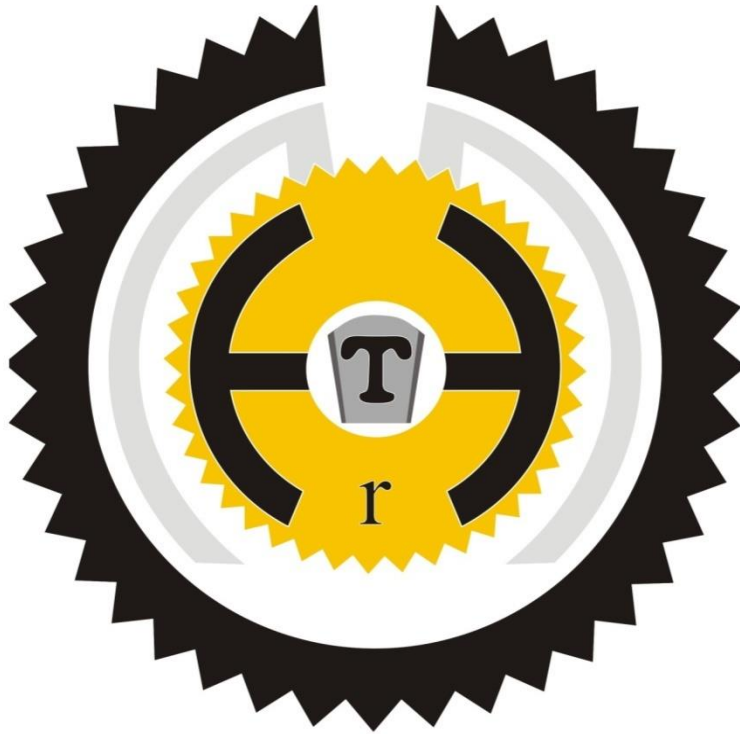


# ANNUAL REPORT 2018-2019

CORPORATE INFORMATION'S

**MEWAR HI-TECH ENGINEERING LIMITED**

CIN NO: L29299RJ2006PLC022625



**MEWAR HITECH ENGINEERING LIMITED**

**BOARD OF DIRECTORS**

<b>Shri. Chattar singh Harisingh Rathore</b>	<b>Chairman And Managing Director</b>
<b>Smt. Reena Rathore</b>	<b>Whole Time Director</b>
<b>Shri. Vaibhav Singh Rathore</b>	<b>Whole Time Director &amp; CFO</b>
<b>Shri. Munish Chandra Goyal</b>	<b>Independent Director</b>
<b>(w.e.f. 16/07/2018)</b>	
<b>Shri . Ajit Singh Rathore</b>	<b>Independent Director</b>
<b>(w.e.f. 16/07/2018)</b>	

**COMPANY SECRETARY AND COMPLIANCE OFFICER**

**Miss. RIMIKA TALESARA**

**REGISTRAR AND SHARE TRANSFER AGENT**

**Big share Services Pvt. Ltd**

**E-3 ANSA INDUSTRIAL ESTATE, SAKI VIHAR ROAD**

**SAKINAKA MUMBAI - 400072**

**Email- investor@kingsoncrusher.com**

**BANKER:**

**Corporation Bank,**

**HDFC Bank**

**State Bank of India**

**AUDITOR**

**M/s Sagar Golchha & Co.**

**Chartered Accountant**

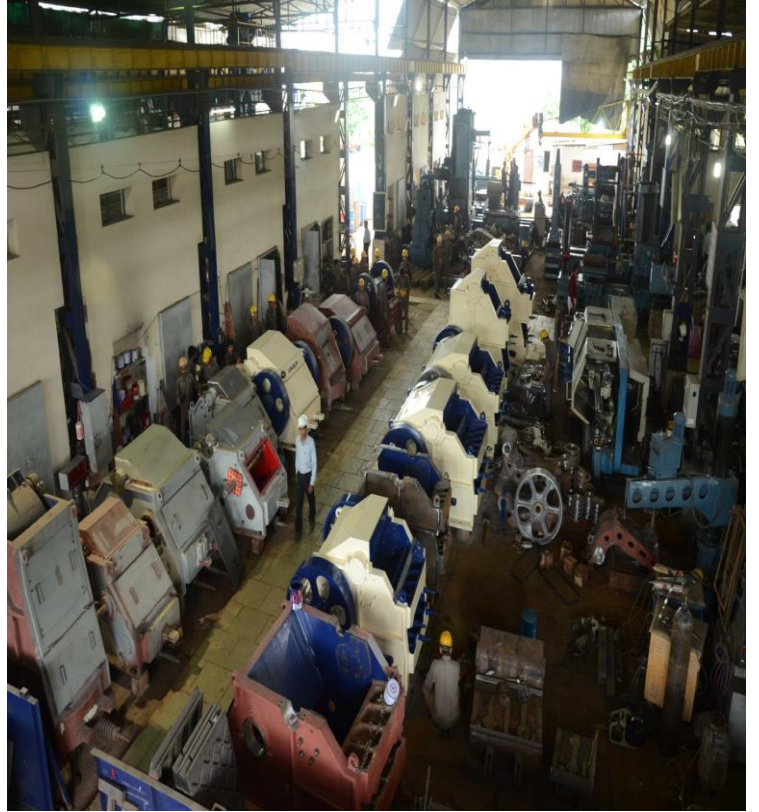
**Udaipur, Rajasthan**

**REGISTERED OFFICE**

**1 HAWA MAGRI INDUSTRIAL**

**AREA SUKHER UDAIPUR 313001**

# ABOUT MEWAR HI-TECH



\* Manufacturing unit of Mewar Hi-Tech Engineering Ltd. comprising of various machineries like Cone Crushers, Jaw Crusher, HIS, VSI and Vibrating Screens, etc.

## NOTICE

Notice is hereby given that the 13<sup>th</sup> Annual General Meeting of the members will be held on Thursday, 26<sup>th</sup> Day of September, 2019 at 11:00 A.M., at the registered office of the Company situated at 1, Hawa Magri, Industrial Area, Sukher, Udaipur (Rajasthan).

### **ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the audited Balance Sheet as on 31<sup>st</sup> March, 2019, Profit & Loss Account and Cash Flow Statement for the year ended on that date together with the Board Report and Auditor's report thereon.
2. To re-appoint Mr. CHATRSINGH HARISINGH RATHORE (DIN: 01748904) as Managing Director, who is liable to retire from his office by rotation and being eligible, offers himself for re-appointment under section 152 (6) of the Companies Act 2013.

### **SPECIAL BUSINESS:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ghanshyam Joshi (**DIN:08490676**), who qualifies for being appointed as an independent director and in respect of which the company has received consideration from Nomination and Remuneration committee and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**For & on behalf of the Board of Directors  
Mewar Hi-Tech Engineering Limited  
CIN: L29299RJ2006PLC022625**

**Date: 04/09/2019**

**Place: Udaipur**

**Sd/-  
(Rimika Talesara)  
Company Secretary  
M. No. A43461**

**NOTES:**

- 1) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the relevant business set out in the Notice is annexed.
- 2) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
  - I. The Board of Directors has appointed M/s Divanshu Mittal and Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
  - II. The facility for voting, either through electronic voting system or poll paper, shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the AGM.
  - III. The Members who have cast 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. A Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.
- 3) (a) A member entitled to attend the meeting and vote at the meeting is entitled to appoint a proxy under section 105 of Companies Act, 2013. A proxy can vote on behalf of the member but shall not have the right to speak.
  - (b) A proxy need not be a member of the Company.
  - (c) A person can act as a proxy on behalf of members not exceeding 50 and aggregate holding of not more than 10% of the total share capital of the Company.

- (d) 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 or shareholder.
  - (e) Proxies in order to be valid must be deposited at the Company's Registered Office not less than 48 hours before the time fixed for the meeting or holding the adjourned meeting in relation to which the proxy is given.
  - (f) A proxy form for AGM is enclosed.
- 4) A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, provided that not less than three days of notice in writing is given to the Company.
  - 5) Corporate members intending to send their authorized representative to attend the meeting pursuant to Section 113 of Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board resolution together with the specimen signature of their authorized representatives to attend and vote on their behalf at the meeting.
  - 6) Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company would remain closed from Tuesday, 17<sup>th</sup> September, 2019 to Thursday, 26 September, 2019 (both days inclusive) for the purpose of Annual General Meeting of the Company.
  - 7) In accordance with the provisions of Section 101 of Companies Act, 2013, read with Rule 18 of Companies (Management and Administration Rules), 2014 and Regulation 36 of the SEBI (LODR) Regulations, 2015, Copies of the Notice of the 13<sup>th</sup> AGM, Annual Report 2019, Attendance Slip and Proxy are being sent by electronic mode to all those members whose e-mail addresses are registered with the Company/RTA or Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2019 are being sent by the permitted mode.
  - 8) Members may note that the notice of the 13<sup>th</sup> AGM, the Annual Report 2019 will be available on the Company's website. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to communication via e-mail or having any other queries, may write to us at [investor@kingsoncrusher.com](mailto:investor@kingsoncrusher.com)
  - 9) A route map showing directions to reach the venue of the 13<sup>th</sup> AGM of the Company is given as per the requirement of the "Secretarial Standards - 2" on General Meetings.

- 10) All the documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during Business Hours on all working days up to the date of declaration of the result of the 13<sup>th</sup> AGM of the Company.
- 11) Register of Directors and Key Managerial Personnel and their shareholding, maintained u/s 170 of the Companies Act, 2013 will be available for Inspection by the members at the AGM and shall be made accessible to every person attending the meeting.
- 12) The Register of Contracts or arrangements in which the Directors are interested, maintained u/s 189 of the Companies Act, 2013, if any, will be available for inspection by the Members at the AGM.
- 13) Additional information, pursuant to SEBI (LODR) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM is furnished in the explanatory statement forming part of this Notice. The directors have furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and related Rules.
- 14) The members desirous of obtaining any information with regard to the audited annual accounts of the Company for the financial year 2018-2019 or on any other related subject are requested to write to the Company at e-mail ID investor@kingsoncrusher.com at least 15 days before the date fixed for the AGM, so that the information required could be kept ready.
- 15) Members/proxies attending the Annual General Meeting are requested to bring the following documents, for security reasons and for proper conduct of the AGM:
  - (a) Attendance Slip duly completed and signed by the respective members or/proxy.
  - (b) Member who are Companies/Institutions are requested to send a copy of the resolution of their Board or governing body, authorizing their representative to attend and vote at the Annual General Meeting.
  - (c) DP & Client ID Number(s), by members holding shares in dematerialized form.
  - (d) Copy of the Annual Report.
- 16) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website [investor@kingsoncrusher.com](mailto:investor@kingsoncrusher.com).



- 17) As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13.
- 18) In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

**FOR THE ATTENTION OF THE MEMBERS:**

1. Members are requested to send intimations of any changes in their addresses, applications for demat of shares, applications for transfer of shares and any related correspondence to the Company's share transfer agents Bigshare Services Private Limited, E-3 Ansa Industrial Estate, Saki-Vihar Road, Sakinaka Mumbai Maharashtra-400072. Contact No.: 022-62638200 e-mail ID: [investor@bigshareonline.com](mailto:investor@bigshareonline.com) Website: [www.bigshareonline.com](http://www.bigshareonline.com)

**2. SENDING NOTICES AND DOCUMENTS TO SHAREHOLDERS THROUGH EMAIL:**

As a part of "Green Initiative" in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening General Meetings, Annual Reports, etc. to the email addresses of the shareholders. For this purpose, shareholders holding shares in demat form are requested to register their email IDs with their Depository Participants.

**For & on behalf of the Board of Directors  
M/s Mewar Hi-Tech Engineering Limited  
CIN: L29299RJ2006PLC022625**

**Date: 04/09/2019**

**Place: Udaipur**

**Sd/-  
(Rimika Talesara)  
Company Secretary  
M. No. A43461**



**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO. 3**

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

The Nomination and Remuneration committee has recommend or propose the Name of Mr. Ghanshyam Joshi (DIN: 08490676) to appoint as an independent director of the company under section 160 of the companies act, 2013 for the period of 5 (Five) years who qualifies for being appointed as an independent director under section 149 of the companies act, 2013 and possess the relevant expertise's and qualifications for this post.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors, proposing the name of Mr. Ghanshyam Joshi (DIN: 08490676) to appoint as Independent Directors of the Company in the ensuing Annual General Meeting and not liable to retire by rotation and who shall hold office for a term of 5 (five) consecutive years on the Board of the Company.

**MEWAR HI-TECH ENGINEERING LIMITED**

1, HAWA MAGRI, INDUSTRIAL AREA SUKHER, UDAIPUR (RAJ.)

CIN: L29299RJ2006PLC022625

Ph. No.: 0294-2440234; Fax No. 0294-2440234,

E-mail Id: [accounts@kingsoncrusher.com](mailto:accounts@kingsoncrusher.com); Website: [www.mewarhitech.com](http://www.mewarhitech.com)

**Additional Information required under Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (relating to Corporate Governance) and Secretarial Standard on General Meetings, with respect to the appointment & re-appointment of Directors is as under:**

<b>Name of the Director</b>	<b>CHATRSINGH HARISINGH RATHORE</b>
<b>Director Identification Number</b>	<b>01748904</b>
<b>Date of Birth</b>	<b>05/01/59</b>
<b>Age</b>	<b>60</b>
<b>Date of Appointment</b>	<b>24/02/16</b>
<b>Brief resume of the Director including Qualification, nature of expertise in specific functional areas</b>	<b>B.com and CWA &amp; has expertise in marketing.</b>
<b>No. of shares held in the Company</b>	<b>628560</b>
<b>Directorships and Committee memberships held in other companies</b>	<b>Director in 2 companies - Mewar Marmo engineering pvt. Ltd &amp; Mewar technocast private limited</b>
<b>Inter-se relationships between Directors, Manager and KMPs</b>	<b>Husband of Mrs. Reena Rathore &amp; Father of Mr. Vaibhav singh Rathore</b>
<b>Nationality</b>	<b>INDIAN</b>
<b>No. of Board Meetings held during the Year</b>	
<b>No. of Board meetings attended during the year.</b>	
<b>Remuneration sought to be paid</b>	<b>12,60,000/-</b>
<b>Remuneration Last drawn</b>	<b>12,60,000/-</b>

\*Chairman of the Committee For other details such as the number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Corporate Governance Report which is a part of this Annual Report.

**For & on behalf of the Board of Directors  
M/s Mewar Hi-Tech Engineering Limited**

**Date: 04/09/2019**

**Place: Udaipur**

**Sd/-  
(Rimika Talesara)  
Company Secretary  
M. No. A43461**

**MEWAR HI-TECH ENGINEERING LIMITED**

1, HAWA MAGRI, INDUSTRIAL AREA SUKHER, UDAIPUR (RAJ.)

CIN: L29299RJ2006PLC022625

Ph. No.: 0294-2440234; Fax No. 0294-2440234,

E-mail Id: [accounts@kingsoncrusher.com](mailto:accounts@kingsoncrusher.com); Website: [www.mewarhitech.com](http://www.mewarhitech.com)**ATTENDANCE SLIP**

1. Name(s) of Member(s) including joint holders:

If any (in Block Letter(s))

2. Registered Address of the Sole/First :  
Named Member

3. Name of Proxy holder :

4. Registered Folio No. /\*DP ID No. and :  
Client ID No

5. Number of Shares held :

I/We hereby record my/our presence at the 13<sup>th</sup> Annual General Meeting of the Members of Mewar Hi-Tech Engineering Limited held on Thursday, 26<sup>th</sup> Day of September, 2019 at 11:00 A.M. at the registered office of the Company at 1, Hawa Magri, Industrial Area, Sukher, Udaipur, Rajasthan 313001.

**Signature of Member/Proxy****Note:**

1. Please fill up this attendance slip and hand it over at the entrance of the meeting hall.
2. Members/Proxy Holders/Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate members shall produce proper authorization issued in their favor.
4. \*Applicable for members holding shares in electronic form.

**MEWAR HI-TECH ENGINEERING LIMITED**

1, HAWA MAGRI, INDUSTRIAL AREA SUKHER, UDAIPUR (RAJ.)

CIN: L29299RJ2006PLC022625

Ph. No.: 0294-2440234; Fax No. 0294-2440234,

E-mail Id: [accounts@kingsoncrusher.com](mailto:accounts@kingsoncrusher.com); Website: [www.mewarhitech.com](http://www.mewarhitech.com)**PROXY FORM****Form No: MGT-11**

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

<b>CIN</b>	L29299RJ2006PLC022625	
<b>Name of the Company</b>	MEWAR HI-TECH ENGINEERING LIMITED	
<b>Registered Office</b>	1, Hawa Magri, Industrial Area Sukher, Udaipur (Raj.)	
<b>Name of the member (s)</b>		
<b>Registered Address</b>		
<b>E-mail ID</b>		
<b>Folio No /Client ID</b>		<b>DP ID</b>

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

1. Name : .....

Address:.....

E-mail Id:..... Signature:

.....,

Or failing him

2. . . Name: .....

Address:.....

E-mail Id:..... Signature:

.....,

Or failing him

3. . Name : ..... Address

:.....

E-mail Id :..... Signature:

.....,

as my/our proxy to attend and vote for me/us and on my/our behalf at the 13<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, 26<sup>th</sup> Day of September, 2019 at 11:00 A.M. at 1, Hawa Magri, Industrial Area, Sukher, Udaipur, Rajasthan-313001 and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Resolution No.</b>	<b>Resolutions</b>
<b>Ordinary Business</b>	
<b>1.</b>	To receive, consider and adopt the audited financial statements of the Company for the financial year ended on 31 <sup>st</sup> March, 2019 together with the reports of the Board of Directors and Auditors thereon.
<b>2.</b>	Appointment of a Director in place of Chatsingh Harisingh Rathore (DIN: 01748904), who is liable to retire by rotation and being eligible, offers himself for re-appointment.
<b>Special Business</b>	
<b>3.</b>	Appointment of Independent Director for the period five years

Signed this..... day of....., 2019

AFFIX REVENUS TAMP
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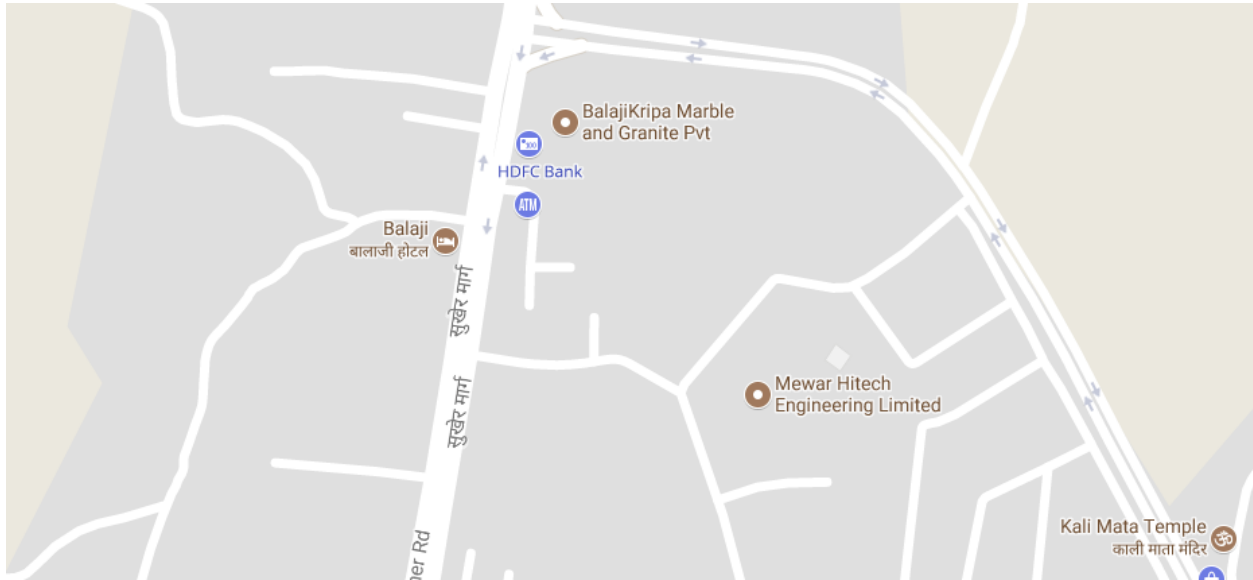
**Signature of shareholder**

**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.**

This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any, under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting.

## **ROUTE MAP TO THE AGM VENUE**



### **MEWAR HI-TECH ENGINEERING LIMITED**

**(CIN: L29299RJ2006PLC022625)**

**Venue: 1, Hawa Magri, Industrial Area, Sukher, Udaipur, Rajasthan 313001**

**Date: 26/09/2019**

**Time: 11:00 A.M.**

**For Further Information Kindly Refer the below LINK to the Venue:**

<https://www.google.com/maps/place/Mewar+Hitech+Engineering+Limited/@24.6450356,73.7196708,838m/data=!3m1!1e3!4m5!3m4!1s0x0:0x53356bee8b18f8!8m2!3d24.6450188!4d73.7202273?hl=en-US>



**MEWAR HI-TECH ENGINEERING LIMITED**

1, HAWA MAGRI, INDUSTRIAL AREA SUKHER, UDAIPUR (RAJ.)

CIN: L29299RJ2006PLC022625

Ph. No.: 0294-2440234; Fax No. 0294-2440234,

E-mail Id: [accounts@kingsoncrusher.com](mailto:accounts@kingsoncrusher.com); Website: [www.mewarhitech.com](http://www.mewarhitech.com)**DIRECTOR'S REPORT**

To The Members,

Your Directors have pleasure in presenting their 13<sup>th</sup> Annual Report on the business and operations of the Company and the audited accounts for the Financial Year ended on 31<sup>st</sup> March, 2019.

**1. FINANCIAL PERFORMANCE**

The Company's financial performances for the year under review along with previous year's figures are given hereunder:

**(Amount in Rs.)**

<b>Particulars</b>	<b>For the financial year ended 31<sup>st</sup> March, 2019 (Rs.)</b>	<b>For the financial year ended 31<sup>st</sup> March, 2018 (Rs.)</b>
Business Income	60,24,69,947	62,03,34,167
Other Income	16,43,379	39,14,038
Total Income	60,41,13,326	62,42,48,205
Profit before depreciation & taxation	1,72,81,921	3,39,21,320
Less: Depreciation	1,27,19,592	1,15,18,176
Less: Taxation	38,90,687	99,98,761
<b>Profit after taxation</b>	<b>6,71,642</b>	<b>1,24,04,383</b>
Balance brought forward from the previous year	2,98,07,797	1,74,03,414
Total balance carried to Balance Sheet	<b>6,71,642</b>	<b>1,24,04,383</b>

## **2. OPERATION AND STATE OF COMPANY'S AFFIARS:**

The company has generated Rs. 602,469,947/- as revenue from the operations in the current financial year i.e., 2018-2019. The company is engaged in the business of manufacturing and assembling of wide range of crushers, screens and customized size reduction equipment. The Board of Directors had evolved and adopted a code of conduct based on the principal of good Corporate Governance and best management practices being followed globally.

During the year under review your company did satisfactory. Directors expect that the company will achieve new heights in the ensuing year.

## **3. DIVIDEND:**

During the year under review the directors of the company felt prudent to retain the earnings for the year to be ploughed back in the business, which shall result in further augmentation of the company's growth and shareholders wealth.

## **4. CHANGES IN THE NATURE OF BUSINESS:**

There is some change in the nature of business in comparison to immediate preceding year.

The Company in its Extra-ordinary General Meeting held on Monday, 20<sup>th</sup> August, 2018 for change in its main object clause of the MOA of the Company to carry on business of KPO, BPO, and IT related work and to do all other activities, whether in India or abroad.

## **5. CHANGE IN SHARE CAPITAL:**

The Company has 39,03,600 Equity Shares of Rs. 10/- each amounting to Rs. 3,90,36,000.

During the year under review, the Company has not issued any shares. Thus, there is no change in the Share Capital of the Company.

## **6. TRNASFER TO RESERVES:**

No amount is carried to any reserves during the period under review.

## **7. MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to SEBI (LODR) Regulations, 2015 Report on Management Discussion and Analysis forms an integral part of the Board Report. The Management Discussion and Analysis report is annexed as Annexure.

**8. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In pursuance of provisions of Section 134(5) referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, and based on the information provided by the management, your Directors hereby confirm that:

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2019.

**9. CORPORATE SOCIAL RESPONSIBILITY:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable. Pursuant to the provisions of section 135 and schedule VII of the Companies Act, 2013 at present the CSR provisions are not applicable to the Company.

Further, the Company has voluntarily spent certain amounts towards the Society.

**10. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:**

There are no material changes after the balance sheet date which may materially affect the financial position of the company or having any material impact on the operations of the Company.

**11. CHANGES IN SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:**

The Company has no subsidiaries, joint ventures or associates during the year and therefore no details are required to be given.

**12. CONSOLIDATED FINANCIAL STATEMENTS:**

The Company has no Subsidiary or Joint Venture therefore; question of consolidated financial statement does not arise.

**13. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:**

The company has entered into the transaction with its related party on the arm length price in ordinary course of business and same has been reviewed by the Audit committee pursuant the Provision of Regulation 23 of SEBI (LODR) Regulations, 2015 and Rule 6A of (Meeting of Board and its power) Rules, 2014.

All the related party transactions on arm length price and in ordinary course of business due to which the provision of section 188 of the companies act, 2013 not applicable on the company and the details of Related Party Transaction disclosed in Notes of Accounts.

**14. PARTICULARS OF EMPLOYEES AND REMUNERATION:**

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

**15. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant the Provision of Section 160 of the companies act, 2013 the Remuneration and Nomination Committee has recommended and propose the name of Mr. Ghanshyam Joshi (DIN: 08490676) to appoint as an Independent Director of the company for the period of Five years who qualifies for being appointed as an independent director.

During the year the company has appointed to Mr. Munish Chandra Goyal (DIN: 00370703) and Mr. Ajit Singh Rathore (DIN: 08178802) as an additional independent director and same has been regularized in the annual general meeting of the company for the financial year 2017-2018.

During the financial year Mr. Chatsingh Harisingh Rathore retire from the post of directorship of the company by rotation and being eligible and offer himself for reappointment.

The brief profile, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the Director eligible for appointment/ re-appointment forms part of the Corporate Governance Report.

The company has Independent Directors on the Board and also one women director as per the requirements of section 149 of the Companies Act, 2013.

Shri Mahendra Singh Singhvi has resigned from the post of Independent Directorship.

## **16. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Company has received necessary declaration from each Independent Director of the company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence as laid down in Section 149(6).

The loan provided by the company to Phosphate India Pvt. Limited not affecting the eligibility criteria of Independence of any independent director of the company as per the provision of section 149 (6) of the companies act, 2013

## **17. INTERNAL AUDITORS**

The company has M/s Shailesh Jain & Associate, Chartered Accountant (Firm Registration Number: 003988C) & K. Chhabra & Associate as an internal Auditors as per provision of section 138 of the Companies Act, 2013 and has completed the internal Audit as per the scope defined by the Audit Committee.

## **18. STATUTORY AUDITORS**

M/S Sagar Golchha & Co., Chartered Accountants (FRN: 007755C) acts as the Statutory Auditors of the Company and audited the financial statements for the year ended 31<sup>st</sup> March, 2019, who was appointed in the Annual General Meeting of the Company which was held on 30<sup>th</sup> day of September, 2017 to hold office for a period of 5 (five) consecutive years till the conclusion of the Annual General Meeting which will be held at the end of F.Y. 2022, at such remuneration for each financial year as may be decided by the directors of the company in due consultation with the Statutory Auditors of the Company.

## **19. SECRETARIAL AUDITOR**

M/s P. Talesara & Associates, Practicing Company Secretary, Udaipur was appointed as the Secretarial Auditor of the Company for the financial year 2018-2019 by the Board of Directors pursuant to provisions of Companies Act, 2013 and rules there under. Secretarial audit report as provided by M/s P. Talesara & Associates, Practicing Company Secretary is annexed to this Report.

## **20. AUDIT REPORTS**

The statutory auditor's report, the secretarial audit report and internal audit reports for the year ending 2018-19 have been obtained by the company. Secretarial audit report and statutory audit is a part to this report.

## **21. BOARD MEETINGS**

During the Financial Year 2018-2019, the Board of directors met 15 times. The details of the Board Meeting and the attendance of the directors are provided in the corporate governance report.

## **22. NOMINATION AND REMUNERATION COMMITTEE & AUDIT COMMITTEE:**

The Nomination & Remuneration Committee and Audit Committee consist of adequate composition of Non Executive Independent Directors of which details are mentioned in the Corporate Governance Report as per the requirement of SEBI (LODR) Regulation, 2015.

All the recommendations of the Audit committee were accepted by the Board during the FY 2018-2019.

## **23. PARTICULARS OF LOANS, GAURANTEES OR INVESTMENTS**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, if any, apart from the loans made, guarantee given or security provided by the Company in the ordinary course of business, if any, are given in the Notes to accounts forming part of the Audited Financial Statements for the year ended March 31, 2019.

## **24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

- (a) **Conservation of Energy:** The Company's operations are not energy-intensive and involve low energy consumption. However, adequate measures have been taken to conserve the consumption of energy.

- (b) **Technology Absorption:** Operations of the company do not involve any kind of special technology and there was no expenditure on research & development during this financial year. However, your company continuously upgrading its technology (computer technology and telecom infrastructure) to ensure it is connection with its clients across the global.
- (c) **Foreign Exchange Earnings and outgo:** Foreign Exchange Earnings of Rs. 7,14,24,906/- during the year and Rs. 6,63,078/- outgo amount during the year.
- (d) **Human Resource Development & Industrial Relations:** Your Company continues to take new initiatives to further align its HR policies to meet the growing needs of its business. People development continues to be a key focus area of the Company. The industrial relations in all the units of the Company remained cordial and peaceful throughout the year.

## 25. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return is set out as an Annexure to this Board Report in prescribed Form MGT-9 which forms part of this Annual Report. We are hosting the Annual Return on the web link of the company i.e. [www.mewarhitech.com](http://www.mewarhitech.com).

## 26. BUSINESS RISK MANAGEMENT

The Board of Directors of the Company identifies & evaluates the business risks and opportunities. The directors of the Company take pro-active steps to minimize adverse impact on the business objectives and enhance the Company's competitive advantage. Presently no material risk has been identified by the directors except of general business risks, for which the Company is leveraging on their expertise and experience.

## 27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

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

## 28. NUMBER OF CASES FILED, IF ANY, AND THEIR DISPOSAL U/S 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at work place and has a policy on prevention, prohibition and redressal of sexual harassment at work place in the line of provisions of Sexual Harassment of women at work place (Prevention, Prohibition and Redressal), Act, 2013 and the rules framed there under. Internal Complaints Committee (ICC) has been set up to



redress complaints received regarding sexual harassment. No complaint of sexual harassment was received during the financial year 2018-19

## **29. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

There were no qualifications, reservations or adverse remarks made either by the Auditors in their respective Audit Reports or by the company secretary in their secretarial report.

## **30. SHARES**

### **(a) Buy Back Of Securities**

The Company has not bought back any of its securities during the year under review.

### **(b) Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year under review.

### **(c) Bonus Shares**

The company has not issued bonus shares during the year under review.

### **(d) Employees Stock Option Plan**

The Company has not provided any Stock Option Scheme to the employees.

## **31. LISTING WITH STOCK EXCHANGES**

The Company confirms that it has paid the Annual Listing Fees for the year 2018-19 to BSE SME where the Company's shares are listed.

## **32. INVESTOR COMPLAINTS AND COMPLIANCE:**

During the year, Company has not received any investor complaints and as on date no complaints are pending.

## **33. EARNINGS PER SHARE (EPS):**

The earnings per share (EPS) is Rs.0.17 per share as at March 31<sup>st</sup> 2019 as against Rs.3.18 per share as at March 31<sup>st</sup> 2018.

## **34. ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, Government Authorities, customers, vendors and members during the year under review. Your directors also wish to place on record their

deep sense of appreciation for the committed services by the Company's executives, staff and workers.

**Date: 04/09/2019**

**Place: Udaipur**

**For & on Behalf of Board of Directors  
Mewar Hi-Tech Engineering Limited  
CIN: L29299RJ2006PLC022625**

**Sd/-  
Smt. Reena Rathore  
Whole Time Director  
DIN: 01748907**

**Sd/-  
(Chattarsingh Rathore)  
Managing Director  
DIN: 01748904**

## **Annexure-I**

### **Policy for Selection and Appointment of Directors and their Remuneration**

#### **CRITERIA OF SELECTION OF NON-EXECUTIVE DIRECTORS**

The Non-executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the Nomination & Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Nomination & Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Nomination & Remuneration Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

- i. Qualification, expertise and experience of the Directors in their respective fields;
- ii. Personal, Professional or business standing;
- iii. Diversity of the Board.

In case of re-appointment of Non-executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

#### **REMUNERATION**

The Non-executive Directors may be paid sitting fees for each meeting of the Board attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the Board Meetings.

#### **EXECUTIVE DIRECTOR – CRITERIA FOR SELECTION / APPOINTMENT**

For the purpose of selection of the Executive Director, the Nomination & Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience & leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board. The Committee will also ensure that the incumbent

fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

### **REMUNERATION FOR THE EXECUTIVE DIRECTOR:**

At the time of appointment or re-appointment, the Executive Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination & Remuneration Committee and the Board of Directors) and the Executive Director within the overall limits prescribed under the Companies Act, 2013.

The remuneration of Executive Director shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the Executive Director comprises of fixed and variable component as per the provisions of Companies Act, 2013. The fixed component comprises salary, allowances, perquisites, amenities and retirement benefits.

### **REMUNERATION POLICY FOR THE SENIOR MANAGEMENT EMPLOYEES**

In determining the remuneration of the Senior Management Employees, the Nomination & Remuneration Committee shall ensure the relationship of remuneration and performance benchmark is clear. The Executive Director will carry out the individual performance review based on the respective defined objectives, qualification, expertise, experience and other factors whilst recommending the annual increment and performance incentive to the Nomination & Remuneration Committee for its review and approval.

## **Annexure-II**

### **Report on Corporate Governance for the year ended 2018-2019**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report containing the details of Corporate Governance systems and processes at the company is as follows:

The Corporate Governance code is a professional system framed for directing and controlling the Organization. The purpose is to ensure compliance of local statutes and ensure safeguard and value addition in long term to the interest of its members, creditors, customers and employees. The Company has initiated the practice of incorporating the Corporate Governance Report in the Annual report in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A concerted attempt has been made to bring in transparency and professionalism to ensure ethical standard in business activities while implementing the Corporate Governance Code. The management places on record that the mandatory compliances to constitute various committees as required by SEBI (LODR), Regulations 2015, are in place.

#### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company is committed to ensure high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision making are followed to ensure long term wealth generation and creation of value for all the stakeholders. The company follows all the principles of corporate governance in its true spirit and at all times.

#### **2. BOARD OF DIRECTORS**

The Company is fully compliant with the Corporate Governance Norms in terms of constitution of the Board which is well blended with a good combination of Executive and Independent Directors. The Board has complete access to any information within the Company & of any employee of the Company.

Pursuant to SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015, the Board meets at least once in every quarter to review quarterly/annual financial results and other items on the agenda and gap between two Board Meetings is not more than 120 Days. The Board is apprised of all the important information relating to the business of the Company including those listed in SEBI (Listing Obligation and Disclosure Requirements), 2015.

#### **Composition & Category of Directors:**

During the Financial Year the Board of Directors comprised of five Directors:

Two is Independent Director

One Whole Time Director  
 One CFO & Whole Time Director  
 One Managing Director

The independent directors have confirmed that they satisfy the criteria prescribed for an independent director as stipulated in the provisions of Section 149(6) of the Companies Act, 2013. All directors are appointed by the members of the Company. The directors bring to the board a wide range of experience and skills.

The Composition of the Board is in conformity with (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Attendance of Directors at Board Meetings during the financial year and at the last AGM and Number of Directorships/Committee positions of Directors as on 31<sup>st</sup> March, 2019, were as under:

Name of the Director	Category	No. of Meetings held	Number of other Directorships	Number of Committee positions held in other companies*	
				Member	Chairman
Shri Chattarsingh Harisingh Rathore,	Managing Director	15	02	0	0
Smt. Reena Rathore	Whole Time Director	15	01	0	0
Shri Vaibhav Singh Rathore	CFO & Whole Time Director	15	01	0	0
Shri. Ajit Singh Rathore	Independent Director	4	0	0	0
Shri. Munish Chandra Goyal	Independent Director	4	01	0	0

**Note:** Shri Mahendra Singh Singhvi has resigned from the post of office of independent directorship.

### **Responsibilities**

The Board of Directors represents the interest of the Company's shareholders, in optimizing long-term value by providing the management with guidance and strategic direction on the shareholders' behalf. The Board has a formal schedule of matters reserved for its consideration and decision, which includes reviewing corporate performance, ensuring adequate availability of financial resources, regulatory compliance, safeguard interest of shareholders and reporting to shareholders.

### **Role of Independent Directors**

Independent Directors play an important role in deliberations at the Board Meetings and bring to the Company their wide experience in the fields of finance, marketing and accountancy. This wide knowledge, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspectives. The Company benefits immensely from their inputs in achieving its strategic direction. The Audit Committee, the Nomination & Remuneration Committee have a majority of Independent Directors. These Committees function within the defined terms of reference in accordance with the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and as approved by the Board, from time to time. Board members ensure that their work in other capacities do not impinge on their fiduciary responsibilities as Directors of the Company.

### **Independent Directors**

The Company has 2 (Two) Independent Directors on its Board. All the Directors viz. Ajit Singh Rathore and Munish Chandra Goyal were appointed are not liable to retire by rotation. Their appointments were made in terms of the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

All Independent Directors of the Company, at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet with the criteria of independence as provided in section 149 of the Companies Act, 2013. In the opinion of the Board, each independent director possesses appropriate balance of skills, experience and knowledge, as required. Each Independent Director possesses appropriate balance of skills, experience and knowledge, as required.

### **Familiarization Program for Independent Directors:**



The objective of a familiarization program is to ensure that the non-executive directors are updated on the business environment and overall operations of the Company. This enables the non executive Directors to make better informed decisions in the interest of the Company and its stakeholders. A familiarization program was conducted for non-executive Directors on areas such as the core functions of the Company, overview of the industry, financials and performance of the Company.

### **Evaluation of Directors and Board:**

With the objective of enhancing the effectiveness of the Board, the Nomination & Remuneration Committee formulated the methodology and criteria to evaluate the performance of the Board and each Director. The evaluation of the performance of the board is based on the approved criteria such as the board composition, strategic planning, role of the Chairman, non-executive Directors and other senior management, assessment of the timeliness and quality of the flow of information by the Company to the Board and adherence to compliance and other regulatory issues.

### **Meetings of Independent Directors:**

A separate Meeting of Independent Directors was held on 01/11/2018 where they reviewed the performance of the non-executive directors and the Board as a whole, the Chairman of the Company, overall performance of the Board and assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board.

### **3. Board Committees Composition of Board Committees:**

#### **Audit Committee**

The Audit Committee pursuant to the provisions of Section 177 of the Companies Act, 2013 at the Board level acts as a link between the Auditors, the Management and the Board of Directors and oversees the financial reporting process. The Audit Committee interacts with the Internal Auditors, Statutory Auditors, Secretarial Auditors and reviews and recommends their appointment and remuneration, terms of appointment. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

#### **THE TERMS OF REFERENCES OF THE AUDIT COMMITTEE ARE AS UNDER:**

- 1) Overseeing of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the term of appointment with fixation

of audit fees.

- 3) Approval of payment to Statutory Auditors for any other services rendered by them.
- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies, significant adjustment made in the financial statements arising out of audit findings.
  - Disclosure of any related party transactions and qualifications in the draft audit report.
  - Compliance of listing and other legal requirements relating to financial statements.
- 5) Reviewing with the management the quarterly financial statements before submission to the Board for approval.
- 6) Reviewing with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- 7) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading department, reporting structure coverage and frequency of internal audit.
- 8) Discussion with internal auditors or any significant findings and follow up there on.

The **Composition of Audit Committee** comprises as follows:

<b>Name</b>	<b>Category</b>	<b>Designation</b>
Shri Ajit Singh Rathore	Non- Executive & Independent Director	Member
Shri Mahendra Singh Singhvi	Non- Executive & Independent Director	Member
Shri Munish Chandra Goyal	Non- Executive & Independent Director	Chairman

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015. Members of the Audit Committee are financially literate and have relevant finance / audit exposure.

#### **Powers and Roles of the Committee:**

The Audit Committee assists the board in the dissemination of financial information and in overseeing the financial and accounting processes in the company. The terms of reference of the audit committee covers all matters specified in SEBI (LODR) Regulations, 2015 and also those specified in section 177 of the Companies Act, 2013. The audit committee reviews the compliance with legal and statutory requirements, the half yearly and annual financial statements and related party transactions and reports its findings to the Board. The committee also recommends the appointment of internal auditor, statutory auditor. The committee also looks into those matters specifically referred to it by the Board.

### **Nomination and Remuneration committee**

The terms of reference of the committee inter alia include the following:

- 1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- 3) devising a policy on diversity of Board of Directors;
- 4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- 6) Any other matter as the Board may decide from time to time.

### **COMPOSITION of COMMITTEES**

#### **Nomination and Remuneration Committee:**

During the year under review the Nomination and Remuneration Committee has not met during the year. Further, the Composition of the Nomination and Remuneration Committee Meeting is as follows:

<b>Name</b>	<b>Category</b>	<b>Designation</b>
Shri Ajit Singh Rathore	Non- Executive & Independent Director	Member
Shri Mahendra Singh Singhvi	Non- Executive & Independent Director	Member
Shri Munish Chandra Goyal	Non- Executive & Independent Director	Chairman

**Stakeholders Relationship Committee:**

During the year under review the Nomination and Remuneration Committee has not met during the year. Further, the Composition of the Nomination and Remuneration Committee Meeting is as follows:

Name	Category	Designation
Shri Ajit Singh Rathore	Non- Executive & Independent Director	Member
Shri Mahendra Singh Singhvi	Non- Executive & Independent Director	Member
Shri Munish Chandra Goyal	Non- Executive & Independent Director	Chairman

**Investor Grievance Redressal:**

SEBI vide Circular Ref: CIR/OIAE/2/2011 dated June 3, 2011 informed the company that they had commenced processing of investor complaints in a web based complaints redress system “SCORES”. Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES. During the year company did not receive any complaints from investors.

**Remuneration policy:**

The Company’s Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed to the Directors’ Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors.

The Company’s remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

**Directors/KMP Remuneration**

Sr. No.	Name	Amount of remuneration
---------	------	------------------------

1.	Shri Chattarsingh Harisingh Rathore (Managing Director)	12,60,000/- P.A.
2..	Smt. Reena Rathore (Director)	6,00,000/- P.A.
3.	Shri Vaibhav Rathore (Director)	12,00,000/- P.A.
4.	Miss Rimika Talesara (Company Secretary)	2,25,000/- P.A.

#### **Transactions with Non-Executive Directors:**

There was no pecuniary relationship or transactions of the non-executive director's vis-à-vis the Company during the Financial Year ended 31<sup>st</sup> March, 2019.

Details of shareholding of Directors as on 31<sup>st</sup> March, 2019:

The shareholding details of the Directors as at March 31<sup>st</sup> 2019 are included in MGT-9 forming part of the Director's Report.

#### **4. CODES AND STANDARDS**

##### **Vigil Mechanism:**

Pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and as per Regulation 22 of SEBI (LODR) Regulations, 2015, Company have made a formal Vigil Mechanism Policy which provides detailed procedure to protect the interest of employees of the company. The Audit Committee oversees the vigil mechanism. No employee has been denied access to the Audit Committee.

##### **Prevention of Insider Trading:**

Your Company has formulated and adopted a Code for Prevention of Insider Trading Practices in accordance with the model code of conduct as prescribed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended. The code is applicable to all directors, senior employees and their dependents. The said persons are restricted from dealing in the securities of the Company during the 'restricted trading periods' notified by the Company, from time to time.

##### **Code of Conduct for the Board of Directors and the Senior Management:**

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the company pursues its objectives, honesty and personal integrity will not be compromised under any circumstances. As provided under

Regulation 5 of SEBI (LODR) Regulations, 2015, the Board members and senior management personnel have affirmed compliance with the code of conduct for the financial year 2018-2019.

**A declaration signed by the Company's Managing Director is published in this Report.**

Declaration under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

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

**Declaration by Board:**

Board hereby confirms that Company has devised proper systems to ensure compliance of all laws applicable to the company.

## **5. DISCLOSURES**

**Related Party Transaction:**

There have been no materially significant related party transactions with the company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the company at large. The necessary disclosures regarding the transactions are given in the notes to accounts.

Details of RPT in form AOC 2 attached to Board Report may also be referred to.

The Company has also formulated a policy for determining the Material RPT and the details of such policies for dealing with RPT.

**Accounting Treatment:**

There has been no difference in the Accounting treatment.

**Dematerialization of shares:**

Company's shares are available for trading with National Securities Depository Ltd. (NSDL) and with Central Depository Services (India) Limited (CDSL). The ISIN allotted to company's equity shares is INE957U01011.

Total number of Shares held in dematerialized form with CDSL & NSDL as on 31<sup>st</sup> March, 2019 is 3224400 Shares i.e. 82.60% of total shares of Company. Members are requested to convert their shares in demat form for easy transaction.

### **Means of Communication:**

The main source of information for the shareholders is the Annual Report which includes inter alia, the Director's Report, the shareholder's information and the audited financial results. Company recognizes the importance of regular dialogue with its shareholders to ensure that the Company's strategy is clearly understood.

Shareholders have an opportunity to attend the Annual General Meeting at which the business outlook is presented and relevant aspects of the company's operations are discussed. In addition, the registered office as well as the Registrar's office (RTA), serves as a contact point for shareholders on issues such as share transfers, dividends and announcements.

The Ministry of Corporate Affairs (MCA) and the Companies Act, 2013, has taken a "Green Initiative" in corporate governance by allowing paperless compliances by the Companies through electronic mode. The SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 permits companies to send soft copies of the annual report to all those shareholders who has registered their e-mail addresses with the Company/Depository participant. The Company has been requesting the shareholders holding shares in demat form to register/update their e-mail addresses to the company/ depository participants. Accordingly, the annual report for 2018-2019, notice for AGM etc., are being sent in electronic mode to shareholders who have registered their e-mail addresses with the Company/depository participants. For those shareholders who have not opted for the above, the same are being sent in physical form. Members who hold share in physical form are requested to contact Miss RIMIKA TALESARA, Company Secretary and Compliance officer, or at the registered office of the Company or Big Share Services Pvt. Ltd. (Registrar and Share Transfer Agent).

The annual report also contains a section on "Shareholder's Information" which inter alia provides information relating to the AGM date, time and venue, and other corporate governance information as required under SEBI (LODR) Regulations, 2015, The Company has designated the e-mail id - investor@kingsoncrusher.com to enable the shareholders to register their grievances.

### **MD and CFO Certification:**

The Managing Director / Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of SEBI (LODR) Regulations, 2015. The annual certificate given by the Managing Director and the Chief Financial Officer is published in this Report.



**6. RECONCILIATION OF SHARE CAPITAL:**

A quarterly audit was conducted by a practicing company secretary, reconciling the issued and listed capital of the company with the aggregate of the number of shares held by investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31<sup>st</sup> March 2019, there was no difference between the issued and listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories.

**7. INFORMATION TO SHAREHOLDERS:**

A brief resume of the director reappointed together with the nature of his experience and details of the other directorships held by him is annexed to the Notice convening the Annual General Meeting.

**8. NOMINATION FACILITY:**

Most of the shares of the company are in demat form and shareholders are requested to contact their Depository Participants for availing nomination facility.

**9. COMPLIANCE CERTIFICATE OF THE AUDITORS:**

Certificate from the Company's Auditors, M/s. Sagar Golchha & Co., confirming compliance with conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015, is attached to this Report.

**10. COMPLIANCE:**

The Company has complied with the mandatory requirements as stipulated under Regulation 34(3) and 53 of SEBI (LODR) Regulations, 2015. The Company has submitted the quarterly compliance status report to the stock exchanges within the prescribed time limit, as and when required.

**11. GOING CONCERN:**

The directors are satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently consider it appropriate to adopt the going concern basis in preparing the financial statements.

**12. THE BOARD:**

Independent Directors possess the requisite qualification and experience to contribute effectively to the company in their capacity as independent director.

### 13. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under:

Financial Year	Date	Time	Venue
2017-18	29th September, 2018	11.00 A.M.	1, Hawa Magri Industrial Area, Sukher, Udaipur (Raj.).
2016-17	30 <sup>th</sup> September, 2017	11.00 A.M.	1, Hawa Magri Industrial Area, Sukher, Udaipur (Raj.)
2015-16	30 <sup>th</sup> September, 2016	01.00 P.M.	1, Hawa Magri Industrial Area, Sukher, Udaipur (Raj.).

- Only Three Special Resolutions was passed in the meetings by the shareholders in the AGM held for the financial year (2017-18).
- Extraordinary General Meeting was held during the year 2018-19.
- There was no resolution passed by the shareholders through postal ballot, in the financial year 2018-19

### 14. GENERAL SHAREHOLDER INFORMATION

<b>Day, Date and Time</b>	Thursday, 26 <sup>th</sup> Day of September, 2019 at 11:00 A.M.
<b>Venue</b>	1, Hawa Magri Industrial Area, Sukher, Udaipur (Raj.).

- **Financial Year** : 01<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019
- **Date of Book Closure** : Tuesday, 17<sup>th</sup> September, 2019 to Thursday, 26<sup>th</sup> September, 2019 (both days Inclusive)
- **Listing on Stock Exchange** : BSE Limited  
25<sup>th</sup> floor Phiroze Jeejeebhoy Towers,  
Dalal Street Fort, Mumbai- 400001
- **Stock Codes (for shares)** : 540150
- **Symbol (for shares)** : MHEL
- **ISIN Number** : INE957U01011

- **Registrar and Transfer Agents** : Big share Services Pvt. Ltd  
**Share Transfer System** : E-3 Ansa Industrial Estate Sakivihar  
Road Sakinaka Mumbai MH 400072 IN  
Tel No.: 011 - 29961281 / 29961282
- **Payment of Listing Fees** : Annual Listing fees as applicable has  
been duly paid

The Company's shares are traded on SME (BSE). Physical Shares which are lodged with the Registrar and Transfer Agents/ or with the Company for transfer are processed and returned to the Shareholders duly transferred within the time limit stipulated under the Listing Agreement subject to the documents being in order. Members holding shares in physical form are requested to get them dematerialized for easy transactions on stock exchange.

### **DECLARATION OF CODE OF CONDUCT**

This is to confirm that the Company has adopted a code of conduct for its Board of Directors and Senior Management Personnel. This Code is available at the Company's Registered Office and website.

I confirm that Board of Directors and Senior Management Personnel of the Company have, in respect of the financial year ended March 31, 2019, affirmed compliance with the Code of Conduct as applicable to them.

**For & on behalf of the Board of Directors:  
Mewar Hi-Tech Engineering Limited**

**Date: 04/09/2019**

**Place: Udaipur**

**Sd/-  
(Chattarsingh Rathore)  
Managing Director  
DIN: 01748904**

**Sd/-  
(Smt. Reena Rathore)  
Director  
DIN: 01748907**

## **CEO/CFO CERTIFICATION**

*Under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

To,  
The Board of Directors  
**Mewar Hi-Tech Engineering Limited**

We, Chattarsingh Harisingh Rathore, Managing Director and Vaibhav Singh Rathore, Whole Time Director cum CFO of Mewar Hi-Tech Engineering Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of Conduct.
3. We accept overall responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and that we have disclosed to the statutory auditor and the audit committee, deficiencies in the design or operations of such internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies in the design or operation of internal controls.
4. We indicate to the auditors and to the audit committee:
  - a) Significant changes in internal control over financial reporting during the year;
  - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and

c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company's internal control system and financial reporting. However, during the year there was no such instance.

**For & on behalf of the Board of Directors  
M/s Mewar Hi-Tech Engineering Limited**

**Date 04/09/2019**

**Place: Udaipur**

**Sd/-**

**(Chattarsingh Rathore)**

**Managing Director**

**DIN: 01748904**

**Sd/-**

**(Vaibhav Singh Rathore)**

**WTD cum CFO**

**DIN: 03438743**

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of  
Mewar Hi-Tech Engineering Limited,  
Udaipur (Raj.)

We have examined the compliance of conditions of corporate governance by Mewar Hi-Tech Engineering Limited (“the Company”), for the year ended on 31<sup>st</sup> March, 2019 as stipulated in Chapter IV of SEBI (LODR) Regulations, 2015 of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited with respect to procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and 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 Chapter IV of SEBI (LODR) Regulations, 2015

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M/s SAGAR GOLCHHA & Co.**  
**Chartered Accountants**  
**FRN NO. 007755C**

**Date: 04/09/2019**

**Place: Udaipur**

**Sd/-**  
**(CA Sagar Golchha)**  
**Partner**  
**M.No. 076797**

### **Annexure-III**

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **BUSINESS OVERVIEW:**

Your Company is a reputed and well known Udaipur based Company having its presence in construction services industry, since many years.

Your Company is committed to excellence in quality of its equipment and dedicated to customers and associates. We are committed to provide the best quality crushers, screens & customized size reduction equipment and satisfactory after sales services at competitive prices. We timely deliver out highly quality equipment to meet customer requirement. We provide professional advice to our customer, find innovative solutions to their specific requirements and treat them as our business partners, our professional approach, after sales service and timely supply of spare parts at most reasonable prices make us ideal choice as business partners.

### **OPPORTUNITIES:**

The management believes that Government of India's efforts to improve economic growth in the Country by providing opportunities for start-ups and infrastructure development is giving hopes to entrepreneurs for exploring new opportunities. The Company is also looking to tap such opportunity at the right moment.

The 'Make in India' is another initiative of the present government that will have a far-reaching impact on the crushing industry. To reap the resulting benefits, industry leaders are currently drawing up strategies involving quick plant deliveries, easy scalability, and mobile crushing solutions that promise minimum relocation costs.

### **THREATS:**

Any growing economy offers a host of opportunities. The challenge comes from the fact that competition also keeps increasing alongside and this is becoming all the more prominent with the continuous arrival of newer entrepreneurs in the market. While this is good for the larger population and the economy, it does put pressure on profitability of business. Not only newer entrepreneurs, technological advancement and the onset of on-line services have made it much easier to conduct businesses without too much need for supporting brick and mortar infrastructure. Not to mention that there is support from conducive government policies to anybody wanting to start a new business.

The rising cost of raw materials is a major hurdle facing the crushing and screening industry. Setting up a crushing unit involves high cost and unavailability of raw material on time only adds to the cost. Another challenge facing this industry involves strict government regulations. Ban on mining activities in the past had dealt a severe blow to the industry. Since environmental issues involving quarries in various states are yet to be entirely resolved, overall demand will continue to suffer.

### **SEGMENT REPORTINGS:**

The Company is exclusively engaged in manufacturing of construction equipments and revenues are mainly derived from this activity. Accounting Standard 17 regarding Segment-wise Reporting issued by the Institute of Chartered Accountants of India and notified under the Companies (Accounting Standards) Rules, 2006 does not apply to your Company since revenues are derived from only one segment.

### **OUTLOOK:**

This industrial sector is on the cusp of a recovery supported by an improvement in macroeconomic fundamentals and policy environment. The combination of strong sales, weak market conditions that support rapid business development and a strengthening commercial market provide us with a great opportunity to generate strong free cash flows and disproportionately scale our business in Financial Year 2018-19. Our performance for the year underlines the effectiveness of our resilient and differentiated business model that is anchored by the strength of the Mewar Hi-Tech Engineering Limited brand and the ability that gives us to attract partners and customers across. Our presence in Udaipur is strong brand equity and large numbers of new projects are handled by us which leads us to a good position in market.

### **RISKS AND CONCERNS:**

Your Company is exposed to internal and external risks. The internal risks relates to the risks within the Company due to change in management, personnel and policies, lapses / inadequacy in existing infrastructure facilities, delinquencies on the part of employees, staff attrition, misfeasance etc. The external risks can be associated to those factors which are not within the control of the Company like change in interest rates, government regulations, competition from others operating in similar business etc.

### **RISK MANAGEMENT:**

Comprehensive risk management practices form an integral part of the operations of Company. With ups and downs, volatility and fluctuations in the business in which Company operates, is exposed to a slew of complex, variable risks and uncertainties in the normal course of business.



Since such variations can cause deviations in the results from operations and affect our financial state, the focus on risk management is high. The rapid and continuous changes in the business environment have ensured that the organization becomes increasingly risk focused to achieve its strategic objectives. Company policies ensure timely identification, management and mitigation of relevant risks, such as credit risk, liquidity risk, interest rate risk, operational risk, reputational and regulatory risks etc., which help the Company move forward with vigor.

#### **INTERNAL CONTROL SYSTEMS & ADEQUACY:**

Company has always focused on maintain a strong internal control system which is commensurate with our size and nature of business. The Company's internal controls are structure in a manner that ensure reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies, laws, accounting standards for ensuring reliability of financial reporting

Company has documented procedures covering all financial and operating functions. Company has robust internal audit program, where the Internal Auditors, an independent firm of chartered accountants, conduct a risk-based audit with a view to not only test adherence to laid down policies and procedures but also to suggest improvements in processes and systems. Internal audit observations and recommendations are reported to the Audit Committee, which monitors the implementation of such recommendations. Suggestions for improvements are considered and the Audit Committee follows up on implementation of corrective actions. The Company also meets the Company's Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors posted with its observations.

#### **DISCUSSION ON FINANCIAL PERFORMANCE AND OPERATIONAL HIGHLIGHTS:**

The financial and other operational performance of the Company for the year under review has been discussed in detail in the Directors' Report. The Cash-Flow Statement and the Balance Sheet are annexed to this Annual Report.

#### **HUMAN RESOURCES:**

Human resource development is considered vital for effective implementation of business plans. The Company aims to align HR practices with business goals, motivate people for higher performance and build a competitive working environment. Productive high performing employees are vital to the company's success. The Board values and appreciates the contribution and commitment of the employees towards performance of your Company during the year. In pursuance of the Company's commitment to develop and retain the best available

Talent, the Company continued to offer in house training program to staff members in executive development, leadership and management skills.

The Company had organized various training programs for upgrading the skill and knowledge of its employees in different operational areas. The Company also sponsored its employees at various levels to attend various seminars and programs conducted by various organizations and institutions so as to update their knowledge and to keep them abreast of all the developments in their respective fields. Employee relations remained cordial and the work atmosphere remained congenial during the year.

#### **CAUTIONARY STATEMENT:**

Statements in this report on Management Discussion and Analysis describing the company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand-supply, finished goods price in the domestic and overseas markets in which the Company operates, raw-materials cost and availability, changes in Government regulations, tax regimes, economic developments within or outside India and other factors such as litigation and industrial relations, natural calamities, etc. over which the company does not have any direct control. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events or due to change in internal or external factors.

**ANNEXURE -IV****Form No.MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31<sup>st</sup> March, 2019**

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

**I. REGISTRATION AND OTHER DETAILS:**

<b>CIN</b>	L29299RJ2006PLC022625
<b>Registration Date</b>	08.06.2006
<b>Name of the Company</b>	MEWAR HI-TECH ENGINEERING LIMITED
<b>Category/Sub-Category of the Company</b>	COMPANY LIMITED BY SHARES/INDIAN NON-GOVERNMENT COMPANY
<b>Address of the Registered office and contact detail</b>	1 HAWA MAGRI, INDUSTRIAL AREA, SUKHER, UDAIPUR, RAJASTHAN- 313001
<b>Whether listed company</b>	Yes
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	<b>BIGSHARE SERVICES PRIVATE LIMITED</b> E-3 ANSA INDUSTRIAL ESTATE SAKIVIHAR ROAD SAKI NAKA MUMBAI MH 400072 email:investor@bigshareonline.com Website: www.bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

<b>Sr. No.</b>	<b>Name and Description of main products/ services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
1.	Manufacture of other special purpose machinery, equipment n.e.c. including part and accessories.	29299	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Appli cable Section
--	--	--	--	--	--

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

#### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
<b>a) Individual / HUF</b>	2014400	--	2014400	51.60 %	2046400	--	2046400	52.42 %	0.82 %
<b>b) Central Govt</b>	--	--	--	--	--	--	--	--	--
<b>c) State Govt(s)</b>	--	--	--	--	--	--	--	--	--
<b>d) Bodies Corp.</b>	116000	--	116000	2.97 %	116000	--	116000	2.97%	--
<b>e) Banks / FI</b>	--	--	--	--	--	--	--	--	--
<b>f) Any other</b>	--	--	--	--	--	--	--	--	--
<b>Total shareholdi</b>	<b>2130400</b>	<b>—</b>	<b>2130400</b>	<b>54.57 %</b>	<b>2162400</b>	<b>--</b>	<b>2162400</b>	<b>55.40%</b>	<b>0.83 %</b>

<b>ng of Promoter (A)</b>									
<b>B. Public Shareholding</b>									
<b>1. Institution</b>	--	--	--	--	--	--	--	--	--
<b>a) Mutual Funds</b>	--	--	--	--	--	--	--	--	--
<b>b) Banks / FI</b>	--	--	--	--	--	--	--	--	--
<b>c) Central Govt</b>	--	--	--	--	--	--	--	--	--
<b>d) State Govt(s)</b>	--	--	--	--	--	--	--	--	--
<b>e) Venture Capital Funds</b>	--	--	--	--	--	--	--	--	--
<b>f) Insurance Companies</b>	--	--	--	--	--	--	--	--	--
<b>g) FIIs</b>	--	--	--	--	--	--	--	--	--
<b>h) Foreign Venture Capital Funds</b>	--	--	--	--	--	--	--	--	--
<b>i) Others (specify)</b>	--	--	--	--	--	--	--	--	--
<b>Sub-total (B)(1):-</b>	--	--	--	--	--	--	--	--	--
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.</b>	--	--	--	--	--	--	--	--	--
<b>i) Indian</b>	30000	--	30000	0.77 %	84000	--	84000	2.15 %	1.38 %



<b>Sub-total (B)(2):-</b>	1062000	711200	1773200	45.42 %	1062000	679200	1741200	44.60 %	--
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>1062000</b>	<b>711200</b>	<b>1773200</b>	<b>45.42 %</b>	<b>1062000</b>	<b>679200</b>	<b>1741200</b>	<b>44.60 %</b>	<b>--</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	-	--	--	-	--
<b>Grand Total (A+B+C)</b>	<b>3192400</b>	<b>711200</b>	<b>3903600</b>	<b>100 %</b>	<b>3224400</b>	<b>679200</b>	<b>3903600</b>	<b>100%</b>	<b>--</b>

(ii) *Shareholding of Promoters*

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total	
1.	REENA RATHORE	8,94,000	22.9%	--	8,94,000	22.9%	--	--
2.	CHATTARSINGH HARISINGH RATHORE	628560	16.10%	--	628560	16.10%	--	--
3.	CHATTARSINGH HARISINGH RATHORE	360000	9.22%		392000	10.04%		0.82%
4.	MEWAR TECHNOCAST PRIVATE	116000	2.97%	--	116000	2.97%	--	--

5.	VAIBHAV SINGH RATHORE	67840	1.74%	--	67840	1.74%	--	--
6.	SHIV SINGH RATHORE	24000	0.61%	--	24000	0.61%	--	--
7.	FATAH SINGH RATHORE	24000	0.61%	--	24000	0.61%	--	--
8.	TEJ SINGH RATHORE	8000	0.20%	--	8000	0.20%	--	--
9.	HARI SINGH	8000	0.20%	--	8000	0.20%	--	--
	<b>Total</b>	<b>2130400</b>	<b>54.57%</b>	<b>--</b>	<b>2162400</b>	<b>55.40%</b>	<b>--</b>	<b>0.82%</b>

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

Particulars	Shareholding		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	<b>2130400</b>	<b>54.57%</b>	<b>2162400</b>	<b>55.39%</b>
REENA RATHORE	8,94,000	22.9%	8,94,000	22.9%
CHATTARSINGH HARISINGH RATHORE	628560	16.10%	628560	16.10%
CHATTARSINGH HARISINGH RATHORE	360000	9.22%	392000	10.04%
MEWAR TECHNOCAST PRIVATE LIMITED	116000	2.97%	116000	2.97%
VAIBHAV SINGH RATHORE	67840	1.74%	67840	1.74%
SHIV SINGH RATHORE	24000	0.61%	24000	0.61%
FATAH SINGH RATHORE	24000	0.61%	24000	0.61%
TEJ SINGH RATHORE	8000	0.20%	8000	0.20%
HARI SINGH	8000	0.20%	8000	0.20%





1.	Smt. Rajshree Ranawat	216000	5.53%	-	-	-	216000	5.53%
2.	Shri Shivraj Singh Shaktawat	444000	11.37%	Increase (Transfer )			456000	11.68%
3.	M/s Rolcast India	120000	3.07%	-	-	-	120000	3.07%
4.	Shri Shanti Lal Jain	98000	2.51%	-	-	-	98000	2.51%
5.	Shri Heera Lal Dangi	90000	2.30%	-	-	-	90000	2.30%
6.	Shri Addul Hafiz	80000	2.05%	-	-	-	80000	2.05%
7.	Vikas Choubisa	48000	1.23%	Increase (Transfer )			66000	1.69%
8.	Rikhav Securities Limited	66000	1.69%	-	-	-	66000	1.69%
9.	Rajendra Singh Panwar	44000	1.13%		-	-	44000	1.13%
10.	Himmat Singh Rathore	42000	1.08%	-	-	-	42000	1.08%

#### V. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Shareholding of Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company

At the beginning of the year				
REENA RATHORE	894000	22.9%	8,94,000	22.9%
CHATTARSINGH HARISINGH RATHORE	628560	16.10%	628560	16.10%
VAIBHAV SINGH RATHORE	67840	1.74%	67840	1.74%
MUNISH CHANDRA GOYAL	--	--	--	--
AJIT SINGH RATHORE	--	--	--	--
RIMIKA TALESARA	--	--	--	--
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>THERE IS NO CHANGES IN THE SHAREHOLDING DURING THE YEAR</b>			
At the end of the year				
REENA RATHORE	894000	22.9%	8,94,000	22.9%
CHATTARSINGH HARISINGH RATHORE	628560	16.10%	628560	16.10%
VAIBHAV SINGH RATHORE	67840	1.74%	67840	1.74%
MUNISH CHANDRA GOYAL	--	--	--	--
AJIT SINGH RATHORE	--	--	--	--
RIMIKA TALESARA	--	--	--	--

## VI. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	166568883	16075733	--	182644616
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
<b>Total (i+ii+iii)</b>	<b>166568883</b>	<b>16075733</b>	<b>--</b>	<b>182644616</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	44214313	--	44214313
* Reduction	16832040	10722782	--	27554822
<b>Net Change</b>	<b>(16832040)</b>	<b>33491531</b>	<b>--</b>	<b>16659491</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	149736843	49567264	--	<b>199304107</b>
ii) Interest due but not paid	--	--	--	
iii) Interest accrued but not due	--	--	--	
<b>Total (i+ii+iii)</b>	<b>149736843</b>	<b>49567264</b>	<b>--</b>	<b>199304107</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shri Chattarsingh Harisingh Rathore	Smt. Reena Rathore	Shri Vaibhav Singh Rathore	
1	Gross salary				

	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	12,60,000	6,00,000	12,00,000	<b>30,60,000</b>
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others, specify - others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	<b>Total (A)</b>	<b>12,60,000</b>	<b>600000</b>	<b>1200000</b>	<b>30,60,000</b>
	Ceiling as per the Act				

#### B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors	--	--	--	--	--
	Fee for attending board committee meetings	--	--	--	--	--
	Commission	--	--	--	--	--
	Others, please specify	--	--	--	--	--
	<b>Total (1)</b>	--	--	--	--	--
2	Other Non-Executive Directors	--	--	--	--	--
	Fee for attending board committee meetings	--	--	--	--	--
	Commission	--	--	--	--	--
	Others, please specify	--	--	--	--	--
	<b>Total (2)</b>	--	--	--	--	--
	<b>Total (B)=(1+2)</b>	--	--	--	--	--
	<b>Total Managerial Remuneration</b>	--	--	--	--	--
	<b>Overall Ceiling as per the Act</b>	--	--	--	--	--

### C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	--	<b>Ms Rimika Talesara</b>	--	--
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	2,25,000/-	--	2,25,000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission	--	--	--	--
	- as % of profit	--	--	--	--
	others, specify...	--	--	--	--
5	Others, please specify	--	--	--	--
	<b>Total</b>	--	2,25,000/-	--	2,25,000/-

### VIII. 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)
<b>A. COMPANY</b>					
Penalty		No Penalty, Punishment, Compounding offences during the F.Y.			
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty		No Penalty, Punishment, Compounding offences during the F.Y.			
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					

Punishment	No Penalty, Punishment, Compounding offences during the F.Y.
Compounding	

**Date: 04/09/2019**

**Place: Udaipur**

For & on Behalf of Board of Directors  
**Mewar Hi-Tech Engineering Limited**  
**CIN: L29299RJ2006PLC022625**

**Sd/-**  
**Smt. Reena Rathore**  
**Whole Time Director**  
**DIN: 01748907**

**Sd/-**  
**(Chattarsingh Rathore)**  
**Managing Director**  
**DIN: 01748904**

**Sd/-**  
**(Vaibhav Singh Rathore)**  
**Whole Time Director & CFO**  
**DIN: 03438743**

**P. Talesara & Associates**  
**Company Secretaries**

**213, Anand Plaza, Udaipur**  
**Tel. /Fax : 2429624,9414158294**  
**Email Id : tcsindya@gmail.com**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2019**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Personnel) Rules, 2014]*

To,  
 The Members,  
**MEWAR HI-TECH ENGINEERING LIMITED,**  
 CIN: L29299RJ2006PLC022625  
 Regd. Office: 1, Hawa Magri, Industrial Area Sukher,  
 Udaipur, Rajasthan-313001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MEWAR HI-TECH ENGINEERING LIMITED (name of the company) (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 my opinion thereon.

Based on my verification of the MEWAR HI-TECH ENGINEERING LIMITED (name of the company’s) books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2019 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 herein after :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by MEWAR HI-TECH ENGINEERING LIMITED (“the Company”) for the financial year ended on 31.03.2019 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under for specified Sections and Rules notified and came into effect from respective dates and a list of documents verified is as per Annexure A
- II. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the Company during the Audit Period);**
- 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, 2015.
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. 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)**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015.
- VI. The Company has complied with the following Laws specifically applicable to the Company: (as certified by the Management)
- a. Water (Prevention & control of pollution) Act 1974 and Air (Prevention & control of pollution) Act 1981
  - b. Labour laws pertaining to ESI and PF, Factories Act, Payment of Bonus Act, Minimum wages Act, payment of Wages Act, etc.
  - c. Negotiable Instrument Act, 1881
  - d. Code of Civil Procedure, 1908

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Stock Exchange(s).

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

### **I 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 as on close of the financial year except as mentioned hereunder. Following changes took place in the composition of the Board of Directors:

1. Shri Munish Chandra Goyal who was appointed as Additional Independent Director of the company w.e.f. 16.07.2018 was redesignated as Independent director w.e.f. 29.09.2018
2. Shri Ajit Singh Rathore who was appointed as Additional Independent Director of the company w.e.f. 16.07.2018 was redesignated as Independent director w.e.f. 29.09.2018
3. Shri Mahendra Singh Singhvi resigned from directorship of the company w.e.f. 28.12.2018

Adequate notice has been given to all the directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance by way of hand delivery and a system exists for meaningful participation at the meeting. All Decisions at board meeting and Committee meetings have been carried out as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I 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.

I have relied on the Representation made by the Company and its officers for systems and mechanism formed by the company for compliances under other Acts, laws and Regulations applicable to the Company.

In case of Direct and Indirect Tax Laws like Income Tax Act and GST Act, I have relied on the Reports given by the Internal Auditors of the Company.

**I further report that during the audit period:**

- i) The Company has obtained consent of the members of the company by passing special Resolutions in Extra Ordinary General Meeting held on 20.08.2018 for insertion of additional objects in the Main object clause of the Memorandum of Association to carry on business of KPO, BPO, IT related work and to do all other related activities.
- ii) The shortfall of two Independent Directors from beginning of the financial year was filled up by appointment on 16.07.2018.
- iii) During the year the company has filed their annual accounts and annual return with Registrar of Companies for the financial year 2016-2017 with additional fees.
- iv) The Company furnished Annual accounts of Financial year 2016-17 on BSE Portal during the year after paying applicable penalty for delayed submission.
- v) The Loan and advances of Rs. 5 Lacs given to Phosphate India Pvt. Limited, before appointment of Mr. Munish Chandra Goyal as Independent Director of the company was recovered during the year, in which he is also one of the director of the company.

For P. Talesara & Associates  
Company Secretaries

Sd/-  
Pawan Talesara  
Proprietor  
FCS No.: 8096, C P No.: 2674

Place: Udaipur (Raj.)  
Date: 02.09.2019

**Annexure-A: List of Documents verified under Co. Act 2013**

1. Memorandum and Articles of Association of the Company
2. Annual Return for the Financial year ended 31.03.2018
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination and Remuneration Committee along with Attendance Register maintained during the financial year under Report
4. Minutes of general board meetings held during the financial year under Report
5. All statutory Registers
6. Agenda papers sent for the Board Meetings and Committee Meetings
7. Declaration received from the Directors of the company pursuant to the provisions of section 184 of the companies Act, 2013 and attachments thereto during the financial year under Report.
8. E- Forms filed by the company, from time- to-time, under applicable provisions of the Companies Act, 2013 and attachments there to during the financial year under Report.

For P. Talesara & Associates  
Company Secretaries

Place: Udaipur (Raj.)  
Date: 02.09.2019

Sd/-  
(Pawan Talesara)  
Proprietor  
FCS No.: 8096, C P No.: 2674

*This Report should be read with my letter of even date which is annexed as Appendices A and forms an Integral Part of this Report.*

*Sd/-*

***P. Talesara & Associates  
Company Secretaries***

***213, Anand Plaza, Udaipur  
Tel. /Fax : 2429624,9414158294  
Email Id : tcsindya@gmail.com***

**Appendices A**

To,  
The Members,  
**MEWAR HI-TECH ENGINEERING LIMITED,**

My Report of given date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the process and practice I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of Laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, rules, regulation and standards is the responsibility of management. My 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 P. Talesara & Associates  
Company Secretaries

Sd/-

(Pawan Talesara)

Proprietor

FCS No.: 8096, C P No.: 2674

Place: Udaipur (Raj.)

Date: 02.09.2019



# SAGAR GOLCHHA & Co.

## CHARTERED ACCOUNTANTS

Office :- 21, 33 OSTWAL NAGAR, SUNDERWAS, UDAIPUR-313001

Ph :- 0294-2494475, 09829401815, e-mail [casagarit@yahoo.in](mailto:casagarit@yahoo.in)

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### INDEPENDENT AUDITOR'S REPORT

To the Members of Mewar Hi-Tech Engineering Limited, Udaipur

Report on the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Mewar Hi-Tech Engineering Limited, Reg. Off :- 1- Hawa Magri, Industrial Area, Sukher, Udaipur** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit & Loss (including other comprehensive income) and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 March 31, 2019, and profit/loss and its cash flows for the year ended on that date. **[Subject to comments in Note-1 & 2 of Accounting Policy & Note on Account]**

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**The following has been considered as Key Audit Matters:-**

- ❖ The company has borrowed loan from Dewan Housing Financial Corporation Ltd. against hypothecation of house of Director Shri C.S. Rathore and Smt Reena Rathore and the same has been considered under the head unsecured in the Balance Sheet. In our opinion, being a borrower said loan should be considered as secured.
- ❖ On the basis of books of account it is observed that the company has irregular in deposits statutory dues viz GST, TDS, I.Tax. In our opinion persuasive steps required to avoid the interest/ huge penalty and prolonged litigation.
- ❖ The Commercial Taxes Department ( Now GST) has raised net demand of Rs 8321580 vide order passed for F.Y.2016-17 dated 07.01.2019 on account of non submission of C-Forms, there is no provision in the books of account. In our opinion considering the quantum of demand either company should take initiative action with regard to submission of prolonged pending C-Forms or made provision for liability.
- ❖ Investment of Rs. 559467 in the name of M/s Kingson Africa P. Ltd. brought forwarded since long year, we have not got letter of confirmation during the course of audit.
- ❖ The large amount incurred on account of R & D expenses i.e. Rs. 5278159/- during the year, the incurred expenses has to be w/off within 10 years. Considering the perpetual nature of expenses, in our opinion certificate from appropriate valuer should be taken to justify incurred expenses.

**Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors is also responsible for overseeing the company's financial reporting process.

### **Auditors' Responsibility**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### **Other Matter**

We did not audit/obtained the financial statements/ information of three branches ( Aasam, Belgaon and Jhansi) as at 31st March 2019 and the total figures incorporated in the books of account for the year ended on that date, the disclosures included in respect of branches, is based solely on the information provided management in the books of account.

Our opinion is not modified in respect of these matters.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B " a statement on the matters specified in the paragraph 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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, and the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019 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 control over financial reporting of the company and the operating effectiveness of such control, refer to our separate Report in "Annexure A". Our report expresses an opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:-
- i. The Company does not have any pending litigation on its financial position in its financial statement.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**Place: Udaipur**

**Dated: July 3, 2019**

**For: SAGAR GOLCHHA & CO.**

**Chartered Accountants  
Firm Regn No.- 007755C**

**[CA. Sagar Golchha ]  
M.No.- 076797  
Proprietor**



**The Annexure – A referred to in our Independent Auditors’ Report to the members of the Mewar Hi-Tech Engineering Limited, , Udaipur on the financial statements for the year ended 31 March 2019, we report that:**

**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 **Mewar Hi-Tech Engineering Limited** (“the Company”) as of 31 March 2019 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 management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). 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 judgment, 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 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. **[Subject to comments in Note-1 & 2 of Accounting Policy & Note On Account]**

**Place: Udaipur**

**For: SAGAR GOLCHHA & CO.**

**Dated: July 3, 2019**

**Chartered Accountants  
Firm Regn No.- 007755C**

**[CA. Sagar Golchha ]**

**M.No.- 076797**  
**Proprietor**

**The Annexure - B referred to in our Independent Auditors' Report to the members of the Mewar Hi-Tech Engineering Limited on the financial statements for the year ended 31 March 2019, we report that:**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

1. In respect of fixed assets:
  - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b. As explained us, the fixed assets have been physically verified by the management according to a phase programmed, which in our opinion is reasonable having regard to the size of the company and nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the company, and the same have been disclosed as fixed assets in the financial statement. Details are as under:-

Particulars of assets	Date of Purchases	Description	Mortgage / Pledged	Book Value As On 31.03.2019 (Rs.)
Factory Land	26.06.2008	Araji No.1863/414 Area 0.21 Hectare	With Corporation Bank	11318796/-
Factory Land	18.06.2010	Araji No.1862/414 Area 3 Bigha's	With Corporation Bank	

2. In respect of Inventories:-

As explained to us, the inventories (excluding third parties) were physically verified during the year by the management at reasonable intervals and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.

However, in our observation, it is found that the company needs significant method to maintain inventory records. The persuasive inventory record must be maintained on account of proper verification and safeguard of the company. In

our opinion the maintained records is insufficient hence we have not verified. The management has valued / verified inventory taken in the Balance Sheet.

It is observed that no record have been produced for our verification of service work in progress, hence not verified. There is no service (repairing / job) in WIP at the end of the year.

3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 except interest free loan of Rs 1900000/- given to Mr. Lakhan Poswal during the year. Besides that no provision has been made for interest with regard to brought forwarded loans shown in Note-2.11 (a) of Rs. 1819721/-
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 Act, with respect to the loans and investments made.
5. According to the information and explanations given to us and record of the company examined by us, the Company has not accepted any deposits from the public during the year. The company has complied with the provision of sec. 73 to 76 or any other relevant provisions of the Companies Act, 2013.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
7. a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including GST, Income Tax, TDS and other material statutory dues have been noticed irregular to deposits during the year by the Company with the appropriate authorities.

According to information and explanations given to us, the following statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

S.No.	Nature of dues	Amount outstanding as on 31.03.2019 (Rs.)	Amount Pending more than six months (Rs.)	Related period	Remarks
1	TDS	1524518	920011	FY 18-19	
2	TCS	114551	8854	FY 18-19	
3	ESI Payable	118966	--	FY 18-19	
4	PF Payable	378578	--	FY 18-19	
5	GST (Net)	6872732	18027	FY 18-19	
6	VAT	64399	64399	FY 17-18	
7	Service Tax	833662	833662	FY 16-17	
8	Income Tax For A.Y. 2019-20	1500000	750000		Considered

	[Provision made in books ]				for two quarter June 18 and Sept 18
--	----------------------------	--	--	--	-------------------------------------

b. According to the information and explanations given to us, details of dues is payable which has been quantified by the any Govt. Authority.

Name of the statute	Nature of dues	Amount Payable (in Rs)	Period to which the amount relates (F.Y.)	Forum where dispute is pending /Remarks
Income Tax	Tax and interest	458050	2012-13	CIT-appeal, Udaipur
Income Tax	Tax and interest	661924	2013-14	CIT-appeal, Udaipur
Income Tax	Tax and interest	11530	2014-15	Demand due
Income Tax	Penalty U/s 271BA	80000	2013-14	CIT-appeal, Udaipur
VAT /CST	Declaration Forms and others	5343735	2014-15	Related to non submission of forms
VAT/CST	Declaration Forms and others	8321580	2016-17	Related to non submission of forms

8. According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions or Bank.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of the Order is not applicable.
10. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, notice or reported during the year, nor we have been informed of such case by the management.
11. Managerial remuneration has been paid / 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 and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause (xii) of the Order is not applicable.

13. All transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.
14. The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, clause (xiv) of the Order is not applicable.
15. The company has entered into non-cash transactions with directors or persons connected with him.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**Place: Udaipur**

**For: SAGAR GOLCHHA & CO.**

**Dated: July 3, 2019**

**Chartered Accountants  
Firm Regn No.- 007755C**

**[CA. Sagar Golchha ]  
M.No.- 076797  
Proprietor**

**MEWAR HITECH ENGINEERING LIMITED**  
**01- HAWA MAGRI, INDUSTRIAL AREA, SUKHER, UDAIPUR**  
**CIN U29299RJ2006PLC022625**

**BALANCE SHEET AS AT MARCH 31, 2019**

<u>PARTICULARS</u>	<u>NOTE</u>	<u>F.Y. 2018-19</u> <u>(Rs.)</u>	<u>F.Y. 2017-18 (Rs.)</u>
<b><u>EQUITY &amp; LIABILITIES:</u></b>			
<b>SHARE HOLDERS</b>			
<b>(1) FUNDS</b>			
(a) Share Capital	2.01	39,036,000	39,036,000
(b) Reserves & Surplus	2.02	69,671,439	68,999,796
<b>SHARE APPLICATION</b>			
<b>(2) MONEY</b>	2.03	0	0
<b>NON CURRENT</b>			
<b>(3) LIABILITIES</b>		0	0
Long Term			
(a) Borrowings	2.04	104,940,365	72,036,834
Deferred Tax			
(b) Liabilities (Net)		787,832	787,832
<b>CURRENT</b>			
<b>(4) LIABILITIES</b>			
Short Term			
(a) Borrowings	2.05	94,363,742	110,607,782
(b) Trade Payables	2.06	148,270,251	184,375,110
Other Short Term			
(c) Liabilities	2.07	2,803,425	7,136,488
(d) Short Term Provisions	2.08	19,318,081	31,606,983
		<b>T O T A</b>	
		<b>L</b>	
		<b>479,191,135</b>	<b>514,586,825</b>
<b><u>ASSETS:</u></b>			
<b>NON CURRENT</b>			
<b>(1) ASSETS:</b>			
<b>(a) FIXED ASSETS</b>			
Tangible Assets	2.09	76,968,047	78,567,044
Non Current			
(b) Investments	2.10	1,688,712	1,688,712

Long Term Loans &			
(c) Advances	2.11	3,844,903	2,154,050
<b>(2) CURRENT ASSETS</b>			
(a) Inventories	2.12	252,920,910	269,865,050
(b) Trade Receivables	2.13	103,931,714	124,172,425
Cash & Cash			
(c) Equivalents	2.14	2,632,642	4,595,514
Short Term Loans &			
(d) Advances	2.15	12,905,368	10,702,924
<b>(3) MISC EXPENDITURE</b>	2.16	24,298,839	22,841,107
		<b>T O T A</b>	
		<b>L</b>	
		<b>479,191,135</b>	<b>514,586,825</b>

SIGNIFICANT  
ACCOUNTING POLICIES 1 & 2  
AND NOTES ON ACCOUNTS

In terms of our audit report on even  
date.

For: M/s SAGAR GOLCHHA & Co.  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. -  
007755C

FOR : MEWAR  
HITECH  
ENGINEERING LTD.

[C.S.Rathore]  
DIN - 01748904  
(Director)

[CA Sagar Golchha]  
Proprietor  
[M.N.076797]  
Udaipur, 03 July 2019

[Reena Rathore]  
DIN - 01748907  
(Director)

<u>PARTICULARS</u>	NOTE	<u>F.Y. 2018-19</u> (Rs.)	<u>F.Y. 2017-18 (Rs.)</u>
<b>I. <u>INCOME</u></b>			



Revenue From			
(a) Operations	<b>2.17</b>	602,469,947	620,334,167
(b) Other Income	<b>2.18</b>	1,643,379	3,914,038

		<b>T O T A</b>	
<b>Total Revenue (a&amp;b)</b>		<b>L</b>	
		<b>604,113,326</b>	<b>624,248,205</b>

## II. EXPENDITURE

Raw Material			
(a) Consumed	<b>2.19</b>	441,876,725	475,063,640
(b) Changes In Inventories	<b>2.20</b>	36,569,295	5,751,520
Manufacturing &			
(c) Direct Expenses	<b>2.21</b>	37,807,145	39,176,776
Employee Benefit			
(d) Expenses	<b>2.22</b>	17,354,563	18,304,329
(e) Finance Cost	<b>2.23</b>	20,813,987	22,284,331
(f) Depreciation	<b>2.09</b>	12,719,592	11,518,176
(g) Other Expenses	<b>2.24</b>	32,409,691	29,746,289

		<b>T O T A</b>	
<b>Total Expenses (a to g)</b>		<b>L</b>	
		<b>599,550,997</b>	<b>601,845,061</b>

## III. PROFIT BEFORE

<b>TAX</b>	<b>(I-II)</b>	<b>4,562,329</b>	<b>22,403,144</b>
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## IV. TAX EXPENSES

(a) Income Tax Current			
Year Provision		1,500,000	7,500,000
(b) Income Tax Related			
to Earlier Year		2,390,687	2,498,761

<b>PROFIT FOR THE</b>			
<b>YEAR</b>	<b>(III-IV)</b>	<b>671,642</b>	<b>12,404,383</b>

## VI. EARNING PER EQUITY SHARE Basic & Diluted

	0.17	3.18
--	------	------

SIGNIFICANT  
ACCOUNTING POLICIES **1 & 2**  
AND NOTES ON ACCOUNTS

In terms of our audit report on even  
date.

**FOR : MEWAR**  
**HITECH**

**ENGINEERING LTD.**

**For: M/s SAGAR GOLCHHA & Co.  
CHARTERED ACCOUNTANTS  
FIRM REG. NO. -  
007755C**

**[C.S.Rathore]  
DIN - 01748904  
(Director)**

**[CA Sagar Golchha]  
Proprietor  
[M.N.076797]  
Udaipur, 03 July 2019**

**[Reena Rathore]  
DIN - 01748907  
(Director)**

**F.Y. 2018-19**  
**(Rs.)**

**F.Y. 2017-18 (Rs.)**

**NOTES TO THE BALANCE SHEET:**

**NOTE- 2.01****SHARE CAPITAL****AUTHORISED SHARE CAPITAL:**

[45,00,000 Equity Share of Rs. 10/- each]

45,000,000

45,000,000

**ISSUED ,SUBSCRIBED & PAID UP:**

Equity Share of Rs.10/- each

39,036,000

39,036,000

*The reconciliation of the number of shares outstanding and the amount of share capital as at March 31,2019 and March 31,2018 is set out below:*

Particulars	As at March. 31, 2019		As at March 31, 2018	
	No. of Shares	Rs.	No. of Shares	Rs.
Shares at the beginning	3,903,600	39,036,000	3,903,600	39,036,000
Add : Shares issued	0	0	0	0
Shares at the end	<b>3,903,600</b>	<b>39,036,000</b>	<b>3,903,600</b>	<b>39,036,000</b>

**NOTE- 2.02****RESERVES & SURPLUS****SECURITY PREMIUM**

Opening Balance

39192000

Add: On Share Issued during the year

0

39,192,000

39,192,000

**PROFIT & LOSS**

Opening Balance

29,807,79

7

Add : Net Profit for the

671,642

30,479,439

29,807,797

period

<b>T O T A</b>		
<b>L</b>	<b>69,671,439</b>	<b>68,999,797</b>

**NOTE- 2.03**

**SHARE APPLICATION MONEY:**

	0	0
<b>T O T A</b>		
<b>L</b>	<b>0</b>	<b>0</b>

**NOTE- 2.04**

**LONG TERM BORROWINGS**

**(A)**  
**SECURED**

**Small Industrial  
Development Bank of  
India**

2,423,600

*[Agt Hyp. of VTL  
Machine 500mm]*

Less : Current Maturity

588,000      1,835,600      2,423,600

<b>T O T A</b>		
<b>L (A)</b>	<b>1,835,600</b>	<b>2,423,600</b>

**(B)**  
**UNSECURED**

**Term Loans from**

**(a)**  
**Banks**

**Dewan Housing  
Finance Corporation  
Ltd**

[Mortgage Loan against H.No. 3C,  
Ambavgarh,Udaipur owned by  
Director Mrs.Reena Rathore &  
Sh.Sh.C.S.Rathore]

53,606,00  
2

Less : Current Maturity

1,546,070      52,059,932      53,537,501

**Fullerton India credit  
Co.Ltd (Business Loan  
- 30.44 Lakh)**

669,355

Less : Current Maturity

669,355      0      669,355

**(b)**  
**Loan from Others**

Fatehlal Harkawat

0      200,000

Shree Balaji

Construction (Jodhpur)

0      3,543,885

**Loans & Advances**  
**from Related Parties**  
 (c) **(Interest bearing)**

Kingson Hi -Tech Industries	0	2,910,748
Mewar Technocast P.Ltd	28,208,303	0
Shiv Singh Rathore (Rawatbhata)	0	223,400
Shri Chattar Singh Rathore	6,899,021	8,528,345
Mrs. Reena Rathore	1,190,402	0
V.S.R Rocks Engineering	14,747,107	0

**T O T A**

**L (B)**

**103,104,765**

**69,613,234**

**T O T A L (A+B)**

**104,940,365**

**72,036,834**

*\*Segregation of Long Term & Short term Borrowings are on discretion of Management.*

**NOTE- 2.05**

**SHORT TERM BORROWINGS**

**SECURED**

**Loans Repayable on Demand 'From Banks**

Corporation Bank C.C A/c - 560101000094698 [W.C. Loan]	94,363,742	97,982,782
Corporation Bank A/c No-571111000001793 [Inland Bill discou 571111000001793 [Inland Bill discount]]	0	12,625,000
<b>T O T A</b>	<b>94,363,742</b>	<b>110,607,782</b>
<b>L</b>		

*Working capital loan are secured by hypothecation of present and future stock of raw material, finished good, work in progress, store spare, book debts etc.*

**NOTE- 2.06**

**TRADE PAYABLE****(a) Trade Creditors**

<b><u>More Than 180 Days</u></b>	26,040,232	24,779,225
Less Than 181 Days	98,221,393	92,119,927
<b>T O T A</b>	<b>124,261,625.0</b>	
(As per Statement-1)	<b>L (a)</b>	<b>116,899,152</b>

**(b) Advance From Customers**

More Than 180 Days	5,433,099	18,352,142
<b><u>Less Than 180 Days</u></b>	18,575,528	49,123,816
(As per Statement-2)		
<b>T O T A</b>		
<b>L (b)</b>	<b>24,008,626</b>	<b>67,475,958</b>
<b>T O T A</b>		
<b>L (a+b)</b>	<b>148,270,251</b>	<b>184,375,110</b>

<b><u>NOTE- 2.07</u></b>	<b><u>F.Y. 2018-19</u></b>	<b><u>F.Y. 2017-18 (Rs.)</u></b>
	<b>(Rs.)</b>	

**OTHER SHORT TERM LIABILITIES****Current Maturities of Long Term Debt**

Corp Bank T/L Rs.210 Lac A/c No.130005	0	4,200,004
Fullerton India Credit Co Ltd. (Business Loan)	669,355	865,834
ICICI Bank Ltd. (Creta) Small Industrial Development Bank of India	0	22,659
	588,000	588,000
Dewan Housing Finance Corporation Ltd	1,546,070	1,459,991
<b>T O T A</b>		
<b>L</b>	<b>2,803,425</b>	<b>7,136,488</b>

**NOTE- 2.08****SHORT TERM PROVISIONS**

Audit & Legal Fee Payable	353,900	131,320
Bonus Payable	1,117,256	1,244,525
Civil Wages Payable	70,486	45,460
CST Recovered	998,706	319,150
Director Remuneration Payable	0	269,193
E.P.F. Payable	378,578	451,423
ESI Payable	118,966	250,852
Excise Duty Payable	0	3,956,703
FBT Payable	59,024	59,024
GST Payable	6,854,705	10,491,186
GST Payable - Belgaum Branch	18,027	18,027
Interest Payable to financial Institutions	0	58,286
Outstanding Expenses	0	6,952
Provision for Taxation for the Year	1,500,000	7,500,000
S.D. Against C Form (Not to Deposit)	32,941	32,941
Salary Payable	2,743,185	3,035,381
Service Tax Payable	833,662	833,662
TCS Payable	114,551	17,854
TDS Payable	1,524,518	1,268,652
Vat Payable - Assam Branch	41,837	41,837
Vat Payable - Belgaum Branch	22,562	22,562
Wages Payable	2,535,177	1,551,993
<b>T O T A</b>		
<b>L</b>	<b>19,318,081</b>	<b>31,606,983</b>

**NOTE- 2.10****NON CURRENT INVESTMENTS**

Equity Share in Mewar Technocast P. Ltd.	1,000,000	1,000,000
Gold Coins	129,245	129,245
Kingson Africa P.Ltd	559,467	559,467
<b>T O T A</b>		
<b>L</b>	<b>1,688,712</b>	<b>1,688,712</b>

**NOTE- 2.11**

	<u>F.Y. 2018-19</u> <u>(Rs.)</u>	<u>F.Y. 2017-18 (Rs.)</u>
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**LONG TERM LOANS & ADVANCES**

(Secured Considered Good)

(a) **Other Advances**

Birendra Nehpal	15,000	15,000
Lakhan Poswal	1,900,000	0
Meenakshi Property	400,000	400,000
Narendra Gehlot- Contractor	0	105,747
Pantomath Capital Advisors P.Ltd	234,618	234,618
Pradeep Kumar Danga	308,350	213,750
Ram Naresh Yadav- Contrator	0	98,000
Shivraj Singh Ji Saktawat	761,753	761,753
Skylark Studio	0	100,000
Thomas Cook India P Ltd	100,000	100,000
<b>T O T A</b>		
<b>L (a)</b>	<b>3,719,721</b>	<b>2,028,868</b>

(b) **Security Deposits**

Security Deposit with A.V.V.N.L	31,309	31,309
Security Deposit with B.S.N.L	11,600	11,600
Security Deposit with CTO	10,000	10,000
Security Deposit with UPRVUNL-Panki	72,273	72,273
<b>T O T A</b>		
<b>L (b)</b>	<b>125,182</b>	<b>125,182</b>



<b>T O T A</b>		
<b>L (a+b)</b>	<b>3,844,903</b>	<b>2,154,050</b>

**NOTE- 2.12****INVENTORIES**

Raw Material	69,641,055	50,015,900
Work In Progress / Finished Goods	183,279,855	219,849,150
<i>(Inventories are valued and certified by the Management.)</i>		
<b>T O T A</b>		
<b>L</b>	<b>252,920,910</b>	<b>269,865,050</b>

**NOTE- 2.13****TRADE RECEIVABLES**

(Secured Considered  
Good)

(a) **Trade Debtors**

<b><u>More Than 180 Days</u></b>	34,416,777	56,443,323
Less Than 180 Days (As per Statement-3)	61,747,124	58,332,977
<b>T O T A</b>		
<b>L (a)</b>	<b>96,163,901</b>	<b>114,776,299</b>

(b) **Advance to Suppliers**

<b><u>More Than 180 Days</u></b>	6,255,990	6,402,291
<b><u>Less Than 180 Days</u></b> (As per Statement-4)	1,511,823	2,993,835
<b>T O T A</b>		
<b>L (b)</b>	<b>7,767,813</b>	<b>9,396,126</b>
<b>T O T A</b>		
<b>L (a+b)</b>	<b>103,931,714</b>	<b>124,172,425</b>

**NOTE- 2.14**

<b><u>F.Y. 2018-19</u></b> <b>(Rs.)</b>	<b><u>F.Y. 2017-18 (Rs.)</u></b>
--------------------------------------------	----------------------------------

**CASH & CASH EQUIVALENTS****(a) Balance With Banks**

Corporation Bank C/A 059701601000259	562,570	2,933,007
Corporation Bank C/A 059701601000489	3,765	5,141
HDFC Bank Ltd. C/A 22422320000031	879,535	924,566
SBBJ Bank C/A 3398	0	272
State Bank of India C/A 9075	11,403	764

<b>T O T A</b>		
<b>L (a)</b>	<b>1,457,273</b>	<b>3,863,749</b>

**(b) Cash in Hand**

<b>T O T A</b>		
<b>L (b)</b>	<b>1,175,369</b>	<b>731,765</b>

<b>T O T A</b>		
<b>L (a+b)</b>	<b>2,632,642</b>	<b>4,595,514</b>

**NOTE- 2.15****SHORT TERM LOANS & ADVANCES**

(a) Advance Against Expenses to Staff/worker	6,203	33,957
Advance Against Salary/Wages	3,000	64,037
Advance Against Travelling	140,853	72,011
Loan to Staff & Workers	337,039	-90,545
Income Tax For Stay - A.Y.2013-14	120,000	100,000
Income Tax For Stay - A.Y.2010-11	400,000	400,000
Income Tax For Stay - A.Y.2014-15	259,306	0
Income Tax Refund	1,820	0
Prepaid Expenses	52,000	127,718
Prepaid Insurance	59,499	173,894
Sanjeev Sharma	0	117,262

<b>T O T A</b>		
<b>L (a)</b>	<b>1,379,720</b>	<b>998,334</b>

**(b) Security Deposits**

EMD with MOIL Ltd.	74,900	74,900
EMD with Software Technology Parks of India	500,000	500,000
EMD with UPRVUNL- Kasimpur	26,000	26,000
EMD With UPRVUNL- Obra	143,400	143,400
HDFC Smart Card	6,277	0
Input Sales Tax/VAT	8,264,099	8,264,099
Input Excise Duty	594,522	0
Security Deposit (LPG Belgaum)	0	1,700
Security Deposit with BSE Ltd.	233,640	233,640
Security Deposit with Chandra Doshi- Landlord	9,000	9,000
Security Deposit with Hamburg Sud India P. Ltd	21,845	21,845
Security Deposit with Man Bhawan Real Estate P. Ltd	0	10,000
Security Deposit with MSC Agency Ind.P. Ltd	20,000	20,000
Security Deposit With RSMML	19,000	19,000
Security Deposit with SAIL	13,333	13,333
Security DepRoyal Imperial Resident Welfare Society	100,000	0
Tribunal Appeal Excise Ag Advance Deposit	690,164	0
TDS on Interest recoverable from NBFC	748,765	176,595
TDS Receivable (F.Y. 2015-16)	26,667	77,518
TDS Receivable (F.Y. 2016-17)	10,812	9,972
TDS Receivable (F.Y. 2017-18)	0	84,677
TDS Receivable (F.Y. 2018-19)	23,223	0

Vat Receivable - Jhansi  
Branch

	0	18,911
<b>T O T A</b>		
<b>L (b)</b>	<b>11,525,648</b>	<b>9,704,590</b>
<b>T O T A</b>		
<b>L (a+b)</b>	<b>12,905,368</b>	<b>10,702,924</b>

**NOTE- 2.16**

**F.Y. 2018-19**  
**(Rs.)**

**F.Y. 2017-18 (Rs.)**

**MISCELLANEOUS EXPENDITURES**

[Not to be written off or  
adjusted]

	22,841,107		
Deferred Expenditure	7		
Less : 1/10 W/off	<u>3,292,611</u>	19,548,496	22,841,107
Deferred Expenditure	5,069,020		
Less : 1/10 W/off	<u>506,902</u>	4,562,118	0
(Development Exp. For Hydraulic Power Pack & Gear Box )			
Deferred Expenditure	209,139		
Less : 1/10 W/off	<u>20,914</u>	188,225	0
<b>T O T A</b>			
<b>L</b>	<b><u>24,298,839</u></b>		<b><u>22,841,107</u></b>

**NOTES TO THE PROFIT & LOSS STATEMENT:**                      **2018-19 (Rs.)**                      **2017-18 (Rs.)**

**NOTE- 2.17**

**REVENUE FROM OPERATIONS**

**Supplies of Goods**

Supplies of Finished Goods	524,924,765	541,807,313
Supplies of Finished Goods (Export )	83,680,565	85,039,283
Supplies (Under Trade)	7,437,117	11,937,561
Supplies at Branches	0	173,422
	<b>616,042,447</b>	<b>638,957,579</b>

**Supply of Services**

Job Work Income	9,667,971	13,204,593
Research & Development Income	250,000	0
Marketing Service	234,990	0
	<b>626,195,408</b>	<b>652,162,172</b>

Less : Excise Duty	0	15,094,634
Less :- Supply Return	23,725,461	16,733,371

<b>T O T A</b>		
<b>L</b>	<b>602,469,947</b>	<b>620,334,167</b>

**NOTE- 2.18**

**OTHER INCOME**

Foreign Exchange Gain/Loss	72,591	616,326
Security deposit of staff forfeited	0	526,828
Interest Income	1,431,890	0
Income from Industrial Training Programme	0	29,600
Rental Income - Plant & Machinery	0	1,500,000
Profit on Sale of Assets	0	808,474

Packing & Forwarding	37,898	35,606
Sundry Balance W/off	0	397,204
Order Cancellation		
Charges	101,000	0
<b>T O T A</b>		
<b>L</b>	<b>1,643,379</b>	<b>3,914,038</b>

**NOTE- 2.19****RAW MATERIAL  
CONSUMED**

Opening Stock	50,015,900	
	461,501,88	
Add: Purchases	0	
	511,517,78	
	0	
Less: Closing Stock	69,641,055	
<i>* It includes goods for trading also.</i>		
<b>T O T A</b>	441,876,725	475,063,640
<b>L</b>	<b>441,876,725</b>	<b>475,063,640</b>

**NOTE- 2.20****INCREASE/(DECREASE  
) IN FINISHED  
GOODS / WIP**

Opening Stock	219,849,150	225,600,670
Closing :- Finished		
Goods/Work In Progress	183,279,855	219,849,150
<b>T O T A</b>		
<b>L</b>	<b>36,569,295</b>	<b>5,751,520</b>

**NOTE- 2.21****2018-19 (Rs.)****2017-18 (Rs.)****MANUFACTURING & DIRECT EXPENSES**

Diesel & Fuel	902,123	575,162
Discount & Rebate	659,439	640,043
Compensation to Buyer	831,032	0
Excise on FOC born by Co.	0	609,149

Erection & Installation Charges	560,300	1,349,787
Freight Inward	4,324,279	5,599,098
Freight Outward, Loading & Unloading Charges	1,746,786	3,092,593
Job Work Charges	2,819,305	6,143,076
Power Expenses	197,466	363,702
Repair & Maintenance (Direct)	4,374,695	1,895,224
Wages to Workers	21,389,379	18,906,531
Weightment Charges	2,340	2,410
<b>T O T A L</b>	<b>37,807,145</b>	<b>39,176,776</b>

**NOTE- 2.22****EMPLOYEE BENEFIT EXPENSES**

Bonus to employees	1,141,440	1,245,365
Employer Contribution towards ESI	1,026,016	942,878
Employer Contribution towards PF	2,022,193	2,703,988
Leave Encashment	348,809	117,480
Salary to Staff	6,975,399	7,665,904
Staff & Labour Welfare Expenses	1,136,820	607,489
Allowance & Perquisites to Staff	4,703,886	5,021,225
<b>T O T A L</b>	<b>17,354,563</b>	<b>18,304,329</b>

**NOTE- 2.23****FINANCE COST**

Bank Charges & Commission	682,097	1,526,769
Bank Charges (Export)	41,006	270,936
Interest on Business Loan	187,150	868,359

Interest on Cash Credit Limit	12,263,308	11,118,407
Interest on Equipment Loan	0	525,158
Interest On Sales Tax	0	210,756
Interest on Term Loan	545,068	708,367
Interest on Secured Loan	8,358	461,546
Interest on Unsecured Loan	6,897,818	4,875,511
Interest on Vehicle Loan	0	252,355
Interest to Other	35,219	659,154
Interest on TDS Late deposition	0	463,330
Interest on Excise Duty	0	19,592
Interest on Foreign Bill Discounted	152,783	87,372
Interest on Inland Bill Discounted	0	236,719
L.C/B.G Commission Charges	1,180	0
<b>T O T A L</b>	<b>20,813,987</b>	<b>22,284,331</b>

**NOTE- 2.24****2018-19 (Rs.)****2017-18 (Rs.)****OTHER EXPENSES**

Advertisement & Publicity	600,783	762,344
Annual Maintenance Charges	44,750	162,600
Audit & Legal Fee	291,000	271,000
Audit Expenses	21,079	11,053
Audit Fee (Stock Audit)	15,000	16,320
Book & Periodicals	4,000	5,000



Business Promotion Expenses	541,388	1,170,911
Business Promotion Expenses W/off	212,900	0
Charity & Donation	9,000	107,500
Clearing & Forwarding Exp.(Export)	0	377,000
Computer Software	0	10,800
Consultancy Charges	319,500	167,500
Conveyance Exp.	234,323	573,926
Credit Rating Expenses	76,852	27,000
Daily Allowance	0	8,800
Demurrage Charges	35,189	82,491
Director Remuneration	3,361,555	4,200,000
Director Travelling Expenses (Business)	383,443	521,523
Entertainment Expenses	23,097	0
Expenses on Export	0	45,321
Expenses Related to Earlier Year	4,552,553	1,631,233
Export Certification Expenses	4,500	0
Factory Expenses	0	24,020
Fee (Valuation, Tax, Cess etc)	441,510	276,026
Festival Expenses	59,910	286,833
FOC Replacement Expenses	0	52,144
Foundation Day	297,972	191,897
Gardening Expenses	69,880	0
Gratuity Expenses	534,112	164,063
Guest House Up Keep	88,736	79,013
Insurance expenses	464,741	392,809
ISO 9001:2008 Expenses	18,000	0
Late Fee	521,818	0
Legal & Professional Exp.	228,168	144,700
Legal & Professional fee	613,950	525,727

Leads	7,500	0
Loss on Sale of Assets	345,442	0
Membership & Subscription	106,017	50,373
Misc. Expenses	3,714	25,538
Misc. Expenses W/off	0	3,292,612
Office Expenses	48,061	66,189
Packing & Forwarding expenses	16,225	52,201
Penalty ( BSE Limited)	80,000	0
Penalty (Govt Liab.)	212,660	833,532
Postage & Courier Charges	92,023	93,114
Printing & Stationery	549,048	493,888
Product Development Expenditure W/off	1,358,480	0
Recruitment Expenses	0	22,000
Rent - Branch Godown	0	36,000
Rent - Branch Office	0	27,420
Rent - Branch Room	0	16,000
Rent - Plant & Machinery (MTPL)	402,000	402,000
Rent - Registered office	775,000	600,000
Rent - Staff Room	73,500	122,500
Repairs & Maintenance (Indirect)	162,124	627,369
Research & Development Expenditure W/off.	2,249,047	0
Rounded Off	12,252	0
Sales Commission- Domestic	223,420	444,720
Sales Commission-Export	3,219,996	2,306,338
Sales Tax Expense (Tax)	0	35,504
Security expenses for safety	1,850	6,000

SME Listing Expenses	27,578	0
Social Welfare Expenses	0	355,180
Software Expenses	171,842	0
Sundry Balance W/off	814,792	0
Tea Expenses	111,301	443,789
Telephone & Mobile Expenses	693,504	120,948
Tender Fee	6,957	1,180
Training Expenses	115,594	60,400
Travelling Expenses	4,630,809	5,506,472
Vehicle Up-Keep Expenses	1,620,545	1,162,169
Website Expenses	208,700	253,300
<b>T O T A L</b>	<b>32,409,691</b>	<b>29,746,289</b>