Room Complex including Internal Electrification for VNIT, Nagpur, Supply, Design, Engineering, Marketing & Civil Construction of Residential Complex of Green Project, Goa and Construction of houses for Kanpur Development Authority, Kanpur.

Your company is further planning to grab opportunities in Renewable Energy Sector.

Your Company has not gone through any Operational discontinuation during the reporting period.

Future Prospects

Infrastructure:

A key driver of the economy, Infrastructure is highly responsible for propelling India's overall development. The industry enjoys

intense focus from the top officials of the Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. This sector includes power, bridges, dams, roads and urban infrastructure development.

The Indian power sector has an investment potential of US\$ 250 billion in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment, according to Mr. Piyush Goyal, Union minister of Coal, Power and Renewable Energy.

The Reserve Bank of India (RBI) has notified 100 per cent foreign direct investment (FDI) under automatic route in the construction development sector. The new limit is effective 2 December 2014, RBI said in a notification on its website.

Recently, the Government has relaxed rules for FDI in the construction sector by reducing minimum built-up area as well as capital requirement and liberalised the exit norms. The Cabinet has also approved the proposal to amend the FDI policy.

India and the US have signed a memorandum of understanding (MoU) in order to establish Infrastructure Collaboration Platform. The document showcases the relationship between both the Governments which intend to facilitate US industry participation in Indian infrastructure projects to improve the bilateral commercial relationship and benefit both the Participants' economies. The MoU's scope envisages efforts in the areas of Urban Development, Commerce and Industry, Railways, Road Transport and Highways, Micro Small and Medium Enterprises, Power, New & Renewable Energy, Information and Broadcasting, Communications & Information Technology, Water Resources, River Development and Ganga Rejuvenation.

Power sector:

Power or electricity is one of the most critical components of infrastructure affecting economic growth and well-being of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

The Indian power sector is one of the most diversified in the world. Sources for power generation range from conventional ones such as coal, lignite, natural gas, oil, hydro and nuclear power to other viable non-conventional sources such as wind, solar, and agriculture and domestic waste. The demand for electricity in the country has been growing at a rapid rate and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required.

The Indian power sector is undergoing a significant change that is redefining the industry outlook. Sustained economic growth continues to drive power demand in India. The Government of India's focus to attain 'Power For All' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing on both market side as well as supply side (fuel, logistics, finances and manpower).

The Planning Commission's 12th Plan expects total domestic energy production to reach 669.6 million tonnes of oil equivalent (MTOE) by 2016–17 and 844 MTOE by 2021–22. By 2030 – 35, energy demand in India is projected to be the highest among all countries according to the 2014 energy outlook report by British oil giant BP.

Around 293 global and domestic companies have committed to generate 266 gigawatts (GW) of solar, wind, mini-hydel and bio-mass based power in India over the next 5-10 years. The initiative would entail an investment of about US\$ 310-350 billion. The industry has attracted FDI worth US\$ 9,548.82 million during the period April 2000 to February 2015.

The Government of India has identified the power sector as a key sector of focus to promote sustained industrial growth. The RE-INVEST 2015 which concluded on February 17, 2015, is a significant step in making India self-reliant in energy. The three day RE-INVEST 2015 received 2,800 delegates participating from 42 countries and saw green energy commitments worth 266,000 MW.

Road Sector:

India has the second largest road network in the world, aggregating 4.7 million km; however quality of roads has not been at par with others. In terms of quality, only half of India's road network is surfaced.

Roads constitute the most common mode of transportation and account for about 85 per cent of passenger traffic and around 60 per cent of the freight traffic in the country. In India, National Highways, with a length close to 79,000 km, constitute a mere 2 per cent of the road network but carry about 40 per cent of the total road traffic. On the other hand, state roads and major district roads are the secondary system of road that carry another 60 per cent of traffic and account for 98 per cent of road length.

Over the last decade, the overall NHDP length (completed) has increased from around 500 km in 2001-02 to the current levels of 22,277km (as of March 31, 2014).

Renewable Energy Scenario

Renewable energy is one of the cleanest sources of energy

options with almost no pollution or carbon emissions and has the potential to significantly reduce reliance on coal and other fossil fuels. By expanding renewable energy, world can improve air quality, reduce global warming emissions, create new industries and jobs, and move world towards a cleaner, safer, and affordable energy future.

The quest for energy independence, economic growth, and environmental sustainability increasingly suggests the importance of renewable energy sources across the globe. Renewables are seen not only as sources of energy, but also as tools to address many other pressing needs, including: improving energy security and access; reducing the health and environmental impacts associated with fossil and nuclear energy and mitigating greenhouse gas emissions.

The renewable energy sector in India is full of opportunities and merits careful consideration by market participants. The Indian renewable energy market is highly attractive as it has the potential to reduce India's rising demand supply gap, hence becoming a key cog in the wheel for India's energy security strategy. The government in India has placed an encouraging policy & regulatory framework with a combination of feed-in tariffs, renewable procurement obligations, and Renewable Energy Certificates. The most dominant asset classes, wind and solar, have attracted considerable supplier interest and hence equipment and EPC is available at increasing competitive rates thus boosting margins. The Jawahar Lal Nehru National Solar Mission (JNNSM) and several state-level solar policies are helping develop solar energy market. Recent budgetary allocation for generation based incentives and reintroduction for accelerated depreciation for wind power will spur investments in wind energy. The size of the renewable energy market will see further growth as the application of Renewable Purchase Obligation expands to cover open access and captive consumers.

Management Discussion and Analysis Report

A detailed review of operational performance and future outlook of the Company is given under the Management Discussion and Analysis Report which forms part of this Report.

Corporate Governance Report

As required by the Clause 49 of the Listing Agreement with stock exchanges, Corporate Governance Report and a certificate confirming compliance with requirements of corporate governance forms part of this report.



Consolidated Accounts

As required under Clause 32 of Listing Agreements with Stock Exchanges, Consolidated Financial Statement of the Company and its subsidiaries as aforesaid have been attached with the annual accounts of the Company.

Dividend

Your Directors are pleased to recommend dividend @18%, i.e. @ ₹1.80 per equity share of ₹10/- each (previous year ₹1.20 per equity share of ₹10/- each) for the financial year ended 31st March, 2015.

Public Deposits

During the year ended 31st March, 2015, your Company has not accepted any deposits from the public.

There is no deposit remained unpaid/unclaimed at the end of the financial year.

Allotment of Equity Shares

The Share Allotment Committee of the Company at its meeting held on 04.08.2014 has allotted 8,25,000 equity shares each to VRG Digital Corporation Private Limited and Gutte Infra Private Limited upon conversion of equal number of warrants leading to increase in the Paid up Share Capital of your company by ₹1,65,00,000. Presently the paid up share capital of your company stands at ₹15,27,51,600.

Preferential Issue of Warrants Convertible into Equity Shares

The Allotment Committee has issued 2,00,000 Warrant to Person acting in concert with Promoter and 18,50,000 Warrant to the non promoters for which approval of shareholder by way of special resolution and in principle approval of stock exchanges where the securities of the Company are listed have been obtained.

Directors

Mr. Anil Aurangabadkar (DIN-06950263) was appointed as Independent Director on the Board with effect from August 21, 2014 to fill the casual vacancy caused due to vacation of office of Mr. Devesh Garg, Independent Director of the Company. On recommendation of the Board of Directors, Members of the Company at their Annual General Meeting held on 29.09.2014 have confirmed the Appointment of Mr. Anil Aurangabadkar as an Independent Director of the Company for a term of Five

years commencing from 21.08.2014 up to 20.08.2019. Apart from this Mr. Dilip Ghanekar (DIN- 01261086), Mr. Sonyabapu Waghmare (DIN-01767186), Mr. Sajid Ali (DIN-01968558), Mr. Parag Sakalikar (DIN-01940760) and Mr. Siddharth Mehta (DIN-03551006) have been appointed as Independent Directors of the Company for a term of Five years commencing from date of last AGM i.e. 29.09.2014 up to 28.09.2019.

As per Article 150 read with Article 149 of Articles of Association of the Company, Mr. Vijay R. Gutte (DIN-01179049), and Mrs. Sudhamati R. Gutte (DIN-01174733), Executive Directors of the Company are liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers themselves for reappointment. The Board of Directors recommends their reappointment at the ensuing Annual General Meeting of the company.

Mr. Sunil R. Gutte (DIN-00165822) was re-designated as Managing Director of the Company and Mr. Ratnakar M. Gutte (DIN-00165642) was re-designated as Whole Time Director of the Company with effect from 07.10.2014 and Mr. Anupam Dhiman, (DIN-06997500) was appointed as a Whole Time Director of the Company with effect from 18.10.2014. The Board seeks confirmation by the members for all these appointment at this ensuing Annual General Meeting of the company.

Mr. M. N. Mohanan Executive Director of the Company has resigned from the Directorship of the Company with effect from 08.10.2014.

Independent Directors:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Training of Independent Directors:

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company' culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy. They are provided with Company brochures, annual reports, company booklets, etc.

Directors Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013,

Directors of your Company hereby state and confirm that:

- a) In the preparation of Annual Accounts of the Company, the applicable Accounting Standards have been followed along with proper explanation to material departures;
- b) They have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year 2014-15 and of the Profit of the Company for that period.
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) They have prepared the annual accounts of the Company on a going concern basis.
- e) They have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these were adequate and operating efficiently.

Directors' Remuneration

Remuneration policy

1. Remuneration to Managing/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

- a. The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2. Remuneration to Non- Executive / Independent Director:

- a. The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as

permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

- b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
 - c. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
 - d. Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i. The Services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- #### 3. Remuneration to Key Managerial Personnel and Senior Management:
- a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and may include incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
 - b. The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
 - c. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Remuneration Ratio of the Directors / Key Managerial Personnel (KMP) / Employees:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

Sl. No.	Name	Designation	Remuneration paid FY 2014-15 ₹ lakhs	% Increase in remuneration from previous year	Ratio/Times per Median of employee remuneration
1	Ratnakar Manikrao Gutte	Chairman	92,40,000	-	538
2	Sunil Ratnakar Gutte	Managing Director	52,00,000	8.33	303
3	Sudhamati Ratnakar Gutte	Executive Director	48,00,000	-	279
4	Vijay Ratnakar Gutte	Executive Director & CFO	48,00,000	-	279
5	Venkataramana Condoor	Executive Director	95,33,190	-	555
6	Anupam Dhiman	Executive Director	25,65,463	-	149
7	M N Mohanan	Executive Director	26,59,677	-	155
8	Shrikant Chandrashekhar Rikhe	Company Secretary	3,42,480	-	20

Note:

1. During the year remuneration of Mr. Sunil R. Gutte, Managing Director is increased from ₹48 lacs p.a. to ₹60 lacs p.a., Mr. Anupam Dhiman is appointed as an executive Director of the company wef 18.10.2014 and Mr. M N Mohanan resigned from the office of executive Director wef 08.10.2014.

2. There is no increase in the median remuneration of employees in the financial year 2014-15.

3. There are 1472 permanent employees on the rolls of company.

4. Relationship between average increase in remuneration and company performance:-

The Profit before Tax for the financial year ended March 31, 2015 increased by 37.78% whereas the increase in median remuneration was nil.

5. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:

The total remuneration of Key Managerial Personnel decreased by 0.94% from ₹3.92 crore in 2013-14 to ₹3.87 crore in 2014-15 whereas the Profit before Tax increased by 37.78% to ₹55.83 crore in 2014-15 (₹40.52 crore in 2013-14).

6. a) Variations in the market capitalisation of the Company:
The market capitalisation as on March 31, 2015 was ₹218.43 crore (₹96.67 crore as on March 31, 2014).

b) Price Earnings ratio of the Company was ₹24.82 as at March 31, 2015 and was ₹20.28 as at March 31, 2014.

c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The Company had come out with initial public offer (IPO) in 2005. An amount of ₹34.75 crore invested in the said IPO would be worth ₹49.69 crore as on March 31, 2015 indicating a Compounded Annual Growth Rate of 3.64%.

7. No variable component of remuneration was availed by the directors during the financial year 2014-15.

8. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and

9. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Number of Board Meetings held:

The Board of Directors duly met 7 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are as follows:

29th May, 2014; 14th August, 2014; 21st August, 2014; 07th October, 2014; 18th October, 2014; 14th November, 2014 and 12th February, 2015.

Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

Development and Implementation of a Risk Management Policy

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided elsewhere in this Annual Report and in Management Discussion and Analysis.

Corporate Social Responsibility (CSR):

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company have constituted a CSR Committee. The Committee comprises of Executive and Independent Directors. CSR Committee of the Board has developed a CSR Policy and uploaded on the website of the Company at www.sunilhitech.com. CSR reporting required under Companies (Corporate Social Responsibility Policy) Rules, 2014 enclosed as a part of this report in Annexure-A.

Brief outline of Company's CSR policy

1. Skill Development for sustainable income generation & Livelihood

- a. Skill development training for unemployed youth for better employability & to promote self-employment.
- b. Vocational/ technical/professional training for youth for ultimate support to the projects for hiring skilled youth.
- c. Promote enterprise development
- d. Promote self-help groups

2. Literacy / Education

- a. Construction/repair of school buildings & facilities including boundary walls, separate toilets for boys & girls and provision of drinking water.
- b. Provision of uniforms, books, stationery, computer & Laboratory equipment etc., to schools.
- c. Scholarships/fellowships to deserving students to encourage education.
- d. Promotion of adult education with focus on women's education etc.
- e. Reducing the drop-out rate of students & absenteeism through counselling & other means.
- f. Promote computer literacy and technology assisted learning.
- g. To set up/ promote higher education through special coaching/inputs to bridge the gap.
- i. To promote Technical/ professional/ medical education by giving financial assistance / opening institutions through Organizations/ infrastructural support.

3. Safe Drinking Water /Health care & Sanitation

- a. Provide safe drinking water by sinking bore wells, tube wells, establishment of water treatment plants etc.

- b. Preventive and promote health care through mobile medical vans etc.,
- c. Nutritional supplements to lactating mothers, children, adolescent girls and pregnant women.
- d. Health awareness campaigns on serious/chronic diseases.
- e. OP/IP treatment including operations at project hospitals
- f. Organising periodic health camps
- g. Offering specialized support services to the physically handicapped and mentally challenged people
- h. Veterinary medical support
- i. Promotion of sanitation through proper drainage system and construction of toilets
- j. Assistance for establishment of Hospitals/Medical Colleges etc.

4. Agriculture & Infrastructure Development

- a. To promote water shed development /water harvesting / water conservation measures.
- b. Development of roads, bridges, markets, transport facilities, community welfare centres beautification of towns, cities, other civic amenities etc.
- c. Promote use of non-conventional energy.
- d. Electrification of Public buildings in villages.

5. Women empowerment:-

- a. Creation of primary group of women producer.
- b. Federation of women producer groups and facilitation of its financial linkages.
- c. Facilitation of new agri technology and other resources to improve per hectare production especially to women farmers.
- d. Literacy and training programs for women farmers to ensure they inculcate basis business traits.
- e. Health check up camps for women and children.

6. Environment and sustainability:-

- a. Plantation drives around work sites.
- b. Training program for CBO's to improve energy conservations and increasing dependency upon secondary energy resources.

Vigil Mechanism:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism has been uploaded on the website of the Company at www.sunilhitech.com.

Audit Observations:

Auditors' observations are suitably explained in notes to the Accounts and are self-explanatory.

Auditors:

i) Statutory Auditors :

The Auditors, M/s. V. Sankar Aiyar & Co., Chartered Accountants retire at this Annual General Meeting and being eligible, offer themselves for re-appointment.

ii) Secretarial Audit :

According to the provision of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice enclosed as a part of this report Annexure-B.

Related Party Transactions

The company's related party transactions are entered with its group companies and firms. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimization of market share, profitability, legal requirements, liquidity and capital resources of group companies. All related party transactions are negotiated on an arms-length basis, and are intended to further the Company's interests. A policy on related party transactions is posted on the website of the company at www.sunilhitech.com.

Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 as per AOC-2 is annexed herewith as Annexure-C.

Extract of the annual return as provided under sub-section (3) of Section 92

The Extract of the annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013 is annexed herewith as Annexure-D.

Subsidiaries and associate companies

A disclosure required under Section 129 of the Companies Act, 2013 & Rules made thereunder is enclosed as Annexure-E.

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

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out below;

(A) Conservation of Energy

Your Company is continuously taking initiatives to ensure the optimum utilization of energy available in day to day operations not only in offices but also at different sites of execution of various projects. Your Company uses energy efficient lighting devices, light fittings to save energy, capacitor bank / devices to maintain power factor and plant & equipment which are environment and power efficient.

(B) Technology Absorption

Your Company is doing its business by ensuring optimum utilization of its available resources. Your Company has not taken any research & development activity so far. It has been executing its projects by using modern techniques, modern machineries and by ensuring the optimum utilization of its technical, professional and skilled manpower.

(C) Foreign Exchange Earnings and Outgo

The Company has incurred the following expenses in foreign currency during the financial year 2014-15. The rupee equivalent of that amount has been given hereunder;

Particulars	₹ in Lacs
Total Expenditure	2931.85
Total Earning	255.24

Acknowledgement

Your Directors take this opportunity to express their gratitude for the valuable support extended by the customers, banks, financial institutions, investors, business associates, central & state government authorities. Your Directors also appreciate the employees at all levels for their continued support to the Company. Your Directors believe that with the whole hearted support of employees, stakeholders, bankers and our valuable customers, we will continuously excel in the path of success and growth.

By the order of the Board

For **Sunil Hitech Engineers Limited**

Place: Mumbai

Date: 28th May, 2015

Ratnakar Manikrao Gutte
Chairman

Sunil Ratnakar Gutte
Managing Director

Annexure - A

Corporate Social Responsibility

1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Refer Section Corporate Social Responsibility above
2	The Composition of the CSR Committee	Mr. Sonyabapu Waghmare, Mr. Parag Sakalikar Mr. Siddharth Mehta, Mr. Sunil R. Gutte and Mr. Venkataramana Condoor
3	Average net profit of the company for last three financial years (₹ in cr.)	54.00
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above) (₹ in cr.)	1.08
5	Details of CSR spent during the financial year 2014-15	
	(a) Total amount to be spent for the financial year 2014-15 (₹ in cr.)	1.12
	(b) Amount unspent, if any	Nil
	(c) Manner in which the amount spent during the financial year is detailed below:	

Sr. No.	CSR project or Activity Identified	Sector in which the project is covered (clause no. of Schedule VII to the Companies Act, 2013, as amended)	Project of Program (1) Local Area or Other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (Budget) Project or Program wise (₹ in cr.)	Amount spent on the Projects or Programs Sub Heads: (1) Direct Expenditure on Projects or Programs (2) Overheads (₹ in cr.)	Cumulative Expenditure upto the reporting period i.e. FY 2014- 2015 (₹ in cr.)	Amount Spent Direct or through implementing Agency
1	Skill Development for sustainable income generation & Livelihood	Clause (ii) Special education and employment enhancing vocation skills	Maharashtra: Gondia, Gadchiroli, & Nagpur Chhattisgarh: Korba, Surjuja & Narayanpur	1.12	(1)0.168 (2)0.952	1.12	Direct
	Total			1.12	1.12	1.12	

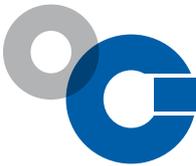
Responsibility Statement

The Responsibility Statement of the Corporate Social Responsibility and Governance (CSR&G) Committee of the Board of Directors of the Company is reproduced below:

The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

Sunil R. Gutte
Managing Director

SS Waghmare
Chairman, CSR Committee



Annexure - B

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31/03/2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Sunil Hitech Engineers Limited,
CIN: L28920MH1998PLC115155
Ratnadeep, Jaynagar,
Parli Vajinath, District Beed,
Maharashtra-431520

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sunil Hitech Engineers Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 ended on 31/03/2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter subject to certain qualifications which may be part of the reporting hereunder:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sunil Hitech Engineers Limited ("The Company") for the period ended on 31/03/2015 according to the provisions of:
 - The Companies Act, 2013 (the Act) and the Rules made there under;
 - The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
 - The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
 - Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment

and External Commercial Borrowings;

- The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - c) 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;
 - d) The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited, National Stock Exchange of India Limited; and
2. 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 Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
 3. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements, etc. mentioned above subject to the following observations:

- a) The Company has maintained all the statutory registers and documents and have made all the necessary entries therein.
 - b) The provisions with regard to closure of the Register of Members have been duly complied with.
 - c) The forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government have been duly filed. However there has been a delay in filing certain forms related to charge and resolutions.
 - d) The provisions with regard to service of documents by the Company on its Members, Auditors and the Registrar of Companies have been duly complied with.
 - e) The notices of Board meetings and Committee meetings of Directors have been served appropriately.
 - f) The Company has complied with the provisions related to the Board of Directors Meeting during the year. The Audit Committee Meetings, Stakeholders' Relationship Committee Meetings, Nomination and Remuneration Committee Meetings and Corporate Social Responsibility Committee Meetings have been duly held.
 - g) The 16th Annual General Meeting of the Company was duly held on 29th September, 2014 for the financial year ended on 31/03/2014.
 - h) The approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, have been taken, wherever required.
 - i) 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.
 - j) The Company has complied with the provisions with regard to payment of remuneration to Directors including the Managing Director and Whole-time Directors.
 - k) The Company has complied with the provisions with regard to appointment and remuneration of Statutory Auditors.
 - l) The Company has complied with the provisions with regard to transfer and transmission of the Company's shares and issue and dispatch of duplicate certificates of shares.
 - m) The Company has complied with the provisions with regard to declaration and payment of dividends.
 - n) The Company has established a Vigil Mechanism and provides to complainants, if any, unhindered access to the Chairman of the Audit Committee.
 - o) The Company has transferred the unpaid amount of dividend as required under the Act to the Investor Education and Protection Fund and have uploaded the details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs.
 - p) The Company has complied with the provisions with regard to borrowings and registration, modification and satisfaction of charges wherever applicable.
 - q) The Company has complied with the provisions with regard to investment of the Company's funds including investments and loans to others.
 - r) During the period under review, the Company has obtained approval of the members under Section 188 of the Companies Act, 2013 by way of special resolution for entering into related party transactions.
 - s) The Company has complied with the provisions of the Act with regard to form of Balance Sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act.
 - t) The Company has complied with the provisions with regard to report of the Board of Directors for the financial year ended 31/03/2014.
 - u) The Company has complied with the provisions with regard to contracts, common seal, registered office and publication of name of the Company; and
 - v) Generally, the Company has complied with the provisions with regard to all other applicable provisions of the Act and the Rules made under the Act.
4. We further report that:
- a) 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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - b) Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

- c) The Company has obtained all necessary approvals under the various provisions of the Act.
 - d) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
 - e) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, they being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.
5. We further report that the Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.
 6. We further report that the Company has complied with the provisions of the Depositories Act, 1996 and the bye laws framed there under by the Depositories with regard to dematerialization / re-materialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.
 7. We further report that the Company has complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made under that Act to the extent applicable.
 8. We further report that:
 - a) The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited and National Stock Exchange of India Limited.
 - b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations are not applicable to the Company during the financial year under review.
 - c) The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosure and maintenance of records required under the said Regulations;
 9. We further report that:
 - a) The Company has complied with the provisions of Income Tax Act, 1961, Wealth Tax Act and Professional

Tax. However, the returns of Tax Deducted at Source and Tax Collected at Source for the last quarter are not yet filed by the Company and the Company is in process of filing the same.

- b) The Company has complied with the provisions of Service Tax and paid the statutory dues related to Service Tax. However, the returns for the financial year 2014-2015 are not yet filed by the Company.
- c) The Company has complied with the provisions of Central Sales Tax Laws and Value Added Tax Laws.
- d) The Company has complied with the provisions of Entry Tax.

10. We further report that:

- a) The Company has complied with all the provisions of The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, The Employees' State Insurance Act, 1948, The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970, The Employees' Compensation Act, 1923 and The Bombay Shops and Establishment Act, 1948.

11. We further report that:

- a) Based on the information received and records maintained there are adequate 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; and
- b) The Company has complied with all the other laws specifically applicable to the Company.

For **MANISH PANDE & CO.**

Manish Pande
Membership No. 5004
C.P. No. 3424
 Place: Nagpur
 Date: 26/05/2015

This report is to be read with our letter of even date which is annexed as 'ANNEXURE I' and forms an integral part of this report.

ANNEXURE I

To,
The Members,
Sunil Hitech Engineers Limited,
CIN: L28920MH1998PLC115155
Ratnadeep, Jaynagar,
Parli, Vaijnath, District Beed,
Maharashtra-431520

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of 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.

For **MANISH PANDE & CO.**

Manish Pande
Membership No. 5004
C.P. No. 3424
Place: Nagpur
Date: 26/05/2015

Annexure - C

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1) Details of Contract or arrangements or transactions not at Arm's Length basis

There were no contracts or arrangements or transactions entered into during the year ended on 31st March, 2015 which were not at arm's length basis.

2) Details of Material contracts or arrangements or transactions at Arm's Length basis

Sl. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Sunilhitech India Infra Pvt. Ltd. (Subsidiary of Sunil Hitech Engineers Limited)
(b)	Nature of contracts/ arrangements /transactions	EPC Agreement
(c)	Duration of the contracts / arrangements/ transactions	N.A.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Contract for engineering, construction, procurement and commissioning of project and other associated project facilities.
(f)	Date(s) of approval by the Board	14.11.2013
(g)	Amount paid as advances, if any:	33.75 crore

Annexure - D

Form No. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- L28920MH1998PLC115155
- ii) Registration Date: - 29th May, 1998
- iii) Name of the Company: - Sunil Hitech Engineers Limited
- iv) Category / Sub-Category of the Company:- Public Limited Company
- v) Address of the Registered office and contact details:- Ratnadeep, Jaynagar, Parli Vajinath, Dist.Beed - 431520.
- vi) Whether listed company Yes / No : Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent

Bigshare Services Private Limited,

E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072

Tel.: 022-40430200 Email: info@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	Project Related Activities	45201, 45203, 45207	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	SEAM Industries Ltd.	U28120MH2005PLC153364	Subsidiary	88.61	2(87)(ii)
2	SHEL Investments Consultancy Pvt. Ltd.	U45202MH2009PTC195072	Subsidiary	99.99	2(87)(ii)
3	Sunil Hitech Energy Pvt. Ltd.	U40109MH2008PTC178611	Subsidiary	51.00	2(87)(ii)
4	Sunilhitech India Infra Pvt. Ltd.	U45400MH2012PTC232077	Subsidiary	97.51	2(87)(ii)
5	Sunilhitech Solar (Dhule) Pvt. Ltd.	U40108MH2014PTC254060	Subsidiary	100.00	2(87)(ii)
6	Patna Green Energy Pvt. Ltd.	U40108MH2014PTC258256	Subsidiary	90.00	2(87)(ii)
7	Gangakhed Sugar & Energy Ltd.	U15421MH2007PLC174599	Associate	28.03	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/ HUF	6530990	-	6530990	47.93	6530990	-	6530990	42.76	-5.18
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt. (s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	1350000	-	1350000	9.91	3008188	-	3008188	19.69	9.79
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	7880990	-	7880990	57.84	9539178	-	9539178	62.45	4.61
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter	7880990	-	7880990	57.84	9539178	-	9539178	62.45	4.61
(A) = (A)(1)+(A)(2)									
B. Public Shareholding									
1. Institutions	165	-	165	-	20052	-	20052	0.13	0.13
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	1108000	-	1108000	8.13	40000	-	40000	-0.26	-7.87
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	1108165	-	1108165	8.13	60052	-	60052	-0.39	-7.74
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	518929	-	518929	3.81	1121160	-	1121160	7.34	3.53
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹1 lakh	3143772	2854	3146626	23.09	3283632	854	3284486	21.50	-1.59
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	735440	-	735440	5.40	1026158	-	1026158	6.72	1.32

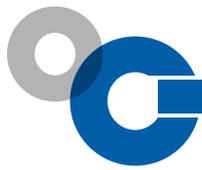
Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others	-	-	-	-	-	-	-	-	-
i) Trusts	53	-	53	-	53	-	53	-	-
ii) Clearing Member	100303	-	100303	0.74	93054	-	93054	0.61	0.13
iii) Directors/Relatives	2120	-	2120	0.02	110	-	110	-	0.01
iii) NRI	132534	-	132534	0.97	150909	-	150909	0.99	0.02
Sub-total (B)(2):-	4633151	2854	4636005	34.03	5675076	854	5675930	37.16	3.13
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5741316	2854	5744170	42.16	5735128	854	5735982	37.55	-4.61
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	13622306	2854	13625160	100.00	15274306	854	15275160	100	-

(ii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl No.	Category of Shareholder	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ratnakar Manikrao Gutte	2202500	16.16	-	2202500	14.42	-	-1.75
2	Sudhamati Ratnakar Gutte	1968750	14.45	-	1968750	12.89	-	-1.56
3	Sunil Ratnakar Gutte	1678740	12.32	-	1678740	10.99	-	-1.33
4	VRG Digital Corporation Private Limited	675000	4.95	-	1508188	9.87	-	4.92
5	Gutte Infra Private Limited	675000	4.95	-	1500000	9.82	-	4.87
6	Vijay Ratnakar Gutte	675000	4.95	-	675000	4.42	-	-0.54
7	Swati Ratnakar Gutte	6000	0.04	-	6000	0.04	-	0.00
	Total	7880990	57.84	-	9539178	62.45	-	4.61

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Ratnakar Manikrao Gutte	2202500	16.16	01.04.2014	-	Nil movement during the year	-	-
	At the end of the year	2202500	14.42	31.03.2015				
2	Sudhamati Ratnakar Gutte	1968750	14.45	01.04.2014	-	Nil movement during the year	-	-
	At the end of the year	1968750	12.89	31.03.2015				
3	Sunil Ratnakar Gutte	1678740	12.32	01.04.2014	-	Nil movement during the year	-	-
	At the end of the year	1678740	10.99	31.03.2015				

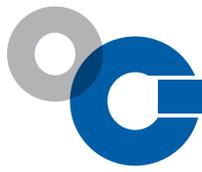


Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
4	VRG Digital Corporation Private Limited	675000	4.95	01.04.2014				
				04.08.2014	825000	Conversion of convertible warrants into equity shares	1500000	9.82
				28.11.2014	58	Transfer	1500058	9.82
				05.12.2014	3151	Transfer	1503209	9.84
				12.12.2014	4973	Transfer	1508182	9.87
				09.01.2015	-277	Transfer	1507905	9.87
				16.01.2015	283	Transfer	1508188	9.87
	At the end of the year	1508188	9.87	31.03.2015				
5	Gutte Infra Private Limited	675000	4.95	01.04.2014				
				04.08.2014	825000	Conversion of convertible warrants into equity shares	1500000	9.82
	At the end of the year	1500000	9.82	31.03.2015				
6	Vijay Ratnakar Gutte	675000	4.95	01.04.2014	-	Nil movement during the year	-	-
	At the end of the year	675000	4.42	31.03.2015				
7	Swati Ratnakar Gutte	6000	0.04	01.04.2014	-	Nil movement during the year	-	-
	At the end of the year	6000	0.04	31.03.2015				

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

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Vikram Pratapbhai Kotak	-	-	01.04.2014				
				27.02.2015	210000	Transfer	210000	1.37
	At the end of the year	210000	1.37	31.03.2015				
2	ITI Financial Services Limited	-	-	01.04.2014				
				14.11.2014	30554	Transfer	30554	0.20
				28.11.2014	200000	Transfer	230554	1.51
				05.12.2014	-50000	Transfer	180554	1.18
				27.02.2015	-35000	Transfer	145554	0.95
				06.03.2015	-30000	Transfer	115554	0.76
				13.03.2015	30000	Transfer	145554	0.95
	At the end of the year	145554	0.95	31.03.2015				

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
3	Sharekhan Financial Services Pvt Ltd	-	-	01.04.2014				
				25.04.2014	3394	Transfer	3394	0.02
				02.05.2014	-394	Transfer	3000	0.02
				16.05.2014	-3000	Transfer	0	0.00
				28.11.2014	100000	Transfer	100000	0.65
				05.12.2014	-12500	Transfer	87500	0.57
				31.12.2014	2500	Transfer	90000	0.59
				30.01.2015	8000	Transfer	98000	0.64
		13.02.2015	2000	Transfer	100000	0.65		
	At the end of the year	100000	0.65	31.03.2015				
4	Silverstone Infraventures Private Limited	-	-	01.04.2014				
				31.12.2014	17221	Transfer	17221	0.11
				23.01.2015	50779	Transfer	68000	0.45
				30.01.2015	379	Transfer	68379	0.45
				27.03.2015	16361	Transfer	84740	0.55
	At the End of the year	84740	0.55	31.03.2015				
5	Remcom Sales Services Pvt Ltd	-	-	01.04.2014				
				27.03.2015	75000	Transfer	75000	0.49
	At the end of the year	75000	0.49	31.03.2015				
6	Gauri Shankar Marda	59000	0.43	01.04.2014				
					-	Nil movement during the year	59000	0.39
				31.03.2015				
	At the End of the year	59000	0.39	31.03.2015				
7	Premlata Ramakant Fatehpuria	23246	0.17	01.04.2014				
				16.05.2014	-10000	Transfer	13246	0.10
				23.05.2014	5000	Transfer	18246	0.13
				08.08.2014	18948	Transfer	37194	0.24
				22.08.2014	10420	Transfer	47614	0.31
				22.09.2014	4855	Transfer	52469	0.34
				19.12.2014	99	Transfer	52568	0.34
				31.12.2014	1901	Transfer	54469	0.36
	At the End of the year	54469	0.36	31.03.2015				
8	Fatehpuria Business Associates Private Limited	-	-	01.04.2014				
				05.12.2014	53000	Transfer	53000	0.35
	At the end of the year	53000	0.35	31.03.2015				
9	Rajni Tarun Jain	50927	0.37	01.04.2014				
					-	Nil movement during the year	50927	0.33
	At the end of the year	50927	0.33	31.03.2015				
10	Suresh Kanmal Jajoo	-	-	01.04.2014				
				21.11.2014	20000	Transfer	20000	0.13



Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
				09.01.2015	10000	Transfer	30000	0.20
				23.01.2015	10000	Transfer	40000	0.26
				30.01.2015	10000	Transfer	50000	0.33
				06.03.2015	10000	Transfer	60000	0.39
				13.03.2015	-10000	Transfer	50000	0.33
	At the end of the year	50000	0.33	31.03.2015				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Ratnakar Manikrao Gutte, Chairman	2202500	16.16	01.04.2014	-	Nil movement during the year		
		2202500	14.42	31.03.2015				
2	Sudhamati Ratnakar Gutte Executive Director	1968750	14.45	01.04.2014	-	Nil movement during the year		
		1968750	12.89	31.03.2015				
3	Sunil Ratnakar Gutte Managing Director	1678740	0.00	01.04.2014	-	Nil movement during the year		
		1678740	10.99	31.03.2015				
4	Vijay Ratnakar Gutte Executive Director & CFO	675000	4.95	01.04.2014	-	Nil movement during the year		
		675000	4.42	31.03.2015				
5	Venkataramana Condoor Executive Director	-	-	01.04.2014	-	Nil movement during the year		
		-	-	31.03.2015				
6	Anupam Dhiman, Executive Director	-	-	01.04.2014	-	Nil movement during the year		
				31.03.2015				
7	Dilip Yeshwant Ghanekar Non-Executive Director	-	-	01.04.2014	-	Nil movement during the year		
		-	-	31.03.2015				
8	Sonyabapu Shankar Waghmare Non-Executive Director	-	-	01.04.2014	-	Nil movement during the year		
		-	-	31.03.2015				
9	Parag Ashok Sakaliker Non-Executive Director	110	-	01.04.2014	-	Nil movement during the year		
		110	-	31.03.2015	-			
10	Sajid Imran Ali Non-Executive Director	-	-	01.04.2014	-	Nil movement during the year		
		-	-	31.03.2015				

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
11	Siddharth Ratilal Mehta Non-Executive Director	-		01.04.2014	-	Nil movement during the year		
		-		31.03.2015				
12	Anil Ramchandra Aurangabadkar Non-Executive Director	-		01.04.2014	-	Nil movement during the year		
		-		31.03.2015				
13	Shrikant Chandrashekhar Rikhe Company Secretary	-		01.04.2014	-	Nil movement during the year		
		-		31.03.2015				

Note:

The increased paid-up capital ₹15.28 crore (w.e.f. 04.08.2014) is considered for the calculation of percentage in above tables.

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	39,25,37,332	-	-	39,25,37,332
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13,25,881	-	-	13,25,881
Total (i+ii+iii)	39,38,63,213	-	-	39,38,63,213
Change in Indebtedness during the financial year				
· Addition	62,35,35,953	-	-	62,35,35,953
· Reduction	41,04,41,544	-	-	41,04,41,544
Net Change	21,30,94,409	-	-	21,30,94,409
Indebtedness at the end of the financial year				
i) Principal Amount	60,56,31,741			60,56,31,741
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	34,79,224			34,79,224
Total (i+ii+iii)	60,91,10,965	-	-	60,91,10,965

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager							Total Amount
		Ratnakar M. Gutte	Sudhamati R. Gutte	Sunil R. Gutte	Vijay R. Gutte	Venkata-ramana Condoor	Anupam Dhiman	M N Mohanan	
1	Gross salary								
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84,00,000	48,00,000	52,00,000	48,00,000	95,33,190	25,65,463	26,59,677	3,79,58,330
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8,40,000	-	-	-	-	-	-	8,40,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-	-	-
	- others	-	-	-	-	-	-	-	-
5	Others	-	-	-	-	-	-	-	-
	Total (A)	92,40,000	48,00,000	52,00,000	48,00,000	95,33,190	25,65,463	26,59,677	3,87,98,330
	Ceiling as per the Act								4,11,33,402

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Dilip Yeshwant Ghanekar	Sonyabapu Shankar Waghmare	Parag Ashok Sakalikor	Sajid Imran Ali	Siddharth Ratilal Mehta	Anil Ramchandra Aurangabadkar	
1	Independent Directors							
	Fee for attending board / committee meetings	20,000	40,000	20,000	40,000	40,000	10,000	1,70,000
	· Commission	-	-	-	-	-	-	-
	· Others	-	-	-	-	-	-	-
	Total (1)	20,000	40,000	20,000	40,000	40,000	10,000	1,70,000
2	Other Non-Executive Directors							
	· Fee for attending board / committee meetings	-	-	-	-	-	-	-
	· Commission	-	-	-	-	-	-	-
	· Others	-	-	-	-	-	-	-
	Total (2)							
	Total (B)=(1+2)	20,000	40,000	20,000	40,000	40,000	10,000	1,70,000
	Total Managerial Remuneration							3,89,68,330
	Overall Ceiling as per the Act							4,11,33,402

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total
		CEO*	Company Secretary (Shrikant C. Rikhe)	CFO** (Vijay R. Gutte)	
1	Gross salary	-	3,42,480	-	3,42,480
	(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	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	-others	-	-	-	-
5	Others	-	-	-	-
	Total	-	3,42,480	-	3,42,480

Note:

* Salary of CEO is not applicable.

** For remuneration of CFO please refer table VI. A.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			None		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

Annexure - E

Form No. AOC-1

Statement containing salient features of financial statement of Subsidiaries

Part "A": Subsidiaries

Name of the Subsidiary	Seam Industries Limited	SHEL Investments Consultancy Pvt. Ltd.	Sunil Hitech Energy Pvt. Ltd.	Sunilhitech India Infra Pvt. Ltd.	Sunilhitech (Solar) Dhule Pvt. Ltd.	Patna Green Enrgy Pvt. Ltd.
Period	FY 2014-15	FY 2014-15	FY 2014-15	FY 2014-15	FY 2014-15	FY 2014-15
Reporting Currency	(₹ In Lacs)	(₹ In Lacs)	(₹ In Lacs)	(₹ In Lacs)	(₹ In Lacs)	(₹ In Lacs)
Share Capital	553.00	1.00	1,872.00	451.00	1,180.00	1.00
Reserve and Surplus	3,306.64	(1.94)	2.94	551.53	-	-
Total Assets	14,014.48	1,211.31	5,217.79	8,733.43	3,772.60	18.44
Total Liabilities	14,014.28	1,211.31	5,217.79	8,733.42	3,772.60	18.44
Investments	16.00	1,210.74	-	221.88	-	-
Turnover	16,666.43	-	-	15,175.98	-	-
Profit Before Tax	671.15	(0.33)	-	696.84	-	-
Profit After Tax	422.36	(0.33)	-	467.01	-	-
Proposed Dividend	-	-	-	-	-	-
% shareholding	88.61	99.99	51.00	97.51	100.00	90.00

Part B: Associates and Joint Ventures

1. Name of Associates	Gangakhed Sugar & Energy Limited	PBSPL-SHEL-JV	MSMC Adkoli Natural Resources Limited
2. Latest Audited Balance sheet Date	31/03/2015	31/03/2015	31/03/2015
Shares of Associates held by the Company on the financial year ended as on 31st March, 2015			
No.	19,540,000	-	4,900
Amount of Investment in Associates	196,600,000	-	
Extent of Holding %	28.08%	49.00	24.99
3. Description of how there is significant influence	The Company has more than 20% stake in the Associate and both the Companies i.e. Sunil Hitech Engineers Limited and Gangakhed Sugar & Energy Limited (Associate) belong to same promoters group.		
4. Reason why the associate / joint ventures is not consolidated	Not Applicable		
5. Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in lacs)	3,738.64	-	100,000
Profit / Loss for the year (₹ in lacs)	980.67	-	-
Considered in consolidation (₹ in lacs)	804.66	-	-
Not considered in consolidation	-	-	-

For and on behalf of Board of Directors

Shrikant Rikhe
Company Secretary

Vijay R. Gutte
Chief Financial Officer

Ratnakar M. Gutte
Chairman

Sunil R. Gutte
Managing Director



REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The term Corporate Governance refers to the set of systems, principles, practices, or set of laws, regulations required to manage an organization efficiently and ethically to meet the expectations of shareholders, creditors, bankers, employees and all other persons dealing with or associated with the Organization. Your Company firmly believes that the maintenance of good corporate governance practices is very much essential to sustain in the Corporate Sector & to maintain its growth & the confidence reposed in the organization by the stakeholders, bankers, employees and all other persons dealing with the Company.

Your Company has established and maintained good governance systems & procedures by ensuring timely disclosure of all material facts, events and information to the management, strengthening interpersonal relationships among the employees and the management, strengthening communication between Board and its committees, securing compliance with all applicable laws to secure the interest of the stakeholders, bankers, creditors, employees and other persons dealing with the Company.

Your Company continuously follows good corporate governance practices to maximize shareholders returns, to optimize the utilization of resources towards the corporate goal, to increase the value of the organization, to strengthen its relationships with employees, shareholders, creditors and to practice highest degree of professionalism and integrity within the organization.

II. BOARD COMPOSITION

Size and Composition of the Board

The Board has a combination of Executive and Non-Executive Independent Directors as provided in the Listing Agreement to ensure independency and transparency in managerial decision making in Board & Committee Meetings, to secure the interests of the company, its employees, stakeholders and creditors. As on 31st March, 2015, the Board comprises of Twelve Directors. The details of the composition of the Board of Directors & details of other directorships held by them, during the year are as mentioned below:

Composition of the Board, Directorships held, attendance of Directors at the Board Meetings and the last Annual General Meeting:

Name of the Director	Category of Director	No. of Board Meetings Attended	Whether Last AGM Attended	No. of other Directorships#	No. of Shares held@	Committee position held in other public companies*	
						Chairman	Member
Mr. Ratnakar M. Gutte	P&ED	3	No	2	22,02,500	-	1
Mrs. Sudhamati R. Gutte	P&ED	3	No	1	19,68,750	-	1
Mr. Sunil R. Gutte	P&ED	7	Yes	3	16,78,740	-	2
Mr. Vijay R. Gutte	P&ED	6	No	1	6,75,000	-	1
Mr. Venkataramana Condoor	ED	7	No	-	Nil	-	-
Mr. M. N. Mohanan**	ED	2	No	-	1,005	-	-
Mr. Anupam Dhiman***	ED	2	No	-	Nil	-	-
Mr. Dilip Y. Ghanekar	I&NED	3	No	-	Nil	-	-
Mr. S. S. Waghmare	I&NED	4	No	-	Nil	-	-
Mr. Sajid Ali	I&NED	4	No	-	Nil	-	-
Mr. Parag Sakalikar	I&NED	4	No	1	110	1	-
Mr. Anil Aurangabadkar	I&NED	1	No	-	Nil	-	-
Mr. Siddharth R. Mehta	I&NED	3	Yes	1	Nil	-	-

Notes:

- P – Promoter, ED – Executive Director, I – Independent Director, NED – Non Executive Director.
- #Excludes Private Limited Companies, Companies registered not for earning profit (Section 8 Companies) and Foreign Companies.
- @ Details of shares held as on 31st March, 2015.
- *Committee position held in Audit committee and Stakeholder relationship committee has been considered.
- **Mr. M.N. Mohanan has ceased to be director in the Company w.e.f. 08.10.2014.
- ***Mr. Anupam Dhiman has been appointed as an Executive Director of the company w.e.f. 18.10.2014.

Board Meetings held and the dates on which held

During the financial year 2014-15, Seven Board Meetings were held. The Board meets at least once every quarter inter-alia to discuss and review the performance of the Company; its future plans, financial and other issues, and other important aspects.

Sr. No.	Date	No. of Directors Present
1	29th May, 2014	08
2	14th August, 2014	08
3	21st August, 2014	06
4	07th October, 2014	06
5	18th October, 2014	05
6	14th November, 2014	08
7	12th February, 2015	08

III. AUDIT COMMITTEE

Composition

The Board has reconstituted the Audit Committee to meet the requirements of Section 177 of the Companies Act, 2013 read with Clause 49 of the Listing Agreement. During the year Mr. Ratnakar M. Gutte has resigned from the Audit Committee and Mr. Sonyabapu Waghmare has been appointed as member of the Committee. He has also been appointed as Chairman of the Committee as Mr. Parag Sakalikar has resigned from the designation of Chairman of the Committee. Presently the Audit Committee consists of five members- Mr. Sonyabapu Waghmare, Chairman and Mr. Parag Sakalikar, Mr. Dilip Y. Ghanekar, Mr. Sajid Ali and Mr. Vijay R. Gutte, Members. All these Members are financially literate. Majority of the members of the Committee are Independent Directors as required under Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Meetings and attendance during the year

During the financial year 2014-15, the meetings of Audit Committee were held on 28th May, 2014; 14th August, 2014; 14th November, 2014; 12th February, 2015.

The details of no. of meetings attended by the members are as follows:

Name of Members	Category	Meetings Attended
Mr. Sonyabapu Waghmare	Chairman	1
Mr. Parag Sakalikar	Member	3
Mr. Dilip Y. Ghanekar	Member	2
Mr. Sajid Ali	Member	3
Mr. Vijay R. Gutte	Member	4

Terms of reference

Powers of Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of Audit Committee

1. 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;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate

recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Review of information by Audit Committee

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

IV. NOMINATION AND REMUNERATION COMMITTEE

Composition

In compliance with provisions of Section 178 of the Companies Act, 2013 your Board of Directors has reconstituted the Remuneration Committee as Nomination and Remuneration Committee consists of three Independent Directors namely, Mr. Parag Sakalikar, Chairman Mr. Sajid Ali and Mr. Dilip Y. Ghanekar, Members.

Meetings and attendance during the year

During the financial year 2014-15, there were four meetings of the Committee held on 14.08.2014, 20.08.2014, 07.10.2014 and 18.10.2014.

The details of no. of meetings attended by the members are as follows:

Name of Members	Category	Meetings Attended
Mr. Parag Sakalikar	Member	4
Mr. Dilip Y. Ghanekar	Member	4
Mr. Sajid Ali	Member	4

Terms of reference

The role of the committee shall, inter-alia, include the following:

1. 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;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. 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 formal annual evaluation of the Board and its committees and individual Directors is done on the basis of the criteria formulated by the Nomination and Remuneration committee.

Details of remuneration to all the Directors

Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager							Total Amount
		Ratnakar M. Gutte	Sudhamati R. Gutte	Sunil R. Gutte	Vijay R. Gutte	Venkataramana Condoor	Anupam Dhiman	M N Mohanan	
1	Gross salary								
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84,00,000	48,00,000	52,00,000	48,00,000	95,33,190	25,65,463	26,59,677	3,79,58,330
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	8,40,000	-	-	-	-	-	-	8,40,000
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-	-	-
	- others	-	-	-	-	-	-	-	-
5	Others	-	-	-	-	-	-	-	-
	Total	92,40,000	48,00,000	52,00,000	48,00,000	95,33,190	25,65,463	26,59,677	3,87,98,330

Sitting fees to Non-executive directors:

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Dilip Yeshwant Ghanekar	Sonyabapu Shankar Waghmare	Parag Ashok Sakalikar	Sajid Imran Ali	Siddharth Ratilal Mehta	Anil Ramchandra Aurangabadkar	
1	Independent Directors							
	Fee for attending board / committee meetings	20,000	40,000	20,000	40,000	40,000	10,000	1,70,000
	· Commission	-	-	-	-	-	-	-
	· Others	-	-	-	-	-	-	-
	Sub Total	20,000	40,000	20,000	40,000	40,000	10,000	1,70,000
2	Other Non-Executive Directors							
	· Fee for attending board / committee meetings	-	-	-	-	-	-	-
	· Commission	-	-	-	-	-	-	-
	· Others	-	-	-	-	-	-	-
	Total	20,000	40,000	20,000	40,000	40,000	10,000	1,70,000

V. STAKEHOLDER RELATIONSHIP COMMITTEE

Composition

The Stakeholder Relationship Committee comprised of three Directors including two Independent Directors, Mr. Sajid Ali, Chairman, Mr. Dilip Y. Ghanekar and Mr. Sunil R. Gutte, Members.

Name and Designation of Compliance Officer:

Mr. Shrikant Chandrashekhar Rikhe,
Company Secretary and Compliance Officer.

Meetings and attendance during the year

During the financial year 2014-15 meetings of the Committee were held on 28th May, 2014; 14th August, 2014; 14th November, 2014 and 12th February, 2015. The name of the members of the Stakeholder Relationship Committee and the number of meetings attended by them are as follows:

Name of Members	Category	Meetings Attended
Mr. Sajid Ali	Chairman	3
Mr. Dilip Y. Ghanekar	Member	2
Mr. Sunil R. Gutte	Member	4

Terms of reference

The Committee has been constituted to resolve the complaints and grievances of the investors/stakeholders and also to function in an efficient manner that all issues / concerns of stakeholders are addressed / resolved promptly.

Shareholder's Services:

The Company has received 08 complaints during the year and 08 of them have been redressed /answered to the satisfactory of the Shareholders. One investor grievance remained unresolved as of 31.03.2014 resolved subsequently.

No investor grievance remained unattended for more than 30 days.

The classification of complaints based on their nature was as follows:

Sr. No.	Descriptions	No. of Complaints
1	Non Receipt of Dividend Warrant	6
2	SEBI/Stock Exchanges	3
	TOTAL	9

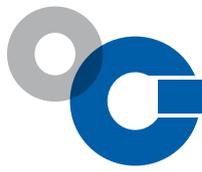
VI. CORPORATE SOCIAL RESPONSIBILITY (CSR COMMITTEE)

Composition

As required under Section 135 of the Companies Act, 2013 the Company has constituted Corporate Social Responsibility Committee consisting of five Members namely, Mr. Sonyabapu Waghmare, Mr. Parag Sakalikar Mr. Siddharth Mehta, Mr. Sunil R. Gutte and Mr. Venkataramana.

Meetings and attendance during the year

During the financial year 2014-15, there were two meetings of the Committee held on 14th August, 2014 and 14th November, 2014.



Name of Members	Category	Meetings Attended
Mr. Sonyabapu Waghmare	Chairman	2
Mr. Parag Sakaligar	Member	1
Mr. Siddharth Mehta	Member	2
Mr. Sunil R. Gutte	Member	2
Mr. Venkataramana Condoor	Member	2

Terms of reference

The Committee shall formulate and recommend to the Board a Corporate Social Responsibility Policy, recommend the amount of expenditure to be incurred on CSR Activities and monitor Corporate Social Responsibility Policy of the Company from time to time.

VII. GENERAL BODY MEETINGS

Annual General Meeting during last 3 financial years were held on 27th September, 2012 (For F.Y.2011-12), 26th September, 2013 (For F.Y.2012-13) and 29th September, 2014 (for F.Y. 2013-14) at the same location i.e. at the registered office of the company – ‘Ratnadeep’, Jaynagar, Parli – Vajinath, Dist – Beed 431520. The Special resolution(s) were passed at all three previous Annual General Meetings with requisite majority.

Sl. No.	Date	Venue	Time	Special Resolution
1	27.09.2012	‘Ratnadeep’, Jaynagar, Parli Vajinath, Dist – Beed 431520	2:00 P.M.	Yes
2	26.09.2013	‘Ratnadeep’, Jaynagar, Parli Vajinath, Dist – Beed 431520	2:00 P.M.	Yes
3	29.09.2014	‘Ratnadeep’, Jaynagar, Parli Vajinath, Dist – Beed 431520	2:00 P.M.	Yes

Postal ballot:

During the financial year 2014-15, there was no resolution passed through postal ballot process. Also there is no proposed resolution(s) to be passed through postal ballot.

VIII. DISCLOSURES

i) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have the potential conflict with the interest of the Company at large:

None of the transactions with any of the related parties was in conflict with the interests of the Company. The transactions with the related parties are disclosed in the Notes to the Financial Statements.

- ii) During the last 3 financial years, there were no instances of non-compliance by the Company on any matters related to the capital markets or penalties/strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority.
- iii) The Company has established ‘Whistle Blower Policy/ Vigil Mechanism’. No person has been denied access to the audit committee.
- iv) The Company has complied with the mandatory requirements of Clause 49 of the listing agreement and

submits on quarterly/half yearly/yearly basis the quarterly/half yearly/yearly reports to the concerned Stock Exchanges.

IX. MEANS OF COMMUNICATION

Your Company publishes its quarterly / half yearly / annual financial results within 48 hours of approval by the Board in one English daily newspaper The Hindu Business Line and one Marathi daily newspaper Sakal. These financial results are also posted on our official Website www.sunilhitech.com. Our means of communication are transparent and timely. In addition to the financial results, we publish the other information too, as required to be published under the Companies Act, 2013 or the Listing Agreement or any other laws applicable or as may be required in the public interest.

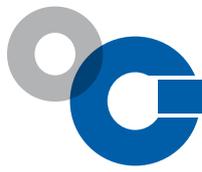
Apart from disclosing information in Newspapers, we provide and update from time to time various information about our Company at our official website www.sunilhitech.com related with investors, customers, etc. and all other person dealing with your Company. In addition to this, we also send ‘Investors Presentation’ on quarterly basis to research analysts and financial institutions.

X. GENERAL SHAREHOLDER INFORMATION

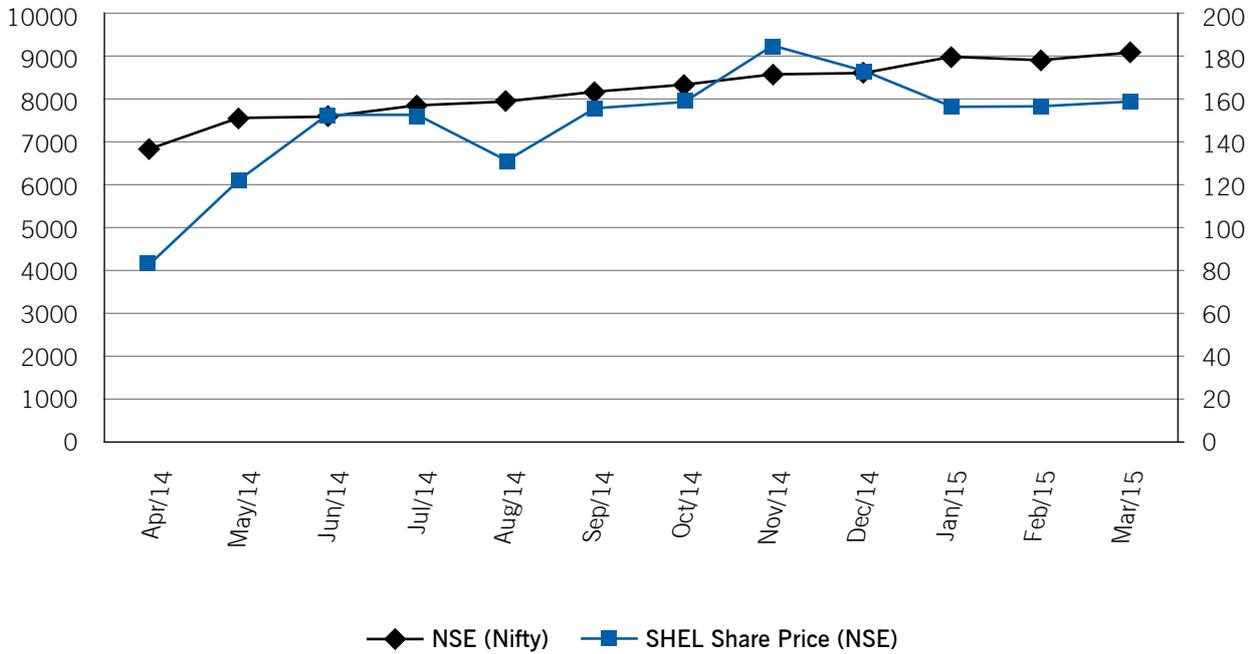
- i) Annual General Meeting
Date, time and venue : Thursday, the 23rd July, 2015 at 02.00 pm
'Ratnadeep', Jaynagar, Parli Vajinath, Dist. Beed, Pin- 431520, Maharashtra
- ii) Financial Calendar (Tentative)
Results for the Quarter ending:
30th June, 2015 : Upto 14th August, 2015
30th September, 2015 : Upto 14th November, 2015
31st December, 2015 : Upto 14th February, 2016
31st March, 2016 : Within the time and mode as permissible under the Listing Agreement
- iii) Dates of Book Closure : 17th July, 2015 to 23rd July, 2015
(Both days inclusive)
- iv) Dividend Payment Date : Credit/dispatch of dividend warrants within 30 days of declaration.
- v) Listing on Stock Exchanges : **BSE Ltd.**
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001
(Code: 532711)
The National Stock Exchange of India Ltd.
“Exchange Plaza” Plot No. C/1, G – Block, Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051
(Code: SUNILHITEC)
- vi) ISIN Number for NSDL and CSDL : INE305H01010
- vii) Stock Market Data:

Monthly high & low quotes of Shares traded in NSE & BSE

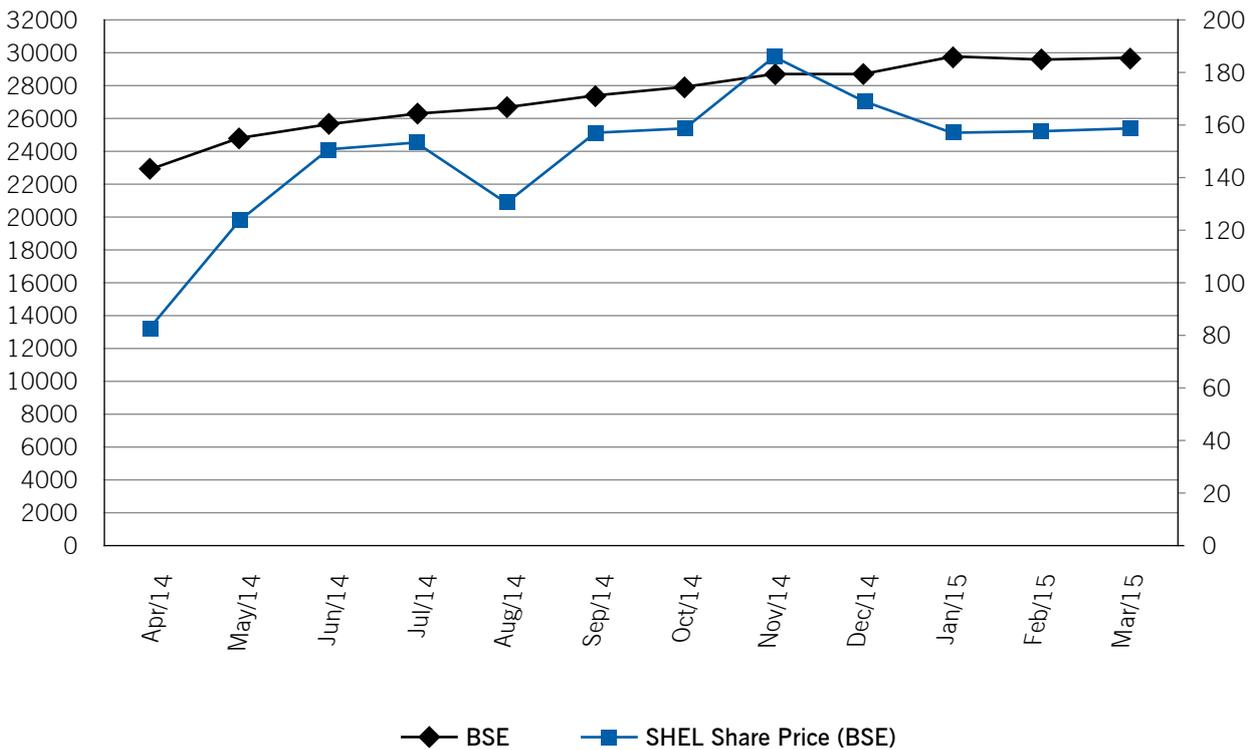
Period	NSE			BSE		
	High	Low	Volume	High	Low	Volume
Apr-14	82.5	70.7	910886	82.8	70	405175
May-14	122.7	72.55	1727586	123.8	72.5	650989
Jun-14	152.55	125.6	1987513	150.25	127.25	903500
Jul-14	152.8	113.6	770514	152.95	119.5	343949
Aug-14	130.2	110.8	684670	130.35	110.65	272013
Sep-14	156.35	126.7	2953154	156.2	127.6	1121507
Oct-14	158.85	137.2	966863	158.95	138	334833
Nov-14	185.2	153.8	2490634	185.45	152.75	903496
Dec-14	173.15	136.85	2319401	168.95	137.1	585919
Jan-15	156.85	137.55	1197861	156.95	137.45	517760
Feb-15	157.2	138.15	1216415	156.6	138.25	428150
Mar-15	158.75	138.95	1843034	158.8	139	600691



Stock Performance
NSE



BSE



- viii) Registrar and Transfer Agents : Bigshare Services Private Limited,
E-2/3, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri (E), Mumbai - 400 072
Tel: 022-40430200
Email: info@bigshareonline.com
- ix) Share Transfer System : Share Transfers in physical form can be lodged with Bigshare Services Private Limited at the above mentioned address. The transfers are generally processed within 10 days from the date of receipt, if the documents are complete in all respects and thereafter informed to the concerned person.
- x) Shareholding Pattern and Distribution of Equity Shareholding as on 31st March, 2015.

a) Shareholding Pattern :

Sr. No.	Category	No. of Shares	Shareholding (%)
1.	Promoter Holding		
	Indian Promoter	9539178	62.45
	Foreign Promoter	Nil	Nil
2.	Financial Institutions & Banks	60052	0.39
3.	Corporate Bodies	1121160	7.34
4.	NRI, Foreign National, OBCs & FIIS	150909	0.99
5.	Individual Shareholders Holding Nominal Capital up to ₹1 Lac	3284486	21.50
	Individual Shareholders Holding Nominal Capital in excess of ₹1 Lac	1026158	6.72
6.	Clearing Member	93054	0.61
7.	Trust	53	0.00
8.	Directors	110	0.00
	TOTAL	15275160	100.00

b) Distribution of Shareholding

No. of Shares held	Shareholders		Shares	
	No.	%	No.	%
Upto 5000	13074	89.89	1437303	9.41
5001-10000	735	5.05	597246	3.91
10001-20000	367	2.52	556847	3.65
20001-30000	115	0.79	295909	1.94
30001-40000	66	0.45	239142	1.57
40001-50000	56	0.39	263092	1.72
50001-100000	58	0.40	408687	2.67
100001 & above	73	0.51	11476934	75.13
TOTAL	14544	100.00	15275160	100.00

xi) De-materialization of shares and liquidity

The shares are compulsorily traded in de-materialised form and available for trading system at both National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

We submit the Secretarial Audit Report duly certified by the Practicing Company Secretary in time to keep the Stock Exchanges updated about the latest position of our shares.

As on 31st March, 2015 Shares held in CDSL, NSDL & in Physical form are as follows:-

Particulars	No. of Shares	% of total Capital Issued
CDSL	1915832	12.54
NSDL	13358474	87.45
PHYSICAL	854	0.01
TOTAL	1,52,75,160	100.00

xii) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

As on 31st March, 2015 there are 20,50,000 outstanding warrants convertible into equity shares. Each warrant entitles the holder thereof for one equity share of FV of ₹10 only. The last date for exercising the option of conversion of the aforesaid warrants is 20th May, 2016. If all warrant holders exercised their right to convert the warrants held by them to equity shares the paid-up capital shall increase to ₹173,251,600.

The Address of Registrar & Share Transfer Agent for communication is - Bigshare Services Private Limited, (Unit: Sunil Hitech Engineers Limited (INE305H01010)), E 2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400072.

xiii) Investor Correspondence Address:

The Address of our Registrar & Share Transfer Agent for communication is - Bigshare Services Private Limited, (Unit: Sunil Hitech Engineers Limited - (INE305H01010)), E 2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400072.

Details of Company Secretary & Compliance Officer:

Mr. Shrikant Chandrashekhar Rikhe

Sunil Hitech Engineers Limited

97, East High Court Road,

Ramdaspath, Nagpur – 440 010

Email: cs@sunilhitech.com / investor@sunilhitech.com

For Transfer / De-materialisation of shares, payment of dividend on shares and any other query relating to the shares of the Company:

Bigshare Services Private Limited,

E-2/3, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri (E), Mumbai - 400 072

Tel.: 022-40430200

Email: info@bigshareonline.com

Compliance Certificate of The Auditors

Certificate from the Company's Auditors, M/s. V. Sankar Aiyar & Co., Chartered Accountants confirming compliance with conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is attached to this Report.

CEO and CFO Certification

The Managing Director and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.

Compliance with Code of Conduct

As stipulated under the provisions of sub-clause (II) E(2) of Clause 49 of the Listing Agreement with stock exchanges, all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended on March 31, 2015.

By the order of the Board
For **Sunil Hitech Engineers Limited**

Place: Mumbai
Date: 28th May, 2015

Ratnakar Manikrao Gutte
Chairman

Sunil Ratnakar Gutte
Managing Director

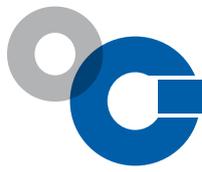
AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Sunil Hitech Engineers Limited

1. We have examined the compliance of conditions of Corporate Governance by SUNIL HITECH ENGINEERS LIMITED ("the Company"), for the year ended on 31st March, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of the opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the clause 49 of the above mentioned Listing Agreement.
4. We 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 **V SANKAR AIYAR & CO**
Chartered Accountants
(Firm's Registration No. 109208W)

ARVIND MOHAN
PARTNER
(Membership No. 124082)
Mumbai, 28th May, 2015



CEO / CFO CERTIFICATION

SHEL/LA/2015-16/28.05.2015

To,
The Board of Directors,
Sunil Hitech Engineers Ltd.,
'Ratnadeep', Jaynagar, Parli Vajjnath
Dist. – Beed, Pin – 431520

CEO / CFO certification for Preparation of Financial Statements on Standalone & Consolidated Basis

We, Sunil R. Gutte –Managing Director and Vijay R. Gutte – Chief Financial Officer hereby certify to the Board that:

- (a) We have reviewed financial statements and the cash flow statement prepared on standalone & consolidated basis for the financial year ended on 31st March, 2015 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we 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 the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee that
 - (i) There are no significant changes in internal control over financial reporting during the year;
 - (ii) There are no changes in accounting policies during the year requiring disclosure in the notes to financial statements; and
 - (iii) There are no instances of significant fraud in the company's internal control system over financial reporting.

Place: Mumbai
Date:28th May, 2015

Sunil R. Gutte
Managing Director

Vijay R. Gutte
Chief Financial Officer

Financial Section



Independent Auditor's Report

To the Members of
Sunil Hitech Engineers Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of SUNIL HITECH ENGINEERS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 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 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 standalone 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 there under.

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 misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 standalone financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (ii) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account

- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be 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 has disclosed the impact of pending litigation on its financial position in its financial statements – Refer Note 31 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm's Registration No. 109208W)

Arvind Mohan
Partner

Place: Mumbai
Date : 28th May 2015

(Membership No. 124082)

Annexure to the Independent Auditors' Report

(The Annexure referred to in the para (i) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of SUNIL HITECH ENGINEERS LIMITED on the financial statements for the year ended 31 March 2015)

(i) In respect of its fixed assets:

The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except location wise details of some of the movable assets shifted/transferred amongst various sites.

(a) As explained to us, the fixed assets have been physically verified by the management during the year as per the phased programme which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. We are informed that there were no material discrepancies noticed on such verification.

(ii) In respect of inventories:

(a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management.

(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventories and the discrepancies noticed on such physical verification between physical records and book records were not material and have been properly dealt with in the books of account.

(iii) (a) The company has granted secured or unsecured loans to three companies covered in the register maintained under section 189 of the Companies Act 2013. The maximum amount outstanding during the year is ₹618.99 Lacs and amount outstanding at the year end is ₹611.54 Lacs.

(b) In our opinion the rate of interest charged, wherever charged, and other terms and conditions thereof are prima facie, not prejudicial to the interest of the

Company.

(c) There are no over due amount more than Rupees one lac.

(iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that purchase of certain items of inventory and fixed assets are for the Company's specialized requirements and similarly, certain goods sold are for the specialized requirements of the buyers and suitable alternate source are not available to obtain comparable quotations there is generally adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory & fixed assets and for the sale of goods & services. In our opinion and according to the information and explanations given to us, we have not observed any major weakness during the course of Audit.

(v) The company has not accepted deposits from public.

(vi) The Central Government has prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act 2013 in respect of one of the products, manufactured by the company. We have broadly reviewed the accounts and records of the company and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) According to the information and explanations given to us in respect of statutory and other dues:

(a) The company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year except in case of Provident Fund, TDS and Advance tax where there are delays in depositing more than 6 months.

Period	Particulars	Amount	Due Date	Date Of Payment
July'14	TDS Rent	2,40,338	07-08-2014	30-04-2015
Aug'14	TDS Rent	5,70,489	07-09-2014	30-04-2015
Aug'14	TDS Contractor	15,00,000	07-09-2014	18-04-2015
Aug'14	TDS Contractor	9,29,305	07-09-2014	30-04-2015
Aug'14	Provident Fund	54,32,035	15-09-2014	08-04-2015
FY 2014-15	First and second instalment of advance tax	3,10,29,111	15-06-2014 & 15-09-2015 respectively	Not Paid

- (b) According to the information and explanations given to us based on the records of the company examined by us, there are no dues of Income Tax, Sales tax, Service Tax, Customs duty, Wealth Tax, Excise Duty, Excise Duty and Cess which have not been deposited on account of a dispute, except as enumerated herein below which are pending before respective authorities as mentioned there against:

Name of the Statute	Nature of the dues	Amount* (₹In Lacs)	Period to which amount relates(Financial Year)	Forum where dispute is pending
Service Tax under Finance Act,1994 & The Central Excise Act, 1994	Service Tax (Basic & Penalty)	972.69	2005-06 to 2010-11	Custom, Excise, Service Tax Appellate Tribunal
The Chhattisgarh Value Added Tax Act, 2005	VAT Tax(Basic)	35.85	2006-07 2007-08	2006-07 2007-08 Addl. Commissioner of Commercial Tax, Raipur
The Customs Act, 1962	Custom Duty	97.49	2007-08 2008-09	Commissioner of Customs(Import), Mumbai
The Income-Tax Act, 1961	Income Tax	291.17	2005-06 2009-10 2012-13	The Commissioner of Income Tax (Appeals) Mumbai

- (c) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
- (viii) The company does not have any accumulated losses at the end of the financial year. The company has not incurred cash losses in such financial year and in the immediately preceding financial year.
- (ix) Based on our audit procedures, information and explanations given to us, in our opinion the Company has not defaulted in repayment of dues to a financial institution and banks. The Company does not have any outstanding debentures during the year.
- (x) According to the information and explanations given to us, the terms and conditions on which the company has given any guarantee for loans taken by others from bank or financial institutions are prima facie not prejudicial to the interest of the company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the years.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm's Registration No. 109208W)

Arvind Mohan
Partner

Place: Mumbai
Date : 28th May 2015

(Membership No. 124082)

Balance Sheet as at 31 March 2015 (Standalone)

(₹ In Lacs)

Particulars	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	1,527.52	1,362.52
Reserves and Surplus	4	34,265.19	29,919.84
Money Received Against Share Warrants	5	616.33	301.13
		36,409.04	31,583.49
Non-current Liabilities			
Long Term Borrowings	6	4,360.52	3,036.68
Other Long Term Liabilities	7	11,444.07	9,569.54
Long Term Provisions	8	237.38	212.94
		16,041.97	12,819.16
Current Liabilities			
Short Term Borrowings	9	33,628.55	35,083.64
Trade Payables	10	41,447.47	47,738.84
Other Current Liabilities	7	12,050.60	11,607.54
Short Term Provisions	11	477.92	226.12
		87,604.54	94,656.14
Total		140,055.55	139,058.79
ASSETS			
Non-current Assets			
Fixed Assets	12		
Tangible Assets		12,824.39	10,929.90
Intangible Assets		221.54	330.01
Capital Work-in-Progress		1,174.55	733.40
Non Current Investments	13	4,996.99	3,568.44
Deferred Tax Assets	14	902.06	751.92
Long Term Loans and Advances	15	3,356.28	2,842.72
Other Non Current Assets	16	4,409.98	4,284.69
		27,885.79	23,441.08
Current Assets			
Current Investments	17	-	25.00
Inventories	18	17,482.11	13,950.93
Trade Receivables	19	37,996.93	47,342.53
Cash and Bank Balances	20	8,984.99	8,320.24
Short Term Loans and Advances	15	18,074.80	15,185.49
Other Current Assets	16	29,630.93	30,793.52
		112,169.76	115,617.71
Total		140,055.55	139,058.79
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Regn No 109208W

For and on behalf of Board of Directors

Arvind Mohan
Partner
Membership No.124082
Mumbai, 28 May 2015

Shrikant Rikhe
Company Secretary

Vijay R. Gutte
Chief Financial Officer

Ratnakar M. Gutte
Chairman

Sunil R. Gutte
Managing Director

Statement of Profit and Loss for the Year Ended 31 March 2015 (Standalone)

(₹ In Lacs)

Particulars	Note	Year ended 31 March 2015	Year ended 31 March 2014
REVENUE			
Revenue from Operations	21	164,897.54	143,224.05
Other Income	22	1,627.31	993.64
Total Revenue		166,524.85	144,217.69
EXPENSES			
Project Material Consumed and Cost of Goods Sold		94,011.41	86,188.62
Contract and Site Expenses	23	46,579.55	32,445.74
Employee Benefits Expense	24	6,394.03	6,592.25
Finance Costs	25	7,785.67	7,697.56
Depreciation and Amortisation Expense	26	2,585.85	2,437.77
Other Expenses	27	3,585.00	4,803.71
Total Expenses		160,941.51	140,165.65
Profit Before Tax		5,583.34	4,052.04
Tax Expenses			
-Current Tax			
Expenses for Current Year		1,983.50	1,471.30
Expenses Relates to Prior Years		44.94	25.84
-Deferred Tax			
		(134.75)	56.74
Profit for the year from Continuing Operations		3,689.65	2,498.16
There are no Exceptional, Extraordinary Items and Discontinuing operations.			
Earnings per share (Face Value ₹10/-)	28		
Basic (₹)		25.08	20.28
Diluted (₹)		24.82	20.28
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For V. Sankar Aiyar & Co.

Chartered Accountants

Firm Regn No 109208W

For and on behalf of Board of Directors

Arvind Mohan

Partner

Membership No.124082

Mumbai, 28 May 2015

Shrikant Rikhe

Company Secretary

Vijay R. Gutte

Chief Financial Officer

Ratnakar M. Gutte

Chairman

Sunil R. Gutte

Managing Director

Statement of Cash Flow for the Year Ended 31 March 2015 (Standalone)

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	5,583.34	4,052.04
Adjustment for :		
Depreciation and Amortisation Expense	2,585.85	2,437.77
Exchange Differences	(21.50)	638.42
Bad Debts/ Advances Written off	0.81	-
Provision for Doubtful Debts/ Advances	-	18.19
Loss (Profit) on Sale of Non Current Investments	(2.56)	-
Wealth Tax (Included in Other Expenses)	2.70	2.70
Loss from Partnership Business	0.07	0.99
Amount Written Back	(85.22)	(7.14)
Loss (Profit) on Sale of Fixed Assets	(26.95)	28.77
Interest Expenses (Considered in Financing Activities)	7,785.67	7,697.56
Interest Incomes (Considered in Investing Activities)	(709.91)	(802.72)
Interest Income from Partnership Firm (Considered in Investing Activities)	(27.72)	(27.72)
Operating Profit before Working Capital Changes :	15,084.58	14,038.86
Decrease (Increase) in Inventories	(3,531.18)	(4,439.51)
Decrease (Increase) in Trade Receivables	9,401.52	(10,160.55)
Decrease (Increase) in Other Current Assets	1,054.56	(6,787.02)
Decrease (Increase) in Long Term Loans and Advances	(213.49)	(140.69)
Decrease (Increase) in Short Term Loans and Advances	(2,923.30)	(6,693.81)
Increase (Decrease) in Long Term Provisions	24.44	(0.95)
Increase (Decrease) in Short Term Provisions	81.98	(9.89)
Increase (Decrease) in Trade Payables	(6,291.37)	22,488.92
Increase (Decrease) in Other Non Current Liabilities	1,874.53	1,969.57
Increase (Decrease) in Other Current Liabilities	(618.97)	4,240.09
Cash Generated from Operations	13,943.30	14,505.02
Net Income Tax Paid	(1,726.60)	(1,614.97)
Cash Flow Before Extraordinary Items	12,216.70	12,890.05
Extraordinary Income	-	-
Net Cash Flow from (used in) Operating Activities (A)	12,216.70	12,890.05
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on Fixed assets including Capital Advances	(5,334.45)	(2,709.65)
Proceeds from sale of Fixed Assets	178.31	102.15
Investments in Subsidiaries	(1,400.90)	(239.77)
Investments in Mutual Funds	25.00	(100.00)
Share Application Money Given	24.72	(683.73)
Bank Balances not considered as Cash and Cash Equivalents (net)	583.21	(756.41)
Interest Received	756.39	845.33
Net Cash Flow from (Used in) Investing Activities (B)	(5,167.72)	(3,542.08)

Statement of Cash Flow for the Year Ended 31 March 2015 (Standalone)

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	6,235.36	152.98
Repayment of Long Term Borrowings	(4,104.42)	(973.93)
Proceeds (Repayment) of Short Term Borrowings	(1,433.59)	(1,518.12)
Money received against Share Warrants	1,519.70	739.13
Dividend Paid	(184.36)	(172.25)
Interest Paid	(7,798.44)	(7,702.91)
Net Cash Flow from (Used in) Financing Activities (C)	(5,765.75)	(9,475.10)
Net Increase (Decrease) in Cash and Cash Equivalents (A+B+C)	1,283.23	(127.13)
Cash and Cash Equivalents as at the Beginning of the Year	977.49	1,104.62
Cash and Cash Equivalents as at the End of the Year	2,260.72	977.49
Components of Cash and Cash Equivalents		
Balances with Banks - in Current Accounts	2,074.58	875.30
Deposits with original maturity of upto three months	30.00	-
Cash on Hand	156.14	102.19
Total Cash and Cash Equivalents	2,260.72	977.49

Figures in brackets indicates outflow.

Significant Accounting Policies (Refer note 2)

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For V. Sankar Aiyar & Co.

Chartered Accountants

Firm Regn No 109208W

For and on behalf of Board of Directors

Arvind Mohan

Partner

Membership No.124082

Mumbai, 28 May 2015

Shrikant Rikhe

Company Secretary

Vijay R. Gutte

Chief Financial Officer

Ratnakar M. Gutte

Chairman

Sunil R. Gutte

Managing Director



Notes to Financial Statements for the Year Ended 31 March 2015

1 GENERAL INFORMATION

Sunil Hitech Engineers Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013). Its shares are listed on two stock exchanges in India. The Company is engaged in the business of Engineering, Procurement, Construction-(EPC), Fabrication, Erection, Overhauling, Maintenance, Trading and other related activities.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Accounting :

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the Accounting Standards (AS) notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise specified.

2.2 Use of Estimates:

Preparation of financial statements in conformity with Generally Accepted Accounting Principles (Indian GAAP), requires estimates and assumptions to be made that affect reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the year. Actual results could differ from these estimates and differences between the actual results and estimates are recognised in the year in which results are known / materialised.

2.3 Inventories:

Inventories are stated at lower of cost and net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of inventories is ascertained on the FIFO basis. Tools are written off based on technical evaluation.

2.4 Cenvat, Service Tax and VAT Credit:

Cenvat, Service Tax and VAT credits receivable/availed are treated as an asset with relevant expenses being accounted net of such credits, and the same are reduced to the extent of their utilisations.

2.5 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.6 Cash And Cash Equivalents:

Cash and Cash Equivalents for the purpose of cash flow statement comprise of cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.7 Fixed Assets:

Tangible assets are stated at cost of acquisition, installation or construction including other direct expenses incurred to bring the assets to its working condition for its intended use, less accumulated depreciation / amortisation / impairment losses (if any) adjusted by revaluation of certain fixed assets.

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any. Intangible assets are recognised only if it is probable that the expected future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

2.8 Depreciation and Amortisation:

Depreciation is provided on written down value method based on life of assets prescribed in Schedule II of Companies Act, 2013.

Fixed assets individually costing upto ₹0.05 Lacs are fully depreciated in the year of purchase.

Premium on the leasehold land is amortised over the period of lease.

Computer Software is amortised equally over a period of five years, from the date of Purchase.

Notes to Financial Statements for the Year Ended 31 March 2015

In case of revalued assets, the difference between the depreciation based on revaluation and depreciation charged on historical cost is recouped out of the revaluation reserve.

2.9 Revenue Recognition:

Contract Revenue is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of "percentage of completion method". The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract. An expected loss on construction contract is recognised as an expense immediately. Price escalation, other claims and variation in the contract work are included in contract revenue at the time of acceptance / settlement by the customers due to uncertainties attached thereto.

Contract revenue earned in excess of billing has been reflected under "Other current assets" and billing in excess of contract revenue has been reflected under "Other Current Liabilities" in the balance sheet.

Revenue from sale of goods is recognised when all significant risk and rewards of ownership of products are transferred to the buyers which are usually at the point of dispatch to customers. Sales are net of discounts, sales tax and returns.

Revenue from service related activities including hire charges are recognised in accordance with the terms of the agreement upon rendering of such services.

Commission income is recognised as per contracts / receipt of credit notes.

Dividend income is recognised when the right to receive dividend is established.

Interest income is recognised on time proportion basis.

Revenue is recognised when there is reasonable certainty of its realisation.

2.10 Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions and / or restatements are dealt with in the Statement of Profit and Loss as income or expenses of the period in which they arise.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

In respect of the Forward Exchange contracts with underlying transaction, the premium or discount arising at the inception of such contracts are recognised as expenses or income over the life of the contract.

2.11 Government Grant:

Grants and Subsidies from the Government are recognized when there is a reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

Government Grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. If not related to a specific expenditure, it is taken as income.

2.12 Investments:

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Long term Investments are carried individually at cost, less provision for diminution, other than temporary, in the value of such investments. Cost of investments includes expenses directly incurred on acquisition of investments.

Current investments are carried individually at lower of cost and fair value.

2.13 Employee Benefits:

Short-term Benefits

These are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the period in which the related services are rendered. Short term compensated absences are provided for based on actuarial valuation in accordance with Company's rules.

Post Employment Benefits

Company's contribution for the period paid/ payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss.



Notes to Financial Statements for the Year Ended 31 March 2015

Company's liability towards defined benefit plans viz. gratuity is determined using the Projected Unit Credit Method as per the valuation carried out at the Balance Sheet date.

Defined benefit in the form of compensated absences is provided for based on actuarial valuation at the year-end in accordance with Company's policy.

2.14 Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.15 Segment Reporting:

The Company is engaged in the business of Engineering, Procurement, Construction-(EPC), Fabrication, Erection, Overhauling, Maintenance, Trading and Other related activities. These, in the context of Accounting Standard 17 on Segment Reporting, as specified in the Companies (Accounting Standards) Rules,2006, are considered to constitute different primary segments. Further, there is no reportable secondary segment i.e. Geographical Segment.

2.16 Operating Leases:

Assets taken/given on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments/income under operating leases are recognised as expenses/income on accrual basis in accordance with the respective lease agreements.

2.17 Earnings Per Share:

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20- Earnings per share

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18 Taxes on Income:

Tax expense comprises of current and Deferred tax.

Current Tax on income is accounted on the basis of the provisions of the Income Tax Act, 1961.

Deferred tax resulting from timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The company writes down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

2.19 Impairment of Assets:

The fixed assets are reviewed for impairment at each Balance Sheet date. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2.20 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

Notes to Financial Statements for the Year Ended 31 March 2015

3 SHARE CAPITAL

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Authorised :		
2,50,00,000 (Pr.Yr. 2,50,00,000) Equity shares of ₹10/- each	2,500.00	2,500.00
Issued, Subscribed and Fully Paid-up :		
1,52,75,160 (Pr.Yr. 1,36,25,160) Equity shares of ₹10/- each fully paid up	1,527.52	1,362.52
	1,527.52	1,362.52

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Equity shares at the beginning of the year	13,625,160	1,362.52	12,275,160	1,227.52
Add: Allotment during the year against warrants	1,650,000	165.00	1,350,000	135.00
Equity shares outstanding at the end of the year	15,275,160	1,527.52	13,625,160	1,362.52

3.2 Terms/ Rights attached to equity shares

The Company has only one class of equity shares with voting rights having a par value of ₹10 per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 The Company is not a Subsidiary Company.

3.4 The details of shareholders holding more than 5% of Equity Shares in the Company.

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	% holding	No. of Shares	% holding
Mr. Ratnakar Manikrao Gutte	2,202,500	14.42	2,202,500	16.16
Mrs. Sudhamati Ratnakar Gutte	1,968,750	12.89	1,968,750	14.45
Mr. Sunil Ratnakar Gutte	1,678,740	10.99	1,678,740	12.32
Bessemer Venture Partners Trust	-	-	1,100,000	8.07
Gutte Infra Private Limited	1,500,000	9.82	-	-
VRG Digital Corporation Pvt Ltd	1,508,188	9.87	-	-

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3.5 Reserved Shares and Terms of Warrants

The convertible warrant holders have the option to convert their warrants into 20,50,000 (Pr.Yr. 16,50,000) equity shares of ₹10/- each at the terms and conditions as referred in Note 5.

Notes to Financial Statements for the Year Ended 31 March 2015

4 RESERVES AND SURPLUS

	(₹ In Lacs)	
	As at 31 March 2015	As at 31 March 2014
Capital Reserve	825.60	825.60
Securities Premium Account		
Balance as per the last Financial Statements	12,000.64	11,150.14
Add: Premium on account of Issue of shares against conversion of Warrants	1,039.50	850.50
	13,040.14	12,000.64
Revaluation Reserve		
Balance as per the last financial statements	55.83	56.70
Less: Amount transferred to the Statement of Profit and Loss as reduction from depreciation	0.83	0.87
	55.00	55.83
General Reserve		
Balance as per the last Financial Statements	1,646.86	1,459.50
Add: Transferred from Statement of Profit and Loss	276.72	187.36
	1,923.58	1,646.86
Surplus in the Statement of Profit and Loss		
Balance as per the last financial statements	15,390.91	13,271.40
Less: Additional Depreciation, net of deferred tax as per Companies Act, 2013	29.88	-
Profit for the year	3,689.65	2,498.16
Less: Appropriations		
Warrant Conversion to Shares related dividend	23.16	-
Proposed dividend on equity shares	274.96	163.50
Tax on proposed equity dividend	54.97	27.79
Transfer to general reserve	276.72	187.36
Total appropriations	629.82	378.65
Net Surplus in the Statement of Profit and Loss	18,420.86	15,390.91
	34,265.19	29,919.84

5 MONEY RECEIVED AGAINST SHARE WARRANTS

5.1 The members at the Extra Ordinary General Meeting held on 18 April 2014 has authorized the Board/ Committee thereof, to create, offer, issue and allot on preferential basis (i) 55,00,000 warrants convertible into equity shares to the Promoters Group, Persons acting in concert with Promoters or Companies under Promoters Group and (ii) 20,00,000 warrants convertible into equity shares to the Non Promoters Investors.

5.2 Terms attached to equity warrants

The warrant entitles the holder to subscribe for one equity shares of ₹10/- each at the premium of ₹45.40 per equity shares which is determined in accordance with the provisions of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009.

On 21st November 2014 warrants aggregating to 20,50,000 has been allotted to person acting in concert with promoters and non promoters after receiving ₹13.85, being 25% of ₹55.40, per warrant.

The holders of 20,50,000 warrants have an option to apply for and be allotted one equity share of the Company per warrant before the expiry of 18 months from date of allotment. If the option is not exercised as aforesaid amount paid on such warrants shall stand forfeited.

The warrant holders shall also be entitled to any future bonus/ rights issue(s) of equity shares or other securities convertible into equity shares by the Company in the same proportion and manner as any other shareholders of the Company for the time being. The Equity shares to be allotted on conversion of warrants shall rank pari passu in all respects with the existing equity shares of the Company.

Company is in the process of obtaining in principal approval for the allotment of 53,00,000 warrants to promoters and promoters group.

Proposed allottees of 1,50,000 warrants has not subscribed the warrants.

Notes to Financial Statements for the Year Ended 31 March 2015

6 LONG TERM BORROWINGS

(₹ In Lacs)

	Non-current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Rupee Term Loans (Secured)				
From Banks	946.32	2,480.30	443.54	253.18
From Financial Institutions	3,414.20	556.38	1,252.26	635.51
	4,360.52	3,036.68	1,695.80	888.69
Amount disclosed under the head Other Current Liabilities as Current Maturities of Long-Term Debt (Refer Note 07)			1,695.80	888.69
	4,360.52	3,036.68	-	-

6.1 Term loan from Banks referred above to the extent of :

- ₹537.07 Lacs (Pr.Yr. ₹419.03 Lacs) are secured by first mortgage/ pari-passu charge on the respective buildings situated at Pune and Nagpur.
- ₹794.80 Lacs (Pr.Yr. ₹196.70 Lacs) secured by first hypothecation/ pari-passu charge on the respective plant and machineries including Hydra's at various sites.
- ₹57.99 Lacs (Pr.Yr. ₹61.21 Lacs) are secured by first hypothecation/ pari-passu charge on the respective Vehicles at various sites.
- Nil (Pr.Yr. ₹2,056.54 Lacs) are secured by exclusive charge over the project specific total assets including receivables of the Kolhapur T&D site.

6.2 Term loan from Financial Institutions referred above to the extent of:

- ₹1,197.32 Lacs (Pr.Yr. Nil) are secured by first mortgage/ pari-passu charge on the respective buildings situated at Nagpur and Mumbai.
- ₹2,065.33 Lacs (Pr.Yr. ₹1,167.96 Lacs) are secured by first hypothecation/ pari-passu charge on the respective plant and machineries including Hydra's situated at various sites.
- ₹2.19 Lacs (Pr.Yr. ₹4.37 Lacs) are secured by first hypothecation/ pari-passu charge on the respective Vehicles at various sites.
- ₹1.61 Lacs (Pr.Yr. ₹19.56 Lacs) are secured by first and exclusive hypothecation on the respective non consumable materials.
- ₹1,400.00 Lacs (Pr.Yr. Nil) are secured against retention money receivable from Parli Project.

6.3 Maturity profile and Rate of Interest on Secured Loans are as set out below.

For the Year Ended 31 March 2015

Sr. No.	Particulars	Range of Interest Rate *	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
			2016-2017	2017-2018	2018-2019	2019-2020 onwards
1	Property loan	13%-13.50%	232.28	148.55	162.38	988.95
2	Vehicle	5.75%-12.08%	16.11	9.39	1.31	-
3	Machinery	5%-16%	967.84	425.91	7.80	-
4	Non Consumable Materials	7.10%	-	-	-	-
5	Project Funding	12.75%	1,050.00	350.00	-	-
	Total		2,266.23	933.85	171.49	988.95

Notes to Financial Statements for the Year Ended 31 March 2015

6 LONG TERM BORROWINGS (contd.)

For the Year Ended 31 March 2014

Sr. No.	Particulars	Range of Interest Rate *	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
			2015-2016	2016-2017	2017-2018	2018-2019 onwards
1	Property loan	13%	101.97	115.32	15.54	15.54
2	Vehicle	5.75%-12.08%	24.82	4.97	5.49	5.49
3	Machinery	5.12%-14.85%	572.50	15.47	17.30	17.30
4	Non Consumable Materials	7.10%	1.61	-	-	-
5	Project Funding	13%	2,056.55	-	-	-
	Total		2,757.45	135.76	38.33	38.33

* Above interest rates are Floating rates

7 OTHER LIABILITIES

(₹ In Lacs)

	Non-Current (Long Term)		Current (Short Term)	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Current Maturities of Long-Term Debts	-	-	1,695.80	888.69
Interest Accrued but Not Due	-	-	41.23	54.00
Unpaid Dividends	-	-	5.48	6.54
(To be credited to Investor Education and Protection Fund when due)				
Other Advance Received	-	-	435.02	222.73
Security Deposit & Retention Money from Sub-Contractors	5,424.39	4,043.62	1,468.51	1,119.63
Advance from Customers	6,019.68	5,525.92	3,382.06	5,412.03
Due to Customers (Project related activity)	-	-	55.06	211.24
Due to Employees	-	-	1,550.68	1,607.33
Income Tax Provisions (Net of Payments)	-	-	268.40	-
Other Payables *	-	-	3,148.36	2,085.35
	11,444.07	9,569.54	12,050.60	11,607.54

* Includes statutory dues and payable against other contractual obligations.

8 LONG TERM PROVISIONS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Provision for Employee Benefits (Refer Note 34)		
Provision for Gratuity (Net)	23.09	-
Provision for Compensated Absences	214.29	212.94
	237.38	212.94

Notes to Financial Statements for the Year Ended 31 March 2015

9 SHORT TERM BORROWINGS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Working Capital Rupee loans from Banks repayable on demand (Secured)	33,628.55	32,640.36
Foreign Currency Buyers Credit Arrangement from Banks (Unsecured)	-	2,443.28
	33,628.55	35,083.64

9.1 Working Capital Loans are secured by hypothecation of present and future stock of raw materials, stores and spares, book debts and other receivables and have Second Charge on Fixed Assets of the Company and personal guarantee of some of the Directors.

Of the above Nil (Pr.Yr. ₹3,000.00 Lacs) are secured by first hypothecation/ pari-passu charge on the stock and receivables of the project at Jhabua site.

10 TRADE PAYABLES

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Trade Payables	41,447.47	47,738.84
(Refer Note 42 for Micro, Small & Medium Enterprises disclosure)		
	41,447.47	47,738.84

11 SHORT TERM PROVISIONS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Provision for Employee Benefits (Refer Note 34)		
Provision for Compensated Absences	87.51	13.60
Provision for Gratuity (Net)	26.50	18.44
Other Provisions		
Proposed Dividend	274.96	163.50
Tax on Dividend	86.13	27.79
Provision for Wealth Tax	2.82	2.79
	477.92	226.12

Notes to Financial Statements for the Year Ended 31 March 2015

12 FIXED ASSETS

12.1 Current Year

Description	Gross Block		Depreciation/ Amortisation		Net Block	
	As At 01.04.2014	As At 31.03.2015	As At 01.04.2014	As At 31.03.2015	As At 01.04.2014	As At 31.03.2015
A TANGIBLE ASSETS :						
Freehold Land	155.62	155.62	-	-	-	155.62
Leasehold Land	40.37	40.37	0.41	-	2.44	37.92
Buildings	2,417.67	2,541.40	89.31	(0.83)	736.31	1,805.08
Plant & Equipment*	19,021.27	22,900.57	1,721.97	183.15	12,946.55	9,954.03
Computer and Printer	586.17	554.03	113.74	21.36	495.80	58.23
Furniture and Fixtures	768.04	795.19	373.71	(31.36)	529.42	265.78
Office Equipment	422.37	453.76	136.63	2.24	325.08	128.68
Vehicles	1,183.70	1,116.81	135.92	99.12	870.34	246.47
Temporary Office Construction	1,278.88	1,332.83	132.67	59.30	1,160.27	172.57
Total Tangible Assets	25,874.08	29,890.58	2,454.99	332.99	17,066.20	12,824.39
B INTANGIBLE ASSETS:						
Computer Softwares	756.46	762.62	130.85	16.23	541.07	221.54
Total Intangible Assets	756.46	762.62	130.85	16.23	541.07	221.54
C Capital Work-In-Progress						
Total Fixed Assets (A)+(B)+(C)	26,630.54	30,653.20	2,585.85	349.22	17,607.27	14,220.48

12.2 Previous Year

Description	Gross Block		Depreciation/ Amortisation		Net Block	
	As At 01.04.2013	As At 31.03.2014	As At 01.04.2013	As At 31.03.2014	As At 01.04.2013	As At 31.03.2014
A TANGIBLE ASSETS :						
Freehold Land	155.62	155.62	-	-	-	155.62
Leasehold Land	40.37	40.37	1.63	-	2.03	38.33
Buildings	2,403.17	2,417.67	553.79	-	646.17	1,771.50
Plant & Equipment*	17,732.42	19,021.27	10,463.32	596.95	11,407.74	7,613.53
Computer and Printer	569.77	586.17	293.64	6.52	403.42	182.75
Furniture and Fixtures	782.45	768.04	297.47	8.04	373.71	394.33
Office Equipment	370.28	422.37	158.32	0.88	190.68	231.69
Vehicles	1,181.98	1,183.70	756.70	39.65	833.54	350.16
Temporary Office Construction	938.27	1,278.88	769.57	-	1,086.89	191.99
Total Tangible Assets	24,174.36	25,874.08	13,294.46	652.03	14,944.18	10,929.90
B INTANGIBLE ASSETS:						
Computer Softwares	706.86	756.46	289.58	-	426.44	330.01
Total Intangible Assets	706.86	756.46	289.58	-	426.44	330.01
C Capital Work-In-Progress						
Total Fixed Assets (A)+(B)+(C)	24,881.20	26,630.53	13,584.03	652.03	15,370.63	11,993.31

Note for 12.1 & 12.2

- Charge against certain movable fixed assets like crawler and other cranes (included in Plant and Equipments) and certain immovable properties situated at CBD Belapur, New Mumbai (included in Building) have been created in favour of Tata Capital Ltd. in respect of the debenture issued by Gangakhd Sugar & Energy Ltd. to Tata Capital Ltd.
- Charge against certain immovable properties situated at Ramtek (Included in Freehold Land) have been created in favour of Oriental Bank of Commerce in respect of Corporate Guarantees given by Sunil Hitech Engineers Limited on behalf of one of its Subsidiary Company SEAM Industries Limited.
- Deductions and adjustments includes ₹45.27 Lacs transferred to Retained Earnings as per Schedule II of the Companies Act 2013.

Notes to Financial Statements for the Year Ended 31 March 2015

13 NON -CURRENT INVESTMENTS (Long Term Investment)

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
A Trade Investments - Unquoted		
In Subsidiary Companies		
SEAM Industries Limited		
49,00,000 (Pr.Yr. 49,00,000) Equity Shares of ₹10/- each fully paid up	770.00	770.00
Sunilhitech India Infra Private Limited		
43,97,690 (Pr.Yr. 8,87,690) Equity Shares of ₹10/- each fully paid up	439.77	88.77
Sunilhitech Solar (Dhule) Private Limited		
1,18,00,000 (Pr.Yr. 15,10,000) Equity Shares of ₹10/- each fully paid up (Including 1 Share held with Nominee)	1,180.00	151.00
Patna Green Energy Private Limited		
9,000 (Pr.Yr. NIL) Equity Shares of ₹10/- each fully paid up	0.90	-
Investment in Partnership Firm *		
45% share in the partnership firm V. K. Realtors [Includes accumulated share of loss ₹0.07 Lacs (Pr.Yr ₹1.68 Lacs) and interest on capital ₹27.72 Lacs (Pr.Yr. ₹27.72 Lacs)]	312.42	284.77
B Other Investments - Unquoted		
In Subsidiary Companies		
Sunil Hitech Energy Private Limited		
24,42,960 (Pr.Yr. 24,42,960) Equity Shares of ₹10/- each fully paid up	247.89	247.89
SHEL Investments Consultancy Private Limited		
9,999 (Pr.Yr. 9,999) Equity Shares of ₹10/- each fully paid up (Pledged to zero coupon secured optionally convertible debenture holders of SHEL Investments Consultancy Private Limited)	1.00	1.00
In Associate Company		
Gangakhed Sugar and Energy Limited		
1,95,00,000 (Pr.Yr. 1,95,00,000) Equity Shares of ₹10/- each fully paid up (Pledged with banks against term loans to Gangakhed Sugar and Energy Limited and can not be sold/transferred till the loans are outstanding)	1,950.00	1,950.00
In Other Company		
Sudama Mahavir Power Private Limited		
100 (Pr.Yr. 100) Equity Shares of ₹10/- each fully paid up	0.01	0.01
C Other Investments - Quoted		
Investments in Mutual Fund		
Canara Roebeco Protection Oriented Fund	20.00	-
1,99,990 (Pr.Yr. NIL) units of ₹10/- each (Under Lien) [Aggregate Market value of quoted investments ₹21.34 lacs (Pr.Yr.NIL)]		
Union KBC Capital Protection Oriented Fund - Growth Series 3 Regular Plan		
7,50,000 (Pr.Yr. 7,50,000) units of ₹10/- each (Under Lien) [Aggregate Market value of quoted investments ₹95.75 lacs (Pr.Yr.82.16 lacs)]	75.00	75.00
	4,996.99	3,568.44
* Details of Investments in Partnership Firm		
Investment in V. K. Realtors		
Name of the partner and share in profits (%)		
Sunil Hitech Engineers Limited	45%	45%
Mr. Kunal N. Kuwadekar	30%	30%
Mrs. Meenakshi K. Kuwadekar	15%	15%
Mr. Tarun Surender Ahuja	10%	10%
Total Fixed Capital of the firm (₹in Lacs)	283.00	283.00

Notes to Financial Statements for the Year Ended 31 March 2015

14 DEFERRED TAX ASSETS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Depreciation	436.82	304.37
Provision for Doubtful Debts/ Deposits/ Advances	251.61	280.75
Disallowances under Income Tax Act to be allowed in future years	213.63	166.80
	902.06	751.92

15 LOANS AND ADVANCES (UNSECURED)

(₹ In Lacs)

	Non-Current (Long Term)		Current (Short Term)	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Capital Advances (Considered Good)	736.94	412.15	-	-
Deposits				
Considered Good	1,835.39	1,595.16	1,342.25	1,427.36
Considered Doubtful	-	-	6.27	6.51
	1,835.39	1,595.16	1,348.51	1,433.87
Less: Provision for Doubtful Deposits	-	-	6.27	6.51
	1,835.39	1,595.16	1,342.25	1,427.36
Advances to Creditors				
Considered Good	-	-	12,174.11	9,739.49
Considered Doubtful	-	-	6.56	4.20
	-	-	12,180.67	9,743.69
Less: Provision for Doubtful Advances	-	-	6.56	4.20
	-	-	12,174.11	9,739.49
Loans and Advances to Related Parties (Considered Good)	-	-	750.09	618.85
Share Application Money to Subsidiary Company	659.01	683.73	-	-
Balances with Statutory/ Government Authorities				
Income Tax (Net of Provisions)	-	-	-	36.10
Service Tax Receivable	-	-	29.27	190.66
VAT Receivable	-	-	2,487.07	1,608.51
Prepaid Expenses	124.94	151.68	589.63	845.38
Advances Recoverable in Cash or in Kind	-	-	702.39	719.14
	3,356.28	2,842.72	18,074.80	15,185.49

16 OTHER ASSETS

(₹ In Lacs)

	Non-Current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Interest Accrued on Fixed Deposits	106.51	44.97	245.38	353.41
Fixed Deposits with Banks (Under Lien) (Refer Note 20)	2,165.77	2,130.51	-	-
Due from Customers (Project related activity)	-	-	29,319.74	30,374.30
Assets Held for Sale	-	-	65.81	65.81
Long Term Trade Receivables - Considered Good	2,137.70	2,109.21	-	-
	4,409.98	4,284.69	29,630.93	30,793.52

Notes to Financial Statements for the Year Ended 31 March 2015

17 CURRENT INVESTMENT (Current portion of Long Term Investment)

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Investments in Mutual Fund - Quoted		
Union KBC Fixed Maturity Plan - Series 8 - Regular Plan Growth Nil (Pr.Yr. 2,50,000) units of ₹10/- each (Under Lien)	-	25.00
[Aggregate Market value of quoted investments Nil (Pr.Yr. ₹26.52 lacs)]		
	-	25.00

18 INVENTORIES (As certified by the Management)

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Raw Material and Components	14,622.28	11,450.72
Stores, Spare Parts and Loose Tools	2,616.14	2,256.52
Land	243.69	243.69
	17,482.11	13,950.93

19 TRADE RECEIVABLES (UNSECURED)

(₹ In Lacs)

	Non-Current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Over Six Months from the date it become due for payment				
Considered Good	-	-	2,213.60	2,140.42
Considered Doubtful	-	-	733.98	821.31
	-	-	2,947.58	2,961.73
Others- Considered Good	2,137.71	2,109.21	33,572.15	42,976.83
Debt Due from Companies in Which Director is Director/ Member	-	-	2,211.17	2,225.28
	2,137.71	2,109.21	38,730.91	48,163.84
Less : Provision for Doubtful Debts	-	-	733.98	821.31
Amount disclosed under Other Non Current Assets	2,137.71	2,109.21		
	-	-	37,996.93	47,342.53

Notes to Financial Statements for the Year Ended 31 March 2015

20 CASH AND BANK BALANCES

(₹ In Lacs)

	Non-Current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Cash and Cash Equivalents (As per AS 3)				
Balances with Banks in Current Accounts			2,074.58	875.30
Deposits with original maturity of upto three months			30.00	-
Cash on Hand			156.14	102.19
			2,260.72	977.49
Other Bank Balances				
Earmarked Balances with Banks				
- Unpaid Dividend	-	-	5.48	6.54
- Government Grants	-	-	21.88	12.00
Fixed Deposits with original maturity for more than 3 months and upto 12 months (Under Lien)	-	-	5,050.27	5,153.81
Fixed Deposits with original maturity for more than 12 months (Under Lien)	2,165.77	2,130.51	1,646.64	2,170.40
	2,165.77	2,130.51	6,724.27	7,342.75
Amount disclosed under Other Non-Current Assets	2,165.77	2,130.51		
	-	-	8,984.99	8,320.24

21 REVENUE FROM OPERATIONS

(₹ In Lacs)

		Year ended 31 March 2015	Year ended 31 March 2014
Revenue from Contracts, Projects & Maintenance	A	164,750.39	142,864.97
Other Operating Revenues			
Commission Received		-	71.79
Income from Crane Hire		62.79	91.28
Sale of Scrap		0.96	4.66
Metal (Boulder) and Other Sale		83.40	191.35
	B	147.14	359.08
	(A+B)	164,897.54	143,224.05

22 OTHER INCOME

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Interest Income		
Bank Deposits	709.91	802.72
Capital in Partnership Business	27.72	27.72
Others	464.02	105.20
Grant received from NIRD (SGSY Scheme)	137.58	-
Rent Income	127.25	11.93
Profit on Sale of Non Current Investments - Non Trade	2.56	-
Profit on Sale/ Discard of Fixed Assets (Net)	37.71	-
Exchange Rate Difference (Net)	21.50	-
Amount Written Back (Net)	85.22	7.14
Miscellaneous Incomes	13.84	38.91
	1,627.31	993.63

Notes to Financial Statements for the Year Ended 31 March 2015

23 CONTRACT AND SITE EXPENSES

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Construction, Erection, Fabrication and Maintenance	42,340.10	28,027.17
Hire Charges	1,631.27	1,669.98
Transportation Expenses	282.00	600.26
Stores and Spares	297.93	602.94
Other Site Expenses	2,028.25	1,545.39
	46,579.55	32,445.74

24 EMPLOYEE BENEFITS EXPENSE

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Salary, Wages and Allowances	5,606.65	5,756.92
Contribution to Provident, Superannuation and Other Funds	423.42	371.09
Staff and Labour Welfare Expenses	363.96	464.24
	6,394.03	6,592.25

25 FINANCE COSTS

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Interest Paid to Bank	4,928.04	4,512.55
Other Borrowings Cost	2,369.45	2,425.31
Interest on Service Tax	72.23	98.33
Interest Paid to Customers	384.37	373.17
Foreign Currency Transaction and Translation Loss (Net)	31.58	288.20
	7,785.67	7,697.56

26 DEPRECIATION AND AMORTISATION EXPENSE

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Depreciation and Amortisation (Refer Note 12)	2,586.68	2,438.65
Less: Recoupment from Revaluation Reserve	0.83	0.88
	2,585.85	2,437.77

Notes to Financial Statements for the Year Ended 31 March 2015

27 OTHER EXPENSES

	(₹ In Lacs)	
	Year ended 31 March 2015	Year ended 31 March 2014
Power and Fuel	173.44	182.59
Rent	789.67	760.40
Repairs to Machinery	148.22	191.72
Repairs to Building	87.49	111.11
Repairs - Others	192.65	204.51
VAT, Entry Tax and Service Tax	536.40	1,020.74
Insurance	175.11	191.00
Rates and Taxes	77.47	87.43
Legal and Professional Fees	245.11	225.74
Travelling and Conveyance	576.39	548.45
Communication	143.32	146.10
Printing and Stationery	63.93	71.26
Exchange Rate Difference (Net)	-	638.42
Provision for Doubtful Debts	-	18.19
Bad Debts / Advances Written Off (Net)	0.81	-
Loss from Partnership Business	0.07	0.99
Loss on Sale/ Discard of Fixed Assets (Net)	10.77	28.77
Remuneration to Auditors		
Statutory Audit Fees	20.00	20.00
Certification & Other Matters	3.75	6.95
Miscellaneous Expenses	340.40	349.34
	3,585.00	4,803.71

28 EARNINGS PER SHARE (EPS)

The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars		Year ended 31 March 2015	Year ended 31 March 2014
Basic and Diluted Earnings Per Share:			
Profit attributable to Equity Shareholders considered for Basic EPS (₹ in Lacs)	(A)	3,689.65	2,498.16
Add: Dilutive effect on profit (₹ in Lacs)	(B)	Nil	Nil
Profit attributable to Equity Shareholders for computing Diluted EPS (₹ in Lacs)	(C=A+B)	3,689.65	2,498.16
Weighted average number of Equity Shares outstanding considered for Basic EPS	(D)	14,710,092	12,319,544
Add: Dilutive effect of Options outstanding - Number of equity shares*	(E)	158,145	Nil
Weighted average number of Equity Shares considered for computing Diluted EPS	(F=D+E)	14,868,237	12,319,544
Nominal Value of Equity Shares (₹)		10.00	10.00
Basic Earnings Per Share (₹)		25.08	20.28
Diluted Earnings Per Share (₹)		24.82	20.28

There are no exceptional items, extraordinary items and discontinuing operations.

Notes to Financial Statements for the Year Ended 31 March 2015

29 COMMITMENTS

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹222.16 Lacs (Pr.Yr. 33.98 Lacs)
- b) Other Commitments - Non cancellable operating Leases (Refer Note 36)

30 CONTINGENT LIABILITIES

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
a) Service Tax demand disputed, contested in appeal	972.69	1,580.12
b) Sales Tax demand disputed, contested in appeal	39.84	39.84
c) Customs Duty disputed	115.49	115.49
d) Income Tax disputed, contested in appeal	291.17	-
e) Guarantee given to Banks and Financial Institutions -	58,132.86	50,097.19
f) Guarantee given to Banks and Financial Institutions on behalf of -		
i) A subsidiary company	8,879.00	9,279.00
- Loans/ LC/ BG outstanding at the year end	7,162.51	7,507.41
ii) An Associate Company	2,401.88	2,500.00
- Loans outstanding at the year end	-	478.33
iii) Others	220.00	3,210.00
g) Claims against the Company not acknowledged as debts	111.76	101.37

31 REMUNERATION TO AUDITORS (EXCLUDING SERVICE TAX)

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
Statutory Audit Fees	20.00	20.00
Tax Audit Fees	3.00	-
For Certification and Other Matters	4.18	6.95

32 EXPENDITURE IN FOREIGN CURRENCY

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
Interest	6.83	60.72
Professional Services	6.01	27.05

33 REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
Year to which the dividend relates	2013-14	2012-13
Number of non-resident shareholders	243	239
Number of shares held by them	150,938	1,286,226
Amount of dividend	1.81	15.43

The Company has paid dividend in respect of shares held by Non-Resident Shareholders, on repatriation basis. This inter-alia includes portfolio investment and direct investment, where the amount is also credited to Non-Resident External A/c. The exact amount of dividend remitted in foreign currency can not be ascertained.

Notes to Financial Statements for the Year Ended 31 March 2015

34 EMPLOYEE BENEFITS

As required by Accounting Standard-15 "Employee Benefits" the disclosures are as under:

Defined Contribution Plans:

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the Government and certain state plans such as Employees' State Insurance (ESI). PF and EPS covers substantially all regular employees and the ESI covers eligible workers. Contributions are made to the Government's funds. While both the employees and the Company pay predetermined contributions into the PF and the ESI Scheme, contributions into the EPS is made only by the Company. The contributions are normally based on a certain portion of the employee's salary.

During the year, the Company has recognised the following amounts in the Accounts:

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
Provident Fund, Employees' Pension Scheme and Labour Welfare Fund	342.78	315.69
Employees' State Insurance	19.36	26.49
Total	362.14	342.18

Defined Benefit Plans

Leave Encashment:

The Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Company rules.

The Liability of compensated absences, which is non funded, has been provided based on the report of independent actuary using the "Projected Unit Credit Method" in respect of past services. Accordingly ₹301.80 Lacs (Pr.Yr. ₹226.54 Lacs) being the liability as at the year end for compensated absences have been provided in the accounts.

Gratuity:

The Employees' Gratuity Fund scheme is a defined benefits plan. The present value of obligation is determined based on the actuarial valuation, using the "Projected Unit Credit Method", which recognises each period of services as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

The Company makes contributions to the Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of the LIC, a funded defined benefit plan for employees. The scheme provides for payment to employees as under:

- i) On normal retirement/ early retirement/ withdrawal/ resignation:
As per the provisions of The Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On the death in service:
As per the provisions of The Payment of Gratuity Act, 1972 without any vesting period.

Disclosures for defined benefit plans i.e. Gratuity (Funded Plan) based on actuarial reports as on 31 March 2015:

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
i) Changes in Defined Benefit Obligation		
Opening defined benefit obligation	269.46	253.18
Current service cost	77.84	66.93
Interest cost	23.58	19.40
Actuarial loss/ (gain)	(36.11)	(42.82)
Benefits (paid)	(14.99)	(27.23)
Closing defined benefit obligation	319.78	269.46
ii) Changes in Fair Value of Assets		
Opening fair value of plan assets	251.02	243.40
Expected return on plan assets	21.83	20.76

Notes to Financial Statements for the Year Ended 31 March 2015

34 EMPLOYEE BENEFITS (contd.)

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
Actuarial gain/ (loss)	0.45	(0.93)
Contributions of employer	11.88	15.02
Benefits (paid)	(14.99)	(27.23)
Closing fair value of plan assets	270.19	251.02
iii) Amount recognised in the Balance Sheet		
Present value of the obligations as at year end (Funded + Non Funded)	319.78	269.46
Fair value of the plan assets as at year end	(270.19)	(251.02)
Net (asset)/ liability recognised as at the year end	49.59	18.44
iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	77.84	66.93
Interest on defined benefit obligation	23.58	19.40
Expected return on plan assets	(21.83)	(20.76)
Net actuarial loss/ (gain) recognised in the current year	(36.56)	(41.88)
Total expenses	43.03	23.69
v) Asset information (% Allocation)		
Government of India Securities	Nil	Nil
Corporate Bonds	Nil	Nil
Special Deposit Scheme	Nil	Nil
Insurer Managed Funds	100%	100%
Others	Nil	Nil
vi) Principal actuarial assumptions used		
Discount Rate (p.a.)	7.77%	9.00%
Expected Rate of Return on Plan Assets (p.a.)	8.75%	8.75%
Salary Escalation Rate (p.a.)	5.00%	6.00%

The estimate of future increase in compensation levels considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

35 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-7 "CONSTRUCTION CONTRACT" (REVISED)

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
Contract revenue recognised for the year	103,030.51	76,617.41
Aggregate amount of contract costs incurred and recognised profits (Less recognised losses) up to the year end for all contract in progress as at that date	253,305.81	238,741.33
Amount of customer advances received and outstanding for contracts in progress	10,522.52	8,327.63
Retention amount due from customers for contract in progress	16,020.56	16,447.11
Gross amount due from customers as at year end	29,319.74	30,374.30
Gross amount due to customers as at year end	55.06	211.24

Notes to Financial Statements for the Year Ended 31 March 2015

36 DISCLOSURE FOR OPERATING LEASES UNDER ACCOUNTING STANDARD-19 "LEASES"

The Company has taken various residential/ office premises (including furniture and fittings, therein as applicable), under operating lease or leave and license agreements. These are generally cancellable under leave and license arrangements and are renewable by mutual consent on mutually agreeable terms. The company has given refundable interest free security deposits in accordance with the agreed terms. The lease payments of ₹1138.90 Lacs (Pr.Yr. ₹987.43 Lacs) are recognised in the Statement of Profit and Loss.

The future lease payments and payment profile of non cancellable operating leases are as under.

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
Not later than one year	1,414.91	1,120.20
Later than one year but not later than five years	1,186.51	2,510.25
Later than five years	598.68	712.26

37 In terms of the requirements of the Accounting Standard-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the amount recoverable against Fixed Assets has been estimated for the period by the management based on present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.

38 NOTE ON HEDGE AND UNHEDGED FOREIGN CURRENCY ASSETS AND LIABILITIES

During the year, the Company has not entered into any forward exchange contract, being derivative instruments for hedge or trading or speculation purpose. No Forward Exchange Contracts are outstanding as at the year end. The year end foreign currency exposures that have not been hedged by derivative instrument or otherwise are as below.

Particulars	Amount		Foreign Currency Amt in Lacs		Foreign Currency
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	
Amount Receivable	79.28	3,903.14	1.27	64.94	USD
Amount Payable	-	7,619.13	-	126.77	USD
	-	399.88	-	4.84	EURO

39 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD - 18 ARE GIVEN BELOW:

Category I : Subsidiaries :

SEAM Industries Limited
Sunilhitech India Infra Private Limited (Formerly Known as Ecological Road Construction Private Limited)
Sunilhitech Solar (Dhule) Private Limited
Sunil Hitech Energy Private Limited
SHEL Investments Consultancy Private Limited
Patna Green Energy Private Limited

Category II : Associates :

Gangakhed Sugar & Energy Limited
V. K. Realtors (Partnership Firm)

Category III : Joint Venture :

PBSPL - SHEL - JV
SHEL ASSIGNIA - JV

Category IV: Directors, Key Management Personnel and their Relatives:

Mr. Ratnakar Manikrao Gutte
Mrs. Sudhamati Ratnakar Gutte
Mr. Sunil Ratnakar Gutte
Mr. Vijay Ratnakar Gutte

Notes to Financial Statements for the Year Ended 31 March 2015

39 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD - 18 ARE GIVEN BELOW: (contd.)

Mr. Mohanan Narayanan Mattathil (till 8th Oct 2014)
 Mr. Venkataramana Condoor
 Mr. Anupam Gianchand Dhiman (w.e.f. 14 Oct 2014)
 Mrs. Swati Rajesh Phad
 CS Shrikant Rikhe

Category V : Enterprise over which persons covered
 under Category IV above are able to
 exercise significant control

Gutte Infra Private Limited
 VRG Digital Corporation Private Limited
 RSV & Associates
 Kolhapur Green Energy Private Limited

A. Transactions with Related Parties During the Year are as Under*

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY					TOTAL
		I	II	III	IV	V	
1	Investments made	2,409.00	-	-	-	-	2,409.00
		(239.77)	-	-	-	-	(239.77)
2	Share Application Money Given	1,455.28	-	-	-	-	1,455.28
		(683.73)	-	-	-	-	(683.73)
3	Loans Given	685.36	-	-	-	-	685.36
		(452.85)	-	-	-	-	(452.85)
4	Repayments of Loans Given	561.86	-	-	-	-	561.86
		(135.00)	-	-	-	-	(135.00)
5	Advances Given	-	-	-	-	485.98	485.98
		(2,397.38)	-	-	-	-	(2,397.38)
6	Advances Received for Contracts and Projects	3,375.34	249.99	-	-	293.64	3,918.96
		-	(73.50)	-	-	(1,080.02)	(1,153.52)
7	Repayment of Advances Given	3,781.11	-	-	-	-	3,781.11
		-	-	-	-	-	-
8	Purchases (Net)	12,887.17	-	-	-	-	12,887.17
		(6,658.47)	-	-	-	-	(6,658.47)
9	Sales of Goods/ Contract Revenue & Services	6.78	132.54	-	-	1,094.04	1,233.37
		(208.82)	(586.59)	-	-	(1,072.80)	(1,868.21)
10	Remuneration to Directors (Including Perquisites)	-	-	-	387.98	-	387.98
		-	-	-	(397.43)	-	(397.43)
11	Dividend Paid	-	-	-	78.38	-	78.38
		-	-	-	(78.38)	-	(78.38)
12	Rent Paid	-	-	-	133.08	-	133.08
		-	-	-	(140.28)	-	(140.28)
13	Commission Income	-	-	-	-	-	-
		(71.79)	-	-	-	-	(71.79)

Notes to Financial Statements for the Year Ended 31 March 2015

39 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD - 18 ARE GIVEN BELOW: (contd.)

A. Transactions with Related Parties During the Year are as Under*

Sr. No.	Particulars	CATEGORY					TOTAL
		I	II	III	IV	V	
14	Rent Received	-	-	-	-	88.44	88.44
		-	-	-	-	-	-
15	Interest Income	189.58	27.72	-	-	-	217.30
		(57.08)	(27.72)	-	-	-	(84.80)
16	Expenses reimbursement to	147.35	4.21	-	-	30.07	181.63
		(3.42)	(59.83)	(7.42)	-	(14.42)	(85.08)
17	Expenses reimbursement from	148.86	55.69	-	-	-	204.55
		(334.63)	(1.45)	-	-	(5.11)	(341.18)
18	Guarantees given to Banks & Financial Institutions on Behalf of	-	-	-	-	-	-
		(4,037.00)	-	-	-	-	(4,037.00)
19	Share Warrant Application Money Received	-	-	-	-	960.38	960.38
		-	-	-	-	(739.13)	(739.13)
20	Share Allotment against warrant	-	-	-	-	1,863.75	1,863.75
		-	-	-	-	(985.50)	(985.50)

*Figures in brackets indicate previous year figures.

B. Out of the above items, transactions in excess of 10% of the total related party transactions are as under

Sr. No.	Particulars	Category	(₹ In Lacs)	
			31 March 2015	31 March 2014
1	Investments made			
	Sunilhitech India Infra Private Limited	I	351.00	88.77
	Sunilhitech Solar (Dhule) Private Limited	I	2,058.00	151.00
2	Loans Given			
	Sunilhitech India Infra Private Limited	I	554.55	452.85
	Sunilhitech Solar (Dhule) Private Limited	I	130.81	-
3	Repayment of Loans Given			
	Sunilhitech India Infra Private Limited	I	561.86	135.00
4	Advances Given			
	Sunilhitech India Infra Private Limited	I	3,375.34	2,397.38
5	Capital Advances Given			
	RSV & Associates	V	485.98	-
6	Advances Received for Contracts and Projects			
	RSV & Associates	V	-	115.81
	Gutte Infra Private Limited	V	-	964.21
7	Purchases (Net)			
	Sunilhitech India Infra Private Limited	I	10,756.27	4,951.04
	SEAM Industries Limited	I	2,130.90	1,707.43

Notes to Financial Statements for the Year Ended 31 March 2015

39 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD - 18 ARE GIVEN BELOW: (contd.)

B. Out of the above items, transactions in excess of 10% of the total related party transactions are as under

(₹ In Lacs)

Sr. No.	Particulars	Category	31 March 2015	31 March 2014
8	Sales of Goods/ Contract Revenue & Services			
	SEAM Industries Limited	I	-	208.82
	V. K. Realtors	II	132.54	565.25
	RSV & Associates	V	217.50	233.56
	Gutte Infra Private Limited	V	876.54	839.25
9	Remuneration to Directors (Incl Perquisites)			
	Mr. Ratnakar Manikrao Gutte	IV	92.40	84.00
	Mrs. Sudhamati Ratnakar Gutte	IV	48.00	48.00
	Mr. Sunil Ratnakar Gutte	IV	52.00	48.00
	Mr. Vijay Ratnakar Gutte	IV	48.00	48.00
	Mr. Mohanan Narayanan Mattathil	IV	26.60	51.00
	Mr. Venkataramana Condoor	IV	95.33	73.14
10	Dividend Paid			
	Mr. Ratnakar Manikrao Gutte	IV	26.43	26.43
	Mrs. Sudhamati Ratnakar Gutte	IV	23.63	23.63
	Mr. Sunil Ratnakar Gutte	IV	20.14	20.14
	Mr. Vijay Ratnakar Gutte	IV	8.10	8.10
11	Rent Paid			
	Mr. Ratnakar Manikrao Gutte	IV	53.19	53.19
	Mrs. Sudhamati Ratnakar Gutte	IV	66.21	66.21
	Mr. Sunil Ratnakar Gutte	IV	-	17.94
12	Commission Income			
	SEAM Industries Limited	I	-	71.79
13	Interest Income			
	Sunilhitech India Infra Private Limited	I	156.58	24.08
	SEAM Industries Limited	I	33.00	33.00
	V. K. Realtors	II	27.72	27.72
14	Rent Income			
	VRG Digital Corporation Private Limited	V	88.44	-
15	Expenses reimbursement to			
	Sunilhitech India Infra Private Limited	I	147.77	-
	Gangakhed Sugar & Energy Limited	II	55.69	59.83
	Gutte Infra Private Limited	V	-	14.42
16	Expenses reimbursement from			
	SEAM Industries Limited	I	-	115.98
	Sunilhitech India Infra Private Limited	I	138.45	210.89
	RSV & Associates	V	30.07	-
17	Guarantees given to Banks & Financial Institutions on Behalf of			
	SEAM Industries Limited	I	-	4,037.00

Notes to Financial Statements for the Year Ended 31 March 2015

39 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD - 18 ARE GIVEN BELOW: (contd.)

B. Out of the above items, transactions in excess of 10% of the total related party transactions are as under

		(₹ In Lacs)		
Sr. No.	Particulars	Category	31 March 2015	31 March 2014
18	Share Warrant Application Money Received			
	Gutte Infra Private Limited	V	451.69	369.56
	VRG Digital Corporation Private Limited	V	508.69	369.56
19	Share Allotment against warrant			
	Gutte Infra Private Limited	V	1,204.50	492.75
	VRG Digital Corporation Private Limited	V	659.25	492.75
20	Share Application Money Given			
	Sunilhitech India Infra Private Limited	I	317.78	683.73
	Sunilhitech Solar (Dhule) Private Limited	I	1,029.00	-

C. Balances Due From/ To the Related Parties as at 31st March 2015*

		(₹ In Lacs)					
Sr. No.	Particulars	CATEGORY					TOTAL
		I	II	III	IV	V	
1	Investments	2,639.56	2,262.42	-	-	-	4,901.98
		(1,258.66)	(2,234.77)	-	-	-	(3,493.43)
2	Trade Receivables	-	4,567.48	31.10	-	1,348.52	5,947.10
		-	(2,773.41)	(31.10)	-	(117.77)	(2,922.28)
3	Interest Receivables	7.61	-	-	-	-	7.61
		(21.65)	-	-	-	-	(21.65)
4	Other Receivables	117.51	-	-	-	1.84	119.35
		(217.49)	-	-	-	(1.84)	(219.32)
5	Loans Given	750.09	-	-	-	-	750.09
		(618.85)	-	-	-	-	(618.85)
6	Advances Given	1,991.60	-	-	-	-	1,991.60
		(2,397.38)	-	-	-	-	(2,397.38)
7	Deposits Given	-	-	63.32	-	-	63.32
		-	-	(63.32)	-	-	(63.32)
8	Trade Payables	4,236.90	-	-	-	-	4,236.90
		(2,651.73)	(48.51)	-	-	-	(2,700.24)
9	Guarantees given to Banks & Financial Institutions on Behalf of	8,879.00	2,401.88	-	-	-	11,280.88
		(9,279.00)	(2,500.00)	-	-	-	(11,779.00)
10	Share Warrant Application Money	-	-	-	27.70	-	27.70
		-	-	-	-	(301.13)	(301.13)
11	Share Application Money Given	759.01	-	-	-	-	759.01
		(683.73)	-	-	-	-	(683.73)

*Figures in brackets indicate previous year figures.

Notes to Financial Statements for the Year Ended 31 March 2015

40 DISCLOSURE REQUIRED BY CLAUSE 32 OF THE LISTING AGREEMENT (AS CERTIFIED BY THE MANAGEMENT)

A. Interest-free loans and advances in the nature of loans to (₹ In Lacs)

Particulars	Outstanding at the year end		Maximum amount outstanding during the year	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Sunil Hitech Energy Private Limited	1.00	1.00	1.00	1.00

B. Interest bearing Loans/ Advances in the nature of Loans/Advances to (₹ In Lacs)

Particulars	Outstanding at the year end		Maximum amount outstanding during the year	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
SEAM Industries Limited	300.00	300.00	300.00	300.00
Sunilhitech India Infra Private Limited	310.54	317.85	317.98	452.85

Notes:

- Above Loans and Advances are repayable on demand.
- Loans and Advances to employees/ customers and investments by such employees/ customers in the shares of the company if any, are excluded from the above disclosure.

C. There is no investment by loanee in the shares of Parent Company/ Subsidiary Company.

- 41 The company has entered into a Joint Venture with Phenix Building Solutions Private Limited named as "PBSPL - SHEL - JV", a jointly controlled entity incorporated in India where in the company holds 49% interest.

Details of Company's interest in the aforesaid joint venture as per the requirement of AS-27 on Financial Reporting of Interest in Joint Venture is as under :

Financial Interest in Jointly Controlled Entity :

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
Assets	100.48	99.09
Liabilities	100.48	99.09
Income	50.48	48.18
Expenditure	50.48	48.18

- 42 Disclosure of Trade payables to Micro, Small and Medium Enterprises under Current Liabilities is based on the information available with the Company regarding the Status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors. Amount outstanding (not overdue) as on 31 March 2015 to Micro, Small and Medium Enterprises on account of principal amount aggregate to ₹3.06 Lacs (Pr.Yr. ₹54.45 Lacs) and interest payable thereon ₹Nil (Pr.Yr. ₹Nil) and interest paid during the year ₹Nil (Pr.Yr. ₹Nil).

- 43 Balance of some of the Trade Receivables and Trade Payables are subject to confirmation/ reconciliation and adjustments, if any.

- 44 Previous year's figures are regrouped and recasted wherever required.

As per our report of even date attached

For V. Sankar Aiyar & Co.

Chartered Accountants

Firm Regn No 109208W

Arvind Mohan

Partner

Membership No.124082

Mumbai, 28 May 2015

For and on behalf of Board of Directors

Shrikant Rikhe
Company Secretary

Vijay R. Gutte
Chief Financial Officer

Ratnakar M. Gutte
Chairman

Sunil R. Gutte
Managing Director



Independent Auditor's Report

To the Members of
Sunil Hitech Engineers Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of SUNIL HITECH ENGINEERS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities 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. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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. While conducting the 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 there under.

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 consolidated

financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 44 to the consolidated financial statements which, describes the coal block stand de-allocated vide Hon. Supreme Court Judgement dated 24.09.2014.

Our opinion is not modified in respect of this matter.

Other Matters

(a) We did not audit the financial statements of 6 subsidiaries, whose financial statements reflect total assets of ₹32968.06 Lacs as at 31st March, 2015, total revenues of ₹31842.41 Lacs and net cash flows amounting to ₹219.52 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹804.66 Lacs for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of 1 associate,

whose financial statements have not been audited by us. This financial statement has been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, and associates, is based solely on the reports of the other auditors.

- (b) We did not audit the financial information of 1 jointly controlled entity, whose financial information reflect total assets of ₹102.53 Lacs as at 31st March, 2015, total revenues of ₹49.17 Lacs and net cash flows amounting to ₹(0.13) Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of ₹ NIL for the year ended 31st March, 2015, as considered in the consolidated financial statements, in respect of 1 jointly controlled entity, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid jointly controlled entity is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (ii) As required by Section 143 (3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities—Refer Note 33 to the consolidated financial statements.
 - The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm's Registration No. 109208W)

Arvind Mohan
Partner

Place: Mumbai
Date : 28th May 2015

(Membership No. 124082)



Annexure to the Independent Auditors' Report

(The Annexure referred to in the para 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the Members of SUNIL HITECH ENGINEERS LIMITED on the financial statements for the year ended 31 March 2015)

(i) In respect of its fixed assets:

The Group, its associates and jointly controlled companies has maintained proper records showing full particulars, including quantitative details and situation of fixed assets except location wise details of some of the movable assets shifted/transferred amongst various sites.

(a) As explained to us and to other auditors, the fixed assets have been physically verified by the management during the year as per the phased programme which, in our opinion and in the opinion of other auditors, is reasonable having regard to the size of The Group, its associates and jointly controlled companies and the nature of its assets. We are informed that there were no material discrepancies noticed on such verification.

(ii) In respect of inventories:

(a) As explained to us and to other auditors, physical verification of inventory has been conducted at reasonable intervals by the respective management.

(b) In our opinion and in the opinion of other auditors and according to the information and explanation given to us and to other auditors, the procedures of physical verification of inventory followed by the respective management reasonable and adequate in relation to the size of the Group and the nature of their respective businesses.

(c) In our opinion and in the opinion of other auditors and according to the information and explanation given to us and to other auditor, the Group, its associates and jointly controlled companies has maintained proper records of inventories and the discrepancies noticed on such physical verification between physical records and book records were not material and have been properly dealt with in the books of account.

(iii) The Group incorporated in India have granted loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013:

(a) The receipts of principal amounts and interest have been regular / as per stipulations

(b) There are no overdue amounts in excess of ₹1 lakh remaining outstanding as at the year-end

(iv) In our opinion and in the opinion of other auditors and according to the information and explanations given to us and the other auditors, having regard to the explanation that purchase of certain items of inventory and fixed assets are for the Group, its associates and jointly controlled companies specialized requirements and similarly, certain goods sold are for the specialized requirements of the buyers and suitable alternate source are not available to obtain comparable quotations there is generally adequate internal control system commensurate with the size of the Group, its associates and jointly controlled companies and the nature of its business for the purchase of inventory & fixed assets and for the sale of goods & services. In our opinion and in the opinion of other auditors and according to the information and explanations given to us and other auditors, we have not observed any major weakness during the course of Audit.

(v) In our opinion and in the opinion of the other auditors and according to the information and explanations given to us and to other auditors, the Group, its associates and jointly controlled companies have not accepted any deposits from the public within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under.

(vi) The Central Government has prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act 2013 in respect of one of the products, manufactured by the Group, its associates and jointly controlled companies. We and other auditors have broadly reviewed the accounts and records of the Group and are of the opinion that prima-facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) According to the information and explanations given to us and to other auditors in respect of statutory and other dues:

(a) The Group, its associates and jointly controlled companies is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities during the year except in case of Provident Fund, TDS and Advance tax where there are delays in depositing more than 6 months.

Period	Particulars	Amount	Due Date	Date Of Payment
July'14	TDS Rent	2,40,338	07-08-2014	30-04-2015
Aug'14	TDS Rent	5,70,489	07-09-2014	30-04-2015
Aug'14	TDS Contractor	15,00,000	07-09-2014	18-04-2015
Aug'14	TDS Contractor	9,29,305	07-09-2014	30-04-2015
Aug'14	Provident Fund	54,32,035	15-09-2014	08-04-2015
FY 2014-15	First and second instalment of advance tax	3,10,29,111	15-06-2014 & 15-09-2015 respectively	Not Paid

- (b) According to the information and explanations given to us and other auditors and based on the records of the Group examined by us, there are no dues of Income Tax, Sales tax, Service Tax, Customs duty, Wealth Tax, Excise Duty, Excise Duty and Cess which have not been deposited on account of a dispute, except as enumerated herein below which are pending before respective authorities as mentioned there against:

Name of the Statute	Nature of the dues	Amount* (₹In Lacs)	Period to which amount relates(Financial Year)	Forum where dispute is pending
Service Tax under Finance Act,1994 & The Central Excise Act, 1994	Service Tax (Basic & Penalty)	972.69	2005-06 to 2010-11	Custom, Excise, Service Tax Appellate Tribunal
The Chhattisgarh Value Added Tax Act, 2005	VAT Tax (Basic)	35.85	2006-07 to 2007-08	Addl. Commissioner of Commercial Tax, Raipur
The Customs Act, 1962	Custom Duty	97.49	2007-08 to 2008-09	Commissioner of Customs (Import), Mumbai
The Income-Tax Act, 1961	Income Tax	291.17	2005-06 to 2009-10 to 2012-13	The Commissioner of Income Tax (Appeals) Mumbai

- (c) The amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time.
- (viii) The Group, its associates and jointly controlled companies does not have any accumulated losses on consolidated basis at the end of the financial year. The Group, its associates and jointly controlled companies has not incurred cash losses on consolidated basis in such financial year and in the immediately preceding financial year.
- (ix) Based on our and other auditor's audit procedures, information and explanations given to us and other auditors, the Group, its associates and jointly controlled companies have not defaulted in repayment of dues to a financial institution and banks. The Group does not have any outstanding debentures during the year.
- (x) According to the information and explanations given to us and other auditors, the terms and conditions on which the Group, its associates and jointly controlled companies has given any guarantee for loans taken by others from bank or financial institutions are prima facie not prejudicial to the interest of the Group, its associates and jointly controlled companies.
- (xi) In our opinion and according to the information and explanations given to us and other auditors, the term loans were applied for the purpose for which the loans were obtained.
- (xii) To the best of our knowledge and according to the information and explanations given to us and other auditors, no fraud on or by the Group, its associates and jointly controlled companies has been noticed or reported during the years.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm's Registration No. 109208W)

Arvind Mohan
Partner

Place: Mumbai
Date : 28th May 2015

(Membership No. 124082)

Balance Sheet as at 31 March 2015 (Consolidated)

(₹ In Lacs)

Particulars	Note	As at 31 March 2015	As at 31 March 2014
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	1,527.52	1,362.52
Reserves and Surplus	4	38,973.77	32,987.02
Share Application Money Pending Allotment		-	100.00
Money Received Against Share Warrants	5	616.33	301.13
		41,117.62	34,750.67
Minority Interest			
		1,383.58	1,327.52
Non-current Liabilities			
Long Term Borrowings	6	9,912.12	6,254.39
Deferred Tax Liabilities	7	105.26	117.86
Other Long Term Liabilities	8	12,035.93	10,431.15
Long Term Provisions	9	275.94	260.76
		22,329.25	17,064.16
Current Liabilities			
Short Term Borrowings	10	37,456.29	39,149.29
Trade Payables	11	43,832.91	51,309.39
Other Current Liabilities	8	16,927.73	12,510.80
Short Term Provisions	12	495.91	230.26
		98,712.84	103,199.74
Total		163,543.29	156,342.09
ASSETS			
Non-current Assets			
Fixed Assets	13		
Tangible Assets		16,015.64	14,372.21
Intangible Assets		231.90	351.16
Capital Work-in-Progress		8,695.73	4,575.44
Incidental Expenses Pending Allocation		1,057.06	1,056.30
Goodwill on Consolidation		0.51	0.51
Non Current Investments	14	4,444.55	4,107.66
Deferred Tax Assets	15	913.42	754.31
Long Term Loans and Advances	16	2,879.48	2,287.30
Other Non Current Assets	17	4,409.99	4,284.69
		38,648.28	31,789.58
Current Assets			
Current Investments	18	-	25.00
Inventories	19	21,776.29	17,880.03
Trade Receivables	20	43,015.39	51,630.36
Cash and Bank Balances	21	10,046.19	9,125.48
Short Term Loans and Advances	16	18,937.11	13,938.19
Other Current Assets	17	31,120.03	31,953.45
		124,895.01	124,552.51
Total		163,543.29	156,342.09
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For V. Sankar Aiyar & Co.

Chartered Accountants

Firm Regn No 109208W

For and on behalf of Board of Directors

Arvind Mohan

Partner

Membership No.124082

Mumbai, 28 May 2015

Shrikant Rikhe

Company Secretary

Vijay R. Gutte

Chief Financial Officer

Ratnakar M. Gutte

Chairman

Sunil R. Gutte

Managing Director

Statement of Profit and Loss for the Year Ended 31 March 2015 (Consolidated)

(₹ In Lacs)

Particulars	Note	Year ended 31 March 2015	Year ended 31 March 2014
REVENUE			
Revenue from Operations	22	183,650.73	157,464.67
Other Income	23	1,773.94	975.18
Total Revenue		185,424.67	158,439.85
EXPENSES			
Project Material Consumed and Cost of Goods Sold		94,149.58	94,310.41
Changes in Inventories of Work in Progress	24	(141.09)	(1,359.80)
Contract and Site Expenses	25	60,562.61	36,278.70
Employee Benefits Expense	26	7,572.52	7,613.49
Finance Costs	27	8,939.86	8,618.72
Depreciation and Amortisation Expense	28	3,081.12	2,827.43
Other Expenses	29	4,307.24	5,341.27
Total Expenses		178,471.84	153,630.22
Profit Before Tax		6,952.83	4,809.63
Tax Expenses			
-Current Tax			
Expenses for Current Year		2,475.19	1,699.95
Expenses Relates to Prior Years		44.94	50.65
-Deferred Tax		(147.82)	86.99
Profit for the year from Continuing Operations		4,580.52	2,972.04
Add : Share in profit of Associate Company		804.66	-
Less: Minority Interest		55.96	51.55
Profit for the period		5,329.22	2,920.49
There are no Exceptional, Extraordinary Items and Discontinuing operations			
Earnings per share (Face Value ₹10/-)	30		
Basic (₹)		36.24	23.71
Diluted (₹)		35.85	23.71
Significant Accounting Policies	2		

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For V. Sankar Aiyar & Co.

Chartered Accountants

Firm Regn No 109208W

For and on behalf of Board of Directors

Arvind Mohan

Partner

Membership No.124082

Mumbai, 28 May 2015

Shrikant Rikhe

Company Secretary

Vijay R. Gutte

Chief Financial Officer

Ratnakar M. Gutte

Chairman

Sunil R. Gutte

Managing Director

Statement of Cash Flow for the Year Ended 31 March 2015 (Consolidated)

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	6,952.83	4,809.63
Adjustment for :		
Depreciation and Amortisation Expense	3,081.12	2,827.43
Exchange Differences	(21.50)	638.42
Bad Debts/ Advances Written off	0.81	-
Provision for Doubtful Debts/ Advances	-	18.19
Loss on Sale of Non-Current Investments	(2.56)	-
Wealth Tax (Included in Other Expenses)	2.70	2.70
Loss of Inventory by Fire	0.07	-
Loss from Partnership Business	(85.22)	0.99
Amount Written Back	-	(7.14)
Loss (Profit) on Sale of Fixed Assets	(26.95)	28.77
Profit on Sale of Fixed Asset	(40.56)	-
Interest Expenses (Considered in Financing Activities)	8,664.14	8,547.66
Interest Incomes (Considered in Investing Activities)	(692.70)	(784.01)
Interest Income from Partnership Firm (Considered in Investing Activities)	(27.72)	(27.72)
Operating Profit before Working Capital Changes :	17,804.46	16,054.92
Decrease (Increase) in Inventories	(3,895.75)	(4,825.35)
Decrease (Increase) in Trade Receivables	8,429.48	(8,472.38)
Decrease (Increase) in Other Current Assets	834.06	(8,214.70)
Decrease (Increase) in Long Term Loans and Advances	527.41	3,258.27
Decrease (Increase) in Short Term Loans and Advances	(4,194.69)	(7,349.81)
Increase (Decrease) in Long Term Provisions	24.61	8.35
Increase (Decrease) in Short Term Provisions	84.43	(9.66)
Increase (Decrease) in Trade Payables	(5,638.96)	22,113.15
Increase (Decrease) in Other Non Current Liabilities	2,396.09	2,332.16
Increase (Decrease) in Other Current Liabilities	(390.58)	773.10
Cash Generated from Operations	15,980.56	15,668.05
Net Income Tax Paid	(1,962.18)	(1,925.81)
Net Cash Flow from (used in) Operating Activities (A)	14,018.38	13,742.24
B CASH FLOW FROM INVESTING ACTIVITIES		
Capital Expenditure on Fixed assets including Capital Advances	(5,644.19)	(3,237.24)
Decrease (Increase) in Incidental Expenditure Pending Allocation	(3,639.25)	(276.24)
Proceeds from sale of Fixed Assets	268.31	102.15
Investments in Associates	495.42	(550.00)
Investments in Other Company	-	(4.59)
Investments in Mutual Funds	25.00	(100.00)
Share Application Money Given	24.72	(683.73)
Bank Balances not considered as Cash and Cash Equivalent	548.06	(885.21)
Interest Received	704.63	795.77
Net Cash Flow from (Used in) Investing Activities (B)	(7,217.30)	(4,839.09)

Statement of Cash Flow for the Year Ended 31 March 2015 (Consolidated)

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	8,478.23	605.43
Repayment of Long Term Borrowings	(4,111.73)	(973.94)
Proceeds (Repayment) of Short Term Borrowings	(1,671.49)	(1,166.44)
Proceeds from Issue of Equity Shares	(0.90)	11.72
Share Application Money Received	(157.95)	100.00
Money received against Share Warrants	1,519.70	739.13
Proceeds from Other Long Term Liabilities	(494.77)	667.77
Dividend Paid	(184.36)	(172.25)
Interest Paid	(8,673.76)	(8,553.02)
Net Cash Flow from (Used in) Financing Activities (C)	(5,297.03)	(8,741.60)
Net Increase (Decrease) in Cash and Cash Equivalents (A+B+C)	1,504.05	161.55
Cash and Cash Equivalents as at the Beginning of the Year	1,325.39	1,163.84
Cash and Cash Equivalents as at the End of the Year	2,829.43	1,325.39
Components of Cash and Cash Equivalents		
Balances with Banks - in Current Accounts	2,623.34	1,194.62
Deposits with original maturity of upto three months	30.00	-
Cash on Hand	176.09	130.77
Total Cash and Cash Equivalents	2,829.43	1,325.39

Figures in brackets indicates outflow.

Significant Accounting Policies (Refer note 2)

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For V. Sankar Aiyar & Co.

Chartered Accountants

Firm Regn No 109208W

For and on behalf of Board of Directors

Arvind Mohan

Partner

Membership No.124082

Mumbai, 28 May 2015

Shrikant Rikhe

Company Secretary

Vijay R. Gutte

Chief Financial Officer

Ratnakar M. Gutte

Chairman

Sunil R. Gutte

Managing Director



Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

1 GENERAL INFORMATION

Sunil Hitech Engineers Limited (“the Parent Company”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013). Its shares are listed on two stock exchanges in India. The Parent Company is engaged in the business of Engineering, Procurement, Construction-(EPC), Fabrication, Erection, Overhauling, Maintenance, Trading and other related activities.

2 SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of Accounting :

2.1.1 The consolidated financial statements (CFS) comprises the financial statements of the parent company, its subsidiaries, associates and joint ventures (hereinafter referred to as “ the Group”). The financial statements of the subsidiaries, associates and Joint Ventures used in the consolidation are drawn up to the same reporting date as that of the Parent Company, namely 31 March 2015.

2.1.2 The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the Accounting Standards (AS) notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention unless otherwise specified. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year unless otherwise specified.

2.2 Principles of consolidation :

2.2.1 The Financial statements of the Parent Company and its subsidiaries have been consolidated in accordance with the Accounting Standard 21 “Consolidated Financial Statements”, on line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group transactions and unrealised profits/ losses.

2.2.2 The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies for like transactions and other events in similar circumstances.

2.2.3 The excess of cost to the Parent Company of its investment in the subsidiaries, on the acquisition dates over and above the Parent Company’s share of equity in the subsidiaries, is recognised in the financial statements as Goodwill on Consolidation and carried forward in the accounts. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for.

2.2.4 Minority Interest’s share of the net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the Parent Company.

2.2.5 Minority Interest’s share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the shareholders of the Parent Company.

2.2.6 Investment in associate companies have been accounted for, by using equity method in accordance with Accounting Standard 23 “Accounting for Investment in Associates in Consolidated Financial Statements” whereby investment is initially recorded at cost, identifying any Goodwill or Capital Reserve arising at the time of acquisition and the carrying amount is adjusted thereafter for post acquisition change in the Parent Company’s share of net assets of the associate. The carrying amount of the investment in the associate company is reduced to recognise any decline which is other than temporary in nature.

2.2.7 Interest in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 - “Financial Reporting of Interest in Joint Ventures”.

2.3 Use of Estimates:

Preparation of financial statements in conformity with Generally Accepted Accounting Principles (Indian GAAP), requires estimates and assumptions to be made, that affect reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the year. Actual results could differ from these estimates and differences between the actual results and estimates are recognised in the year in which results are known/ materialised.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

2.4 Inventories:

Inventories are stated at lower of cost and net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of inventories is ascertained on the FIFO basis. Tools are written off based on technical evaluation.

2.5 Cenvat, Service Tax and VAT Credit:

Cenvat, Service Tax and VAT credits receivable/ availed are treated as an asset with relevant expenses being accounted net of such credits, and the same are reduced to the extent of their utilisations.

2.6 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.7 Cash And Cash Equivalents:

Cash and Cash Equivalents for the purpose of cash flow statement comprise of cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

2.8 Fixed Assets:

Tangible assets are stated at cost of acquisition, installation or construction including other direct expenses incurred to bring the assets to its working condition for its intended use, less accumulated depreciation/ amortisation/ impairment losses (if any) adjusted by revaluation of certain fixed assets.

Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment loss, if any. Intangible assets are recognised only if it is probable that the expected future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Incidental Expenditure during Construction period in case of subsidiaries :

Incidental expenditure incurred on the project/ assets during construction/ implementation is capitalised and apportioned to project/ assets on commissioning.

Interest during construction period and other attributable "incidental expenditure pending allocation" are allocated to the asset/ part of the asset being capitalised on pro-rata basis to their capital expenditure incurred.

2.9 Depreciation and Amortisation:

Depreciation is provided on written down value method based on life of assets prescribed in Schedule II of Companies Act, 2013.

Premium on the leasehold land is amortised over the period of lease.

Computer Software is amortised equally over a period of five years, from the date of purchase.

In case of revalued assets, the difference between the depreciation based on revaluation and depreciation charged on historical cost is recouped out of the revaluation reserve.

In case of the Parent Company, Fixed assets individually costing upto ₹0.05 Lacs are fully depreciated in the year of purchase.

2.10 Revenue Recognition:

Contract revenue is recognised by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of "percentage of completion method". The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract. An expected loss on construction contract is recognised as an expense immediately. Price escalation, other claims and variation in the contract work are included in contract revenue at the time of acceptance / settlement by the customers due to uncertainties attached thereto.



Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

Contract revenue earned in excess of billing has been reflected under “Other current assets” and billing in excess of contract revenue has been reflected under “Other Current Liabilities” in the balance sheet.

Revenue from sale of goods is recognised when all significant risk and rewards of ownership of products are transferred to the buyers which are usually at the point of dispatch to customers. Sales are net of discounts, sales tax and returns.

Revenue from service related activities including hire charges are recognised in accordance with the terms of the agreement upon rendering of such services.

Commission income is recognised as per contracts/ receipt of credit notes.

Dividend income is recognised when the right to receive dividend is established. Interest income is recognised on time proportion basis.

Revenue is recognised when there is reasonable certainty of its realisation.

2.11 Foreign Currency Transactions:

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions and/ or restatements are dealt with in the Statement of Profit and Loss as income or expenses of the period in which they arise.

Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the Statement of Profit and Loss.

In respect of the Forward Exchange contracts with underlying transaction, the premium or discount arising at the inception of such contracts are recognised as expenses or income over the life of the contract.

2.12 Government Grant:

Grants and Subsidies from the Government are recognized when there is a reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/ subsidy will be received.

Government Grants related to revenue are recognised on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. If not related to a specific expenditure, it is taken as income.

2.13 Investments:

Investments which are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long term investments.

Trade investments are the investments made for or to enhance the Company's business interests.

Long term Investments are carried individually at cost., less provision for diminution, other than temporary, in the value of such investments. Cost of investments includes expenses directly incurred on acquisition of investments.

Current investments are carried individually at lower of cost and fair value.

2.14 Employee Benefits:

Short-term Benefits

These are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the period in which the related services are rendered. Short term compensated absences are provided for based on actuarial valuation in accordance with Company's rules.

Post Employment Benefits

Company's contribution for the period paid/ payable to defined contribution retirement benefit schemes are charged to Statement of Profit and Loss.

Company's liability towards defined benefit plans viz. gratuity is determined using the Projected Unit Credit Method as per the valuation carried out at the Balance Sheet date.

Defined benefit in the form of compensated absences is provided for based on actuarial valuation at the year-end in accordance with Company's policy.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

2.15 Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

2.16 Segment Reporting:

The Company is engaged in the business of Engineering, Procurement, Construction-(EPC), Fabrication, Erection, Overhauling and Maintenance, Trading and Other related activities. These, in the context of Accounting Standard 17 on "Segment Reporting", as specified in the Companies (Accounting Standards) Rules, 2006, are considered to constitute different primary segments. Further, there is no reportable secondary segment i.e. Geographical Segment.

2.17 Operating Leases:

Assets taken/ given on lease under which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments/ income under operating leases are recognised as expenses/ income on accrual basis in accordance with the respective lease agreements.

2.18 Earnings Per Share:

Basic and diluted earnings per share are computed in accordance with Accounting Standard 20 - "Earnings per share"

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.19 Taxes on Income:

Tax expense comprises of current and deferred tax.

Current Tax on income is accounted on the basis of the provisions of the Income Tax Act, 1961.

Deferred tax resulting from timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The company writes down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised.

2.20 Impairment of Assets:

The fixed assets are reviewed for impairment at each Balance Sheet date. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

2.21 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

3 SHARE CAPITAL

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Authorised :		
2,50,00,000 (Pr.Yr. 2,50,00,000) Equity shares of ₹10/- each	2,500.00	2,500.00
Issued, Subscribed and Fully Paid-up :		
1,52,75,160 (Pr.Yr. 1,36,25,160) Equity shares of ₹10/- each fully paid up	1,527.52	1,362.52
	1,527.52	1,362.52

3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year.

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	₹in Lacs	No. of Shares	₹in Lacs
Equity shares at the beginning of the year	13,625,160	1,362.52	12,275,160	1,227.52
Add: Allotment during the year against warrants	1,650,000	165.00	1,350,000	135.00
Equity shares outstanding at the end of the year	15,275,160	1,527.52	13,625,160	1,362.52

3.2 Terms/ Rights attached to equity shares

The Company has only one class of equity shares with voting rights having a par value of ₹10/- per share. The Company declares and pays dividends in Indian rupees. The final dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3.3 The details of shareholders holding more than 5% of Equity Shares in the company.

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares	% holding	No. of Shares	% holding
Mr. Ratnakar Manikrao Gutte	2,202,500	14.42	2,202,500	16.16
Mrs. Sudhamati Ratnakar Gutte	1,968,750	12.89	1,968,750	14.45
Mr. Sunil Ratnakar Gutte	1,678,740	10.99	1,678,740	12.32
Bessemer Venture Partners Trust	-	-	1,100,000	8.07
Gutte Infra Private Limited	1,500,000	9.82	-	-
VRG Digital Corporation Pvt Ltd	1,508,188	9.87	-	-

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3.4 Reserved Shares and Terms of Warrants

The convertible warrant holders have the option to convert their warrants into 20,50,000 (Pr.Yr. 16,50,000) equity shares of ₹10/- each at the terms and conditions as referred in Note 5.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

4 RESERVES AND SURPLUS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Capital Reserve	863.26	863.26
Securities Premium Account		
Balance as per the last Financial Statements	13,162.31	12,311.81
Add: Premium on account of Issue of shares against conversion of Warrants	1,039.50	850.50
	14,201.81	13,162.31
Revaluation Reserve		
Balance as per the last Financial Statements	55.83	56.70
Less: Amount transferred to the Statement of Profit and Loss as reduction from depreciation	0.83	0.87
	55.00	55.83
General Reserve		
Balance as per the last Financial Statements	1,779.71	1,592.35
Add: Transferred from Statement of Profit and Loss	276.72	187.36
	2,056.43	1,779.71
Surplus in the Statement of Profit and Loss		
Balance as per the last financial statements	17,125.92	14,584.07
Less: Additional Depreciation, net of deferred tax as per Companies Act, 2013	28.07	-
Add: Profit for the year	5,329.22	2,920.50
Less: Appropriations		
Warrant Conversion to Shares related dividend	23.16	-
Proposed dividend on equity shares	274.96	163.50
Tax on proposed equity dividend	54.97	27.79
Transfer to general reserve	276.72	187.36
Total appropriations	629.82	378.65
Net Surplus in the Statement of Profit and Loss	21,797.26	17,125.92
	38,973.77	32,987.02

5 MONEY RECEIVED AGAINST SHARE WARRANTS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Money Received against Share Warrants		
From Related Parties	616.33	301.13
	616.33	301.13

- 5.1 The members at the Extra Ordinary General Meeting held on 18 April 2014 has authorized the Board/ Committee thereof, to create, offer, issue and allot on preferential basis (i) 55,00,000 warrants convertible into equity shares to the Promoters Group, Persons acting in concert with Promoters or Companies under Promoters Group and (ii) 20,00,000 warrants convertible into equity shares to the Non Promoters Investors.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

5 MONEY RECEIVED AGAINST SHARE WARRANTS (contd.)

5.2 Terms attached to equity warrants

The warrant entitles the holder to subscribe for one equity shares of ₹10/- each at the premium of ₹45.40 per equity shares which is determined in accordance with the provisions of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. On 21st November 2014 warrants aggregating to 20,50,000 has been allotted to person acting in concert with promoters and non promoters after receiving ₹13.85, being 25% of ₹55.40, per warrant.

The holders of 20,50,000 warrants have an option to apply for and be allotted one equity share of the Company per warrant before the expiry of 18 months from date of allotment. If the option is not exercised as aforesaid amount paid on such warrants shall stand forfeited.

The warrant holders shall also be entitled to any future bonus/ rights issue(s) of equity shares or other securities convertible into equity shares by the Company in the same proportion and manner as any other shareholders of the Company for the time being. The Equity shares to be allotted on conversion of warrants shall rank pari passu in all respects with the existing equity shares of the Company.

Company is in the process of obtaining in principal approval for the allotment of 53,00,000 warrants to promoters and promoters group.

Proposed allottees of 1,50,000 warrants hasnot subscribed the warrants.

6 LONG TERM BORROWINGS

(₹ In Lacs)

	Non-current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Rupee Term Loans (Secured)				
From Banks	1,657.40	3,268.43	685.22	593.20
From Financial Institutions	5,645.14	556.38	1,252.26	635.51
Loans from related parties	1,409.58	1,229.58	-	-
Bonds and Debentures (Secured)				
(1,200 Secured Optionally Fully Convertible Debentures of ₹1.00 Lac each)	1,200.00	1,200.00	-	-
	9,912.12	6,254.39	1,937.48	1,228.71
Amount disclosed under the head Other Current Liabilities as Current Maturities of Long-Term Debt (Refer Note 08)		-	1,937.48	1,228.71
	9,912.12	6,254.39	-	-

6.1 Term loan from Banks referred above to the extent of

- ₹537.07 Lacs (Pr.Yr. ₹419.03 Lacs) are secured by first mortgage/ pari-passu charge on the respective buildings situated at Pune and Nagpur.
- ₹794.80 Lacs (Pr.Yr. ₹196.70 Lacs) are secured by first hypothecation/ pari-passu charge on the respective plant and machineries including Hydra's at various sites.
- ₹57.99 Lacs (Pr.Yr. ₹61.21 Lacs) are secured by first hypothecation/ pari-passu charge on the respective Vehicles at various sites.
- Nil (Pr.Yr. ₹2,056.54 Lacs) are secured by exclusive charge over the project specific total assets including receivables of the Kolhapur T&D site.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

6 LONG TERM BORROWINGS (contd.)

6.2 Term loan from Financial Institutions referred above to the extent of:

- ₹1197.32 Lacs (Pr. Yr. Nil) are secured by first mortgage / pari-passu charge on the respective buildings situated at Nagpur and Mumbai.
- ₹2,065.33 Lacs (Pr.Yr. ₹1,167.96 Lacs) are secured by first hypothecation/pari-passu charge on the respective plant and machineries including Hydra's situated at various sites.
- ₹2.19 Lacs (Pr.Yr. ₹4.37 Lacs) are secured by first hypothecation/pari-passu charge on the respective Vehicles at various sites.
- ₹1.61 Lacs (Pr.Yr. ₹19.56 Lacs) are secured by first and exclusive hypothecation on the respective non consumable materials.
- ₹1,400.00 Lacs (Pr.Yr. Nil) are secured against retention money receivable from Parli Project.

6.3 In respect of SHEL Investment Consultancy Private Limited, the redemption value of zero coupon debentures together with cost and other monies payable are secured (a) by pledged of 71,04,240 equity shares of ₹10/- each of Sunil Hitech Energy Private Limited held by SHEL Investment Consultancy Private Limited (b) by pledged of 9,999 equity shares of ₹10/- each of SHEL Investment Consultancy Private Limited held by Sunil Hitech Engineers Limited and (c) by pledge of 1 equity share of ₹10/ each of SHEL Investment Consultancy Private Limited held by Mr. Ratnakar Gutte.

6.4 Terms of redemption/ repayments:

- Term loans from banks and financial institutions are repayable from 2016-17 to 2022-23
- The debentures are optionally redeemable by the subscribers on or before 31 March 2020. In the event of the subscribers not exercising the option of conversion on or before 31 March 2020, the debentures can be redeemed on the date of redemption at par value plus 10% thereon.

6.5 Maturity profile and rate of interest on secured loan are as set out below.

For the Year Ended 31 March 2015

Sr. No.	Particulars	Range of Interest Rate *	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
			2016-2017	2017-2018	2018-2019	2019-2020 Onward
1	Property loan	13%-13.50%	243.15	160.95	176.52	1,115.54
2	Vehicle	5.75%-12.08%	19.63	9.39	1.31	-
3	Machinery	5%-16%	1,157.84	750.62	40.15	-
4	Non Consumable Materials	7.10%	-	-	-	-
5	Project Funding	12.75%	1,050.00	350.00	-	-
	Total		2,470.62	1,270.96	217.98	1,115.54

For the Year Ended 31 March 2014

Sr. No.	Particulars	Range of Interest Rate *	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
			2015-2016	2016-2017	2017-2018	2018-2019 Onward
1	Property loan	13%	101.97	115.32	15.54	96.02
2	Vehicle	5.75%-12.08%	30.94	7.31	5.49	1.31
3	Machinery	5.12%-14.85%	1,087.18	205.47	67.30	32.80
4	Non Consumable Materials	7.10%	1.61	-	-	-
5	Project Funding	13%	2,056.55	-	-	-
	Total		3,278.25	328.10	88.33	130.13

* Above interest rates are Floating rates

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

7 DEFERRED TAX LIABILITIES

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
(Net Deferred Tax Liability in respect of Subsidiary Company)		
Deferred Tax Liability		
Depreciation	94.76	116.46
Disallowances under Income Tax Act to be allowed in future years	24.08	12.20
A	118.84	128.66
Deferred Tax Asset		
Expenditure Disallowed under Income Tax Act	13.58	10.80
A-B	105.26	117.86

8 OTHER LIABILITIES

(₹ In Lacs)

	Non-Current (Long Term)		Current (Short Term)	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Current Maturities of Long-Term Debt	-	-	1,937.48	1,228.71
Interest Accrued but Not Due	-	-	130.95	143.73
Unpaid Dividends	-	-	5.48	6.54
(To be credited to Investor Education and Protection Fund when due)				
Other Advance Received	-	-	435.02	222.73
Security Deposit & Retention Money from Sub-Contractors	5,669.70	4,193.56	1,469.33	1,120.45
Advance from Holding Company	-		1,282.00	-
Advance from Customers	6,019.68	5,525.92	3,845.01	5,482.27
Due to Customers (Project related activity)	-	-	55.06	211.24
Income Tax Provisions (Net of Payments)	-	-	524.80	-
Sweat Money Payable to MSMC	-	-	1,841.00	1,841.00
Due to Employees	-	-	1,574.70	-
Other Payables **	346.55	711.67	3,826.90	2,254.13
	12,035.93	10,431.15	16,927.73	12,510.80

** Includes statutory dues and payable against other contractual obligations.

9 LONG TERM PROVISIONS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Provision for Employee Benefits (Refer Note 35)		
Provision for Gratuity (Net)	46.29	21.74
Provision for Compensated Absences	229.65	239.02
	275.94	260.76

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

10 SHORT TERM BORROWINGS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Working Capital Rupee Loans from Banks Repayable on Demand (Secured)	37,456.29	36,420.06
Foreign Currency Buyers Credit Arrangement from Banks (Unsecured)	-	2,443.28
ICD from Other Related Parties	-	210.95
Others (Unsecured)	-	75.00
	37,456.29	39,149.29

10.1 Working Capital Loans are secured by hypothecation of present and future stock of raw materials, stores and spares, book debts and other receivables and have second charge on Fixed Assets of the Company and personal guarantee of some of the Directors.

Of the above Nil (Pr.Yr. ₹3,000.00 Lacs) are secured by first hypothecation/ pari-passu charge on the stock and receivables of the project at Jhabua site.

11 TRADE PAYABLES

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Trade Payables	43,832.91	51,309.39
(Refer Note 43 for Micro, Small and Medium Enterprises disclosure)		
	43,832.91	51,309.39

12 SHORT TERM PROVISIONS

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Provision for Employee Benefits (Refer Note 35)		
Provision for Compensated Absences	99.33	16.37
Provision for Gratuity (Net)	32.67	19.81
Other Provisions		
Proposed Dividend	274.96	163.50
Tax on Dividend	86.13	27.79
Provision for Wealth Tax	2.82	2.79
	495.91	230.26

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

13 FIXED ASSETS

13.1 Current Year

Description	Gross Block			Depreciation/ Amortisation			Net Block As At 31.03.2015	
	As At 01.04.2014	Additions	Deduction/ Adjustment	As At 31.03.2015	As At 01.04.2014	Additions		Deduction/ Adjustment
A TANGIBLE ASSETS :								
Freehold Land	155.62	-	-	155.62	-	-	-	155.62
Leasehold Land	289.13	10.14	52.82	246.46	11.59	2.57	3.38	235.67
Buildings	4,557.23	366.69	-	4,923.92	1,158.65	379.72	(0.84)	1,399.63
Plant & Equipment*	20,873.29	4,155.00	260.15	24,768.14	11,923.80	1,977.24	183.21	13,717.82
Computer and Printer	624.24	28.02	64.83	587.43	420.72	122.65	21.25	522.13
Furniture and Fixtures	812.80	29.80	-	842.60	394.15	131.80	(31.35)	557.30
Office Equipment	573.67	41.75	(8.60)	624.02	238.73	168.99	2.24	405.49
Vehicles	1,346.73	54.12	114.77	1,286.07	910.37	165.61	98.46	977.55
Temporary Office Construction	1,278.88	119.07	65.11	1,332.83	1,086.89	132.68	59.30	1,160.27
Total Tangible Assets	30,511.59	4,804.59	549.07	34,767.10	16,144.89	3,081.28	335.65	16,015.64
B INTANGIBLE ASSETS:								
Computer Softwares	788.46	55.76	49.60	794.62	437.30	141.64	16.23	562.71
Total Intangible Assets	788.46	55.76	49.60	794.62	437.30	141.64	16.23	231.90
C Capital Work-In-Progress								
Incidental expenses pending allocation (Refer Note 13.3)								
Total Fixed Assets (A)+(B)+(C)+(D)	31,300.05	4,860.35	598.67	35,561.72	16,582.19	3,222.92	351.87	19,313.67

13.2 Previous Year

Description	Gross Block			Depreciation/ Amortisation			Net Block As At 31.03.2014	
	As At 01.04.2013	Additions	Deduction/ Adjustment	As At 31.03.2014	As At 01.04.2013	Additions		Deduction/ Adjustment
A TANGIBLE ASSETS :								
Freehold Land	155.62	-	-	155.62	-	-	-	155.62
Leasehold Land	279.64	9.49	-	289.13	8.69	2.90	-	277.54
Buildings	4,122.46	434.77	-	4,557.23	923.16	235.48	-	1,158.64
Plant & Equipment*	19,286.70	2,263.22	676.63	20,873.29	10,783.67	1,737.08	596.96	3,398.59
Computer and Printer	597.18	28.79	1.37	624.61	309.92	117.32	6.40	420.84
Furniture and Fixtures	820.65	30.65	38.49	812.81	313.62	88.54	8.01	394.15
Office Equipment	485.60	95.47	7.40	573.67	191.25	48.35	0.87	238.73
Vehicles	1,312.90	97.37	57.31	1,352.96	808.39	141.59	38.66	911.36
Temporary Office Construction	938.27	340.61	-	1,278.88	769.57	317.33	0.01	1,086.88
Total Tangible Assets	27,999.02	3,300.37	781.20	30,518.20	14,108.27	2,688.59	650.91	14,372.21
B INTANGIBLE ASSETS:								
Computer Softwares	726.86	61.60	-	788.46	297.59	139.71	-	437.30
Total Intangible Assets	726.86	61.60	-	788.46	297.59	139.71	-	437.30
C Capital Work-In-Progress								
Incidental expenses pending allocation (Refer Note 13.3)								
Total Fixed Assets (A)+(B)+(C)+(D)	28,725.88	3,361.97	781.20	31,306.66	14,405.86	2,828.30	650.91	16,583.28

Note for 13.1 & 13.2

- Charge against certain movable fixed assets like crawler and other cranes (included in Plant and Equipments) and certain immovable properties situated at CBD Belapur, New Mumbai (included in Building) have been created in favour of Tata Capital Ltd. in respect of the debenture issued by Gangakhed Sugar & Energy Limited to Tata Capital Limited.
- Charge against certain immovable properties situated at MIDC Butibori Industrial Area (included in Building), Ramtek (Included in Freehold Land) have been created in favour of Oriental Bank of Commerce in respect of Corporate Guarantee given by Sunil Hitech Engineers Limited on behalf of one of its Subsidiary Company SEAM Industries Limited.
- Deductions and adjustments includes ₹47.08 Lacs transferred to Retained Earnings as per Schedule II of the Companies Act 2013.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

13.3 INCIDENTAL EXPENSES PENDING ALLOCATION

(₹ In Lacs)

		As at 31 March 2015	As at 31 March 2014
Incidental Expenses of Previous years	(A)	1,056.30	787.85
Interest on Loan		-	269.75
Professional Fees		-	0.17
Miscellaneous Expenses		0.76	0.63
		0.76	270.55
Less : Interest Received		-	2.10
	(B)	0.76	268.45
	(A+B)	1,057.06	1,056.30

14 NON-CURRENT INVESTMENTS (Long Term Investment)

(₹ In Lacs)

		As at 31 March 2015	As at 31 March 2014
A Trade Investments - Unquoted			
In Associate Company			
Kolhapur Green Energy Private Limited			
4900 (Pr.Yr. 4900) Equity Shares of ₹10/- each		39.17	4.59
Organic Waste (India) Private Limited			
Nil (Pr.Yr. 14,252) Equity Shares of ₹10/- each Fully paid up and Nil (Pr.Yr. 85,000) Equity Shares of ₹10/- each ₹2.81 paid up		-	550.00
Investment in Partnership Firm *			
45% share in the partnership firm V. K. Realtors		312.42	284.77
(includes accumulated share of loss ₹1.68 Lacs (Pr.Yr ₹0.69 Lacs) and interest on capital ₹27.72 Lacs (Pr.Yr. ₹27.72 Lacs))			
B Other Investments - Unquoted			
In Associate Company **			
Gangakhed Sugar and Energy Limited		3,997.95	3,193.29
1,95,40,000 (Pr.Yr. 1,95,40,000) Equity Shares of ₹10/- each fully paid up (Pledged with banks against term loans to Gangakhed Sugar and Energy Limited and can not be sold/ transferred till the loans are outstanding)			
In Other Companies			
Sudama Mahavir Power Private Limited			
100 (Pr.Yr. 100) Equity Shares of ₹10/- each fully paid up		0.01	0.01
C Other Investments - Quoted			
Investments in Mutual Fund			
Canara Roebeco Protection Oriented Fund		20.00	-
1,99,990 (Pr.Yr. NIL) units of ₹10/- each (Under Lien)			
[Aggregate Market value of quoted investments ₹21.34 lacs (Pr.Yr.NIL)]			
Union KBC Capital Protection Oriented Fund - Growth Series 3 Regular Plan			
7,50,000 (Pr.Yr. 7,50,000) units of ₹10/- each (Under Lien)		75.00	75.00
(Aggregate Market value of quoted investments ₹95.75lacs (Pr.Yr. 82.16 lacs))			
		4,444.55	4,107.66
* Details of Investments in partnership firm			
Investment in V.K. Realtors			
Name of the partner and share in profits (%)			
Sunil Hitech Engineers Limited		45%	45%
Mr. Kunal. N. Kuwadekar		30%	30%
Mrs. Meenakshi K. Kuwadekar		15%	15%
Mr. Tarun Surender Ahuja		10%	10%

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

14 NON-CURRENT INVESTMENTS (Long Term Investment) (contd.)

	(₹ In Lacs)	
	As at 31 March 2015	As at 31 March 2014
Total Fixed Capital of the firm (₹ in Lacs)	283.00	283.00
** Investments in Equity Shares of Associates		
Gangakhed Sugar & Energy Limited	1,966.00	1,966.00
Add Share of Accumulated Reserves/ Profits	1,227.29	1,227.29
Add Share of Current Profits	804.66	-
	3,997.95	3,193.29

15 DEFERRED TAX ASSETS (Net Deferred Tax Asset in respect of Parent Company)

	(₹ In Lacs)	
	As at 31 March 2015	As at 31 March 2014
Depreciation	436.45	303.59
Provision for Doubtful Debts/ Deposits/ Advances	263.33	283.92
Disallowances under Income Tax Act to be allowed in future years	213.64	166.80
	913.42	754.31

16 LOANS AND ADVANCES (UNSECURED)

	Non-Current (Long Term)		Current (Short Term)	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Capital Advances (Considered Good)	753.27	436.33	-	-
Deposits				
Considered Good	1,835.42	1,563.50	1,462.75	1,476.34
Considered Doubtful	-	-	6.27	6.51
	1,835.42	1,563.53	1,469.02	1,482.85
Less: Provision for Doubtful Deposits	-	-	6.27	6.51
	1,835.42	1,563.53	1,462.75	1,476.34
Advances to Creditors				
Considered Good	-	-	10,317.53	7,173.88
Considered Doubtful	-	-	6.56	4.20
	-	-	10,324.09	7,178.08
Less: Provision for Doubtful Advances	-	-	6.56	4.20
	-	-	10,317.53	7,173.88
Loan and Advances to Related Parties (Considered Good)	165.85	135.75	-	85.00
Loan to Others	-	-	1,792.50	926.41
Share Application Money to Related Parties	-	-	132.32	206.90
Income Tax Paid (Net of Provision)	-	-	40.54	39.20
Balances with Statutory/ Government Authorities	-	-	1,315.60	586.35
Income Tax (Net of Provisions)	-	-	7.79	41.44
Balance with Excise Authorities	-	-	29.27	190.66
VAT Receivable	-	-	2,487.07	1,608.51
Prepaid Expenses	124.94	151.69	595.27	852.56
Advances Recoverable in Cash or in Kind	-	-	756.47	750.94
	2,879.48	2,287.30	18,937.11	13,938.19

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

17 OTHER ASSETS

(₹ In Lacs)

	Non-Current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Interest Accrued on Fixed Deposits	106.51	44.97	280.05	384.42
Fixed Deposits with Banks (Under Lien) (Refer Note 21)	2,165.77	2,130.51	-	-
Due from Customers (Project related activity)	-	-	30,774.17	31,503.22
Assets Held for Sale	-	-	65.81	65.81
Long Term Trade Receivables - Considered Good	2,137.71	2,109.21	-	-
	4,409.99	4,284.69	31,120.03	31,953.45

18 CURRENT INVESTMENT (Current portion of Long Term Investment)

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Investments in Mutual Fund - Quoted		
Union KBC Fixed Maturity Plan - Series 8 - Regular Plan Growth NIL (Pr.Yr. 2,50,000) units of ₹10 each (Under Lien)	-	25.00
(Aggregate Market value of quoted investments NIL (Pr.Yr. ₹26.52 lacs))	-	25.00

19 INVENTORIES (As certified by the Management)

(₹ In Lacs)

	As at 31 March 2015	As at 31 March 2014
Raw Material and Components	16,679.22	13,327.21
Stores, Spare Parts and Loose Tools	2,813.01	2,409.85
Land	243.69	243.69
Work in Progress (Including Land)	1,740.80	1,672.60
Finished Goods	299.57	226.68
	21,776.29	17,880.03

20 TRADE RECEIVABLES (UNSECURED)

(₹ In Lacs)

	Non-Current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Over Six Months from the date it become due for payment				
Considered Good	-	-	3,642.22	3,116.26
Considered Doubtful	-	-	733.98	821.31
	-	-	4,376.20	3,937.57
Others- Considered Good	2,137.71	2,109.21	37,270.97	45,820.78
Debt Due from Companies in Which Director is Director/ Member	-	-	2,102.20	2,693.32
	2,137.71	2,109.21	43,749.37	52,451.67
Less : Provision for Doubtful Debts	-	-	733.98	821.31
Amount disclosed under Other Non Current Assets	2,137.71	2,109.21	-	-
	-	-	43,015.39	51,630.36

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

21 CASH AND BANK BALANCES

(₹ In Lacs)

	Non-Current		Current	
	As at 31 March 2015	As at 31 March 2014	As at 31 March 2015	As at 31 March 2014
Cash and Cash Equivalents (As per AS 3)				
Balances with Banks in Current Accounts			2,623.34	1,194.62
Deposits with original maturity of upto three months			30.00	-
Cash on Hand			176.09	130.77
			2,829.43	1,325.39
Other Bank Balances				
Earmarked Balances with Banks				
- Unpaid Dividend			5.48	6.54
- Government Grants			21.88	12.00
Fixed Deposits with original maturity for more than 3 months and upto 12 months (Under Lien)	-	-	5,050.27	5,153.81
Fixed Deposits with original maturity for more than 12 months (Under Lien)	2,165.75	2,130.49	2,139.13	2,627.74
	2,165.75	2,130.49	7,216.76	7,800.09
Amount disclosed under Other Non-Current Assets	2,165.75	2,130.49	-	-
	-	-	10,046.19	9,125.48

22 REVENUE FROM OPERATIONS

(₹ In Lacs)

		Year ended 31 March 2015	Year ended 31 March 2014
Revenue from Contracts, Projects & Maintenance	A	183,423.00	156,840.80
Other Operating Revenues			
Income from Crane Hire		62.79	91.28
Sale of Scrap		8.66	44.19
Metal (Boulder) and Other Sale		83.40	191.35
Job Work Receipt		284.36	927.88
	B	439.21	1,254.70
	(A+B)	183,862.21	158,095.50
Less: Excise Duty		211.48	630.83
		183,650.73	157,464.67

23 OTHER INCOME

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Interest Income		
Bank Deposits	752.36	837.50
Capital in Partnership Business	27.72	27.72
Others	433.88	51.72
Grant received from NIRD (SGSY Scheme)	137.58	-
Rent Income	127.25	-
Profit on Sale of Non Current Investments - Non Trade	96.30	-
Profit on Sale/ Discard of Fixed Assets (Net)	78.27	-
Exchange Rate Difference (Net)	21.50	-
Amount Written Back (Net)	85.22	7.14
Miscellaneous Incomes	13.86	51.10
	1,773.94	975.18

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Inventories at the beginning of the year		
Finished Goods	226.68	303.51
Work-in-Progress	1,672.60	235.97
(A)	1,899.28	539.48
Inventories at the end of the year		
Finished Goods	299.57	226.68
Work-in-Progress	1,740.80	1,672.60
(B)	2,040.37	1,899.28
Net (Increase) / Decrease Inventories of Work-in-Progress	(A-B)	
	(141.09)	(1,359.80)

25 CONTRACT AND SITE EXPENSES

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Construction, Erection, Fabrication and Maintenance	55,357.84	31,078.08
Hire Charges	1,681.70	1,758.48
Transportation Expenses	501.68	705.76
Stores and Spares	297.93	602.94
Other Site Expenses	2,365.62	1,666.44
Job Work Charges	357.84	467.00
	60,562.61	36,278.70

26 EMPLOYEE BENEFITS EXPENSE

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Salary, Wages and Allowances	6,648.72	6,701.66
Contribution to Provident, Superannuation and Other Funds	468.90	405.79
Staff and Labour Welfare Expenses	454.90	506.04
	7,572.52	7,613.49

27 FINANCE COSTS

(₹ In Lacs)

	Year ended 31 March 2015	Year ended 31 March 2014
Interest Paid to Bank	5,706.46	5,204.38
Interest Paid to Others	194.73	66.49
Other Borrowing Cost	2,542.49	2,588.15
Interest on Service Tax	72.23	98.33
Interest Paid to Customers	392.38	373.17
Foreign Currency Transaction and Translation Loss (Net)	31.57	288.20
	8,939.86	8,618.72

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

28 DEPRECIATION AND AMORTISATION EXPENSE

	(₹ In Lacs)	
	Year ended 31 March 2015	Year ended 31 March 2014
Depreciation and Amortisation (Refer Note 13)	3,081.95	2,828.30
Less: Recoupment from Revaluation Reserve	0.83	0.87
	3,081.12	2,827.43

29 OTHER EXPENSES

	(₹ In Lacs)	
	Year ended 31 March 2015	Year ended 31 March 2014
Power and Fuel	278.94	259.65
Rent	915.53	797.44
Repairs to Machinery	153.29	205.28
Repairs to Building	89.97	124.92
Repairs - Others	254.71	247.55
VAT, Entry Tax, Service Tax and Excise Duty	552.26	1,004.03
Insurance	188.84	197.11
Rates and Taxes	96.49	93.63
Legal and Professional Fees	354.99	385.35
Travelling and Conveyance	762.61	636.29
Communication	143.32	146.10
Printing and Stationery	70.14	73.98
Exchange Rate Difference (Net)	-	663.20
Provision for Doubtful Debts	-	18.19
Bad debts/Advances Written Off	0.81	-
Loss from Partnership Business	0.07	0.99
Loss on Sale/ Discard of Fixed Assets (Net)	10.77	28.77
Remuneration to Auditors		
Statutory Audit Fees	24.12	24.00
Certification & Other Matters	4.03	6.95
Demurrage Charges	0.62	0.92
Miscellaneous Expenses	405.73	426.92
	4,307.24	5,341.27

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

30 EARNINGS PER SHARE (EPS)

The numerator and denominator used to calculate Basic and Diluted Earnings Per Share:

Particulars		Year ended	Year ended
		31 March 2015	31 March 2014
Basic and Diluted Earnings Per Share:			
Profit attributable to Equity Shareholders considered for Basic EPS (₹ in Lacs)	(A)	5,329.22	2,920.49
Add: Dilutive effect on profit (₹ in Lacs)	(B)	Nil	Nil
Profit attributable to Equity Shareholders for computing Diluted EPS (₹ in Lacs)	(C=A+B)	5,329.22	2,920.49
Weighted average number of Equity Shares outstanding considered for Basic EPS	(D)	14,705,571	12,319,544
Add: Dilutive effect of Options outstanding - Number of equity shares	(E)	158,145	Nil
Weighted average number of Equity Shares considered for computing Diluted EPS	(F=D+E)	14,863,716	12,319,544
Nominal Value of Equity Shares (₹)		10.00	10.00
Basic Earnings Per Share (₹)		36.24	23.71
Diluted Earnings Per Share (₹)		35.85	23.71

There are no exceptional items, extraordinary items and discontinuing operations.

31 BASIS OF PREPARATION

Details of Subsidiaries, Associates and Joint Ventures of the Group are as under :

31.1 Name of the Subsidiary Companies

	Country of incorporation	Proportion of ownership interest and voting power as on	
		31 March 2015	31 March 2014
SEAM Industries Limited	India	88.61%	88.61%
Sunilhitech India Infra Private Limited	India	97.51%	88.77%
Sunil Hitech Energy Private Limited* (Including 37.95 % of shares are held by SHEL Investment Consultancy Private Limited)	India	51.00%	51.00%
SHEL Investment Consultancy Private Limited	India	99.99%	99.99%
Sunilhitech Solar (Dhule) Private Limited (Including 1 share held with Nominee)	India	100.00%	100.00%
Patra Green Energy Private Limited	India	90.00%	-

31.1.1 Accounts of the aforesaid Subsidiary Companies are for the period from 01 April 2014 to 31 March 2015 and are incorporated in the CFS. Financial Statements and other informations of aforesaid Subsidiaries have been audited by other Auditors.

31.2 Name of the Associate Companies

	Country of incorporation	Proportion of interest	31 March 2015	31 March 2014
Gangakhed Sugar & Energy Limited (Including 0.05 % of shares are held by SEAM Industries Limited)	India	Ownership & Voting	28.08%	28.08%

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

31 BASIS OF PREPARATION

Details of Subsidiaries, Associates and Joint Ventures of the Group are as under :

31.3 Name of the Joint Ventures

	Country of residence	Proportion of ownership interest and voting power as on	
		31 March 2015	31 March 2014
Jointly Controlled Entities (JCE)			
PBSPL-SHEL-JV	India	49.00%	49.00%
MSMC Adkoli Natural Resources Limited	India	24.99%	24.99%

32 COMMITMENTS

- Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances ₹222.16 Lacs (Pr.Yr. ₹33.98 Lacs)
- Other Commitments - Non cancellable operating Leases (Refer Note 37)

33 CONTINGENT LIABILITIES

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
a) Service Tax demand disputed, contested in appeal	972.69	1,580.12
b) Sales Tax demand disputed, contested in appeal	39.84	39.84
c) Customs Duty disputed	115.49	115.49
d) Income Tax disputed, contested in appeal	291.17	-
e) Guarantee given to Banks and Financial Institutions on behalf of -		
i) An Associate Company	2,401.88	2,500.00
- Loans outstanding at the year end	-	478.33
ii) Others	1,282.00	3,210.00
f) Claims against the Company not acknowledged as debts	111.76	101.37
g) Uncalled liability on partly paid up shares of Organic Waste (India) Private Limited	NA	1,182.52

34 REMUNERATION TO AUDITORS (EXCLUDING SERVICE TAX)

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
Statutory Audit Fees	24.25	24.25
Tax Audit	4.00	0.75
For Certification and Other Matters	4.18	6.95

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

35 EMPLOYEE BENEFITS

As required by Accounting Standard-15 "Employee Benefits" the disclosures are as under:

Defined Contribution Plans:

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the Government and certain state plans such as Employees' State Insurance (ESI). PF and EPS covers substantially all the regular employees and the ESI covers eligible workers. Contributions are made to the Government's funds, while both the employees and the Company pay predetermined contributions into the PF and the ESI Scheme, contributions into the EPS is made only by the Company. The contributions are normally based on a certain portion of the employee's salary.

During the year, following amounts has been recognised in the Accounts

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
Provident Fund, Employees' Pension Scheme and Labour Welfare Fund	364.55	341.45
Employees' State Insurance	24.74	31.78
Total	389.29	373.23

Defined Benefit Plans

In respect of Parent Company

Leave Encashment:

The Parent Company employees are entitled for compensated absences, which are allowed to be accumulated and encashed as per the Company's rules.

The liability of compensated absences, which is non funded, has been provided based on the report of independent actuary using the "Projected Unit Credit Method" in respect of past services. Accordingly ₹301.80 Lacs (Pr.Yr. ₹226.54 Lacs) being the liability as at the year end for compensated absences have been provided in the accounts.

Gratuity:

The Employees' Gratuity Fund Scheme is a defined benefits plan. The present value of obligation is determined based on actuarial valuation, using the "Projected Unit Credit Method", which recognises each period of services as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

The Company makes contributions to the Employees' Group Gratuity-cum Life Assurance (Cash Accumulation) Scheme of the LIC, a funded defined benefit plan for employees. The scheme provides for payment to employees as under:

- i) On normal retirement/ early retirement/ withdrawal/ resignation:
As per the provisions of The Payment of Gratuity Act, 1972 with vesting period of 5 years of service.
- ii) On the death in service:
As per the provisions of The Payment of Gratuity Act, 1972 without any vesting period.

Disclosures for defined benefit plans i.e. Gratuity (Funded Plan) based on actuarial reports as on 31st March, 2015:

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
i) Changes in Defined Benefit Obligation		
Opening defined benefit obligation	269.46	253.18
Current service cost	77.84	66.93
Interest cost	23.58	19.40
Actuarial loss/ (gain)	(36.11)	(42.82)
Benefit (paid)	(14.99)	(27.23)
Closing defined benefit obligation	319.78	269.46
ii) Changes in Fair Value of Assets		
Opening fair value of plan assets	251.02	243.40
Expected return on plan assets	21.83	20.76

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

35 EMPLOYEE BENEFITS (contd.)

(₹ In Lacs)

Particulars	31 March 2015	31 March 2014
Actuarial gain/ (loss)	0.45	(0.93)
Contributions of employer	11.88	15.02
Benefits (paid)	(14.99)	(27.23)
Closing fair value of plan assets	270.19	251.02
iii) Amount recognised in the Balance Sheet		
Present value of the obligations as at year end (Funded + Non Funded)	319.78	269.46
Fair value of the plan assets as at year end	(270.19)	(251.02)
Net (asset)/ liability recognised as at the year end	49.59	18.44
iv) Expenses recognised in the Statement of Profit and Loss		
Current service cost	77.84	66.93
Interest on defined benefit obligation	23.58	19.40
Expected return on plan assets	(21.83)	(20.76)
Net actuarial loss/ (gain) recognised in the current year	(36.56)	(41.88)
Total expenses	43.03	23.69
v) Asset information (% Allocation)		
Government of India Securities	Nil	Nil
Corporate Bonds	Nil	Nil
Special Deposit Scheme	Nil	Nil
Insurer Managed Funds	100%	100%
Others	Nil	Nil
vi) Principal actuarial assumptions used		
Discount Rate (p.a.)	7.77%	9.00%
Expected Rate of Return on Plan Assets (p.a.)	8.75%	8.75%
Salary Escalation Rate (p.a.)	5.00%	6.00%

The estimate of future increase in compensation levels considered in the actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

In respect of Subsidiary Company (SEAM Industries Ltd.)

The Present Value of obligation is determined based on actuarial valuation using the "Projected Unit Credit Method", which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligations. The obligation for leave encashment is recognised in the same manner as gratuity.

(₹ In Lacs)

Particulars	31 March 2015		31 March 2014	
	Gratuity Unfunded	Leave encashment (Unfunded)	Gratuity Unfunded	Leave encashment (Unfunded)
a) Reconciliation of Opening and Closing balances of Defined Benefit Obligation				
Defined Benefit Obligation at year beginning	19.46	22.97	17.21	30.60
Current Service Cost	5.45	14.35	5.33	15.38
Interest Cost	1.75	2.07	1.39	2.48
Actuarial (gain)/ loss	(1.45)	(18.46)	(4.47)	(25.49)
Benefits Paid	-	-	-	-
Liabilities assumed on Acquisition	-	-	-	-
Defined Benefit Obligations at year end	25.21	20.93	19.46	22.97

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

35 EMPLOYEE BENEFITS (contd.)

(₹ In Lacs)

Particulars	31 March 2015		31 March 2014	
	Gratuity Unfunded	Leave encashment (Unfunded)	Gratuity Unfunded	Leave encashment (Unfunded)
b) Reconciliation of Opening and Closing Balances of Fair value of Plan Assets	-	-	-	-
c) Reconciliation of Fair value assets and obligations				
Fair Value of Plan Assets as at year end	-	-	-	-
Present Value of Obligation as at year end	25.22	22.92	19.46	22.97
Amount recognised in balance sheet	(25.22)	(22.92)	(19.46)	(22.97)
d) Expenses recognised during the period (Under the head "Employee Benefit Expenses)				
Current Service Cost	5.45	14.35	5.33	15.38
Interest Cost	1.75	2.07	1.39	2.48
Actuarial (gain)/ loss	(1.45)	(18.46)	(4.47)	(25.49)
Net Cost	5.75	(2.04)	2.26	(7.64)
e) Discount Rate (p.a.)	7.77%	7.77%	9.00%	9.00%
f) Expected Rate of Return on Plan Assets (p.a.)	Nil	Nil	Nil	Nil
g) Salary Escalation rate (p.a.)	5.00%	5.00%	5.00%	5.00%

Actuarial valuation has been carried out using the "Projected Unit Credit Method".

In respect of Subsidiary Company (Sunilhitech India Infra Pvt.Ltd.)

In accordance with Accounting Standard 15 (Revised 2005) 'Employee Benefits', actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions.

(₹ In Lacs)

Particulars	31 March 2015		31 March 2014	
	Gratuity Unfunded	Leave encashment (Unfunded)	Gratuity Unfunded	Leave encashment (Unfunded)
a) Reconciliation of Fair value assets and obligations				
Fair Value of Plan Assets as at year end				
Present Value of Obligation as at year end	4.17	5.54	3.65	5.88
Amount recognised in balance sheet	(4.17)	(5.54)	(3.65)	(5.88)
b) Expenses recognised during the period (Under the head "Employee Benefit Expenses)				
Current Service Cost	3.84	5.02	3.38	4.88
Interest Cost	0.33	0.52	0.27	1.00
Actuarial (gain)/ loss				
Net Cost	4.17	5.54	3.65	5.88
c) Reconciliation of Net Asset/ (Liability) recognised in the Balance Sheet during the year ended March 31, 2015				
Net Asset/ (Liability) at the beginning of the year	-	-	-	-
Expenses as per I above	(4.17)	(5.54)	(3.65)	(5.88)
Employer Contribution	-	-	-	-
Net Asset/ (Liability) at the end of the year	(4.17)	(5.54)	(3.65)	(5.88)
d) Discount Rate (p.a.)	7.77%	7.77%	9.10%	9.10%
e) Expected Rate of Return on Plan Assets (p.a.)	Nil	Nil	Nil	Nil
f) Salary Escalation rate (p.a.)	7.00%	7.00%	7.00%	7.00%

Amounts recognised as an expense and included in the Personnel cost are gratuity ₹4.17 Lacs (Pr.Yr. ₹3.65 Lacs) and leave encashment ₹5.54 Lacs (Pr.Yr. ₹5.88 Lacs).

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

36 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD-7 "CONSTRUCTION CONTRACTS" (REVISED): (IN CASE OF THE PARENT COMPANY).

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
Contract revenue recognised for the year	118,083.22	80,312.80
Aggregate amount of contract costs incurred and recognised profits (Less recognised losses) up to the year end for all contracts in progress as at that date	267,784.95	242,436.72
Amount of customer advances received and outstanding for contracts in progress	13,796.12	10,725.01
Retention amount due from customers for contracts in progress	16,020.56	16,447.11
Gross amount due from customers as at year end	30,774.18	31,503.23
Gross amount due to customers as at year end	55.06	211.24

37 DISCLOSURE FOR OPERATING LEASES UNDER ACCOUNTING STANDARD-19 "LEASES":

The Company has taken various residential/ office premises (including furniture and fittings, therein as applicable), under operating lease or leave and license agreements. These are generally cancellable under leave and license arrangements and are renewable by mutual consent on mutually agreeable terms. The company has given refundable interest free security deposits in accordance with the agreed terms. The lease payments of ₹1,230.54 Lacs (Pr.Yr. ₹992.21 Lacs) are recognised in the Statement of Profit and Loss.

The future lease payments and payment profile of non cancellable operating leases are as under.

Particulars	(₹ In Lacs)	
	31 March 2015	31 March 2014
Not later than one year	1,516.10	1,129.87
Later than one year but not later than five years	1,565.39	2,527.99
Later than five years	598.68	712.26

38 In terms of the requirements of the Accounting Standard-28 on "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the amount recoverable against Fixed Assets has been estimated for the period by the management based on present value of estimated future cash flows expected to arise from the continuing use of such assets. The recoverable amount so assessed was found to be adequate to cover the carrying amount of the assets, therefore no provision for impairment in value thereof has been considered necessary, by the management.

39 SEGMENT REPORTING :

I. Business Segments:

Business segments have been identified in line with Accounting Standard 17 - "Segment Reporting".

The Company's businesses are classified into following three primary business segments:

- a) Project and related activities
- b) Manufacturing

Project and related activities: This segment is engaged in the business of Fabrication, Erection and Commissioning of Boilers (Power Plants) ESP, Rotating Machineries, Sugar plants, Transmission and Distribution and EPC Contract and Balance of Plant (BOP).

Manufacturing Segment: Manufacturing & Supply of IBR and Non IBR Piping, Pressure Parts & Vessels and Technological Structures.

During the year Segment Reporting has been reconstituted in line with the revised reporting norms of the Company. Consequently, segment figures for the previous year have been regrouped.

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

39 SEGMENT REPORTING : (contd.)

(₹ In Lacs)

Sr. No.	Particulars	31 March 2015	31 March 2014
1	Segment Revenue		
	(Net Sales/ Income from each segment)		
a.	Project and related activities	179,854.64	146,611.89
b.	Manufacturing	16,508.37	15,990.54
	Total	196,363.01	162,602.43
	Less: Inter-segment Revenue	12,940.00	5,761.63
	Net Sales/ Income from Operations	183,423.00	156,840.80
2	Segment Results		
	(Profit before tax and finance cost from each segment)		
a.	Project	17,926.44	15,741.80
b.	Manufacturing	1,606.24	1,486.55
	Total	19,532.68	17,228.35
	Less:		
i)	Finance Cost	8,939.86	8,618.72
ii)	Other un-allocable expenditure net off un-allocable income	3,640.00	3,800.00
	Profit Before Tax	6,952.83	4,809.63
3	Capital Employed		
	(Segment Assets – Segment liabilities)		
a.	Project	47,539.09	37,805.36
b.	Manufacturing	4,874.23	4,527.22
	Total	52,413.32	42,332.58
	Less: Unallocated	12,315.08	8,069.37
	Total Capital Employed	40,098.24	34,263.21

II. Geographical Segments

Since company operates only in India, there are no geographical segments as defined in AS 17.

40 NOTE ON HEDGE AND UNHEDGED FOREIGN CURRENCY ASSETS AND LIABILITIES:

During the year, the Company has not entered into any forward exchange contract, being derivative instruments for hedge or trading or speculation purpose. No Forward Exchange Contracts are outstanding as at the year end. The year end foreign currency exposures that have not been hedged by derivative instrument or otherwise are as below.

Particulars	Amount		Foreign Currency Amt in Lacs		Foreign Currency
	31 March 2015	31 March 2014	31 March 2015	31 March 2014	
Amount Receivable	79.28	3,903.14	1.27	64.94	USD
Amount Payable	-	7,596.75	-	126.77	USD
	-	399.88	-	4.84	EURO

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

41 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD-18 ARE GIVEN BELOW:

Category I: Associates :	Gangakhed Sugar & Energy Limited V. K. Realtors (Partnership Firm)
Category II: Joint Venture :	PBSPL - SHEL - JV MSMC Adkoli Natural Resources Limited
Category III: Directors, Key Management Personnel and their Relatives:	Mr. Ratnakar Manikrao Gutte Mrs. Sudhamati Ratnakar Gutte Mr. Sunil Ratnakar Gutte Mr. Vijay Ratnakar Gutte Mr. Mohanan Narayanan Mattathil (till 8th Oct 2014) Mr. Venkataramana Condoor Mr. Anupam Gianchand Dhiman (w.e.f. 14 Oct 2014) Mrs. Swati Rajesh Phad CS Shrikant Rikhe
Category IV: Enterprise over which persons covered under Category III above are able to exercise significant control	Gutte Infra Private Limited VRG Digital Corporation Private Limited RSV & Associates Kolhapur Green Energy Private Limited

A. Transactions with Related Parties During the Year are as Under *

Sr. No.	Particulars	CATEGORY				TOTAL
		I	II	III	IV	
1	Investments made	-	-	-	34.58	34.58
		(550.00)	-	-	(4.59)	(554.59)
2	Loans and Advances Given	-	-	-	485.98	485.98
		(85.00)	(104.00)	-	-	(189.00)
3	Advances Received for Contracts and Projects	299.99	-	-	293.64	593.63
		(73.50)	-	-	(1,080.02)	(1,153.52)
4	Loan Taken	-	-	-	206.13	206.13
		-	-	-	(490.00)	(490.00)
5	Repayment of Loans Taken	-	-	-	417.08	417.08
		-	-	-	(279.05)	(279.05)
6	Sales of Goods/ Contract Revenue & Services	139.04	-	-	1,327.66	1,466.70
		(600.34)	-	-	(1,095.99)	(1,696.33)
7	Remuneration to Directors (Including Perquisites)	-	-	505.47	-	505.47
		-	-	(504.81)	-	(504.81)
8	Dividend Paid	-	-	78.38	-	78.38
		-	-	(78.38)	-	(78.38)
9	Rent Received	-	-	-	88.44	88.44
		-	-	-	-	-
10	Interest Income	27.72	-	-	-	27.72
		(31.32)	-	-	-	(31.32)
11	Rent Paid	-	-	138.42	-	138.42
		-	-	(143.22)	-	(143.22)

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

41 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD-18 ARE GIVEN BELOW: (contd.)

A. Transactions with Related Parties During the Year are as Under *

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY				TOTAL
		I	II	III	IV	
12	Expenses reimbursement to	4.21	-	-	30.07	34.28
		(59.83)	(7.42)	-	(14.42)	(81.67)
13	Expenses reimbursement from	55.69	-	-	-	55.69
		(1.45)	-	-	(5.11)	(6.56)
14	Interest Paid	-	-	-	5.40	5.40
		-	-	-	(11.43)	(11.43)
15	Share Application Money Received	-	-	-	-	-
		-	-	(110.23)	-	(110.23)
16	Share Alloted against Application Money Received	-	-	-	-	-
		-	-	(10.23)	-	(10.23)
17	Share Warrant Application Money Received	-	-	-	960.38	960.38
		-	-	-	(739.13)	(739.13)
18	Share Allotment against warrant	-	-	-	1,863.75	1,863.75
		-	-	-	(985.50)	(985.50)
19	Share Application Money Given	-	-	-	775.00	775.00
		-	-	-	(206.90)	(206.90)

*Figures in brackets indicate previous year figures.

B. Out of the above items, transactions in excess of 10% of the total related party transactions are as under

(₹ In Lacs)

Sr. No.	Particulars	Category	31 March 2015	31 March 2014
1	Investments made			
	Organic Waste (India) Private Limited	I	-	550.00
	Kolhapur Green Energy Private Limited	IV	34.58	-
2	Capital Advances Given			
	RSV & Associates	IV	485.98	-
3	Loans and Advances Given			
	Organic Waste (India) Private Limited	I	-	85.00
	MSMC Adkoli Natural Resources Limited	II	-	104.00
4	Advances Received for Contracts and Projects			
	RSV & Associates	V	-	115.81
	Gutte Infra Private Limited	IV	-	964.21
5	Loans Taken			
	Gutte Infra Private Limited	IV	206.13	490.00
6	Repayment of Loans Taken			
	Gutte Infra Private Limited	IV	417.08	279.05
7	Sales of Goods/ Contract Revenue & Services			
	Gangakhed Sugar & Energy Limited	I	-	13.75
	V. K. Realtors	I	132.54	565.25
	RSV & Associates	IV	217.50	233.56
	Gutte Infra Private Limited	IV	1,110.16	862.44

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

41 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD-18 ARE GIVEN BELOW: (contd.)

B. Out of the above items, transactions in excess of 10% of the total related party transactions are as under

(₹ In Lacs)				
Sr. No.	Particulars	Category	31 March 2015	31 March 2014
8	Remuneration to Directors (Including Perquisites)			
	Mr. Ratnakar Manikrao Gutte	III	92.40	84.00
	Mrs. Sudhamati Ratnakar Gutte	III	48.00	48.00
	Mr. Sunil Ratnakar Gutte	III	52.00	48.00
	Mr. Vijay Ratnakar Gutte	III	48.00	48.00
	Mr. Mohanan Narayanan Mattathil	III	26.60	51.00
	Mr. Venkataramana Condoor	III	190.02	154.68
9	Dividend Paid			
	Mr. Ratnakar Manikrao Gutte	III	26.43	26.43
	Mrs. Sudhamati Ratnakar Gutte	III	23.63	23.63
	Mr. Sunil Ratnakar Gutte	III	20.14	20.14
	Mr. Vijay Ratnakar Gutte	III	8.10	8.10
10	Rent Income			
	VRG Digital Corporation Private Limited	IV	88.44	-
11	Interest Income			
	Organic Waste (India) Private Limited	I	-	3.60
	V. K. Realtors	I	27.72	27.72
12	Rent Paid			
	Mr. Ratnakar Manikrao Gutte	III	53.19	53.19
	Mrs. Sudhamati Ratnakar Gutte	III	66.21	66.21
	Mr. Sunil Ratnakar Gutte	III	-	20.88
13	Expenses reimbursement to			
	Gangakhed Sugar & Energy Limited	I	55.69	59.83
	Gutte Infra Private Limited	IV	-	14.42
14	Expenses reimbursement from			
	RSV & Associates	IV	30.07	-
15	Interest Paid			
	Gutte Infra Private Limited	IV	5.40	11.43
16	Share Application Money Received			
	Mr. Sunil Ratnakar Gutte	IV	-	100.00
17	Share Alloted Against Application Money Received			
	Mr. Venkataramana Condoor	IV	-	10.00
18	Share Warrant Application Money Received			
	Gutte Infra Private Limited	IV	451.69	369.56
	VRG Digital Corporation Private Limited	IV	508.69	369.56
19	Share Allotment against Warrant			
	Gutte Infra Private Limited	IV	1,204.50	492.75
	VRG Digital Corporation Private Limited	IV	659.25	492.75
20	Share Application Money Given			
	Kolhapur Green Energy Private Limited	IV	775.00	206.90

Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

41 RELATED PARTY DISCLOSURE WITH WHOM TRANSACTIONS HAVE TAKEN PLACE DURING THE YEAR AS REQUIRED BY ACCOUNTING STANDARD-18 ARE GIVEN BELOW: (contd.)

C. Balances Due from/ to the Related Parties as at 31 March 2015 *

(₹ In Lacs)

Sr. No.	Particulars	CATEGORY				TOTAL
		I	II	III	IV	
1	Investments	2,262.42	-	-	39.17	2,301.59
		(2,784.77)	-	-	(4.59)	(2,789.36)
2	Trade Receivables	4,567.48	31.10	-	1,348.52	5,947.10
		(2,773.41)	(31.10)	-	(117.77)	(2,922.28)
3	Other Receivables	-	-	-	1.84	1.84
		-	-	-	(1.84)	(1.84)
4	Loans and Advances Given	-	-	-	-	-
		(85.00)	(266.19)	-	-	(351.19)
5	Deposits Given	-	63.32	-	-	63.32
		-	(63.32)	-	-	(63.32)
6	Loan Taken	-	-	-	-	-
		-	-	-	(210.95)	(210.95)
7	Trade Payables	49.91	-	-	-	49.91
		(48.51)	-	-	-	(48.51)
8	Guarantees given to Banks & Financial Institutions on Behalf of	2,401.88	-	-	-	2,401.88
		(2,401.88)	-	-	-	(2,401.88)
9	Share Application Money	-	-	-	-	-
		-	-	(100.00)	-	(100.00)
10	Share Warrant Application Money	-	-	27.70	-	27.70
		-	-	-	(301.13)	(301.13)

*Figures in brackets indicate previous year figures.

42 DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Disclosure of Trade payables to Micro, Small and Medium Enterprises under Current Liabilities is based on the information available with the Company regarding the Status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and relied upon by the Auditors. Amount outstanding (not overdue) as on 31 March 2015 to Micro, Small and Medium Enterprises on account of principal amount aggregate to ₹57.51 Lacs (Pr.Yr. ₹270.19 Lacs) and interest payable thereon ₹8.00 Lacs (Pr.Yr. ₹9.52 Lacs) and interest paid during the year ₹Nil (Pr.Yr. ₹Nil).

43 Balances of some of the Trade Receivables and Trade Payables are subject to confirmation/ reconciliation and adjustments, if any.



Notes to Consolidated Financial Statements for the Year Ended 31 March 2015

- 44 Pursuant to the agreement between 'Maharashtra State Mining Corporation' (MSMC) and the Parent Company, the Parent Company have since transferred its rights and obligations to 'Sunil Hitech Energy Private Limited' (its subsidiary), for allocating coal mining rights of 'MSMC Adkoli Natural Resources Limited'. However, the coal block stand de-allocated vide Hon. Supreme Court Judgement dated 24.09.2014. The Parent Company is hopeful of settling its dues/ receivables of claims (including incidental expenditure incurred upto 24.09.2014) on MSMC disposing off its available assets and liabilities.
- 45 Previous year's figures are regrouped and recasted wherever required.

As per our report of even date attached

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Regn No 109208W

For and on behalf of Board of Directors

Arvind Mohan
Partner
Membership No.124082
Mumbai, 28 May 2015

Shrikant Rikhe
Company Secretary

Vijay R. Gutte
Chief Financial Officer

Ratnakar M. Gutte
Chairman

Sunil R. Gutte
Managing Director



SUNIL HITECH ENGINEERS LIMITED

(CIN: L28920MH1998PLC115155)

Registered office: "Ratnadeep", Jaynagar, Parli Vaijnath, Dist. Beed-431520

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 17th Annual General Meeting of the Members of 'SUNIL HITECH ENGINEERS LIMITED' (CIN:L28920MH1998PLC115155) will be held on Thursday, the 23rd day of July, 2015 at 02.00 P.M. at the Registered Office of the Company at 'Ratnadeep', Jaynagar, Parli Vaijnath, Dist. Beed, Maharashtra, Pin – 431520, to transact the following business:

Ordinary Business:

1. To review, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and Statement of Profit & Loss for the year ended on that date together with the Report of the Board of Directors and the Auditors thereon.
2. To declare dividend for the financial year ended on 31st March, 2015.
3. To appoint a Director in place of Mr. Vijay R. Gutte (DIN: 01179049), who retires from office by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mrs. Sudhamati R. Gutte (DIN: 01174733), who retires from office by rotation and being eligible, offers herself for re-appointment.
5. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and rules made thereunder and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof M/s. V. Sankar Aiyar & Co., Chartered Accountants (FRN 109208W), be appointed as statutory auditors of the Company to hold office from the conclusion of this annual general meeting until the next annual general meeting of the Company and that the Board of Directors be and is hereby authorized to fix their remuneration."

Special Business:

6. To approve appointment of Mr. Sunil Ratnakar Gutte (DIN: 00165822) as a Managing Director of the company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and rules made there under read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and Articles of Association of the Company, and subject to such other approvals as may be necessary, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Sunil Ratnakar Gutte (DIN: 00165822) as a Managing Director of the Company for a period of five years w.e.f. 7th October, 2014 to 6th October, 2019 at a remuneration not exceeding ₹4,00,000/- (Rupees Four Lacs) per month as basic salary and other perquisites, allowances, etc. as per policy of the company and on terms and conditions as may be decided by the Board of Directors from time to time.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution."

7. To approve appointment of Mr. Ratnakar Manikrao Gutte (DIN: 00165642) as a Wholetime Director of the company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and rules made there under read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and Articles of Association of the Company, and subject to such other approvals as may be necessary, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Ratnakar Manikrao Gutte (DIN: 00165642) as a Wholetime Director of the Company for a period of five years w.e.f. 7th October, 2014 to 6th October, 2019 at a remuneration not exceeding ₹4,00,000/- (Rupees Four Lacs) per month as basic salary and other perquisites, allowances, etc. as per policy of the company and on terms and conditions as may be decided by the Board of Directors from time to time.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution."

8. To approve appointment of Mr. Anupam Dhiman (DIN: 06997500) as a Wholetime Director of the company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and rules made there under read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and Articles of Association of the Company, and subject to such other approvals as may be necessary, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Anupam Dhiman (DIN: 06997500) as a Wholetime Director of the Company for a period of five years w.e.f. 18th October, 2014 to 17th October, 2019 at a remuneration not exceeding ₹4,00,000/- (Rupees Four Lacs) per month as basic salary and other perquisites, allowances, etc. as per policy of the company and on terms and conditions as may be decided by the Board of Directors from time to time.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution.”

9. To approve continuation of employment of Mrs. Sudhamati Ratnakar Gutte (DIN: 01174733) as a Wholetime Director of the company and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and rules made there under read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof and Articles of Association of the Company, and subject to such other approvals as may be necessary, approval of the members of the Company be and is hereby accorded to the appointment of Mrs. Sudhamati Ratnakar Gutte (DIN: 01174733) as a Wholetime Director of the Company for a period of five years w.e.f. 23rd July, 2015 to 22nd July, 2020 at a remuneration not exceeding ₹4,00,000/- (Rupees Four Lacs) per month as basic salary and other perquisites, allowances, etc. as per policy of the company and on terms and conditions as may be decided by the Board of Directors from time to time.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution.”

10. To approve Issue of Securities under Qualified Institutional Placement and in this regard, to consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Section 41, 42, 62 and other applicable provisions, if any of the Companies Act, 2013 (including any statutory

modifications or re-enactments thereof for the time being in force) as amended from time to time, Foreign Exchange Management Act, 1999, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (‘SEBI Regulations’), Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed, enabling provisions in the Memorandum and Articles of Association of the Company as also provisions of any other applicable laws, rules and regulations (including any amendments thereto or re-enactments thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions of the Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI) and all other appropriate and/or concerned authorities, or bodies, if any as the case may be, and subject to such conditions and modifications, as may be prescribed by any of them in granting such approvals, consents, permissions and sanctions which may be agreed to by the Board of Directors of the Company (‘Board’) (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), the Board be and is hereby authorized to offer, issue and allot in one or more tranches, to Investors whether Indian or Foreign, including Foreign Institutions, Non-Resident Indians, Corporate Bodies, Mutual Funds, Banks, Insurance Companies, Pension Funds, Individuals or otherwise, whether shareholders of the Company or not, through an issue of convertible/non convertible bonds/instruments and/or equity shares including by way of Qualified Institutional Placement (‘QIP’), to Qualified Institutional Buyers (‘QIB’) in terms of Chapter VIII of the SEBI Regulations, (hereinafter collectively referred to as “Securities”), whether by way of private placement or otherwise so that the total amount raised through issue of the Securities shall not exceed ₹250 Crore as may be permitted / permissible under applicable laws and regulations there under, and on such terms and conditions as may be finalized by the Board and that the Board be and is hereby authorised to finalize all such terms and conditions and the matters incidental thereto as it may in its absolute discretion thinks fit in accordance with all applicable laws, rules and regulations for the time being in force in this regard (the “Issue”).

RESOLVED FURTHER THAT pursuant to provisions of Section 62 of the Companies Act 2013, the Board (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution), to issue the Securities and/ or such other convertible / nonconvertible instruments to the strategic investors as stated in the foregoing resolutions

through qualified institutional placements (QIP) to qualified institutional buyers whether they are members of the Company or not as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby also authorised to determine the form, terms and timing of the issue(s), including the class of investors to whom the Securities are to be allotted, number of Securities to be allotted in each tranche, issue price, face value, premium amount in issue/conversion/exercise/redemption, rate of interest, redemption period, listings on one or more stock exchanges in India as the Board may in its absolute discretion deems fit and to make and accept any modifications in the proposals as may be by the authorities involved in such issue(s) in India and/or abroad, to do all acts, deeds, matters and things and to settle any questions or difficulties that may arise in regard to the issue(s).

RESOLVED FURTHER THAT in case of QIP issue, it shall be completed within 12 months from the date of passing of this resolution.

- In case of allotment of equity shares, the date of meeting in which the Board decides to open the proposed issue.
- In case of allotment of eligible convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of such convertible securities become entitled to apply for the equity shares, as may be determined by the Board.”

RESOLVED FURTHER THAT the Equity Shares so issued shall rank pari passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Securities the Board, be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, for entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement documents and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorised to appoint Lead Manager(s) in offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc. with Lead Manager(s) and to seek the listing of such securities.

RESOLVED FURTHER THAT the Board be and is hereby authorised to create necessary charge on such of the assets and properties (whether present or future) of the Company in respect of Securities and to approve, accept, finalize and execute facilities, sanctions, undertakings, agreements, promissory notes, credit limits and any of the documents and papers in connection with the issue of Securities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers in such manner as may be deemed fit.

By order of the Board of Directors
For **Sunil Hitech Engineers Limited**

Sd/-
Shrikant C. Rikhe
Company Secretary
ACS-29766

Off Add.: 97, East High Court Road
Ramdaspath, Nagpur-440010

Date: May 28, 2015

Place: Mumbai

NOTES:

- 1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- 2) The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the business set out under the notice is annexed hereto.
- 3) The Board of Directors has recommended Dividend on Equity Shares, of ₹1.8 per share, for the financial year ended on 31st March, 2015. The Register of Members and the Share Transfer Books of the Company will remain close from Friday, 17th July, 2015 to Wednesday, 23rd July, 2015 (both days inclusive) in connection with Annual General Meeting and payment of Dividend.

Subject to the provisions of the Companies Act 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid to those members whose names appear on the Register of Members as on 17th July, 2015.

- 4) Members holding shares in dematerialized form are requested to notify all the changes with respect of their address, e-mail id, ECS mandate and bank details to their depository participant.

Members (those holding shares in the physical form only) are requested to notify/send the following to the Registrar/ Transfer Agent, M/s. Bigshare Services Private Limited, 2/3 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072;

- a. Particulars of their bank account and e-mail id, in case

the same have not been sent earlier;

- b. Any change in their address/e-mail id/ECS mandate/bank details;
- c. Share certificate(s), held in multiple accounts in identical name or joint names in the same order of names, for consolidation of such shareholding in one account.

- 5) For the convenience of the members, an attendance slip is annexed with the proxy form. Photocopies of the slip will not be entertained for issuing gate pass for attending annual general meeting. However in case of non-receipt of notice of annual general meeting, members are requested to write to the company at its head office for issuing duplicate of the same. Members are requested to affix their signature at the space provided and fill up the particulars and hand over the attendance slip at the place of the meeting.
- 6) Members/Proxy holders are requested to bring their copies of the annual report with them to the annual general meeting, as extra copies will not be provided.
- 7) Any member desirous of getting any information on accounts or operations of the company is required to forward his/her queries to the company at least ten days prior to the meeting so that the required information can be made available at the meeting.
- 8) As a matter of green initiative in the matter of corporate governance, as per last year, this year too, the notice and annual report shall be sent to the shareholders by way of email id whose mail ids are available with our Registrar & Transfer Agent, M/s. Bigshare Services Private Limited, having office at 2/3 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072 and physical copy by post to those shareholders whose email ids are not available with us. Members are requested to provide their email ids to our RTA to facilitate us to send notices and all other documents electronically to them to save paper, cost and our environment.
- 9) The copy of notice shall also be made available at our official website 'www.sunilhitech.com'. In case any shareholder could not receive the same, he can download it or go through the same through our website.
- 10) For any communication, the shareholders may also send requests to the Company's investor email Id investor@sunilhitech.com.
- 11) Members wishing to claim dividend, which remain unclaimed are requested to correspond with Registrar and

Share Transfer Agent M/s. Bigshare Services Private Limited, having office at 2/3 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400072. Members are requested to note that the dividends not claimed within seven years from the date of transfer to the companies unpaid dividend account, will as per Section 124 of Companies Act, 2013 be transferred to the Investor Education and Protection Fund.

12) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the Listing Agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

13) The facility for voting through ballot paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

14) The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

15) The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Sunday, 19.07.2015 (9.00 a.m. IST) and ends on Wednesday, 22.07.2015 (5.00 p.m. IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <16.07.2015>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click

on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • 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 sequence 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 RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(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 EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to 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.
 - 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

- 16) The Voting rights of members shall be in proportion to the paid up value of their shares in the equity capital of the Company as on cut off date, being July 16, 2015.
- 17) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. July 16, 2015 only, shall be entitled to avail the facility of remote e-voting / ballot paper voting.
- 18) The Board of Directors has appointed M/s. Manish Pande & Co., Company Secretaries, Nagpur as a Scrutinizer to Scrutinize the e-voting process in fair and transparent manner.
- 19) The Scrutinizer shall within a period of 3 (three) working days from the conclusion of e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and will make a Scrutinizer's Report of the Votes cast in favour or against, if any, forthwith to the Chairman of the Meeting.
- 20) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. July 23, 2015.
- 21) The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company (www.sunilhitech.com) and on website of CDSL www.evotingindia.com and communication of the same to BSE Limited and National Stock Exchange of India Limited.
- 22) Details of Director seeking appointment/re-appointment at the forthcoming Annual General Meeting.

Annexure to Item 3 of the Notice

Name of the Director	Mr. Vijay R. Gutte (DIN: 01179049)
Date of Birth	19/03/1983
Date of Appointment on the Board	29/05/2007
Qualification	MBA (Finance & Marketing)
Expertise in Specific Areas	Banking, Finance and Taxation
List of other Companies in which Directorship held as on 31st March, 2015 (excluding Directorship in private, foreign companies and companies incorporated under Section 8 of the Companies Act, 2013.)	SEAM Industries Limited

Annexure to Item 4 of the Notice

Please refer Explanatory Statement to the Item no. 9 pursuant to Section 102(1) of the Companies Act, 2013.

23. The members of the company at their Extra-ordinary General Meeting (EGM) held on 18th April, 2014 had approved the allotment of 75 lacs warrants to promoters and non-promoters. Notice of calling said EGM mentioned that the warrants to be subscribed as mentioned in the notice may be interchanged/changed amongst the proposed allottees. As per the Regulation 79(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 securities allotted on preferential basis shall not be transferred by the allottee till trading approval is granted for such securities by all the recognised stock exchanges where the equity shares of the issuer are listed.

Thus, the Securities allotted/to be allotted pursuant the said approval by the members shall not be interchanged/changed amongst the proposed allottees.

24. Members who do not have access to e-voting may cast their vote through Ballot form enclosed to the notice.

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

For Item No. 6

The Board of Directors of the Company at their meeting held on 7th October, 2014 has appointed Mr. Sunil R. Gutte as a Managing Director of the Company for a period of five years w.e.f. 7th October, 2014 to 6th October, 2019 and he shall be paid remuneration as basic salary not exceeding ₹4,00,000/- (Rupees Four lacs) per month and other perquisites, allowances, etc. as per policy of the company.

The Company has received a declaration from Mr. Sunil R. Gutte that he is not disqualified to be appointed as a Managing Director of the company. The appointment and remuneration of Mr. Sunil R. Gutte is as per the recommendation of Nomination and Remuneration Committee and approval of the Board and is subject to provisions of Companies Act, 2013 and rules made thereunder.

Mr. Sunil R. Gutte belongs to promoters group of the Company and earlier serving the company as a Joint Managing Director. The appointment of Mr. Sunil R. Gutte as a Managing Director shall bring new ideas and growth prospects.

He is Director of Public companies namely Gangakhed Sugar & Energy Limited, Seam Industries Limited and MSMC Adkoli Natural Resources Private Limited. He is also member of Stakeholder relationship committee and CSR committee of Sunil Hitech Engineers Limited and Gangakhed Sugar & Energy Limited and Audit Committee of Seam Industries Limited.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the special resolution set forth in item No. 6 for the approval of members.

A brief profile of Mr. Sunil Ratnakar Gutte:

Mr. Sunil R. Gutte, is a Mechanical Engineer from Pune University. He completed the Family Business Management course from S.P. Jain Institute of Management, Mumbai and Project Management from IIM, Ahmedabad.

After completing his education, he joined Sunil Hitech Engineers and took charge of Project Executions, Administration and Control. It was under his able guidance, expertise and a futuristic vision that he had for the company that Sunil Hitech converted from being a Private Limited to a Limited concern and then to being a Listed Company on two major stock exchanges of India.

For Item No. 7

The Board of Directors of the Company at their meeting held on 7th October, 2014 has appointed Mr. Ratnakar Manikrao Gutte as a Whole-time Director of the Company for a period of five years w.e.f. 7th October, 2014 to 6th October, 2019 and he shall be paid remuneration as basic salary not exceeding ₹4,00,000/- (Rupees Four lacs) per month and other perquisites, allowances, etc. as per policy of the company.

The Company has received a declaration from Mr. Ratnakar M. Gutte that he is not disqualified to be appointed as a Whole Time Director of the company. The appointment and remuneration of Mr. Ratnakar M. Gutte is as per the recommendation of Nomination and Remuneration Committee and approval of the Board and is subject to provisions of Companies Act, 2013 and rules made thereunder.

Mr. Ratnakar M. Gutte belongs to promoters group of the Company and earlier serving the company as a Managing Director; he is also Chairman of the Board of Directors of the Company. He has been serving company since its inception and company has touched new heights of growth under his guidance, his rich experience in the field of engineering and construction shall take company to attain new milestone.

He is Director of Public companies namely Gangakhed Sugar & Energy Limited and Seam Industries Limited. He is also member of Audit committee and CSR committee of Gangakhed Sugar & Energy Limited.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the special resolution set forth in item No. 7 for the approval of members.

A brief profile of Mr. Ratnakar Manikrao Gutte:

Mr. Ratnakar M. Gutte, promoter of Sunil Hitech Engineers Limited, is a first generation entrepreneur. He started his career with a contractor engaged in rendering services to The State Electricity Board. Here he worked as a helper, expert welder and a fitter. In all these roles, it was only his determination to excel in his work that made him rise to his current status in the industry.

The Company has benefitted from his 33 years of rich experience in project execution, especially in the areas of fabrication, erection, testing and commissioning of power plants.

Right from understanding the intricacies of civil construction and machinery installation to an un-matched understanding of finance, banking, taxation, general management and commercial matters, he steered SHEL towards success and growth.

For Item No. 8

The Board of Directors of the Company at their meeting held on 18th October, 2014 has appointed Mr. Anupam Dhiman as a Whole-time Director of the Company for a period of five years w.e.f. 18th October, 2014 to 17th October, 2019 and he shall be paid remuneration as basic salary not exceeding ₹4,00,000/- (Rupees Four lacs) per month and other perquisites, allowances, etc. as per policy of the company.

The Company has received a declaration from Mr. Anupam Dhiman that he is not disqualified to be appointed as a Wholetime Director of the company. The appointment and remuneration of Mr. Anupam Dhiman is as per the recommendation of Nomination and Remuneration Committee and approval of the Board and is subject to provisions of Companies Act, 2013 and rules made thereunder.

Mr. Anupam Dhiman has rich experience in the Infrastructure and Marketing field his appointment as a Whole-time Director add value to the Board.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the special resolution set forth in item No. 8 for the approval of members.

A brief profile of Mr. Anupam Dhiman:

An alumnus of IIT Kanpur, Mr. Anupam Dhiman has 33 years of rich experience in the Infrastructure and Marketing domain. He has spent close to 10 years in the field of Infrastructure Development and has held several senior positions such as Vice President, Senior Vice President and Deputy President.

Mr. Dhiman has handled several prestigious assignments in infra projects, right from the bid stage to the execution stage with leading groups in the country like ABB, Alstom, Punj Loyd and JMC Projects. He has acquired the right blend of experience in Detailed Engineering, EPC Contracting and Construction having worked for various prestigious companies in these sectors.

Apart from his rich experience, Mr. Anupam Dhiman has had considerable exposure to the cultures of various foreign countries like Germany, France, Israel, UK, Austria, Hong Kong, Indonesia, Kazakhstan and Bangladesh where he has handled prestigious assignments.

For Item No. 9

The Board of Directors of the Company at their meeting held on 28th May, 2015 has recommended the reappointment of Mrs. Sudhamati Ratnakar Gutte as a Wholetime Director of the Company for a period of five years w.e.f. 23rd July, 2015 to 22nd July, 2020 and she shall be paid remuneration as basic salary not exceeding ₹4,00,000/- (Rupees Four lacs) per month and other perquisites, allowances, etc. as per policy of the company.

The Company has received a declaration from Mrs. Sudhamati R. Gutte that she is not disqualified to be reappointed as a Wholetime Director of the company. The appointment and remuneration of Mrs. Sudhamati R. Gutte is as per the recommendations of Nomination and Remuneration Committee and approval of the Board and is subject to provisions of Companies Act, 2013 and rules made thereunder.

Mrs. Sudhamati R. Gutte belongs to promoters group of the Company and has been serving company as a Wholetime Director of the company, her period of appointment is expiring on 26th August, 2015, the Board has recommended her reappointment at the ensuing annual general meeting of the company.

Save and except the above, none of the other Directors /Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the special resolution set forth in item No. 9 for the approval of members.

A brief profile of Mrs. Sudhamati Ratnakar Gutte:

Mrs. Sudhamati R. Gutte has been immensely contributing to the growth of the business by laying stress on team building and motivation. She manages the Administration and Back-office functions of the Company.

With more than 17 years hands on experience in management and administration of the company, Mrs. Gutte ensures smooth functioning of the processes. She believes in interacting with employees to ascertain grey areas in the overall working of departments and suggests remedial measures to help teams overcome them so that the employees can utilise their time and expertise to the optimal level in the organisation.

For Item No. 10

The Company requires adequate capital to meet the needs of growing business. While it is expected that the internal generation of funds would partially finance the need for capital and debt raising would be another source of funds, it is thought prudent for the Company to have enabling approvals to raise a part of the funding requirements for the said purposes as well as for such

other corporate purposes as may be permitted under applicable laws through the issue of appropriate securities as defined in the resolution, in Indian markets.

In order to meet the resources requirement for above objectives, the Board has thought fit to raise further resources by issue of securities such Equity and/or convertible and Non Convertible instruments on Private Placement through qualified institutional placement in accordance with procedure stipulated under Chapter VIII of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.

Accordingly, necessary enabling resolutions as proposed in item No. 10 of this Notice being placed before the Members for approval. The prospective investee(s), exact price, timing and quantum of the issue etc., will be decided by the Board (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by the resolution) based on an analysis of the specific requirements after consulting

all concerned. Therefore the proposal seeks to confer upon the Board the absolute discretion to determine the terms of issue in consultation with the Lead Managers/Merchant Banker to the Issue, in compliance with SEBI Regulations, the Companies Act, 2013, or any other guidelines/regulations/consents as may be applicable or required.

None of the other Directors /Key Managerial Personnel of the Company /their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board recommends the special resolution set forth in item No. 10 for the approval of members.

By order of the Board of Directors
For **Sunil Hitech Engineers Limited**

Sd/-
Shrikant C. Rikhe
Company Secretary
ACS-29766

Off Add.: 97, East High Court Road
Ramdaspath, Nagpur-440010

Date: May 28, 2015
Place: Mumbai



SUNIL HITECH ENGINEERS LIMITED

(CIN: L28920MH1998PLC115155)

Registered office: "Ratnadeep, Jaynagar, Parli Vajinath, Dist. Beed-431520

Form No. MGT-11

Proxy form

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

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

- Name..... E-mail Id:.....
Address:..... Signature:..... or failing him
- Name..... E-mail Id:.....
Address:..... Signature:..... or failing him
- Name..... E-mail Id:.....
Address:..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the 23rd day of July, 2015 At 02.00 p.m. at "Ratnadeep, Jaynagar, Parli Vajinath, Dist. Beed-431520 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote optional see note 2 (Please mention no. of shares)		
		For	Against	Abstain
1.	To review, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and Profit & Loss Account for the year ended on that date together with the Report of the Board of Directors and the Auditors thereon.			
2.	To declare dividend for the financial year ended on 31st March, 2015.			
3.	Re-appointment of Mr. Vijay R. Gutte (DIN 01179049) by rotation.			
4.	Re-appointment of Mrs. Sudhamati R. Gutte (DIN 01174733) by rotation.			
5.	Appointment of Statutory Auditors and fixing their remuneration.			
6.	Appointment of Mr. Sunil R. Gutte (DIN: 00165822) as a Managing Director of the Company.			
7.	Appointment of Mr. Ratnakar M. Gutte (DIN: 00165642) as a Whole Time Director of the Company.			
8.	Appointment of Mr. Anupam Dhiman (DIN: 06997500) as a Whole Time Director of the Company.			
9.	Appointment of Mrs. Sudhamati R. Gutte (DIN: 01174733) as a Wholetime Director of the Company.			
10.	To approve Issue of Securities under Qualified Institutional Placement			

Signed thisday of.....2015

Signature of shareholder(s):

Signature of Proxy holder(s):

Affix
Revenue
Stamp

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.
- It is optional to indicate your preference. If you leave the 'For, Against or Abstain' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he may deem appropriate.



SUNIL HITECH ENGINEERS LIMITED

(CIN: L28920MH1998PLC115155)

Registered office: "Ratnadeep, Jaynagar, Parli Vajjnath, Dist. Beed-431520

**ATTENDANCE SLIP
ANNUAL GENERAL MEETING
Thursday, the 23rd day of July, 2015 at 02.00 P. M.**

1. Regd. Folio No. or Client ID No.: _____
2. DP ID No.: _____
3. No. of shares held: _____
4. Name of the Member/Proxy: _____

I am a member/proxy for the member of the Company. I hereby record my presence at an Annual General Meeting of the members of the Company at 'Ratnadeep', Jaynagar, Parli Vajjnath, Dist. Beed – 431520.

Signature of the Member / Proxy

Note: Please complete and sign this attendance slip and hand it over at the entrance of the hall.



SUNIL HITECH ENGINEERS LIMITED

(CIN: L28920MH1998PLC115155)

Registered office: "Ratnadeep, Jaynagar, Parli Vajinath, Dist. Beed-431520

BALLOT FORM

(Please read carefully the instructions printed overleaf before completing this form)

- Name: _____
Registered Address: _____
Of Sole / First named Shareholder
(IN BLOCK LETTERS)
- Name(s) of Joint Shareholder(s), if any _____
(IN BLOCK LETTERS)
- Registered Folio No. / DP ID No.* / Client ID No.* (*Applicable to Investors holding shares in dematerialized form) _____
- Number of Shares held (Equity Share of Rs. 10/- each) I/We hereby exercise my/our vote in respect of the Ordinary/Special Resolution(s) to be passed for the business stated in the Notice of the 17th Annual General Meeting of the Company scheduled on Thursday, 23rd July 2015, by conveying my / our assent (FOR) or dissent (AGAINST) to the said Resolution(s) by placing the tick (✓) mark in the appropriate box below:

Item No.	Brief particulars of the resolution	No. of equity shares	I/we assent to the resolution (FOR)	I/we dissent to the resolution (AGAINST)
1.	Adoption of the Audited Balance Sheet as at 31st March, 2015 and Statement of Profit & Loss for the year ended on that date together with the Report of the Board of Directors and the Auditors thereon.			
2.	Declaration of dividend for the financial year ended on 31st March, 2015.			
3.	Re-appointment of Mr. Vijay R. Gutte (DIN:01179049) by rotation.			
4.	Re-appointment of Mrs. Sudhamati R. Gutte (DIN: 01174733) by rotation.			
5.	Appointment of Statutory Auditors and fixing their remuneration.			
6.	Appointment of Mr. Sunil R. Gutte (DIN: 00165822) as a Managing Director of the Company.			
7.	Appointment of Mr. Ratnakar M. Gutte (DIN: 00165642) as a Whole Time Director of the Company.			
8.	Appointment of Mr. Anupam Dhiman (DIN: 06997500) as a Whole Time Director of the Company.			
9.	Appointment of Mrs. Sudhamati R. Gutte (DIN: 01174733) as a Wholetime Director of the Company.			
10.	To approve Issue of Securities under Qualified Institutional Placement			

Place:

Date:

Signature of the Shareholder

INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Manish Pande of M/s. Manish Pande & Co., Company Secretaries, 505, Satyam Appartment, 5th Floor, Dhantoli, Wardha Road, Nagpur-440012 or to his email id manishpande71@gmail.com, so as to reach by 5.00 p.m. on 22nd July, 2015. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e. E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Bigshare Services Private Limited) Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio/DP ID Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization/Board resolution to vote should accompany the Ballot Form.
10. Instructions for e-voting procedure are available in the Notice of Annual General Meeting and are also placed on the website of the Company i.e. www.sunilhitech.com.



SUNIL HITECH ENGINEERS LIMITED

(CIN: L28920MH1998PLC115155)

Registered office: "Ratnadeep, Jaynagar, Parli Vajinath, Dist. Beed-431520

DIVIDEND – ECS MANDATE FORM

To,
M/s. Bigshare Services Private Limited,
2/3 Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (W) – 400 072

Dear Sirs,

Re.: Payment of Dividend of Sunil Hitech Engineers Ltd. under the Electronic Clearing System (ECS)

I hereby give my/our mandate to credit my/our Dividend on the Shares held by me/us under the Folio mentioned directly to my/our bank account through the Electronic Clearing System (ECS). The details of the Bank Account are given below:

Name of the Sole/First Shareholder (In Block Letters)	
Email id	
DP ID No.	
Folio No.	
No. of Shares held	
Name of the Bank in Full	
Branch Name and Address	
9 digit code No. of the Bank and branch as appearing on the MICR Cheque issued by the Bank*	
Type of the account with code (IFSC CODE)	
Account Number as appearing on the Cheque Book	
Bank Ledger No./Bank Ledger Folio No. (If any as appearing on the cheque book)	

(Please attach a photo copy of your cheque leaf which contains your bank account number and the nine digit MICR number. You can also send your dividend mandate through email to us.)

I hereby declare that the particulars given above are correct and complete. The present mandate will supersede my earlier mandate, if any, given. If the transaction is delayed or not effected at all because of incomplete or incorrect information, I would not hold the Company/the user institution responsible.

Place:

Dated:

Name & Signature of Sole/First Shareholder

CORPORATE INFORMATION

Board of Directors

Mr. Ratnakar Manikrao Gutte - *Chairman*
Mr. Sunil Ratnakar Gutte - *Managing Director*
Mrs. Sudhamati Ratnakar Gutte - *Whole Time Director*
Mr. Vijay Ratnakar Gutte - *Whole Time Director*
Mr. Venkataramana Condoor - *Whole Time Director*
Mr. Anupam Dhiman - *Whole Time Director*
Mr. Dilip Yeshwant Ghanekar - *Independent Director*
Mr. Sajid Ali - *Independent Director*
Mr. Parag Ashok Sakaliker - *Independent Director*
Mr. S.S. Waghmare - *Independent Director*
Mr. Siddharth Ratilal Mehta - *Independent Director*
Mr. Anil Ramchandra Aurangabadkar - *Independent Director*

R & T Agents

M/s Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Sakinaka, Andheri (E), Mumbai - 400 072

Depositories

National Securities Depositories Ltd, Central Depository Services (India) Ltd

Company Secretary

Mr. Shrikant Chandrashekhar Rikhe
97, East High Court Road, Ramdaspath, Nagpur - 440 010

Auditors

M/s. V. Sankar Aiyar & Co., Chartered Accountants,
2-C, Court Chambers, 35, New Marine Lines, Mumbai-400 020

Bankers

UCO Bank
Union Bank of India
Oriental Bank of Commerce
Punjab National Bank
Bank of India
IDBI Bank
ICICI Bank
HSBC Bank
Axis Bank
Kotak Mahindra Bank
Syndicate Bank
Karur Vysya Bank
State Bank of Travancore
Canara Bank
Lakshmi Vilas Bank

Registered office

'Ratnadeep' Jaynagar, Parli Vajinath,
Distt. Beed - 431 520, Maharashtra

Regional office

97, East High Court Road, Ramdaspath,
Nagpur - 440 010 Maharashtra
Phone: + 91 712 2562087 / 88 / 6685200
Fax: 2562091

Corporate office

MET Educational Complex, 6th Floor, "C" Wing,
A.K. Vaidya Marg, Bandra Reclamation,
Bandra (W), Mumbai-400050
Phone: +91 22 61872400/97 Fax: 61872455
Email: info@sunilhitech.com, cs@sunilhitech.com
Website: www.sunilhitech.com



97, East High Court Road,
Ramdaspath, Nagpur - 440 010, Maharashtra
CIN: L28920MH1998PLC115155
Website: www.sunilhitech.com