

RPL/BSE/  
October 06, 2017

BSE Ltd  
Corporate Relationship Department,  
Rotunda Building, 1st Floor,  
New Trading Ring,  
Dalal Street,  
**MUMBAI – 400 001**

Dear Sir,

Sub.: Annual Report under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref.: Scrip No. 517500


In terms of the requirements of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit a copy of the Annual Report for the financial year ended 31st March, 2017 as approved by the members of the Company at their 42nd Annual General Meeting held on Friday, 29th September, 2017 at the Registered Office of the Company at 'Roto House', Noida Special Economic Zone, Noida – 201305.

This is for your information and records please.

Thanking you,

Yours faithfully,

For **ROTO PUMPS LTD.**

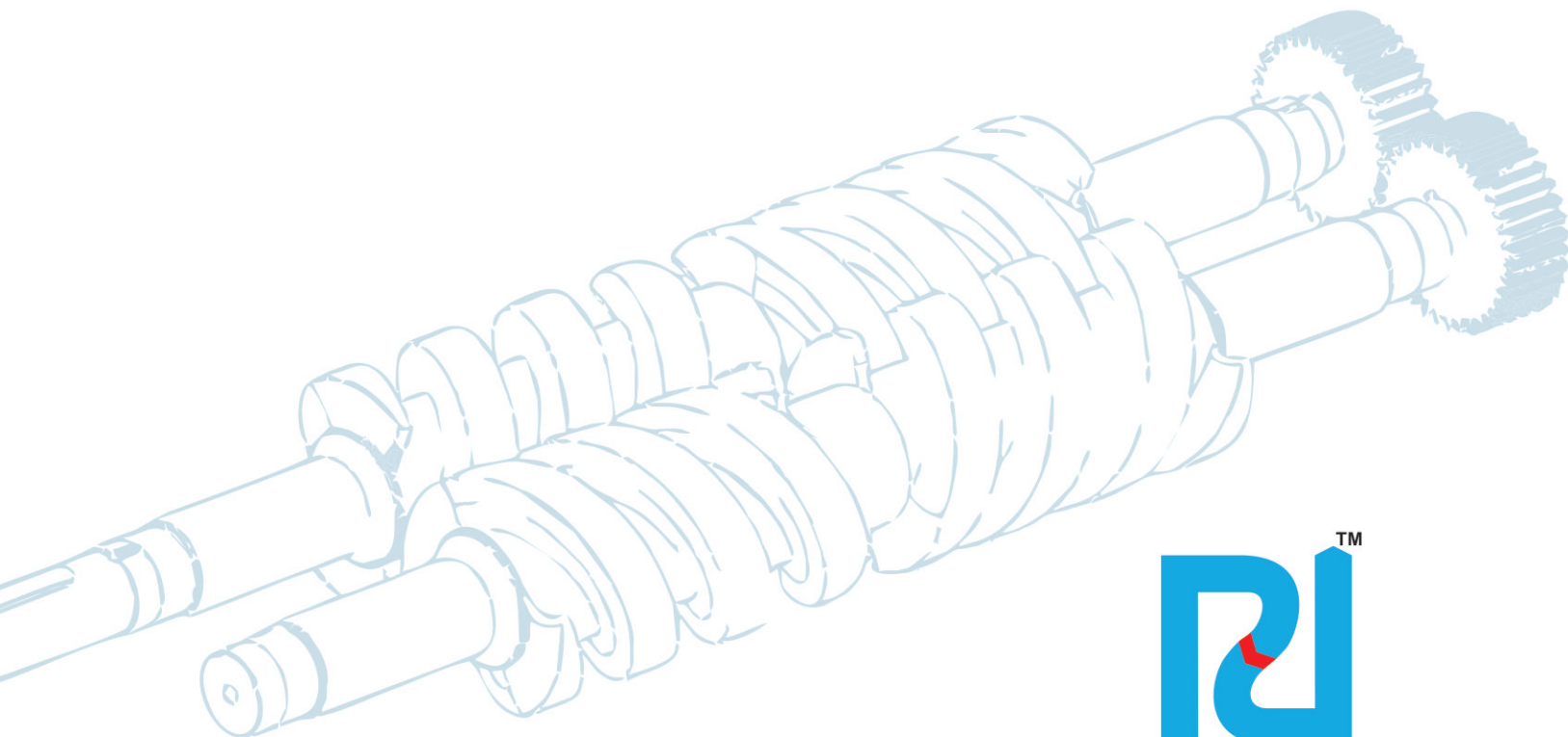
  
**ASHWANI K. VERMA**  
**COMPANY SECRETARY**



Enclosed: A/a



ENGINEERING  
EXCELLENCE



**ROTO PUMPS LTD.**

ANNUAL REPORT 2016-17

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#### FORWARD LOOKING STATEMENTS

Certain statements in this annual report concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. We have tried wherever possible to identify such statements by using words such as anticipate, estimate, expect, project, intend, plan, believe and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, 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 materialize, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

## ENGINEERING EXCELLENCE

There are actions, and then there are traits, actions may fade, but the traits stay longer, impact deeper. Nations, communities, organizations and individuals have long proved to excel on innate strong qualities. The same applies to us. We had squarely summarized 'Engineering Excellence' as the way of our being. 'Engineering Excellence' is a defining feature of our eventful journey till date.

During FY17, the global and Indian economic environments were encouraging but below expectations. At Roto Pumps, our revenues have been almost same while the profitability had improved mainly on account of lower material consumption due the favorable product mix and prudent management and control of operating expenses.

Over the years, we had been investing our resources, energy and time in pursuit of engineering excellence across functions.. During FY16, we continued to engineer and nurture excellence. We introduced new LM pump range and delivered customized solution for one of our breweries industry clients. During FY 17, we have been stabilizing the operation of subsidiary companies in US and South Africa. In our quest for strengthening our global presence led us to make structural changes in the overseas operation.

Our culture to excel across functions has continued in FY17 as well, and we aim to deliver excellence where it matters the most - our customers.

We believe that our investments in nurturing excellence today are going to translate into a better future for us, tomorrow.





## QUALITY EXCELLENCE TO DELIVER CUSTOMIZED SOLUTIONS

At Roto Pumps, delivering perfect customized solutions to our clients is our priority. For us, engineering solution implies a rigorous and consistent pursuit of excellence. Roto Pumps has been focused on harnessing R&D and maintaining high-quality standards as integral components of its operations.

### Quality Strengths



Starting with the pioneering technology of creating intricate rotor profiling in 1968, we had set the course on track for excelling in our engineering endeavors. Since then, we have relentlessly pursued quality as our single most important differentiator. We built unique in-house rubber processing technology for harnessing both metal and rubber. We boast of an in-house R&D and testing facilities that give us complete control of quality. Our endeavor is to get the R&D Centre recognized from the Department of Scientific and Industrial Research, Ministry of Science & Technology, Government of India. We have bagged some class-leading certifications that only add to our credentials. Our quality excellence is testified by the trust of our revered clientele. Many of our clients' market standing are synonymous with quality and that, in turn, shows their unflinching trust in Roto Pumps as pumping partners in their critical projects.

- ◆ Roto Pumps is certified for ISO 9001, ISO 14001, OHSAS 18001
- ◆ In-house R&D Facility
- ◆ State-of-the-art SCADA based testing facility with flow capacity 1500 M<sup>3</sup> / Hour
- ◆ Expertise in metal component - rotor and rubber component- stator

## MANUFACTURING EXCELLENCE THAT TESTIFIES QUALITY

### Manufacturing Strengths

PROGRESSIVE CAVITY  
PUMPS



Upto 500 M<sup>3</sup>/Hour  
capacity

TWIN SCREW  
PUMPS



Upto 1000 M<sup>3</sup>/Hour  
capacity



State-of-the-art plant at Greater Noida



State-of-the-art plant at Noida

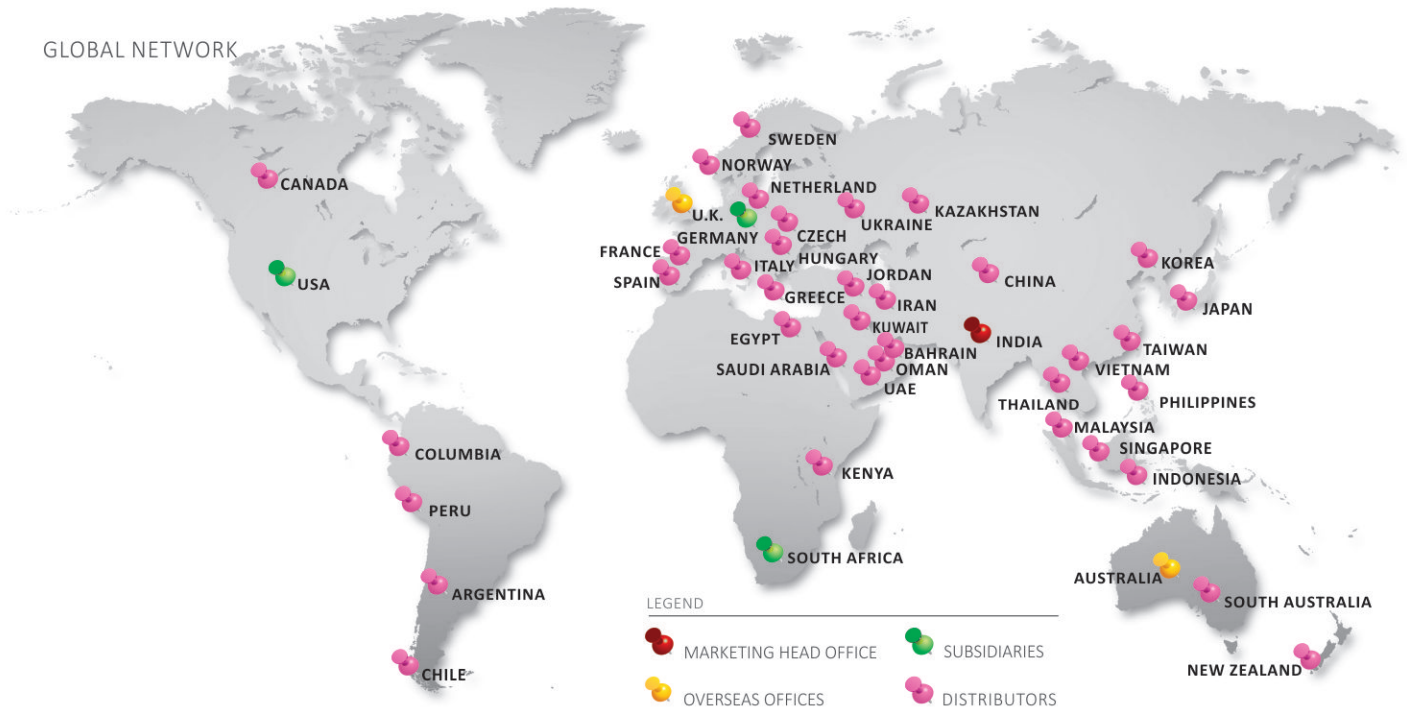
What we create at our design center, what we improve in our R&D labs and what we assure in our quality checks must translate into the actual customer solution. It is critical to replicate the highest standards of quality in equal measures when it comes to the finished products. At Roto Pumps, we are committed to all of these. Over the years, with a single-minded proposition to create customer success, we have built strong manufacturing capabilities that are also excellent on quality standards. As Roto Pumps works on customized solutions rather than providing products and services, the Company has been part of some large-scale, critical projects of its clients.

The various certifications for our manufacturing facilities are another testimony to our strong manufacturing capabilities. Today, Roto Pumps provide mission critical comprehensive solutions to almost every industry - oil & gas, paper & pulp, distilleries & breweries, construction, navy and coast guard to name a few. With the help of our excellent manufacturing facilities, we have been able to serve clients across the Globe.

The Company is installing automatic paint shop and adding new Computer Numerical Control machines to strengthen its manufacturing capabilities.

## MARKET EXCELLENCE TO EXPAND REACH

### GLOBAL NETWORK



Australia Office



U.K. Office



USA Office



South Africa Office



Marketing Head Office - INDIA

### INDIA NETWORK



We have the best-in-class quality standards and an impeccable production infrastructure that helped us build a strong market network. Our vision was to turn our quality and manufacturing excellence into providing customized solutions for a broad client base. With these thoughts, we embarked on our journey to increase the reach of Roto products to a vast market in India and abroad.

Today, we have come a long way. We sell more than 60% of our products to many developed and developing country markets such as US, UK, Germany, New Zealand, Australia to name a few. In India, our clientele includes some of the most reputed companies across sectors such as Vedanta, Reliance, NTPC, ONGC, Indian Oil Corporation, Indian Navy & Coast Guard, Defence Machinery Development Establishment, Nuclear Power Corporation Ltd and Engineers India Ltd among others. During all these years, our consistent investments in building the brand Roto has helped the Company to create a distinct space in its customers' mind.

#### Market Strengths

- Over 60% exports
- Overseas Branch Offices
- Overseas Subsidiaries
- Serving US, Gulf, Europe, South East Asia, Far East, Australia, Africa and India
- Head Office, 03 Regional Offices, 03 Branch offices in India



## ROTO PRODUCTS ENGINEERED TO EXCEL

### Progressive Cavity Pumps



Roto Pump's products offer a vast range of highly engineered customized pumping solutions.

#### Progressive Cavity Pumps

Progressive Cavity Pumps have their application in pumping and metering of fluids and highly viscous, abrasive or shear sensitive materials.

Progressive Cavity Pumps work on positive movement of fluids through sealed cavities between a helical metallic rotor and a helical elastomeric stator. As cavities move between the stator and rotor, fluids move from suction point to delivery point.

Progressive Cavity Pumps product capacity goes upto 500 M<sup>3</sup>/Hour

### Twin Screw Pumps



#### Twin Screw Pumps

Twin Screw Pumps are used to pump clean, lubricating, non-lubricating and aggressive liquids. In Twin Screw Pumps, two screw spindles move within a pump casing. Intermeshing rotating screws in the pump casing and liner form transfer chambers, that transfer the fluid axially from the extreme ends to the center of the casing or vice-versa

Twin Screw Pumps product capacity ranges goes upto 1000 M<sup>3</sup>/Hour



## MESSAGE TO THE SHAREHOLDERS



Dear Shareholders,

It gives me immense pleasure to address you all as we conclude the busy financial year 2016-17 of your Company.

In the last few months, the economies across the globe were stable witnessing growth. The World Economy recorded 3.4% growth rate for the calendar year 2016 compared 3.1% for 2015 as per the International Monetary Fund estimates. The forecast for the following year is positive at about 3.5%. The vulnerability of geopolitical environment, China's decelerating growth rate and overall slackness in Emerging Markets and Developing Economies are being watched cautiously. The Indian economy, on the other hand, grew at 7.1% as per the Central Statistical Office. Although, the sentiments are improving, but there are still certain sectors which are yet to get counted in this growth. With the government's growth-inducing policies and program implementation, the Indian economy is likely to keep its growth momentum intact.

Roto Pumps is part of USD 47 billion global pumps industry as on 2014. The industry is estimated to reach USD 56 billion by 2017 as per the Indian Pumps and Valves report. The pumps' industry serves many industries, and a few of these are a critical part of economy's core infrastructure such as oil & gas, power, mining, paper & pulp and food processing to name a few. The Indian Pumps Industry is pegged at around ₹ 8,500 crore as on 2014 and is expected to touch ₹ 11,000 crore by 2017. India's export from the pumps industry is estimated to be ₹ 1,280 crore and is expected to reach ₹ 1,550 crore by 2017. These numbers indicate strong growth potential for the industry both in domestic as well as exports business.

For Roto Pumps, FY17 was not a great year in terms of performance. Our sales revenues were flat compared to the previous year, growing from ₹ 94.6 crore in FY16 to Rs 94.5 crore in FY17. However, our net profits increased from Rs 4.3 crore in FY16 to ₹ 6.6 crore in FY17. We are of the view that we will be able to make a comeback soon given the growth projections for the economy and our industry. We have, in the recent past, invested in various forward-looking avenues for the Company's growth wherein 'Engineering Excellence' summarizes the Company's thought-process.

We believe that engineering and nurturing excellence across the organization is going to be our real differentiator to sustain and grow in the long term.

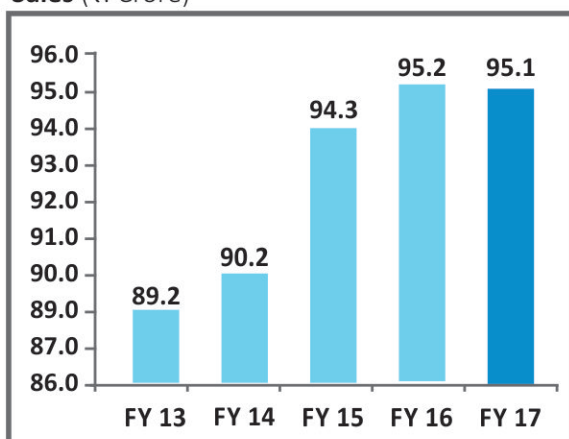
I would like to thank our shareholders, investors, customers and suppliers for their trust and support. I would also like to thank our splendid team for keeping us in good stead all through.

Best regards,

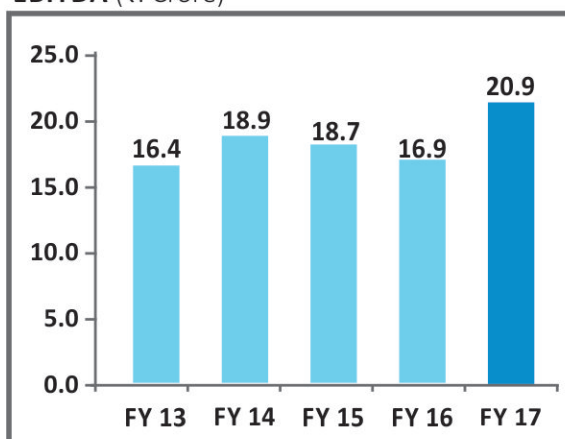
**Harish Chandra Gupta**  
Chairman & Managing Director

## BUSINESS REVIEW

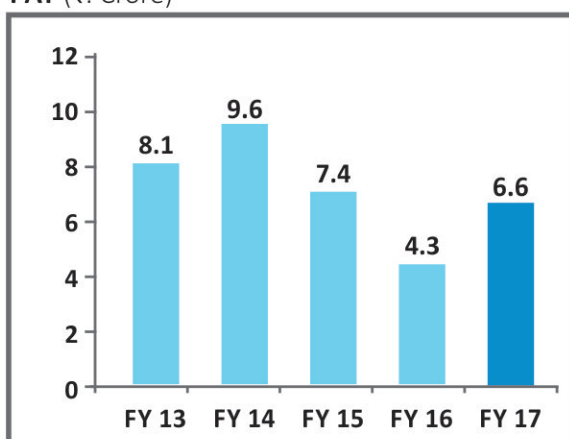
**Sales (₹. Crore)**



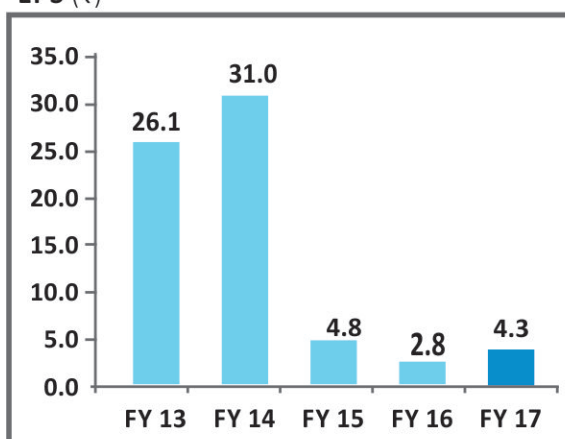
**EBITDA (₹. Crore)**



**PAT (₹. Crore)**

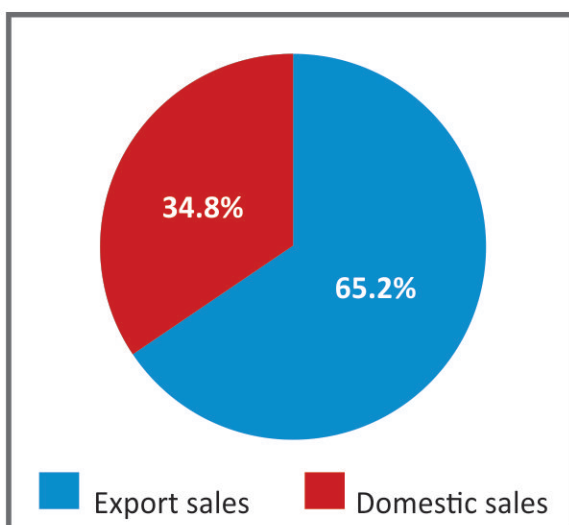


**EPS (₹)**

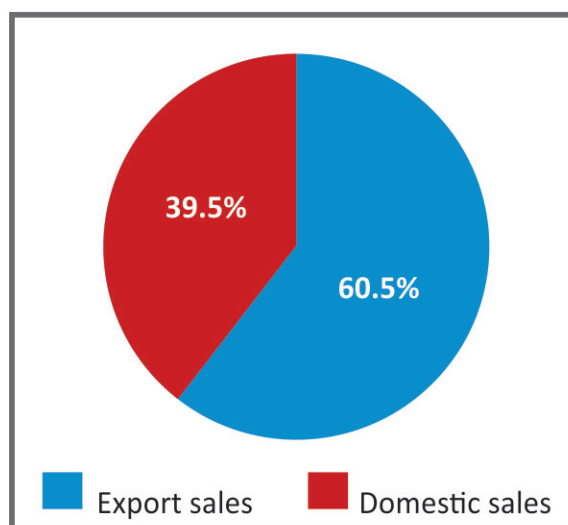


EPS : Face value ₹ 2/- per shares from FY 15, earlier ₹ 10/-

**Geographic Sales Contribution FY16 (%)**



**Geographic Sales Contribution FY 17 (%)**



## CORPORATE INFORMATION

Mr. Harish Chandra Gupta	Chairman & Managing Director
Mr. Anurag Gupta	Dy. Managing Director
Mr. Arvind Veer Gupta	Wholetime Director
Mr. B.S. Ramaswamy	Director
Mrs. Asha Gupta	Director
Dr. Ramesh Chandra Vaish	Director
Mr. Anand Bordia	Director
Mrs. Annapurna Dixit	Director
Mr. Basant Seth	Director

### COMPANY SECRETARY

Mr. Ashwani K. Verma

### CHIEF FINANCIAL OFFICER

Mr. Pradeep Jain

### BANKERS

Bank of India  
Citibank N.A.  
IndusInd Bank

### WORKS

Plot No. 31, Sector Ecotech XII,  
Greater Noida 201 008 (UP) India

B-14 & 15, Phase –II Extension, Noida 201 305 (UP) India  
Roto House, NSEZ, Noida 201 305 (UP) India

### OVERSEAS SETUP

MELBOURNE, AUSTRALIA	Warehouse & Marketing Branch
MANCHESTER, UK	Warehouse & Marketing Branch
TULSA, USA	Wholly Owned Subsidiary Company
MINDEN, GERMANY	Wholly Owned Subsidiary Company
SOUTH AFRICA	Subsidiary Company

### REGD. OFFICE

Roto House, Noida Special Economic Zone  
Noida 201 305 (UP) India  
Tel : +91 120 2567902-05  
Fax: +91 120 2567911  
Website: [www.rotopumps.com](http://www.rotopumps.com)  
Email: [investors@rotopumps.com](mailto:investors@rotopumps.com)

CIN: [L28991UP1975PLC004152](#)

### REGISTRAR AND SHARE TRANSFER AGENT

RCMC Share Registry Pvt. Ltd.  
B-25/1, Okhla Industrial Area Phase –II, Near Rana Motors  
New Delhi 110020 India  
Tel.: +91 11 26387320, 21, 23  
Fax.: +91 11 26387322  
Email: [info@rcmcdelhi.com](mailto:info@rcmcdelhi.com)

## NOTICE OF ANNUAL GENERAL MEETING

To  
The Member(s)  
**Roto Pumps Ltd.**

By Order of the Board

NOTICE is hereby given that the Forty Second Annual General Meeting of the Members of **ROTO PUMPS LIMITED** will be held on Friday, the 29th September, 2017 at 11.30 A.M. at the Registered Office of the Company at 'Roto House', Noida Special Economic Zone, Noida – 201305 Uttar Pradesh to transact the following business:

### Registered Office:

Roto House,  
Noida Special Economic Zone,  
Noida-201305  
CIN: L28991UP1975PLC004152  
E-mail: corp@rotopumps.com  
Website: www.rotopumps.com  
Dated: 19.08.2017

Ashwani K. Verma  
Company Secretary  
M. No.: F9296

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements (including consolidated audited financial statements) of the Company for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares.
3. To appoint a director in place of Mr. Anurag Gupta (DIN: 00334160), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, M/s. R.N. Marwah & Co. LLP, Chartered Accountants (Firm Registration No. 001121N/ N500019) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of five years from the conclusion of this 42nd Annual General Meeting till the conclusion of the 47th Annual General Meeting of the Company subject to ratification of the said appointment at every intervening Annual General Meeting held after this Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS

#### 5. Appointment of Branch Auditors

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

**“RESOLVED THAT** pursuant to the provisions of Section 143(8) and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, the Board of Directors of the Company be and is hereby authorized to appoint the Branch Auditors of Warehouse & Marketing Branch Offices in Australia and United Kingdom and the Overseas Branches which may be opened/acquired hereafter for the financial year 2017-18 in consultation with the Company's Auditors, any person(s) qualified to act as Branch Auditor within the provisions of Section 143(8) of the Companies Act, 2013 and to fix their remuneration.”

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THEREAT INSTEAD OF HIMSELF, ON A POLL. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORMS IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE MEETING. A PROXY / PROXIES SO APPOINTED SHALL HAVE NO RIGHT TO SPEAK AT THE MEETING.** A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% 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 /shareholder.
2. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business at Item no. 5 to be transacted at the Meeting is annexed hereto.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, the 23rd September, 2017 to Friday the 29th September, 2017 (both days inclusive).
5. Relevant documents referred in the notice of the Annual General Meeting are open for inspection by the members at the registered office of the Company on all working days during business hours upto the date of Annual General Meeting.
6. Members / Proxies attending the Meeting are requested to bring the attendance slip duly filled in and their copy of the Annual Report for reference at the Meeting.
7. Members seeking any information relating to Accounts are requested to write to the Company at least 10 days before the date fixed for the Annual General Meeting so as to enable the Management to keep the information ready.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number



(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RCMC Share Registry Private Ltd, RTA of the Company.

9. Location Map of the Annual General Meeting Venue is given on reverse side of the attendance slip.

#### 10. Instructions for E-Voting

- i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members a facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") is being provided through National Securities Depository Limited (NSDL).
- ii) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii) The members who have casted their vote by remote e- voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv) The remote e-voting period commences on Monday the 25th September, 2017 at 9:00 am and ends on Thursday the 28th September, 2017 at 5.00 pm. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently.
- v) The process and manner for remote e-voting are as under:

##### **A. In case a Member receives an email from NSDL [for members whose email ids are registered with the Company / Depository Participants(s)]:**

- (i) Open email and open PDF file viz. "remote e- voting. pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder – Login

- (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of Roto Pumps Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [dayalmaur@gmail.com](mailto:dayalmaur@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

##### **B. In case a Member receives physical copy of the Notice of AGM) [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:**

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM) :

<b>EVEN (Remote e-voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/ PIN</b>

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No.(xii) above, to cast vote.
- vi) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- vii) If you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password/PIN for casting your vote.
- viii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2017.
- x) Any person, who acquires shares of the Company and

becomes a member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2017 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to RTA at [info@rcmcdelhi.com](mailto:info@rcmcdelhi.com)

- xi) If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990
- xii) 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- xiii) Mr. Barinder Singh Maur, Practicing Company Secretary (PCS No. 7041) Partner in M/s. Dayal & Maur, Company Secretaries, New Delhi has been appointed as the scrutinizer and Mr. Shailesh Dayal, Practicing Company Secretary (PCS No. 7142), Partner in M/s. Dayal & Maur, Company Secretaries, New Delhi has been appointed as the alternate Scrutinizer of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xiv) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not casted their votes by availing the remote e-voting facility.
- xv) The Scrutinizer shall, after the conclusion of voting at the AGM, will first count the votes cast at the meeting and the reafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xvi) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.rotopumps.co](http://www.rotopumps.co) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to BSE Limited, Mumbai.

## 12. Additional information on the director being re-appointed as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

### (a) Re-appointment of Mr. Anurag Gupta

Mr. Anurag Gupta (DIN: 00334160) is retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. Mr. Anurag Gupta, aged about 43 years is a graduate in Commerce, CMA (Intermediate) and MBA from Cardiff University; U.K. He has been associated with the Company since January 1995 and has been instrumental in the restructuring of Company's operations which have brought about major improvements. He is looking after corporate affairs, business development and sales & marketing activities in United Kingdom and Europe. He has also been a member of U.P State

Council of the Confederation of Indian Industry. Mr. Anurag Gupta is the son of Mrs. Asha Gupta, Non-Executive Director of the Company.

As on 31.03.2017, Mr. Anurag Gupta also held directorships in Roto Pumpen GmbH, German subsidiary of the Company and Roto Overseas Pte Ltd, Joint Venture Company in Singapore. Mr. Anurag Gupta held 10,85,335 shares in the Company as on 31.03.2017.

### (b) Appointment of Mr. Basant Seth

Mr. Basant Seth (DIN: 02798529) has been appointed as a director w.e.f. 12th May, 2017 to fill in the casual vacancy caused due to the resignation of Mr. Vijoy Kumar and he will hold office upto 28th September, 2019, i.e; the remaining tenure of Mr. Vijoy Kumar.

Mr. Seth, aged 65 years is a Science graduate from Banaras Hindu University, a qualified Chartered Accountant and also has Post Graduate Diploma in Bank Management from National Institute of Bank Management, Pune. Mr. Seth has recently retired as Central Information Commissioner after successfully completing his tenure of five years. Before joining the Central Information Commission, he was a banker. He has served Bank of India for a very long period and later SIDBI. He has also served the Syndicate Bank as its Chairman and Managing Director.

Mr. Seth has extensive Board level experience having served as Bank of India's nominee on the Board of Indo-Zambian Bank, Zambia and Commonwealth Finance Corporation Ltd Hong Kong besides holding the post of Whole Time Director in SIDBI and CMD of Syndicate Bank. He has long experience and expertise in Bank Management, Corporate Governance, Financial & Administrative matters.

## EXPLANATORY STATEMENT

### Pursuant to the provisions of Section 102(1) of the Companies Act, 2013

#### Item no 5.

The Company has its Warehouse and Marketing Branch Offices in Australia and United Kingdom and may also open/acquire new branches outside India in the future. It would be necessary to appoint Branch auditors to carry out audit of the accounts of such Warehouse and Marketing Branch Offices and Branches. The members are requested to authorize the Board of Directors of the Company to appoint the Branch Auditors in consultation with the Company's Auditors and fix their remuneration for the financial year 2017-18. The Board recommends the resolution at Item no 5 for approval by the members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the resolution.

By Order of the Board

#### Registered Office:

Roto House,  
Noida Special Economic Zone,  
Noida-201305  
CIN: L28991UP1975PLC004152  
E-mail: [corp@rotopumps.com](mailto:corp@rotopumps.com)  
Website: [www.rotopumps.com](http://www.rotopumps.com)  
Dated: 19.08.2017

Ashwani K. Verma  
Company Secretary  
M. No.: F9296

## BOARD'S REPORT

To the Members of **ROTO PUMPS LTD.**,

Your Directors have pleasure in presenting their 42nd Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2017.

### Financial Results

Your Company's financial performance for the year under review along with the previous year's figure is given here under:

Amount ₹ In Lacs

Particulars	Financial year ended	
	31st March 2017	31st March 2016
Revenue from Operations	<b>9493.70</b>	9497.94
Other Income	<b>22.08</b>	31.79
<b>Profit / (loss) before finance costs, depreciation and taxation</b>	<b>2090.22</b>	1693.89
Less: Finance Costs	<b>317.08</b>	318.23
Depreciation	<b>719.25</b>	765.43
<b>Profit before Taxation</b>	<b>1053.89</b>	610.23
Less :Taxation	<b>395.00</b>	182.45
<b>Profit after tax</b>	<b>658.89</b>	427.78
Add: Profit brought forward	<b>4296.57</b>	3905.99
<b>Profit available for appropriation</b>	<b>4955.46</b>	4333.77

### Dividend

Your Directors are pleased to recommend a dividend of ₹ 0.40 (i.e. 20%) per share for the financial year ended 31st March, 2017, which if approved by the Members at the forthcoming Annual General Meeting would result in a dividend outflow of ₹ 61,81,522/- and dividend distribution tax of ₹ 12,58,409/- aggregating a total outflow of ₹ 74,39,931/-.

### Share Capital

The Paid-up Equity Share Capital as on 31st March, 2017 was ₹ 309.08 Lacs. During the year under review, your Company has not issued any shares, bonus shares or bought back any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its Employees to purchase the shares of the Company.

### Transfer of un-claimed dividend to Investor Education and Protection Fund

In terms of the provisions of Section 124(5) of the Companies Act, 2013, the un-claimed dividend relating to the financial year 2008-09 has been remitted to the Investor Education and Protection Fund established by the Central Government. Further, the un-claimed dividend relating to the financial year 2009-10 is becoming due for remittance to the said Investor Education and Protection Fund on 04.11.2017.

Details of un-claimed dividend are available for on the Company's website at [www.rotopumps.com](http://www.rotopumps.com).

### Year in retrospect

Your Company has achieved an income from Operations of ₹ 9493.71 lacs against previous year's income of ₹ 9497.95 lacs. Domestic sales were ₹ 3749.95 lacs as compared to ₹ 3307.07 lacs, registering a growth of 13.39 % over last year. Export sale was ₹ 5743.75 lacs as compared to ₹ 6190.87 lacs which was lower than last year by 7.22%. Export sales include ₹ 4122.95 lacs, sales from Marketing Outlets in United Kingdom and Australia. Revenue from total export sales constitutes 60.50 % of total revenue from operations.

### Outlook

Your company's operations are expected to be better as export sales are expected to rise. On Domestic front, the outlook is looking encouraging backed by healthy order book. Projected GDP growth of 7.2% would result in increased spending by Government and Private Sector. The effect of demonetisation and GST implementation is also positive for growth of business.

### Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiaries and joint venture have been prepared in accordance with Accounting Standard 21 issued by the Institute of Chartered Accountants of India and form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The annual accounts of the subsidiaries and Joint Venture Company and related information are kept at the Registered Office of the Company, as also at the registered offices of the respective subsidiary companies and will be available to investors seeking information at any time.

### Performance of the Subsidiaries and Joint Venture Company

- Roto Pumpen GmbH - a wholly owned subsidiary company setup in Germany during the financial year 2011-12 to carry on the sales and marketing of the Company's products in German region to service the customers more effectively. The subsidiary had had incurred a loss of Euro 42,238 during the year under review. The operations of the subsidiary are currently under suspension. Effective steps are being taken to make the Subsidiary operational in near future.
- Roto Pumps Americas, Inc. - a wholly owned subsidiary company setup in USA during the previous year. The subsidiary had further setup a wholly owned subsidiary company in the name and style of Roto Pumps North America, Inc. to carry on sales and marketing of Company's products in North American region and also maintain warehouse facility to carry inventory. During the year under review, the subsidiary earned a profit of USD 18,158.
- Roto Overseas Pte Ltd - a Joint Venture Company (JVC) setup during financial year 2014-15 in Singapore with Mr.



Ed Lemke of South Africa. Your Company holds sixty percent stake in the joint venture company. The JVC holds almost 100% stake in Roto Pumps (Africa) Pty Ltd, South Africa, a Company engaged in the business of sales and marketing of pumps and parts of pumps in African Region. During the year under review, the subsidiary has achieved a sales turnover of South African Rand ZAR 6,996,044 and incurred a loss of ZAR 280,419.

Statements containing the salient features of financial statements of wholly owned subsidiary companies and Joint Venture Company in the prescribed Form AOC-1 is annexed as per **Annexure-A**.

#### **Particulars of Loans, Guarantees or Investments**

Your Company has neither made any investments during the year under review nor has it given any loan or provided any guarantees during the current financial year ended on 31st March, 2017.

#### **Fixed Deposits**

Your Company has neither accepted nor renewed any deposits during the year under review.

#### **Related Party Transactions**

All Related Party Transactions that were entered into by the Company during the year under review were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant Related Party Transactions made by your Company during the year that would have required Shareholder approval under Regulation 23 of securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms and conditions of the transactions and other relevant details as are required in terms of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the transactions with Related Parties are provided at Note no. 28 of the accompanying standalone financial statements.

#### **Risk Management**

Your Company has formulated a risk management policy to put in place a procedure to inform the Board about the risk assessment and minimization procedure. The Company has also formed a Risk Management Committee comprising of Directors and Executives of your Company to assess the risk and minimization procedures and report the same to the Board at the meetings.

#### **Internal Control System and its adequacy**

Your Company has an adequate internal control system commensurate with the size of the Company and nature of its business.

Further, in terms of provisions of Section 138 of the Companies Act, 2013 and the rules made thereunder, your Company has appointed M/s. Kapoor Tandon & Co., Chartered Accountants as its Internal Auditor to conduct the internal audit of the functions and activities of the Company. Based on the report of internal audit function, the Board undertakes corrective action in their respective areas and thereby strengthens the controls.

#### **Directors and Key Managerial Personnel**

Pursuant to the provisions of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Anurag Gupta, Dy Managing Director (DIN: 00334160) retires from the Board by rotation, and is eligible for re-appointment.

Mr. Vijoy Kumar, Independent Director of the Company had resigned from the directorship of the Company with effect from 9th February, 2017. The Board at its meeting held on 12th May, 2017 has appointed Mr. Basant Seth (DIN: 02798529) as an Independent Director in the casual vacancy caused by to the resignation of Mr. Vijoy Kumar and Mr. Basant Seth will hold office till 28th September, 2019 i.e. the remaining tenure of Mr. Vijoy Kumar.

#### **Annual Evaluation of Board Performance and Performance of its Committees and of Directors:**

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees. The Nomination and Remuneration Committee has laid down the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors

#### **Independent Directors and their meetings**

The Independent directors were provided an insight about their roles, duties, rights and responsibilities. They were given a fair idea and knowledge about the working, strategy and the organizational structure of the company so that they could adapt to the company culture and contribute through active participation and interaction in a better manner.

The Nomination and Remuneration Policy adopted by your Company deals with the criteria for selection and determining the Independence of Directors and also the Remuneration policy for directors, Key Managerial Personnel (KMP) and other employees. The Remuneration policy is available at the website of the Company at <http://www.rotopumps.com/investors/policies.html>.

Your Company's Independent Directors meet at least once in a financial year without the presence of Executive Directors or Management Personnel. Such meetings are conducted to enable



the Independent Directors to discuss matters pertaining to the Company's Affairs and put forth their views. During the year under review, one meeting of the Independent Directors was held on 5th November, 2016 where all the independent directors were present.

### **Board, Committees and their meetings**

Four (4) meetings of the Board were convened and held during the year under review. Details of the composition of the Board and its Committees and of the Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013, the Rules made thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Directors' Responsibility Statement**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its responsibility Statement:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit and loss of your Company for that period;
- (c) The directors had 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 your Company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had laid down internal financial controls to be followed by your Company and that such internal financial controls were adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Corporate Social Responsibility**

Your Company has formulated its Corporate Social Responsibility (CSR) Policy to undertake the CSR activities as specified in the Schedule VII to the Companies Act, 2013. CSR Policy is available at <http://www.rotopumps.com/investors/policies.html>. The Annual Report of CSR activity for the financial year 2016-17 is annexed at **Annexure -B**.

### **Policy on prevention, prohibition and redressal of sexual harassment at Workplace**

Your Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition

and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress any complaint(s) of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. Your Company has also constituted an Internal Complaints Committee, to inquire into complaints of sexual harassment and recommend appropriate action. Your Company has not received any complaint of sexual harassment during the financial year 2016-17.

### **Vigil Mechanism / Whistle Blower Policy**

Your Company has adopted a Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

It is affirmed that no personnel of your Company has been denied access to the Audit Committee. The policy has been adopted in compliance with the requirements of SEBI and Section 177(9) of the Companies Act, 2013 and the Rules thereunder including any amendment(s) thereto, as may be made from time to time.

### **Material changes and commitment, if any, affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate and the date of the report**

No material changes and commitments affecting the financial position of your Company have occurred between the end of the financial year to which these financial statements relate and on the date of this report.

### **Significant and Material Orders passed by the Courts or Regulators**

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of your Company and its future operations.

### **Auditors**

#### **a. Statutory Auditors**

M/s A. Kay. Mehra & Co. Chartered Accountants, Firm Registration no. 050004C were appointed as the Statutory Auditors for a period of one year by the members of the Company at their Annual General Meeting held on 28th September, 2016. The term of the Auditors is expiring at the ensuing Annual General Meeting and in terms of the provisions Section 139 (2) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014, your Company is required to appoint the new Auditors for a period of five years from the conclusion of the ensuing Annual General Meeting.

On recommendation of the Audit Committee of the Board of Directors of the Company, your Directors propose the appointment of M/s R N Marwah & Co. LLP, Chartered

Accountants, New Delhi as the Statutory Auditors for a period of five years from the conclusion of the ensuing Annual General Meeting subject to ratification of the same at the intervening Annual General Meetings. They have consented to act as the Statutory Auditors of the Company and have also certified that their appointment, if made, shall be in accordance with the provisions of Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014.

The observations of the Auditors in their report read with the notes to accounts are self-explanatory and do not call for any further action or information.

**b. Branch Auditors**

The term of the Branch Auditors of the Warehouse and Marketing Offices of the Company in Australia and U. K., M/s G C Perry & Co., Certified Practicing Accountant, Australia and M/s Layton Lee, Chartered Accountants, U.K., respectively, will expire at the conclusion of the ensuing Annual General Meeting. Board of Directors of your Company is seeking authority to appoint Branch Auditors for the financial year 2017-18.

**c. Cost Auditor**

In terms of the provisions of Companies (Cost Records and Audit) Rules, 2014 as amended by Companies (Cost Records and Audit) Amendment Rules, 2016 dated 14.07.2016, your Company was not required to appoint a Cost Auditor to carry out audit of the cost records for the year under review.

**d. Secretarial Auditors**

M/s Dayal & Maur, Company Secretaries, New Delhi have been appointed as the Secretarial Auditors to carry out the secretarial audit for the year under review. The Secretarial Audit Report for the financial year ended 31st March, 2017 is annexed at **Annexure- C**.

There is no qualification or observation in the report of the Secretarial Auditors.

**Conservation of energy, Technology absorption, Foreign Exchange earnings and outgo**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished at **Annexure –D**.

**Declaration of Independent Directors**

The Independent Directors have submitted their disclosures to the Board that they fulfill the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules made thereunder

**Board independence**

Your Company's definition of 'Independence' of Directors is derived from Regulation 16(1) (b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013.

**a) Mr. B. S. Ramaswamy**

Mr. B. S. Ramaswamy, aged about 88 years is a retired IA&AS Officer. He is a Science and Commerce Graduate, Graduate Engineer and the Senior Most Cost and Management Accountant in the Country. He has an experience of over 62 years in the key functions of Finance & Accounts in the Government and various other organizations in the field of Finance, Accounts, Cost Accounting and other allied management functions.

**b) Dr. Ramesh Chandra Vaish**

Dr. Ramesh Chandra Vaish, aged about 76 years holds a degree in M.A., M.Com, LLB, Ph.D. in Economics from University of Florida USA and is a Fellow Member of the Institute of Chartered Accountants of India. Dr. Vaish is an eminent practicing Chartered Accountant having over 46 years of rich and varied experience with specialization in International taxation and finance, tax planning and off-shore investment. Dr. Vaish has an outstanding academic record and after teaching at University of Florida, USA, has worked with Coopers and Lybrand in New York, Singapore, London and New Delhi. Dr. Vaish has been a Senior Counsel, Tax and Business Advisory Services at Price Waterhouse Coopers, New Delhi, besides being a member of the Company Law Advisory Committee, Regional Tax Advisory Committee and various fiscal committees of FICCI and ASSOCHAM.

**c) Mr. Anand Bordia**

Mr. Anand Bordia, aged 73 years is a retired IRS Officer, holds degree in M.A. Mr. Bordia has 37 years of professional experience, most of which have been at a senior level in the Government of India and International Organizations. Mr. Bordia has worked in Ministry of Finance and Ministry of Social Justice & Empowerment in the Government of India. Mr. Bordia has been Member Finance in National Highway Authority of India. Mr. Bordia has also worked in Indian Customs and Central Excise Department and held various field positions such as Commissioner of Customs and Director Audit. Mr. Bordia has also worked in the Secretariat of Custom Cooperation Council, Brussels.

**d) Mrs. Annapurna Dixit**

Mrs. Annapurna Dixit, aged about 69 years, a retired Information Commissioner, Central Information Commission, is a Graduate in Physics (Hons), Masters and M. Phil in Education. Mrs. Dixit has worked for over two decades as an Officer in the India Country Office of the United Nations Children's Fund. Mrs. Dixit closely worked with the relevant Ministries of Government of India, State Governments, NCW, NHRC, IMA, NIPCCD and with NGOs for ensuring protection of rights of women and children.

**e) Mr. Basant Seth**

Mr. Seth aged 65 years is a Science graduate from Banaras Hindu University, a qualified Chartered Accountant and also has Post Graduate Diploma in Bank Management from National Institute of Bank Management, Pune. Mr. Seth has recently retired as Central Information Commissioner after successfully completing his tenure of five years. Before joining the Central Information Commission, he was a banker. He has served Bank of India for a very long period and later SIDBI. He has also served the Syndicate Bank as its Chairman and Managing Director.

Mr. Seth has extensive Board level experience having served as Bank of India's nominee on the Board of Indo-Zambian Bank, Zambia and Commonwealth Finance Corporation Ltd Hong Kong besides holding the post of Whole Time Director in SIDBI and CMD of Syndicate Bank. He has long experience and expertise in Bank Management, Corporate Governance, Financial & Administrative matters.

**Particulars of Employees and related disclosures**

The disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration

of Managerial Personnel) Rules, 2014 is annexed at **Annexure- E.**

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is annexed at in **Annexure F.**

**Listing of Shares**

The Equity Shares of your Company are listed at the BSE Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. The annual listing fee for the year 2017-18 has been fully paid.

**Extract of Annual Return**

Pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT- 9 is annexed at **Annexure-G.**

**Corporate Governance**

The Management Discussion and Analysis and the Report on Corporate Governance, as required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V thereof, forms a part of the Annual Report.

**Acknowledgements**

Your Directors place on record their sincere thanks to the Bankers, Business Associates, Consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledge gratefully the shareholders for their valuable support and confidence reposed in the Company.

**For and on behalf of the Board of Directors**

Place: Noida  
Dated: 19.08.2017

Harish Chandra Gupta  
Chairman & Managing Director  
DIN: 00334405

**FORM AOC-1**

Statement containing salient features of the financial statements of subsidiaries/associates/joint venture (Pursuant to the first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014

**Part "A" - Subsidiaries**

SI No.	Particulars	Name of the Subsidiaries				
		Roto Pumpen GmbH	Roto Pumps Americas, Inc.	Roto Pumps North America, Inc. -stepdown	Roto Overseas Pte Ltd	Roto Pumps (Africa) Pty Ltd - stepdown
1	Reporting period of the subsidiary on if different from the holding company's reporting period	N.A	N.A	N.A	N.A	N.A
2	Reporting currency and Exchange rate as on year end date	Euro	USD	USD	SGD	Rand
3	Share Capital	225,000	525,000	508,000	800,001	2,000,100
4	Reserve & Surplus	(2,15,081)	(524)	(426,613)	(113,193)	(814,122)
5	Total Assets	9,919	524,476	1,143,768	814,201	5,061,222
6	Total Liabilities	9,919	524,476	1,143,768	814,201	5,061,222
7	Investment	-	508,000	-	201,588	-
8	Turnover	35,180	-	1,399,073	-	6,996,044
9	Profit/(Loss) before taxation	(42,238)	(314)	18,472	(3,760)	(280,419)
10	Provision for taxation	-	-	-	-	-
11	Profit/(Loss) after taxation	(42,238)	(314)	18472	(3,760)	(280,419)
12	Proposed Dividend	-	-	-	-	-
13	% of shareholding	100%	100%	100%	60%	60%

No subsidiary has been liquidated or sold during the year.

**Part "B": Associates and Joint Ventures**

NA

For and on behalf of the Board

As per our Report of even date.  
For A.Kay.Mehra & Co.,  
Chartered Accountants  
(Registration No. 050004C)

(A. KAY. MEHRA )  
PARTNER  
Membership No. 009963

(**HARISH CHANDRA GUPTA**)  
Chairman & Managing Director  
(DIN:00334405)

(**ANURAG GUPTA**)  
Dy. Managing Director  
(DIN :00334160)

(**PRADEEP JAIN**)  
Chief Financial Officer  
(PAN: AAEPJ6827A)

(**ASHWANI K VERMA**)  
Company Secretary  
(M.No: A15482)

PLACE : NOIDA  
DATE : 12th May, 2017



## Annual Report of CSR activities

### 1. Corporate Social Responsibility

Roto Pumps Ltd is deeply conscious of its moral obligation to act in a manner that benefits the community at large and also the environment in which it operates. It has accordingly integrated CSR initiatives in the way it conducts its business, as a matter of policy, while focusing on inclusivity and sustainability.

The main objective of the Company's CSR policy is to formulate guidelines to undertake various programs/projects relating to corporate social responsibility including establishment of a self-regulating mechanism that ensures that the Company's CSR activities are monitored regularly and are in active compliance with the spirit of the Law as envisaged in Schedule VII read with Section 135 of the Companies Act, 2013 and the listing agreement with the Stock Exchange.

The Committee has decided to make its CSR spending towards the construction work and also carrying out the repair works in a Junior Secondary High School situated in Village Aghapur, Noida for the promotion of education among children. The Committee has approved a spending of ₹ 11.89 lacs towards the activity for the financial year 2016-17.

### 2. The composition of the CSR Committee is as under:

Mrs. Annapurna Dixit, Chairman of the Committee

Mr. Anurag Gupta, Member of the Committee

Mr. Arvind Veer Gupta, Member of the Committee

### 3. Average net profit of the Company for last three financial years : ₹ 590.75 lacs

### 4. Prescribed CSR Expenditure : ₹ 11.81 lacs

2% percent of the amount as in item 3 above.

### 5. Details of CSR spent during the financial year:

### 6. Total amount to be incurred for the financial year : ₹ 11.89 lacs

### 7. Amount un-spent if any: ₹ 3.50 lacs has been paid and the balance amount is due for release based on the progress report

a. Manner in which the amount spent during the financial year is detailed below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the program Sub-heads : (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expending upto the reporting period	Amount spent Direct or through implementing agency
1	Promoting education among children	Education	1. Local area 2. District Uttar Pradesh, Noida	₹ 11.89 lacs	-	₹ 3.50 lacs	Round Table India

### Reasons for not spending:

₹ 3.50 lacs has been paid and the balance amount is due for release based on the progress report.

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in Compliance with the CSR objectives and Policy of the Company

Anurag Gupta  
Dy. Managing Director

Place: Noida  
Date: 19.08.2017

Annapurna Dixit  
Chairman of CSR Committee

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017**

*[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,  
Roto Pumps Limited  
Roto House, Noida Special Economic Zone,  
Noida, Uttar Pradesh- 201301.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Roto Pumps 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 Roto Pumps Limited books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Roto Pumps Limited for the financial year ended on March 31, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the audit period)

We have also verified the compliances of the Company with the other statutes, which are specifically applicable to the Company, as reported by the management thereof, except to the extent the same were in the scope of work of the Statutory Auditors and / or Internal Auditors.

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

- i) Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings were specified on 1st July, 2015.
- ii) Depositories Act, 1996
- iii) SEBI LODR (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

**We further report that:**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that 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.

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

For DAYAL & MAUR  
Company Secretaries

BARINDER SINGH MAUR  
Partner  
FCS No. 6544  
CP No. 7041

Place: New Delhi  
Date: 18.08.2017

To,  
The Members,  
Roto Pumps Limited

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 process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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 DAYAL & MAUR  
Company Secretaries

BARINDER SINGH MAUR  
Partner  
FCS No. 6544  
CP No. 7041

Place: New Delhi  
Date: 18.08.2017



**Pursuant to the provisions of Section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Directors-****A. Conservation of energy:**

- a. The steps taken or impact on conservation of energy

Although your Company's operations involve low energy consumption, due attention was paid to optimize the use of energy by improved operational methods. The efforts to conserve and optimize the use of energy by improved operational methods and other means will continue.

The Efforts to conserve and optimize the use of energy have an impact of reducing energy consumption and thereby reducing cost of production of goods.

- b. The steps taken by the Company for utilizing alternate sources of energy

Your Company is installing a solar power system at its Greater Noida Unit for utilization of solar energy as a pilot project. The installation of the said system is scheduled to be completed by October, 2017. The solar power system besides reducing the energy cost for the Company would also reduce carbon emission which would contribute towards a cleaner environment. On satisfactory performance, this process would also be followed at other locations of your Company.

- c. The capital investment on energy conservation equipment.

Your Company has committed an amount of ₹ 90.00 lacs on installation of solar power system.

**B. Technology absorption:**

- a. The efforts made towards technology absorption:

Identification of products, to be developed, based on market feedback to widen product basket for Domestic and International Markets, conceptualization of product on the basis of fuller understanding of market need, designing, manufacturing and testing prototype, finalization of design based on tests with modification, performance / endurance tests and field trials to prove the product capability and releasing design and drawing for commercial production.

- b. The benefits derived like product improvement, cost reduction, product development or import substitution:

Widening of product range, product improvement, cost reduction and introduction of new generation cost effective pumps to meet increased competition, product development, import substitution.

- c. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) **N.A.**

- d. The expenditure incurred on Research and Development (in ₹):

a. Revenue expenses	:	106.62 lacs
b. Capital expenses	:	4.23 lacs
Total	:	110.85 lacs

**C. Foreign exchange earnings and Outgo**

Your Company's export activities consist of exports of its products e.g. pumps and spare parts of pumps and annual maintenanceservices and commissioning & installation services. The particulars of foreign exchange earned and used during the year are given in Note 39 to 42 in the notes forming part of the financial statements.

**DISCLOSURES PERTAINING TO REMUNERATION AND OTHER DETAILS AS REQUIRED UNDER SECTION 197(12) OF THE ACT READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2016-17, ratio of the remuneration of each Director to the median remuneration of the Employees of your Company for the Financial Year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against performance of the Company are as under:

(Amount in ₹)

S. No.	Name of the Director / KMP and Designation	Remuneration of Directors / KMP for the Financial year 2016-17	% of increase in remuneration in Financial year 2016-17	Ratio of remuneration of each director/ KMP to the median remuneration of the Employee
1	Mr. Harish Chandra Gupta, Chairman & Managing Director	1,07,04,967	Reduction of 10% in remuneration during the year	31.47
2	Mr. Anurag Gupta, Dy Managing Director	66,87,285		19.65
3	Mr. Arvind Veer Gupta, Wholetime Director	65,76,209		19.33
4	Mr. Ashwani K. Verma, Company Secretary	15,59,060	No increment	4.58
5	Mr. Pradeep Jain, Chief Financial Officer	21,57,090	5%	6.07
	Total	2,76,84,611		

- ii) The median remuneration of Employees of the Company during the financial year: ₹ 3,40,188/-
- iii) The percentage increase in the median remuneration of the employees in the financial year: 10%
- iv) The number of permanent employees on the rolls of company as on 31st March, 2017: 195
- v) Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial i.e. 2015-16 year 9.2% whereas the increase in the managerial remuneration for the same financial year was almost nil.
- vi) The key parameters for any variable component of remuneration availed by the directors: The Directors have not been paid variable remuneration during the year as their remuneration was being paid as per the provisions of schedule V to the Companies Act, 2013.
- vii) It is hereby affirmed that the remuneration paid is as per remuneration policy for Directors, Key Managerial Personnel and other Employees of the Company.

**Statement of particulars of Employees pursuant to the provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

A. Names of top ten employees in terms of remuneration drawn during the year

Sl	Name of Employee	Age (Yrs)	Qualification	Designation	Remuneration	Date of Joining	Experience	Last Employment held
1	Mr. Harish Chandra Gupta	69	B.Sc.	Chairman & Managing Director	₹ 1,07,04,967/-	Since incorporation	49 years	Own business
2	Mr. Anurag Gupta	43	B.Com, CMA Intermediate and MBA	Dy Managing Director	₹ 66,87,285/-	01.01.1995	23 Years	Roto Pumps Ltd
3	Mr. Arvind Veer Gupta	41	Bachelor of Management (Manufacturing Engineering)	Whole-time Director	₹ 65,76,209/-	01.07.1995	22 years	Roto Pumps Ltd
4	Mr. David Roy Bent	55	Diploma Engineer	General Manager	₹ 81,89,133/- GBP 93560	15.10.2004	36 years	Orbit Pumps Ltd as Director
5	Mr. S Clark	53	C & G Mechanical Engineer	Sales Manager	₹ 46,22,803/- GBP 52815	01.08.2008	30 years	Sales engineer – PC Pumps
6	Mr. Steve Allis	59	BA Hons(Economics) and ICAEW	Accountant	₹ 44,25,820/- GBP 50564	01.06.2007	37 years	Company Accountant/ Director KSR Automotive
7	Mr. Andrew Lai	42	Bachelor of Engineering (Mech.)	Contracts Manager	₹ 45,53,475/- AUD 89910	02.09.2013	9 years	Internal Sales – Xylem
8	Mr. Philip Johnston	62	Diploma of Animal Husbandry	Territory Manager	₹ 43,75,545/- AUD 86398	06.07.2006	43 years	Sales Manager -Ebsray Pumps
9	Mr. Kevin Moore	53	Bachelor of Engineering (Electronic and Electrical)	General Manager	₹ 90,56,213/- AUD 178823	15.09.2014	29 years	Self-Employed
10	Mr. Ross Leabeater	56	Fitter and Turner	Territory Manager	₹ 55,76,285/- AUD 110112	14.03.2014	5 years	Sales Manager - Statewide Bearings

B. Employed throughout the year and were in receipt of remuneration for the financial year in aggregate of not less than ₹ 1,02,00,000/- p.a.

None except as included in Section A.

C. Employed part of the year and were in receipt of remuneration for the financial year in aggregate of not less than ₹8,50,000/- p.m. None

D. Employed throughout the financial year or part thereof, was in receipt of remuneration in that period, in aggregate, or as the case may be, at a rate which, in aggregate, is in excess of remuneration drawn by Chairman and Managing Director or Dy Managing Director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company. None

Notes:

- 1) Remuneration comprises of salary, allowances and monetary value of perquisites. Their appointments are contractual.
- 2) Employees at Sl. No. 4 to 6 are posted at the Warehouse and Marketing Office of the Company at U.K and the Employees mentioned from Sl. No. 7 to 10 are posted at the Warehouse and Marketing Office of the Company at Australia.
- 3) Mr. Harish Chandra Gupta is the father of Arvind Veer Gupta and are related to each other. None of the other employees are relatives of any director or manager.

**Annexure G to the Board's Report****Form No. MGT 9**

Extract of Annual Return as on financial year ended on 31.03.2017  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

**I. Registration and Other Details****II. Principal Business Activities of the Company**

1.	CIN	L28991UP1975PLC004152
2.	Registration Date	31st July, 1975
3.	Name of the Company	Roto Pumps Limited
4.	Category/Sub-category of the Company	Public Company / Limited by Shares
5.	Address of the Registered office & contact details	Roto House, Noida Special Economic Zone, Noida – 201305 U.P. India Tel.: +91 120 2567902-04, Fax : +91 120 2567911 Email : investors@rotopumps.com Website : www.rotopumps.com
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	RCMC Share Registry Pvt. Ltd B-25/1, Okhla Industrial Area, Phase -2, Near Rana Motors, New Delhi, Delhi 110020 Tel.: +91 11 26387320-21, Fax : +91 26387320-22 Email : info@rcmcdelhi.com Website : www.rcmcdelhi.com

All the business activities contributing 10% or more of the total turnover of the company shall be stated

**III. Particulars of Holding, Subsidiary and Associate Companies**

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Screw Pumps	3562	46
2	Parts of Pumps	3562	53

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares hold	Applicable section
1	Roto Pumpen GmbH .nehmcoll.Rechtsanwälte GrafenbergerAllee 277-287 40237 Duesseldorf GERMANY	NA	Subsidiary	100%	2 (87) (i) (ii)
2	Roto Pumps Americas, Inc. 16192, Coastal Highway, Lewes, Delaware 19958 USA	NA	Subsidiary	100%	2 (87) (i) (ii)
3	Roto Pumps North America, Inc. 16192, Coastal Highway, Lewes, Delaware 19958 USA	NA	Subsidiary	100%	2 (87) (i) (ii)
4	Roto Overseas Pte Ltd 1 North Bridge Road, # 19-04/05 High Street Centre, Singapore - 179094	NA	Subsidiary	60%	2 (87) (ii)
5	Roto Pumps (Africa) Pty Ltd 3 Sunrock Cl, Germiston, 1401, South Africa	NA	Subsidiary	60%	2 (87) (i) (ii)



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

## Category-wise Share Holding

Sl	Category of Shareholder	No. of Shares held at the beginning of the year[As on 31-March-2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>									
<b>1</b>	<b>Indian</b>									
(a)	Individuals/ Hindu Undivided Family	10770620	0	10770620	69.70%	10770620	0	10770620	69.70%	0.00%
(b)	Central Government/ State Government(s)									
(c)	Bodies Corporate									
(d)	Financial Institutions/ Banks									
(e)	Any Others(Specify)									
	<b>Sub Total(A)(1)</b>	<b>10770620</b>	<b>0</b>	<b>10770620</b>	<b>69.70%</b>	<b>10770620</b>	<b>0</b>	<b>10770620</b>	<b>69.70%</b>	<b>0.00%</b>
<b>2</b>	<b>Foreign</b>									
a	Individuals (Non-Residents Individuals/ Foreign Individuals)									
b	Bodies Corporate									
c	Institutions									
d	Qualified Foreign Investor									
e	Any Others(Specify)									
	<b>Sub Total(A)(2)</b>	<b>0</b>		<b>0</b>	<b>0.00%</b>	<b>0</b>		<b>0</b>	<b>0.00%</b>	<b>0.00%</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>10770620</b>	<b>0</b>	<b>10770620</b>	<b>69.70%</b>	<b>10770620</b>	<b>0</b>	<b>10770620</b>	<b>69.70%</b>	<b>0.00%</b>
<b>(B)</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds/ UTI		6500	6500	0.04%		6500	6500	0.04%	0.00%
(b)	Financial Institutions / Banks		500	500	0.00%		500	500	0.00%	0.00%
(c)	Central Government/ State Government(s)									
(d)	Venture Capital Funds									
(e)	Insurance Companies									
(f)	Foreign Institutional Investors	306204	0	306204	1.98%	217483	0	217483	1.41%	-0.57%
(g)	Foreign Venture Capital Investors									
(h)	Qualified Foreign Investor									
(i)	Any Other (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%
	<b>Sub-Total (B)(1)</b>	<b>306204</b>	<b>7000</b>	<b>313204</b>	<b>2.03%</b>	<b>217483</b>	<b>7000</b>	<b>224483</b>	<b>1.45%</b>	<b>-0.57%</b>

<b>B 2</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	465910	48000	513910	3.33%	420402	48000	468402	3.03%	-0.29%
(b)	Individuals									
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	2401915	463600	2865515	18.54%	2642722	452100	3094822	20.03%	1.48%
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	501195	0	501195	3.24%	315055	0	315055	2.04%	-1.20%
(c)	Qualified Foreign Investor									
(d)	Any Other (specify) CLEARING MEMBERS									
(d-i)	CLEARING MEMBERS	76306	0	76306	0.49%	144351	0	144351	0.93%	0.44%
(d-ii)	NON-RESIDENTS	30055	382500	412555	2.67%	53072	382500	435572	2.82%	0.15%
(d-iii)	TRUST	0	500	500	0.00%	0	500	500	0.00%	0.00%
	<b>Sub-Total (B)(2)</b>	<b>3475381</b>	<b>894600</b>	<b>4369981</b>	<b>28.28%</b>	<b>3575602</b>	<b>883100</b>	<b>4458702</b>	<b>28.85%</b>	<b>0.57%</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>3781585</b>	<b>901600</b>	<b>4683185</b>	<b>30.30%</b>	<b>3793085</b>	<b>890100</b>	<b>4683185</b>	<b>30.30%</b>	<b>0.00%</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>									
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>14552205</b>	<b>901600</b>	<b>15453805</b>	<b>100.00%</b>	<b>14563705</b>	<b>890100</b>	<b>15453805</b>	<b>100.00%</b>	<b>0.00%</b>

## B) Shareholding of Promoters

SI	Shareholder name	No. of Shares held at the beginning of the year[As on 31-March-2016]			No. of Shares held at the end of the year[As on 31-March-2017]			% change 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	N K Gupta HUF	1488660	9.63%	0%	1488660	9.63%	0%	0.00%
2	Anurag Gupta	1085335	7.02%	0%	1085335	7.02%	0%	0.00%
3	Arvind Gupta	1210335	7.83%	0%	1210335	7.83%	0%	0.00%
4	Asha Gupta	2499665	16.18%	0%	2499665	16.18%	0%	0.00%
5	Harish Chandra Gupta	1973695	12.77%	0%	1973695	12.77%	0%	0.00%
6	Harish Chandra Gupta HUF	1071100	6.93%	0%	1071100	6.93%	0%	0.00%
7	Manoj Agarwal	19325	0.13%	0%	19325	0.13%	0%	0.00%
8	Mansi Kanoria	158700	1.03%	0%	158700	1.03%	0%	0.00%
9	Madhu Agarwal	103600	0.67%	0%	103600	0.67%	0%	0.00%
10	Neera Gupta	848575	5.49%	0%	848575	5.49%	0%	0.00%
11	Rajeeta Gupta	135155	0.87%	0%	135155	0.87%	0%	0.00%
12	Rajendra Kumar Gupta	10810	0.07%	0%	10810	0.07%	0%	0.00%
13	Rolly Gupta	133830	0.87%	0%	133830	0.87%	0%	0.00%
14	Shalini Gupta	30835	0.20%	0%	30835	0.20%	0%	0.00%
15	Urmila Agarwal	1000	0.01%	0%	1000	0.01%	0%	0.00%

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

There has been no change in the shareholding of the promoters during the year.

**D) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SI No.	For Each of the Top 10 Shareholders	Nature of transaction	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	DEBRA PAULY					
	At the beginning of the year 01/04/2016		382000	2.46	382000	2.46
	At the end of the year 31/03/2017				382000	2.46
2	PASSAGE TO INDIA MASTER FUND LIMITED					
	At the beginning of the year 01/04/2016		306204	1.98	306204	1.98
	01/07/2016	Purchase	10000	0.06	316204	2.04
	30/12/2016	Sale	-4773	-0.03	311431	2.01
	06/01/2017	Sale	-10227	-0.07	301204	1.94
	10/03/2017	Sale	-18000	-0.12	283204	1.83
	17/03/2017	Sale	-27294	-0.18	255910	1.65
	24/03/2017	Sale	-10855	-0.07	245055	1.58
	31/03/2017	Sale	-27572	-0.18	217483	1.4
	At the end of the year 31/03/2017				217483	1.4
3	AMIT GUPTA					
	At the beginning of the year 01/04/2016		215050	1.39	215050	1.39
	At the end of the year 31/03/2017				215050	1.39
4	QUANT CAPITAL SECURITIES PRIVATE LIMITED					
	At the beginning of the year 01/04/2016		198000	1.28	198000	1.28
	10/03/2017	Sale	-101000	-0.65	97000	0.63
	17/03/2017	Sale	-52000	-0.34	45000	0.29
	31/03/2017	Sale	-45000	-0.29	0	0
	At the end of the year 31/03/2017				0	0
5	VIMAL SAGARMAL JAIN					
	At the beginning of the year 01/04/2016		100005	0.65	100005	0.65
	At the end of the year 31/03/2017				100005	0.65
6	USHA CHANDRASINGH MEHTA					
	At the beginning of the year 01/04/2016		100000	0.65	100000	0.65
	At the end of the year 31/03/2017				100000	0.65
7	AMIT GUNCHANDRA MEHTA					
	At the beginning of the year 01/04/2016		86140	0.56	86140	0.56
	At the end of the year 31/03/2017				86140	0.56
8	QUANT CAPITAL HOLDINGS PRIVATE LIMITED					
	At the beginning of the year 01/04/2016		56565	0.36	56565	0.36

	24/02/2017	Sale	-56565	-0.36	0	0
	31/03/2017	Purchase	45000	0.29	45000	0.29
	At the end of the year 31/03/2017				45000	0.29
9	PRABHUDAS LILLADHER PVT. LTD.					
	At the beginning of the year 01/04/2016		53782	0.35	53782	0.35
	06/05/2016	Sale	-13782	-0.09	40000	0.26
	10/06/2016	Sale	-3825	-0.02	36175	0.23
	17/06/2016	Sale	-1500	-0.01	34675	0.22
	24/06/2016	Purchase	100	0	34775	0.22
	01/07/2016	Purchase	1682	0.01	36457	0.24
	08/07/2016	Purchase	500	0	36957	0.24
	29/07/2016	Purchase	100	0	37057	0.24
	12/08/2016	Sale	-11406	-0.07	25651	0.17
	19/08/2016	Sale	-100	0	25551	0.16
	26/08/2016	Sale	-6054	-0.04	19497	0.13
	02/09/2016	Sale	-497	0	19000	0.12
	11/11/2016	Purchase	27	0	19027	0.12
	06/01/2017	Purchase	51000	0.33	70027	0.45
	13/01/2017	Sale	-2027	-0.01	68000	0.44
	20/01/2017	Sale	200	0	68200	0.44
	03/02/2017	Purchase	89	0	68289	0.44
	10/02/2017	Sale	-189	0	68100	0.44
	17/02/2017	Sale	-100	0	68000	0.44
	31/03/2017	Sale	-5000	-0.03	63000	0.41
	At the end of the year 31/03/2017				63000	0.41
10	ARCHANA SANDEEP TANDON					
	At the beginning of the year 01/04/2016		47930	0.31	47930	0.31
	20/01/2017	Sale	-47930	-0.31	0	0
	At the end of the year 31/03/2017				0	0
11	RUPESH SHANTILAL JOBANPUTRA					
	At the beginning of the year 01/04/2016		45000	0.29	45000	0.29
	At the end of the year 31/03/2017				45000	0.29
12	MAHESH KHERAJ SACHADE					
	At the beginning of the year 01/04/2016		25310	0.16	25310	0.16
	27/05/2016	Purchase	10000	0.06	35310	0.23
	12/08/2016	Purchase	11406	0.07	46716	0.3
	26/08/2016	Purchase	6551	0.04	53267	0.34
	23/09/2016	Purchase	365	0	53632	0.35
	30/09/2016	Purchase	853	0.01	54485	0.35
	07/10/2016	Purchase	145	0	54630	0.35
	21/10/2016	Purchase	422	0	55052	0.36



	06/01/2017	Sale	-51000	-0.33	4052	0.03
	31/03/2017	Purchase	5000	0.03	9052	0.06
	At the end of the year 31/03/2017				9052	0.06
13	QUANT BROKING PRIVATE LIMITED					
	At the beginning of the year 01/04/2016		0	0	0	0
	28/10/2016	Purchase	180	0	180	0
	04/11/2016	Sale	-180	0	0	0
	20/01/2017	Purchase	1165	0.01	1165	0.01
	27/01/2017	Sale	-1165	-0.01	0	0
	24/02/2017	Purchase	56565	0.36	56565	0.36
	03/03/2017	Sale	-56565	-0.36	0	0
	10/03/2017	Purchase	70000	0.45	70000	0.45
	17/03/2017	Sale	-70000	-0.45	0	0
	At the end of the year 31/03/2017				0	0
14	QOPPA TRADING PRIVATE LIMITED					
	At the beginning of the year 01/04/2016		0	0	0	0
	10/03/2017	Purchase	31000	0.2	31000	0.2
	17/03/2017	Purchase	122000	0.79	153000	0.99
	At the end of the year 31/03/2017				153000	0.99
15	QCAP SECURITIES PRIVATE LIMITED					
	At the beginning of the year 01/04/2016		0	0	0	0
	03/03/2017	Purchase	56565	0.36	56565	0.36
	At the end of the year 31/03/2017				56565	0.36

**E) Shareholding of Directors and Key Managerial Personnel:**

SI No.	Shareholding of each Directors and each Key Managerial Personnel	Reason for change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Mr. Harish Chandra Gupta					
	At the beginning of the year		1973695	12.77%	1973695	12.77%
	At the end of the year		1973695	12.77%	1973695	12.77%
2	Mr. Anurag Gupta					
	At the beginning of the year		1085335	7.02%	1085335	7.02%
	At the end of the year		1085335	7.02%	1085335	7.02%
3	Mr. Arvind Veer Gupta					
	At the beginning of the year		1210335	7.83%	12150335	7.83%
	At the end of the year		1210335	7.83%	12150335	7.83%
4	Mrs. Asha Gupta					
	At the beginning of the year		2499665	16.18%	2499665	16.18%
	At the end of the year		2499665	16.18%	2499665	16.18%
5	Mr. B. S. Ramaswamy					

	At the beginning of the year		500	0.00%	500	0.00%
	At the end of the year		500	0.00%	500	0.00%
6	Dr. Ramesh Chandra Vaish		0	0.00%	0	0.00%
7	Mr. Anand Bordia		0	0.00%	0	0.00%
8	Mr. Vijoy Kumar*		0	0.00%	0	0.00%
9	Mrs. Annapurna Dixit		0	0.00%	0	0.00%
10	Mr. Basant Seth**		0	0.00%	0	0.00%
11	Mr. Pradeep Jain		0	0.00%	0	0.00%
12	Mr. Ashwani K. Verma		0	0.00%	0	0.00%

\*resigned from the Board w. e. f 09.02.2017.

\*\*appointed as a director in casual vacancy with effect from 12.05.2017 to hold office upto 28.09.2019 i. e; the remaining tenure of Mr. Vijoy Kumar.

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	39,44,21,217	-	-	39,44,21,217
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	22,544	-	-	22,544
<b>Total (i+ii+iii)</b>	39,44,43,761	-	-	39,44,43,761
<b>Change in Indebtedness during the financial year</b>				
* Addition	1,77,14,977	-	-	1,77,14,977
* Reduction	6,01,41,314	-	-	6,01,41,314
<b>Net Change</b>	4,24,26,337	-	-	4,24,26,337
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	35,18,95,256	-	-	35,18,95,256
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due	1,22,168	-		1,22,168
<b>Total (i+ii+iii)</b>	35,20,17,424	-	-	35,20,17,424

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S.No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Harish Chandra Gupta, Chairman & Managing Director	Mr. Anurag Gupta, Dy Managing Director	Mr. Arvind Veer Gupta, Wholetime Director	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	60,10,000	46,90,000	45,76,000	1,52,76,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	46,94,967	19,97,250	20,00,209	86,92,461
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission -as % of profit - others, specify	0	0	0	0
5	Others, please specify				
	Total (A)	1,07,04,967	66,87,285	65,76,209	2,39,68,461
	Ceiling as per the Act	1,68,00,000	1,68,00,000	1,68,00,000	5,04,00,000

**B. Remuneration to other directors**

SN.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. B. S. Ramaswamy	Mrs. Asha Gupta	Dr. Ramesh Chandra Vaish	Mr. Anand Bordia	Mr. Vijoy Kumar	Mrs. Annapurna Dixit	
1	Independent Directors							
	Fee for attending board and committee meetings	90,000		1,00,000	1,10,000	60,000	60,000	4,20,000
	Commission							
	Others, please specify							
	Total (1)	90,000		1,00,000	1,10,000	60,000	60,000	4,20,000
2	Other Non-Executive Directors							
	Fee for attending board committee meetings		40,000					40,000
	Commission							
	Others, please specify							
	Total (2)		40,000					40,000
	Total (B)=(1+2)	90,000	40,000	1,00,000	1,10,000	60,000	75,000	4,60,000
	Total Managerial Remuneration							2,44,28,461
	Overall Ceiling as per the Act							5,08,60,000

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

S. No.	Particulars of Remuneration	Key Managerial Personnel	
		Mr. Ashwani K. Verma, Company Secretary	Mr. Pradeep Jain, Chief Financial Officer
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,59,060	21,57,090
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
	Others specify	0	0
5	Others, please specify	0	0
	Total	15,59,060	21,57,090

**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					
Punishment			NA		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NA		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NA		
Compounding					



## Corporate Governance

### Company's philosophy on code of Corporate Governance

At your Company, Corporate Governance aims at safeguarding and value addition to the interest of the various stakeholders. Corporate Governance ensures working of the company in a more accountable and transparent manner.

### Board of Directors

The Board is an apex body, responsible for playing a significant role in the proper and efficient functioning of the Company. The Company's Board has an appropriate mix of Executive, Non-executive, Independent and Women Directors. During the year 2016-17, composition of the Company's Board has been as under:

Sl. No.	Name	Category	Number of Directorships in other Companies	Position in Committees	
				Member	Chairperson
1	Mr. Harish Chandra Gupta	Promoter / Executive Chairman	-	-	-
2	Mr. Anurag Gupta	Promoter / Executive Director	2	1	-
3	Mr. Arvind Veer Gupta	Promoter / Executive Director	2	1	-
4	Mrs. Asha Gupta	Promoter / Non-executive/Woman Director	-	1	-
5	Mr. B. S. Ramaswamy	Independent / Non-executive Director	-	-	1
6	Dr. Ramesh Chandra Vaish	Independent / Non-executive Director	6	2	2
7	Mr. Anand Bordia	Independent / Non-executive Director	5	2	2
8	Mr. Vijoy Kumar*	Independent / Non-executive Director	7	1	1
9	Mrs. Annapurna Dixit	Independent / Non-executive/Woman Director	1	-	-
10	Mr. Basant Seth**	Independent / Non-executive Director	1	-	-

\*Resigned from the Board with effect from 09th Feb, 2017.

\*\*Appointed with effect from 12th May, 2017.

### Shares and convertible instruments held by non-executive Directors

The Company has not issued any convertible instruments. The position of the holding of equity shares of the Company by the non-executive directors as on 31.03.2017 was as under:

Sl. No.	Name	No. of Equity shares held on 31.03.2017
1	Mrs. Asha Gupta	24,99,665
2	Mr. B. S. Ramaswamy	500
3	Dr. Ramesh Chandra Vaish	Nil
4	Mr. Anand Bordia	Nil
5	Mr. Vijoy Kumar*	Nil
6	Mrs. Annapurna Dixit	Nil

\* Resigned from the Board with effect from 09th Feb, 2017.

### Relationships between Directors inter se

Mr. B. S. Ramaswamy, Dr. Ramesh Chandra Vaish, Mr. Anand Bordia, Mr. Basant Seth and Mrs. Annapurna Dixit are the Independent, Non-executive directors of the Company and are not related to each other in any way. They are also not related to the other Directors on the Board of the Company.

Mrs. Asha Gupta and Mr. Anurag Gupta are related to each other in the relationship mother-son between them. Similarly, Mr. Arvind Veer Gupta being the son of Mr. Harish Chandra Gupta, they both are related to each other. Mr. Harish Chandra Gupta is the Brother in law of Mrs. Asha Gupta; all are related to each other.

### Non-Executive Directors' compensation and disclosure

Non-executive Directors have been paid sitting fees for attending the meetings of the Board of Directors and Committees of the Board. No other compensation is paid. The sitting fee is fixed by the Board and has the approval of the shareholders of the Company.

**Other provisions of the Board**

During the year 2016-17, four meetings of the Board of Directors of the Company were held on 07.05.2016, 12.08.2016, 05.11.2016 and 09.02.2017. The time gap between any two meetings did not exceed one hundred and twenty (120) days as prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All relevant information was placed before the Board. The attendance record of the Directors at the Meetings of the Board and Members held during the financial year 2016-17 was as under:

S No.	Name	No. of Meetings attended	Attended last AGM
1	Mr. Harish Chandra Gupta	4	Yes
2	Mr. Anurag Gupta	4	Yes
3	Mr. Arvind Veer Gupta	4	Yes
4	Mrs. Asha Gupta	2	Yes
5	Mr. B. S. Ramaswamy	3	Yes
6	Dr. Ramesh Chandra Vaish	3	Yes
7	Mr. Anand Bordia	4	No
8	Mr. Vijoy Kumar	2	No
9	Mrs. Annapurna Dixit	2	No

**Code of Conduct**

The Board has laid down a code of conduct applicable to all Board members and senior executives of the Company. The CEO of the Company has given the certificate as below as per the requirement of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

*I hereby confirm that the Company has obtained from all the members of the Board and Senior Management affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the financial year 2016-17.*

**Harish Chandra Gupta**  
**Chairman & Managing Director**

**Audit Committee**

The Audit Committee of the Board comprises of four members all of whom are Non-executive Independent Directors, except Mrs. Asha Gupta who is a Non-executive promoter Director. The Committee functions under the Chairmanship of Mr. B. S. Ramaswamy, who is an Independent Director. Mr. B. S. Ramaswamy is a B. Sc., B. Com. Graduate Engineer, Fellow Member of the Institute of Cost and Management Accountants of India and a retired Officer of the Indian Audit & Accounts Service. Mr. Ashwani K. Verma, Company Secretary as the Secretary of the Committee.

During the year, four meetings of the Audit Committee were held on 07.05.2016, 12.08.2016, 05.11.2016 and 09.02.2017. The time gap between any two meetings did not exceed one hundred and twenty (120) days as prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Audit Committee and the number of the meetings attended by the Members are given below.

S. No.	Name	Position	No. of meetings attended
1	Mr. B. S. Ramaswamy	Chairman	3
2	Mr. Anand Bordia	Member	4
3	Mrs. Asha Gupta	Member	2
4	Dr. Ramesh Chandra Vaish	Member	3

**Terms of reference**

The role and terms of reference of the Audit Committee covers the matters specified for Audit committee under Part C of Schedule II of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 which inter-alia include overseeing the company's financial reporting process, reviewing periodical financial results, financial statements, internal control and internal audit systems, accounting policies and practices related party transactions and performance of the internal and external auditors.

### Nomination & Remuneration Committee

Nomination and Remuneration Committee comprises of Non-executive Directors all of whom are Independent. During the year, two meetings of the Nomination and Remuneration Committee were held on 30.05.2016 and 05.11.2016. Composition of the Committee and attendance at the meeting during the year has been as under:

S. No.	Name	Position	Meeting attended
1	Mr. B. S. Ramaswamy	Chairman	2
2	Mr. Anand Bordia	Member	2
3	Mr. Vijoy Kumar*	Member	1
4	Mr. Harish Chandra Gupta**	Member	-

\*resigned from the Board with effect from 09th Feb, 2017.

\*\*appointed as Member with effect from 12.05.2017.

### Terms of reference

The terms of reference of the Nomination and Remuneration Committee are in consonance with the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee has framed the Nomination and Remuneration Policy and has laid down the criteria for the evaluation of the performance of the Independent Directors under the said policy.

### Details of remuneration to Directors

The aggregate value of salary and perquisites paid to the Chairman & Managing Director, Dy Managing Director and the Wholetime Director during the year is as follows:

Mr. Harish Chandra Gupta, Chairman & Managing Director ₹1,07,04,967/-, Mr. Anurag Gupta, Dy Managing Director ₹ 66,87,285/- and Mr. Arvind Veer Gupta, Wholetime Director ₹ 65,76,209/-. In addition, the Chairman & Managing Director, Dy Managing Director and Wholetime Director were also entitled to Company's contribution to provident fund, Gratuity and encashment of leave at the end of tenure, as per the Company's Rules. They are also entitled to the use of a Chauffeur driven Car for Company's business and Telephones at the residence. Notice period is three months from either side. No severance fees except statutory retirement benefits is payable. Details of the Directors' remuneration are given in **Annexure G point no. VI to the Board's Report**.

The non-executive directors were paid sitting fees @ ₹ 10,000/- for attending each meeting of the Board and /or the Committee thereof. The sitting fees paid during the year to the Directors are as follows: Mr. B. S. Ramaswamy ₹ 90,000/-, Mrs. Asha Gupta ₹ 40,000/-, Dr. Ramesh Chandra Vaish ₹ 1,00,000/-, Mr. Anand Bordia ₹ 1,10,000/-, Mr. Vijoy Kumar ₹ 60,000/- and Mrs. Annapurna Dixit ₹ 60,000/-.

The Company has not granted any Stock options to its Directors.

### Stakeholders Relationship Committee

Stakeholders Relationship Committee comprises of Non-executive Directors and Dy Managing Director under the Chairmanship of Dr. Ramesh Chandra Vaish, who is an Independent Director. During the year, three meetings of the Stakeholders Relationship Committee were held on 12.08.2016, 05.11.2016 and 09.02.2017. Composition of the Committee and attendance at the meeting during the year was as under

S. No.	Name	Position	No. of meetings attended
1	Dr. Ramesh Chandra Vaish	Chairman	3
2	Mr. Vijoy Kumar*	Member	2
3	Mr. Anurag Gupta	Member	3
4	Mr. Arvind Veer Gupta**	Member	-

\*resigned from the Board with effect from 09th Feb, 2017.

\*\*appointed as Member with effect from 12.05.2017.

Mr. Ashwani K. Verma, Company Secretary is the Compliance Officer.

During the year, **eight complaints were** received from the shareholders and the same were resolved.

**General Body meetings**

## a. Location and time of the General Meetings held in the last 3 years

Year	Type	Date	Venue	Time
2016	AGM	28.09.2016	Registered Office	11.30 A.M.
2015	AGM	30.09.2015	Registered Office	11.30 A.M.
2014	AGM	29.09.2014	Registered Office	11.30 A.M.

- b. Whether Special Resolutions passed in the previous three Annual General Meetings - Yes
- c. Whether any special resolution passed last year through postal ballot - No
- d. Person who conducted postal ballot exercise - NA
- e. Whether any special resolution is proposed to be conducted through postal ballot - No
- f. Procedure for postal ballot - NA

**Means of Communication**

Quarterly results	The results of the Company are published in the newspapers and also displayed at the Company's website besides submission to the Stock Exchange
Newspapers wherein results normally published	The Economic Times , Nav Bharat Times, Business Standard and Jansatta
Any website, where displayed	Submitted to the Stock Exchange in the prescribed format and also at the website of the Company <a href="http://www.rotopumps.com">www.rotopumps.com</a>
The presentation made to the Institutional Investor and Analyst	No

**General Shareholder Information****Annual General Meeting**

The ensuing Annual General Meeting is scheduled to be held on Friday, 29th September, 2017 at 11.30 AM at the Registered Office of the Company at Roto House, Noida Special Economic Zone, Noida – 201305.

**Financial Year**

The Company follows April – March financial year. The un-audited financial results for first, second (half yearly) and third quarter would be published in July/August, October/November and January/February, respectively. Annual audited consolidated financial results would be published in May.

**Book Closure**

The Share transfer books and Register of Members will be closed from Saturday the 23rd September, 2017 to Friday the 29th September, 2017 (both days inclusive) for the purpose of payment of dividend and Forty Second Annual General Meeting.

**Dividend payment date**

Dividend will be paid within thirty days from the date of the Annual General Meeting.

**The Stock Exchange on which the Company's Shares are listed**

The Equity Shares of your Company are presently listed at the BSE Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 vide Security Code 517500. The shares of the Company are not suspended for trading.

The Annual Listing fee for the year has been fully paid.

**ISIN Number**

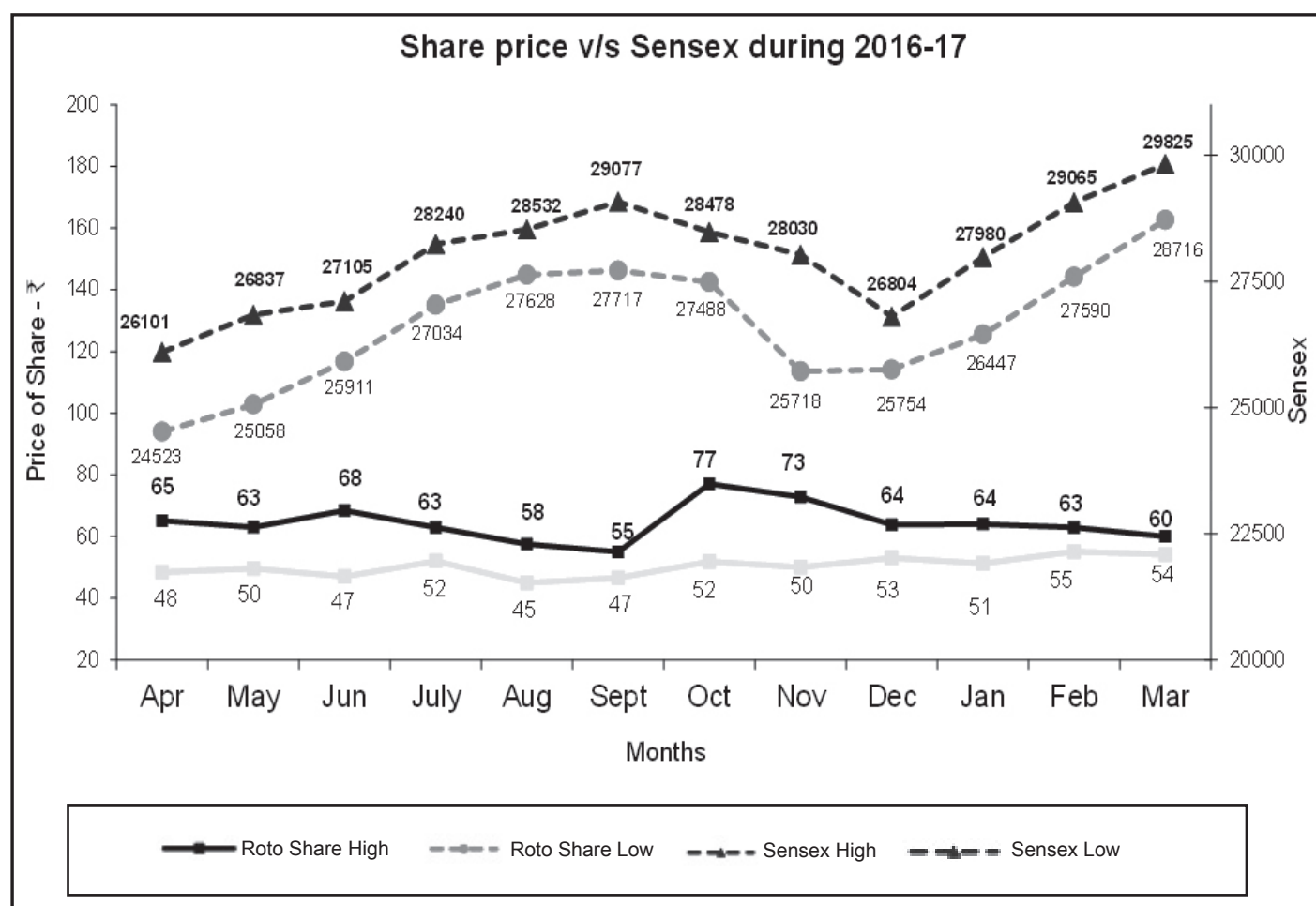
ISIN number of the Company for National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL) is **INE535D01029**.

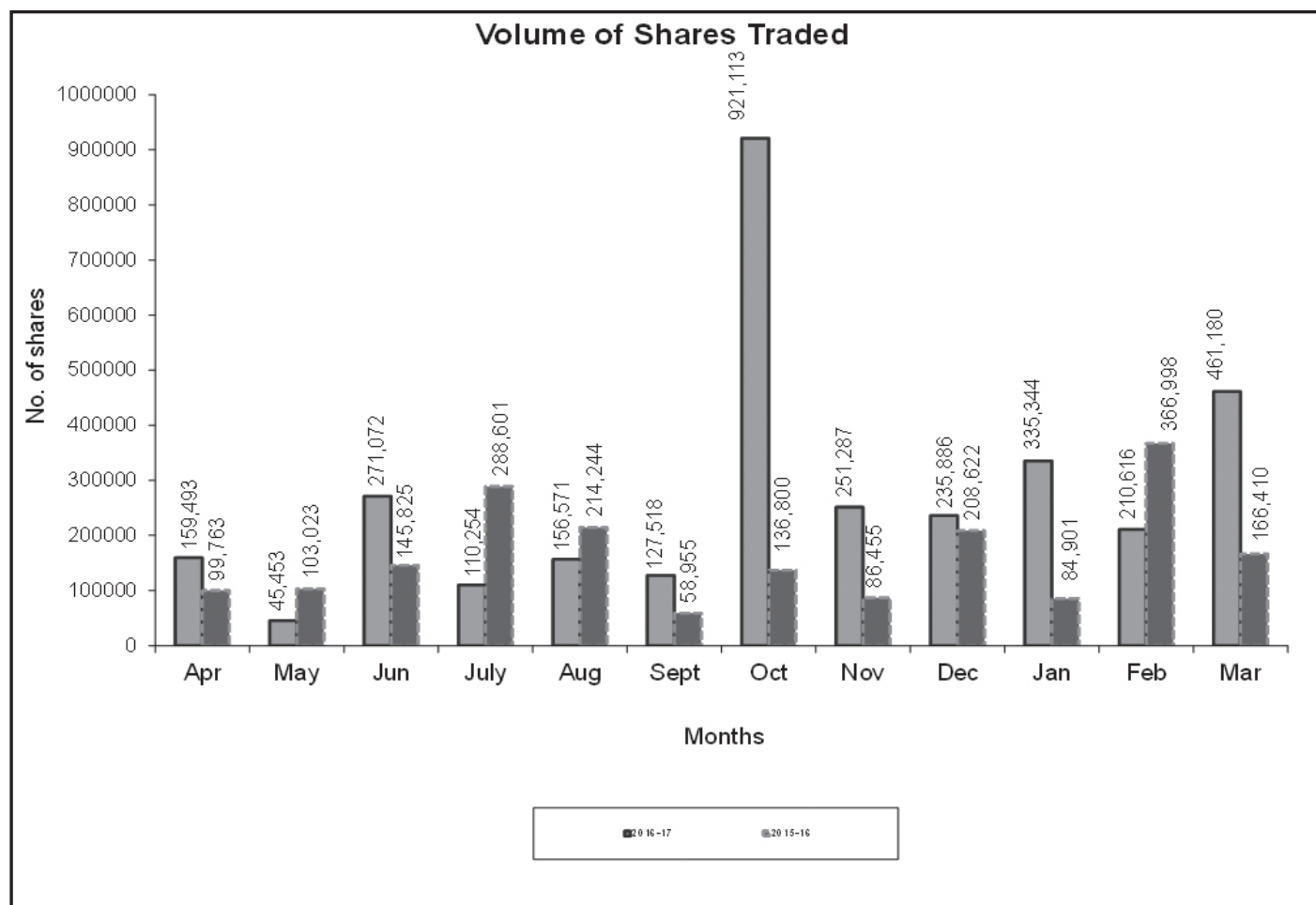


**Market Price Data and Performance in comparison to BSE Sensex**

The performance of the Company's share on BSE as compared to the BSE Sensex during the year 2016-17 has been as under.

Month	BSE Sensex		Roto Share	
	High	Low	High	Low
April, 2016	26100.54	24523.20	65.10	48.40
May, 2016	26837.20	25057.93	63.00	49.60
June, 2016	27105.41	25911.33	68.45	47.00
July, 2016	28240.20	27034.14	62.90	52.00
August, 2016	28532.25	27627.97	57.50	45.00
September, 2016	29077.28	27716.78	55.00	46.55
October, 2016	28477.65	27488.30	77.10	51.85
November, 2016	28029.80	25717.93	72.80	50.00
December, 2016	26803.76	25753.74	63.80	53.00
January, 2017	27980.39	26447.06	64.00	51.25
February, 2017	29065.31	27590.10	62.90	55.10
March, 2017	29824.62	28716.21	60.00	54.15





### Shareholding pattern

The broad shareholding pattern of the Company as on 31st March, 2017 as compared to 31st March 2016 was as follows;

Category of Shareholders	As on 31st March, 2017		As on 31st March, 2016	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoters	1,07,70,620	69.70	1,07,70,620	69.70
Mutual Funds and Banks	2,24,483	1.45	3,13,204	2.03
Private Bodies Corporate	4,68,402	3.03	3,15,910	2.04
NRIs and OCBs	4,35,572	2.82	4,12,555	2.67
Resident Individuals and others	35,54,728	23.00	36,41,516	23.56
<b>Total</b>	<b>1,54,53,805</b>	<b>100.00</b>	<b>1,54,53,805</b>	<b>100.00</b>

**Distribution of Shareholding**

The distribution of shareholding of the Company as on 31st March, 2017 was as follows;

Shareholding of value (in ₹)	Shareholders		Shares	
	Number	Percentage	Number	Percentage
1 – 5,000	4,197	94.74%	17,65,821	11.43%
5,001 – 10,000	119	2.69%	4,46,934	2.89%
10,001 – 20,000	54	1.22%	4,01,647	2.60%
20,001 – 30,000	18	0.41%	2,16,651	1.40%
30,001 – 40,000	9	0.20%	1,66,180	1.08%
40,001 – 50,000	7	0.16%	1,56,844	1.01%
50,001 – 1,00,000	6	0.14%	2,23,835	1.45%
1,00,001 – and above	20	0.45%	1,20,75,893	78.14%
<b>Total</b>	<b>4,430</b>	<b>100.00%</b>	<b>1,54,53,805</b>	<b>100.00%</b>

**Dematerialization of Shares and liquidity**

1,45,63,705 Equity shares out of the total 1,54,53,805 Equity shares have been dematerialized till 31.03.2017. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) whereby shareholders have option to dematerialize their shares with either depository. Equity shares of the Company are actively traded on BSE Ltd.

**Registrar and Share Transfer Agent**

The Company has appointed RCMC Share Registry Private Limited as Registrars & Share Transfer Agent. Shareholders are advised to approach them at the following address for any shares and demat related query and problems.

RCMC Share Registry Pvt. Limited  
B-25/1, Okhla Industrial Area,  
Phase -2, Near Rana Motors,  
New Delhi – 110020  
Tel.: +91 11-26387320,21,23  
Fax: +91 11-26387322  
Email: info@rcmcdelhi.com  
Website: <http://www.rcmcdelhi.com>

**Share Transfer System**

All physical share transfers are processed by Share Transfer Agent, RCMC Share Registry Private Limited and approved by the Share Transfer and Transmission Committee of your Company. The transferee is required to furnish the transfer deed duly completed in all respects together with the share certificates to RCMC Share Registry Private Limited at the above said address in order to enable RCMC Share Registry Private Limited to process the transfer.

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

**Reconciliation of Share Capital Audit Report**

As stipulated by Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, a qualified practicing company secretary carries out the reconciliation of share capital audit to reconcile the total admitted capital with National Securities Limited and Central Depository Services Limited and the total issued and listed capital. The audit is carried out every quarter and the report is submitted to the Stock Exchange and is also placed before the Board.

**Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity**

Your Company has not issued any GDRs / ADRs / Warrants or any other convertible instruments.

**Plant Locations**

1. B -14 & 15, Phase II Extension Noida – 201305, Uttar Pradesh, India
2. 13, Roto House, Noida Special Economic Zone, Noida – 201305, Uttar Pradesh, India
3. Plot No. 31, Sector Ecotech XII, Greater Noida – 201008 Uttar Pradesh, India

**Address for correspondence**

Shareholders are requested to direct all share related correspondence to RCMC Share Registry Private Limited and only the non-share related correspondence and complaints regarding RCMC Share Registry Private Limited to –

The Company Secretary  
 Roto Pumps Limited  
 Roto House,  
 Noida Special Economic Zone,  
 Noida – 201305 U. P. India  
 Ph.: +91 – 120 – 2567902-05  
 Fax: +91 – 120 – 2567911  
 Email: investors@rotopumps.com  
 Website: www.rotopumps.com

**Other Disclosures****Material related party transactions**

The Company has not entered into any material related party transactions that may have potential conflict with the interest of the Company at large. Particulars of the related party transactions are given in note no. 28 of the standalone annual accounts. The related party transactions have approval / omnibus approval of the Audit Committee and approval of the Board wherever necessary. Details of related party transactions are placed before the Audit Committee on a quarterly basis. Policies on Material Subsidiary and Related Party Transactions are available at <http://www.rotopumps.com/policies.html>.

**Compliance**

There were no instances of non-compliance by the Company; hence no penalties or strictures are imposed on the Company by Stock Exchange, SEBI or any other Statutory Authority on any matter related to capital markets during the last three years.

**Risk Management**

In terms of the provisions Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement of constitution of Risk Management Committee is not applicable on the Company. However, the Company has formulated a risk management policy to put in place, a procedure to inform the Board about the risk assessment and minimization procedure. The Company has also formed a Risk Management Committee comprising of Directors and Executives of the Company to assess the risk and minimization procedures and report the same to the Board at the meetings.

**Proceeds from public issues, right issues, preferential issues etc.**

Your Company has not raised any money through public issue, rights issue or preferential issue since 1994-95.

**Management**

The Management Discussion and Analysis Report form part of the Annual Report and is in compliance with the requirement.

During the year under review, there were no materially significant related party transactions with its promoters, directors and management that had a potential conflict with the interest of the Company.

**Shareholders**

The Company has provided all the details of the Directors seeking re-appointment in the Notice of the Annual General Meeting attached with this Annual Report.

The Company has not made any presentation to equity analysts. Quarterly results are submitted to the Stock Exchanges in the prescribed format.

**Whistle Blower Policy/Vigil Mechanism**

The Company has adopted a Whistle Blower Policy in pursuance of the provisions of Section 177(9) of the Companies Act, 2013, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied to the Audit Committee.

**Share Transfer & Transmission Committee**

Composition of the Share Transfer and Transmission Committee is as under:

S. No.	Name	Position
1	Mr. Harish Chandra Gupta	Chairman
2	Mr. Anurag Gupta	Member
3	Mr. Arvind Veer Gupta	Member

**Terms of reference**

The terms of reference of the Share Transfer Committee inter-alia include approval of the transfer of shares, issue of duplicate share certificates, dematerialization and dematerialization of shares.

During the year, the Share Transfer Committee approved transfer, transmission and dematerialization of shares on a fortnightly basis. No shares were pending for transfer as on 31.03.2017.

**CEO / CFO Certification**

The CEO and CFO certification on the financial statements and the cash flow statement for 2016-17 is enclosed at the end of this report.

**Corporate Governance**

Certificate from the Statutory Auditors confirming compliance with all the conditions of the corporate governance as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 forms a part of this report.

**Compliance with mandatory requirements**

The Company has complied with all the mandatory requirements of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Adoption of Discretionary Requirements**

With respect to the discretionary requirements as per Regulation 27(1) and Part E of Schedule II to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a record of unmodified audit opinion on financial statements. It is evident from the audit reports of previous financial years. The Company endeavors to continue the same in future.

Your Company do not have any demat suspense account / unclaimed suspense account.



**AUDITOR'S CERTIFICATE****ON CORPORATE GOVERNANCE**

To the Members of

Roto Pumps Limited

1. We have examined the compliance of conditions of Corporate Governance by Roto Pumps Limited, for the year ended 31st March, 2017, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For A. Kay Mehra & Co.**  
Chartered Accountants

**A. Kay Mehra**  
Partner

Membership No. 009963

Place: Noida

Dated: 18.08.2017

**CEO / CFO CERTIFICATION**

The Board of Directors  
Roto Pumps Limited  
Roto House Noida Special Economic Zone  
NOIDA – 201305

Sirs,

- A. We, Harish Chandra Gupta, Chairman & Managing Director and Pradeep Jain, Chief Financial Officer of Roto Pumps Limited have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity'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 listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
  - (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Place: Noida  
Date: 12.05.2017

**Harish Chandra Gupta**  
Chairman & Managing Director

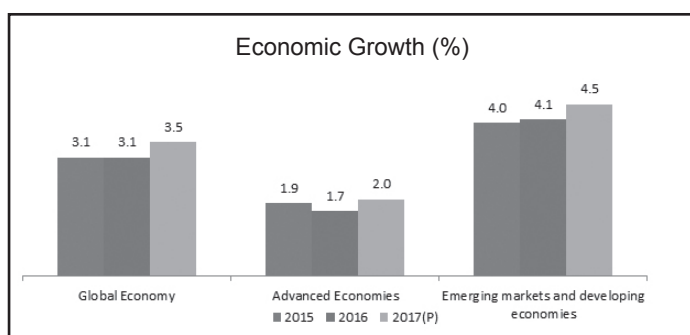
**Pradeep Jain**  
Chief Financial Officer

## MANAGEMENT DISCUSSION AND ANALYSIS

### Economic overview

#### Global economy

Global economic activity is picking up with a long awaited cyclical recovery in investment, manufacturing, and trade. World growth is expected to rise from 3.1 percent in 2016 to 3.5 percent in 2017. Stronger activity and expectations of more robust global demand, coupled with agreed restrictions on oil supply, have helped commodity prices recover from their troughs in early 2016. Higher commodity prices have provided some relief to commodity exporters and helped lift global headline inflation and reduce deflationary pressures. Financial markets are buoyant and expect continued policy support in China and fiscal expansion and deregulation in the United States. If confidence and market sentiment remain strong, short-term growth could indeed surprise on the upside.



Source: International Monetary Fund, April 2017

These positive developments should not distract from binding structural impediments to a stronger recovery and a balance of risks that remains tilted to the downside, especially over the medium term. Structural problems—such as low productivity growth and high income inequality are likely to persist. Inward-looking policies threaten global economic integration and the cooperative global economic order, which have served the world economy, especially emerging market and developing economies, well. A faster than expected pace of interest rate hikes in the United States could tighten financial conditions elsewhere, with potential further U.S. dollar appreciation straining emerging market economies with exchange rate pegs to the dollar or with material balance sheet mismatches. More generally, a reversal in market sentiment and confidence could tighten financial conditions and exacerbate existing vulnerabilities in a number of emerging market economies, including China—which faces the daunting challenge of reducing its reliance on credit growth. A dilution of financial regulation may lead to stronger near-term growth but may imperil global financial stability and raise the risk of costly financial crisis down the road. In addition, the threat of deepening geopolitical tensions persists, especially in the Middle East and North Africa. Against this backdrop, economic policies have an important role to play in staving off downside risks and securing the recovery, as stressed in previous WEOs.

#### Indian economy

Indian Economy is the sixth largest economy in the World measured by the GDP and the third largest by purchasing power

parity. The Country is classified as newly industrialized country and is one of the G20 major economies. India's economy became the world's fastest growing economy in the last quarter of 2014 surpassing China.

The long-term growth prospective of the Indian economy is positive due to its young population, corresponding low dependency ratio, healthy savings and investment rates and increasing integration into the global economy. The Indian economy has the potential to become the world's 3rd-largest economy by the next decade and one of the two largest economies by mid-century. The International Monetary Fund (IMF) described the Indian economy as the "bright spot" in the global landscape. India topped the World Bank's growth outlook for the first time in fiscal year 2015–16, during which the economy grew 7.6%. Growth is expected to have declined slightly to 7.1% for the 2016–17. According to the IMF, India's growth is expected to rebound to 7.2% in the year 2017–18.

#### Industry overview

Roto Pumps is a part of USD 47 billion global pumps industry as on 2014. The Industry is estimated to reach USD 56 billion by 2017 as per the Indian Pumps and Valves Report. The pumps industry serves many industries, and a few of these are a critical part of economy's core infrastructure such as oil and gas, power, mining, paper and pulp and food processing to name of few and contributes significantly to the growth of Indian economy. The Pumps & Valves sector has a net value addition ratio in manufacturing of over 20 per cent. India already exports Pumps & Valves worth over US\$ 1.55 billion, serving various engineering segments, to over 100 countries. The exports in this segment are growing at a healthy rate of around 10-12 per cent annually. Additionally the Indian market is already worth over Rs 5,000 crore (US\$ 780 million) in pumps & Rs 4,500 crore (US\$ 700 million) in valves. India is already selling & supporting niche scientific & engineering technologies to developed economies in areas such as in aerospace engineering, auto components, biotechnology etc.

Today India has attained near self-sufficiency in Pumps for Nuclear Power, complete self-sufficiency in captive power generation, pulp & papers, energy efficient pumps in utilities and in agriculture sector. Considerable manufacturing segment of this sector is focusing on catering latest application in Bio-Pharma field. Indian Pumps & Valves sector has uniquely positioned itself to cater global quality solutions emerging from installations, upgradation or replacement needs.

Given the fact that among 'machineries', pumps are said to be produced and used in largest numbers, second only to electric motors. The overall scenario in Indian economy also favours growth and development in Indian Pumps & Valves industry, thereby opening huge potential of international collaborations. Source <https://www.indianpumpsandvalves.com>

#### FINANCIAL STATEMENTS

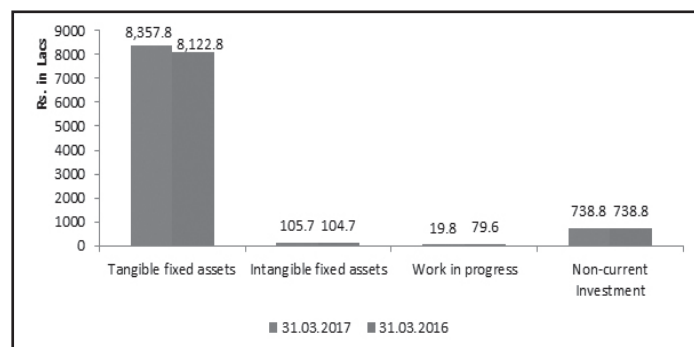
The Financial Statements of your Company have been prepared in compliance with the requirement of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. There is

no material departure from the prescribed accounting standards in the adoption of the accounting standards. The Management of Roto accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates, provisions and judgments used therein, which have been made on prudent and rational basis in order that the same reflect a true and fair view of the affairs of your Company.

## Resources Allocation

### Non-current Assets

Non-current assets of your Company at 31st March, 2017 have been ₹ 9222.06 lacs against ₹ 9045.82 lacs as at 31st March, 2016. Composition of non-current assets has been as under-



### Tangible fixed assets

Tangible fixed assets of your Company as at 31st March, 2017 have been ₹ 8357.8 lacs as against ₹ 8122.8 lacs on 31st March, 2016 representing net increase of 2.9%. The increase in tangible fixed assets has been mainly due to addition to the plant & machinery, office equipment, vehicles and computers.

### Intangible fixed assets

Intangible fixed assets of your Company comprises of computer software, technical drawings and trademarks. Intangible fixed assets of the Company as at 31st March, 2017 have been ₹ 105.72 lacs against ₹ 104.67 lacs at 31st March, 2016. There has been minor increase due to additional expenses in trademark registration.

### Capital Work-in-progress

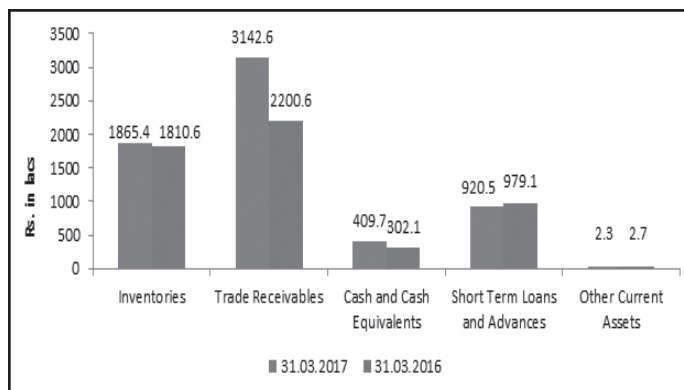
Capital work in progress as at 31st March, 2017 has been ₹ 19.8 lacs. This comprises of plant & machineries under installation.

### Non-current Investments

Non-current investments of your Company comprises of investments in the wholly owned subsidiaries in United States and Germany and Joint Venture Company in Singapore. There has been no change in the non-current investments as compared to the previous year.

### Current Assets

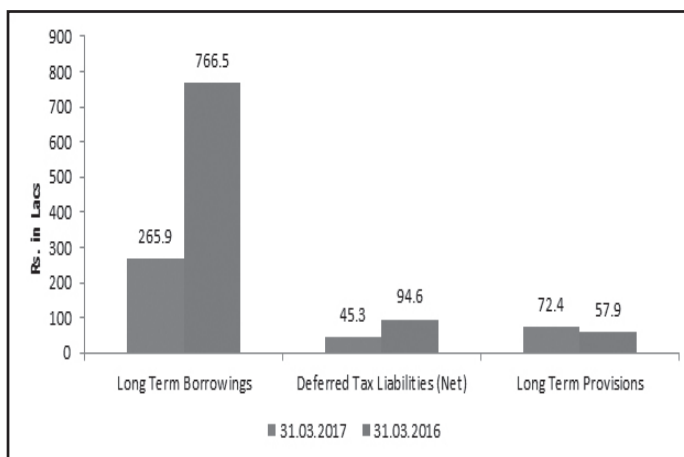
Total current assets of your Company as at 31st March, 2017 have been ₹ 6340.6 lacs against ₹ 5295.0 lacs as at 31st March, 2016 representing net increase of 19.7%. Composition of the Current assets as on 31st March, 2017 compared to 31st March 2016 has been as under-



The increase in current assets was due to trade receivables by 42.8%, which was mainly due to extended credit to US subsidiary, increase in inventory by 3% and cash and cash equivalents by 35.6%. There was a decrease in short term loans and advances by 6% and other current assets by 12.6%.

### Non-current Liabilities

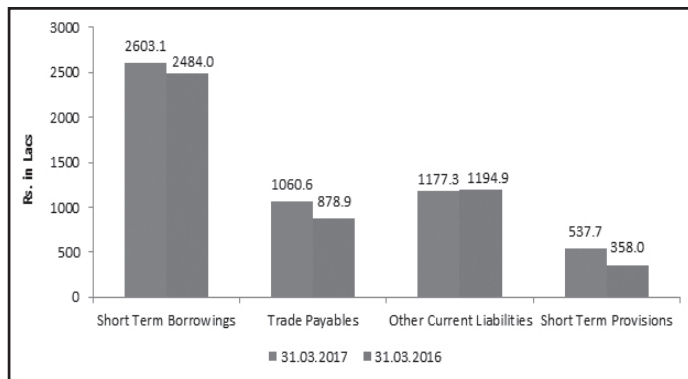
Non-current liabilities as at 31st March, 2017 were ₹ 383.6 lacs as compared to ₹ 919.0 lacs as at 31st March, 2016 representing net decrease of 58.3%. Composition of Non-current liabilities as on 31st March, 2017 as compared to at 31st March, 2016 has been as under-



The net decrease in noncurrent liabilities was due to repayment of long-term borrowings, decrease in deferred tax liability due to creation of deferred tax asset during the year and increase in long terms provisions due to provision of employee benefits during the year.

### Current Liabilities

Current liabilities as at 31st March, 2017 were ₹ 5378.7 lacs as compared to ₹ 4915.7 lacs in the previous year. The composition of the current liabilities as at 31st March, 2017 compared to as at 31st March, 2016 has been as under-

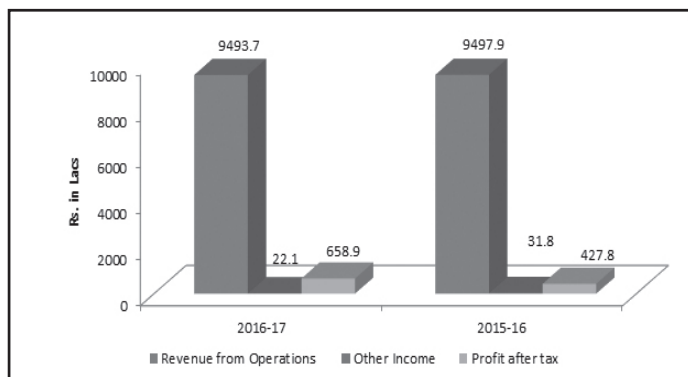


The net increase in current liabilities was due to increase in short term borrowings by 4.8%, trade payables by 20.7% and short term provisions by 50.2%. Other current liabilities have decreased mainly due to repayment of long-term borrowings thereby reducing current liability component thereof.

The management believes that your Company's liquidity and capital resources would be adequate to meet its expected working capital needs and other anticipated cash requirements.

### FINANCIAL AND OPERATIONAL PERFORMANCE

The principal source of Roto Pumps' revenues is from the sale of pumps and spares and retrofit parts. Your Company has a rich heritage of designing and manufacturing superior products and technologies. Your Company offers comprehensive range of Progressive Cavity Pumps (PCP), with single screw and multiple screws for various industrial and municipal applications.



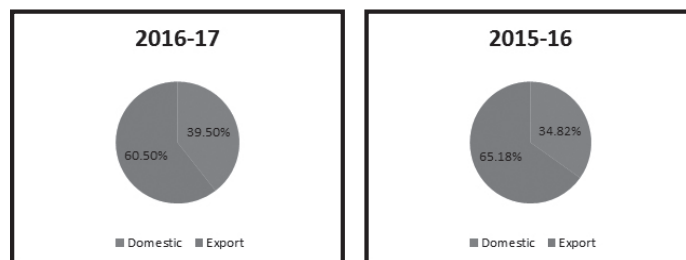
Your Company's Income during the year 2016-17 has been ₹ 9515.9 lacs as compared to ₹ 9529.7 lacs during the year 2015-16. Revenue from operations during the year has been ₹ 9493.7 lacs as compared to ₹ 9497.9 lacs during the previous year. Other income during the year has been ₹ 22.1 lakhs as compared to ₹ 31.8 lacs during the previous year.

Your Company recorded Profit after Tax of ₹ 658.8 lacs during the year 2016-17 as against ₹ 427.8 lacs in 2015-16. Profit after Tax has increased mainly on account of decrease in material consumption due to favorable product mix and prudent management and control of operating expenses.

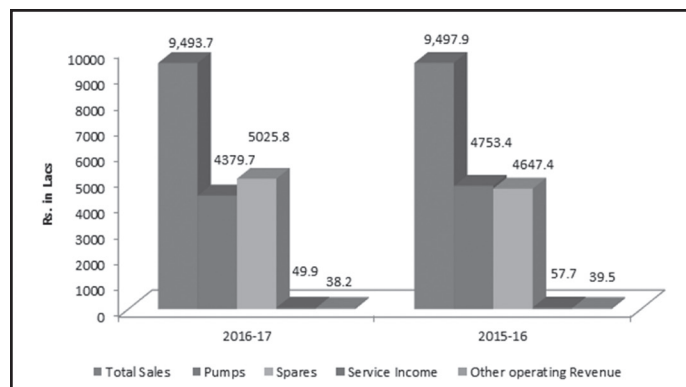
The Board of Directors of your Company has recommended a dividend of 20% for 2016-17. The payment of dividend would involve total a cash outflow of ₹ 74.40 lacs including tax on dividend.

### Income from Operations

Your Company's income from operations is generated from domestic sales and exports sales. Revenue from operations during the year has been ₹ 9493.7 lacs as compared to ₹ 9497.9 lacs during the previous year. Export sales during the year have been ₹ 5743.9 as compared to ₹ 6190.9 lacs during the previous year representing 60.50% share in total sales against 65.2% during the previous year. Domestic sales during the year have been ₹ 3749.9 lacs against ₹ 3307.1 lacs during the previous year.



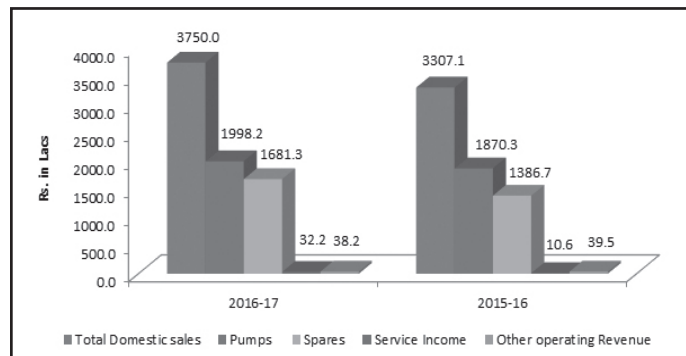
Revenue from operations product wise viz. Pumps, Spares and Service Income has been as under –



Pumps Sales during the year have been ₹ 4379.7 lacs as compared to ₹ 4753.4 Lacs during the previous year while spares sales have been higher at ₹ 5025.8 lacs as compared to ₹ 4647.4 lacs during the previous year. The service income has decreased to ₹ 49.9 lacs against ₹ 57.7 lacs during the previous year. Other operating revenue mainly comprises of sales of scrap materials has been ₹ 38.2 lacs against ₹ 39.5 lacs during the previous year.

### Domestic Sales

Domestic sales during the year have been recorded at ₹ 3679.5 lacs against ₹ 3257.1 lacs in the previous year representing an increase of 13.0%. Composition of Domestic sales during the year as compared to the previous year has been as under-

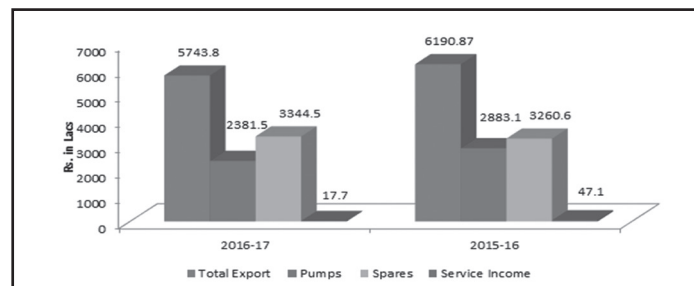


Pump Sales during the year have increased by 6.8% while Spares Sales have been higher by 21.3% as compared to the previous year. Service income has been higher by 203.8% during the year. Other operating revenue mainly comprises of income from sales of scrap and wastage.

## Export Sales

### Export Sales by product

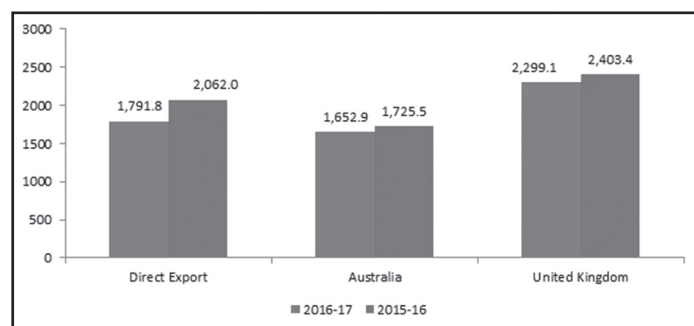
Exports Sales during the year have been ₹ 5726.0 lacs, which is lower than the previous year's ₹ 6143.7 lacs. Composition of Export Sales during the year as compared to the previous year has been as under



Export sales of Pumps have been lower by 17% while sales of spares have been marginally higher. Exports service income has been lower at ₹ 17.7 lacs as compared to ₹ 47.1 lacs during the previous year.

### Export Sales by Centers

Your Company executes exports sales from three Centers viz. Direct Export from India, Sales from Warehouse and Marketing Offices in Australia and United Kingdom. Export Sales from these Centers during the year as compared to the previous year have been as under-



Direct export sales during the year have been ₹ 1791.8 lacs against ₹ 2062.0 lacs in the previous year. Sales from Australia have been ₹ 1652.9 lacs as compared to ₹ 1725.5 lacs during the previous year. Sales from United Kingdom have been ₹ 2299.1 lacs against ₹ 2403.4 lacs during the previous year. Total export sales have been lower due to lower export sales at all Centers.

## AWARDS

During the year, your Company has been conferred Export Excellence Award as Star Performer for the financial year 2013-14 by the EEPC India (Engineering Export Promotion Council).

## HEALTH, SAFETY AND ENVIRONMENT

Your Company has been following policy for continuously improving health and safety standards and also preservation of environment. During the year, your Company has taken various initiatives and continues to comply with Occupational Health & Safety Management System Standards OHSAS 18001: 2007 and Environment Management System ISO 14001:2004.

## OPPORTUNITIES AND THREATS

### Opportunities

Domestic market with Make In India and ease of doing business initiatives would provide ample business opportunities across the industries. Defence, Oil & gas and Marine sector continue to remain in focus and would contribute significantly in the medium term.

Your Company has also identified to make all its overseas branches/subsidiaries stronger by making them larger distribution companies. There are significant opportunities to be tapped with enhanced basket of products mainly by trading in them.

### THREATS

Markets across the Board are seeing aggressive competition. Both domestic and global capacities out last the demand for various products and commodities. Many sectors especially in domestic market are seeing increased competition. Your Company is prudently trying to deal with this. Inward looking policies of Countries would be a threat to global market

## RISK AND CONCERNS

There is going to be continued pressure on margins due to increase in input costs on the one hand and lower prices due to competition on the other. Majority of revenue of your Company comes from Export, exchange rate fluctuations are a major concern. Your Company has significant cash inflows in this currency and also has major Sales revenue coming from Europe. Any economic slowdown either in U.K. or in Europe due to Brexit will directly impact your company.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an adequate system of internal controls implemented by the management towards achieving higher efficiency in all areas of operations. These controls have been designed to provide a reasonable assurance with regard to maintenance of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting.



Your Company had planned for adoption of high end ERP software to strengthen its controls and processes, which is under review and would be taken-up during the current financial year. This would also allow integration of multiple locations on one platform and improve efficiency as well.

The Audit Committee of the Board of Directors regularly reviews the adequacy of internal controls and takes necessary corrective actions wherever required.

#### **HUMAN RESOURCES & INDUSTRIAL RELATIONS**

We believe that in order to sustain growth under competitive conditions, the Human Capital of the Company should have high level of motivation and knowledge. The Company continues to focus and invest in human resources development to provide an open work culture and rewarding career opportunities to all its employees. During the year, your Company's HR division successfully recruited 26 people in response to various business needs. Manpower strength as on 31.03.2017 was 332 as compared to 339 people in the previous year.

The overall employee relations were peaceful and harmonious throughout the year. The Company continued to create conducive work environment with opportunities for growth and learning, by implementing robust and comprehensive HR policies.

#### **FUTURE OUTLOOK**

Your Company has created world class state of the art manufacturing infrastructure on one hand and has also robust marketing setup in Domestic and International Markets with strong research and development capabilities and committed & experienced manpower.

Time ahead looks encouraging particularly in Domestic Market and certain Overseas Markets. However continued unrest in Middle East could have a spiral effect on other economies. Inward looking policies of the Countries may affect the Global market. Brexit would have adverse impact on Global business environment at least in short term. Positive indications in US are a silver lining for the Global Market.

On Domestic front, Governments initiatives on ease of doing business and tax reforms would create conducive business environment. Demonetization exercise would provide positive impacts in long-term. Introduction of Goods and Service Tax would be a game changer in the Economy however in the initial period hiccups may create some temporary problems.

Government's clean India drive, particularly cleaning of rivers and improving waste water management would provide increased opportunities. Your Company's strategic presence in major Economies would provide ample growth opportunities.

Your Company is also making its effort to increase its product basket by outsourcing identified pumps from Domestic and Internal suppliers of repute and would also come out with solar pumps.

The company would continue to grow and the year ahead looks overall positive.

#### **CAUTIONARY STATEMENT**

*Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities law and regulations. Actual results may differ from those expressed in the statement. Important factors that could influence the Company's operations include changes in Government regulations, tax laws, economic development within and outside the Country and such other factors.*

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**ROTO PUMPS LIMITED**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Roto Pumps Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters 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 Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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, but not for

the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the 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 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 31<sup>st</sup> March, 2017, its profit and its cash flows for the year ended on that date.

### Other Matter

We did not audit the financial statements/information of 2 (two) branches (Australia and UK) included in the standalone financial statements of the Company whose financial statements / financial information reflect total assets of ₹ 2572.33 lacs as at 31<sup>st</sup> March, 2017 and total revenues of ₹ 3951.93 lacs for the year ended on that date, as considered in the standalone financial statements. The financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we enclose in the "**Annexure A**" statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 reports on the accounts of the branch offices of the Company audited under Section 143 (8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
  - (d) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are

in agreement with the books of account;

- (e) In our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (f) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.

(h) With respect to 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 litigations on its financial position in its financial statements - Refer Note 23.1 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 **A. KAY. MEHRA & CO.**  
Chartered Accountants  
(Registration No. 050004C)

**A. KAY. MEHRA**  
Partner

Membership No. 9963

Place: Noida  
Date: 12.05.2017

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**The annexure referred to in our Independent Auditor's Report to the members of Roto Pumps Limited ("the company") on the standalone financial statements for the year ended 31st March, 2017**

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

### **1) In respect of the Fixed Assets:-**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed
- (c) The title deeds of immovable properties are held in the name of the company.

### **2) In respect of the Inventories:-**

- (a) The management has conducted the physical verification of inventory at reasonable intervals.

(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
  - (a) According to the information and explanations given to us and based on the records of the company examined

by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities;

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding, as at 31st March, 2017 for a period of more than six months from the date of becoming payable;

- (b) According to the information and explanations given to us, there are no material dues of wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of income tax have not been deposited by the Company on account of disputes:

SI No.	Name of the Statute	Nature of Dues	Forum where Disputes is pending	Amount (₹ In Lacs)
1.	Income Tax Act, 1961	Income Tax	High Court – Allahabad	46.11
2.	Income Tax Act, 1961	Income Tax	Commissioner - Appeals Kanpur (UP)	4.44
3.	UP VAT Act 2008	Sales Tax (Central)	Add. Commissioner-II, Appeal-3, Noida	175.24

- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. In our

opinion, term loans were applied for the purpose for which the loans were obtained.

- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For **A. KAY. MEHRA & CO.**  
Chartered Accountants  
(Registration No. 050004C)

**A. KAY. MEHRA**  
Partner  
Membership No. 009963

Place: Noida  
Date: 12.05.2017



## **“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Roto Pumps Limited**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Roto Pumps Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s Board of Directors is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance

Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017.

For **A. KAY. MEHRA & CO.**  
Chartered Accountants  
(Registration No. 050004C)

**A. KAY. MEHRA**  
Partner  
Membership No. 9963

Place: Noida  
Date: 12.05.2017



**BALANCE SHEET** AS AT 31ST MARCH, 2017

(Amount in ₹)

PARTICULARS	Note No	As At 31st March, 2017		As At 31st March, 2016	
<b>EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share Capital	1	3,09,07,610		3,09,07,610	
Reserves & Surplus	2	60,07,66,497	63,16,74,107	53,4,915,523	56,58,23,133
<b>NON-CURRENT LIABILITIES</b>					
Long Term Borrowings	3		2,65,89,641		7,66,49,598
Deferred Tax Liabilities (Net)	34		45,27,994		94,64,225
Long Term Provisions	4		72,37,197		57,87,184
<b>CURRENT LIABILITIES</b>					
Short Term Borrowings	5	26,03,09,506		24,83,96,545	
Trade Payables		10,60,58,698		8,78,90,797	
Other Current Liabilities	6	11,77,30,145		11,94,85,826	
Short Term Provisions	7	5,37,72,977	53,78,71,326	3,58,01,580	49,15,74,748
<b>TOTAL</b>			<b>1,20,79,00,265</b>		<b>1,14,92,98,888</b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Fixed Assets					
i) Tangible Assets	8	49,66,94,226		53,63,93,214	
ii) Intangible Assets	8	12,88,601		15,71,952	
iii) Capital Work in Progress	8	19,79,165	49,99,61,992	79,57,240	54,59,22,406
Non-Current Investments	9		7,38,76,501		7,38,76,501
<b>CURRENT ASSETS</b>					
Inventories	10	18,65,40,847		18,10,56,339	
Trade Receivables	11	31,42,63,074		22,00,56,206	
Cash and Cash Equivalents	12	4,09,71,855		3,02,05,383	
Short Term Loans and Advances	13	9,20,52,231		9,79,14,724	
Other Current Assets	14	2,33,765	63,40,61,772	2,67,329	52,94,99,981
<b>TOTAL</b>			<b>1,20,79,00,265</b>		<b>1,14,92,98,888</b>
Significant Accounting Policies and Notes on Financial Statements	1 to 47				

As per our report of even date.

For and on behalf of the Board

For A.Kay.Mehra & Co.,  
Chartered Accountants  
(Registration No. 050004C)

( A. KAY. MEHRA )  
PARTNER  
Membership No. 009963

PLACE : NOIDA  
DATE : 12th May 2017

(HARISH CHANDRA GUPTA)  
Chairman & Managing Director  
(DIN :00334405)

(PRADEEP JAIN)  
Chief Financial Officer  
(PAN: AAEPJ6827A)

(ANURAG GUPTA)  
Dy.Managing Director  
( DIN :00334160)

(ASHWANI K VERMA)  
Company Secretary  
(M.No : A15482)

**STATEMENT OF PROFIT AND LOSS** FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

PARTICULARS	Note No	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>INCOME</b>			
Revenue from Operations	15	94,93,70,562	94,97,94,533
Other Income	16	22,08,324	31,79,740
<b>TOTAL REVENUE</b>		<b>95,15,78,886</b>	<b>95,29,74,273</b>
<b>EXPENSES</b>			
Cost of Materials consumed	17	31,39,81,306	32,32,97,543
Change in Inventories of Finished goods and Work in Progress	18	(23,23,554)	49,39,580
Employee Benefits Expense	19	23,61,12,968	24,15,28,841
Finance Costs	20	3,17,08,243	3,18,22,851
Depreciation & Amortisation Expense	21	7,19,25,145	7,65,43,561
Other Expenses	22	19,47,85,896	21,38,19,345
<b>TOTAL EXPENSES</b>		<b>84,61,90,004</b>	<b>89,19,51,721</b>
Profit before Tax		10,53,88,882	6,10,22,552
Tax expenses			
Current tax		4,41,01,055	2,57,66,566
Deferred Tax	34	(49,36,231)	(59,03,907)
Short/(Excess) Provisions- earlier years		3,35,175	(16,17,895)
<b>Profit After Tax</b>		<b>6,58,88,883</b>	<b>4,27,77,788</b>
Earning Per Share (₹)	35	4.26	2.77
(Basic & Diluted)			
Significant Accounting Policies and Notes on Financial Statements	1 to 47		

As per our report of even date.

For and on behalf of the Board

**For A.Kay.Mehra & Co.,**  
 Chartered Accountants  
 (Registration No. 050004C)

**(A.KAY.MEHRA)**  
 PARTNER  
 Membership No. 009963

**(HARISH CHANDRA GUPTA)**  
 Chairman & Managing Director  
 (DIN :00334405)

**(ANURAG GUPTA)**  
 Dy. Managing Director  
 (DIN :00334160)

**(PRADEEP JAIN)**  
 Chief Financial Officer  
 (PAN: AAEPJ6827A)

**(ASHWANI K VERMA)**  
 Company Secretary  
 (M.No: A15482)

PLACE : NOIDA  
 DATE : 12th May, 2017

**CASH FLOW STATEMENT** FOR THE YEAR ENDED 31ST MARCH 2017

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit / (Loss) before tax and extra ordinary items	10,53,88,882	6,10,22,552
Adjusted for:		
1. Depreciation	7,19,25,145	7,65,43,561
2. Interest Paid	3,17,08,243	3,18,22,851
3. Interest received	(5,93,709)	(13,18,579)
4. Loss/(Profit) on sale of fixed assets	(2,63,350)	(53,781)
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<b>20,81,65,211</b>	<b>16,80,16,604</b>
1. Adjusted for:		
a. Trade and Other Receivables	(9,07,86,381)	(26,10,233)
b. Inventories	(54,84,508)	1,65,44,257
c. Trade and Other Payables	3,31,78,671	(92,91,083)
2. Cash Generated from Operations	<b>14,50,72,993</b>	<b>17,26,59,545</b>
3. Direct Taxes Paid & Previous year adjustments	(2,33,39,177)	(2,59,90,675)
<b>Net Cash from Operating Activities</b>	<b>12,17,33,816</b>	<b>14,66,68,870</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
1. Purchase of Fixed Assets	(3,54,84,336)	(5,11,45,820)
2. Proceeds on sale of Fixed Assets	18,77,456	3,34,998
3. Investment in Subsidiary	-	(4,40,56,251)
4. Interest Received	5,93,709	13,18,579
<b>Net Cash used in Investing Activities</b>	<b>(3,30,13,171)</b>	<b>(9,35,48,494)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
1. Proceeds from Long Term borrowings	1,77,14,977	40,00,000
2. Repayment of Long Term borrowings	(7,21,53,901)	(6,67,40,304)
3. Short Term Borrowings(Net)	1,19,12,961	3,99,67,477
4. Interest Paid	(3,17,08,243)	(3,18,22,851)
5. Dividend & Dividend tax Paid	(37,19,967)	(1,11,60,120)
<b>Net Cash used in Financing Activities</b>	<b>(7,79,54,173)</b>	<b>(6,57,55,798)</b>
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>1,07,66,472</b>	<b>(1,26,35,422)</b>
Cash and Cash Equivalents as at the beginning of the year	3,02,05,383	4,28,40,805
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>4,09,71,855</b>	<b>3,02,05,383</b>

As per our report of even date.

For and on behalf of the Board

For A.Kay.Mehra & Co.,  
Chartered Accountants  
(Registration No. 050004C)

(A. KAY. MEHRA)  
PARTNER  
Membership No. 009963

PLACE : NOIDA  
DATE : 12th May, 2017

**(HARISH CHANDRA GUPTA)**  
Chairman & Managing Director  
(DIN :00334405)

**(PRADEEP JAIN)**  
Chief Financial Officer  
(PAN: AAEPJ6827A)

**(ANURAG GUPTA)**  
Dy.Managing Director  
(DIN :00334160)

**(ASHWANI K VERMA)**  
Company Secretary  
(M.No: A15482)

## SIGNIFICANT ACCOUNTING POLICIES

### System of Accounting

Unless otherwise stated hereunder the financial accounts of the Company have been drawn up on historical cost convention and on accrual basis.

### Use of Estimates

The preparation of financial statement requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognised in the period in which they are materialise.

### Revenue Recognition

**Sale of Goods :** Revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Company. Sales are net of taxes and sales returns but inclusive of exchange rates fluctuations.

**Sale of Services :** Income from services rendered is recognized based on arrangements with the customers as the service is performed during the year as well as the reporting date and the amount of revenue can be measured reliably.

### Fixed Assets

Fixed Assets are capitalised at cost of acquisition and subsequent improvements thereto including taxes, duties etc other than Cenvat credit wherever applicable. Freight & other incidental expenses related to acquisition and installation are added to cost. In case of write-up due to revaluation are shown at such higher amount.

### Depreciation

Depreciation on all assets has been charged by written down value method in accordance with the useful life of the assets as prescribed in Schedule II to the Companies Act ,2013.

In respect of revalued assets, the incremental depreciation attributable to the Revaluation is transferred to Revaluation Reserve.

### Inventories

Inventories have been valued as follows -

Raw Materials	: At cost*
Finished Goods	: At lower of the cost and net realisable value**
Work in Progress	: At cost*
Stores, Tools & Other Materials	: At cost*

\* The cost has been arrived at by using 'FIFO' method.

\*\* The cost of finished goods has been determined by considering standard conversion cost.

### Impairment of Assets

The Company determines whether there is any indication of impairment of the carrying amount of the company's assets. The recoverable amount of such assets are estimated , if any indication exists , and impairment losses recognised wherever the carrying

amount of the assets exceeds its recoverable amount.

### Employees' Benefits

-Company's contribution to Provident Fund and Family Pension Fund are charged to profit & loss account.

-Provision for Gratuity and Leave Encashment benefits, in respect of employees governed by Indian rules and regulations is made on the basis of actuarial valuation as at the end of the year in conformity with the Accounting standard-15 (Revised) issued by the Institute of Chartered Accountants of India and the provision for leave encashment ( including long term leave ) in respect of employees at foreign branches is made as per law prevalent in foreign country.

-Contribution to Employee Group Gratuity Trust for the current year are charged to Profit & Loss account and for the past years are adjusted in the Provision for Gratuity a/c.

### Foreign Currency Translations

#### Foreign Currency Transactions

Transactions in foreign currency are accounted for at the exchange rates prevailing at the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the profit and loss account. Exchange differences arising on account of monetary liabilities related to fixed assets are adjusted in the cost of assets. Bank Guarantee in foreign currency are translated at the exchange rate prevailing at the year end.

#### Foreign Branch Operation's Translations

The activities of the Foreign Branches are an integral part of the operations of the company and hence the foreign branch financial statements are translated in accordance with accounting standard applicable to Integral Foreign Operation as given under:

Income & Expenditure items by applying to the foreign currency amount, the exchange rate at the date of transaction. The rate used is an average rate for calendar month and used for all transaction occurring during that calendar month.

Fixed Assets are recorded at the exchange rate prevailing on the date of transaction.

Depreciation on the fixed assets in Indian rupees, which are reported using the exchange rate at the date of transaction.

Inventories related to stocks transfer from reporting enterprise are shown at the cost of reporting enterprises plus expenses incurred to bring the material at the shelf of foreign branch's warehouse and local bought out inventories are translated at the exchange rate prevailing at year end.

Other current assets and liabilities are converted at the exchange rates prevailing at the year end.

The exchange difference on translation of Foreign Branch financial statements are recognised in profit & loss account.

**Research & Development**

Revenue expenditure pertaining to research and development is charged to revenue in the year in which it is incurred. Capital Expenditure is treated as forming part of Fixed Assets.

**Borrowing Cost**

Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such assets are ready for its intended use and other borrowing cost are charged to Profit and Loss Account.

**Provision for Deferred and Current tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 1 SHARE CAPITAL

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>AUTHORISED SHARE CAPITAL</b>		
5,00,00,000 Equity Shares of par value of ₹ 2/- each (Previous year 5,00,00,000 Equity Shares of Par value of ₹ 2/- each)	10,00,00,000	10,00,00,000
<b>ISSUED &amp; SUBSCRIBED SHARE CAPITAL</b>		
1,55,00,305 Equity Shares of par value of Rs. 2/- each (Previous year 1,55,00,305 Equity Shares of Par value of ₹ 2/- each)	3,10,00,610	3,10,00,610
<b>PAID UP SHARE CAPITAL</b>		
1,54,53,805 Equity Shares of par value of ₹ 2/- each (Previous year 1,54,53,805 Equity Shares of Par value of ₹ 2/- each)	3,09,07,610	3,09,07,610
<b>TOTAL</b>	<b>3,09,07,610</b>	<b>3,09,07,610</b>

#### 1.1 DETAILS OF SHAREHOLDER HOLDING MORE THAN 5% SHARES

(Amount in ₹)

NAME OF SHAREHOLDER	As At 31st March, 2017		As At 31st March, 2016	
	Number of Shares held in the Company	% Held	Number of Shares held in the Company	% Held
ANURAG GUPTA	10,85,335	7.02	10,85,335	7.02
NAND KISHORE GUPTA HUF	14,88,660	9.63	14,88,660	9.63
ARVIND VEER GUPTA	12,10,335	7.83	12,10,335	7.83
ASHA GUPTA	24,99,665	16.18	24,99,665	16.18
HARISH CHANDRA GUPTA	19,73,695	12.77	19,73,695	12.77
HARISH CHANDRA GUPTA HUF	10,71,100	6.93	10,71,100	6.93
NEERA GUPTA	8,48,575	5.49	8,48,575	5.49

1.2 During the Year there is no Changes in Number of Shares outstanding at the end of the reporting period in comparison to number of Shares Outstanding at the beginning of the reporting period.

1.3 Application Money on 9,300 Equity Shares @ ₹ 10/- per Share alongwith premium @ ₹ 45/- per share aggregating to ₹ 5,11,500/- allotted on 11.11.1994 has not yet been dispatched and realised as the same was paid by an applicant through a forged stock invest which has been dishonoured by the bankers. During the Financial year 2014-2015 the Face Value of Shares is divided into ₹ 2/- per Share from ₹ 10/- per Share each.

**NOTES ON FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017**2. RESERVES & SURPLUS**

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>CAPITAL RESERVE:</b>		
As per last Balance Sheet	14,13,245	14,13,245
<b>SECURITIES PREMIUM RESERVE:</b>		
As per last Balance Sheet	4,72,06,555	4,72,06,555
<b>REVALUATION RESERVE:</b>		
As per last Balance Sheet	8,49,283	8,89,966
Less :- Depreciation	37,909	40,683
Less :- Sale of Fixed Assets	- 8,11,374	- 8,49,283
<b>GENERAL RESERVE:</b>		
As per last Balance Sheet	5,57,89,316	5,57,89,316
Add: Transferred during the year	- 5,57,89,316	- 5,57,89,316
<b>PROFIT AND LOSS ACCOUNT</b>		
As per last Balance Sheet	42,96,57,124	39,05,99,303
Add: Profit for the year	6,58,88,883	4,27,77,788
	49,55,46,007	43,33,77,091
<b>Less: Appropriations</b>		
Proposed Dividend	-	30,90,761
(Previous year Dividend Per Share ₹ 0.20 for face value ₹ 2/- per Share)		
Tax on Dividend	- 49,55,46,007	6,29,206 42,96,57,124
<b>TOTAL</b>	<b>60,07,66,497</b>	<b>53,49,15,523</b>

**3 LONG-TERM BORROWINGS**

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>SECURED</b>		
TERM LOAN FROM BANKS	1,43,72,736	7,33,35,293
TERM LOAN FROM OTHERS	1,22,16,905	33,14,305
<b>TOTAL</b>	<b>2,65,89,641</b>	<b>7,66,49,598</b>

**3.1** Current Year Term Loan ₹ 7,18,63,682/- (USD 1114857.00) {Prev Year ₹ 13,20,03,528/- (USD 2006742.20)} includes ₹ (4,15,293/-) (Prev Year ₹ 1,07,97,733/-) on account of Foreign Exchange Difference against FCNR term Loan availed from Citi Bank. Out of the Total Outstanding FCNR term Loan ₹ 5,74,90,946/- (USD 891885.60) { Prev Year ₹ 5,86,68,235/- (USD 891885.60)} is shown in Current Liabilities for Long term Borrowings and ₹ 1,43,72,736/- (USD 222971.40) {Prev Year ₹ 7,33,35,293/- (USD 1114857.00)} is shown in Long Term Borrowings for Greater Noida Project which is Secured by:-

- Sole Charge on assets funded under FCNR Term Loan.
- First exclusive charge on immovable property Land and Building located at Plot no 31, Ecotech -XII, Greater Noida, U.P

**3.2** Terms of Repayment:

- FCNR Term Loan from Citi bank is repayable in 16 equal quarterly instalments of USD 2,22,971.40 out of which 11 equal quarterly Instalments has been paid till March'17
- Term Loans from others consists of vehicle loans repayable in 36 monthly equal installments.

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 4 LONG TERM PROVISIONS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>Provision for Employee Benefits</b>		
- Superannuation, Gratuity and Un-availed Leave	72,37,197	57,87,184
<b>TOTAL</b>	<b>72,37,197</b>	<b>57,87,184</b>

### 5 SHORT-TERM BORROWINGS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>SECURED</b>		
Loans repayable on demand from Banks	26,03,09,506	24,83,96,545

#### 5.1 BANK OF INDIA

The working Capital loans are secured against hypothecation of stocks and book debts on Pari Passu basis with Citi Bank & IndusInd Bank and guaranteed by the Chairman and Managing Director and Dy. Managing Director as well as collaterally secured by:

- Equitable Mortgage of Immovable Factory Building, located at Roto House, 14 NSEZ, Noida on Pari Passu basis with IndusInd Bank.
- Equitable Mortgage of Immovable Factory land and building located at B-14, Phase-II, Extension, Noida on Pari Passu basis with IndusInd Bank.
- Hypothecation of plant & machinery exclusively charged to Bank of India.

#### Citi Bank

- Hypothecation on the stocks and book debts of the company on Pari Passu basis with Bank of India & IndusInd Bank.
- Equitable mortgage of Immovable property Land and Building located at Plot No :-31, Ecotech-XII, Greater Noida , U.P

#### IndusInd Bank

- Equitable Mortgage over the Immovable Factory Building situated at Roto House, 13 NSEZ, Noida as well as Land and Building situated at B-14, Hosiery Complex, Noida on Pari Passu basis with Bank of India.
- Hypothecation charge on all Stock and book Debts of the company on Pari Passu basis with Bank of India & Citi Bank.

### 6 OTHER CURRENT LIABILITIES

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
Current Liabilities of Long Term Borrowings	6,49,96,109	6,93,75,075
Interest accrued but not due on borrowings	1,22,168	22,544
Un-paid/ Unclaimed Dividend	13,25,737	13,84,955
Sales Tax Payable	28,21,316	11,92,525
Excise Duty Payable	10,01,987	7,01,577
Other Payables	4,74,62,828	4,68,09,150
<b>TOTAL</b>	<b>11,77,30,145</b>	<b>11,94,85,826</b>

- 6.1 Other payable includes ₹ 15,58,483/- for Capital liability (Previous year ₹ 91,39,081/-), ₹ 68,28,944/- on account of advance from customers (Previous year ₹ 57,20,195/-) and balance on account of other expenses payable

### 7 SHORT TERM PROVISIONS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>Provision for Employee Benefits</b>		
- Superannuation, Gratuity and Un-availed Leave	96,71,922	63,15,047
Provision for Dividends( including dividend distribution tax)	-	37,19,967
Provision for Income tax	4,41,01,055	2,57,66,566
<b>TOTAL</b>	<b>5,37,72,977</b>	<b>3,58,01,580</b>

(Amount in ₹)

PARTICULARS	GROSS BLOCK			DEPRECIATION/ AMORTIZATION				NET BLOCK		
	As At 01.04.2016	Additions/ Adjustments during the year	Deductions during the year Adjustments	TOTAL As At 31.03.2017	UPTO 31.03.2016	Provided during the Year	Deduction/ Adjustments during the year	TOTAL Upto 31.03.2017	As At 31.03.2017	As At 31.03.2016
TANGIBLE ASSETS										
OWN ASSETS										
Leasehold land	9,25,35,016	-	-	9,25,35,016	-	-	-	-	9,25,35,016	9,25,35,016
Factory buildings	31,13,63,016	(13,13,831)	-	31,00,49185	6,99,74,371	2,47,60,349	-	9,47,34,720	21,53,14,465	24,13,88,645
Other buildings	26,74,436	-	-	26,74,436	18,14,417	33,210	-	18,47,627	8,26,809	8,60,019
Plant & machinery	29,01,38,187	1,07,81,646	2,65,000	30,06,54,833	13,29,33,082	2,97,61,359	2,103	16,26,92,338	13,79,62,495	15,72,05,105
Furniture & fixtures	2,90,16,921	10,018	-	2,90,26,939	1,10,64,145	46,71,637	-	1,57,35,782	1,32,91,157	1,79,52,776
Office equipments	2,26,94,564	7,78,318	-	2,34,72,882	1,45,81,095	37,12,805	-	1,82,93,900	51,78,982	81,13,469
Vehicles	4,08,29,865	2,18,09,397	97,27,428	5,29,11,834	2,57,33,427	68,54,215	83,76,221	2,42,11,421	2,87,00,413	1,50,96,438
Computers	2,30,29,123	14,24,938	-	2,44,54,061	1,97,87,377	17,81,795	-	2,15,69,172	28,84,889	32,41,746
TOTAL	81,22,81,128	3,34,90,486	99,92,428	83,57,79,186	27,58,87,914	7,15,75,370	83,78,324	33,90,84,960	49,66,94,226	53,63,93,214
INTANGIBLE ASSETS										
Software	83,51,535	-	-	83,51,535	79,41,576	33,554	-	79,75,130	3,76,405	4,09,959
Technical design & drawings	10,70,334	-	-	10,70,334	7,52,961	67,383	-	8,20,344	2,49,990	3,17,373
Trade mark	10,45,844	1,04,333	-	11,50,177	2,01,224	2,86,747	-	4,87,971	6,62,206	8,44,620
TOTAL	1,04,67,713	1,04,333	-	1,05,72,046	88,95,761	3,87,684	-	92,83,445	12,88,601	15,71,952
Capital work-in-progress									19,79,165	79,57,240
GRAND TOTAL	82,27,48,841	3,35,94,819	99,92,428	84,63,51,232	28,47,83,675	7,19,63,054	83,78,324	34,83,68,406	49,99,61,992	54,59,22,406
PREVIOUS YEAR	76,71,40,366	5,84,42,536	28,34,061	82,27,48,841	21,07,52,273	7,65,84,244	25,52,842	28,47,83,675	54,59,22,406	56,43,54,133

) Net Block of Fixed Assets as on 31<sup>st</sup> March, 2017 includes fixed assets held at Foreign Branches of the company - ₹. 17,77,175/- (Previous Year ₹ 23,79,448/-)

i) Net Block of Fixed Assets as on 31<sup>st</sup> March, 2017 includes ₹ 8,11,374/- towards assets revalued on 31<sup>st</sup> March, 1993 by an approved valuer.

ii) ₹ 26,15,293/- has been adjusted to the cost of Fixed Assets (Building), out of which ₹ 4,15,293/- is for Gain of Foreign Exchange difference on account of FCNR term Loan from Citi Bank and ₹ 22,00,000/- is on account of Building Contractual Agreement. The aforesaid amounts so adjusted are being depreciated over the useful life of the Fixed Assets.

(v) Trade Mark has been amortized over the period of 10 years as per the Accounting Standard AS-26 (Intangible Assets).

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 9 NON-CURRENT INVESTMENTS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
Trade Investment in Equity Shares - Fully paid up and unquoted		
225000 Equity Shares of Euro 1 each in Roto Pumpen-GmbH (Prev Year 225000 Equity Shares of Euro 1 each) (Wholly Owned Subsidiary Company)	1,64,03,501	1,64,03,501
525000 Equity Shares of USD 1 each in Roto Pumps Americas INC (Prev Year 525000 Equity Shares of USD 1 each) (Wholly Owned Subsidiary Company)	3,40,49,000	3,40,49,000
480000 Equity Shares of SGD 1 each in Roto Pumps Singapore (Prev Year 480000 Equity Shares of SGD 1 each) (Joint Venture Company)	2,34,24,000	2,34,24,000
<b>TOTAL</b>	<b>7,38,76,501</b>	<b>7,38,76,501</b>

### 10 INVENTORIES

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
a) Raw Materials-In stock	5,18,27,159	5,11,31,248
b) Work in Process-In stock	92,41,846	85,99,160
c) Finished Goods-In stock	10,79,10,377	10,70,20,077
d) Finished Goods-In Transit	79,73,970	73,79,483
e) Consumables Stores	21,61,407	11,50,349
f) Other Stores & Spares	16,70,219	11,47,871
g) Loose Tools	25,18,520	31,43,247
h) Packing Material	28,61,749	13,05,384
i) Scrap and Wastage	3,75,600	1,79,520
<b>TOTAL</b>	<b>18,65,40,847</b>	<b>18,10,56,339</b>

### 11 TRADE RECEIVABLES

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
(Unsecured and considered good)		
a) Trade receivables due for a period exceeding six months	4,53,60,506	2,92,62,788
b) Others	26,89,02,568	31,42,63,074
<b>TOTAL</b>	<b>31,42,63,074</b>	<b>22,00,56,206</b>

### 12 CASH AND CASH EQUIVALENTS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
i) Cash and cash equivalents		
a) Balance with banks	2,18,88,273	1,79,36,779
b) Cash in Hand	14,72,332	23,27,070
c) Remittance in Transit	1,17,50,141	3,51,10,746
ii) Earmarked Balances with Bank -Unclaimed dividend a/c	13,25,737	13,84,955
iii) Term Deposit(Restricted)- Margin Money against guarantees	45,35,372	57,06,394
<b>TOTAL</b>	<b>4,09,71,855</b>	<b>3,02,05,383</b>



**NOTES ON FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017**13 SHORT-TERM LOANS & ADVANCES**

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
(Unsecured and considered good)		
a) Capital Advances	1,81,42,748	1,78,55,754
b) Prepaid Expenses	53,92,264	63,82,612
c) Security Deposits	54,28,572	70,56,478
d) Deposit with Excise & Other Authorities	3,50,62,125	3,71,73,058
e) Advance Income Tax & Tax Deducted at Source	2,17,75,408	2,45,37,972
f) Staff Loans	9,41,500	6,94,970
g) Other Receivables	53,09,614	42,13,880
<b>TOTAL</b>	<b>9,20,52,231</b>	<b>9,79,14,724</b>

**14 OTHER CURRENT ASSETS**

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
Interest accrued on Bank deposits	2,33,765	2,67,329
<b>TOTAL</b>	<b>2,33,765</b>	<b>2,67,329</b>

**15 REVENUE FROM OPERATIONS**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
SALE OF PRODUCTS				
PUMPS	46,04,98,920		49,44,88,661	
SPARES	52,28,19,216	98,33,18,136	48,14,92,414	97,59,81,075
SALE OF SERVICES				
SERVICES- REPAIRS & MAINTENANCE	35,24,434		11,73,716	
SERVICES- COMMISSIONING & INSTALLATION	19,19,695	54,44,129	47,46,157	59,19,873
OTHER OPERATING REVENUE	42,98,461		44,39,252	
GROSS REVENUE FROM OPERATIONS	99,30,60,726		98,63,40,200	
LESS: EXCISE DUTY				
PUMPS	2,25,28,303		1,91,44,596	
SPARES	2,02,34,756	4,27,63,059	1,67,56,574	3,59,01,170
LESS:- SERVICE TAX ON SERVICES				
SERVICES- REPAIRS & MAINTENANCE	4,51,928		1,47,116	
SERVICES- COMMISSIONING & INSTALLATION	1,450	4,53,378	4,129	1,51,245
LESS:- EXCISE DUTY ON OTHER OPERATING REVENUE	4,73,727		4,93,252	
NET SALE OF PRODUCTS				
PUMPS	43,79,70,617		47,53,44,065	
SPARES	50,25,84,460	94,05,55,077	46,47,35,840	94,00,79,905
NET SALE OF SERVICES				
SERVICES- REPAIRS & MAINTENANCE	30,72,506		10,26,600	
SERVICES- COMMISSIONING & INSTALLATION	19,18,245	49,90,751	47,42,028	57,68,628
NET OTHER OPERATING REVENUE	38,24,734		39,46,000	
<b>NET REVENUE FROM OPERATIONS</b>	<b>94,93,70,562</b>		<b>94,97,94,533</b>	

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 15.1 PARTICULARS OF REVENUE FROM OPERATIONS

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>DOMESTIC</b>				
SALE OF PRODUCTS				
-PUMPS	19,98,18,249		18,70,32,158	
-SPARES	16,81,34,852	36,79,53,101	13,86,73,438	32,57,05,596
SALES OF SERVICES				
- SERVICES- REPAIRS & MAINTENANCE	30,72,506		10,26,600	
- SERVICES- COMMISSIONING & INSTALLATION	1,45,000	32,17,506	29,162	10,55,762
OTHER OPERATING REVENUE		38,24,734		39,46,000
	<b>37,49,95,341</b>		<b>33,07,07,358</b>	
<b>EXPORT</b>				
SALES OF PRODUCTS				
-PUMPS	23,81,52,368		28,83,11,907	
-SPARES	33,44,49,608	57,26,01,976	32,60,62,402	61,43,74,309
SALES OF SERVICES				
- SERVICES- REPAIRS & MAINTENANCE	-		-	
- SERVICES- COMMISSIONING & INSTALLATION	17,73,245	17,73,245	47,12,866	47,12,866
	<b>57,43,75,221</b>		<b>61,90,87,175</b>	
<b>TOTAL</b>	<b>94,93,70,562</b>		<b>94,97,94,533</b>	

### 16 OTHER INCOME

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>Interest Income</b>				
- On Bank Deposits	5,31,235		4,61,545	
- Others	6,24,74	5,93,709	8,57,034	13,18,579
(Tax Deducted at Source Rs 53,124/- (Previous Year- Rs.46,155/-)				
Misc. Credit Balances Written Off		8,98,697		16,50,506
Profit on Sale/Impairment of Fixed Assets		2,63,350		53,781
Miscellaneous Receipts		4,52,568		1,56,874
<b>TOTAL</b>	<b>22,08,324</b>		<b>31,79,740</b>	

### 17 COST OF MATERIALS CONSUMED

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>i) RAW MATERIALS CONSUMED</b>				
Opening Stock	2,07,84,408		2,74,38,463	
Add: Purchases & Expenses thereon	13,96,44,790		12,18,54,108	
Less: Closing Stock	1,99,97,354	14,04,31,844	2,07,84,408	12,85,08,163

**NOTES ON FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017**17 COST OF MATERIALS CONSUMED**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>ii) BOUGHT OUT COMPONENTS CONSUMED</b>				
Opening Stock	3,03,46,840		3,24,99,194	
Add: Purchases & Expenses thereon	17,00,38,279		18,63,50,661	
Less: Closing Stock	3,18,29,804	16,85,55,315	3,03,46,840	18,85,03,015
<b>iii) CONSUMABLE STORES AND SPARES</b>				
Opening Stock	11,50,349		19,49,148	
Add: Purchases	60,05,205		54,87,566	
Less: Closing Stock	21,61,407	49,94,147	11,50,349	62,86,365
<b>TOTAL</b>		<b>31,39,81,306</b>		<b>32,32,97,543</b>

**17.1 Particulars of Raw Material and Components Consumed**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
MILD STEEL	11,97,302		15,08,500	
STEEL (SS & ALLOY)	6,54,32,660		6,53,04,404	
IRON & METAL CASTINGS	4,11,09,646		3,19,06,151	
RUBBER & CHEMICALS	1,66,00,610		1,54,75,792	
PIPES	1,01,19,728		99,31,008	
BOUGHT OUT MATERIALS & COMPONENTS	16,85,55,315		18,85,03,015	
FREIGHT, CARTAGE, CLEARING & INSURANCE	59,71,898		43,82,308	
<b>TOTAL</b>		<b>30,89,87,159</b>		<b>31,70,11,178</b>

**18 CHANGE IN INVENTORIES**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>OPENING STOCK:</b>				
Finished Goods	11,43,99,559		11,22,20,915	
Work in Progress	85,99,160		1,58,08,904	
Scrap & Wastage	1,79,520	12,31,78,239	88,000	12,81,17,819
<b>LESS: CLOSING STOCK:</b>				
Finished Goods	11,58,84,347		11,43,99,559	
Work in Progress	92,41,846		85,99,160	
Scrap & Wastage	3,75,600	12,55,01,793	17,95,20	12,31,78,239
<b>Net Change in Inventories</b>		<b>(23,23,554)</b>		<b>49,39,580</b>

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 19 EMPLOYEE BENEFITS EXPENSE

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Wages, Salary, Bonus Gratuity & Other Allowances	19,17,80,239	19,58,94,891
Contribution to Provident & Other Funds	1,37,87,897	1,40,63,502
Directors' Remuneration	2,39,68,461	2,46,19,903
Workmen & Staff Welfare	65,76,371	69,50,545
<b>TOTAL</b>	<b>23,61,12,968</b>	<b>24,15,28,841</b>

19.1 Contribution to Provident & Other funds includes contribution of Provident Fund for Directors ₹ 17,64,720/- (Prev Year ₹ 18,61,200/-)

### 20 FINANCE COST

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>INTEREST :</b>		
On Term Loans	68,07,574	95,81,087
On Others	2,49,00,669	2,22,41,764
<b>TOTAL</b>	<b>3,17,08,243</b>	<b>3,18,22,851</b>

### 21 DEPRECIATION & AMORTISATION EXPENSE

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>For the year</b>	7,19,63,054	7,65,84,244
Less : Transferred to Revaluation Reserve	37,909	40,683
<b>TOTAL</b>	<b>7,19,25,145</b>	<b>7,65,43,561</b>

### 22 OTHER EXPENSES

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Power & Fuel	1,71,64,724	1,84,04,310
Machining & Electroplating	1,17,78,568	1,39,44,876
Tools	57,28,608	69,44,550
Repairs :		
Building	34,31,441	19,97,816
Plant & Machinery	69,22,035	73,35,727
Others	17,42,791	25,64,658
Insurance Charges	20,59,597	16,09,787
Travelling & Conveyance	2,87,18,904	3,77,55,240
Postage & Telephone	54,35,736	62,44,037
Professional & Consultancy	15,33,517	23,23,466
Vehicle Running & Maintenance	67,33,512	55,73,349
Rent	1,21,95,341	1,41,05,435
Rates & Taxes	35,72,746	23,89,474
Directors' Sitting Fees	4,60,000	5,80,000
Payment to Auditors :		
Audit Fee	2,00,000	2,00,000
Tax Audit Fee	75,000	75,000
Taxation Matters	25,000	25,000

**NOTES ON FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
Foreign Branch Audit Fee	5,84,319		5,79,259	
Out of Pocket Expenses	20,000	9,04,319	20,000	8,99,259
Packing & Forwarding Exp.		3,66,90,910		4,31,96,148
Commission & Discount		84,32,444		54,95,629
Advertisement & Publicity		20,49,096		60,89,366
Foreign Exchange Diff. - Foreign Operations & Others		54,82,067		14,60,051
Bad Debts		40,66,668		32,23,018
CSR Expenditure		12,00,000		-
Miscellaneous Expenses		2,84,82,872		3,16,83,148
<b>TOTAL</b>		<b>19,47,85,896</b>		<b>21,38,19,345</b>

**22.1** The Provision of ₹ 12,00,000/- has been created during the year for the amount to be spent on CSR activities.

**23 Contingent Liabilities & Commitments****23.1 Contingent Liabilities**

(Amount in ₹)

PARTICULARS	2016-2017	2015-2016
i) Disputed Sales Tax-Case	1,75,24,280	3,00,246
ii) Disputed Income Tax (appeals pending)	50,54,838	50,54,838
iii) Bank Guarantee	2,56,93,417	2,79,56,515
iv) Corporate Guarantee	22,950	-
v) Labour Cases	62,13,864	66,89,228
vi) Additional Demand from Greater Noida Industrial Development Authority on Greater Noida Land	1,10,00,000	1,10,00,000

**23.2 Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. NIL /- (Previous year ₹ NIL/-)

**24 Financial and Derivative Instruments****For Hedging Currency**

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31st March 2017 is given below:

(Amount in ₹)

PARTICULARS	2016-2017	2015-2016
Forward Contract	2,85,96,000	1,17,26,800

**25** Revaluation of all the fixed assets (except Building under construction upto 31.03.1993) was carried out by an approved valuer as on 31st March, 1993, which resulted in an increase in the Gross Value of assets over original cost by ₹ 2,50,17,478/-. The net increase in the value, resulting from the revaluation amounting to ₹ 2,50,17,478/- has been credited to Revaluation Reserve, created during the year ended 31.03.1993. Of this Revaluation reserve, a sum of ₹ 2,42,06,104/- has been adjusted on account of depreciation/sale of revalued assets till 31st March, 2017

**26** Depreciation for the year, on write up of assets due to revaluation as on 31.03.1993, has been recouped out of Revaluation Reserve.

**27** Term Deposits with Bank of India, Janpath Branch amounting to ₹ 16,02,356/- (Prev. year ₹ 33,07,350) and Term Deposit with IndusInd Bank, Barakhamba Road Branch amounting ₹ 29,33,016/- (Prev Year ₹ 23,99,044/-) are pledged with Bank of India & IndusInd Bank as Margin on Bank Guarantees, Letter of Credit and Foreign bills purchased by them.



## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 28 Related Party Disclosure

#### Key Managerial Personnel

(Amount in ₹)

Name	Designation	Nature of Transaction-Gross Salary	
		2016-2017	2015-2016
Mr. Harish Chandra Gupta	Chairman & Managing Director	1,07,04,967	1,10,21,659
Mr. Anurag Gupta	Dy. Managing Director	66,87,285	68,56,085
Mr. Arvind Veer Gupta	Whole Time Director	65,76,209	67,42,159
Mr. Pardeep Jain	Chief Financial Officer	21,57,090	20,51,585
Mr. Ashwani Kumar Verma	Company Secretary	15,59,060	14,93,585

#### Relatives of Key Managerial Personnel

##### Mr. H. C. Gupta HUF

Mr. H. C. Gupta, Chairman & Managing Director of the Company is the Karta of H. C. Gupta HUF and the Company had taken on lease for Camp Office from H. C. Gupta HUF and paid ₹ 27,56,000/- towards rent upto Sept 16 (Prev year ₹ 49,74,000/-).

#### Transactions with other related party

(Amount in ₹)

Particulars	Relationship	Nature of Transactions	2016-2017	2015-2016
<b>1. Revenue from Operation</b>				
Roto Pumpen GmbH	Wholly Owned Subsidiary	Sales	19,11,961	1,06,16,902
Roto Pumps North America Inc	Wholly Owned Subsidiary	Sales	6,08,77,511	5,08,82,506
Roto Pumps Africa (Pty) Ltd	Subsidiary	Sales	74,00,841	-
<b>2. Other Income</b>				
Roto Pumpen GmbH	Wholly Owned Subsidiary	Interest Income	-	4,86,876
Roto Pumps Americas Inc	Wholly Owned Subsidiary	Interest Income	-	3,45,354
<b>3. Other Expenses</b>				
Roto Pumps North America Inc	Wholly Owned Subsidiary	Commission on Sales	6,43,661	19,00,185
<b>4. Purchase of Investments</b>				
Roto Pumpen GmbH	Wholly Owned Subsidiary	Purchase Investments	-	1,46,79,751
Roto Pumps North America Inc	Wholly Owned Subsidiary	Purchase Investments	-	2,93,76,500

The Joint Venture Company in Singapore- Roto Overseas Pte Ltd has acquired majority Stake in a South African Company known as Roto Pumps Africa ( Pty) Ltd during the financial year 2016-2017.

### 29 Remuneration to Chairman & Managing Director, Dy. Managing Director and Whole Time Director.

(Amount in ₹)

PARTICULARS	2016-2017	2015-2016
Salary	1,47,06,000	1,55,10,000
Other Perquisites	92,62,461	91,09,903
	2,39,68,461	2,46,19,903

- 30** Income /(Loss) on difference in exchange rates on account of foreign currency transactions relating to Export Sales amounting to ₹ 1,02,50,352/- { Previous Year - ₹ (51,81,976/-)} has been grouped with Export Sale.
- 31** Excise duty payable on finished goods/Scrap Stock lying in stock at factory amounting to ₹ 10,01,987/- (Prev. year ₹ 7,01,577/-) has been included in the value of the closing stock after creating suitable provision for liability.
- 32** In the opinion of the Board, the Current Assets, Loans and Advances are stated at a value, considered realisable in the ordinary course of business.

**NOTES ON FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017

33 The Company's operations predominantly comprises of only one segment - Pumps & spares, therefore operational segment reporting does not apply.

**34 Deferred Tax**

Deferred Tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing laws.

Breakup of deferred tax assets / liabilities and reconciliation of current year deferred tax credit/charge.

(Amount in ₹)

Particulars	Deferred Tax Asset / (Liability) as on 31.03.2016	Current Year Credit / (Charge)	Deferred Tax Asset / (Liability) as on 31.03.2017
Difference in carrying amount of fixed assets in financial statements and income tax return	(1,53,09,811)	55,52,144	(97,57,667)
Provision for Gratuity	10,75,133	9,86,316	20,61,449
Provision for Leave encashment	29,25,865	8,64,594	37,90,459
Others	18,44,588	(24,66,823)	(6,22,235)
<b>Total</b>	<b>(94,64,225)</b>	<b>49,36,231</b>	<b>(45,27,994)</b>

**Note:** The Company has recognised the Deferred Tax Asset of ₹ 49,36,231/- (Previous year Deferred Tax Asset of ₹ 59,03,907/-) during the year and debited to Profit & Loss Account.

**35 Earning per share**

(Amount in ₹)

Particulars	2016-2017	2015-2016
Net profit after taxes for the year	6,58,88,883	4,27,77,788
Number of Equity Shares	1,54,53,805	1,54,53,805
Basic and Diluted Earning per Shares	4.26	2.77
Face Value per Share	2	2

36 The disclosure required under Accounting Standard 15-"Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

**DEFINED CONTRIBUTION PLAN**

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under:

(Amount in ₹)

Particulars	2016-2017	2015-2016
Employer's Contribution to Provident fund	49,52,629	50,93,022
Employer's Contribution to Superannuation/NIC at foreign branches	60,34,342	60,79,714

**DEFINED BENEFIT PLAN**

The Employees' gratuity fund scheme managed by Reliance Life Insurance Company Ltd. is a defined benefit plan. The present value of obligation for gratuity and leave encashment is determined on the basis of Actuarial Valuation Report made at the year end.

**In respect of Employees in India**

Particulars	Gratuity Funded		Leave encashment	
	2016-2017 Amount (₹)	2015-2016 Amount (₹)	2016-2017 Amount (₹)	2015-2016 Amount (₹)
The principle assumptions used in actuarial valuation				
-Discount rate	7.39%	8.04%	7.39%	8.04%
-Expected rate on return of assets ( per annum)	7.39%	8.04%	N.A	N.A
-Expected rate of future salary increase	5.75%	5.75%	5.75%	5.75%
Change in Present value of Obligation				
-Present value of obligation as at the beginning of the year	1,73,52,250	1,72,58,680	60,56,616	54,39,985

**NOTES ON FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Gratuity Funded		Leave encashment	
	2016-2017 Amount (₹)	2015-2016 Amount (₹)	2016-2017 Amount (₹)	2015-2016 Amount (₹)
-Interest Costs	13,95,121	13,78,969	4,86,952	4,34,655
-Current Service Cost	14,30,065	13,99,982	5,69,480	5,91,392
-Past Service Cost( vested benefit)				
-Benefits Paid	(13,88,135)	(15,10,553)	(17,31,590)	(13,62,067)
-Actuarial (Gain) / Loss on obligations	8,73,151	(11,74,828)	13,49,361	9,52,651
-Present value of obligation as at end of the year	1,96,62,452	1,73,52,250	67,30,819	60,56,616
Change in fair value of Plan Assets				
Fair Value of Plan Assets at the beginning of the period	1,41,00,185	1,45,76,649	-	-
Expected Return on Plan Assets	11,33,655	11,64,674	-	-
Contributions			-	-
Benefit Paid	(13,88,135)	(15,10,553)	-	-
Actuarial Gain/(Loss) on Plan Assets	(1,39,820)	(1,30,585)	-	-
Fair Value of Plan Assets at the end of the period	1,37,05,885	1,41,00,185	-	-
Actual Return on Plan Assets				
Expected Return on Plan Assets	11,33,655	11,64,674	-	-
Actuarial Gains/(Losses) on Plan Assets	(1,39,820)	(1,30,585)	-	-
Actual Return on Plan Assets	9,93,835	10,34,089	-	-
Liability Recognised in balance Sheet				
-Present value of obligation as at end of the year	(1,96,62,452)	(1,73,52,250)	(67,30,819)	(60,56,616)
-Fair value of plan assets as at the end of the year	1,37,05,885	1,41,00,185	-	-
-Unfunded status	(59,56,567)	(32,52,065)	(67,30,819)	(60,56,616)
-Unrecognised Actuarial (Gain)/Loss	-	-	-	-
Net Assets/ (Liability) recognised in Balance Sheet	(59,56,567)	(32,52,065)	(67,30,819)	(60,56,616)
Expenses recognised in Profit and Loss Account				
-Current Service Cost	14,30,065	13,99,982	5,69,480	5,91,392
-Interest Costs	2,61,466	2,14,295	4,86,952	4,34,655
-Expected Return on Plan assets	-	-	-	-
-Past Service Cost( vested benefit) Recognised	-	-	-	-
-Net Actuarial (Gain)/ Loss recognised during the year	10,12,971	(10,44,243)	13,49,361	9,52,651
Total Expenses recognised in Profit and Loss a/c	27,04,502	5,70,034	24,05,793	19,78,698

**In respect of employees at Foreign branches**

Particulars	Gratuity Funded		Leave encashment	
	2016-2017 Amount (₹)	2015-2016 Amount (₹)	2016-2017 Amount (₹)	2015-2016 Amount (₹)
Change in Present value of Obligation	-	-		
-Present value of obligation as at beginning of the year	-	-	27,93,550	13,69,193
-Interest Costs	-	-	2,02,238	1,17,050
-Current Service Cost	-	-	13,14,280	10,41,350
-Past Service Cost( vested benefit)	-	-		
-Benefits Paid	-	-	(18,80,930)	(38,21,900)
-Actuarial (Gain) / Loss on obligations	-	-	17,92,595	40,87,857

**NOTES ON FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Gratuity Funded		Leave encashment	
	2016-2017 Amount (₹)	2015-2016 Amount (₹)	2016-2017 Amount (₹)	2015-2016 Amount (₹)
-Present value of obligation as at end of the year			42,21,733	27,93,550
Change in fair value of Plan Assets	-	-	-	-
Fair Value of Plan Assets at the beginning of the period	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Contributions	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the period	-	-	-	-
Actual Return on Plan Assets				
Expected Return on Plan Assets	-	-	-	-
Actuarial Gains/(Losses) on Plan Assets	-	-	-	-
Actual Return on Plan Assets	-	-	-	-
Liability Recognised in balance Sheet	-	-		
-Present value of obligation as at beginning of the year	-	-	(42,21,733)	(27,93,550)
-Fair value of plan assets as at the end of the year	-	-	-	-
-Unfunded status	-	-	(42,21,733)	(27,93,550)
-Unrecognised Actuarial (Gain)/Loss	-	-	-	-
Net Assets/(Liability) recognised in Balance Sheet			(42,21,733)	(27,93,550)
Expenses recognised in Profit and Loss Account	-	-		
-Current Service Cost	-	-	13,14,280	10,41,350
-Interest Costs	-	-	2,02,238	1,17,050
-Expected Return on Plan assets	-	-		
-Past Service Cost( vested benefit) Recognised	-	-	-	-
-Net Actuarial (Gain)/ Loss recognised during the year	-	-	18,49,584	40,01,700
Total Expenses recognised in Profit and Loss a/c			33,66,102	51,60,100

37 Taxation provisions for current year and previous year tax adjustments includes interest thereon.

38 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid as at the year end together with interest paid/payable under this Act have not been given

39 **Earnings in Foreign Currency**

Particulars	2016-2017		2015-2016	
	Bill Value (₹)	FOB Value (₹)	Bill Value (₹)	FOB Value (₹)
<b>Export of Goods</b>				
Pumps	23,81,52,368	23,71,93,984	28,83,11,907	28,69,17,929
Spares	33,44,49,608	33,23,08,485	32,60,62,402	32,39,78,715
<b>Others</b>				
Service Charges	17,73,244	17,73,244	47,12,866	47,12,866
Interest Income	-	-	8,32,230	8,32,230
<b>TOTAL</b>	<b>57,43,75,220</b>	<b>57,12,75,713</b>	<b>61,99,19,405</b>	<b>61,64,41,740</b>

**Note:** Export of goods includes sales at Foreign Branches ₹ 39,49,72,749/- (Prev. Year ₹ 41,22,95,633/-)  
Service Charges includes charges at Foreign Branches ₹ 2,20,937/- (Prev. Year ₹ 5,91,631/-)

## NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 40 Expenditure in Foreign Currency

(Amount in ₹)

Particulars	2016-2017	2015-2016
Travelling Expenses	70,83,031	1,05,63,050
Expenses at Foreign Branch	11,83,35,824	10,56,86,078
Professional & Consultancy	4,29,74	1,76,572
Other Expenses	86,65,672	49,69,952
<b>TOTAL</b>	<b>13,41,27,501</b>	<b>12,13,95,652</b>

**Note:** Expenses of Foreign Branch includes Capital goods (net of sales) installed and used at Foreign Branch ₹ (1362917)/- (Prev. Year ₹ 3,17,424/-) and Consumption of Consumable Stores of ₹ 3,45,095/- ( Prev.Year ₹ 5,58,601/-)

### 41 Remittance in foreign currency towards Dividend for 2015-16 to Ms. Debra Pauly, U.K. of ₹ 76,400/- on 382000 Equity Shares (Previous Year ₹ 2,29,200/-)

### 42 Value of Imports (Calculated on CIF basis)

(Amount in ₹)

Particulars	2016-2017	2015-2016
Materials	1,35,47,910	1,81,58,429
Capital Goods	78,336	1,05,432
<b>TOTAL</b>	<b>1,36,26,246</b>	<b>1,82,63,861</b>

### 43 Consumption of Indigenous / Imported Materials

Particulars	2016-2017		2015-2016	
	Amount (₹)	%	Amount (₹)	%
<b>a) Raw Materials and components</b>				
Indigenous	22,33,32,830	72.28%	22,84,11,591	72.05%
Imported	8,56,54,329	27.72%	8,85,99,587	27.95%
<b>TOTAL</b>	<b>30,89,87,159</b>	<b>100%</b>	<b>31,70,11,178</b>	<b>100%</b>

**Note:** Imported Raw Material and Components includes ₹ 6,97,80,220/- (Previous Year ₹ 6,81,59,596/-) consumption at foreign branches.

Particulars	2016-2017		2015-2016	
	Amount (₹)	%	Amount (₹)	%
<b>b) Consumable Stores</b>				
Indigenous	46,49,052	93.09%	57,27,764	91.11%
Imported	3,45,095	6.91%	5,58,601	8.89%
<b>TOTAL</b>	<b>49,94,147</b>	<b>100%</b>	<b>62,86,365</b>	<b>100%</b>

**Note:** Imported Consumables includes ₹ 3,45,095/- ( Previous Year ₹ 5,58,601/-) consumption at foreign branches.



**NOTES ON FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017**44** Disclosure of Specified Bank Notes held and transacted during the period 08/11/2016 to 30/12/2016

(Amount in ₹)

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	9,67,000	77,032	10,44,032
Add:- Withdrawn from Banks	-	14,98,000	14,98,000
Add:- Permitted receipts	-	8,300	8,300
Less:- Permitted Payments	-	13,92,275	13,92,275
Less :- Amount deposited in Banks	9,67,000	-	9,67,000
Closing Cash in Hand as on 30.12.2016	-	1,91,057	1,91,057

45 The Board of Directors of the company at its meeting held on May 12,2017, inter alia, has recommended a dividend of Rs 0.40 per equity shares on 1,54,53,805 equity Shares of Par value ₹ 2/- each.

46 Previous Year's figures have been re-grouped/re-arranged wherever necessary to render them comparable with the current year's figures.

47 Figures have been rounded off to the nearest rupee.

As per our Report of even date.

For A.Kay.Mehra & Co.,  
Chartered Accountants  
(Registration No. 050004C)

For and on behalf of the Board

**(HARISH CHANDRA GUPTA)**  
Chairman & Managing Director  
(DIN:00334405)

**(ANURAG GUPTA)**  
Dy. Managing Director  
(DIN :00334160)

(A. KAY. MEHRA )  
PARTNER  
Membership No. 009963  
PLACE : NOIDA  
DATE : 12<sup>th</sup> May, 2017

**(PRADEEP JAIN)**  
Chief Financial Officer  
(PAN: AAEPJ6827A)

**(ASHWANI K VERMA)**  
Company Secretary  
(M.No: A15482)

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**ROTO PUMPS LIMITED**

### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of Roto Pumps Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the group") its jointly controlled entities, comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement for the year then ended, and a summary of 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 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 Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21 – Consolidated Financial Statements). The respective Board of Directors of the companies included in the Group and of its 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 provision 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 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 in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the 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, 2017, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

### Other Matter

We did not audit the financial statements / financial information of two subsidiaries and one jointly controlled entity, whose financial statements / financial information reflect total assets of ₹ 1013.81 Lacs as at 31st March, 2017, total revenues of ₹ 1296.54 Lacs. These financial statements / 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 these subsidiaries, jointly controlled entities and associates, 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 subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / 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 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**

As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of a subsidiary and a jointly controlled entity as noted in the "Other Matter" paragraph 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 purpose 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.
- (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 written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, internal financial controls over financial reporting are adequate.
- (g) With respect to 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 litigations on its financial position in its financial statements - Refer Note 23.1 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 **A. KAY. MEHRA & CO.**  
Chartered Accountants  
(Registration No. 050004C)

**A. KAY. MEHRA**  
Partner  
Membership No. 009963

Place: Noida  
Date: 12.05.2017

# CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in ₹)

PARTICULARS	Note No	As At 31st March, 2017		As At 31st March, 2016	
<b>EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS` FUNDS</b>					
Share Capital	1	3,09,07,610		3,09,07,610	
Reserves & Surplus	2	52,70,52,135	55,79,59,745	47,81,21,144	50,90,28,754
<b>MINORITY INTEREST</b>			1,38,59,223		1,26,97,299
<b>NON-CURRENT LIABILITIES</b>					
Long Term Borrowings	3		2,65,89,641		7,66,49,598
Deferred Tax Liabilities (Net)	33		45,27,995		94,64,225
<b>Long Term Provisions</b>	4		72,37,197		57,87,184
<b>CURRENT LIABILITIES</b>					
Short Term Borrowings	5	26,03,09,506		24,83,96,545	
Trade Payables		10,94,42,252		8,82,78,116	
Other Current Liabilities	6	11,93,62,592		12,07,85,730	
<b>Short Term Provisions</b>	7	5,43,70,106	54,34,84,456	3,58,01,580	49,32,61,971
<b>TOTAL</b>			<b>1,15,36,58,257</b>		<b>1,10,68,89,031</b>
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Fixed Assets					
i) Tangible Assets	8	49,83,56,149		53,71,35,796	
ii) Intangible Assets	8	13,00,123		16,06,790	
iii) Capital Work in Progress	8	19,79,165	50,16,35,437	79,57,240	54,66,99,826
<b>CURRENT ASSETS</b>					
Inventories	9	19,77,68,367		19,30,16,732	
Trade Receivables	10	29,01,60,969		20,02,30,192	
Cash and Cash Equivalents	11	5,60,98,609		3,63,21,862	
Short Term Loans and Advances	12	10,77,61,110		13,03,53,090	
Other Current Assets	13	2,33,765	65,20,22,820	2,67,329	56,01,89,205
<b>TOTAL</b>			<b>1,15,36,58,257</b>		<b>1,10,68,89,031</b>
Significant Accounting Policies and Notes on Consolidated Financial Statements	1 to 40				

As per our report of even date.

For and on behalf of the Board

For A.Kay.Mehra & Co.,  
Chartered Accountants  
(Registration No. 050004C)

( A. KAY. MEHRA )  
PARTNER  
Membership No. 009963

PLACE : NOIDA  
DATE : 12th May 2017

(HARISH CHANDRA GUPTA)  
Chairman & Managing Director  
(DIN :00334405)

(PRADEEP JAIN)  
Chief Financial Officer  
(PAN: AAEPJ6827A)

(ANURAG GUPTA)  
Dy.Managing Director  
( DIN :00334160)

(ASHWANI K VERMA)  
Company Secretary  
(M.No : A15482)

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

PARTICULARS	Note No	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>INCOME</b>			
Revenue from Operations	14	1,00,87,66,291	96,55,74,383
Other Income	15	47,57,015	25,95,710
<b>TOTAL REVENUE</b>		<b>1,01,35,23,306</b>	<b>96,81,70,093</b>
<b>EXPENSES</b>			
Cost of Materials consumed	16	35,15,34,619	34,38,92,579
Change in Inventories of Finished goods and Work in Progress	17	(4,23,019)	(45,98,723)
Employee Benefits Expense	18	25,92,82,609	26,82,33,914
Finance Costs	19	3,17,08,243	3,18,22,851
Depreciation & Amortisation Expense	20	7,28,82,571	7,69,32,273
Other Expenses	21	21,06,83,630	22,98,64,504
<b>TOTAL EXPENSES</b>		<b>92,56,68,653</b>	<b>94,61,47,398</b>
Profit before Tax		8,78,54,653	2,20,22,695
Tax expenses			
Current tax		4,41,01,055	2,57,66,566
Deferred Tax	33	(49,36,231)	(59,03,907)
Short/(Excess) Provisions- earlier years		3,35,175	(16,17,895)
<b>Profit After Tax but before Minority Interest</b>		<b>4,83,54,654</b>	<b>37,77,931</b>
Share of Loss Transferred to Minority Interest		8,09,623	26,65,729
Profit After Tax		4,91,64,277	64,43,660
Earning Per Share (Rs.) (Basic & Diluted)	34	3.18	0.42
Significant Accounting Policies and Notes on Consolidated Financial Statements	1 to 40		

As per our report of even date.

For and on behalf of the Board

**For A.Kay.Mehra & Co.,**  
Chartered Accountants  
(Registration No. 050004C)

**(A.KAY.MEHRA)**  
PARTNER  
Membership No. 009963

**(HARISH CHANDRA GUPTA)**  
Chairman & Managing Director  
(DIN :00334405)

**(ANURAG GUPTA)**  
Dy. Managing Director  
(DIN :00334160)

**(PRADEEP JAIN)**  
Chief Financial Officer  
(PAN: AAEPJ6827A)

**(ASHWANI K VERMA)**  
Company Secretary  
(M.No: A15482)

PLACE : NOIDA  
DATE : 12th May, 2017



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit / (Loss) before tax and extra ordinary items	8,78,54,653	2,20,22,695
<b>Adjusted for:</b>		
1. Depreciation	7,28,82,571	7,69,32,273
2. Interest Paid	3,17,08,243	3,18,22,851
3. Interest received	(5,93,709)	(4,86,349)
4. Loss/(Profit) on sale of fixed assets	(2,63,350)	(53,781)
5. Unrealised Currency Translation (Gain)/Loss	1,95,377	(18,55,356)
6. Loss on Sale of Non current Investment	-	66,25,536
<b>Operating Profit / (Loss) before Working Capital Changes</b>	<b>19,17,83,785</b>	<b>13,50,07,869</b>
<b>1. Adjusted for:</b>		
a. Trade and Other Receivables	(6,97,80,803)	(2,87,25,271)
b. Inventories	(47,51,635)	70,05,954
c. Trade and Other Payables	3,86,85,372	(97,42,544)
<b>2. Cash Generated from Operations</b>	<b>15,59,36,719</b>	<b>10,35,46,008</b>
3. Direct Taxes Paid & Previous year adjustments	(2,33,39,177)	(2,59,90,675)
<b>Net Cash from Operating Activities</b>	<b>13,25,97,542</b>	<b>7,75,55,333</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
1. Purchase of Fixed Assets	(3,73,37,787)	(5,23,11,952)
2. Proceeds on sale of Fixed Assets	18,77,456	3,34,998
3. Interest Received	5,93,709	4,86,349
4. Proceeds on sale of Non Current Investments	-	2,84,78,579
<b>Net Cash used in Investing Activities</b>	<b>(3,48,66,622)</b>	<b>(2,30,12,026)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
1. Proceeds from Long Term borrowings	1,77,14,977	40,00,000
2. Repayment of Long Term borrowings	(7,21,53,901)	(6,67,40,304)
3. Short Term Borrowings(Net)	1,19,12,961	3,99,67,477
4. Interest Paid	(3,17,08,243)	(3,18,22,851)
5. Dividend & Dividend tax Paid	(37,19,967)	(1,11,60,120)
<b>Net Cash used in Financing Activities</b>	<b>(7,79,54,173)</b>	<b>(6,57,55,798)</b>
<b>Net increase in Cash and Cash Equivalents (A+B+C)</b>	<b>1,97,76,747</b>	<b>(1,12,12,491)</b>
Cash and Cash Equivalents as at the begining of the year	3,63,21,862	4,75,34,353
<b>Cash and Cash Equivalents as at the end of the year</b>	<b>5,60,98,609</b>	<b>3,63,21,862</b>

As per our report of even date.

For A.Kay.Mehra & Co.,  
Chartered Accountants  
(Registration No. 050004C)

(A. KAY. MEHRA)  
PARTNER  
Membership No. 009963

PLACE : NOIDA  
DATE : 12th May, 2017

For and on behalf of the Board

**(HARISH CHANDRA GUPTA)**  
Chairman & Managing Director  
(DIN :00334405)

**(PRADEEP JAIN)**  
Chief Financial Officer  
(PAN: AAEPJ6827A)

**(ANURAG GUPTA)**  
Dy.Managing Director  
(DIN :00334160)

**(ASHWANI K VERMA)**  
Company Secretary  
(M.No: A15482)

## SIGNIFICANT ACCOUNTING POLICIES

### System of Consolidation

- a) The Consolidated Financial Statements are prepared in accordance with the Accounting Standard 21 "Consolidated Financial Statements".
- b) The Consolidated Financial Statements comprise the Financial Statements of the Company given below :
  - 1) Roto Pumpen GmbH-Germany (Wholly Owned Subsidiary Company)
  - 2) Roto Pumps Americas Inc-USA ( Wholly Owned Subsidiary Company)
  - 3) Roto Overseas Pte.Ltd- Singapore (Joint Venture Company)

### System of Accounting

Unless otherwise stated hereunder the financial accounts of the Company have been drawn up on historical cost convention and on accrual basis.

### Use of Estimates

The preparation of financial statement requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognised in the period in which they are materialise.

### Revenue Recognition

**"Sale of Goods :** Revenue and the associated costs can be estimated reliably and it is probable that economic benefits associated with the transaction will flow to the Company. Sales are net of taxes and sales returns but inclusive of exchange rates fluctuations.

**Sale of Services :** Income from services rendered is recognized based on arrangements with the customers as the service is performed during the year as well as the reporting date and the amount of revenue can be measured reliably."

### Fixed Assets

Fixed Assets are capitalised at cost of acquisition and subsequent improvements thereto including taxes, duties etc other than Cenvat credit wherever applicable. Freight & other incidental expenses related to acquisition and installation are added to cost. In case of write-up due to revaluation are shown at such higher amount.

### Depreciation

Depreciation on all assets has been charged by written down value method in accordance with the useful life of the assets as prescribed in Schedule II to the Companies Act ,2013.

In respect of revalued assets, the incremental depreciation attributable to the Revaluation is transferred to Revaluation Reserve.

### Inventories

Inventories have been valued as follows -

Raw Materials	: At cost *
Finished Goods	: At lower of the cost and net realisable value **
Work in Progress	: At cost *
Stores, Tools & Other Materials	: At cost *

\* The cost has been arrived at by using 'FIFO' method.

\*\* The cost of finished goods has been determined by considering standard conversion cost.

### Impairment of Assets

The Company determines whether there is any indication of impairment of the carrying amount of the company's assets. The recoverable amount of such assets are estimated , if any indication exists , and impairment losses recognised wherever the carrying amount of the assets exceeds its recoverable amount.

### Employees' Benefits

-Company's contribution to Provident Fund and Family Pension Fund are charged to profit & loss account.

-Provision for Gratuity and Leave Encashment benefits, in respect of employees governed by Indian rules and regulations is made on the basis of actuarial valuation as at the end of the year in conformity with the Accounting standard-15 (Revised) issued by the Institute of Chartered Accountants of India and the provision for leave encashment (including long term leave) in respect of employees at foreign branches is made as per law prevalent in foreign country

-Contribution to Employee Group Gratuity Trust for the current year are charged to Profit & Loss account and for the past years are adjusted in the Provision for Gratuity a/c.

### Foreign Currency Translations

#### Foreign Currency Transactions

Transactions in foreign currency are accounted for at the exchange rates prevailing at the date of transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currency are recognised in the profit and loss account. Exchange differences arising on account of monetary liabilities related to fixed assets are adjusted in the cost of assets. Bank Guarantee in foreign currency are translated at the exchange rate prevailing at the year end.

#### Foreign Branch Operation's Translations

The activities of the Foreign Branches are an integral part of the operations of the company and hence the foreign branch financial statements are translated in accordance with accounting standard applicable to Integral Foreign Operation as given under:

Income & Expenditure items by applying to the foreign currency amount, the exchange rate at the date of transaction. The rate used is an average rate for calendar month and used for all transaction occurring during that calendar month.

Fixed Assets are recorded at the exchange rate prevailing on the date of transaction.

Depreciation on the fixed assets in Indian rupees, which are reported using the exchange rate at the date of transaction.

Inventories related to stocks transfer from reporting enterprise are shown at the cost of reporting enterprises plus expenses incurred to bring the material at the shelf of foreign branch's warehouse and local bought out inventories are translated at the exchange rate prevailing at year end.

Other current assets and liabilities are converted at the exchange

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

rates prevailing at the year end.

The exchange difference on translation of Foreign Branch financial statements are recognised in profit & loss account.

### Research & Development

Revenue expenditure pertaining to research and development is charged to revenue in the year in which it is incurred. Capital Expenditure is treated as forming part of Fixed Assets.

### Borrowing Cost

Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalised upto the date when such

assets are ready for its intended use and other borrowing cost are charged to Profit and Loss Account.

### Provision for Deferred and Current tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

## 1 SHARE CAPITAL

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>AUTHORISED SHARE CAPITAL</b>		
5,00,00,000 Equity Shares of par value of ₹ 2/- each (Previous year 5,00,00,000 Equity Shares of Par value of ₹ 2/- each)	10,00,00,000	10,00,00,000
<b>ISSUED &amp; SUBSCRIBED SHARE CAPITAL</b>		
1,55,00,305 Equity Shares of par value of ₹ 2/- each (Previous year 1,55,00,305 Equity Shares of par value of ₹ 2/- each)	3,10,00,610	3,10,00,610
<b>PAID UP SHARE CAPITAL</b>		
1,54,53,805 Equity Shares of par value of ₹ 2/- each (Previous year 1,54,53,805 Equity Shares of Par value of ₹ 2/- each)	3,09,07,610	3,09,07,610
<b>TOTAL</b>	<b>3,09,07,610</b>	<b>3,09,07,610</b>

### 1.1 DETAILS OF SHAREHOLDER HOLDING MORE THAN 5% SHARES

(Amount in ₹)

NAME OF SHAREHOLDER	As At 31st March, 2017		As At 31st March, 2016	
	Number of Shares held in the Company	% Held	Number of Shares held in the Company	% Held
ANURAG GUPTA	10,85,335	7.02	10,85,335	7.02
NAND KISHORE GUPTA HUF	14,88,660	9.63	14,88,660	9.63
ARVIND VEER GUPTA	12,10,335	7.83	12,10,335	7.83
ASHA GUPTA	24,99,665	16.18	24,99,665	16.18
HARISH CHANDRA GUPTA	19,73,695	12.77	19,73,695	12.77
HARISH CHANDRA GUPTA HUF	10,71,100	6.93	10,71,100	6.93
NEERA GUPTA	8,48,575	5.49	8,48,575	5.49

1.2 During the Year there is no Changes in Number of Shares outstanding at the end of the reporting period in comparison to number of Shares Outstanding at the beginning of the reporting period.

1.3 Application Money on 9,300 Equity Shares @ ₹ 10/- per Share alongwith premium @ ₹ 45/- per share aggregating to ₹ 5,11,500/- allotted on 11.11.1994 has not yet been dispatched and realised as the same was paid by an applicant through a forged stock invest which has been dishonoured by the bankers. During the Financial year 2014-2015 the Face Value of Shares is divided into ₹ 2/- per Share from ₹ 10/- per Share each.

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017**2. RESERVES & SURPLUS**

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>CAPITAL RESERVE:</b>		
As per last Balance Sheet	14,13,245	14,13,245
<b>SECURITIES PREMIUM RESERVE:</b>		
As per last Balance Sheet	4,72,06,555	4,72,06,555
<b>REVALUATION RESERVE:</b>		
As per last Balance Sheet	8,49,283	8,89,966
Less :- Depreciation	37,909	40,683
Less :- Sale of Fixed Assets	- 8,11,374	- 8,49,283
<b>FOREIGN EXCHANGE FLUCTUATION RESERVE</b>		
As per last Balance Sheet	7,393	(18,62,749)
Add :- Gain/( Loss) during the Year	(1,95,377) (1,87,984)	18,55,356 7,393
<b>GENERAL RESERVE:</b>		
As per last Balance Sheet	5,57,89,316	5,57,89,316
Add: Transferred during the year	- 5,57,89,316	- 5,57,89,316
<b>PROFIT AND LOSS ACCOUNT</b>		
As per last Balance Sheet	37,28,55,352	37,01,31,659
Add: Profit for the year	4,91,64,277	64,43,660
	42,20,19,629	37,65,75,319
Less: Appropriations		
Transferred to General Reserve	-	-
Proposed Dividend	-	30,90,761
(Previous Year Dividend per share ₹ 0.20/- for face value ₹ 2/-per Share)		
Tax on Dividend	- 42,20,19,629	6,29,206 37,28,55,352
<b>TOTAL</b>	<b>52,70,52,135</b>	<b>47,81,21,144</b>

**3 LONG-TERM BORROWINGS**

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>SECURED</b>		
TERM LOAN FROM BANKS	1,43,72,736	7,33,35,293
TERM LOAN FROM OTHERS	1,22,16,905	33,14,305
<b>TOTAL</b>	<b>2,65,89,641</b>	<b>7,66,49,598</b>

3.1 Current Year Term Loan ₹ 7,18,63,682/- (USD 1114857.00) {Prev Year ₹ 13,20,03,528/- (USD 2006742.20)} includes ₹ (4,15,293/-) (Prev Year ₹ 1,07,97,733/-) on account of Foreign Exchange Difference against FCNR term Loan availed from Citi Bank. Out of the Total Outstanding FCNR term Loan ₹ 5,74,90,946/- (USD 891885.60) { Prev Year ₹ 5,86,68,235/- (USD 891885.60)} is shown in Current Liabilities for Long term Borrowings and ₹ 1,43,72,736/- (USD 222971.40) {Prev Year ₹ 7,33,35,293/- (USD 1114857.00)} is shown in Long Term Borrowings for Greater Noida Project which is Secured by:-

- Sole Charge on assets funded under FCNR Term Loan.
- First exclusive charge on immovable property Land and Building located at Plot no 31, Ecotech -XII, Greater Noida, U.P

3.2 Terms of Repayment:

- FCNR Term Loan from Citi bank is repayable in 16 equal quarterly instalments of USD 2,22,971.40 out of which 11 equal quarterly Instalments has been paid till March'17

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

b) Term Loans from others consists of vehicle loans repayable in 36 monthly equal installments.

### 4 LONG TERM PROVISIONS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>Provision for Employee Benefits</b>		
- Superannuation, Gratuity and Un-availed Leave	72,37,197	57,87,184
<b>TOTAL</b>	<b>72,37,197</b>	<b>57,87,184</b>

### 5 SHORT-TERM BORROWINGS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>SECURED</b>		
Loans repayable on demand from Banks	26,03,09,506	24,83,96,545

#### 5.1 BANK OF INDIA

The working Capital loans are secured against hypothecation of stocks and book debts on Pari Passu basis with Citi Bank & IndusInd Bank and guaranteed by the Chairman and Managing Director and Dy. Managing Director as well as collaterally secured by:

- Equitable Mortgage of Immovable Factory Building, located at Roto House, 14 NSEZ, Noida on Pari Passu basis with IndusInd Bank.
- Equitable Mortgage of Immovable Factory land and building located at B-14, Phase-II, Extension, Noida on Pari Passu basis with IndusInd Bank.
- Hypothecation of plant & machinery exclusively charged to Bank of India.

#### Citi Bank

- Hypothecation on the stocks and book debts of the company on Pari Passu basis with Bank of India & IndusInd Bank.
- Equitable mortgage of Immovable property Land and Building located at Plot No:- 31, Ecotech-XII, Greater Noida, U.P

#### IndusInd Bank

- Equitable Mortgage over the Immovable Factory Building situated at Roto House, 13 NSEZ, Noida as well as Land and Building situated at B-14, Hosiery Complex, Noida on Pari Passu basis with Bank of India.
- Hypothecation charge on all Stock and book Debts of the company on Pari Passu basis with Bank of India & Citi Bank.

### 6 OTHER CURRENT LIABILITIES

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
Current Liabilities of Long Term Borrowings	6,49,96,109	6,93,75,075
Interest accrued but not due on borrowings	1,22,168	22,544
Un-paid/ Unclaimed Dividend	13,25,737	13,84,955
Sales Tax Payable	28,21,316	11,92,525
Excise Duty Payable	10,01,987	7,01,577
Other Payables	4,90,95,275	4,81,09,054
<b>TOTAL</b>	<b>11,93,62,592</b>	<b>12,07,85,730</b>

- 6.1 Other payable includes ₹ 15,58,483/- for Capital liability (Previous year ₹ 91,39,081/-), ₹ 68,28,944/- on account of advance from customers (Previous year ₹ 57,20,195/-) and balance on account of other expenses payable

### 7 SHORT TERM PROVISIONS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
<b>Provision for Employee Benefits</b>		
- Superannuation, Gratuity and Un-availed Leave	1,02,69,051	63,15,047
Provision for Dividends( including dividend distribution tax)	-	37,19,967
Provision for Income tax	4,41,01,055	2,57,66,566
<b>TOTAL</b>	<b>5,43,70,106</b>	<b>3,58,01,580</b>



# NOTES ON CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2017

## 8 FIXED ASSETS

(Amount in ₹)

PARTICULARS	GROSS BLOCK			DEPRECIATION/ AMORTIZATION			NET BLOCK	
	As At 01.04.2016	Additions/ Adjustments during the year	Deductions during the year	TOTAL As At 31.03.2017	UPTO 31.03.2016	Provided during the Year	Deduction/ Adjustments during the year	TOTAL Upto 31.03.2017
								As At 31.03.2016
<b>TANGIBLE ASSETS</b>								
<b>OWN ASSETS</b>								
Leasehold land	9,25,35,016	-	-	9,25,35,016	-	-	-	9,25,35,016
Factory buildings	31,13,63,016	(13,13,831)	-	31,00,49,185	6,99,74,371	2,47,60,349	-	21,53,14,465
Other buildings	26,74,436	-	-	26,74,436	18,14,417	33,210	-	8,26,809
Plant & machinery	29,03,29,482	1,10,83,239	2,65,000	30,11,47,721	13,29,96,847	3,00,05,868	2,103	16,30,00,612
Furniture & fixtures	2,95,41,775	1,51,898	-	2,96,93,673	1,12,39,097	49,13,992	-	1,61,53,089
Office equipments	2,26,94,564	7,78,318	-	2,34,72,882	1,45,81,095	37,12,805	-	1,82,93,900
Vehicles	4,08,29,865	2,29,61,165	97,27,428	5,40,63,602	2,57,33,427	70,49,947	83,76,221	2,44,07,153
Computers	2,34,26,848	16,83,149	-	2,51,09,997	1,99,19,953	20,33,309	-	2,19,53,262
<b>TOTAL</b>	<b>81,33,95,002</b>	<b>3,53,43,938</b>	<b>99,92,428</b>	<b>83,87,46,512</b>	<b>27,62,59,207</b>	<b>7,25,09,480</b>	<b>83,78,324</b>	<b>34,03,90,363</b>
<b>INTANGIBLE ASSETS</b>								
Software	84,03,792	-	-	84,03,792	79,58,995	56,870	-	80,15,865
Technical design & drawings	10,70,334	-	-	10,70,334	7,52,961	67,383	-	8,20,344
Trade mark	10,45,844	1,04,333	-	11,50,177	2,01,224	2,86,747	-	4,87,971
<b>TOTAL</b>	<b>1,05,19,970</b>	<b>1,04,333</b>	-	<b>1,06,24,303</b>	<b>89,13,180</b>	<b>4,11,000</b>	-	<b>93,24,180</b>
Capital work-in-progress								
<b>GRAND TOTAL</b>	<b>82,39,14,972</b>	<b>3,54,48,271</b>	<b>99,92,428</b>	<b>84,93,70,815</b>	<b>28,51,72,387</b>	<b>7,29,20,480</b>	<b>83,78,324</b>	<b>34,97,14,543</b>
<b>PREVIOUS YEAR</b>	<b>76,71,40,366</b>	<b>5,96,08,667</b>	<b>28,34,061</b>	<b>82,39,14,972</b>	<b>21,07,52,273</b>	<b>7,69,72,956</b>	<b>25,52,842</b>	<b>28,51,72,387</b>
								As At 31.03.2016
								9,25,35,016
								21,53,14,465
								8,26,809
								15,73,32,635
								1,83,02,678
								81,13,469
								1,50,96,438
								35,06,895
								53,71,35,795
								4,44,797
								3,17,373
								8,44,620
								16,06,790
								79,57,240
								54,66,99,825
								56,43,54,133

### Note:

- Net Block of Fixed Assets as on 31<sup>st</sup> March, 2017 includes fixed assets held at Foreign Branches of the company ₹ 17,77,175/- (Previous Year ₹ 23,79,448/-)
- Net Block of Fixed Assets as on 31<sup>st</sup> March, 2017 includes ₹ 8,11,374/- towards assets revalued on 31<sup>st</sup> March, 1993 by an approved valuer.
- ₹ 26,15,293/- has been adjusted to the cost of Fixed Assets (Building), out of which ₹ 4,15,293/- is for Gain of Foreign Exchange difference on account of FCNR term Loan from Citi Bank and ₹ 22,00,000/- is on account of Building Contractual Agreement. The aforesaid amounts so adjusted are being depreciated over the useful life of the Fixed Assets.
- Trade Mark has been amortized over the period of 10 years as per the Accounting Standard AS-26 (Intangible Assets).



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 9 INVENTORIES

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
a) Raw Materials-In stock	5,18,27,159	5,11,31,248
b) Work in Process-In stock	92,41,846	85,99,160
c) Finished Goods-In stock	11,91,37,897	11,89,80,470
d) Finished Goods-In Transit	79,73,970	73,79,483
e) Consumables Stores	21,61,407	11,50,349
f) Other Stores & Spares	16,70,219	11,47,871
g) Loose Tools	25,18,520	31,43,247
h) Packing Material	28,61,749	13,05,384
i) Scrap and Wastage	3,75,600	1,79,520
<b>TOTAL</b>	<b>19,77,68,367</b>	<b>19,30,16,732</b>

### 10 TRADE RECEIVABLES

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
(Unsecured and considered good)		
a) Trade receivables due for a period exceeding six months	3,41,37,787	2,21,59,497
b) Others	25,60,23,182	29,01,60,969
<b>TOTAL</b>	<b>29,01,60,969</b>	<b>20,02,30,192</b>

### 11 CASH AND CASH EQUIVALENTS

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
i) Cash and cash equivalents		
a) Balance with banks	3,58,57,944	2,40,41,115
b) Cash in Hand	26,29,415	23,39,213
c) Remittance in Transit	1,17,50,141	5,02,37,500
ii) Earmarked Balances with Bank -Unclaimed dividend a/c	13,25,737	28,50,185
iii) Term Deposit(Restricted)- Margin Money against guarantees	45,35,372	2,92,30,513
<b>TOTAL</b>	<b>5,60,98,609</b>	<b>3,63,21,862</b>

### 12 SHORT-TERM LOANS & ADVANCES

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
( Unsecured and considered good)		
a) Capital Advances	1,81,42,748	1,78,55,754
b) Prepaid Expenses	53,92,264	65,12,734
c) Security Deposits	60,87,675	70,56,478
d) Deposit with Excise & Other Authorities	3,50,62,125	3,71,73,058
e) Advance Income Tax & Tax Deducted at Source	2,17,75,408	2,45,37,972
f) Staff Loans	9,41,500	6,94,970
g) Other Receivables	2,03,59,390	3,65,22,124
<b>TOTAL</b>	<b>10,77,61,110</b>	<b>13,03,53,090</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017**13 OTHER CURRENT ASSETS**

(Amount in ₹)

PARTICULARS	As At 31st March, 2017	As At 31st March, 2016
Interest accrued on Bank deposits	2,33,765	2,67,329
<b>TOTAL</b>	<b>2,33,765</b>	<b>2,67,329</b>

**14 REVENUE FROM OPERATIONS**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
SALE OF PRODUCTS				
PUMPS	47,70,02,087		48,19,89,889	
SPARES	56,57,11,778	1,04,27,13,865	50,97,71,036	99,17,60,925
SALE OF SERVICES				
SERVICES- REPAIRS & MAINTENANCE	35,24,434		11,73,716	
SERVICES- COMMISSIONING & INSTALLATION	19,19,695	54,44,129	47,46,157	59,19,873
OTHER OPERATING REVENUE		42,98,461		44,39,252
GROSS REVENUE FROM OPERATIONS		1,05,24,56,455		1,00,21,20,050
LESS: EXCISE DUTY				
PUMPS	2,25,28,303		1,91,44,596	
SPARES	2,02,34,756	4,27,63,059	1,67,56,574	3,59,01,170
LESS:- SERVICE TAX ON SERVICES				
SERVICES- REPAIRS & MAINTENANCE	4,51,928		1,47,116	
SERVICES- COMMISSIONING & INSTALLATION	1,450	4,53,378	4,129	1,51,245
LESS:- EXCISE DUTY ON OTHER OPERATING REVENUE		4,73,727		4,93,252
NET SALE OF PRODUCTS				
PUMPS	45,44,73,784		46,28,45,293	
SPARES	54,54,77,022	99,99,50,806	49,30,14,462	95,58,59,755
NET SALE OF SERVICES				
SERVICES- REPAIRS & MAINTENANCE	30,72,506		10,26,600	
SERVICES- COMMISSIONING & INSTALLATION	19,18,245	49,90,751	47,42,028	57,68,628
NET OTHER OPERATING REVENUE		38,24,734		39,46,000
<b>NET REVENUE FROM OPERATIONS</b>		<b>1,00,87,66,291</b>		<b>96,55,74,383</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 14.1 PARTICULARS OF REVENUE FROM OPERATIONS

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>DOMESTIC</b>				
SALE OF PRODUCTS				
-PUMPS	19,98,18,249		18,70,32,158	
-SPARES	16,81,34,852	36,79,53,101	13,86,73,438	32,57,05,596
SALES OF SERVICES				
- SERVICES- REPAIRS & MAINTENANCE	30,72,506		10,26,600	
- SERVICES- COMMISSIONING & INSTALLATION	1,45,000	32,17,506	29,162	10,55,762
OTHER OPERATING REVENUE		38,24,734		39,46,000
		37,49,95,341		33,07,07,358
<b>EXPORT</b>				
SALES OF PRODUCTS				
-PUMPS	25,46,55,535		27,58,13,135	
-SPARES	37,73,42,170	63,19,97,705	35,43,41,024	63,01,54,159
SALES OF SERVICES				
- SERVICES- REPAIRS & MAINTENANCE	-		-	
- SERVICES- COMMISSIONING & INSTALLATION	17,73,245	17,73,245	47,12,866	47,12,866
		63,37,70,950		63,48,67,025
<b>TOTAL</b>		<b>1,00,87,66,291</b>		<b>96,55,74,383</b>

### 15 OTHER INCOME

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
Interest Income				
- On Bank Deposits	5,31,235		4,61,545	
- Others	62,474	5,93,709	24,804	4,86,349
(Tax Deducted at Source ₹ 53,124/- ( Previous Year-₹ 46,155/-)				
Misc. Credit Balances Written Off		8,98,697		18,93,480
Profit on Sale/Impairment of Fixed Assets		2,63,350		53,781
Miscellaneous Receipts		30,01,259		1,62,100
<b>TOTAL</b>		<b>47,57,015</b>		<b>25,95,710</b>

### 16 COST OF MATERIALS CONSUMED

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>i) RAW MATERIALS CONSUMED</b>				
Opening Stock	2,07,84,408		2,74,38,463	
Add: Purchases& Expenses thereon	13,96,44,790		12,18,54,108	
Less: Closing Stock	1,99,97,354	14,04,31,844	2,07,84,408	12,85,08,163
<b>ii) BOUGHT OUT COMPONENTS CONSUMED</b>				
Opening Stock	3,03,46,840		3,24,99,194	
Add: Purchases& Expenses thereon	20,75,91,594		20,69,45,697	
<b>Less: Closing Stock</b>	<b>3,18,29,806</b>	<b>20,61,08,628</b>	<b>3,03,46,840</b>	<b>20,90,98,051</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017**16 COST OF MATERIALS CONSUMED**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>iii) CONSUMABLE STORES AND SPARES</b>				
Opening Stock	11,50,349		19,49,148	
Add: Purchases	60,05,205		54,87,566	
Less: Closing Stock	21,61,407	49,94,147	11,50,349	62,86,365
<b>TOTAL</b>	<b>35,15,34,619</b>		<b>34,38,92,579</b>	

**16.1 PARTICULARS OF RAW MATERIAL AND COMPONENTS CONSUMED**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
MILD STEEL	11,97,302		15,08,500	
STEEL (SS & ALLOY)	6,54,32,660		6,53,04,404	
IRON & METAL CASTINGS	4,11,09,646		3,19,06,151	
RUBBER & CHEMICALS	1,66,00,610		1,54,75,792	
PIPES	1,01,19,728		99,31,008	
BOUGHT OUT MATERIALS & COMPONENTS	20,61,08,628		20,90,98,051	
FREIGHT,CARTAGE,CLEARING & INSURANCE	59,71,898		43,82,308	
<b>TOTAL</b>	<b>34,65,40,472</b>		<b>33,76,06,214</b>	

**17 CHANGE IN INVENTORIES**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
<b>OPENING STOCK:</b>				
Finished Goods	12,63,59,952		11,46,43,005	
Work in Progress	85,99,160		1,58,08,904	
Scrap & Wastage	1,79,520	13,51,38,632	88,000	13,05,39,909
<b>LESS: CLOSING STOCK:</b>				
Finished Goods	12,71,11,867		12,63,59,952	
Stock Adjustment	(11,67,662)		-	
Work in Progress	92,41,846		85,99,160	
Scrap & Wastage	3,75,600	13,55,61,651	1,79,520	13,51,38,632
<b>Net Change in Inventories</b>	<b>(4,23,019)</b>		<b>(45,98,723)</b>	

**18 EMPLOYEE BENEFITS EXPENSES**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017		Year Ended 31st March, 2016	
Wages, Salary, Bonus, Gratuity & Other Allowances	21,14,18,783		21,71,57,730	
Contribution to Provident & Other Funds	1,53,31,786		1,60,94,397	
Directors' Remuneration	2,39,68,461		2,46,19,903	
Workmen & Staff Welfare	85,63,579		1,03,61,884	
<b>TOTAL</b>	<b>25,92,82,609</b>		<b>26,82,33,914</b>	

**18.1** Contribution to Provident & Other funds includes contribution of Provident Fund for Directors ₹ 17,64,720/- (Prev Year ₹ 18,61,200/-)

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 19 FINANCE COST

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
<b>INTEREST :</b>		
On Term Loans	68,07,574	95,81,087
On Others	2,49,00,669	2,22,41,764
<b>TOTAL</b>	<b>3,17,08,243</b>	<b>3,18,22,851</b>

### 20 DEPRECIATION & AMORTISATION EXPENSE

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
For the year	7,29,20,480	7,69,72,956
Less : Transferred to Revaluation Reserve	37,909	40,683
<b>TOTAL</b>	<b>7,28,82,571</b>	<b>7,69,32,273</b>

### 21 OTHER EXPENSES

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Power & Fuel	1,71,64,724	1,86,78,211
Machining & Electroplating	1,17,78,568	1,39,44,876
Tools	57,28,608	69,44,550
Repairs :		
Building	35,40,507	19,97,816
Plant & Machinery	70,76,642	75,04,069
Others	17,42,791	1,23,59,940
Insurance Charges	32,43,883	27,41,889
Travelling & Conveyance	3,06,73,593	3,85,70,474
Postage & Telephone	62,11,184	66,51,686
Professional & Consultancy	51,15,498	59,53,460
Vehicle Running & Maintenance	73,45,885	55,73,349
Rent	1,45,74,247	1,77,08,937
Rates & Taxes	36,71,751	23,89,474
Directors' Sitting Fees	4,60,000	7,26,370
Payment to Auditors :		
Audit Fee	3,20,950	3,60,104
Tax Audit Fee	75,000	75,000
Taxation Matters	25,000	25,000
Foreign Branch Audit Fee	5,84,319	5,79,259
Out of Pocket Expenses	20,000	10,25,269
Packing & Forwarding Exp.	3,67,03,010	4,31,96,148
Commission & Discount	78,35,054	35,95,444
Advertisement & Publicity	26,78,060	85,39,194

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017**21 OTHER EXPENSES**

(Amount in ₹)

PARTICULARS	Year Ended 31st March, 2017	Year Ended 31st March, 2016
Foreign Exchange Diff. - Foreign Operations & Others	44,56,691	14,53,449
Bad Debts	40,66,668	32,40,937
CSR Expenditure	12,00,000	-
Miscellaneous Expenses	3,43,90,997	3,66,63,800
<b>TOTAL</b>	<b>21,06,83,630</b>	<b>22,98,64,504</b>

21.1 The Provision of ₹ 12,00,000/- has been created during the year for the amount to be spent on CSR activities.

**22 Contingent Liabilities & Commitments****22.1 Contingent Liabilities**

(Amount in ₹)

PARTICULARS	2016-2017	2015-2016
i) Disputed Sales Tax-Case	1,75,24,280	3,00,246
ii) Disputed Income Tax (appeals pending)	50,54,838	50,54,838
iii) Bank Guarantee	2,56,93,417	2,79,56,515
iv) Corporate Guarantee	22,950	-
v) Labour Cases	62,13,864	66,89,228
vi) Additional Demand from Greater Noida Industrial Development Authority on Greater Noida Land	1,10,00,000	1,10,00,000

**22.2 Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ NIL /- (Previous year ₹ NIL/-)

**23 Financial and Derivative Instruments****For Hedging Currency**

Nominal amounts of derivative contracts entered into by the Company and outstanding as on 31<sup>st</sup> March 2017 is given below:

(Amount in ₹)

PARTICULARS	2016-2017	2015-2016
Forward Contract	2,85,96,000	1,17,26,800

24 Revaluation of all the fixed assets (except Building under construction upto 31.03.1993) was carried out by an approved valuer as on 31<sup>st</sup> March, 1993, which resulted in an increase in the Gross Value of assets over original cost by ₹ 2,50,17,478/-. The net increase in the value, resulting from the revaluation amounting to ₹ 2,50,17,478/- has been credited to Revaluation Reserve, created during the year ended 31.03.1993. Of this Revaluation reserve, a sum of ₹ 2,42,06,104/- has been adjusted on account of depreciation/sale of revalued assets till 31<sup>st</sup> March, 2017

25 Depreciation for the year, on write up of assets due to revaluation as on 31.03.1993, has been recouped out of Revaluation Reserve.

26 Term Deposits with Bank of India, Janpath Branch amounting to ₹ 16,02,356/- (Prev. year ₹ 33,07,350) and Term Deposit with IndusInd Bank, Barakhamba Road Branch amounting ₹ 29,33,016/- (Prev Year ₹ 23,99,044/-) are pledged with Bank of India & IndusInd Bank as Margin on Bank Guarantees, Letter of Credit and Foreign bills purchased by them.



## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### 27 Related Party Disclosure

#### Key Managerial Personnel

(Amount in ₹)

Name	Designation	Nature of Transaction-Gross Salary	
		2016-2017	2015-2016
Mr. Harish Chandra Gupta	Chairman & Managing Director	1,07,04,967	1,10,21,659
Mr. Anurag Gupta	Dy. Managing Director	66,87,285	68,56,085
Mr. Arvind Veer Gupta	Whole Time Director	65,76,209	67,42,159
Mr. Pardeep Jain	Chief Financial Officer	21,57,090	20,51,585
Mr. Ashwani Kumar Verma	Company Secretary	15,59,060	14,93,585

#### Relatives of Key Managerial Personnel

##### Mr. H. C. Gupta HUF

Mr. H.C. Gupta, Chairman & Managing Director of the Company is the Karta of H.C. Gupta HUF and the Company had taken on lease for Camp Office from H.C. Gupta HUF and paid ₹ 27,56,000/- towards rent upto Sept'16 (Prev year ₹ 49,74,000/-).

#### Transactions with other related party

Particulars	Relationship	Nature of Transactions	2016-2017	2015-2016
<b>1. Revenue from Operation</b>				
Roto Pumpen GmbH	Wholly Owned Subsidiary	Sales	19,11,961	1,06,16,902
Roto Pumps North America Inc	Wholly Owned Subsidiary	Sales	6,08,77,511	5,08,82,506
Roto Pumps Africa (Pty) Ltd	Subsidiary	Sales	74,00,841	-
<b>2. Other Income</b>				
Roto Pumpen GmbH	Wholly Owned Subsidiary	Interest Income	-	4,86,876
Roto Pumps Americas Inc	Wholly Owned Subsidiary	Interest Income	-	3,45,354
<b>3. Other Expenses</b>				
Roto Pumps North America Inc	Wholly Owned Subsidiary	Commission on Sales	6,43,661	19,00,185
<b>4. Purchase of Investments</b>				
Roto Pumpen GmbH	Wholly Owned Subsidiary	Purchase Investments	-	1,46,79,751
Roto Pumps North America Inc	Wholly Owned Subsidiary	Purchase Investments	-	2,93,76,500

The Joint Venture Company in Singapore- Roto Overseas Pte Ltd has acquired majority Stake in a South African Company known as Roto Pumps Africa ( Pty) Ltd during the financial year 2016-2017.

### 28 Remuneration to Chairman & Managing Director, Dy. Managing Director and Whole Time Director.

(Amount in ₹)

PARTICULARS	2016-2017	2015-2016
Salary	1,47,06,000	1,55,10,000
Other Perquisites	92,62,461	91,09,903
	2,39,68,461	2,46,19,903

- 29** Income /(Loss) on difference in exchange rates on account of foreign currency transactions relating to Export Sales amounting to ₹ 1,02,50,352/- { Previous Year - ₹ (51,81,976/-)} has been grouped with Export Sale.
- 30** Excise duty payable on finished goods/Scrap Stock lying in stock at factory amounting to ₹ 10,01,987/- (Prev. year ₹ 7,01,577/-) has been included in the value of the closing stock after creating suitable provision for liability.
- 31** In the opinion of the Board, the Current Assets, Loans and Advances are stated at a value, considered realisable in the ordinary course of business.

- 32 The Company's operations predominantly comprises of only one segment - Pumps & spares, therefore operational segment reporting does not apply.

### 33 Deferred Tax

Deferred Tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing laws.

Breakup of deferred tax assets / liabilities and reconciliation of current year deferred tax credit/charge.

(Amount in ₹)

Particulars	Deferred Tax Asset / (Liability) as on 31.03.2016	Current Year Credit / (Charge)	Deferred Tax Asset / (Liability) as on 31.03.2017
Difference in carrying amount of fixed assets in financial statements and income tax return	(1,53,09,811)	55,52,144	(97,57,667)
Provision for Gratuity	10,75,133	9,86,316	20,61,449
Provision for Leave encashment	29,25,865	8,64,594	37,90,459
Others	18,44,588	(24,66,823)	(6,22,235)
<b>Total</b>	<b>(94,64,225)</b>	<b>49,36,231</b>	<b>(45,27,994)</b>

**Note:** The Company has recognised the Deferred Tax Asset of ₹ 49,36,231/- (Previous year Deferred Tax Asset of ₹ 59,03,907/-) during the year and debited to Profit & Loss Account.

### 34 Earning per share

(Amount in ₹)

PARTICULARS	2016-2017	2015-2016
Net profit after taxes for the year	4,91,64,277	64,43,660
Number of Equity Shares	1,54,53,805	1,54,53,805
Basic and Diluted Earning per Shares	3.18	0.42
Face Value per Share	2	2

### 35 Additional Information as required under Schedule III to the Companies Act 2013, of enterprises consolidated as Subsidiary / Joint Ventures.

(Amount in ₹)

Name of Enterprises	Net Assets i.e Total Assets minus Total Liabilities		Share in Profit or Loss	
	As % of consolidated net assets	Amount (Rs )	As % of consolidated profit or loss	Amount (Rs)
Parent				
Roto Pumps Limited	110.47%	63,16,74,107	134.02%	6,58,88,883
<b>Subsidiaries-Foreign</b>				
Roto Pumpen Gmbh	0.10%	5,79,398	-6.76%	(33,23,033)
Roto Pumps Americas Inc.	1.51%	86,37,321	4.41%	21,68,392
<b>Joint Venture-Foreign</b>				
Roto Overseas Pte.Ltd	4.80%	2,74,65,660	-4.12%	(20,24,057)
Minority Interest in Joint Venture	2.42%	1,38,59,223	1.65%	8,09,623
Total Eliminations	-19.31%	(11,03,96,741)	-29.20%	(1,43,55,531)
<b>Total</b>	<b>100.00%</b>	<b>57,18,18,968</b>	<b>100.00%</b>	<b>4,91,64,277</b>

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- 36 The disclosure required under Accounting Standard 15-"Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below:

### DEFINED CONTRIBUTION PLAN

Contribution to Defined Contribution Plan, recognised are charged off for the year are as under:

(Amount in ₹)

PARTICULARS	2016-2017	2015-2016
Employer's Contribution to Provident fund	49,52,629	50,93,022
Employer's Contribution to Superannuation/NIC at foreign branches	60,34,342	60,79,714

### DEFINED BENEFIT PLAN

The Employees' gratuity fund scheme managed by Reliance Life Insurance Company Ltd. is a defined benefit plan. The present value of obligation for gratuity and leave encashment is determined on the basis of Actuarial Valuation Report made at the year end.

#### In respect of Employees in India

Particulars	Gratuity Funded		Leave encashment	
	2016-2017 Amount (₹)	2015-2016 Amount (₹)	2016-2017 Amount (₹)	2015-2016 Amount (₹)
The principle assumptions used in actuarial valuation				
-Discount rate	7.39%	8.04%	7.39%	8.04%
-Expected rate on return of assets ( per annum)	7.39%	8.04%	N.A	N.A
-Expected rate of future salary increase	5.75%	5.75%	5.75%	5.75%
Change in Present value of Obligation				
-Present value of obligation as at the beginning of the year	1,73,52,250	1,72,58,680	60,56,616	54,39,985
-Interest Costs	13,95,121	13,78,969	4,86,952	4,34,655
-Current Service Cost	14,30,065	13,99,982	5,69,480	5,91,392
-Past Service Cost( vested benefit)				
-Benefits Paid	(13,88,135)	(15,10,553)	(17,31,590)	(13,62,067)
-Actuarial (Gain) / Loss on obligations	8,73,151	(11,74,828)	13,49,361	9,52,651
<b>-Present value of obligation as at end of the year</b>	<b>1,96,62,452</b>	<b>1,73,52,250</b>	<b>67,30,819</b>	<b>60,56,616</b>
Change in fair value of Plan Assets				
Fair Value of Plan Assets at the beginning of the period	1,41,00,185	1,45,76,649	-	-
Expected Return on Plan Assets	11,33,655	11,64,674	-	-
Contributions			-	-
Benefit Paid	(13,88,135)	(15,10,553)	-	-
Actuarial Gain/(Loss) on Plan Assets	(1,39,820)	(130585)	-	-
<b>Fair Value of Plan Assets at the end of the period</b>	<b>1,37,05,885</b>	<b>1,41,00,185</b>	<b>-</b>	<b>-</b>
Actual Return on Plan Assets				
Expected Return on Plan Assets	11,33,655	11,64,674	-	-
Actuarial Gains/(Losses) on Plan Assets	(1,39,820)	(1,30,585)	-	-
Actual Return on Plan Assets	9,93,835	10,34,089	-	-
Liability Recognised in balance Sheet				
-Present value of obligation as at end of the year	(1,96,62,452)	(1,73,52,250)	(67,30,819)	(60,56,616)
-Fair value of plan assets as at the end of the year	1,37,05,885	1,41,00,185	-	-
-Unfunded status	(59,56,567)	(32,52,065)	(67,30,819)	(60,56,616)
-Unrecognised Actuarial (Gain)/Loss	-	-	-	-

**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS** FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Gratuity Funded		Leave encashment	
	2016-2017 Amount (₹)	2015-2016 Amount (₹)	2016-2017 Amount (₹)	2015-2016 Amount (₹)
<b>Net Assets/ (Liability) recognised in Balance Sheet</b>	<b>(59,56,567)</b>	<b>(32,52,065)</b>	<b>(67,30,819)</b>	<b>(60,56,616)</b>
Expenses recognised in Profit and Loss Account				
-Current Service Cost	14,30,065	13,99,982	5,69,480	5,91,392
-Interest Costs	2,61,466	2,14,295	4,86,952	4,34,655
-Expected Return on Plan assets	-	-	-	-
-Past Service Cost( vested benefit) Recognised	-	-	-	-
-Net Actuarial (Gain)/ Loss recognised during the year	10,12,971	(10,44,243)	13,49,361	9,52,651
<b>Total Expenses recognised in Profit and Loss a/c</b>	<b>27,04,502</b>	<b>5,70,034</b>	<b>24,05,793</b>	<b>19,78,698</b>

**In respect of employees at Foreign branches**

Particulars	Gratuity Funded		Leave encashment	
	2016-2017 Amount (₹)	2015-2016 Amount (₹)	2016-2017 Amount (₹)	2015-2016 Amount (₹)
Change in Present value of Obligation	-	-		
-Present value of obligation as at beginning of the year	-	-	27,93,550	13,69,193
-Interest Costs	-	-	2,02,238	1,17,050
-Current Service Cost	-	-	13,14,280	10,41,350
-Past Service Cost( vested benefit)	-	-		
-Benefits Paid	-	-	(18,80,930)	(38,21,900)
-Actuarial (Gain) / Loss on obligations	-	-	17,92,595	40,87,857
-Present value of obligation as at end of the year			42,21,733	27,93,550
Change in fair value of Plan Assets	-	-	-	-
Fair Value of Plan Assets at the beginning of the period	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Contributions	-	-	-	-
Benefit Paid	-	-	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-	-	-
Fair Value of Plan Assets at the end of the period	-	-	-	-
Actual Return on Plan Assets				
Expected Return on Plan Assets	-	-	-	-
Actuarial Gains/(Losses) on Plan Assets	-	-	-	-
Actual Return on Plan Assets	-	-	-	-
Liability Recognised in balance Sheet	-	-		
-Present value of obligation as at beginning of the year	-	-	(42,21,733)	(27,93,550)
-Fair value of plan assets as at the end of the year	-	-	-	-
-Unfunded status	-	-	(42,21,733)	(27,93,550)
-Unrecognised Actuarial (Gain)/Loss	-	-	-	-
<b>Net Assets/(Liability) recognised in Balance Sheet</b>			<b>(42,21,733)</b>	<b>(27,93,550)</b>
Expenses recognised in Profit and Loss Account	-	-		
-Current Service Cost	-	-	13,14,280	10,41,350
-Interest Costs	-	-	2,02,238	1,17,050

## NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Gratuity Funded		Leave encashment	
	2016-2017 Amount (₹)	2015-2016 Amount (₹)	2016-2017 Amount (₹)	2015-2016 Amount (₹)
-Expected Return on Plan assets	-	-		
-Past Service Cost( vested benefit) Recognised	-	-	-	-
-Net Actuarial (Gain)/ Loss recognised during the year	-	-	18,49,584	40,01,700
Total Expenses recognised in Profit and Loss a/c			33,66,102	51,60,100

### 37 Disclosure of Specified Bank Notes held and transacted during the period 08/11/2016 to 30/12/2016

(Amount in ₹)

Particulars	SBNs	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	9,67,000	77,032	10,44,032
Add:- Withdrawn from Banks	-	14,98,000	14,98,000
Add:- Permitted receipts	-	8,300	8,300
Less:- Permitted Payments	-	13,92,275	13,92,275
Less :- Amount deposited in Banks	9,67,000	-	9,67,000
Closing Cash in Hand as on 30.12.2016	-	1,91,057	1,91,057

38 The Board of Directors of the company at its meeting held on May 12, 2017, inter alia, has recommended a dividend of ₹ 0.40 per equity shares on 1,54,53,805 equity Shares of Par value ₹ 2/- each.

39 Previous Year's figures have been re-grouped/re-arranged wherever necessary to render them comparable with the current year's figures.

40 Figures have been rounded off to the nearest rupee.

As per our Report of even date.  
For A.Kay.Mehra & Co.,  
Chartered Accountants  
(Registration No. 050004C)

For and on behalf of the Board

**(HARISH CHANDRA GUPTA)**  
Chairman & Managing Director  
(DIN:00334405)

**(ANURAG GUPTA)**  
Dy. Managing Director  
(DIN :00334160)

(A. KAY. MEHRA )  
PARTNER  
Membership No. 009963  
PLACE : NOIDA  
DATE : 12th May, 2017

**(PRADEEP JAIN)**  
Chief Financial Officer  
(PAN: AAEPJ6827A)

**(ASHWANI K VERMA)**  
Company Secretary  
(M.No: A15482)



# ROTO PUMPS LTD.

Regd. Office: Roto House, Noida Special Economic Zone Noida - 201 305 (U.P.)

Ph: +91 120 2567902-05; Fax: +91 120 2567911

Website: www.rotopumps.com, email: investors@rotopumps.com

CIN: L28991UP1975PLC004152

## 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 : .....or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual General Meeting of the Company, to be held on Friday, 29th September, 2017 at 11.30 a.m. at the Registered Office of the Company at Roto House, Noida Special Economic Zone, Noida - 201 305 (U.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

### Ordinary Business

- To receive, consider and adopt the audited financial statements (including consolidated audited financial statements) of the Company for the financial year ended 31st March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
- To declare dividend on equity shares.
- To appoint a director in place of Mr. Anurag Gupta (DIN: 00334160), who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.
- To appoint M/s. R.N. Marwah & Co. LLP, Chartered Accountants as Statutory Auditors and fixing their remuneration.

### Special Business

- To appoint Branch Auditors.

Signed this .....day of September, 2017

Affix  
₹1/-  
Revenue  
Stamp

.....  
Signature of shareholder

.....  
Signature of proxy holder(s)

### Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 48 hours before the commencement of the Meeting.
- Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.



Performance expectations  
are getting  
**heavier**



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**Roto House**

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